

2437

2015-2016 Regular Sessions

I N   A S S E M B L Y

January 16, 2015

---

Introduced by M. of A. TEDISCO, McDONOUGH, JOHNS, CERETTO, TENNEY, RAIA,  
HAWLEY, MONTESANO, PALMESANO, FINCH -- Multi-Sponsored by -- M. of A.  
BARCLAY, CROUCH, GOODELL, KATZ, McLAUGHLIN -- read once and referred  
to the Committee on Ways and Means

AN ACT to amend the state finance law, in relation to enacting the  
"over-expenditure, under-expenditure, transfer notification (OUT) act"

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

1     Section 1. Short title. This act shall be known and may be cited as  
2     the "over-expenditure, under-expenditure, transfer notification (OUT)  
3     act".

4     S 2. The state finance law is amended by adding a new section 53-e to  
5     read as follows:

6     S 53-E. SURPLUS APPROPRIATED FUNDS; OVER-EXPENDITURE APPROVAL.     1.  
7     DEFINITIONS. FOR PURPOSES OF THIS SECTION THE FOLLOWING TERMS SHALL HAVE  
8     THE FOLLOWING MEANINGS:

9     A. "STATE AGENCY" SHALL MEAN ANY STATE DEPARTMENT, BOARD, BUREAU,  
10     DIVISION, COMMISSION, COMMITTEE, PUBLIC AUTHORITY, PUBLIC BENEFIT CORPO-  
11     RATION, COUNCIL, OFFICE, OR OTHER GOVERNMENTAL ENTITY PERFORMING A  
12     GOVERNMENTAL OR PROPRIETARY FUNCTION FOR THE STATE; AND

13     B. "SURPLUS APPROPRIATED FUNDS" SHALL MEAN THE AMOUNT OF FUNDS APPRO-  
14     PRIATED TO A STATE AGENCY IN A FISCAL YEAR REDUCED BY THE TOTAL EXPENDI-  
15     TURES BY SUCH STATE AGENCY FOR SUCH FISCAL YEAR, BUT SUCH TERM SHALL  
16     ONLY APPLY TO AMOUNTS OF FUNDS GREATER THAN ZERO.

17     2. SURPLUS APPROPRIATED FUNDS. A. NOTWITHSTANDING ANY OTHER PROVISION  
18     OF LAW, ANY STATE AGENCY WHICH ON APRIL FIRST HAS SURPLUS APPROPRIATED  
19     FUNDS SHALL, ON OR BEFORE APRIL FIFTEENTH OF SUCH YEAR, NOTIFY THE  
20     GOVERNOR, THE COMPTROLLER AND THE LEGISLATURE THAT SUCH AGENCY HAS  
21     SURPLUS APPROPRIATED FUNDS AND THE AMOUNT OF SUCH SURPLUS. UPON RECEIPT  
22     OF SUCH NOTIFICATION, THE LEGISLATURE AND THE GOVERNOR MAY, ON OR BEFORE  
23     MAY THIRTY-FIRST OF SUCH YEAR, ENACT LEGISLATION PROVIDING THAT SUCH

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

LBD02630-01-5

1 SURPLUS APPROPRIATED FUNDS MAY BE USED BY SUCH STATE AGENCY OR TRANS-  
2 FERRED TO ANOTHER STATE AGENCY OR BOTH. SUCH LEGISLATION SHALL CLEARLY  
3 SET FORTH THE PARTICULAR PURPOSE OR PURPOSES FOR WHICH SUCH SURPLUS  
4 APPROPRIATED FUNDS SHALL BE USED OR TRANSFERRED. ANY LEGISLATION ENACTED  
5 PURSUANT TO THIS SUBDIVISION SHALL CONTAIN A CONDITION THAT SUCH SURPLUS  
6 APPROPRIATED FUNDS SHALL NOT BE USED AS SET FORTH IN SUCH LEGISLATION  
7 WITHOUT THE APPROVAL OF THE STATE COMPTROLLER.

8 B. ON OR BEFORE JUNE THIRTIETH OF SUCH YEAR, THE COMPTROLLER MAY  
9 APPROVE THE USE OR TRANSFER OF FUNDS PROVIDED FOR IN THIS SUBDIVISION.  
10 IF THE COMPTROLLER FAILS TO APPROVE SUCH USE OR TRANSFER OF FUNDS BY  
11 JUNE THIRTIETH OF SUCH YEAR, SUCH SURPLUS APPROPRIATED FUNDS SHALL BE  
12 TRANSFERRED TO THE GENERAL FUND AND SHALL BE USED FOR THE SOLE PURPOSE  
13 OF REDUCING DEBT OF THE STATE.

14 C. ANY SURPLUS APPROPRIATED FUNDS FOR WHICH THE LEGISLATURE AND THE  
15 GOVERNOR FAIL TO ENACT LEGISLATION PROVIDING FOR THE USE OR TRANSFER OF  
16 SUCH FUNDS SHALL BE TRANSFERRED TO THE GENERAL FUND AND SHALL BE USED  
17 FOR THE SOLE PURPOSE OF REDUCING DEBT OF THE STATE.

18 3. OVER-EXPENDITURE APPROVAL. NOTWITHSTANDING ANY OTHER PROVISION OF  
19 LAW, ANY STATE AGENCY WHICH FOR ANY REASON INTENDS TO EXPEND FUNDS FOR  
20 ANY PURPOSE IN ANY FISCAL YEAR IN AN AMOUNT GREATER THAN AMOUNTS APPRO-  
21 PRIATED TO SUCH AGENCY FOR SUCH FISCAL YEAR, SHALL, PRIOR TO SUCH  
22 EXPENDITURE, NOTIFY THE GOVERNOR, THE COMPTROLLER AND THE LEGISLATURE  
23 REGARDING SUCH INTENTION WITH A DETAILED EXPLANATION OF WHY SUCH EXPEND-  
24 ITURE IS NECESSARY. UPON RECEIPT OF SUCH NOTIFICATION, THE LEGISLATURE  
25 AND THE GOVERNOR MAY ENACT LEGISLATION PROVIDING FOR AN APPROPRIATION  
26 FOR SUCH EXPENDITURE. SUCH LEGISLATION SHALL CLEARLY SET FORTH THE  
27 PARTICULAR PURPOSE OR PURPOSES FOR WHICH SUCH APPROPRIATION IS MADE. ANY  
28 LEGISLATION ENACTED PURSUANT TO THIS SUBDIVISION SHALL CONTAIN A CONDI-  
29 TION THAT SUCH FUNDS SHALL NOT BE APPROPRIATED WITHOUT THE APPROVAL OF  
30 THE STATE COMPTROLLER.

31 S 3. This act shall take effect immediately.