



MEMO OF SUPPORT

S5563 (Mayer)

Authorizes County Comptrollers to audit IDAs and LDCs

March 7, 2025

TITLE OF BILL

An act to amend the general municipal law, in relation to allowing for the examination of industrial development agencies and not-for-profit corporations by county comptrollers.

STATEMENT OF SUPPORT

Reinvent Albany supports this bill because it will improve oversight of the state's IDAs and LDCs, which abate billions of dollars in NY local taxes annually – voiding revenue that should be going to schools, public safety, and parks.

Currently, County Comptrollers cannot audit IDAs and LDCs, despite their sizable impact on county and town revenue (only the State Comptroller and Authorities Budget Office are authorized). For example, even though the Genesee County IDA [spent over \\$6 million on procurements in 2022](#), Genesee County itself cannot audit the contracts to see whether or not the County is getting a good bang for its buck. This is akin to a parent being forced to adopt a child, then having to share their credit card with the child without having a say over how the kid spends the money.

We urge the Legislature to pass the bill, and the Governor to sign it.

SUMMARY OF PROVISIONS

Section 1 adds a new §34-b to General Municipal Law. Under section 1, County Comptrollers are authorized to audit their local Industrial Development Agencies (IDAs). If a county does not have a County Comptroller, the county's top elected official may designate the budget or finance director to conduct audits. Subsection 2 provides the same authorization for County Comptroller auditing of Local Development Corporations (LDCs). Section 2 provides that the bill takes effect 90 days after becoming law.