

Reinvent Albany Testimony to the NYC Council Committees on Public Housing, Contracts, and Oversight & Investigations on NYCHA's Response to Bribery and Extortion in Micro-Purchase Contracts

RE: Council Should Support State Legislation to Put NYCHA Under NYS Authorities Budget Office Oversight

February 27, 2024

Reinvent Albany advocates for transparent and accountable government in New York State. We thank the City Council for the opportunity to submit written testimony for this important oversight hearing today.

As the City Council examines ways to ensure greater accountability of the New York City Housing Authority (NYCHA), Reinvent Albany urges the Council to pass a resolution in support of state legislation, <u>S1081 (Comrie) / A2229 (Hyndman</u>). This bill would require NYCHA and other public housing authorities to report details of their state-funded spending to the NYS Authorities Budget Office (ABO). We find it inconsistent that local authorities like NYC Health and Hospitals and NYC Economic Development Corporation are subject to ABO oversight, but NYCHA is not. While we would prefer full reporting of NYCHA's activities to the ABO, this bill is a step in the right direction.

The Authorities Budget Office publishes budget information for a number of state and local authorities <u>on its website</u>, which is available for stakeholders and the general public to review. We see no reason that municipal housing authorities should be exempt from this requirement. This legislation would require reporting by municipal housing authorities to the ABO on projects funded in whole or part by the state.

Local housing authorities serve <u>more than 528,000 residents</u> in NYC alone through NYCHA's public housing and Section 8 programs. NYCHA is currently facing a <u>fiscal</u> <u>crisis</u>, and has suffered from <u>decades of neglect and mismanagement</u> so egregious that the authority was placed under the eye of a <u>federal monitor</u>. The <u>recent bribery scandal</u> shows that unfortunately, NYCHA is still a major corruption concern.

Again, we urge the City Council to pass a resolution in support of <u>S1081 (Comrie) /</u> <u>A2229 (Hyndman)</u>. Please see our <u>memo of support</u> for more information. Thank you for your consideration.