

End of Legislative Session Statement

Major Progress on Voting

Little Progress on Clean Government and Curbing Business Subsidies

Rushed and Counterproductive Action on MTA

This past legislative session marked complete Democratic control of state government for the first time in a decade, and, for the first time, New York State legislature had both houses of the legislature led by people of color.

The legislature led by Assembly Speaker Carl Heastie and State Senate President Stewart-Cousins were more assertive in their relationship with the Governor, passing bills on their own rather than always negotiating with the Executive.

Reinvent Albany focuses on four policy areas, and in those areas, the legislature had mixed success and lost steam after a quick start. Most positively, the legislature took the lead passing a huge package of long-stalled voting reforms that will modernize our state's democracy - namely voting and voter registration procedures. The legislature also deserves credit for sharply limiting the infamous "LLC Loophole" and holding more oversight hearings.

Unfortunately, other than action on the LLC Loophole, Albany has done nothing to reduce the risk of corruption including in contracting, campaign finance, and oversight and transparency of business subsidies. The Capitol remains mired in a pay-to-play culture that the new leadership has not challenged. New York State desperately needs to end its transactional culture in which special interests have undue influence and dominate campaign contributions.

We applauded the passage of congestion pricing as part of the state budget earlier this session, yet overall, the legislature did not assert itself as an independent branch of government on issues involving public authorities, especially the largest authority, the

Metropolitan Transportation Authority (MTA). The legislature rubber stamped the Governor's proposed "reforms" of the authority, as well as the "ex officio" appointment of the Governor's budget director to the MTA Board, removing the Senate's confirmation authority. The budget director cannot serve two masters, and cannot meet his fiduciary duty to the MTA.

Clean NY Government, Strong Democracy

The state passed **historic voting reforms** this session on the first day of session and continued making progress through June. Early voting, portable voter registration, the Voter-Friendly Ballot Act, consolidated primaries, online voter registration, e-poll books, uniform voting hours, pre-registration, among other priorities were all passed. Other major constitutional changes like same-day registration and no-excuse absentee voting received first passage and will likely be on the ballot in 2021. Together these reforms modernize the state's antiquated voting infrastructure, making it easier for New Yorkers to register and vote. The Governor and legislature will need to continue to adequately fund these reforms going forward. Boards of election will have to engage in careful planning and show they can execute substantial changes to their operations at a time when voter turnout will likely surge.

The legislature was applauded by clean government advocates for narrowing the infamous Limited Liability Corporation (LLC) loophole, but then did nothing to address the corruption risks highlighted by a decade of huge scandals. The Joint Commission on Public Ethics (JCOPE) remains dysfunctional, as revealed by lawsuits that showed they did not vote on complaints that are properly filed and sexual harassment hearings held by the state legislature. The Executive Director position is now vacant. No movement occurred on a proposal advanced by Reinvent Albany and a coalition of groups.

Reinvent Albany is part of the Fair Elections campaign that pushed for a public matching system for New York State in the budget. In response, the Governor and legislature said in the budget they would appoint a commission to issue binding recommendations by December 1st. Three months later, none of the members have been appointed. The clock is ticking, and commission members must be appointed very soon if the commission is to meaningfully consider the complexity of **campaign finance** reform and respond to public input.

Transparent, Sensible Business Subsidies and Clean Contracting

Reinvent Albany is very disappointed by the lack of progress on Clean Contracting. We were optimistic when Governor Cuomo announced during his January State of the State Address that he and Comptroller DiNapoli had agreed to restore the Comptroller's

authority to review contracts before they are executed, and the Governor would find \$500K for a Database of Deals to make business subsidies transparent. But neither of these reforms were codified in statute in the budget or thereafter. The "agreement" between the Governor and Comptroller is nowhere and not been implemented. The verdict is still out on whether the NYS Economic Development Corporation will create a Database of Deals administratively that aligns with bills in the legislature.

Open Government and Freedom of Information

A few small FOIL measures were passed by the legislature, <u>including legislation to allow</u> <u>judges to determine if a records request would interfere with a judicial proceeding</u> <u>rather than a state agency</u>, and <u>expediting cases in court when a business disputes a record being released by an agency that has information about the business</u>. Yet broader reforms in the budget were not acted on, including applying FOIL standards for state agencies to the legislature and requiring proactive disclosure of records by agencies on their websites.

Accountable State Authorities and "Open MTA"

A small <u>bright spot on authorities reform is new legislation conditionally allowing empowering the Authorities Budget Office (ABO) to suspend board members</u> or executive staff for up to 90 days for failing to file required organizational reports.

The State Senate has generally gone backwards on effectively overseeing the MTA. It held the <u>first public hearing</u> on the subways in five years in February. In its confirmations of MTA Board members, there have been some bright spots with in-depth questions concerning conflicts of interest and fiduciary duty. Yet the nominee for Chairman/CEO position, Pat Foye, was approved on a Sunday during the budget adoption frenzy.

In the end of session "Big Ugly" package, the legislature took full steps backward on MTA governance and hastily approved two significant, and wrongheaded, policy changes with no public notification or comment. First, the legislature approved the creation of a new MTA "Director of Transformation" who reports to the MTA board and has been given seemingly sweeping authority. All other MTA staff report to the CEO. The creation of the new position blurs accountability and fosters management dysfunction.

Second, the legislature approved the governor's last minute proposal to allow the governor to appoint the current and future State Budget Directors to the MTA board "ex

officio" --- without senate confirmation or residency in the MTA service area. This reduces the Senate's oversight power and is bad precedent.