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**REPORT ON LEGISLATION BY
THE NON-PROFIT ORGANIZATIONS COMMITTEE,
FAMILY COURT AND FAMILY LAW COMMITTEE
AND THE GOVERNMENT ETHICS AND STATE AFFAIRS COMMITTEE**

A.2010-A / S.1510-A (Budget Article VII) – Part R

Enacts into law major components of legislation necessary to implement good government and ethics reform budget for 2019-2020; to amend the legislative law, in relation to lowering the monetary disclosure threshold for lobbyists to report prior relationships with agencies or elected officials and to file statements of registration

THIS PROVISION IS OPPOSED

The Non-Profit Organizations Committee (“NPOC”), Family Court and Family Law Committee and Government Ethics and State Affairs Committee of the New York City Bar Association (“the Committees”) hereby express opposition to Part R of the Governor’s FY20 Good Government & Ethics Reform Article VII Legislation and urges that Part R be deleted from the bill. Part R requires organizations and people that spend just \$500 in a calendar year on lobbying to register with the Joint Commission on Public Ethics (“JCOPE”).

The Committees understand the transparency goals underlying Part R, but we believe that the burdens imposed by Part R far exceed its negligible and perhaps illusory benefits. In particular, the Committees agree with the analysis presented in the separate opposition prepared by the Lawyer’ Alliance for New York and endorsed by many other organizations (attached hereto as Exhibit A) that, while this might increase the number of filings, it will effectively silence small grassroots groups while increasing the influence of big money in government. As described in the separate opposition, the current expenditure threshold of \$5,000 captures all of the big money spenders and over 98% of all lobbying expenditures.

The NPOC is a diverse committee of the New York City Bar Association with approximately 40 members. Some NPOC members are law firm attorneys representing nonprofits, some are in house counsel for charitable organizations, and a few are academics. The Committee’s members represent multi-million dollar institutions, as well as small charities, operating across the nonprofit sector. Some of these institutions have been serving New York for more than a century; others are in their infancy, taking their first steps to launch their charitable missions. The Government Ethics and State Affairs Committee focuses on structural ethics issues and has spent considerable time over the past several years studying the efficacy of the current ethics enforcement structure which consists of the Joint Commission on Public Ethics (JCOPE) and the Legislative Ethics Commission (LEC), urging structural reform as well as a strenuous effort by JCOPE and the LEC to rise above the structural deficiencies. The Family Court and Family Law Committee addresses a broad range of substantive and procedural issues regarding Family Court

and family law. The Committee includes many members who work for and/or with nonprofit, public interest and legal services organizations that understand the unique burdens that would be imposed by the proposed lowering of the monetary disclosure threshold for lobbyists.

All committee members present when voting at their respective February meetings were unanimous in their opposition to Part R. Many were personally familiar with the requirements and intricacies of the JCOPE reporting system and recognized that Part R's proposed reporting requirement would harm and silence many small organizations without any clear benefit in return.

For these reasons, we respectfully urge that Part R be deleted from this bill.

Non-Profit Organizations Committee
Jennifer Reynoso, Chair
Kevin Roe, Secretary

Family Court and Family Law Committee
Glenn Metsch-Ampel, Chair

Government Ethics and State Affairs Committee
Jennifer Rodger, Chair

Reissued March 2019

EXHIBIT A



2019 LEGISLATIVE MEMORANDUM

Subject: Governor’s FY20 Good Government & Ethics Reform Article VII Legislation, Part R

Position: Oppose

From: Council of Family and Child Caring Agencies
FPWA
Hispanic Federation
Homeless Services United
Human Services Council
Jewish Community Relations Council of New York
Lawyers Alliance for New York
LiveOn NY
New York City Employment and Training Coalition
NYC Environmental Justice Alliance
New York Immigration Coalition
New York Legal Services Coalition
Nonprofit Coordinating Committee of New York
Supportive Housing Network of New York
United Neighborhood Houses

Date: January 29, 2019

Part R of the Governor’s FY20 Good Government & Ethics Reform Article VII Legislation requires organizations and people that spend just \$500 in a calendar year on lobbying to register with the Joint Commission on Public Ethics (“JCOPE”), to assure that “more people engaged in lobbying activities would be required to file disclosure documents with the joint commission on public ethics.”¹ Perversely, while this might increase the number of filings it will effectively silence small grassroots groups while increasing the influence of big money in government.

EXHIBIT A

The current expenditure threshold of \$5,000 captures all of the big money spenders. In fact, members of the NYC Lobbying Commission and the State Commission on Public Integrity have noted that a \$10,000 threshold would capture at least 98% of lobbying expenditures, while focusing enforcement resources on groups whose higher lobbying expenditures pose a higher risk of violations.ⁱⁱ Compared to the \$2.2 million Uber spent on lobbying in 2017, or the combined \$14 million spent by the top ten lobbying spenders that year, \$500 is a rounding error. Big lobbying clients spend more than \$500 each month on lobbying *compliance*.ⁱⁱⁱ

Nonprofit organizations play the crucial function of educating lawmakers and agency staff about how government actions affect community members. In fact, many nonprofits do the work that the government would otherwise do, such as housing or feeding New Yorkers. Imposing detailed reporting requirements on small nonprofits that only do a little advocacy will dissuade many from engaging with government at all. Most groups that spend under \$5,000 use their own staff to lobby. Most are underfunded, understaffed, and have no lawyers on staff to decipher JCOPE's 92-page lobbying regulations. Time spent poring over those regulations and drafting a minimum of six JCOPE filings yearly – plus another seven for groups that also lobby New York City -- would be better spent serving the community.

For these reasons, we urge that Part R be deleted from this bill.

ⁱ FY 2020 New York State Executive Budget Good Government And Ethics Reform Article VII Legislation Memorandum In Support (2019), p. 17 <https://www.budget.ny.gov/pubs/archive/fy20/exec/artvii/gger-artvii-ms.pdf>

ⁱⁱ NYC Lobbying Commission Report (2013), p. 29 (quoting testimony of Barry Ginsberg, Commission on Public Integrity), <http://www.nyc.gov/html/lobby/downloads/pdf/033011lobbying.pdf>; NYC Lobbying Commission Mtg. (June 24, 2011), p. 5 (statement of Hon. Herbert Berman, Chair), <http://www.nyc.gov/html/lobby/downloads/pdf/062411lobbying.pdf>.

ⁱⁱⁱ “*Dark Prince*” Gets His Revenge, Crains NY (Dec. 6, 2014), <https://www.crainsnewyork.com/article/20141207/POLITICS/141209867/dark-prince-gets-his-revenge>