

MEMO OF SUPPORT

S5858 (Gounardes)

Restores comptroller pre-audit 30 days after emergency order in effect

March 28, 2025

TITLE OF BILL

An act to amend the state finance law, in relation to exempting the review of certain contracts from suspension of certain laws during a state disaster emergency.

STATEMENT OF SUPPORT

Reinvent Albany supports this bill because we believe it will help prevent waste and fraud in NYS contracting while maintaining flexibility to address emergencies.

In New York, when the Governor declares a state of emergency, contracts established during that emergency are often no longer subject to Comptroller review, greatly increasing the risk of waste and corruption. Our report, "Empire State of Emergency," notes that the state's gun violence emergency order has been ongoing since July 6, 2021, and now has lasted over 900 days. The idea that fighting gun violence requires eliminating contract oversight is clearly absurd and risks the waste of millions in taxpayer dollars.

Passing this bill will require that contracts are again subject to Comptroller review after an emergency exceeds 30 days. We urge the Legislature to pass the bill, and the Governor to sign it.

SUMMARY OF PROVISIONS

Section 1 adds a new subdivision 16 to State Finance Law §163 to provide that after an emergency order lasts 30 days, competitive contracts for services and commodities are no longer exempt from Comptroller review. Section 2 adds a new subdivision 5 to State Finance Law §112 to provide the same for state contracts subject to prior approval by the Comptroller. Section 3 states that the bill takes effect immediately.