



## NEWS RELEASE

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**Contact:**

Common Cause: Susan Lerner, 917 670-5670

NYPIRG: Blair Horner, 518 727-4506

Russ Haven, 518 424-5047

Reinvent Albany: John Kaehny, 917 941-9865

### **REFORMERS: DRAMATICALLY RESTRICT LAWMAKERS' OUTSIDE INCOME; FOLLOW CONGRESSIONAL SYSTEM**

### **REPORT FINDS THAT THE VAST MAJORITY OF CURRENT NEW YORK STATE LAWMAKERS EITHER HAVE NO OUTSIDE JOBS OR MAKE LITTLE INCOME FROM THOSE JOBS**

### **GROUPS URGE THAT LAWMAKERS SERVE ONLY ONE MASTER: THE PUBLIC**

(Albany, N.Y.) A coalition of government reform organizations today urged that Governor Cuomo and State Lawmakers agree on strict, new limits on legislators' outside income. As part of their call, the groups issued a report, "[\*Serving Two Masters: Conflicts of Interest in Albany\*](#)," which argued that New York should follow the restrictions applied to Congress. The report also found that an overwhelming majority of state lawmakers already restrict their outside income. The report found:

- **The U.S. Congress has established strict limits on outside income.** In language that resonates in New York almost forty years later, the U.S. House of Representatives explained why it originally sought to limit outside earned income: "Moreover, many citizens perceive outside earned income as providing Members with an opportunity to 'cash in' on their positions of influence. Even if there is no actual impropriety, such sources of income give the appearance of impropriety and, in so doing, further undermine public confidence and trust in government officials."
- **An overwhelming majority of New York State lawmakers reported having earned no, or very little, outside employment income.** Over two-thirds of current state lawmakers who filed financial disclosure forms in 2014 as members of either the Senate or Assembly reported either no outside employment income or employment income that did not exceed \$20,000. According to our review of lawmakers' financial disclosure forms, 35 of 53 state Senators, who were in their office during the last disclosure period and currently serve, had either no outside employment income (29) or employment income that was less than \$20,000 (6). The state Assembly had similar results: 97 of

the 134 members either reported no outside employment income (80) or employment income that was less than \$20,000 (17).

- **Other states offer strong models for disclosure of lawmakers' outside income.** When it comes to disclosure of outside income, both by lawmakers, as well as family and household members, the State of Alaska contains perhaps the strongest provisions of any state.

The groups concluded that the governor and the State Legislature should agree to reforms that would **dramatically restrict outside income for lawmakers and enact strong disclosure and conflict-of-interest rules for allowed income and for income earned by lawmakers' family members.** New York State should follow the Congressional model for limiting the amount of outside earned income to 15% of the highest salary paid to any sitting legislator and prohibit legislators and senior staff from engaging in services that involve a fiduciary relationship.

New York should follow the Congressional model, which eliminated all leadership stipends regardless of seniority or committee responsibilities, with the exception of the Speaker of the House and President pro tempore of the Senate and the minority leader in each house being compensated above the rank-and-file pay level.

New York should adopt of Code of Ethics that clearly states that public office is a public trust and makes clear that state lawmakers are accountable to the public.

The disclosure provisions of the State of Alaska and District of Columbia financial disclosure provisions are useful models in terms of scope and the level of detail required—particularly with respect to reporting of outside earned income activities—and should be used to improve New York's financial disclosure requirements.

"New Yorkers have grown weary of the long and ever-growing list of scandals resulting from lawmakers using their public office for private financial gain," said Blair Horner, NYPIRG's Legislative Director. "It's long past time for Albany to put a lid on lawmakers' moonlighting."

"Our analysis shows that the vast majority of state lawmakers already live with either no outside jobs, or jobs that pay a small amount," said Russ Haven, NYPIRG's Legislative Counsel. "A Congressional-style limit on outside income would codify what is already the practice of most of Albany's legislators."

"Albany is in the midst of a long ethical meltdown and we need more than transparency to restore the public trust. After Watergate, Congress passed major, lasting reforms. This is New York's Watergate moment and the Legislature needs to show it is serious by capping outside income," said John Kaehny, executive director of Reinvent Albany.

"It is past time for New York's legislators to forthrightly address the issues raised by permitting themselves unlimited outside income," said Susan Lerner, Executive Director of Common Cause/NY. "While full disclosure is a baseline necessity, as Governor Cuomo has noted, only eliminating or controlling outside income will eliminate the ethical issues raised. The approach which has worked for decades in Congress provides a good model which New York State should follow."

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