

Reinvent Albany • Citizens Budget Commission
Brooklyn Center for Independence of the Disabled (BCID)
Center for Independence of the Disabled, NY (CIDNY)
Citizens Union of the City of New York • Common Cause New York
Environmental Advocates NY • Fiscal Policy Institute
League of Women Voters of New York State • New York Association on Independent Living
New York Lawyers for the Public Interest (NYLPI)
New York Public Interest Research Group (NYPIRG)
Permanent Citizens Advisory Committee to the MTA (PCAC) • Regional Plan Association
Riders Alliance • StreetsPAC • Strong Economy for All Coalition
TransitCenter • Transportation Alternatives • Tri-State Transportation Campaign

December 21, 2020

Robert Mujica
Director, NYS Division of the Budget

Re: Please Publish More Detailed, Monthly State Budget Withholding and Advanced Payment Information

Dear Mr. Mujica,

We write as watchdog groups and advocates for government transparency and public accountability to ask that you disseminate timely and detailed information about the State's withholding of funds, which was authorized on an emergency basis in the Fiscal Year 2021 Adopted Budget, and the \$1.5 billion in advanced payments that were announced at Governor Cuomo's December 16 press conference.¹

The State is currently in the third quarter of fiscal year 2021 and has not released a plan to implement any spending reductions. Instead, payments have been withheld and little information has been publicly released. The Mid-Year Financial Plan update included a table that showed \$2.4 billion in withholdings through September in ten broad categories, which are not broken down by agency or individual program.² The lack of details makes it difficult to assess how State actions are impacting agencies, local entities, and nonprofits.

Furthermore, the Division of the Budget's (DOB) legally required notification to the Legislature has only included payments that were withheld beyond a statutory payment date. This subset of withholdings totaled less than \$500 million through August, the latest date of data available.³ These notices are currently only accessible through Freedom of Information Law requests; they are not published by DOB or the Legislature on their websites.

The lack of publicly available, detailed information also deprives New Yorkers from insight into exactly how much DOB has withheld from local governments, state vendors and the Metropolitan Transportation Authority (MTA). The MTA is the largest single component unit of New York State government, and it is struggling to survive cash shortfalls that exceed \$10

¹ Governor Cuomo. December 16, 2020 Press Conference.

<https://www.governor.ny.gov/news/video-audio-photos-rush-transcript-governor-cuomo-announces-new-york-state-will-advance-15>

² NYS Division of the Budget. FY 2021 Mid-Year Financial Plan Update, <https://www.budget.ny.gov/pubs/archive/fy21/enac/fy21-fp-myuu.pdf>

³ McMahon, E.J. Empire Center. "New York State Has Dug Itself Into Its Deepest Hole On Record." September 16, 2020. <https://www.empirecenter.org/publications/new-york-state-has-dug-itself-into-its-deepest-hole-on-record/>

billion over the next 4 years. Other stakeholders likewise should know exactly how much state funding is being withheld from programs that are important to them.

The longer that the State withholds payments, the more likely they are to become *de facto* cuts as recipients manage their activities without funds or certainty of receipt. For example, the lack of payment has already resulted in 3,000 layoffs of adjunct professors at the City University of New York (CUNY)⁴, and reportedly 1,800 nonprofit social service providers are at risk of closure.⁵

Providing advanced payments to certain entities that are facing financial hardship is a welcome action that may ease the burden for some whose payments were withheld. Making the details of these payments public in a timely manner is important for accountability. Without such information on the withholdings and advanced payments the public has no basis on which to assess if these actions inappropriately disadvantage any of the affected entities.

In order to provide greater information to the public and stakeholders, we ask DOB to publish on its website timely and complete information about funds that have been withheld or advanced as part of the state budget adjustment process, ideally monthly and broken out by agency and major program.

Sincerely,

⁴ Barkan, Ross. "CUNY Grapples With Devastating Budget Cuts: "People Are Freaking Out Or Getting Fired." Gothamist. October 15, 2020.

<https://gothamist.com/news/cuny-grapples-with-devastating-budget-cuts-people-are-freaking-out-or-getting-fired>

⁵ Dervishi, Kay. "Roughly 1,800 more New York nonprofits could close because of COVID-19: report." NYNMedia. August 19, 2020.

<https://nynmedia.com/content/roughly-1800-more-new-york-nonprofits-could-close-because-covid-19-report>

John Kaehny
Executive Director
Reinvent Albany

Andrew Rein
President
Citizens Budget Commission

Joseph G. Rappaport
Executive Director
Brooklyn Center for Independence of the
Disabled (BCID)

Susan Dooha
Executive Director
Center for Independence of the Disabled,
NY

Betsy Gotbaum
Executive Director
Citizens Union of the City of New York

Susan Lerner
Executive Director
Common Cause New York

Peter Iwanowicz
Executive Director
Environmental Advocates NY

Jonas J.N. Shaende, PhD
Chief Economist
Fiscal Policy Institute

Laura Ladd Bierman
Executive Director
League of Women Voters of New York
State

Blair Horner
Executive Director
NYPIRG

McGregor Smyth
Executive Director
New York Lawyers for the Public Interest
(NYLPI)

Meghan Parker
Director of Advocacy
New York Association on Independent
Living

Lisa Daglain
Executive Director
Permanent Citizens Advisory Committee to
the MTA (PCAC)

Tom Wright
President and CEO
Regional Plan Association

Betsy Plum
Executive Director
Riders Alliance

Eric McClure
Executive Director
StreetsPAC

Michael Kink
Executive Director
Strong Economy for All

David Bragdon
Executive Director
TransitCenter

Danny Harris
Executive Director
Transportation Alternatives

Nick Sifuentes
Executive Director
Tri-State Transportation Campaign

Cc.

Senate Majority Leader Andrea Stewart-Cousins
Assembly Speaker Carl Heastie
Senate Finance Chair Liz Krueger
Assembly Ways and Means Chair Helene Weinstein