

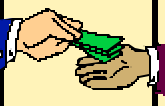








No Bid, No Coincidence?

Campaign Contributions and the Awarding of No-Bid Contracts in Nassau County

S	M	T	W	T	F	S
1	2 	3	4	5  Contract	6	7
8	9	10 	11	12	13  Contract	14
15	16  Contract	17	18	19 	20	21
22	23	24	25 	26	27	28
29	30	31  Contract				

The Public Policy and Education Fund of New York
in cooperation with
The Research and Education Project of Long Island
October, 2000

We gratefully acknowledge the following foundations for their financial support of the Public Policy and Education Fund's Clean Money Clean Elections Project:

J. Roderick MacArthur Foundation
The Piper Fund

This report was written by Richard Kirsch and researched by Lisa Tyson and Sarita Baker. Laurel Costen, Arlene Baum, Patricia Getzler and Phil Tamborino also assisted with the research.

We thank the following volunteers of the Long Island Progressive Coalition for gathering data for the research:

Richard Mould; Ida Peltz; Michelle Krivo; Wayne Harrison; Susan Weisman; Carol Pincus; Bobby Keith; Ruth Silverman; Arnie Silverman; Maureen Keelty; Stanley Gittleman; and Guy Tedesco.

The Public Policy and Education Fund of New York is the research and education affiliate of Citizen Action of New York. The Research and Education Project of Long Island is the research and education affiliate of the Long Island Progressive Coalition. To order copies of this report contact either:

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Introduction

Nassau County is in crisis. In the midst of an economic boom one of the wealthiest counties in the nation is on the verge of bankruptcy. Financial decisions are being driven by an outside financial authority imposed by New York State, as a condition of a \$100 million State bail out. The County has already made more than \$100 million of dollars in cuts in vital services, including reducing the number of police by 200 and reducing hundreds of other positions such as corrections officers, parks staff and public health nurses. Essential community programs have been slashed, including a \$4.5 million cut in United Way funding, and reductions in services to emotionally disturbed children and anti-gang programs. Hundreds of millions of dollars in additional service cuts and tax increases are being debated by the County Legislature, County Executive and even the Governor.

Many critics have blamed the County's crisis on mismanagement fostered by more than 80 years of one-party rule. This report analyzes one aspect of how one-party rule and management issues come together in the issuing of no-bid contracts for personal service by the Nassau County Executive. The Nassau County Executive has the sole legal authority to issue personal service contracts, which are defined as contracts for professional or other technical contracts and are not subject to competitive bidding. The County Executive has signed agreements with the past two Presiding Officers of the County Legislature to submit some personal service contracts to legislative review.

No Bid, No Coincidence? -- Campaign Contributions and the Awarding of No-Bid Contracts in Nassau County looks at campaign contributions to Nassau County Executive Thomas Gulotta and the Nassau County Republican Party from firms that were awarded personal service contracts by County Executive Gulotta during the period of October 1996 through November 1999.

Methodology

Staff and volunteers of REPLI, the Research and Education Program of Long Island, collected data on campaign contributions and personal service contracts and entered the information into two databases. The campaign finance data was from reports filed with the Nassau County Board of Elections by Citizens for Tom Gulotta from July 1996 through January 2000 and for the Nassau County Republican Committee from May of 1999 through November 1999. Because New York State law does not require that local campaign finance reports be made electronically – reports for statewide office and state legislature only began to be filed electronically in July, 1999 – the 13,000 contribution records were entered into a database from the paper filings.

The personal service contract data was from minutes of the Nassau County Legislature, covering contracts awarded from October 1996 through November 1999. While the Legislature does not review or approve personal service contracts, the County Executive does report to the Legislature: the name of the firm receiving the contract; the date of the contract, the County agency that recommends the contract; and the amount of the contract (before March, 1997 only the name of the contractor was reported).

Staff of the Public Policy and Education Fund of New York (PPEF) compared the information in the two databases seeking to identify instances in which a contractor had made campaign contributions. Given the large amount of data – 13,000 contributions and more than 800 contracts – the research focused on larger contracts. We investigated contributions from law firms that received contracts totaling \$100,000 or more and contributions from businesses that received contracts totaling \$200,000 or more.

The data in this report do not capture all campaign contributions from recipients of personal service contracts. We did not research contributions from smaller contractors. In addition, it is difficult to identify all instances in which a contractor is also a campaign donor. When a campaign donation is made in the name of the firm, the identification is straightforward. However, New York law – unlike federal law or the law in New York City – does not require donors to report their employer or occupation. Therefore, when a campaign contribution is made by an executive of a firm, or a law partner whose name is not clearly identifiable from the name of the firm, it is not possible to identify a match from the data. Since the contractor database does

not include addresses, it was not possible to match the address of contractors with those of contributors. However, even with these limitations, our researchers were able to identify a significant number of campaign contributions made by recipients of personal service contracts.

Findings

Our researchers identified 33 firms that gave campaign contributions to County Executive Gulotta and the Nassau County Republican Party. These firms received 218 contracts totaling more than \$23 million (\$23,308,546). That represents 22% of the \$106 million given out in personal service contracts. The 33 firms gave a total of \$170,655 in campaign contributions (Table 1).

In many instances the dates of the contract and the dates of the campaign contributions are very close. Here are some examples:

- ✓ The law firm of **Ross & Cohen** contributed \$400 on June 6, 1997 and received a contract of \$350,000 three days later. On August 7th of the same year the firm contributed \$1,500 and less than 3 weeks later got two contracts worth \$65,000. Less than a month later the firm contributed another \$500. On May 28th the firm received a contract of \$75,000 and made a campaign contribution of \$1,050 the next day. All together Ross & Cohen contributed \$9,125 at dates close to receiving no-bid contracts of \$870,000.
- ✓ On August 19, 1997 the County's labor counsel, **Bee Eisman & Ready** made a campaign contribution of \$1,500; less than a week later it received a County contract of \$100,000. On June 2, 1999 the firm made two gifts totaling \$300; five days later the firm received two contracts worth \$180,000. The firm received contracts of \$435,000 on dates within a few weeks of campaign contributions worth \$5,660.
- ✓ From February 1999 through August 1999 **Carole A. Burns**, special counsel to Nassau County, made \$9,150 in campaign contributions. On May 10th, seven days after a \$1,500 contribution, Ms. Burns got a county contract for \$50,000.
- ✓ Special Counsel **Farrell, Fritz, Caemmerer & Cleary**:
 - Two contracts on April 26th, 1999; a contribution on May 4th; a contract on May 10th; a contribution on May 28th.
 - Three contributions in July and August of 1999; an August contract sandwiched in between the gifts.
 - A gift on October 9, 1999; a contract on October 29, 1999.

In total, \$310,000 in contracts, within a few days or months of \$11,650 in contributions.

- ✓ Appraiser **Michael Haberman**:
 - A gift on July 23, 1997; a contract on August 25, 1997;

- ❑ A contract on June 29, 1998; a gift on July 21st; a contract on August 24th.
 - ❑ A contribution on March 1, 1999; a contract two weeks later, on March 15th;
 - ❑ Two gifts in July of 1999; a \$1 million contract one month later;
 - ❑ A contract on August 9th; contributions on August 31st and September 2nd; a contract on September 13th.
 - ❑ A total of \$4.0 million in contracts at dates close to \$7,300 in campaign contributions.
- ✓ The engineering firm of **Shah Associates**:
- ❑ Three contributions totaling \$6,000 in February and March of 1999 followed by a contract worth \$300,000 in April of 1999;
 - ❑ Two contributions of \$5,000 on July 8, 1999 followed by a \$200,000 contract on July 19th.
- ✓ Workers' compensation counsel **Vecchione & Vecchione** :
- ❑ A contract in April of 1997; three campaign contributions over the next five months;
 - ❑ A contract in May, 1998; three contributions over the next six months;
 - ❑ A contract in April, 1999; five campaign contributions within the year.

Among the 33 personal service contractors that made campaign contributions, in 29 cases we identified gifts and contracts that occurred within six months of each other, many within days or weeks. The four firms that received contracts, but which did not make campaign contributions within six months of the contract date are: Devitt & Spellman; Infrastructure Management Systems; Interim Technology, Inc; and Snitow & Pauley. The following pages present timelines for ten of those contractors, showing the dates and amount of contracts and campaign contributions that were made reasonably close in time to each other.

Table 1: Personal Service Contracts and Campaign Contributions

Firm	No. Gifts	\$ Gifts	No. Contracts	\$ Contracts	Purpose of Contract
Bee Eisman & Ready	11	\$ 7,160	12	\$ 801,000	Labor Counsel
Beveridge & Diamond	3	\$ 850	5	\$ 310,000	Special Counsel
Carl L. Todd	8	\$ 1,935	6	\$ 312,500	Real Estate Appraisal
Carole A. Burns	11	\$ 9,900	5	\$ 200,000	Special Counsel
Deloitte & Touche	1	\$ 5,000	2	\$ 488,000	Audit Services
Devitt & Spellman	1	\$ 500	4	\$ 103,702	Special Counsel
East Meadow Management	4	\$ 2,950	2	\$ 1,300,000	Professional Practice Plan
Farrell, Fritz, Caemmerer & Cleary	18	\$ 20,450	7	\$ 310,000	Special Counsel
Friends for LI Heritage	1	\$ 300	18	\$ 2,719,525	Museum, Cultural
Frederick P. Clark Associates	8	\$ 3,610	3	\$ 647,063	Planning
Gibney, Anthony & Flaherty	6	\$ 14,300	2	\$ 120,000	Lobbying
Nixon, Peabody, Hargrave, Devans & Doyle	13	\$ 23,225	7	\$ 1,171,800	Counsel
Hopkins, Kopilow & Weil	7	\$ 2,675	8	\$ 200,000	Special Counsel
Hudson General Corporation Infrastructure Management Systems	5	\$ 2,500	7	\$ 1,878,154	Transportation Electronic Documentation Training
Interim Technology, Inc.	1	\$ 800	2	\$ 360,000	Data Processing
Joseph W. Ryan, Jr.	3	\$ 1,700	3	\$ 106,000	Special Counsel
Jules Rabin Associates	3	\$ 450	3	\$ 493,917	Personnel Recruiting Counsel, Indemnification
Kwiatkowski & Ryan	2	\$ 1,000	4	\$ 95,000	Review Board
Law Enforcement Systems, Inc.	1	\$ 400	4	\$ 440,000	Parking Ticket Collection
Michael Haberman	11	\$ 7,800	10	\$ 4,045,000	Appraisals
Mulholand, Minione & Roe	4	\$ 950	7	\$ 133,021	Special Counsel
Mycroft Software Services Ltd.	3	\$ 1,000	3	\$ 273,974	Data Processing
Rivkin, Radler & Kremer	12	\$ 5,550	2	\$ 90,000	Special Counsel
Robert F. VanDer Waag	4	\$ 1,100	4	\$ 85,500	Special Counsel
Ross & Cohen	16	\$ 10,775	10	\$ 870,000	Special Counsel Consulting - Community Development
Saccardi & Schiff, Inc.	6	\$ 12,000	2	\$ 520,000	Development
Shah Associates Engineering	8	\$ 11,775	7	\$ 1,349,000	Engineering
Snitow & Cunningham	13	\$ 8,350	14	\$ 271,500	Special Counsel
Snitow & Pauley	1	\$ 250	48	\$ 1,921,390	Special Counsel Consulting - Utility Rate Proceedings
The Columbia Group	2	\$ 750	2	\$ 215,000	Proceedings Counsel - Workers' Compensation
Vecchione & Vecchione	13	\$ 9,050	3	\$ 537,500	Compensation
Totals	201	\$170,655	218	\$23,308,546	

Note: Four firms received contracts but did not make campaign contributions within six months of the contract date: Devitt & Spellman; Infrastructure Management Systems; Interim Technology, Inc; and Snitow & Pauley.

Bee Eisman & Ready – Labor Counsel

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party.

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
5/05/97	\$25,000	
5/19/97	\$20,000	
8/19/97		\$1,500
8/25/97	\$100,000	
9/29/97		\$500
10/06/97	\$50,000	
3/17/99		\$1,000
5/10/99	\$60,000	
6/02/99		\$150
6/02/99		\$150
6/07/99	\$130,000	
6/07/99	\$50,000	
7/19/99		\$35.00
8/19/99		\$200
8/26/99		\$1,000
9/10/99		\$1,000
10/05/99		\$125
Total	\$435,000	\$5,660

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total was: of contracts and gifts was:

No bid contracts:	\$801,000
Campaign contributions:	\$7,160

Carole A. Burns – Special Counsel

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party.

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
10/09/98	\$30,000	
2/12/99		\$5,000
2/23/99		\$500
5/03/99		\$1,500
5/10/99	\$50,000	
5/18/99		\$300
6/29/99		\$300
8/06/99		\$200
8/10/99		\$400
8/20/99		\$750
8/31/99		\$200
Total	\$80,000	\$9,150

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$200,000
Campaign contributions:	\$9,900

Farrell, Fritz, Caemmerer & Cleary – Special Counsel

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
8/21/97		\$1,000
8/21/97		\$1,000
10/01/97		\$5,000
2/23/98	\$50,000	
2/26/99		\$750
4/26/99	\$100,000	
4/26/99	\$19,500	
5/04/99		\$500
5/10/99	\$15,500	
5/28/99		\$500
7/15/99		\$150
8/04/99		\$100
8/09/99	\$100,000	
8/20/99		\$150
10/09/99		\$500
10/29/99	\$25,000	
12/29/99		\$2,000
Total	\$310,000	\$11,650

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$310,000
Campaign contributions:	\$20,450

Frederick P. Clark – Planning Consultants

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
6/09/97	\$371,415	
7/22/97		\$100
9/22/97		\$500
3/01/99		\$2,000
4/12/99	\$175,648	
10/29/99	\$100,000	
Total	\$ 647,063	\$2,600

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$647,063
Campaign contributions:	\$3,610

Hudson General Corp. – Transportation Services

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
2/23/98	\$497,470	
6/05/98		\$800
1/11/99	\$310,000	
3/03/99		\$200
3/15/99	\$508,552	
5/04/99		\$500
6/24/99		\$850
6/30/99		\$150
Total	\$1,316,022	\$2,500

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$1,878,154
Campaign contributions:	\$2,500

Michael Haberman - Appraiser

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
7/23/97		\$500
8/25/97	\$35,000	
10/06/97		\$500
12/8/97	\$1,000,000	
5/11/98	\$75,000	
6/3/98		\$750
6/29/98	\$1,000,000	
7/21/98		\$500
8/24/98	\$200,000	
9/14/98	\$325,000	
11/16/98		\$2,000
3/01/99		\$1,000
3/15/99	\$75,000	
6/08/99		\$300
6/15/99		\$750
7/19/99	\$1,000,000	
8/09/99	\$300,000	
8/31/99		\$500
9/02/99		\$500
9/13/99	\$35,000	
Total	\$4,045,000	\$7,300

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$4,045,000
Campaign contributions:	\$7,800

Rivkin, Radler & Kremer – Special Counsel

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
2/12/99		\$500
3/15/99	\$40,000	
3/17/99		\$1,000
3/17/99		\$500
4/20/99		\$200
5/05/99		\$300
5/19/99		\$150
6/28/99	\$50,000	
8/06/99		\$100
Total	\$90,000	\$2,750

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$90,000
Campaign contributions:	\$5,550

Ross & Cohen – Special Counsel

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
2/13/97		\$300
6/06/97		\$400
6/09/97	\$350,000	
8/07/97		\$1,500
8/25/97	\$50,000	
8/25/97	\$15,000	
9/22/97		\$500
2/23/98	\$50,000	
3/16/98	\$80,000	
5/11/98	\$75,000	
5/28/98	\$75,000	
5/29/98		\$1,050
7/23/98		\$1,500
12/14/98	\$15,000	
3/01/99		\$500
3/09/99		\$500
3/15/99	\$60,000	
5/10/99	\$100,000	
6/11/99		\$300
6/30/99		\$575
8/04/99		\$500
8/31/99		\$1,000
9/10/99		\$500
Total	\$870,000	\$9,125

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts: \$870,000
Campaign contributions: \$10,775

Shah Associates – Engineering Consultants

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
6/09/97	\$300,000	
6/09/97	\$149,000	
11/05/97		\$250
9/14/98	\$200,000	
9/14/98	\$200,000	
2/22/99		\$500
3/01/99		\$5,000
3/18/99		\$500
4/12/99	\$300,000	
7/08/99		\$2,500
7/08/99		\$2,550
7/19/99	\$200,000	
Total	\$1,349,000	\$11,300

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$1,349,000
Campaign contributions:	\$11,775

Vecchione & Vecchione – Workers’ Compensation Counsel

Timeline of Personal Service Contracts from Nassau County and Campaign Contributions to County Executive Gulotta and Nassau County Republican Party

Review of Personal Service Contracts from October 1996 through November 1999 and of campaign contributions from July 1996 through January of 2000.

Date	Contract Amount	Contribution Amount
4/14/97	\$175,000	
6/10/97		\$300
7/14/97		\$1,500
9/26/97		\$1,000
5/11/98	\$175,000	
6/11/98		\$800
7/30/98		\$1,000
11/30/98		\$500
2/17/99		\$200
3/16/99		\$1,000
4/26/99	\$187,500	
5/05/99		\$150
8/04/99		\$100
12/17/99		\$500
Total	\$537,500	\$7,050

The timeline above does not include other contracts and contributions, for which the dates were not proximate. The overall total of contracts and gifts was:

No bid contracts:	\$537,500
Campaign contributions:	\$9,050

Conclusion and Recommendations

There is a clear conflict of interest when the County Executive awards no-bid contracts worth tens of millions of dollars each year to individuals and firms that make campaign contributions to the Executive or the political party run by the Executive. Despite this conflict of interest, County Executive Gulotta regularly awarded no-bid contracts worth at least \$23 million to campaign contributors.

The County Executive may well argue that the contracts were based solely on merit and without political considerations. He may well argue that the overlap between contracts and dates is coincidental. He will point out correctly that millions of dollars of contracts were awarded to firms that did not make campaign contributions.

However those arguments will not remove the conflict of interest that is created every time a contract is awarded without competitive bidding by an Executive who has received political gifts from the contractor, often within a few days or weeks of the contract award. Whether the pattern identified in this report is coincidental, or an indication that contractors were expected to be political contributors, misses the point. Regardless of whether this pattern was by coincidence or intent, the conflict of interest is real.

The ethical issues raised by this behavior are magnified by Nassau County's budget crisis. The public already has serious doubts about the management of County finances. This year Nassau County cut essential community programs including a \$4.5 million cut in United Way funding, cuts to services to emotionally disturbed children and cuts in anti-gang programs. The County work force has been reduced by 200 police officers and by hundreds of other positions, including public health nurses, corrections officers and the staff at drug treatment programs. The County is now debating hundreds of millions of dollars in further cuts and -- at the same time -- hundreds of millions of dollars in a double-digit property tax increase.

Recommendations for Reform

Nassau County should immediately reform the awarding of personal service contracts; we recommend two steps below to do that. However, we believe that only looking at personal service contracts begs the larger question. The awarding of no-bid contracts to political contributors is an extreme example of the conflicts created every day in our system of financing

political campaigns. We would also recommend that Nassau County enact comprehensive campaign finance reform.

Reform of Personal Service Contracts:

1. Require Legislative Review of No-Bid Contracts: In two weeks Nassau County voters will decide whether to require legislative review of no-bid contracts. The County Legislature has placed a ballot question on the November 7th ballot that would require that any one contract of more than \$25,000 a year, or contracts to a firm that totaled more than \$50,000 a year, be reviewed and approved by the Rules Committee of the County Legislature. We recommend that voters approve this measure.

2. Require disclosure of any campaign contributions from personal service contractors to County officials: We would recommend that the County Executive, County Legislators and other high County officials not accept campaign contributions from recipients of personal service contracts. However, barring such contributions would deny the contractors first-amendment right to make a political contribution. Still, the public has a right to be informed of apparent conflicts of interest. Therefore we recommend that all applications for personal service contracts include a listing of campaign contributions made to County officials from the firm, its owners, officers or partners, during the one-year period before the application. In addition, the contractor should be required to disclose any political contributions made to County officials during the term of the contract.

Enact Comprehensive Campaign Finance Reform:

Elected officials are now required to raise an increasing amount of private money from individuals and interests that have business determined by County government.

PPEF issued a report earlier this month on campaign contributions to the New York State Legislature, entitled *Capital Bargains, Capital Gains*, a study of who made contributions to the New York State legislature in the 1999 and 2000 session and what they got for their money. The study probed the following questions:

- Who are the major donors -- *both PACs and individuals* -- behind the New York State Legislature?
- What are their affiliations and interests?
- How did the patterns of giving affect the outcome or progress of legislation in the 2000 session?

The report concluded:

The picture that emerges from this in-depth study is that campaign contributions to the New York State Legislature are a great investment, a capital bargain that reaps capital gains. We find that in almost every case, major campaign contributors win their top priority in the Legislature. Even when they lose their number one goal, they invariably win, by gaining other legislative favors at bargain-basement prices. Investor Warren Buffet was quoted as saying in a *New York Times* op-ed by another Wall Street hotshot, Jerome Kohlberg: "... corporations give for one reason: self-interest. They can easily justify their expenditures because they get an outstanding return on their investments." (July 5, 1998)

Whether on the federal, state or local level, comprehensive reforms are needed whenever the cost of campaigns drives elected officials to raise substantial sums of money. County elections in Nassau are no longer low-budget, community races. In 1997, County Executive Gulotta raised \$3.5 million and spent \$2.7 million on his successful election bid. Nassau County elections have become big-ticket campaigns creating the same conflicts of interest that elected officials face at the state and federal levels.

As long as candidates must rely on raising private money to get elected to public office, candidates and our legislature will be the captive of well-financed interests. We need instead a system where candidates can compete by showing broad support from voters instead of narrow support from campaign funders. ***Clean Money Clean Elections*** reform, recently enacted in four states, offers a way of doing so.

Clean Money, Clean Elections reform begins to restore the principle of "one person, one vote" that lies at the core of our democracy. ***Clean Money, Clean Elections*** reform offers candidates an alternative to soliciting special interest money or spending personal funds to run for office. Under Clean Money, Clean Elections Reform, candidates who demonstrate broad support in their districts, and who are willing to reject private money and limit their spending, receive a fixed and equal amount of campaign funding from a publicly financed fund. They are also eligible for additional public funds, if they are outspent by their opponents or targeted by independent expenditures.

Clean Money, Clean Elections reform was first approved by the voters of Maine in a 1996 ballot initiative, and has since become law in three other states -- Massachusetts, Vermont and Arizona. About one-third of the candidates in Maine and Arizona are running under the new

Clean Money, Clean Elections programs in those states, the first states to implement their new laws for legislative races in 2000.

Clean Money, Clean Elections proposals also include many other necessary campaign finance reforms including: better disclosure and reporting; lower contribution limits; an end to soft-money; and stronger enforcement. Improved disclosure includes reporting of a contributor's employer and occupation, which would help identify when individuals who work for a County contractor make a political contribution. On the local level, better disclosure should also include electronic filing of campaign contributions.

At a time of crisis Nassau County needs to take both immediate and long-term steps to restore the people's confidence in their government. The findings in this report provide more evidence of a County government that was run too long as an "old-boys" club, spending the taxpayer's money on political supporters while the County slipped into a deep financial crisis. Nassau County voters should enact the local law on November 7th requiring legislative review and approval of no-bid, personal-service contracts. And voters should insist that the County Legislature enact comprehensive campaign finance reform to restore public faith in a broken political system.