

Campaign War Chests

by Mark Berkey-Gerard

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Sunnyside City Councilmember [Eric Gioia](#) has had no reason to worry about getting re-elected. Having won with 93 percent of the vote two years ago, this year he faces a first-time Republican candidate, Pat Hurley, in a district where Democrats outnumber Republicans four to one. Yet the council member had already raised over \$308,000, more than twice as much as he is legally allowed to spend under the city's campaign finance laws, when, just six days before Election Day, Gioia held another fundraiser, at \$250 per person, at a South Street Seaport restaurant.

"In the stock market, the hot stock gets the money," said Noah Arnow, a press representative for Gioia. "He's a rising star in city politics."

All across the city, incumbent City Council members, who face little or no competition this

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election season, apparently see themselves as "hot stocks," and continue to bring in the money. Other public officials who aren't even up for re-election this year are also fundraising. This is baffling only to people who do not understand New York politics. These politicians are stockpiling the cash for the future.

"Eric Gioia could end this [election] cycle with \$500,000," said political consultant Hank Sheinkopf. "If he can do that every two years with little or no opposition, he will be the public advocate in 2009, which he is shooting for."

But candidates are not just raising money from individual donors. Millions of dollars come from taxpayers, who are helping pay the bill for glossy brochures and posters for incumbents facing little competition.

In Sunset Park, Councilmember [Sara Gonzalez](#) requested \$82,500 in taxpayer money from the city's campaign finance program because she said her opponent had "the ability to infuse large sums of money into his campaign."

So far, Gonzalez's opponent - who does not even live in Brooklyn - has raised the "large sum" of \$2,771.

Candidates argue that political campaigns are expensive and if they want to be competitive they must raise funds for the future. But critics argue that with this forever-fundraising, incumbents are distorting the city's campaign finance laws, bilking the taxpayers, and hijacking the political process away from a focus on community concerns.

The situation, they say, has become worse thanks to billionaire Mayor Michael Bloomberg, who used his own fortune to get elected and this year is spending \$2 million of his own money to back a ballot proposal for [nonpartisan elections](#). The more money that is spent, the more money that must be spent, and thus the more money that must be raised; the more money raised, the more money that must be raised.

Thus the amount -- and importance -- of money in New York City campaigns continues to rise.

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MONEY IS (FUTURE) POWER

New York City is often praised for having one of the best and most stringent [campaign finance programs](#) in the country; City Council candidates who join the program are given public funds in exchange for agreeing not to spend more than \$150,000 in any given election. While there are limits to how much money a candidate can roll over into the next election and count toward public matching funds, there are no laws limiting how much a candidate can raise. And there are no rules against raising money for future campaigns.

The biggest fundraiser in the New York City Council is Speaker [Gifford Miller](#) . While Miller has officially raised only \$151,000 for this year's election, he has already put away \$1.6 million for an "undeclared" seat in 2005. Miller will be term-limited out of the council in 2005 and many speculate that he will run for mayor.

Those same insiders believe that two Queens Council members, David Weprin and Melinda Katz, have their eyes on being the next speaker of the City Council when Miller leaves, which is why each has raised over \$300,000.

Other public officials - who are not even up for reelection this year - are also stock piling for the future. City Comptroller Bill Thompson has raised over a million dollars and Bronx Borough President Adolfo Carrion has raised over \$500,000.

Incumbents argue that term limits and redistricting make them more vulnerable to challengers and so they must plan for the future.

"Those who are looking to stay in politics are wise to continually raise money," said Evan Paulsen, a representative for Brooklyn Councilmember [David Yassky](#) , who has raised \$144,000 this year and \$84,000 more for an unspecified race in 2005. "The amount of money you raise - valid or not - gives you more power in politics and a seat at the table."

At a recent fundraising event, Bronx Councilmember Oliver Koppell was blunt when asked why he continues to raise money even though he faces little opposition; Koppell [told](#) the Norwood

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News that money can "frighten off the opposition."

TAXPAYER-FUNDED FIGHTS AGAINST PHANTOM OPPOSITION

Although term limits kicked out two thirds of the City Council members in 2001, this year, since the law allows officials two consecutive terms in office, incumbents once again reign supreme. In the September primary, only one incumbent lost. In the general election, nine of the 51 current council members do not even have an opponent. And many of the others face only nominal opposition.

Yet still they raise money -- and expect their matching funds from the taxpayers. This year, the city's campaign finance program gave City Council candidates \$4.9 million in matching funds.

The system has provisions that are supposed to ensure that the money is not spent frivolously.

For example, if a candidate faces no opposition, he is not entitled to matching funds. If a candidate faces a "nominal" opponent, he is eligible for only a quarter of the available matching funds.

However, the program allows candidates to request additional funds and make their case that they face serious opposition. So this year, a dozen City Council incumbents wrote [letters](#) to the city's campaign finance board requesting the full amount of public funds.

One Councilmember wanted \$82,500 to fight "the entrenched political machine." His opponent raised a t

For the September primary race, Brooklyn Councilmember [Charles Barron](#) said he needed \$82,500 because "the entrenched political machine has repeatedly found means of supporting my opponents."

However, this "political machine" seems to have broken down a bit, since Barron's primary

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opponent, Derek Booker, raised a total of \$1,130.

Nevertheless, so far, the campaign finance board has awarded \$66,000 to Charles Barron and \$45,000 to Councilmember Sarah Gonzalez, who also requested the full amount.

While candidates are required to spend their matching money during this election year - and must return whatever they do not spend - getting their face and name out in the neighborhood through mailings and posters can only help in future elections.

Even the Republican council members, who have argued that the campaign finance program costs taxpayers too much money, are not above asking for some extra dough themselves from those taxpayers.

Staten Island Councilmember [James Oddo](#), who voted against the program in 2001, requested additional funds. So did Staten Island Councilmember [Andrew Lanza](#), who wrote "it is important, as one of only three Republicans in the City Council, that I am able to get my message out to voters." His only opponent, Roehl Sybing, may have even more trouble getting the message out, having raised only \$4,447.

Oddo and Lanza were both awarded \$82,500 in public funds. **A PERSONAL WAR CHEST**

This election year, most of the money is coming from a different kind of war chest: Mayor Michael Bloomberg's wallet.

The mayor is spending \$2 million of his own money in support of a [ballot initiative](#) to institute nonpartisan elections.

"I have a right as an individual citizen to spend my money," Bloomberg said.

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The State Democratic Party is reportedly spending about \$400,000 to defeat the measure.

Mayor Bloomberg defends spending his own money, saying that his financial independence means he is not beholden to unions, special interests, or donors. And he argues that nonpartisan elections will open city elections to more candidates and voters.

Opponents, who point out that the mayor's name and photograph are not even listed on the expensive brochures being mailed to voters, say that nonpartisan elections will only make it easier for rich, self-financed candidates to get elected.

In 2001, the mayor spent \$75 million, or \$100 for each of the 744,757 votes he received. Bloomberg has said he loves his job so much that he is prepared to spend the same amount - or even more - in 2005.

Facing that kind of war chest, would-be Democratic mayoral candidates like Council Speaker Gifford Miller want to start fundraising as early as possible.

"In politics," said Sheinkopf, "money is almost everything."