

S T A T E O F N E W Y O R K

5741--A

2015-2016 Regular Sessions

I N S E N A T E

June 1, 2015

Introduced by Sen. MURPHY -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- recommitted to the Committee on Finance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the state finance law, in relation to establishing a procedure for the informed evaluation of proposed and enacted state expenditure decreases

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "procedure for informed evaluation of state expenditure decreases
3 act of 2016".
4 S 2. Legislative findings. The legislature finds that the expenditures
5 of state funds for operations, maintenance, programs, activities and
6 assistance have significant and complex impacts on the economic, social
7 and environmental conditions in both the public and private sectors.
8 Federal funding and matching funds from municipal and private sources,
9 for example, can be affected by changes in levels of state expenditures
10 and negative secondary impacts from cuts like the failure to maintain
11 state property can damage the health, safety and welfare of the people
12 and economy of the state.
13 The legislature further finds that during a volatile economic time
14 decisions are made to cut or impound expenditures, eliminate or downsize
15 programs and/or lay off state employees without adequate evaluation of
16 the consequences thereof.
17 Therefore, the legislature declares that an analytical process should
18 be required and information therefrom should be available to the public
19 when a decrease in state expenditure from funds appropriated in the
20 immediate previous state budget is proposed in a state budget bill, or

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

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1 before a reduction in expenditure or lay off of state employees is
2 imposed during the implementation of an enacted state budget.

3 S 3. The state finance law is amended by adding a new section 21-a to
4 read as follows:

5 S 21-A. INFORMED EVALUATION OF STATE EXPENDITURE DECREASES. 1. THE
6 GOVERNOR SHALL SUBMIT TO THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE
7 AND THE CHAIRMAN OF THE ASSEMBLY WAYS AND MEANS COMMITTEE FOR USE OF
8 SUCH COMMITTEES, AND PROVIDE THE LEGISLATURE AND THE PUBLIC FOR THEIR
9 INFORMATION, (A) AT OR PRIOR TO THE TIME THE BUDGET IS SUBMITTED, AN
10 EVALUATION PURSUANT TO SUBDIVISION TWO OF THIS SECTION OF THE DIRECT AND
11 INDIRECT ECONOMIC, SOCIAL AND ENVIRONMENTAL IMPACTS OF ANY DECREASE IN
12 THE AMOUNT OF THE APPROPRIATION FROM THE PREVIOUS FISCAL YEAR FOR ANY
13 STATE PROGRAM, ACTIVITY OR ASSISTANCE, FOR LOCAL GOVERNMENT ASSISTANCE
14 OR FOR A PUBLIC PURPOSE BY A NOT-FOR-PROFIT ORGANIZATION SUPPORTED, IN
15 WHOLE OR IN PART, BY STATE FUNDS, AND (B) NOT LESS THAN FORTY-FIVE DAYS
16 BEFORE THE IMPLEMENTATION OF THE IMPOUNDMENT OF APPROPRIATED FUNDS
17 AND/OR LAYOFF OF STATE EMPLOYEES AFFECTING, DIRECTLY OR INDIRECTLY, ANY
18 STATE PROGRAM, ACTIVITY OR ASSISTANCE, FOR LOCAL GOVERNMENT ASSISTANCE
19 OR FOR A PUBLIC PURPOSE BY A NOT-FOR-PROFIT ORGANIZATION SUPPORTED, IN
20 WHOLE OR IN PART, BY STATE FUNDS, AN EVALUATION PURSUANT TO SUBDIVISION
21 TWO OF THIS SECTION OF THE DIRECT AND INDIRECT ECONOMIC, SOCIAL AND
22 ENVIRONMENTAL IMPACTS THEREOF.

23 2. AN EVALUATION OF DECREASES OR ELIMINATION OF STATE EXPENDITURES
24 SHALL INCLUDE, BUT NOT BE LIMITED TO:

25 (A) IDENTIFICATION OF WHETHER SUCH STATE EXPENDITURE WOULD HAVE BEEN
26 USED FOR A STATUTORY MANDATED PURPOSE, A DESCRIPTION OF SUCH PURPOSE AND
27 AN ESTIMATE OF FINANCIAL RETURN FROM SUCH FUNDING;

28 (B) IDENTIFICATION OF WHETHER SUCH STATE EXPENDITURE WOULD HAVE BEEN
29 USED FOR A NON-MANDATED SERVICE;

30 (C) IDENTIFICATION OF WHETHER THERE HAS BEEN OR WOULD BE A REVENUE
31 GENERATOR MULTIPLIER GREATER THAN THE AMOUNT OF THE STATE EXPENDITURE;

32 (D) IDENTIFICATION OF THE COST TO THE STATE, MUNICIPALITIES AND/OR
33 PRIVATE SOURCES, IF ANY, THAT MAY RESULT FROM THE DECREASE IN STATE
34 FUNDING OR EMPLOYEES, INCLUDING THE LOSS OF MATCHING FUNDS FROM SOURCES
35 OUTSIDE STATE GOVERNMENT. IN ESTIMATING SUCH COST, CONSIDERATION SHALL
36 BE TAKEN OF THE ABILITY OF THE AFFECTED STATE UNITS AND THEIR ABILITY TO
37 SUSTAIN THE CUTS AND LOSS, IF ANY, OF REVENUE TO THE STATE OR MUNICI-
38 PALITIES OR FROM THE MULTIPLIER EFFECT ON THE PRIVATE SECTOR; AND

39 (E) IDENTIFICATION OF THE ESTIMATED NET BENEFIT TO THE STATE TREASURY
40 OF DECREASES OR ELIMINATION OF STATE EXPENDITURES AND/OR THE LAYOFF OF
41 STATE EMPLOYEES.

42 3. NOT LESS THAN TWENTY DAYS BEFORE SUCH EVALUATION IS SUBMITTED TO
43 THE LEGISLATURE, THE GOVERNOR SHALL CAUSE TO BE HELD A PUBLIC HEARING
44 AVAILABLE BY INTERNET WEBCAST ON THE PROPOSED DECREASE IN STATE EXPENDI-
45 TURE AND/OR LAYOFF WITH THE OPPORTUNITY PROVIDED TO THE PUBLIC FOR
46 COMMENT BY ELECTRONIC MAIL. THE RECORD OF AND RESPONSES TO SUCH HEARING
47 SHALL BE INCLUDED WITH THE SUBMITTAL OF THE EVALUATION TO THE LEGISLA-
48 TURE AND SHALL BE AVAILABLE TO THE PUBLIC.

49 S 4. This act shall take effect immediately.