



**NOTE ON THE FISCAL 2021 EXECUTIVE BUDGET FOR THE COMMITTEE ON
GOVERNMENTAL OPERATIONS
MAY 29, 2020**

New York City Council

Hon. Corey Johnson,
Speaker
Hon. Daniel Dromm, Chair,
Finance Committee
Hon. Fernando Cabrera,
Governmental Operations

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Campaign Finance Board Overview

The New York City Campaign Finance Board (CFB) was created in 1988 as an independent, nonpartisan city agency. The CFB has three primary mandates, which include administering the Campaign Matching Funds program; publishing the Voter Guide; and overseeing the Debate Program. This report provides an overview of the Campaign Finance Board's Fiscal 2020 Executive Budget.

Below is a summary of key funding changes by program area and source when comparing CFB's Fiscal 2021 Executive Budget to its Fiscal 2020 Adopted Budget.

Campaign Finance Board Financial Summary						
<i>Dollars in Thousands</i>	FY18	FY19	FY20	Executive Plan		*Difference
	Actual	Actual	Adopted	FY20	FY21	FY20-FY21
Spending						
Personal Services	\$9,808	\$10,063	\$12,430	\$10,930	\$14,649	\$2,219
Other Than Personal Services	11,511	6,332	14,645	12,645	24,402	9,757
Election Funding	11,671	9,000	1,000	1,000	3,000	2,000
TOTAL	\$32,989	\$25,395	\$28,075	\$24,575	\$42,050	\$13,976
Personal Services						
Additional Gross Pay	\$179	\$114	\$32	\$32	\$32	\$0
Full-Time Salaried - Civilian	8,257	8,898	11,880	10,380	13,666	1,786
Unsalaries	947	761	440	440	446	6
Overtime - Civilian	430	292	75	75	75	0
Amounts to be Scheduled & P.S. Other	(6)	(2)	3	3	429	426
Subtotal	\$9,808	\$10,063	\$12,430	\$10,930	\$14,649	\$2,219
Other Than Personal Services (including Election Funding)						
Contractual Services	\$5,641	\$3,008	\$8,377	\$7,477	14,491	\$6,114
Election Funding & Other Fixed & Misc. Charges	11,671	9,000	1,000	1,000	3,000	2,000
Other Services & Charges	3,369	1,988	4,116	1,723	5,592	1,475
Property & Equipment	1,043	191	313	803	348	35
Supplies & Materials	1,457	1,146	1,838	2,642	3,971	2,133
Subtotal	\$23,182	\$15,332	\$15,645	\$13,645	\$27,402	\$11,757
TOTAL	\$32,989	\$25,395	\$28,075	\$24,575	\$42,050	\$13,976
Funding						
City Funds			\$28,075	\$24,575	\$42,050	\$13,976
TOTAL	\$32,989	\$25,395	\$28,075	\$24,575	\$42,050	\$13,976
Budgeted Headcount						
Full-Time Positions	99	106	121	121	144	23
TOTAL	99	106	121	121	144	23

*The difference of Fiscal 2020 Adopted Budget compared to Fiscal 2021 Executive Budget.

CFB's Fiscal 2021 Executive Budget totals \$42.1 million, including \$14.6 million in Personal Services (PS) costs to support 144 full-time positions. CFB's budget includes new needs of \$27.6 million, which will be discussed in the following section of this report. Additionally, CFB will realize \$3.5 million in budgetary savings in Fiscal 2020, which is discussed in the "Citywide Savings" section of this report.

New in the Executive Budget

As mentioned above, CFB's Fiscal 2021 Executive Budget includes \$27.6 million in new needs, of which \$6.6 million will be used to pay for 23 positions, as the CFB hires additional staff for its Public Affairs Division, to generate public communication to voters for the June 2021 Primary, and for its Audit Division, to handle the volume of candidates for the June 2021 Citywide Primary.

Additionally, \$18.2 million of new needs funding is allocated to the design and mailing of the voter guide for the 2020 – 2021 elections. This funding will help provide for the design and distribution of the voter guide for the 2020 – 2021 elections, and will include individual voter history, as per Local Law 88 of 2017, as well as information related to Ranked Choice Voting, which takes effect in January 2021.

The Board's budget also includes \$1 million in Fiscal 2020 and \$3 million in Fiscal 2021 to provide matching funds for participating candidates for elections, primarily for the June 2021 Citywide Primary. The CFB's budgetary needs change annually according to the election cycle. Driven by the legal requirement to give campaign matching funds to participating candidates, the Board requires budgetary resources proportional to the number of candidates who participate in any given election cycle.

CFB's Fiscal 2020 budget totals \$13.6 million, which is \$2 million less than its Fiscal 2020 Adopted Budget of \$15.6 million. This is primarily driven by the Board's Citywide Savings Program, which is discussed in the "Citywide Savings" section of this report. For additional information on financial plan actions, please refer to Appendix A.

Citywide Savings

The Campaign Finance Board will generate savings of \$3.5 million in Fiscal 2020, which include the following.

- **OTPS Savings.** CFB will generate one-time budgetary savings of \$2 million in Fiscal 2020, as the Board has opted for an online-only Voter Guide for the June 23rd elections. Savings will be generated through the avoidance of mailing, printing, and postage costs.
- **PS Savings.** CFB will generate one-time budgetary savings of \$1.5 million in Fiscal 2020 through delays in filling vacant positions.

Campaign Matching Funds

The CFB administers the Campaign Matching Funds Program, which provides eligible candidates for elected City offices (the Mayoralty, Public Advocate, Comptroller, Borough Presidency, and City Council) matching public funds for private donations received. In the previous Matching Funds Program, each private donation would be matched six-to-one with public funding, up to a maximum donation value of \$175. For example, if a candidate received a private donation of \$500, \$175 of that \$500 would be matched six-to-one, with public funds. This equates to \$1,050 in public funds, on top of the \$500 private donation the candidate received.

As provided by Ballot Proposal 1, approved by voters in the 2018 November General Election, the private donations a candidate receives will be matched eight-to-one, instead of six-to-one, up to a maximum donation of \$250. The new law also lowers the amount a candidate for City-elected office may accept from a contributor by more than 40%, from \$5,100 to \$2,000 for Mayor, Public Advocate and Comptroller, from \$3,950 to \$1,500 for Borough President, and from \$2,850 to \$1,000 for City Council. Although this law will take effect as of the 2021 primary election, until then candidates running for City-elected office may opt for either the old or new campaign contribution limit, matching formula, qualifying threshold, public funds cap and distribution schedule.

Local Law 1 of 2019 adapts the new campaign finance regime for special elections held prior to the 2021 elections, including halving the threshold of matchable contributions for eligible candidates for mayor, public advocate or comptroller and also reducing the contribution threshold to participating in a debate. Candidates who participate in the Campaign Matching Funds Program can use public funding to cover 75 percent of their expenditure limit.¹ This expenditure limit, which only applies to candidates who participate in the program, varies depending on which elected office a candidate is running, as well as the number of elections the candidate has participated in in an election year (i.e. primaries, general elections, or both).

Local Law 128 of 2019 establishes what is often known as a ‘full public match’, wherein all participating candidates could reach their expenditure limit using only matchable contributions and public funds. For covered elections before 2022, this full public match would be available to participating candidates who selection ‘Option A’. In 2022 and thereafter, it would be available to all participating candidates. This Local Law also clarified and updates the City’s campaign finance laws, first by repealing language previously placed in the Charter and moving relevant portions into the Campaign Finance Act (CFA), while maintaining an Option system for pre-2022 covered elections. For additional information, please refer to Local Law 128 of 2019.

Given Local Law 128 of 2019, CFB’s Fiscal 2021 budget, as of the release of the Fiscal 2021 Executive Plan, does not accurately reflect the operational needs of the Board. According to CFB, in its budget submission to the Mayor on March 10th, as required by City Charter, the Board submitted a Public Matching Funds Program budget of \$78.8 million for Fiscal 2021, of which only \$2 million was added as of the release of the Executive Plan. However, according to the City Charter, section 1052 (C) states that after the Board has submitted a detailed itemized estimate of their financial needs “... *the Mayor shall include such estimates in the executive budget without revision, but with such recommendations as the Mayor may deem proper. Upon inclusion in the executive budget, the budget submitted by the Campaign Finance Board shall be adopted pursuant to such provisions of chapter ten of this charter as are applicable to the operating budget of the Council*”. The Campaign Finance Board and the Office of Management and Budget have agreed to solve this issue in upcoming financial plans.

Voter Assistance Advisory Committee

The 2010 Charter Revision Commission amended the New York City Charter to reconstitute the Voter Assistance Commission (VAC) within the CFB, commencing January 1, 2011. As part of implementing the new provisions of the Charter, VAC staff moved to the CFB as the new Voter

¹ Public funding can represent more than 75% of a candidate’s actual expenditure, as long as actual expenditures are below the candidate’s expenditure limit.

Assistance Unit, and a new Voter Assistance Advisory Committee (VAAC) was created, comprised of nine members whose role is to advise the CFB on voter engagement.

As a result of the of the Poll Site Interpretation Program carried out by the Mayor's Office of Immigrant Affairs (MOIA), which provides poll site interpreters at different polling sites, Council Member Treyger introduced legislation at a Governmental Operations Committee Hearing on April 30, 2019. This legislation would amend the NYC Charter to require VAAC to provide interpreters at poll sites in designated languages citywide, pursuant to Section 23-1101 of the Administrative Code. Section 23-1101 requires designated languages include the top six limited English proficiency languages spoken by the NYC population based on US Census data, and an additional four languages based on language data collected by the City's Department of Education.² As of May 15, 2017, these ten languages include Spanish, Chinese, Korean, Bengali, Russian, Haitian Creole, Polish, French, Urdu, and Arabic. Under the bill, VAAC would not provide interpreters for languages that the NYC Board of Elections (BOE) already provides interpreters for. VAAC would be required to provide interpreters at poll sites which contain an election district with 50 or more voting-age residents whose primary language is one of those ten designated citywide languages.³ These interpreters would be made available within a poll site, to the extent permitted under NY State Law, or otherwise be made available within a legally-permissible distance from the poll site.⁴ Negotiations on this bill are still ongoing.

² Committee on Governmental Operations Report. Oversight hearing on early voting and poll site interpretation in New York City. It also includes the hearing of Int. 1282-2018, introduced by CM Treyger – a Local Law to amend the NYC Charter, in relation to the voter assistance advisory committee providing poll site interpreters in all designated citywide languages. April 30, 2019.

<https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3763667&GUID=C6C1C4F8-BE3D-4755-B131-EFA3D7B28DB2&Options=&Search=>

³ Ibid.

⁴ Ibid.

Appendix 1: Fiscal 2021 Budget Actions since Fiscal 2020 Adoption

<i>Dollars in Thousands</i>	FY20			FY21		
	City	Non-City	Total	City	Non-City	Total
CFB Budget as of the FY20 Adopted Budget	\$28,075	-	\$28,075	\$14,420	\$-	\$14,420
New Needs - Exec						
CFB FY21 Budget	-	-	-	\$27,630	\$-	\$27,630
Subtotal, New Needs	-	-	-	\$27,630	\$-	\$27,630
Other Adjustments						
OTPS Savings	\$(2,000)	-	\$(2,000)	-	-	-
PS Savings	\$(1,500)	-	\$(1,500)	-	-	-
Subtotal, Other Adjustments	\$(3,500)	-	\$(3,500)	\$-	\$-	-
CFB Budget as of the FY21 Executive Budget	\$24,575	\$-	\$24,575	\$42,051	\$-	\$42,051