



CITIZENS  
BUDGET  
COMMISSION

CITIZENS  
UNION  
OF THE CITY OF NEW YORK



## Groups Call on State's Leaders To Put Clean Contracting Into Law

### Budget Should Include Pre-Audit Agreement With Comptroller And Database Of Deals In Law

[Good government and fiscal watchdog groups issued a letter to Governor Cuomo, Speaker Heastie and Majority Leader Stewart-Cousins calling for the state leaders to put the pre-audit agreement with Comptroller DiNapoli and the Database of Deals in statute as part of the budget.](#) Currently, the proposals are simply referenced for funding in the budget.

“We are pleased progress has been made on needed contracting reforms in the past month,” the groups stated in the letter. “We encourage you to codify the emerging consensus on clean contracting oversight and transparency in statute (the Article VII bills) as part of the Fiscal Year 2019-2020 budget.”

Governor Cuomo announced during his budget presentation that he and Comptroller Tom DiNapoli had agreed to restore the comptroller's authority to review contracts before they are executed. The governor inserted into the State Operations appropriation bill funding the Comptroller's Office, a provision allowing the Comptroller to pre-audit SUNY and CUNY construction, commodities, computer equipment and printing contracts valued in excess of \$250,000. The Comptroller can also pre-audit SUNY Research Foundation contracts above \$1 million and Office of General Services' contracts above \$85K. The Comptroller must complete the pre-audit process within 30 days of submission of the contract. The State Operations appropriations bill also provides \$500K to the Department of Economic Development (ESD) to create an online Database of Deals for economic development projects. Because it is written in the

appropriations part of the budget, this language would only be in effect for one year. It should be made permanent.

[S.3984-A/A.6355-A](#) of 2018 (the Comptroller's Procurement Integrity Act) provides a model for amending state law to integrate the changes agreed to by the Governor and Comptroller. There are also several sections of this bill which are not part of the announced agreement including requiring authorities to follow procurement rules of state agencies, restricting authorities from contracting with nonprofits for procurement, and requiring non-competitive contract opportunities be published in the NYS Contract Reporter before they are awarded. The Governor as part of his address also said he would require contractors, vendors and grantees with state agencies to certify no collusion or conflicts of interest occurred in state bidding, and to disclose family, financial, and employment relationships with state employees. This proposal does not appear to be in any of the budget bills.<sup>1</sup>

[A.2334 \(Schimminger\) of 2019](#) (and previously [A.8175-A/S.6613-B](#) of 2018) provides a model for statutory change to create a Database of Deals. The language in the appropriations bill in this year's Executive Budget does not contain any requirements for the design and functionality of the Database of Deals, nor does it specify tracking or publication of different types of jobs created or retained or the variety of business subsidies received.

The Governor can put statutory language codifying the agreement with Comptroller DiNapoli and the Database of Deals in the Transportation, Economic Development and Environmental Conservation (TED) Article VII bill as part of the 30-day budget amendments. The Assembly and Senate can also include these proposals in their budget resolutions, as they did last year for the Database of Deals.

---

<sup>1</sup> Governor Andrew Cuomo State of the State Book, Available at: <https://www.scribd.com/document/397531730/2019StateoftheStateBook-2>, pgs 249-250