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**Progressive Groups, Government and Budget Watchdogs
Call On Assembly Speaker Heastie to Allow Vote on
Database of Deals and Comptroller's Procurement Integrity Act**

Bills have already passed State Senate 62-0 and 60-2

*Would increase transparency of state business subsidies and fairness of
economic development contracts*

(Albany) Representatives from leading progressive groups joined with government and fiscal watchdogs today and called on Assembly Speaker Heastie to allow a vote on bills that increase the transparency and accountability of state business subsidies. The bills have already passed the Senate with overwhelming bipartisan support.

The Database of Deals would increase the transparency of the state's \$4B in annual spending on business subsidies. The comptroller's Procurement Integrity Act restores and extends the comptroller's authority to independently review state contracts and act as an independent referee to ensure rules, including MWBE rules, are followed.

State economic development programs have been under scrutiny since a scandal involving the alleged rigging of over \$1 billion in state economic development contracts in Central and Western New York. The trial of Alain Kaloyeros, former head of SUNY Polytechnic, and executives at developers LPCiminelli and COR begins this month.

The Assembly included the Database of Deals (A.8175-A & S.6613-B) in its one house

budget bill in March, and the bill, which is sponsored by Buffalo area Democrat Robin Schimminger, now has 38 co-sponsors in the Assembly. In 2017, Speaker Carl Heastie backed the comptroller's program bill (A.6355-A & S.3984-A), which has 40 Assembly co-sponsors, saying:

*"The people of the state of New York will still feel better knowing that there's some other entity looking at it, like the state comptroller..... Another set of eyes will make people feel better that, yes, things are done correctly."*¹

The Database of Deals is a fundamental transparency reform listing all of the taxpayer subsidies received by a corporation including the type of subsidy, jobs created or retained, and the cost per job to taxpayers. The state spends \$4 billion in economic development annually yet the public has no way of accounting for which programs work best, and whether the state is getting a sufficient return on its investment in jobs produced or retained, or capital investments. An [analysis](#) by Reinvent Albany showed the taxpayer cost per job subsidized varies wildly from project to project, with the Governor's signature projects building factories providing a terrible bang for buck at a half million dollars a job. [Florida](#), [Maryland](#), [Indiana](#) and [New York City](#), among others, have a Database of Deals.

The Procurement Integrity Act was introduced at the request of Comptroller DiNapoli to restore the comptroller's authority to review contracts before they are executed for SUNY/CUNY construction and construction services, materials and printing contracts, and OGS centralized contracts. The bill also:

- Requires comptroller approval of state funded SUNY Research Foundation contracts of over \$1 million;
- Forbids state controlled nonprofit organizations from contracting on behalf of the state unless specifically allowed by the legislature (State-controlled nonprofits like Fort Schuyler Management Corporation bid-rigging scandal).
- Requires state authorities to use procurement guidelines consistent with state agencies.

The groups believe independent oversight is the only way to guarantee basic fairness to state vendors, including MWBE firms and small businesses. [The comptroller's review of existing contracts has already stopped 334 contracts and transactions valued at \\$920 million in the first two months of 2018 due to errors, improprieties and lack of documentation.](#)² [The average review of contracts took just 7.5 days in 2017.](#)³

¹ Bragg, Chris. "Heastie, Flanagan discuss Trump tax plan, procurement, end of session," Times Union. May 9, 2017. Available at: <http://blog.timesunion.com/capitol/archives/274678/heastie-flanagan-discuss-trump-tax-plan-procurement-end-of-session/>

² NYS Comptroller Thomas P. DiNapoli, "State Contract and Payment Actions in February," March 28, 2018. Available at: <https://www.osc.state.ny.us/press/releases/mar18/032818.htm>

Signers of Memorandums of Support

Database of Deals (A.6355-A & S.3984-A)

Comptroller's Procurement Integrity Act (A.8175-A & S.6613-B)

32BJ SEIU □ ALIGN: Alliance for a Greater NY

Alliance for Quality Education □ Citizen Action of NY

Citizens Budget Commission □ Citizens Union

Common Cause NY □ Fiscal Policy Institute

Human Service Council (HSC)

League of Women Voters of NYS □ Make the Road NY

New York Public Interest Research Group (NYPIRG)

NYS Council of Churches □ NYS Labor Religion Coalition

Partnership for the Public Good (Buffalo)

Professional Staff Congress (PSC) □ Reinvent Albany

Strong Economy For All □ United Neighborhood Houses

VOCAL NY

³ NYS Comptroller Thomas P. DiNapoli, "State Contracts by the Numbers," March 2018. Available at: <http://www.osc.state.ny.us/reports/procurement/state-contracts-by-numbers-2017.pdf>

