



**TESTIMONY of DICK DADEY**  
**Executive Director, Citizens Union of the City of New York**  
**Before the Quadrennial Commission on Compensation**  
**on Compensation of Elected Officials**  
**November 23, 2015**

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Good evening, Chair Schwartz, and Commissioners Bright and Quintero. My name is Dick Dadey, and I am the executive director of Citizens Union of the City of New York, a nonpartisan good government group dedicated to making democracy work for all New Yorkers. Citizens Union serves as a civic watchdog, combating corruption and fighting for political reform.

Citizens Union is pleased that the Quadrennial Commission (Commission) has been formed by Mayor Bill de Blasio, as the Commission's work is essential to ensure that potential salary increases for city elected officials are considered deliberatively and openly, based on objective criteria. In fact, the Commission represents the opposite of what has been reported in the press recently of elected officials considering pay increases that are far more than the taxpayers should be expected to pay for, without the benefit of public discussions like you are having today. We would also like to acknowledge the Commission's work to operate transparently by including memoranda on its website, as well as all submitted public comments and Commission responses, and in particular thank you – Commissioners Schwartz, Bright and Quintero – for your public service.

Citizens Union believes strongly that given the population size of the city of New York, the demanding responsibilities placed upon most of our elected officials to manage a complex operation city government with a budget of \$73 billion, and the myriad of constituent services these elected officials are called upon to provide, the offices of the city's elected officials need to be well compensated in order to attract individuals to public life who are talented, committed, and well qualified to carry out their jobs as successfully as they can.

Given that our city elected officials have not received a salary increase since 2006, there is a strong reason for them to receive one, but it should not be the sole basis upon which the Commission makes its recommendation. Keep in mind that all of our current 64 elected officials were elected in 2013 or 2015, knowing full well what the salary is for their office for the four-year term. To claim that they have not received a raise in 8 years is a red herring since only 27 of them have held the office for more than one term; 22 were first elected to their posts just two years, so arguments that they deserve a raise because they have not received a raise in eight years does not apply to a large portion of the current Council.

## 1. The Process By Which Compensation is Determined and Raises Considered – 37 Current Councilmembers Support A Raise But Only If It Is Prospective

Under the current provision of the New York City Administrative Code governing elected official compensation - though it was not followed in 2003, 2007, 2011 – members of the Council have been and continue to be placed in the undesirable position of having to vote on a recommendation to raise their own salaries while serving their current term in office. It was not followed in 2007, because an off-year use of it occurred in 2006. Though we know that when the process was first established nearly twenty-eight years ago, the intent of the present structure was to schedule the work of the Commission as far away as possible from any election, so that it is less likely that a vote on the proposal will become a major campaign issue.

We believe philosophically that currently serving Councilmembers should not vote themselves a raise, and that the structure of the system that puts them in that position needs to be changed. In fact, 37 current councilmembers in response to Citizens Union candidate questionnaires supported our proposal that any future increase in councilmember salary only apply prospectively to the following term, a change which is also supported by Mayor de Blasio. See the attached listing of members' support at the end of my testimony.

Going forward, we suggest that the Quadrennial Commission recommend that future commissions meet in the last year of the four year term of city elected officials so that any recommendation for prospective salary increases would take effect upon the start of the next four year term, ensuring that future City Councils are not put in the position on voting on their salaries while currently holding office.

As part of whatever compensation package is ultimately decided this year, we urge the City Council to also seek a simultaneous change in the New York City Administrative Code that would accomplish this goal. We recommend that the Administrative Code be changed so that the next Commission would be required to meet in 2020 to determine salaries for officials elected to serve beginning January 1, 2022, and every four years thereafter.

## 2. City Council Salary

We support giving the office of City Council Member a significant raise, provided that the following changes are made to their overall compensation:

- **END LULUS.** Committee chair stipends otherwise known as “lulus” should be abolished and kept for only truly senior leadership positions like the Speaker and Majority Leader. Currently, lulus range from \$5,000 to \$25,000. Committee chairs receive \$5,000 or \$8,000, the 10-member leadership team receives \$15,000 each, the majority leader receives \$20,000 and the speaker \$25,000.<sup>1</sup> Given the large number of committees – 38 – in addition to 6 subcommittees and 2 task forces, the addition of a stipend applies to nearly all members, and likely has driven the large number of committees. Many members have also forgone their lulus due to public pressure to reform this system, with 31 current members on the record supporting reforming them according to Citizens Union’s candidate questionnaire (see the listing at the end of this testimony). The

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<sup>1</sup> See the following for information on current stipends:

<http://observer.com/2014/02/councilman-changes-tune-on-lulu/>

<http://www.nydailynews.com/new-york/mark-viverito-awards-posts-pals-zilch-opponents-article-1.1588377>

<http://www.gothamgazette.com/index.php/government/5915-do-new-york-elected-officials-deserve-a-raise>

declinations of these lulus and their frequency together speaks to the need to eliminate them for committee chairs, and instead factor them into an across the board salary increase.

- **A CAP ON OUTSIDE EARNED INCOME OF NO MORE THAN 25 PERCENT WITH FULL DISCLOSURE.** Eliminating outside income altogether for term limited offices is not advisable given the goal of attracting candidates with varied private sector experience; however, providing a limit will help to prevent potential conflicts of interest arising from outside income.

A fair raise would include: a) a cost of living adjustment to cover the past eight years and b) an additional increase of \$10,000 for ending the unnecessary practice of committee chair stipends. An additional increase to account for limits on outside income should also be considered. This comes to about \$143,000 - a good place to start the discussion.

### **3. Salaries of Other Elected Officials**

Recognizing that the Quadrennial Commission also has the responsibility for examining the salaries for the mayor, public advocate, comptroller, borough presidents, and district attorneys, Citizens Union also supports adjusting these salaries based on changes in the cost of living, and the roles and responsibilities of these positions working in an increasingly complex government. We in particular recognize the important role that the district attorneys play in investigating public corruption, and support a salary that will attract candidates from the legal profession who will be able to utilize their skills and experience in promoting public integrity.

### **4. Further Reforms**

Beyond the size of the salaries themselves, Citizens Union supports reforms to the overall system of elected official compensation. Specifically, we support:

- **Online disclosure of all annual financial disclosure for elected officials.** Currently financial disclosure forms detailing outside income of officials must be requested from the Conflicts of Interest Board and viewed in person or photocopied, and are not available electronically. Further, officials are notified of requests for this information. This is antiquated given the city's work to open data to the public through online portals and otherwise promote accessibility, and runs counter to the practice at the state level; the financial disclosure forms of all New York State elected officials are available online, without the need for requests to be made or notifications. The information from the disclosures should be submitted electronically and be made available in spreadsheet form to allow for independent analysis.

I thank you for the opportunity to present Citizens Union's thoughts and recommendations on this important topic, and am available to answer any questions you have.

<b>COUNCILMEMBER POSITIONS ON COMPENSATION REFORM</b>				
<b>District</b>	<b>Member of the City Council</b>	<b>Year First Elected</b>	<b>Position on Ending Lulus for Committee Chairs</b>	<b>Position on Making Salary Increases Prospective<sup>2</sup></b>
1	Margaret Chin	2009	“Chairing a Committee comes with extra responsibilities, and I have always used the extra funds directly for the staff. Without the extra funds, I would have more difficulty funding the legislative staff I need for committee work. I would support a reform that standardizes the amount received based on committee chair leadership.”	Support
2	Rosie Mendez	2005	Support	Support
3	Corey Johnson	2013	Support	Support
4	Dan Garodnick	2005	Support	Support
5	Ben Kallos	2013	Support	Support - “Council pay should be tied to local economic indicators, rising or dropping with local average individual incomes”
6	Helen Rosenthal	2013	Support	Support
7	Mark Levine	2013	Support	Support
8	Melissa Mark-Viverito	2005	Oppose	Support
9	Inez Dickens	2005	Oppose	Oppose
10	Ydanis Rodriguez	2009	Support	Support
11	Andy Cohen	2013	Support	Support
12	Andy King	2012	Support	Support
13	Jimmy Vacca	2005	N/A	N/A
14	Fernando Cabrera	2009	Support	Oppose
15	Ritchie Torres	2013	Support	Support
16	Vanessa Gibson	2013	N/A	“Would Strongly Consider”
17	Maria Arroyo	2005	N/A	N/A
18	Annabel Palma	2003	N/A	N/A
19	Paul Vallone	2013	Support	Support
20	Peter Koo	2009	Support	Support
21	Julissa Ferreras	2009	N/A	N/A
22	Costa Constantinides	2013	Support	Support

<sup>2</sup> Responses to Citizens Union candidate questionnaires unless otherwise noted. Questionnaires available at: [http://www.citizensunion.org/site\\_res\\_view\\_folder.aspx?id=c9c1b946-f4b4-4f30-aef4-9deec77a2765](http://www.citizensunion.org/site_res_view_folder.aspx?id=c9c1b946-f4b4-4f30-aef4-9deec77a2765)

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23	Barry Grodenchik	2015	N/A	Support (commitment made to NY Daily News)
24	Rory Lancman	2013	N/A	N/A
25	Danny Dromm	2009	Support	Support
26	Jimmy Van Bramer	2009	Support	Support
27	Daneek Miller	2013	N/A	Support
28	Ruben Wills	2010	N/A	N/A
29	Karen Koslowitz	1991/2009	Support	Support
30	Elizabeth Crowley	2008	Support	Support
31	Donavan Richards	2013	Support	Support
32	Eric Ulrich	2009	Support	Support
33	Stephen Levin	2009	Support	Support
34	Antonio Reynoso	2013	Support	Support
35	Laurie Cumbo	2013	Oppose	Support
36	Robert Cornegy	2013	Support	Support
37	Rafael Espinal	2013	Oppose	Support
38	Carlos Menchaca	2013	Support	Support
39	Brad Lander	2009	Support	Support - "With the exception of using the commission to equalize Council Member salaries in order to eliminate most lulus in the upcoming term."
40	Mathieu Eugene	2007	N/A	N/A
41	Darlene Mealy	2005	N/A	N/A
42	Inez Barron	2013	N/A	N/A
43	Vinny Gentile	2003	Support	Support
44	David Greenfield	2010	Support	Support
45	Jumaane Williams	2009	Oppose	Support - "I would like to discuss this further."
46	Alan Maisel	2013	N/A	Support
47	Mark Treyger	2013	Support	Support
48	Chaim Deutsch	2013	Oppose	Oppose
49	Debi Rose	2009	Support	Support
50	Steve Matteo	2013	Support	Support
51	Joe Borelli	2015	N/A	N/A
		<b>Total Support</b>	<b>31</b>	<b>37</b>
		<b>Total Oppose</b>	<b>6</b>	<b>3</b>
		<b>Other</b>	<b>1</b>	<b>1</b>