



2010 QUESTIONNAIRE FOR CANDIDATES FOR THE  
OFFICE OF ATTORNEY GENERAL

Citizens Union would appreciate your responses to the following questions related to policy issues facing the State of New York and our interest in reforming how state government operates. Responses to these questions will be one of several factors Citizens Union will use to evaluate candidates running for office in order to determine our “Preferred Candidates” for the primary election and “Endorsed Candidates” for the general election.

We plan to make public your responses to this questionnaire in our Voters Directory and in other appropriate venues.

We thank you very much for your response.

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Candidate Name: Eric Dinallo Age: 46

Campaign Address: P.O. Box 1645 New York, NY 10150

Campaign Telephone Number: ( 212 ) 944-9640 Fax: ( 212 ) 944-6807

Party Affiliation(s): Dem Campaign Manager Name: John Kenny

Website & Email: www.ericdinallo.com, eric@ericdinallo.com

Education: JD, NYU; MA in Public Policy, Duke University; BA Vassar College

Occupation/Employer (or years in currently held elected office): Henry Kaufman Visiting Professor of Finance, NYU Stern School of Business

Previous Offices and Campaigns: Former New York State Superintendent of Insurance & Assistant Attorney General-- No previous elected position, or campaign for elected position.

Are you willing to be interviewed by CU’s Local Candidates Committee? YES X NO \_\_\_\_\_  
*(Please note: Citizens Union can grant its “Preferred Candidate” and “Endorsed Candidate” rating only to candidates we have interviewed.)*

Have you completed requisite campaign finance filings? YES X NO \_\_\_\_\_

Signature of Candidate: \_\_\_\_\_ Date: \_\_\_\_\_

**POLICY ISSUES**

1. What would be your top priorities if elected to the Office of Attorney General?

My overarching priority is to provide innovative, forward-thinking leadership at a time of economic and political crisis. If elected, I will leverage the full power of the Attorney General's office in effective and creative ways for all New Yorkers.

Broadly, it is vital that we succeed on the issues important to New York's working men and women, such as access to quality, affordable health care, civil rights, and protection from unfair treatment by big corporations and special interests.

As Attorney General, I will:

(1) Take on Public Corruption: I will use the Tweed Law to bring cases against public officials who seek unlawful personal gain at the expense of citizens and taxpayers. I will fully support Andrew Cuomo's call for primary jurisdiction on public corruption cases, and use a variety of existing, but underutilized, laws to pursue public corruption.

(2) Enhance Consumer Advocacy: I will expand the platform of the office as the nation's leading consumer advocate. I will protect the pocketbooks of everyday New Yorkers—bringing cases concerning credit card fees, gas prices, utility bills, health insurance companies, banks, and credit agencies where appropriate. I will make a difference in the lives of New Yorkers who have been hit hard by this recession.

(3) Police Wall Street: I will build upon my experience as Chief of the Investor Protection Bureau under Attorney General Eliot Spitzer to step in when bad actors on Wall Street don't play by the rules. I brought back the Martin Act to take on the financial firms that allowed conflicts of interests to mislead their consumers. As a prosecutor and a financial regulator, I have led dozens of major civil and criminal cases. My offices oversaw investigations and negotiations leading to more than a thousand arrests and billions of dollars in settlements, fines and restitution for taxpayers and policyholders. Many of these settlements resulted from some of the most significant investigations of the financial sector in this decade, as we fought to hold Wall Street accountable for their actions.

2. How would your approach to the position and priorities while in office differ or resemble that of your predecessor?

Attorney General Spitzer brought the office to national prominence during a time when regulators and enforcement agencies in Washington, DC were asleep at the switch. A number of the cases that I brought as Chief of the Investor Protection Bureau under Attorney General Spitzer's tenure fundamentally changed the office and reformed long-standing conflicts of interest on Wall Street. Attorney General Cuomo has maintained the national prominence of the office through his investigations of bank bonuses and his leadership on keeping predators away from social networking sites.

As the federal government reasserts itself into the fields of regulation and consumer protection, I will re-focus the office on the specific needs of New Yorkers. This means not only taking on bad actors on Wall

Street, but also going after local predators who defraud New Yorkers with affinity frauds, Ponzi schemes, and debt rescue scams. It means looking into allegations of price fixing in energy and agricultural markets upstate, in addition to leading multistate antitrust investigations of pharmaceutical companies.

As part of this renewed focus on everyday New Yorkers, I will make increasing accessibility to the Attorney General's office a major priority. I plan to hire additional translators, put an assistant attorney general in each county, and institute "open door" policies at every office. I will make sure that all New Yorkers know that the Attorney General's office is a place where they can get help and where they feel comfortable.

3. What are your thoughts on striking the appropriate balance between the attorney general's role as the lawyer representing the state's officials, and as an independently elected government official?

The Attorney General represents both state interests and the people. On the one hand, the Attorney General defends the state and public officials against lawsuits and defends its laws. On the other hand, the Attorney General represents the people of New York in a *parens patriae* function. I will take both of these duties seriously, and in the vast majority of cases I believe they will not be in conflict. However, when a public official (appointed or elected) begins to violate the people's trust, I believe it is the Attorney General's duty to investigate and prosecute those violations to the fullest extent of the law.

4. If elected, how would you leverage the Office of the Attorney General to protect the public from fraud and/or the misuse of taxpayer funds in the public or private sector?

As I discuss in my Public Integrity Agenda (attached), as Attorney General I will increase disclosure requirements for charities that receive member items from elected officials and use the Tweed Law to investigate misappropriations of public funds. I believe that following the money trail in cases of alleged public corruption can expose dishonest officials.

5. What, if any, are the key social issues of the state that you would address should you be elected to the Office of Attorney General. How would you address them?

I believe that there are a number of important civil rights issues that need to be addressed. As Attorney General, I will:

- Investigate the NYPD's use of stop-and-frisk and determine whether it is unconstitutionally targeting minorities;
- Bring a new equal protection case to win same-sex marriage rights in New York State;
- Fight for women's rights by investigating companies that steer women into low paying back-office jobs while reserving for men the higher paying jobs with greater opportunity for advancement;
- Secure labor rights for farmworkers by bringing an equal protection claim that the primarily Latino farmworkers face de facto discrimination.
- Prosecute fraudsters who prey on immigrants with false promises of green cards and jobs; and
- Aggressively prosecute hate crimes against women, minorities, LGBT New Yorkers, and the elderly.

6. What, if any, would be your top legislative priorities to pursue should you be elected to the Office of Attorney General. What specific solutions would you put forward?

I strongly believe that the Attorney General's fundamental purpose is to use existing laws creatively to protect New Yorkers. The office is an enforcement office – not a legislative one – and that means my first priority will be to use the laws on the books to go after public corruption, consumer frauds, and Wall Street misdeeds.

I do believe, however, that the Attorney General's bully pulpit can also be effective in proposing and supporting legislation. In my Reforming Albany Agenda (attached), I proposed making the legislature full-time. This would remove the egregious conflicts of interest that develop as a result of part-time legislators having outside business interests. I also favor campaign finance reform, and will support legislation that creates stricter limits on contributions and creates a public financing system.

There are also some areas where the Attorney General's office could use stronger laws to protect New Yorkers. For instance, I support the passage of the Gender Expression Non-Discrimination Act (GENDA) because it will strengthen the rights of transgendered New Yorkers and will increase the Attorney General's office's ability to prosecute those who discriminate based on gender identity.

## **REFORM ISSUES**

7. How would you address public misconduct of elected officials and what novel approaches would you use to reform state government? How would you use the enforcement mechanisms provided to the Office of Attorney General in pursuing violations of the state's campaign finance and ethics laws? Do you believe that greater responsibility should be given to the office to investigate corruption and how would you achieve that?

I believe that with existing law and support from the Governor, the Attorney General's office has the tools to become a clearinghouse for public corruption cases and reform the culture of Albany. I have a variety of proposals to begin the process of fixing state government and for a more detailed account of my plans, please see my attached **Public Integrity** and **Albany Reform Agendas**.

First, I support a full-time legislature and will closely investigate ties to and misconduct arising from outside business interests until such time as this reform is adopted.

Three existing, but currently underutilized, laws provide the Attorney General's office the powers necessary to take the lead in rooting out public corruption:

- Executive Laws §63(3) and §63(8) confer powers that allow the Attorney General to investigate state entities when requested to do so by the Governor. I will ask that the Governor grant the Attorney General jurisdiction to prosecute all public corruption cases against state agencies, departments, and authorities. While I support Attorney General Andrew Cuomo's call for legislation granting the Attorney General primary jurisdiction over public corruption cases, with the stroke of a pen the Governor can, and should, immediately do so.
- Executive Law §70 confers power on the Attorney General to act as a Special District Attorney to investigate and prosecute election law and campaign finance violations when

appointed by the Governor to do so. I will press for the Governor to restore the Attorney General's historic authority over Election Law violations that was removed in the 1970s.

- The Attorney General's office is positioned to ensure that state contracts are awarded fairly, and are monitored after the fact to ensure compliance. The Tweed Law – named for New York's most infamous corrupt official – allows the Attorney General to step in whenever state or local funds are misappropriated. I will step in and prosecute those who conspire with contractors to rig bids and pocket the profits.

Finally, I would seek to build cooperative relationships across state government to take on these issues. Working with the Comptroller, Inspector General, and local enforcement officials, I will encourage cooperation among auditors, investigators, and prosecutors across the entire state. Additionally, my proposal to place an Assistant Attorney General in every county will provide boots on the ground to pursue corruption on a local level.

8. Do you support measures to limit the role of money in elections and politics, such as substantially reducing contribution limits and/or instituting a matching public campaign financing system at the state level? Absent a change in the law, what would you do as a candidate, or attorney general, to set an example in diminishing the influence of money in campaigns?

Not only have I called for the Governor to give the Attorney General's office jurisdiction over campaign finance violations, which I will use to stringently enforce the laws, but I will also support (and have called for) systemic public financing reform including: improved oversight, expanded voting access, and limits on the influence of special interests, lower contribution limits, increased restrictions on corporate contributions, and public financing in state elections similar to the system currently in place in New York City. Public financing is particularly essential for the offices of Attorney General and Comptroller, where influence over pending or ongoing investigations and pension fund investments can have a significant impact.

9. What role do you see the Office of Attorney General playing in monitoring non-profits receiving member items funds?

The Attorney General's office is responsible for monitoring charities and I will demand extensive transparency of those non-for-profits that receive member item funds, including disclosure of staffing, board membership, office space, rent and expenditure payments. Charities receiving taxpayer money from elected officials that fail to meet strict standards of independence from elected officials and financial integrity will be thoroughly investigated.

10. Do you support stricter limits on gifts and other benefits, such as honoraria, public officials may receive from lobbyists, contractors and others attempting to influence the political process?

Yes, I support such measures.

11. Do you believe there is a conflict of interest in raising funds from companies you may regulate and have to take action against? Are there parameters you set or you believe should be established in statute to limit potential conflicts of interest?

Due to the near-universal scope of possible investigations that the Attorney General may be required to pursue, the question of undue influence in the Attorney General's office and the acceptance of funds from potentially subjects of action is infeasible. The problems caused by the influence of campaign funding is best addressed by broad campaign finance reforms, especially public financing, which I support and will advocate as Attorney General.

12. Do you support a system of selecting Supreme Court judges through an appointment process where candidates are recommended by citizens' committees on the basis of merit and qualifications? If not, what judicial selection mechanisms do you support?

I support merit-based judicial selection, and will take every available step to ensure that a constitutional convention, if convened, is protected from special interests and does not erode basic protections for New Yorkers.

13. What do you believe is the proper role of the Office of Attorney General in overseeing public authorities?

The Attorney General's office is primarily concerned with defending public agencies, but there are a variety of ways that the office interacts with the agencies. I have covered a variety of my plans for state government reorganization in my attached **Saving Taxpayers Money Agenda**. By assessing which agencies are sued most often, and why, I will generate a variety of ways to avoid failure by the public authorities while reducing exposure. One example of risk mitigation would be to work with the Department of Correctional Services to develop better statewide policies against prison violence. By proactively addressing instances where prisoners are most vulnerable to civil rights violations, the state can better protect itself and our corrections officers from future litigation.

By using the Attorney General's office as a source of legal advice to public authorities, municipalities and other government agencies, I will have the opportunity to attack a variety of problems from the platform of the Attorney General's office.

Please provide any additional information about your positions as well as actions that you have taken or plan to take to advance your positions on the above issues either below or on a separate sheet of paper.

I have attached six agendas for the office (LGBT, Rural, Public Integrity, Consumer Protection, Albany Reform, and Saving Taxpayers Money).

**Please return to: Citizens Union, Local Candidates Committee  
299 Broadway, Suite 700 New York, NY 10007**

Or via fax at 212.227.0345

## CAMPAIGN PROMISES MADE TO VOTERS (PAST and CURRENT)

In addition to evaluating their stances on the issues above, Citizens Union will assess incumbents on how well they kept the promises they made to voters during the previous election.

As an elected official who currently holds an office other than the one for which you are running,

- a. what were the top five promises or goals you made to your constituents when you ran for your current seat and what progress has been made in keeping those promises, and
- b. what are the top five promises or goals you are making to the voters during this campaign?

We thank you very much for your response. Please feel free to use additional paper if the space provided is not sufficient.

### TOP FIVE CAMPAIGN PROMISES OR GOALS FROM 2008 or BEFORE AND ACTION ON THEM

1. \_\_\_\_\_  
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### TOP FIVE 2010 CAMPAIGN PROMISES OR GOALS

1. Assign an Assistant Attorney General to every county.
2. Create a new Consumer Financial Products Unit to seek out predatory scams and close regulatory gaps in federal reform.
3. Aggressively pursue public corruption, using the Tweed Act, and other applicable laws.
4. Conduct a risk assessment on state agencies and recommend ways to mitigate the risk, saving New York millions in legal defense a year.
5. Investigate the constitutionality of stop-and-frisk as it is being employed in New York City.

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via fax to 212.227.0345 or via email to [acamarda@citizensunion.org](mailto:acamarda@citizensunion.org)



# **ALBANY REFORM AGENDA**

Our state capitol has earned a national reputation as a center of corruption. It is time to take action in Albany so that we can take back our government. Here is Eric's plan to help change the way business is done in Albany.

## **I. Eliminate Conflicts of Interest in State Government**

Conflicts of interest have distracted New York's officials at the expense of the people they are elected to serve. Dinallo will eliminate such conflicts – the principal cause of ethical indiscretion, negligence and corruption.

As Chief of the Investor Protection Bureau in the Attorney General's Office, Dinallo prosecuted financial firms for their conflicts of interest. Those cases resulted in critical reforms that changed how business was done so that the average consumers were protected. Dinallo will concentrate on two central reforms to protect the public:

### **A. Make the Legislature Full-Time**

As Attorney General, Dinallo will push to make the state legislature full-time. State legislators should be full-time employees – like our Congressional representatives – and outside jobs should be banned. This single change would eliminate the majority of conflicts of interest that currently poison New York politics. The revision will also tighten disclosure requirements so that additional sources of income, such as investments, real estate holdings, and partnerships are fully reported.

Dinallo will use the full power of the Attorney General's Office to investigate and prosecute conflicts of interest among legislators and public officials who continue to seek personal gain from the power of their office.

### **B. Monitoring Non-profit Earmarks**

Dinallo pledged in his Public Integrity Agenda to use the Attorney General's jurisdiction over charities to strengthen the standards of independence between elected officials and the not-for-profits that receive taxpayer dollars. Dinallo will require charities domiciled in New York to disclose staffing, board membership, office space, rent and expenditure payments if they receive funds via member items from the New York State Legislature.

Dinallo will fully investigate those charities that fail to meet the standards of independence and, in cases of wrongdoing, prosecute them to the fullest extent of the law.

## **II. Ensure a Fair and Transparent Constitutional Convention**

As the people's lawyer, Dinallo will use the Attorney General's Office to ensure a fair and transparent constitutional convention that makes the critical reforms New York State needs. The amendments should include revisions to gubernatorial succession and secure basic civil rights for all New Yorkers.

The constitutional convention process must be spared from the influence of special interests that have made Albany infamous. A 1997 report by the Association of the Bar of New York City warned that "a convention organized under current delegate selection procedures would likely be controlled by the same forces that now control the political status quo." The process must also protect New Yorkers' fundamental rights – including the right to choose, the right to housing, the right to legal services, protecting pensioners, and environmental safeguards.

Dinallo will issue an advisory opinion on the adoption of a delegate selection system to establish one that is open and democratic, and to ensure that the constitutional convention protects the rights of the people of New York.

### **III. Support Reforms to State Election Laws**

Dinallo has called on the Governor to provide the Attorney General with jurisdiction over election law and campaign finance violations. Once that power is conferred, the Attorney General can investigate and prosecute those cases. However, we need more than stricter enforcement. We need to strengthen the rules governing our election system.

New York needs improved oversight, expanded voting access, and limits on the influence of special interests. Dinallo supports instituting sweeping campaign finance reforms in New York State. As Attorney General, Dinallo will recommend passage of legislation to enact a system of public financing for legislative and statewide elections.

Dinallo will insist that any package of campaign finance reforms must include lower contribution limits, increased restrictions on corporate contributions, and public financing in state elections similar to the system currently in place in New York City. Dinallo recognizes that public financing is particularly relevant to the offices of Attorney General and Comptroller, where influence over pending or ongoing investigations and pension fund investments can have a significant impact.

In addition, restrictions on campaign contributions should be extended to prevent the use of campaign funds for personal gain. Penalties for violations of campaign finance laws should be significantly increased to dissuade violators who currently face nothing more than a slap on the wrist.

Finally, voting rights must be improved in the State of New York. Dinallo will advocate for no excuse absentee voting and easier procedures for voter registration, especially for party primaries.

### **IV. Establish an Independent Non-partisan Redistricting Commission**

New York's legislative redistricting process has created districts drawn purely for political gain – they bear no relationship to communities, history, or even standard geometric shapes. The gerrymandered districts lead to permanently entrenched politicians with little threat of a viable challenger and even less accountability.

Dinallo strongly supports the drive for an independent non-partisan commission that will take the process of redistricting out of the hands of politicians and into the hands of the people.

As Attorney General, Dinallo will issue an advisory opinion recommending the creation of an independent commission to be implemented before the 2012 elections. The independent, non-partisan panel will have a mission to create districts in such a way as to support competitive elections, prevent splitting of communities and neighborhoods, empower minority groups, and make district boundaries clearer and more concise for voters to understand.

# **PUBLIC INTEGRITY AGENDA**

Eric has the experience, creative thinking, and determination to continue Andrew Cuomo’s fight against injustice and wrongdoing – whether it be on city streets, in corporate suites, or in the halls of government itself. Here is his plan for helping to restore faith in our state government.

## **I. Increase Transparency Rules for Charities that Benefit From Legislative Member Items**

The Attorney General’s Office has jurisdiction over charities in New York State. As Attorney General, Dinallo will amend registration requirements to require that charities domiciled in New York State disclose staffing, board membership, office space, rent and expenditure payments if they receive member items. Charities receiving taxpayer money from elected officials that fail to meet strict standards of independence from elected officials and financial integrity will be thoroughly investigated.

## **II. Secure General Jurisdiction Over Public Corruption Cases Involving State Agencies, Departments, and Authorities, Including the Legislature**

Executive Laws §63(3) and §63(8) confer powers that allow the Attorney General to investigate state entities when requested to do so by the Governor. Dinallo proposes that the Governor grant the Attorney General jurisdiction to prosecute all public corruption cases against state agencies, departments, and authorities. Dinallo continues to support Attorney General Andrew Cuomo’s call for legislation granting the Attorney General primary jurisdiction over public corruption cases, but with the stroke of a pen the Governor can, and should, immediately provide the Attorney General greater authority.

## **III. Use Assistant Attorneys General Assigned to Every County to Investigate Local Government Corruption Cases**

In Dinallo’s Rural Agenda, he pledged to assign Assistant Attorneys General to every county. One key component of their job description will be investigating public corruption at the local level. The Governor has the power to give the Attorney General primary jurisdiction over public corruption cases involving local officials throughout the state. The Governor can, and should, refer criminal cases concerning these public officials to the Attorney General. Dinallo urges the Governor to broadly confer §63(3) authority to the Attorney General to criminally prosecute public corruption by local officials. Again, with the stroke of a pen, the Governor can, and should, immediately provide the Attorney General’s Office the tools needed without any new laws.

## **IV. Partner with State and Local Agencies to Investigate and Prosecute Public Corruption Cases**

Working with the Comptroller, Inspector General, and local enforcement officials, Dinallo will encourage cooperation among auditors, investigators, and prosecutors across the entire state. Not only will sharing expertise and subpoena powers be much more effective in fighting the corruption that is ruining our faith in government and hurting our public institutions, but it will also save money at a time when resources are thin. The goal will be to make the Attorney General’s Office the clearing house for all public integrity investigations and prosecutions so cases can be brought in the most effective and efficient manner.

## **V. Use the Tweed Law to Address Public Corruption Cases**

State contracts not only need to be awarded fairly, they also need to be monitored after the fact to ensure compliance. The Tweed Law – named for New York’s most infamous corrupt official – allows the Attorney General to step in whenever state or local funds are misappropriated. Dinallo will use the Tweed Law to protect New Yorkers when government employees violate the public trust by stealing from their own constituents and actively prosecute those that conspire with contractors to rig bids and pocket the profits. Such activity will not be tolerated.

## **VI. Investigate and Prosecute Election Law/Campaign Finance Violations**

Executive Law §70 confers power on the Attorney General to act as a Special District Attorney to investigate and prosecute election law and campaign finance violations when appointed by the Governor to do so. It is clear that this is needed, and Dinallo calls upon the Governor to do so. In addition, Dinallo will seek to restore the Attorney General's historic authority over Election Law violations that was removed in the 1970s.

# TAXPAYER SAVINGS AGENDA

At a time when our budget is more than 100 days overdue and our accounts near overdraft, we need to use all the tools at our disposal to stop the waste. My Taxpayer Savings Agenda will end our vulnerability to expensive lawsuits that leave taxpayers holding the bill, and also help restructure our state and local governments so that they work better for New Yorkers.

## **I. Defend State Agencies, Decrease Lawsuits**

Last fiscal year, New York appropriated more than \$100 million to pay for lawsuits against the state and its public officers. Dinallo will work with state agencies to prevent lawsuits that cost taxpayers money.

Dinallo served as a top internal watchdog at international companies and established policies that made them work more efficiently and effectively for their customers. He will do the same through the Attorney General's office by setting up a defense program that reduces spending on lawsuits and improves government services.

### **A. Risk Assessment**

In order to reduce the number of lawsuits, it's important to first look at which agencies are sued most often, and why. Dinallo's risk assessment will help target the policies that need to be reviewed so that services are improved, risks are reduced and defense costs are cut.

### **B. Risk Mitigation**

Following the risk assessment, Dinallo will work with state agencies to develop effective practices that better serve New Yorkers, protect employees, and reduce expensive lawsuits. One example of risk mitigation would be to work with the Department of Correctional Services to develop better statewide policies against prison violence. By proactively addressing instances where prisoners are most vulnerable to civil rights violations, the state can better protect itself and our corrections officers from future litigation.

## **II. Reorganize Government**

New York has more than 1,000 state agencies and 10,000 local governing bodies. These redundant, inefficient systems have contributed to our soaring tax burden. It is time to pare down.

Attorney General Cuomo has called for a Spending and Government Efficiency Commission to reorganize state and local government. Just as CEOs work with their chief counsel to restructure a company, the next Governor will need the Attorney General to do the same. Dinallo will partner with the next Governor to streamline government.

Dinallo is the only candidate who has led similar reorganization efforts:

- At the Attorney General's Office, he restructured the Investor Protection Bureau, which he ran as Assistant Attorney General. The division led the groundbreaking cases against fraud and abuse on Wall Street, recovering billions of dollars for consumers and making the office the powerhouse it is today.
- As the head of the Insurance Department, he brought the municipal bond insurance industry back from the brink of collapse by restructuring failed companies and cutting bureaucratic red tape.

Dinallo has worked to make both government agencies and private firms operate efficiently and eliminate waste. As Attorney General and Chief Counsel to the state government reorganization, Dinallo will support a restructuring process that improves how government operates, while reducing the costs to

the taxpayer.

### **III. Assist Municipal Governments**

Assisting local governments to prevent lawsuits is an important part of risk mitigation. Small municipalities and counties often do not have the resources to defend themselves against lawsuits – or to set policies in place that would serve to avoid them. Dinallo will offer assistance to local governments through a newly created Rural Affairs Bureau – which he announced in his Rural Agenda.

### **IV. Combat Bid Rigging in Public Procurement**

As Attorney General, Dinallo will use the Antitrust Bureau to proactively fight collusion and bid rigging using the Donnelly Act. Ensuring that state agencies receive fair, competitive prices through the public procurement process will reduce taxpayer spending on public contracts and end unlawful collusive behavior. The Antitrust Bureau will develop programs to educate agencies on how to detect and prevent bid rigging, and aggressively investigate and prosecute any firms that engage in collusive behavior.

# **LGBT RIGHTS AGENDA**

This six-point plan utilizes the full power of the Attorney General's Office to promote civil rights, including bringing a new lawsuit for marriage equality before the New York State Courts.

## **I. Create an LGBT Advocate Position in the Civil Rights Bureau**

The Attorney General's Office needs a strong, centralized voice on issues important to the LGBT community. As Attorney General, Dinallo will assign a senior member of the Civil Rights Bureau to act as an advocate for LGBT community. The LGBT advocate will coordinate litigation and advocacy to ensure problems are addressed comprehensively. Dinallo will also direct the advocate to coordinate with LGBT organizations to provide resources on the types of legal documentation that each committed same-sex couple should have, such as a health care proxy.

## **II. Fight Proactively for Marriage Equality**

New York's current policies towards same-sex marriage are unfair and irrational. Dinallo supports full marriage equality on the state and federal level. As Attorney General, he will bring a new equal protection claim demanding marriage equality based on his order as Insurance Superintendent. Upon taking office, he will ensure that all state agencies and private companies provide full spousal benefits to LGBT New Yorkers who marry out-of-state.

## **III. Prosecute and Prevent Bullying in Schools**

Schools should be places where children go to learn, not where they are subjected to emotional and physical abuse. Dinallo supports the Dignity for All Students Act (DASA) and will aggressively enforce its provisions. But, we cannot keep waiting for Albany to act. As Attorney General, he will seek a declaratory federal court judgment that the often systematic bullying that LGBT students face is a civil rights issue that needs immediate action by schools.

## **IV. Protect LGBT Families**

New York's LGBT families are forced to live with legal uncertainties regarding their rights. Dinallo will work to enhance same-sex non-biological parent rights, monitor enforcement of the recent ruling that partners with civil unions and out of state marriages can seek custody and visitation rights, advocate streamlined second-parent adoption, enforce hospital visitation rights and push for equality in New York State tax treatment for same-sex couples.

## **V. Challenge the Ban on Gay Male Blood Donation:**

The FDA's ban on blood donations from men who have sex with men is wrong. It unfairly stigmatizes gay men, while allowing heterosexuals with any number of risky sexual practices to donate blood. The Red Cross and American Medical Association have called for a change to the lifetime ban and urged the FDA to change its policies. It's not just a civil rights issue, it's a public health issue – New York's hospitals periodically face severe blood supply shortages. In the public health interest of all New Yorkers, Dinallo will bring an action to overturn the FDA ban on blood donations from gay men and replace it with a sensible and scientific policy that ensures blood safety.

## **VI. Support Transgender Non-Discrimination:**

Dinallo fully supports the Gender Expression Non-Discrimination Act (GENDA). It is wrong that transgender New Yorkers can be legally discriminated against in housing, employment, public accommodation, credit, and education in many parts of New York. The state needs to catch up with New York City, Buffalo, and other cities that have banned this kind of discrimination. Dinallo strongly supports the passage of GENDA's in Albany.

# **RURAL AGENDA**

A central element of Eric's Rural Agenda is the goal of assigning an Assistant Attorney General to every rural county within the first two years of his Administration. Here's Eric's five point plan.

## **I. Assigning an Assistant Attorney General to Every County**

The Attorney General's office has incredible power to help everyday New Yorkers fight big corporations and special interests, but many New Yorkers feel detached, due to either distance or accessibility, from a regional office. Dinallo will assign an Assistant District Attorney to each county, providing effective, progressive representation on issues from real estate abuses to civil rights to election law violations to even simple, general guidance for individuals.

## **II. Expanding basic legal services to municipalities**

Expand and improve the Appeals and Opinions Division of the Attorney General's office ability to render informal advisory opinions on a wide range of issues including constitutional interpretations, environmental law guidance, workers' rights concerns, and other legal issues that are often unique to municipalities.

## **III. Using the general jurisdiction of the office to encourage local cases and investigations**

The Attorney General can analyze complaints it receives from any constituent and provide avenues for local cases to be appropriately handled.

## **IV. Capitalizing on settlements as opportunities for community development**

Settlements and legal actions should include a focus on community development and growth in Upstate New York.

## **V. Instituting "open-door" policies at offices**

The newly assigned Assistant Attorneys General will have simple one-room offices on main streets so that citizens will be more able to access legal resources.



# CONSUMER AND FINANCIAL PROTECTION AGENDA

To fully protect consumers, the next Attorney General must address the fraud and unfair financial practices that New Yorkers fall victim to – from major conflicts of interest on Wall Street to boiler room scams. The Attorney General’s office is equipped with the tools to stop those who prey on and exploit others. Dinallo will use the power of the Attorney General’s office to investigate, and prosecute unfair financial practices against New Yorkers.

## **I. Filling in the Regulatory and Enforcement Gaps**

The federal Wall Street Accountability and Consumer Protection Act leaves a number of gaps in regulation and enforcement, like regulating auto dealers. The Attorney General can and must fill those gaps on an ongoing basis.

### *Create a New Consumer Financial Products Unit*

Dinallo will create a Consumer Financial Products Unit within the Investor Protection Bureau, which he led as an Assistant Attorney General. The New York Attorney General’s office has been an outstanding consumer protection agent. This new unit will continue expand on that work and be used to aggressively enforce the new federal regulations.

It will also protect consumers in the areas not covered in the federal financial reforms, for instance auto dealers, small banks, or retailers that issue credit or use layaway. Bad actors will try to exploit loopholes in the federal reform legislation, and Dinallo will aggressively investigate and prosecute them. Using the Martin Act, Executive Law 63(12), General Business Law §349, and other relevant state laws, the Consumer Financial Products Unit will close these regulatory gaps, and protect consumers from unfair and deceptive business practices. It will also focus on an array of sophisticated and complex financial products that consumers now have access and exposure to. The Unit will address:

- payday lending;
- derivatives, including credit default swaps;
- predatory lending;
- online financial scams;
- false advertising and unsuitability in the sale of insurance products like annuities;
- unfair life insurance policy settlements;
- auto dealer scams;
- debt consolidation/foreclosure rescue scams;
- real estate finance fraud;
- reverse mortgages;
- unscrupulous debt collection practices; and
- retail credit scams.

### *Ensure Banks Do Not Avoid Capital Requirements*

Inadequate capital behind obligations and a lack of transparency were main causes of the financial crisis, and we cannot allow similar risky behavior to take down our economy again. As Attorney General, Dinallo will bring cases against financial firms that engage in sham transactions, accounting fraud and other deceptive activities to skirt the federal reform requirements. He will also prosecute firms that misrepresent or conceal their true financial condition.

### *Protect Public Pensions and Municipalities*

As Insurance Superintendent, Dinallo developed the first set of pension regulations in decades to safeguard assets in the fund by increasing transparency, requiring conflicts of interest disclosure, and

setting strong corporate governance standards.

Before the financial crisis, banks packaged and sold “safe” investments to municipalities all over the country. Many of those investments turned out to be exotic financial instruments. For example, municipalities and non-profits have paid billions of dollars to unwind swap agreements and other financial products that were supposed to save them money, but ended up doing the opposite.

Dinallo will use the Martin Act to investigate whether municipalities were fraudulently misled about the level of risk of these complex financial instruments. If wrongdoing is found, Dinallo will aggressively prosecute financial services firms in order to recoup money lost by municipalities and pension funds.

## **II. Protecting New Yorkers’ Pocketbooks**

Scams that take advantage of New Yorkers don’t just come from Wall Street – they come from companies big and small that put profits ahead of people. Dinallo will put the Attorney General’s office to work to protect New York’s consumers.

### **Ensure Fairness and Transparency in Banking and Credit**

- **Credit Scores:** Dinallo will investigate whether the three credit reporting bureaus have adequate policies in place to protect consumers. Abuses and mistakes in calculating credit scores can lead to serious fraud and can cause sometimes irreparable damage to the lives of New Yorkers as they are turned down for mortgages, student loans, and even jobs.

- **ATM and Bank Fees:** As chief of the Investor Protection Bureau, Dinallo investigated banks that steered consumers into high cost bank accounts instead of basic accounts that state law mandates banks to offer. He reached a settlement that forced the banks to disclose and advertise the full range of legally mandated services they provide. As Attorney General, Dinallo will expand on this work to ensure that banks are transparent about their policies, fees, and obligations.

### *Combat Frauds and Scams*

- **Energy Reselling Schemes:** After electric utility deregulation in New York under Governor Pataki, a number of “energy service companies” (ESCOs) were started to offer retail competition to Con Edison. However, many of these companies compete only with marketing ploys, questionable advertising, and “teaser rates” that skyrocket after a few months. Worse, the ESCOs have begun targeting the elderly for their scams. Dinallo will protect consumers from monopolistic markets and pricing, and will investigate these 'gimmick' utilities that have become visible since deregulation.

- **Faulty Products:** Protecting New Yorkers on a day-to-day basis is a primary function of the office, and as Attorney General, Dinallo will ensure that distributing or selling dangerous products is swiftly and aggressively stopped, from using our state’s lemon laws to take on the auto manufacturers, to using Executive Law 63(12) and the General Business Law to go after poisoned dog food, the office will continue to be a national leader in ensuring safety and responsibility.

- **Financial Scams:** Consumers are particularly vulnerable to financial scams during recessions as they see their retirement savings and bank accounts dwindle. Dinallo will prosecute fraudsters who prey on consumers looking to recoup the savings they lost in the financial crisis.

### *Statewide Financial Literacy Outreach*

The Attorney General’s office will spearhead a program to increase New Yorkers’ financial literacy, particularly about the new federal reform bill, provide information on how to spot a scam, and ensure that New Yorkers throughout the state have access to the Attorney General’s office. The office will

partner with other agencies and non-profits on this important initiative, and direct funds from financial wrongdoing settlements to financial literacy efforts.

### **III. Combating Collusion and Price-Fixing**

The Antitrust Bureau is a key player in the Attorney General's power to protect consumers. While the Bush-era antitrust authorities in Washington were asleep at the switch, the Antitrust Bureau helped lead multistate cases of national importance. Now that Washington has stepped up its antitrust enforcement, Dinallo will focus the bureau's work on local cases that affect New Yorkers specifically, while continuing to step in on national cases where necessary.

#### *Buying Power in Agricultural Markets*

There is increasing evidence that near-monopoly milk processors and distributors are using their substantial buying power to drive down prices paid to New York's dairy farmers for milk. This leads to pressure on farmers to cut corners and shifts profits away from farmers and up the production chain. Dinallo will investigate the use of monopsony power by milk distributors to determine whether they are undercutting fair prices for our dairy farmers, and bring an antitrust action if I find any wrongdoing.

#### *Upstate Health Insurers*

Many upstate markets have little or no competition among health insurers. Until prior approval legislation was signed this summer, the New York State Insurance Department was not allowed to control the rates charged by insurers, leading to huge increases in rates and profit. Dinallo will investigate health insurer monopolies using the Donnelly Act as well as other applicable antitrust laws to ensure that the upstate insurers are not abusing their monopoly status to harm consumers.

#### *Cell Phone Bills and Contracts*

Dinallo will investigate the possibility of anti-competitive practices by cell phone carriers such as lock-step text message price hikes. Dinallo will also continue the work of our last two Attorneys General to ensure that cell phone companies disclose and adequately inform consumers of the fees associated with their contracts.

#### *Oil & Gas Pricing*

Dinallo has traveled to each of New York's 62 counties and heard complaints of unreasonably high gas prices, including allegations of price fixing in oil and gas markets. As Attorney General, Dinallo will direct the assistant attorneys general to investigate allegations of price fixing in energy markets using the Donnelly Act.