

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON GOVERNMENTAL OPERATIONS

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November 15, 2023
Start: 11:13 a.m.
Recess: 11:23 a.m.

HELD AT: COMMITTEE ROOM - CITY HALL

B E F O R E: Sandra Ung, Chairperson

COUNCIL MEMBERS:

Shahana Hanif
Lynn C. Schulman

SERGEANT-AT-ARMS: This is a microphone check for the Committee on Governmental Operations. Today's date is November 15, 2023, located in the Committee Room, recording done by Pedro Lugo.

SERGEANT-AT-ARMS: Good morning and welcome to the New York City Council vote of the Committee on Governmental Operations.

At this time, can everybody please silence your cell phones?

Thank you for your cooperation.

Chair, we are ready to begin.

CHAIRPERSON UNG: Good morning. I'm City Council Member Sandra Ung, Chair of the Committee on Governmental Operations. I'd like to welcome my Colleagues who have joined us, Council Member Hanif and Schulman.

At today's hearing, the Committee will be voting on the bills sponsored by Majority Leader Keith Powers that will exempt credit card and bank fees from campaign expenditure limitations. The New York City Council has been the forefront of campaign finance reform since 1988 when it first established publicly financed campaigns in New York City. Under the current program, candidates who participate in

the public finance program are eligible to receive 8 dollars in public funds for every matchable dollar raised. In exchange, participating candidates must abide by certain expenditure limits and other requirements. These expenditure limits are intended to reduce disparities between campaigns' ability to get their message out to the voters. Over the last several years, the way that people give to campaigns has significantly changed according to the CFB during the 2001 election campaign cycle where the most popular method of donating to city campaigns with over 90 percent of the contributions made by check and only a small number of contributions being made by credit. By 2021, those numbers have changed drastically with credit card contributions making up over 85 percent of the contributions with only a small percentage of contributions being by check. While individual donors might find it easier donating using a credit card, this method comes at a significant cost to campaigns. Credit card companies can charge candidates anywhere from 1.5 to 3.5 percent of each transaction. Likewise, bank fees can be costly, but they do not contribute in any way to a campaign's ability to get its message out to voters.

Counting these fees toward a campaign's spending limits goes against both the spirit and the purpose of the expenditure limit. It is time we fix that. The City's campaign finance program has been amended dozens of times since it was enacted, and there is a long history of improvements to the law under the Council's stewardship. The bill we'll be voting on today will serve to add to that history of improvements. Intro. 348 sponsored by Council Member Powers would provide that bank fees and credit card processing fees paid by campaigns for contributions received by campaigns would not count against the expenditure limitations.

With that, I'd like to thank Jayasri Ganapathy and Erica Cohen from the Central Staff for their work in putting this hearing together.

I now turn it over to Legislative Documents to take the vote.

COMMITTEE CLERK WILLIAM MARTIN: Good morning, everyone. William Martin, Committee Clerk. Roll call vote Committee on Governmental Operations. Chair Ung.

CHAIRPERSON UNG: I vote aye.

COMMITTEE CLERK WILLIAM MARTIN: Brewer.

Hanif.

COUNCIL MEMBER HANIF: Aye.

COMMITTEE CLERK WILLIAM MARTIN: Restler.

Schulman.

COUNCIL MEMBER SCHULMAN: Aye.

COMMITTEE CLERK WILLIAM MARTIN: With a vote of three in the affirmative, zero in the negative, and no abstentions, item has been adopted by the Committee.

The roll will be held open at the request of the Chair.

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date November 17, 2023