

Citizens Budget Commission • Reinvent Albany • Citizens Union
Common Cause New York • Empire Center for Public Policy
League of Women Voters of New York State
New York Public Interest Research Group

February 20, 2024

Hon. Andrea Stewart-Cousins
President Pro Tempore and Majority Leader
New York State Senate
Legislative Office Building
188 State Street, Room 907
Albany, NY 12247

Hon. Carl Heastie
Speaker
New York State Assembly
Legislative Office Building
188 State Street, Room 932
Albany, NY 12248

Dear Senate Majority Leader Stewart-Cousins and Assembly Speaker Heastie:

We write to urge you to reject several provisions in the Fiscal Year 2025 Executive Budget in your one-house proposals that give the Governor broad, unilateral spending and borrowing authorities that are unnecessary and fiscally risky. The Executive Budget also reduces or eliminates valuable oversight provided by the Comptroller. We ask that you ensure that these provisions are omitted from the enacted budget.

In your one-house budgets and in the enacted budget, we strongly urge you to:

- Reject universal appropriation transfer and interchange authority within the State Operations bill;
- Reject the Governor's permanent authority to issue up to \$4 billion in short-term revenue anticipation notes;

- Reject a \$1 billion transfer from the General Fund to the "Health Care Transformation Account" unless its uses are more clearly defined in appropriations;
- Reject provisions added to individual appropriations that remove competitive bidding requirements and the Comptroller's oversight; and
- Reduce the "Special Emergency Appropriation" from \$2 billion to \$1 billion.

Most of these proposals were in previous Executive Budgets, and some were originally enacted in the Fiscal Year 2021 Budget as a response to the COVID-19 pandemic. At that time, the broad spending, budget management, and borrowing authorities gave the Governor the needed authority and flexibility to manage a historic public health emergency and dire fiscal situation.

Nearly four years later, the situation is vastly different. These controls are no longer necessary. Enacting them would give the Governor unchecked authority to transfer, spend, or issue debt backed by public dollars.

Furthermore, the State Operations interchange authority, which grants the Executive unilateral authority to re-program spending authorizations without Legislative input, could render the agreed-upon State Operations budget meaningless. This authority has been proposed by the Executive and rejected by the Legislature in each of the past three budgets. We ask the Legislature to reject it again.

The removal or amendment of these provisions has been a priority for watchdog organizations, and many of our groups applauded your efforts to [reject them last year](#).

This year's budget also includes a new proposal that would significantly limit valuable oversight authority by the State Comptroller. This provision would limit Comptroller review to few limited criteria, preventing the Comptroller from considering critical factors in certain proposed bond sales, such as the maturity schedule for principal payments. Back-loading principal payments can lead to ballooning future debt service costs and violate the principle of intergenerational fiscal equity; that is why State law requires a level or declining debt service schedule for some State debts. It is important that the Comptroller retains the authority to evaluate all State-supported bond sales on all essential and mandated criteria, such as this.

Therefore, we also urge you to:

- Reject the proposal to limit the scope of Comptroller review of certain bond transactions, as proposed in sections 49 and 50 of Part X of the Public Protection and General Government bill.

These proposed extraordinary powers are unnecessary and create significant fiscal risk. We supported your prior actions to eliminate or restrain these powers and urge you to continue to do so this year.

Thank you for considering our recommendations.

Sincerely,

Andrew S. Rein
President
Citizens Budget Commission

Tim Hoefer
President & CEO
Empire Center for Public Policy

John Kaehny
Executive Director
Reinvent Albany

Laura Ladd Bierman
Executive Director
League of Women Voters of New York State

Betsy Gotbaum
Executive Director
Citizens Union

Blair Horner
Executive Director
New York Public Interest Research Group

Susan Lerner
Executive Director
Common Cause New York

cc:

Blake Washington, Director of the New York State Division of the Budget

Senator Liz Krueger, Chair of the Senate Finance Committee

Assemblymember Helene Weinstein, Chair of the Assembly Ways and Means Committee