



Governor Andrew Cuomo
New York State Capitol Building
Albany, New York 12224

November 14, 2016

Re: Renew public confidence in state government, include Clean Contracting reforms in special session to renew 421-a.

Dear Governor Cuomo,

We write to ask you to include Clean Contracting reforms and controls on pay to play as part of the special session you are calling to renew 421-a real estate tax abatements.

Over the last few weeks you have talked about the need to restore the public's trust in New York's scandal-scarred state government. We agree, and the place to start is with fundamental changes to how the state awards over a billion dollars a year in economic development contracts.

The public has not forgotten that in September, high-level officials in State government were arrested for rigging economic development contracts worth more than \$780 million—nor can you.

Any credible attempt to restore the public trust in state government must include major reforms that give the public confidence that the state's economic development spending is clean and accountable. Real reform is up to you. This stunning bid-rigging scandal took place within the executive branch, and as governor you can implement many major Clean Contracting reforms on your own through instructions to your appointees, through your budget, and

more formally via executive orders. However, we urge you to use your power to propose and champion legislation, so that these changes are codified in law.

In late September, our groups wrote to you and other state leaders and urged you to make the major Clean Contracting reforms needed to restore public confidence. Today we are renewing our call for fundamental changes to ensure that billions in state economic development contracts are awarded fairly and transparently.

Five Clean Contracting Reforms Proposed by Watchdog Groups:

1. Require competitive and transparent contracting for the award of state funds by all state agencies, authorities, and affiliates. Use existing agency procurement guidelines as a uniform minimum standard.
2. Transfer responsibility for awarding all economic development awards to Empire State Development Corporation (ESDC), and end awards by state non-profits and SUNY.
3. Empower the comptroller to review and approve all state contracts over \$250k.
4. Prohibit state authorities, state corporations and state non-profits from doing business with their board members.
5. Create a 'Database of Deals' that allows the public to see the total value of all forms of subsidies awarded to a business – as six states have done.

We further urge you to reduce the potential for conflicts of interest by exploring options to limit campaign contributions from anyone who has or is seeking a state contract. Nineteen states and NYC have such “pay to play” laws, NY State does not.

As governor, you have not shied away from trying to do big things. In the aftermath of the biggest bid-rigging scandal in state history, we are calling on you to champion the fundamental reforms that are needed to protect the public's money and restore public trust in government.

Thank you,

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