

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
Speaker of the Council

Hon. Fernando Cabrera
Chair, Committee on Governmental Operations



Report of the Finance Division on the
Fiscal 2022 Executive Plan on the
Campaign Finance Board

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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 2022 Executive Budget.

Below is a summary of key funding changes by program area and source when comparing CFB's Fiscal 2022 Executive Budget to its Fiscal 2021 Adopted Budget.

Campaign Finance Board Financial Summary						
	FY19	FY20	FY21	Executive Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	FY21	FY22	FY21-FY22
Spending						
Personal Services	\$10,063	\$10,876	\$13,923	\$12,750	\$12,511	(\$1,412)
Other Than Personal Services	6,332	11,674	23,231	16,891	19,281	(3,950)
Election Funding	9,000	(2,500)	3,000	65,500	40,800	37,800
TOTAL	\$25,395	\$20,050	\$40,155	\$95,142	\$72,592	\$32,437
Personal Services						
Additional Gross Pay	\$114	\$137	\$32	\$32	\$0	(\$32)
Full-Time Salaried - Civilian	8,898	9,787	12,941	11,768	12,511	(430)
Unsalariated	761	569	446	446	0	(446)
Overtime - Civilian	292	382	75	75	0	(75)
Amounts to be Scheduled & P.S. Other	(2)	0	429	429	0	(429)
Subtotal	\$10,063	\$10,876	\$13,923	\$12,750	\$12,511	(\$1,412)
Other Than Personal Services (including Election Funding)						
Contractual Services	\$3,008	\$5,841	\$14,491	\$8,337	\$11,513	(\$2,977)
Election Funding & Other Fixed & Misc. Charges	9,000	(2,500)	3,000	65,500	40,800	37,800
Other Services & Charges	1,988	2,620	5,192	4,764	4,604	(588)
Property & Equipment	191	650	348	653	469	121
Supplies & Materials	1,146	2,563	3,200	3,137	2,695	(506)
Subtotal	\$15,332	\$9,174	\$26,231	\$82,391	\$60,081	\$33,850
TOTAL	\$25,395	\$20,050	\$40,155	\$95,142	\$72,592	\$32,437
Funding						
City Funds			\$40,155	\$95,142	\$72,592	\$32,437
TOTAL	\$25,395	\$20,050	\$40,155	\$95,142	\$72,592	\$32,437
Budgeted Headcount						
Full-Time Positions	106	108	134	121	130	(4)
TOTAL	106	108	134	121	130	(4)

**The difference of Fiscal 2021 Adopted Budget compared to Fiscal 2022 Executive Budget*

CFB'S Fiscal 2022 Executive Budget totals \$72.6 million, including \$12.5 million in Personal Services (PS) costs to support 130 full-time positions. The Board's Fiscal 2022 budget includes \$40.8 million to provide matching funds for participating candidates for elections held in Fiscal 2022.

CFB's Fiscal 2022 Executive Budget reflects an increase of \$32.4 million when compared to its Fiscal 2021 Adopted Budget. This increase is primarily driven by increases in the amount allocated to provide matching funds to participating candidates for elections - namely the November 2021 Citywide General Election and other elections held in Fiscal 2022. For additional information

regarding financial plan changes in CFB's budget introduced since Adoption of the Fiscal 2021 budget, please refer to Appendix 1.

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.

The Budget Submission Process

Following the adoption of the Charter reform proposal included in the 1998 general election, the Campaign Finance Board's budget request is to be included, without change, in the Mayor's Executive Budget. The Board's budget is submitted annually to the Mayor and the Speaker of the Council by March 10th of every calendar year.

Ranked Choice Voting

CFB's Executive budget includes \$10.3 million for the Voter Guide in Fiscal 2022, which includes \$1.7 million for advertising costs associated with Ranked Choice Voting (RCV). Additionally, on April 28, Mayor de Blasio and Democracy NYC announced a \$15 million voter education campaign to inform New Yorkers on RCV ahead of the June primaries. The funding will go to a citywide media campaign, language access and accessibility resources, and direct outreach.¹ Funding for this program has been allocated in the Executive Budget to the Department of Health and Mental Hygiene (DOHMH), the Department of Information Technology and Telecommunications (DoITT), the Department of Small Business Services (SBS), and the Department of Social Services (DSS) in Fiscal 2021. This amount is on top of the \$1.7 million allocated for advertising costs of RCV in CFB's current year budget.

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 50%, 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 June 2021 Citywide Primary elections, until then candidates running for City-elected office had the option of opting for either the old or new campaign contribution limit, matching formula, qualifying threshold, public funds cap and distribution schedule.

¹ "New York City to launch \$15 million Ranked Choice Voting Education Campaign". <https://www1.nyc.gov/office-of-the-mayor/news/315-21/new-york-city-launch-15-million-ranked-choice-voting-education-campaign>

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.² 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 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 select ‘Option A’. In 2022 and thereafter, it would be available to all participating candidates. This Local Law also clarifies 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.

² 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.

Appendix 1: Fiscal 2022 Budget Actions since Fiscal 2021 Adoption

<i>Dollars in Thousands</i>	FY21			FY22		
	City	Non-City	Total	City	Non-City	Total
CFB Budget as of the Adopted 2021 Budget	\$40,154	\$0	\$40,154	\$14,847	\$0	\$14,847
New Needs						
Campaign Finance Fund	\$27,500	\$0	\$27,500	\$0	\$0	\$0
Subtotal, New Needs	\$27,500	\$0	\$27,500	\$0	\$0	\$0
Other Adjustments						
City Adjustments	(3)	0	\$(3)	0	0	\$0
PS & OTPS Adjustment - Savings	(7,547)	0	\$(7,547)	0	0	\$0
Subtotal, Other Adjustments	\$(7,550)	\$0	\$(7,550)	\$0	\$0	\$0
Total All Changes	\$19,950	\$0	\$19,950	\$0	\$0	\$0
CFB Budget as of the November 2020 Plan	\$60,105	\$0	\$60,105	\$14,847	\$0	\$14,847
New Needs						
Campaign Finance Fund	35,000	0	\$35,000	0	0	\$0
Subtotal, New Needs	\$35,000	\$0	\$35,000	\$0	\$0	\$0
Other Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Total All Changes	\$35,000	\$0	\$35,000	\$0	\$0	\$0
CFB Budget as of the 2022 Prelim Budget	\$95,105	\$0	\$95,105	\$14,847	\$0	\$14,847
New Needs						
CFB Budget Allocation	\$426	\$0	\$426	\$58,002	\$0	\$58,002
Subtotal, New Needs	\$426	\$0	\$426	\$58,002	\$0	\$58,002
Other Adjustments						
Collective Bargaining - Clericals CTL	\$2	\$0	\$2	\$2	\$0	\$2
Enhanced Space Management	(426)	0	\$(426)	(426)	0	\$(426)
Lease Adjustment	0	0	\$0	167	0	\$167
MS Enterprise Licensing Agreement Realignment	35	0	\$35	0	0	\$0
Subtotal, Other Adjustments	(389)	0	\$(389)	(257)	0	\$(257)
Total All Changes	\$37	\$0	\$37	\$57,745	\$0	\$57,745
CFB Budget as of the 2022 Executive Plan	\$95,141	\$0	\$95,141	\$72,592	\$0	\$72,592