



NEW YORK STATE SENATOR

Liz Krueger

Assemblymember Grannis and Senator Krueger Introduce Legislation Reforming Campaign Fund Spending Rules

LIZ KRUEGER June 5, 2006

New York NY – State Assemblymember Pete Grannis and State Senator Liz Krueger have teamed up to introduce legislation (S.8004/A.11510) in the State Legislature bringing clarity to laws regarding how current and former political candidates can spend money raised for their political campaigns. The vagueness of the law in current form has created an anything goes environment.

"We have laws regulating how political candidates can raise campaign money," Grannis said, "it's only common sense to have equal clarity for how that money can be spent."

Krueger went on to say, "The purpose of campaign funds is clear—to help those running for public office to get elected, and to assist with legitimate expenses related to official duties incurred when elected. Campaign funds should not be used for any other purpose."

Krueger and Grannis' concerns are well-documented. A recent report titled "Survey: New York Has Weak Limit on "Personal Use" of Campaign Contributions by Politicians; 30 States Have Stronger Laws", by The New York Public Interest Research Group (NYPIRG) found that 30 states have stronger campaign spending laws than New York. Of those states with comparable weak campaign spending laws, New York is the most populous.

Under current law, three words fully describe New York's campaign spending guidelines: "any lawful purpose." This ambiguous definition has created an environment in which current or former political candidates can do just about anything with campaign funds short of writing themselves a check. Though spending campaign funds for personal use is technically prohibited, the lack of any clear definition for what constitutes a personal use renders the provision meaningless.

In March of 2006, the New York Times reported that Howard Mills, a former Assemblymember and U.S. Senate candidate, and now New York's Superintendent of Insurance, raised over \$15,000 in campaign contributions in 2005. Mills was he was no longer a member of the Assembly and had no campaign to run in 2005. The money has been used to pay for, amongst other things, monthly car payments and cell-phone bills.

"What is happening is technically lawful, but in my opinion, inappropriate," Krueger declared. "When individuals make campaign donations to a candidate, it is done to support the candidate's election and duties while in office, not to pay for their vacations, pools, and other perks." Grannis added, "Our legislation makes it clear that campaign funds can only be used to cover campaign expenses and only those incurred because of an elected official's legitimate duties."

Among the provisions of the Grannis/Krueger legislation is the establishment of specific rules and methods for the disposal of excess campaign funds, and for the timing of such disposal. The bill also provides clear regulations regarding how long campaign committees can be maintained by former candidates. The legislation details the following points:

Funds shall not be converted by any campaign committee for personal use which is unrelated to a political campaign or the holding of a public office or party position;

Funds shall be used only for permissible ordinary and necessary expenses relating to the

holding of public office or party position;

Unused funds must be properly disposed of within two years of either the end of the individual's most recent term of office, or the date of the election in which the individual was last a filed candidate. Upon the death of a candidate, all contributions must be disposed of within twelve months of the date of death;

Prohibits the soliciting or receiving of contributions for a campaign for state or federal office while in a senior policy position in the legislative or executive branch;

Requires campaign committees to identify contributions from lobbyists registered with the Temporary State Lobbying Commission.

Krueger said, "The days of unchecked spending of campaign funds in the State of New York are coming to an end. The legislation Assemblyman Grannis and I have introduced ensures accountability and transparency in the political campaign process for New Yorkers."

Grannis agreed, "By adding specific examples, and generalities where appropriate, the line of what can and cannot be done will finally be brightly drawn."