

4006

2011-2012 Regular Sessions

I N S E N A T E

March 12, 2011

Introduced by Sen. SKELOS -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the legislative law, in relation to establishing the New York state legislative budget office; to amend the state finance law and the legislative law, in relation to enacting a balanced budget requirement; and to amend the state finance law, in relation to budget reform

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The legislative law is amended by adding a new article 4-B
2 to read as follows:

3 ARTICLE 4-B

4 NEW YORK STATE LEGISLATIVE BUDGET OFFICE

5 SECTION 75. POWERS AND DUTIES OF THE NEW YORK STATE LEGISLATIVE BUDGET
6 OFFICE.

7 76. DIRECTOR OF THE NEW YORK STATE LEGISLATIVE BUDGET OFFICE.

8 S 75. POWERS AND DUTIES OF THE NEW YORK STATE LEGISLATIVE BUDGET
9 OFFICE. THERE SHALL HEREBY BE ESTABLISHED AN OFFICE OF THE NEW YORK
10 STATE LEGISLATURE TO BE KNOWN AS THE NEW YORK STATE LEGISLATIVE BUDGET
11 OFFICE. 1. IT SHALL BE THE PRIMARY DUTY AND FUNCTION OF THE NEW YORK
12 STATE LEGISLATIVE BUDGET OFFICE TO PROVIDE THE MEMBERS AND COMMITTEES OF
13 THE LEGISLATURE WITH INFORMATION WHICH WILL ASSIST SUCH OFFICIALS AND
14 BODIES IN THE DISCHARGE OF MATTERS WITHIN THEIR JURISDICTION PERTAINING
15 TO THE BUDGETARY PROCESS INCLUDING:

16 (A) INFORMATION WITH RESPECT TO THE BUDGET, APPROPRIATIONS BILLS AND
17 OTHER BILLS AUTHORIZING OR PROVIDING FOR EXPENDITURES FROM
18 GOVERNMENT-WIDE FUNDS OR REVENUES TO THOSE FUNDS; INCLUDING ANY BILLS
19 THAT HAVE A DIRECT OR INDIRECT FISCAL IMPACT IN TERMS OF SPENDING OR
20 REVENUE;

21 (B) INFORMATION WITH RESPECT TO ESTIMATED REVENUES AND RECEIPTS, AND
22 CHANGING REVENUE CONDITIONS;

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD10223-01-1

1 (C) INFORMATION WITH RESPECT TO THE PERFORMANCE AND EFFECTIVENESS OF
2 STATE AGENCIES AND PROGRAMS; AND

3 (D) TO THE EXTENT PRACTICABLE, SUCH OTHER INFORMATION OR ANALYSES AS
4 MAY BE REQUESTED BY SUCH OFFICIALS AND BODIES, AND THE GENERAL PUBLIC.

5 REQUESTS MADE BY THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF
6 THE ASSEMBLY, THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF
7 THE ASSEMBLY WAYS AND MEANS COMMITTEE REGARDING THE BUDGET, REVENUES AND
8 EXPENDITURES SHALL RECEIVE PRIORITY ATTENTION.

9 2. THE LEGISLATIVE BUDGET OFFICE SHALL COMPLETE A FISCAL IMPACT
10 STATEMENT: (A) FOR ANY BILL BEING CONSIDERED ON AN ASSEMBLY WAYS AND
11 MEANS COMMITTEE AGENDA OR A SENATE FINANCE COMMITTEE AGENDA, TO THE
12 EXTENT POSSIBLE; (B) FOR ANY BILL AT THE REQUEST OF THE SPEAKER OR
13 MINORITY LEADER OF THE ASSEMBLY OR THE TEMPORARY PRESIDENT OR MINORITY
14 LEADER OF THE SENATE; AND (C) AT THE REQUEST OF A COMMITTEE CHAIR OR
15 RANKING MEMBER OF A COMMITTEE FOR ANY BILL REFERRED TO THEIR RESPECTIVE
16 COMMITTEE. FISCAL IMPACT STATEMENTS SHALL ESTIMATE THE IMPACT ON STATE
17 REVENUES OR EXPENDITURES.

18 3. THE LEGISLATIVE BUDGET OFFICE SHALL SUBMIT AN ANALYSIS OF THE
19 EXECUTIVE BUDGET BY MARCH FIRST OF EACH YEAR TO THE MEMBERS OF THE
20 ASSEMBLY WAYS AND MEANS COMMITTEE AND THE SENATE FINANCE COMMITTEE, AND
21 MAKE COPIES OF SUCH ANALYSIS AVAILABLE TO ALL OTHER MEMBERS OF THE
22 LEGISLATURE AND ALL OTHER INDIVIDUALS, UPON REQUEST.

23 4. THE LEGISLATIVE BUDGET OFFICE SHALL, TO THE EXTENT PRACTICABLE,
24 DEVELOP PROPOSALS FOR COST EFFECTIVE ALTERNATIVE APPROACHES TO MEET THE
25 FINANCIAL OBLIGATIONS OF THE STATE.

26 5. THE LEGISLATIVE BUDGET OFFICE SHALL PUBLISH A REPORT WITH RESPECT
27 TO THE EXPECTED LEVELS OF STATE REVENUES BY THE FIRST DAY OF JANUARY,
28 THE FIRST DAY OF APRIL, THE FIRST DAY OF JULY AND THE FIRST DAY OF OCTO-
29 BER OF EACH YEAR.

30 6. THE LEGISLATIVE BUDGET OFFICE SHALL PUBLISH BY DECEMBER FIRST OF
31 EACH YEAR A REPORT ANALYZING THE FISCAL OUTLOOK OF THE STATE FOR THE
32 NEXT FIVE YEARS.

33 7. AT THE REQUEST OF ANY MEMBER OR COMMITTEE OF THE SENATE OR THE
34 ASSEMBLY, THE LEGISLATIVE BUDGET OFFICE SHALL, TO THE EXTENT PRACTICA-
35 BLE, CONSULT WITH AND ASSIST SUCH COMMITTEE IN ANALYZING THE BUDGETARY
36 OR FINANCIAL IMPACT OF ANY PROPOSED LEGISLATION THAT MAY HAVE:

37 (A) A SIGNIFICANT BUDGETARY IMPACT ON LOCAL OR TRIBAL GOVERNMENTS;

38 (B) A SIGNIFICANT FINANCIAL IMPACT ON THE PRIVATE SECTOR; OR

39 (C) A SIGNIFICANT EMPLOYMENT IMPACT ON THE PRIVATE SECTOR.

40 8. (A) THE DIRECTOR OF THE LEGISLATIVE BUDGET OFFICE SHALL CONDUCT
41 CONTINUING STUDIES ON FISCAL MATTERS INCLUDING WAYS TO ENHANCE COMPAR-
42 ISONS OF BUDGET AUTHORITY AND OUTLAYS, DEBT AUTHORITY, AND TAX POLICY.

43 (B) (1) AT THE REQUEST OF ANY CHAIR OR RANKING MEMBER OF THE MINORITY
44 OF A COMMITTEE OF THE SENATE OR THE ASSEMBLY, THE DIRECTOR SHALL, TO THE
45 EXTENT PRACTICABLE, CONDUCT A STUDY OF A LEGISLATIVE PROPOSAL CONTAINING
46 A STATE MANDATE.

47 (2) IN CONDUCTING A STUDY ON INTERGOVERNMENTAL MANDATES UNDER THIS
48 PARAGRAPH, THE DIRECTOR SHALL:

49 (I) SOLICIT AND CONSIDER INFORMATION OR COMMENTS FROM ELECTED OFFI-
50 CIALS (INCLUDING THEIR DESIGNATED REPRESENTATIVES) OF STATE, LOCAL, OR
51 TRIBAL GOVERNMENTS AS MAY PROVIDE HELPFUL INFORMATION OR COMMENTS;

52 (II) CONSIDER ESTABLISHING ADVISORY PANELS OF ELECTED OFFICIALS OR
53 THEIR DESIGNATED REPRESENTATIVES, OF LOCAL OR TRIBAL GOVERNMENTS IF THE
54 DIRECTOR DETERMINES THAT SUCH ADVISORY PANELS WOULD BE HELPFUL IN
55 PERFORMING RESPONSIBILITIES OF THE DIRECTOR UNDER THIS SECTION; AND

(III) IF, AND TO THE EXTENT THAT THE DIRECTOR DETERMINES THAT ACCURATE ESTIMATES ARE REASONABLY FEASIBLE, INCLUDE ESTIMATES OF:

(A) THE FUTURE DIRECT COST OF THE STATE MANDATE TO THE EXTENT THAT SUCH COSTS SIGNIFICANTLY DIFFER FROM OR EXTEND BEYOND THE FIVE-YEAR PERIOD AFTER THE MANDATE IS FIRST EFFECTIVE; AND

(B) ANY DISPROPORTIONATE BUDGETARY EFFECTS OF STATE MANDATES UPON PARTICULAR INDUSTRIES OR SECTORS OF THE ECONOMY, REGIONS, AND URBAN OR RURAL OR OTHER TYPES OF COMMUNITIES, AS APPROPRIATE.

(3) IN CONDUCTING A STUDY ON STATE MANDATES UNDER SUBPARAGRAPH ONE OF THIS PARAGRAPH, THE DIRECTOR SHALL PROVIDE ESTIMATES, IF AND TO THE EXTENT THAT THE DIRECTOR DETERMINES THAT SUCH ESTIMATES ARE REASONABLY FEASIBLE, OF:

(I) FUTURE COSTS OF STATE MANDATES ON PRIVATE SECTOR ENTITIES AND LOCAL GOVERNMENTS TO THE EXTENT THAT SUCH MANDATES DIFFER SIGNIFICANTLY FROM OR EXTEND BEYOND THE FIVE-YEAR TIME PERIOD REFERRED TO IN ITEM (A) OF CLAUSE (III) OF SUBPARAGRAPH TWO OF THIS PARAGRAPH;

(II) ANY DISPROPORTIONATE FINANCIAL EFFECTS OF STATE PRIVATE SECTOR MANDATES AND OF ANY STATE FINANCIAL ASSISTANCE IN THE BILL OR JOINT RESOLUTION UPON ANY PARTICULAR INDUSTRIES OR SECTORS OF THE ECONOMY, REGIONS, AND URBAN OR RURAL OR OTHER TYPES OF COMMUNITIES; AND

(III) THE EFFECT OF STATE MANDATES IN THE BILL OR JOINT RESOLUTION ON THE ECONOMY OF THE STATE, INCLUDING THE EFFECT ON PRODUCTIVITY, ECONOMIC GROWTH, FULL EMPLOYMENT, CREATION OF PRODUCTIVE JOBS, AND COMPETITIVENESS OF GOODS AND SERVICES.

9. THE LEGISLATIVE BUDGET OFFICE SHALL, FROM TIME TO TIME, PUBLISH SUCH REPORTS AS MAY BE APPROPRIATE TO ENHANCE THE OFFICIAL AND PUBLIC UNDERSTANDING OF THE BUDGETARY PROCESS AND OF THE BUDGET DOCUMENTS. SUCH OFFICE SHALL, FROM TIME TO TIME, PUBLISH SUCH REPORTS AS MAY BE NECESSARY OR APPROPRIATE TO PROVIDE SUCH INFORMATION, DATA AND ANALYSIS AS WILL ENHANCE OFFICIAL AND PUBLIC UNDERSTANDING OF MATTERS RELATING TO STATE REVENUES, EXPENDITURES, MANAGEMENT PRACTICES AND RELATED MATTERS.

10. ALL INFORMATION, DATA, ESTIMATES AND STATISTICS, AND ALL STUDIES AND REPORTS PREPARED BY THE LEGISLATIVE BUDGET OFFICE SHALL BE MADE AVAILABLE TO THE PUBLIC AND SHALL ALSO BE MADE AVAILABLE BY ELECTRONIC MEANS TO THE EXTENT PRACTICABLE OVER THE INTERNET.

11. NOTHING HEREIN SHALL BE CONSTRUED TO REQUIRE THE DISCLOSURE OF INFORMATION THAT IS OTHERWISE PROTECTED AS CONFIDENTIAL BY OTHER PROVISIONS OF STATE OR FEDERAL LAW.

S 76. DIRECTOR OF THE NEW YORK STATE LEGISLATIVE BUDGET OFFICE. 1. THE NEW YORK STATE LEGISLATIVE BUDGET OFFICE SHALL BE HEADED BY A DIRECTOR WHO SHALL BE APPOINTED, FROM ONE OR MORE CANDIDATES RECOMMENDED BY THE LEGISLATIVE BUDGET OFFICE BOARD OF DIRECTORS (ALSO REFERRED TO INTERCHANGEABLY AS THE "BOARD"), BY THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE. THE RECOMMENDATIONS FOR THE INITIAL APPOINTMENT OF SUCH DIRECTOR SHALL BE MADE NO LATER THAN JANUARY FIFTEENTH, TWO THOUSAND TWELVE TO THE SPECIAL COMMITTEE. SUBSEQUENT RECOMMENDATIONS SHALL BE MADE BETWEEN JANUARY SECOND AND JANUARY FIFTEENTH EVERY SIXTH YEAR THEREAFTER. THE SPEAKER OF THE ASSEMBLY AND TEMPORARY PRESIDENT OF THE SENATE SHALL APPOINT THE INITIAL DIRECTOR NO LATER THAN FEBRUARY FIFTEENTH, TWO THOUSAND TWELVE AND SUCH INITIAL DIRECTOR SHALL TAKE OFFICE BEGINNING APRIL FIRST, TWO THOUSAND TWELVE. SUBSEQUENT APPOINTMENTS SHALL BE MADE NO LATER THAN FEBRUARY FIFTEENTH EVERY SIXTH YEAR THEREAFTER.

2. (A) THERE SHALL BE A LEGISLATIVE BUDGET OFFICE BOARD OF DIRECTORS CONSISTING OF (1) ONE PERSON APPOINTED BY EACH OF THE FOLLOWING OFFICIALS AND WHO SHALL SERVE AT THE PLEASURE OF SUCH OFFICIALS; THE CHAIR

1 AND RANKING MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE AND THE
2 CHAIR AND RANKING MEMBER OF THE SENATE FINANCE COMMITTEE, AND (2) SIX
3 OTHER MEMBERS JOINTLY APPOINTED BY THE SPEAKER OF THE ASSEMBLY AND THE
4 TEMPORARY PRESIDENT OF THE SENATE, WHO SHALL SERVE FOR SIX YEAR TERMS,
5 PROVIDED, HOWEVER THAT OF THE MEMBERS FIRST APPOINTED, TWO SHALL SERVE
6 FOR TERMS EXPIRING ON MARCH THIRTY-FIRST, TWO THOUSAND THIRTEEN; TWO
7 SHALL SERVE FOR TERMS EXPIRING ON MARCH THIRTY-FIRST, TWO THOUSAND
8 FIFTEEN; AND TWO SHALL SERVE FOR TERMS EXPIRING ON MARCH THIRTY-FIRST,
9 TWO THOUSAND SEVENTEEN. THE MEMBERS SHALL ALL BE INDIVIDUALS WITH EXTEN-
10 SIVE EXPERIENCE AND KNOWLEDGE IN THE FIELDS OF FINANCE, ECONOMICS,
11 ACCOUNTING, PUBLIC ADMINISTRATION AND PUBLIC POLICY ANALYSIS INCLUDING
12 AT LEAST ONE NATIONALLY RECOGNIZED EXPERT IN THE FIELDS OF BUDGET THEORY
13 AND THE BUDGET PROCESS; ONE DEAN OR DIRECTOR OR FORMER DEAN OR DIRECTOR
14 OF A GRADUATE SCHOOL OF BUSINESS ADMINISTRATION, PUBLIC AFFAIRS OR
15 PUBLIC ADMINISTRATION LOCATED IN NEW YORK STATE; ONE OFFICER OR FORMER
16 OFFICER OR ECONOMIC ADVISOR OF A LABOR UNION; ONE OFFICER OR FORMER
17 OFFICER OR ECONOMIC ADVISOR TO A BUSINESS CORPORATION; ONE OFFICER OR
18 FORMER OFFICER OF A CITY WITH A POPULATION OF ONE MILLION OR MORE, ONE
19 OFFICER OR FORMER OFFICER OF A COUNTY; AND ONE OFFICER OR FORMER OFFICER
20 OF A CIVIC OR PUBLIC INTEREST ADVOCACY ORGANIZATION DIRECTLY INVOLVED IN
21 BUDGET MATTERS. NO INDIVIDUAL SHALL SERVE CONSECUTIVE TERMS.

22 (B) THE LEGISLATIVE BUDGET OFFICE BOARD OF DIRECTORS SHALL DEVELOP
23 GUIDELINES FOR THE BEST PRACTICES OF THE LEGISLATIVE BUDGET OFFICE. THE
24 LEGISLATIVE BUDGET OFFICE BOARD OF DIRECTORS SHALL MEET ANNUALLY WITH
25 THE DIRECTOR TO REVIEW SUCH GUIDELINES AND TO MAKE COMMENTS AND
26 SUGGESTIONS ON THE OVERALL PRACTICES OF THE OFFICE. IN DEVELOPING
27 GUIDELINES FOR BEST PRACTICES, SUCH STANDARDS SHALL BE IN COMPLIANCE
28 WITH STANDARDS PROMULGATED BY THE GOVERNMENTAL ACCOUNTING STANDARDS
29 BOARD OR ANOTHER COMPARABLE STANDARD SETTING ENTITY WHEN PRACTICABLE.
30 NOTHING IN THIS SECTION SHALL PRECLUDE THE BOARD FROM USING PRONOUNCE-
31 MENTS; STANDARDS AND OTHER OTHER DOCUMENTS DEVELOPED AND PUBLISHED BY
32 ORGANIZATIONS THAT ARE NATIONALLY RECOGNIZED AUTHORITIES IN MATTERS
33 PERTAINING TO PUBLIC FINANCE EXCEPT THAT THE BOARD SHALL DEVELOP SUCH
34 BEST PRACTICES WITH THE INTENT OF COMPLYING WITH THE GOVERNMENTAL
35 ACCOUNTING STANDARDS BOARD WHERE PRACTICABLE AND APPLICABLE.

36 (C) MEMBERS OF THE BOARD OF DIRECTORS SHALL RECEIVE NO COMPENSATION
37 BUT SHALL BE REIMBURSED FOR REASONABLE EXPENSES INCURRED IN CONNECTION
38 WITH THEIR DUTIES.

39 3. THE DIRECTOR OF THE LEGISLATIVE BUDGET OFFICE SHALL BE APPOINTED
40 WITHOUT REGARD TO POLITICAL AFFILIATION AND SOLELY ON THE BASIS OF
41 FITNESS TO PERFORM THE DUTIES ASSIGNED BY THIS ARTICLE. THE TERM OF
42 OFFICE OF THE DIRECTOR FIRST APPOINTED SHALL EXPIRE ON FEBRUARY
43 FIFTEENTH, TWO THOUSAND EIGHTEEN, AND THE TERMS OF OFFICE OF DIRECTORS
44 SUBSEQUENTLY APPOINTED SHALL EXPIRE ON SUCH DATE IN EACH SIXTH YEAR
45 THEREAFTER. ANY INDIVIDUAL APPOINTED TO FILL A VACANCY PRIOR TO THE
46 EXPIRATION OF A TERM SHALL SERVE ONLY FOR THE UNEXPIRED PORTION OF SUCH
47 TERM. AN INDIVIDUAL SERVING AS DIRECTOR AT THE EXPIRATION OF THE TERM
48 MAY CONTINUE TO SERVE UNTIL A SUCCESSOR IS APPOINTED. ANY DIRECTOR
49 SERVING CONSECUTIVE TERMS SHALL BE RECOMMENDED BY THE LEGISLATIVE BUDGET
50 OFFICE BOARD OF DIRECTORS AND APPOINTED BY THE SPEAKER OF THE ASSEMBLY
51 AND THE TEMPORARY PRESIDENT OF THE SENATE FOR THE SECOND TERM. NO DIREC-
52 TOR SHALL SERVE MORE THAN TWO TERMS CONSECUTIVELY.

53 4. TWENTY PERCENT OF THE APPROPRIATIONS MADE TO THE DIVISION OF THE
54 BUDGET SHALL BE AVAILABLE TO PAY FOR THE EXPENSES OF THE LEGISLATIVE
55 BUDGET OFFICE DURING EACH FISCAL YEAR BEGINNING WITH THE FIRST DAY OF
56 APRIL AFTER THIS SECTION SHALL HAVE BECOME A LAW. THE DIRECTOR OF THE

1 LEGISLATIVE BUDGET OFFICE SHALL APPOINT SUCH PERSONNEL AND PROCURE THE
2 SERVICES OF SUCH EXPERTS AND CONSULTANTS, WITHIN THE APPROPRIATIONS
3 AVAILABLE THEREFOR, AS MAY BE NECESSARY FOR SUCH DIRECTOR TO CARRY OUT
4 THE DUTIES AND FUNCTIONS ASSIGNED PURSUANT TO THIS ARTICLE. SUCH
5 PERSONNEL AND EXPERTS SHALL PERFORM SUCH DUTIES AS MAY BE ASSIGNED TO
6 THEM BY THE DIRECTOR.

7 5. THE DIRECTOR MAY BE REMOVED BY EITHER A JOINT RESOLUTION OF THE
8 SENATE AND ASSEMBLY OR BY A VOTE OF SEVEN OUT OF TEN MEMBERS OF THE
9 BOARD.

10 6. (A) THE DIRECTOR AND DEPUTY DIRECTOR SHALL RECEIVE COMPENSATION IN
11 AN AMOUNT TO BE DETERMINED PURSUANT TO A CHAPTER OF THE LAWS OF TWO
12 THOUSAND ELEVEN.

13 (B) THE DIRECTOR SHALL APPOINT AND FIX THE COMPENSATION OF SUCH
14 PERSONNEL AS MAY BE NECESSARY TO CARRY OUT THE DUTIES AND FUNCTIONS OF
15 THE OFFICE. ALL PERSONNEL OF THE OFFICE SHALL BE APPOINTED WITHOUT
16 REGARD TO POLITICAL AFFILIATION AND SOLELY ON THE BASIS OF THEIR FITNESS
17 TO PERFORM THEIR DUTIES. THE DIRECTOR MAY PRESCRIBE THE DUTIES AND
18 RESPONSIBILITIES OF THE PERSONNEL OF THE OFFICE, AND DELEGATE TO THEM
19 AUTHORITY TO PERFORM ANY OF THE DUTIES, POWERS, AND FUNCTIONS IMPOSED ON
20 THE OFFICE OR ON THE DIRECTOR. FOR PURPOSES OF PAY AND EMPLOYMENT BENE-
21 FITS, RIGHTS, AND PRIVILEGES, ALL PERSONNEL OF THE OFFICE SHALL BE
22 TREATED AS IF THEY WERE EMPLOYEES OF NEW YORK STATE.

23 7. THE DIRECTOR OF THE LEGISLATIVE BUDGET OFFICE SHALL HAVE ACCESS AT
24 ALL REASONABLE TIMES TO OFFICES OF STATE DEPARTMENTS, COMMISSIONS,
25 BOARDS, BUREAUS AND OFFICES, TO INSTITUTIONS AND TO ALL STATE AUTHORI-
26 TIES AND PUBLIC WORKS OF THE STATE AND THEY MAY, FOR THE PURPOSE OF
27 OBTAINING INFORMATION AS TO THE METHOD OF OPERATION, GENERAL CONDITION,
28 MANAGEMENT AND NEEDS THEREOF, EXAMINE THE BOOKS, PAPERS AND PUBLIC
29 RECORDS THEREIN. NOTWITHSTANDING ANY OTHER PROVISION OF LAW SUCH STATE
30 DEPARTMENTS, COMMISSIONS, BOARDS, BUREAUS, DIVISIONS, OFFICES, STATE
31 AUTHORITIES AND OTHER INSTITUTIONS SHALL, THROUGH THEIR PROPER OFFICERS
32 OR DEPUTIES, FURNISH TO THE DIRECTOR SUCH DATA, INFORMATION OR STATE-
33 MENTS AS MAY BE NECESSARY FOR THE PROPER EXERCISE OF HIS OR HER POWERS
34 AND DUTIES AND FOR THE PURPOSE OF CARRYING INTO EFFECT THE PROVISIONS OF
35 THIS ARTICLE.

36 8. FOR THE PURPOSES OF REVENUE LEGISLATION WHICH IS INCOME, ESTATE AND
37 GIFT, EXCISE, AND PAYROLL TAXES, CONSIDERED OR ENACTED IN ANY SESSION OF
38 THE LEGISLATURE, THE LEGISLATIVE BUDGET OFFICE SHALL CONSIDER DURING
39 THAT LEGISLATIVE SESSION REVENUE ESTIMATES PROVIDED TO IT BY THE OFFICE
40 OF THE STATE COMPTROLLER. DURING THAT SESSION OF THE LEGISLATURE SUCH
41 REVENUE ESTIMATES SHALL BE TRANSMITTED BY THE LEGISLATIVE BUDGET OFFICE
42 TO ANY COMMITTEE OF THE ASSEMBLY OR THE SENATE REQUESTING SUCH ESTI-
43 MATES, AND SHALL BE USED BY SUCH COMMITTEES IN DETERMINING SUCH ESTI-
44 MATES. THE FISCAL COMMITTEES OF THE SENATE AND ASSEMBLY SHALL DETERMINE
45 ALL ESTIMATES WITH RESPECT TO THE EXECUTION OF THE PURPOSES OF THIS
46 ARTICLE. THIS SUBDIVISION SHALL NOT REQUIRE NOR PRECLUDE THE LEGISLA-
47 TIVE BUDGET OFFICE FROM USING ESTIMATES OF THE STATE COMPTROLLER IN THE
48 CALCULATION OF THE REVENUE FORECAST AS STIPULATED IN SUBDIVISION FIVE OF
49 SECTION SEVENTY-FIVE OF THIS ARTICLE.

50 S 2. Section 22 of the state finance law is amended by adding two new
51 subdivisions 17 and 18 to read as follows:

52 17. DEVELOPMENT OF THE EXECUTIVE BUDGET SUBMISSION AND ENACTED BUDGET.
53 FOR FISCAL YEARS BEGINNING ON AND AFTER APRIL FIRST, TWO THOUSAND
54 TWELVE, THE EXECUTIVE BUDGET SUBMISSION AND THE ENACTED BUDGET COVERING
55 ALL EXPENDITURES OTHER THAN CAPITAL ITEMS SHALL BE PREPARED AND BALANCED
56 SO THE RESULTS THEREOF WOULD NOT SHOW A DEFICIT WHEN REPORTED IN ACCORD-

ANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SECTION TWO OF THIS CHAPTER.

18. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, BUDGETS SUBMITTED PURSUANT TO THIS SECTION SHALL INCLUDE:

A. A DESCRIPTION OF ALL OF THE EXPENDITURES ESTIMATED TO BE MADE BEFORE THE CLOSE OF THE CURRENT FISCAL YEAR AND ALL OF THE EXPENDITURES PROPOSED TO BE MADE DURING THE ENSUING FISCAL YEAR, BOTH IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SECTION TWO OF THIS CHAPTER; AND

B. A DESCRIPTION OF ALL THE REVENUES ESTIMATED TO ACCRUE BEFORE THE CLOSE OF THE CURRENT FISCAL YEAR AND DURING THE ENSUING FISCAL YEAR, INCLUSIVE OF ANY REVENUES WHICH ARE EXPECTED TO RESULT FROM THE PROPOSED LEGISLATION WHICH THE GOVERNOR DEEMS NECESSARY TO PROVIDE RECEIPTS SUFFICIENT TO MEET PROPOSED DISBURSEMENTS, ALL IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SECTION TWO OF THIS CHAPTER.

S 3. Paragraph (a) of subdivision 2 of section 54 of the legislative law, as added by chapter 1 of the laws of 2007, is amended to read as follows:

(a) The legislature shall enact a budget for the upcoming fiscal year that it determines is balanced [in the] ON A general fund, STATE FUNDS AND ALL FUNDS BASIS. THE LEGISLATURE SHALL MAKE THIS DETERMINATION IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SECTION TWO OF THIS CHAPTER.

S 4. Subdivision 2 of section 54 of the legislative law is amended by adding a new paragraph (d) to read as follows:

(D) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, BUDGETS SUBMITTED PURSUANT TO THIS SECTION SHALL INCLUDE:

(I) ALL OF THE EXPENDITURES ESTIMATED TO BE MADE BEFORE THE CLOSE OF THE CURRENT FISCAL YEAR AND ALL OF THE EXPENDITURES PROPOSED TO BE MADE DURING THE ENSUING FISCAL YEAR, BOTH IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SECTION TWO OF THIS CHAPTER; AND

(II) A DESCRIPTION OF ALL OF THE REVENUES ESTIMATED TO ACCRUE BEFORE THE CLOSE OF THE CURRENT FISCAL YEAR AND DURING THE ENSUING FISCAL YEAR, INCLUSIVE OF ANY REVENUES WHICH ARE EXPECTED TO RESULT FROM THE PROPOSED LEGISLATION WHICH THE LEGISLATURE DEEMS NECESSARY TO PROVIDE RECEIPTS SUFFICIENT TO MEET PROPOSED DISBURSEMENTS, ALL IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SECTION TWO OF THIS CHAPTER.

S 5. Section 22 of the state finance law is amended by adding a new subdivision 19 to read as follows:

19. THE DIVISION OF THE BUDGET SHALL PREPARE THE REPORTS, SCHEDULES, AND OTHER INFORMATION DESCRIBED BELOW IN THIS SUBDIVISION. TO THE EXTENT PRACTICABLE, SUCH REPORTS, SCHEDULES, AND INFORMATION SHALL BE IN A FORM, AND PRESENTED AT A LEVEL OF DETAIL, THAT FACILITATES COMPARISON ON AN ANNUAL BASIS AND AGAINST ACTUAL RESULTS, AS APPROPRIATE, AND IN A MANNER CONSISTENT WITH THE OTHER REPORTING REQUIREMENTS ENUMERATED IN THIS SECTION. THE REPORTS, SCHEDULES, AND OTHER INFORMATION REQUIRED BY THIS SUBDIVISION SHALL BE SUBMITTED TO THE CHAIR OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE MINORITY LEADERS OF BOTH HOUSES, AND THE COMPTROLLER ACCORDING TO THE SCHEDULES SET FORTH IN THIS SUBDIVISION. IN DETERMINING THE FINAL CONTENT AND FORMAT OF THE INFORMATION REQUIRED BY THIS SECTION, THE DIVISION SHALL CONSULT ANNUALLY WITH THE DIRECTOR OF THE LEGISLATIVE BUDGET OFFICE, THE DESIGNEES OF THE TEMPORARY PRESIDENT OF THE SENATE,

1 THE SPEAKER OF THE ASSEMBLY, THE MINORITY LEADERS OF BOTH HOUSES, AND
2 THE COMPTROLLER. ALL INFORMATION DESCRIBED IN THIS SUBDIVISION SHALL BE
3 MADE AVAILABLE TO THE PUBLIC.

4 A. THE SUMMARY FINANCIAL PLAN SUBMITTED BY THE GOVERNOR TO THE LEGIS-
5 LATURE, IN ADDITION TO THE INFORMATION DESCRIBED IN SUBDIVISION ONE OF
6 THIS SECTION, SHALL INCLUDE:

7 (1) A SCHEDULE OF RECEIPTS FOR THE PRIOR, CURRENT, AND NEXT FIVE
8 FISCAL YEARS. SUCH SCHEDULE SHALL PRESENT THE MAJOR REVENUE SOURCES FOR
9 EACH FUND, INCLUDING DETAIL FOR EACH MAJOR TAX AND MAJOR COMPONENTS OF
10 MISCELLANEOUS RECEIPTS.

11 (2) A DESCRIPTION OF EMPLOYMENT LEVELS FOR EACH STATE DEPARTMENT,
12 DIVISION OR OFFICE FOR THE PRIOR, CURRENT, AND NEXT ENSUING FISCAL YEAR
13 CONTAINING (A) SEPARATE SCHEDULES FOR EACH FUND TYPE AND (B) AN ALL
14 FUNDS SUMMARY. SUCH INFORMATION SHALL BE PRESENTED IN A FORM THAT FACIL-
15 ITATES COMPARISONS AMONG AGENCIES AND ACROSS FISCAL YEARS, AND SHALL
16 INCLUDE (I) ACTUAL AND PROJECTED FULL-TIME EQUIVALENTS AND (II) PROPOSED
17 CHANGES TO THE WORKFORCE IN THE EXECUTIVE BUDGET, INCLUDING NEW POSI-
18 TIONS, LAYOFFS, ATTRITIONS, AND CHANGES IN FUNDING SOURCES. TO THE
19 EXTENT PRACTICABLE, THE DIVISION OF THE BUDGET SHALL FACILITATE THE
20 PROVISION OF OTHER RELEVANT INFORMATION ON EMPLOYMENT TO THE LEGISLATURE
21 IN A TIMELY MANNER DURING THE STATE FISCAL YEAR.

22 B. THE EXECUTIVE BUDGET, THE ENACTED BUDGET REPORT AND EACH QUARTERLY
23 UPDATE TO THE FINANCIAL PLAN SHALL INCLUDE THE FOLLOWING INFORMATION, IN
24 ADDITION TO THE INFORMATION REQUIRED ELSEWHERE IN THIS SECTION AND OTHER
25 SECTIONS OF LAW.

26 (1) AN UPDATED GENERAL FUND FORECAST OF RECEIPTS AND DISBURSEMENTS FOR
27 THE CURRENT AND FIVE SUCCEEDING FISCAL YEARS. SUCH UPDATED FORECAST
28 SHALL CLEARLY IDENTIFY AND EXPLAIN THE REVISIONS TO THE RECEIPTS AND
29 DISBURSEMENTS PROJECTIONS FROM THE MOST RECENT PRIOR UPDATE TO THE
30 FINANCIAL PLAN, AND ANY SIGNIFICANT REVISIONS TO THE UNDERLYING FACTORS
31 AFFECTING RECEIPTS AND DISBURSEMENTS BY MAJOR FUNCTION, AND MAY INCLUDE,
32 BUT NOT BE LIMITED TO: CASELOAD, SERVICE, AND UTILIZATION RATES; DEMO-
33 GRAPHIC TRENDS; ECONOMIC VARIABLES; PENSION FUND PERFORMANCE; INCARCERA-
34 TION RATES; PRESCRIPTION DRUG PRICES; HEALTH INSURANCE PREMIUMS;
35 INFLATION; CONTRACTUAL OBLIGATIONS; LITIGATION; AND STATE EMPLOYMENT
36 TRENDS.

37 (2) A REVISED MONTHLY GENERAL FUND CASH FLOW PROJECTION OF RECEIPTS
38 AND DISBURSEMENTS FOR THE CURRENT FISCAL YEAR THAT (A) COMPARES ACTUAL
39 RESULTS TO (I) ACTUAL RESULTS THROUGH THE SAME PERIOD FOR THE PRIOR YEAR
40 AND (II) THE MOST RECENT PRIOR UPDATE TO THE FINANCIAL PLAN AND TO THE
41 ENACTED BUDGET FINANCIAL PLAN, (B) SUMMARIZES THE REASONS FOR ANY VARI-
42 ANCES, AND (C) DESCRIBES THE REVISIONS TO THE CASH FLOW PROJECTIONS. THE
43 MONTHLY GENERAL FUND CASH FLOW PROJECTION SHALL BE STATED BY MAJOR CATE-
44 GORY OF LOCAL ASSISTANCE, PERSONAL SERVICE, NONPERSONAL SERVICE, GENERAL
45 STATE CHARGES, AND DEBT SERVICE, AND BY MAJOR CATEGORY OF REVENUE.

46 C. THE CAPITAL PROGRAM AND FINANCING PLAN SUBMITTED PURSUANT TO
47 SECTION TWENTY-TWO-C OF THIS ARTICLE, AND THE UPDATE THERETO REQUIRED
48 PURSUANT TO SECTION TWENTY-THREE OF THIS ARTICLE, SHALL INCLUDE A REPORT
49 ON THE MANAGEMENT OF STATE-SUPPORTED DEBT. SUCH REPORT MAY INCLUDE, BUT
50 IS NOT LIMITED TO: (1) AN ASSESSMENT OF THE AFFORDABILITY OF STATE DEBT,
51 INCLUDING DEBT AS A PERCENT OF PERSONAL INCOME, DEBT PER CAPITA, AND
52 DEBT SERVICE COSTS AS A PERCENT OF THE BUDGET, (2) A SUMMARY AND ANALY-
53 SIS OF THE INTEREST RATE EXCHANGE AGREEMENTS AND VARIABLE RATE EXPOSURE,
54 AND (3) AN ASSESSMENT OF FINANCING OPPORTUNITIES RELATED TO THE STATE'S
55 DEBT PORTFOLIO.

56 S 6. This act shall take effect immediately.