March 9, 2017

Governor Cuomo
Executive Chamber
Capitol Building
Albany, NY 12224

Assemblymember Heastie
Speaker
Legislative Office Building
Albany, NY 12248

Senator Flanagan
Majority Leader
Legislative Office Building
Albany, NY 12247

Senator Klein
Senate Co-Leader
Legislative Office Building
Albany, NY 1224

Re: Procurement Reforms in the Executive Budget

Dear Messrs. Cuomo, Flanagan, Heastie, and Klein:

We write to recommend additions to the portions of the *Good Government and Ethics Reform* Article VII bill in the 2018 Executive Budget pertaining to procurement reform.

Parts F-L of the bill have provisions establishing Inspector Generals for the New York State Education Department (NYSED) and the Port Authority of New York State & New Jersey (PANYNJ); extending the State Inspector General's authority over affiliated not-for-profit organizations of SUNY and CUNY; establishing a Chief Procurement Officer for state agencies and authorities; and limits campaign contributions by vendors during the restricted period of procurement. While these new offices may help prevent conflicts of interest, wasteful spending, or criminal activity, we urge you to consider as part of your budget discussions the following essential reforms:

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 the 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** (the new ethics provisions in Part H of the bill, for SUNY and CUNY-affiliated not-for-profit organizations could include this prohibition).
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 also urge you to reduce the potential for conflicts of interest by considering as part of your discussions on the budget, options to limit campaign contributions from anyone who has or is seeking a state contract. Part L of the bill bans contributions by vendors during the restricted period and up to six months after a contract. This is an important acknowledgement that pay to play is a real problem in New York and needs to be addressed. We would like to discuss this and other procurement reforms with your offices.

Sincerely,

Dick Dadey, Executive Director
Citizens Union

Ron Deutsch, Executive Director
Fiscal Policy Institute

Dave Friedfel, Director of State Studies
Citizens Budget Commission

Blair Horner, Executive Director
NY Public Interest Research Group

John Kaehny, Executive Director
Reinvent Albany

Susan Lerner, Executive Director
Common Cause New York

Dare Thompson, President
League of Women Voters – NYS