Citizens Budget Commission • Reinvent Albany • Empire Center for Public Policy Common Cause New York

February 25, 2025

The Honorable Andrea Stewart-Cousins Temporary President and Majority Leader New York State Senate Legislative Office Building 188 State Street, Room 907 Albany, NY 12247

The Honorable Carl Heastie Speaker New York State Assembly Legislative Office Building 188 State Street, Room 932 Albany, NY 12248

Re: Reject Proposals in Executive Budget that give the Governor extraordinary powers to spend and borrow unilaterally and without oversight by the Comptroller.

Dear Senate Majority Leader Stewart-Cousins and Assembly Speaker Heastie:

We write to urge you to reject several Fiscal Year 2026 Executive Budget provisions that would give the Governor broad, unilateral spending and borrowing authorities that are unnecessary and fiscally risky. We ask that you ensure these provisions are omitted from the enacted budget. In your one-house budgets and in the enacted budget, we strongly urge you to:

- Reject universal appropriation transfer and interchange authority within the State Operations bill;
- Reject the Governor's permanent authority to issue up to \$4 billion in short-term revenue anticipation notes;
- Reject a \$1 billion transfer from the General Fund to the "Health Care Transformation Account" unless its uses are more clearly defined in appropriations;
- Reject provisions added to individual appropriations that remove competitive bidding requirements and the Comptroller's oversight; and
- Reduce the "Special Emergency Appropriation" from \$2 billion to \$1 billion.

All of these proposals were in previous Executive Budgets, and some were originally enacted in the Fiscal Year 2021 Budget as a response to the COVID-19 pandemic. At that time, the broad spending, budget management, and borrowing authorities gave the Governor the needed authority and flexibility to manage a historic public health emergency and dire fiscal situation.

Nearly four years later, the situation is vastly different. These controls are no longer necessary. Enacting them would give the Governor unchecked authority to transfer, spend, or issue debt backed by public dollars.

Furthermore, the State Operations interchange authority, which grants the Executive unilateral authority to re-program spending authorizations without Legislative input, could render the agreed-upon State Operations budget meaningless. This authority has been proposed by the Executive and rejected by the Legislature in each of the past four budgets. We ask the Legislature to reject it again.

The removal or amendment of these provisions has been a priority for good government groups, and many of our organizations applauded your efforts to <u>reject them last year</u>.

These proposed extraordinary powers are unnecessary and create significant fiscal risk. We supported your prior actions to eliminate or restrain these powers and urge you to continue to do so this year.

Thank you for considering our recommendations.

Sincerely,

Andrew S. Rein President Citizens Budget Commission

John Kaehny Executive Director Reinvent Albany

Zilvinas Silenas President Empire Center for Public Policy

Susan Lerner
Executive Director
Common Cause New York

cc: Blake Washington, Director of the New York State Division of the Budget Senator Liz Krueger, Chair of the Senate Finance Committee Assemblymember Gary Pretlow, Chair of the Assembly Ways and Means Committee