
Commissioner Lifton: Good afternoon. Welcome to June 27, 2024, meeting of the New York State Public Campaign Finance Board. I am Barbara Lifton, Chair. And we are joined today by Commissioners Brian Kolb, Keesha Gaskins-Nathan, Essma Bagnuola, Henry Berger, Anthony Casale, and Peter Kosinski. We also have lead staff with us in the room as well, and I would like to ask them to go around the room and introduce themselves. Let's start with Kristen Stavisky.

Kristen Zebrowski Stavisky: Thank you Commissioner. Kristen Zebrowski Stavisky, Co-Executive Director of the New York State Board of Elections.

Raymond Riley: Raymond Riley, Co-Executive Director of New York State Board of Elections.

Brendan Lovullo: Brendan Lovullo, Deputy Executive Director.

Carl Zeilman: Carl Zeilman, Co-Director of PCFB.

Bill McCann: Bill McCann, Co-Counsel PCFB.

Bob Eckels: Bob Eckels, Deputy Director PCFB.

Ann Tarpinian: Ann Tarpinian, Enforcement Counsel PCFB.

Brian Connor: Brian Connor, Enforcement Counsel PCFB.

Aaron Suggs: Aaron Suggs, Co-Counsel PCFB.

Kate Orsino: Kate Orsino, Deputy Director of PCFB.

Cheryl Couser: Cheryl Couser, Co-Director of PCFB.

Thomas Connolly: Thomas Connolly, Deputy Executive Director.

Commissioner Lifton: Is that the whole group? Thank you very much; hard to get a read on the whole group. Thank you. We will begin our meeting today with an Executive Session for the purpose of enforcement matters. Is there a motion to go into Executive Session to discuss an enforcement matter?

Commissioner Kolb: So moved.

Commissioner Lifton: Thank you, Commissioner Kolb. Do I have a second?

Commissioner Kosinski: Second.

Commissioner Lifton: And I would like a vote, how many ayes to go into Executive Session?

Commissioners Kolb, Gaskins-Nathan, Bagnuola, Berger, Casale, and Kosinski: Aye.

Commissioner Lifton: Aye. Any opposed? Unanimous vote to go into Executive Session. We will now go into Executive Session for the purpose of discussing an enforcement matter. If there is any action taken in this Executive Session, when we come back into public session, we will report any action that we've taken. Thank you.

Commissioner Lifton: Welcome back everyone. We've completed our Executive Session. During Executive Session, on the request of Public Campaign Finance Board Enforcement Counsel, pursuant to Election Law 14-209 subsection 3, on a motion denominated E-01-2024, the New York State Public Campaign Finance Board authorized the referral of a matter to prosecutorial agencies. The vote in Executive Session was unanimous. Also, during Executive Session, on request of Public Campaign Finance Board Enforcement Counsel, pursuant to Election Law section 14-207 subsection 8, on a motion denominated E-02-2024, the New York Public Campaign Finance Board authorized the opening of an investigation. The vote in Executive Session was unanimous. Thank you all.

Continuing with the regular agenda, we have the minutes. I want to take up the minutes from May 1st, May 7th, and May 22nd. I'd like to approve the minutes as a package. Do I have a motion?

Commissioner Kolb: So moved.

Commissioner Lifton: Thank you, Brian. A second?

Commissioner Casale: Second.

Commissioner Lifton: Thank you, all in favor, ayes.

Commissioners Kolb, Gaskins-Nathan, Bagnuola, Berger, Casale, and Kosinski: Aye.

Commissioner Lifton: Aye. Any opposed? The minutes are adopted, thank you. Now, we have unit updates at this time. We will be provided with a unit update from our Co-Directors Cheryl Couser and Carl Zeilman. Cheryl is beginning.

Cheryl Couser: Good afternoon, Commissioners. This is an overview of activities performed by the Public Campaign Finance Board. The Public Campaign Finance program has been operational since November 9, 2022. Our report will detail various aspects of program and project management. Public Campaign Finance staff has been diligently occupied with delivering ongoing training to candidates and treasurers, conducting outreach efforts, performing bank reconciliations, carrying out audits of submitted disclosure reports, making public fund payments, and overseeing enforcement measures. We thank them for their efforts.

I'll start with an overview of the 2024 Primaries and the program. This is preliminary information that will be gathered and increased through the General Election and reported on our end of year report that's required. There were thirty-eight Primaries combined for the office of State Senate and the office of State Assembly in 2024. There were seven Primaries in the State Senate and thirty-one for the State Assembly. Specific to the State Senate, there were a total of seven Senate Primaries and a total of fourteen candidates in those Primaries. Of the seven districts, all seven had at least one program participant. Every district had a payment of public matching funds. Of the fourteen candidates in the Senate Primary Elections, twelve of the fourteen candidates are program participants, that's 86%. Of the twelve program participants, eleven participating candidates received a payment, that's 92%. There were three program participants that did not have a Primary, but their opposing major party did. Two of the three participants received a payout pursuant to the 50% Primary provision found in Election Law 14 204 sub-3. Regarding the State Assembly, there were thirty-one State Assembly Primaries in 2024. Twenty-nine of the thirty-one districts had in the Primary had at least one participating candidate; two districts did not have a participating candidate. There were 76 candidates in the thirty-one Primaries. Fourteen of the seventy-six were not in the program, that's 18%. Sixty-two of the seventy-six were in the program, that's 82%. Fifty-four of those sixty-two participating candidates received a payment, that 87%, and there's still one payment left. Fifteen candidates did not have a Primary but did have a Primary in the opposing major party triggering the provisions of Election Law 14 204-3 which allowed them to draw up to 50% of the Primary matching funds cap. Two of the fifteen submitted for this funding, 13%. Again, these statistics are beginning and will be enhanced throughout the year and reflected on the end of the year report that we're required to provide.

In terms of training and outreach, in addition to twenty-three training webinars, fifteen candidate-specific and eighteen treasurer-specific, we published five tutorial training videos on the State Board YouTube channel. These videos provide instructions on how to submit contributions for matching funds, reporting public fund receipts, submitting weekly claims, reporting qualified campaign expenditures, and submitting supporting documentation. In regard to reporting and enforcement, the 32-Day Pre-Primary and 11-Day Pre-Primary reports were due on May 24th and June 14th, respectively. Both reports had a 100% filing rate from participating candidates. The Public Campaign Finance Board now maintains a 100% filing rate since inception; the first report was January 15th, 2023. We do have late filers for the March Periodic, for which the penalty settlements reached by our Enforcement Unit will be taken up under new business. We entered into a contract for statewide service of process relative to potential litigation and administrative enforcement proceedings. The PCFB Enforcement division reserves the right to initiate administrative enforcement actions against candidates, treasurers, and/or political committees found in violation of election law and associated regulations. Service of process is mandated under specific circumstances and proceedings to be conducted through personal service in accordance with the New York State civil practice law and rules. At this time, I will turn the unit report over to Carl.

Carl Zeilman: Thank you, Cheryl. Good afternoon, Commissioners. We continue to work with our software vendor MTX which provides the Salesforce application designed to streamline

auditing and processes for the PCFB program. This system will also facilitate updates across financial management, candidate management, case management, political calendars, electronic filings, and this is all integrated into one platform. MTX has been continuing to work on this process with our PCFB staff members. We have reached out to external user groups for feedback related to public reporting and how data is publicly reported. And we will be setting up future meetings across the summertime to obtain their perspective on the public reporting.

Space – as you may be aware, the PCFB is now located up on the 7th floor, and we’re sharing this space with both Compliance and ITU.

Giving a staffing update – consistent with our plan to phase in the staffing, we have initiated our final phase of classifying and onboarding staff. The PCFB has the authority to hire 118 full-time employees. We are currently in the process of classifying the last 38 through the civil service process. These 38 would essentially be created to assist with new special projects, auditing unit beyond our existing auditing unit’s responsibilities, supplement the Counsels’ office, the Executive team, enforcement, training, and our administrative units. Currently, at PCFB, we have fifty-seven on board out of the eighty that are currently classified today, and we continue to post and interview for positions such as trainers, auditors, and liaisons.

We are continuing to work with committees on SFS, excuse me, to track and notify committees of our desire to have them sign up for direct deposit over the hard copy mailed check. We also work with OGS and BSC on the internal processes around reconciliation, stop payments, and reissuance of payments to respective committees.

PCFB has posted the Public Campaign Finance Program Calendar listing and all its deadlines, and mandatory filings applicable to all candidates and listing the Primary and General Election matching fund payment schedule online, so that is readily available.

This part of the update is specific to the Primary Election. Again, as Cheryl mentioned, Tuesday was our Primary. State law requires three public fund payments for the Primary Election within thirty days of the election. State law states that the first payment cannot be earlier than forty-five days before the election. To date, approximately \$8.6 million in public matching funds have been paid out to the program participants that met eligibility requirements. Approximately \$2.3 million to candidates in the State Senate, and \$6.4 million to participating candidates in the State Assembly. The payment dates were as follows: May 13th, approximately \$3.6 million; May 29th, approximately \$2.4 million; June 10th approximately \$1.4 million; and June 18th approximately \$898,000. A final payment for the Primary was vouchered on July 22nd. The final payment will be based off of the 11-Day Pre-Primary and Post-Primary July Periodic campaign financial disclosure reports. We anticipate this payment to be sizable as it accounts for in-district matchable contributions received between June 4th and June 25th.

General Election, today, as you voted on, the SBOE co-chairs approved a resolution to certify \$50 million be available for public matching funds. The first General Election payment is scheduled for July 8th of this year. This payment is based off on data reported through the March

15, 2024, calendar date. Upcoming payment dates related to the General Election will be July 30th, August 27th, and we will have three to be scheduled in the month of October.

Moving into media – the program was recently mentioned in recent news articles. Across the state, publications covered Primary Elections and included coverage on which elections had candidates receiving public matching funds. In addition, there were articles concerning the payment of public matching funds to a program candidate. PCFB cannot comment, confirm, or deny if any investigation or enforcement action has been authorized, commenced, or has been referred.

Overview of new business – the Board has already taken up minutes and held an Executive Session under new business. The Board will take up Resolution 24-07, which is an emergency regulation to increase contribution card requirements by requiring phone or email to be a required, not optional, element completed on a card. The Enforcement Unit has late filer actions and two final determinations of complaints on the agenda. Commissioner, I yield back to you.

Commissioner Lifton: Thank you very much, both of you, Carl and Cheryl for those updates. Any discussion?

Commissioner Casale: Question, please? So, candidates who were in this past Primary, can still apply for funds that are based on contributions in June, you said, June 4th or 25th.

Carl Zeilman: June 4th to June 25th, that was the timeframe.

Commissioner Casale: So, there are candidates who did not obviously succeed in the Primary who will still be receiving money.

Carl Zeilman: No, if you were not successful in the Primary, what you will do is July 22nd, if you have expenses related to your Primary incurred before the Primary date which was the 25th, those would be a part of the July 22nd payment date.

Commissioner Casale: Money they would have already spent already and getting kind of reimbursed for?

Carl Zeilman: Correct, but other than that...

Commissioner Casale: Okay.

Bill McCann: It's essentially an offset; they're entitled to get their matchable contributions up to and including the election date.

Commissioner Casale: Some of them spent money in anticipation of receiving the matching funds.

Bill McCann: That's exactly correct.

Commissioner Lifton: Any other discussion? Okay. Thank you very much. There is no old business; moving onto new business. There are a number of items for the Board to consider under new business. I will turn to Enforcement Counsels Brian Connor and Ann Tarpinian to provide an overview of items A through D.

Ann Tarpinian: Thank you, Commissioner. The first item I have is Resolution 24-06. This is regarding late filing penalties and settlement agreements for the March 2024 Periodic financial disclosure statements. We have twelve political committees who were late filers, however we were able to work with these committees to reach settlement agreements, and those are the subject of this resolution. We also had an additional late filer who we were not able to reach settlement with. As you know, the penalty for late filings are \$50 a day, and that is capped at \$1,000. When you reach that point, late filer becomes failure to file, and that committee is subject to an additional penalty of \$1,000. So, there is before the Board a Notice of Enforcement just letting the Board, formalizing that it is the Board who is bringing this enforcement action for this particular committee where we tried to settle and we are still making efforts, but unfortunately, we have to issue this Notice of Enforcement.

Commissioner Lifton: Thank you. So, you've covered two there Ann, and Brian are you doing the other two?

Brian Connor: Yes. Sure. Commissioner, the two items are recommendations to dismiss complaints that Enforcement received. The Commissioners have those determinations in front of them, and I believe we would just need a vote on each of those things, and our recommendation would be to dismiss them.

Commissioner Lifton: Thank you, so all four items have been covered, it sounds like. Correct?

Brian Connor: Yes.

Commissioner Lifton: Thank you. Thank you both for that overview. I'd like a motion to take enforcement items A through D up in one motion. Is there a motion?

Commissioner Berger: So moved.

Commissioner Lifton: Thank you, is there a second?

Commissioner Kolb: Second.

Commissioner Lifton: Thank you, Brian. All in favor, aye.

Commissioners Kolb, Gaskins-Nathan, Bagnuola, Berger, Casale, and Kosinski: Aye.

Commissioner Lifton: Aye. Any opposed? Sorry, Keesha. Any opposed? None opposed; a unanimous vote on these four items. Thank you very much. Now I turn to Counsels Bill McCann and Aaron Suggs to provide an overview of item E on the agenda about adopting an emergency resolution.

Aaron Suggs: So, Carl alluded to it earlier. We are proposing an amendment to the regulations to contribution cards in order to add email address and telephone number to the required information. If a contributor submitted the card without that information or any other of the required information on the contribution card, the matchable claim would be denied until that information was supplied. There are two exceptions to the contribution card requirements. They will be met if, for online processors, if the processor provides required information, then we wouldn't actually require the card. And then for checks, if it has a printed name and address on the check, then we would not require a contribution card. The only exception to that is if it's a handwritten name or address, in that case we would require a contribution card. And that is the extent of this provision.

Commissioner Lifton: Thank you. I'd like a motion to take up this item to pass this resolution.

Commissioner Bagnuola: So moved.

Commissioner Lifton: Any discussion? A second?

Commissioner Casale: Second.

Commissioner Lifton: Thank you very much. All in favor, say aye please.

Commissioners Kolb, Gaskins-Nathan, Bagnuola, Berger, Casale, and Kosinski: Aye.

Commissioner Lifton: Aye. Any opposed? Hearing none, the vote is unanimous on this last item. This concludes the meeting of the New York State Public Campaign Finance Board. The next meeting date is to be determined. Do I have a motion to adjourn?

Commissioner Kosinski: I'll move that.

Commissioner Gaskins-Nathan: Second.

Commissioner Lifton: Thank you, Keesha. All those in favor say aye please.

Commissioners Kolb, Gaskins-Nathan, Bagnuola, Berger, Casale, and Kosinski: Aye.

Commissioner Lifton: Aye. Any opposed? The vote is unanimous. The meeting is adjourned. Thank you all very much.