

STATE OF NEW YORK

6098

2017-2018 Regular Sessions

IN ASSEMBLY

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Introduced by M. of A. OAKS, BLANKENBUSH, BUTLER, FINCH, GRAF, RA, RAIA, WALTER, LUPINACCI, MURRAY, LAWRENCE, ERRIGO, GARBARINO, NORRIS -- Multi-Sponsored by -- M. of A. BARCLAY, CASTORINA, CROUCH, DiPIETRO, FITZPATRICK, FRIEND, GIGLIO, GOODELL, HAWLEY, JOHNS, KOLB, LOPEZ, McDONOUGH, McLAUGHLIN, B. MILLER -- read once and referred to the Committee on Ways and Means

AN ACT to amend the state finance law and the legislative law, in relation to the legislative budget and deposits to the tax stabilization reserve fund

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The state finance law is amended by adding a new section 24-a to read as follows:

§ 24-a. Legislative budget review; conference committees. 1. No later than March fifteenth of each year, the temporary president of the senate, the minority leader of the senate, the speaker of the assembly and the minority leader of the assembly shall jointly convene a general budget conference committee comprised of members of each house of the legislature to establish procedures to resolve the differences between each house concerning the executive budget. The general budget conference committee shall be comprised of ten members: four appointed by the temporary president of the senate; four appointed by the speaker of the assembly; one appointed by the minority leader of the senate; and one appointed by the minority leader of the assembly. The adoption of any decision of the general budget conference committee shall be affirmed by a majority vote of the members of each house of the legislature appointed to such committee.

2. The general budget conference committee shall establish budget conference subcommittees, each to be comprised of members of both houses of the legislature, to resolve differences between each house concerning the executive budget, based on the procedures established by the general

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

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1 budget conference committee, for specific areas of the budget to be
2 determined by the general budget conference committee. Such procedures
3 shall include a requirement that all meetings of the general budget
4 conference committee and of the subcommittees be held in public. The
5 general budget conference committee shall provide estimates of any
6 moneys estimated to be available for the ensuing fiscal year from sourc-
7 es other than in subdivision six of section twenty-three of this arti-
8 cle. Such estimate when combined with those estimates required by
9 subdivision six of section twenty-three of this article shall be all
10 moneys from such sources described in this subdivision estimated to be
11 available to make disbursements authorized by the appropriation bills
12 submitted by the governor pursuant to section three of article seven of
13 the constitution and acted on by the legislature for the ensuing fiscal
14 year. The general budget conference committee shall establish limita-
15 tions on disbursements which may be agreed to by each budget conference
16 subcommittee to insure that total disbursements to be made for the ensu-
17 ing fiscal year do not exceed the final estimate of moneys and revenues
18 available to make such disbursements as provided by subdivision six of
19 section twenty-three of this article. The number of budget conference
20 subcommittees and the membership of the budget conference subcommittee
21 shall be determined by the general budget conference committee;
22 provided, however, that no less than one member of each budget confer-
23 ence subcommittee shall be appointed each by the temporary president of
24 the senate, the minority leader of the senate, the speaker of the assem-
25 bly and the minority leader of the assembly.

26 3. After the establishment of limitations on disbursements for each
27 budget conference subcommittee as provided by subdivision two of this
28 section, each budget conference subcommittee shall convene at a time or
29 times determined by the general budget conference committee and shall
30 report back to the general budget conference committee at a time or
31 times determined by the general budget conference committee on the
32 results of efforts to resolve the differences between each house in the
33 specific areas of the budget assigned to each subcommittee. On
34 completion of efforts to resolve all differences between each house,
35 each budget conference subcommittee shall submit a final report to the
36 general budget conference committee on the results of such efforts and
37 make recommendations for final action to be taken on the budget bills
38 submitted by the governor for the ensuing fiscal year. Each final report
39 shall also indicate the estimated impact that each recommendation would
40 have on state finances for the ensuing and next two succeeding fiscal
41 years.

42 4. The general budget conference committee shall either approve the
43 final report of each budget conference subcommittee or agree upon
44 modifications of such subcommittee reports, and, the general budget
45 conference committee shall report in writing to the temporary president
46 of the senate, the minority leader of the senate, the speaker of the
47 assembly and the minority leader of the assembly on all recommendations
48 for final action to be taken on the budget bills submitted by the gover-
49 nor for the ensuing fiscal year. The final general conference committee
50 report shall include the estimated impact of any proposed modifications
51 to law that affect receipts for the ensuing and next two succeeding
52 fiscal years. Such final general conference committee report shall be
53 made available to the public.

54 § 2. Subdivisions 1, 2 and 3 of section 40 of the state finance law,
55 as amended by chapter 169 of the laws of 1994, are amended to read as
56 follows:

1 1. The budget and the budget bills submitted by the governor shall
2 include all appropriations which in the opinion of the governor will be
3 required during the full succeeding fiscal year. In the case of appro-
4 priations for the general support of public schools and the state
5 lottery fund, the budget and the budget bills submitted by the governor
6 shall include all appropriations for the general support of public
7 schools and the state lottery fund which in the opinion of the governor
8 will be required during the next full fiscal year following the succeed-
9 ing fiscal year, and any additional appropriations for the general
10 support of public schools which in the opinion of the governor will be
11 required during the full succeeding fiscal year above, at or below the
12 amounts appropriated for such purposes in the current fiscal year. Such
13 appropriations shall be proposed as separate appropriations applying
14 individually to the succeeding fiscal year and the next succeeding
15 fiscal year.

16 2. (a) No appropriation made at a regular session of the legislature
17 shall, unless the contrary is expressly provided in the act by which
18 such appropriation is made, be available prior to the commencement of
19 the fiscal year for which the budget is adopted at such session, and
20 every appropriation made at such session, except as provided in para-
21 graphs (b), (d), and (e) of this subdivision, shall cease to have force
22 and effect, except as to liabilities already incurred thereunder, at the
23 close of [~~such~~] the fiscal year in which such appropriation shall first
24 become available.

25 (b) Every deficiency appropriation made at a regular session of the
26 legislature which by the express terms of the act by which such appro-
27 priation is made shall be available prior to the commencement of the
28 fiscal year for which the budget is adopted at such session shall cease
29 to have force and effect, except as to liabilities already incurred
30 thereunder, at the close of the fiscal year in which such appropriation
31 shall become available.

32 (c) Every appropriation made at an extraordinary session of the legis-
33 lature shall, unless the contrary is expressly provided in the act by
34 which such appropriation is made, be available immediately upon the
35 taking effect of such act and shall cease to have force and effect,
36 except as to liabilities already incurred thereunder, at the close of
37 the fiscal year in which such appropriation shall become available.

38 (d) Every appropriation enacted in the fund type special revenue
39 funds-federal for a grant period which extends beyond [~~March thirty-~~
40 ~~first~~] April thirtieth of the fiscal year in which the appropriations
41 are enacted shall be available for liabilities incurred during such
42 grant period after such [~~March thirty-first~~] April thirtieth date.

43 (e) All state operations appropriations made to the city university of
44 New York and the state university of New York shall cease to have force
45 and effect, except as to liabilities already incurred thereunder, as of
46 the thirtieth day of June immediately following the state fiscal year
47 for which they are enacted.

48 3. Every appropriation for whatever purpose which at the close of the
49 fiscal year in which such appropriation shall first become available,
50 shall cease to have force and effect except as to liabilities already
51 incurred thereunder shall as to such liabilities continue in force and
52 effect until the dates specified in paragraphs (a), (b), (c) and (d) of
53 this subdivision, on which dates such appropriation shall lapse and no
54 money shall thereafter be paid out of the state treasury or any of its
55 funds or any of the funds under its management pursuant to such appro-
56 priation.

(a) Except for appropriations made to ~~the~~ city university of New York and the state university of New York, all state operations appropriations including special revenue funds-federal appropriations continued pursuant to paragraph (d) of subdivision two of this section shall lapse on the ~~[thirtieth]~~ thirty-first day of ~~[June]~~ July immediately following the close of the fiscal year. The appropriations made to the city university of New York or the state university of New York shall lapse on the thirtieth day of September immediately following the close of the fiscal year.

(b) All aid to localities appropriations including special revenue funds-federal appropriations continued pursuant to paragraph (d) of subdivision two of this section shall lapse on the fifteenth day of ~~[September]~~ October immediately following the close of the fiscal year.

(c) All capital projects appropriations shall lapse on the fifteenth day of ~~[September]~~ October immediately following the close of the fiscal year.

(d) All other appropriations shall lapse on the fifteenth day of ~~[September]~~ October immediately following the close of the fiscal year.

§ 3. Subdivisions 3 and 4 of section 92 of the state finance law, as separately amended by chapters 405 and 957 of the laws of 1981, are amended to read as follows:

3. At the close of each fiscal year any cash surplus remaining in the general fund over and above the norm for such fiscal year shall be transferred from or retained in such fund as hereinafter in this subdivision provided. There shall be transferred to the tax stabilization reserve fund all of such surplus moneys, up to and including an amount equivalent to ~~[two-tenths]~~ one-half of one per centum of such norm, unless such transfer would increase such reserve fund to an amount in excess of ~~[two]~~ five per centum of the amount of the norm for such fiscal year, in which event such transfer shall be limited to such amount as will increase such reserve fund to such ~~[two]~~ five per centum limitation. Any balance of such surplus moneys, thereafter remaining in the general fund, shall be retained in such fund and be available for the reduction of state taxes.

4. In the event that at the close of any fiscal year the receipts derived from the taxes, fees and other sources, required to be paid during such fiscal year into the general fund of the state shall fall below the norm for such fiscal year, there shall be transferred from the tax stabilization reserve fund to the general fund to the extent that there are sufficient moneys in the tax stabilization reserve fund, an amount equal to the difference between the norm and the amount of such receipts. If such transfer reduces the tax stabilization reserve fund to an amount less than ~~[two]~~ five per centum of the norm for such fiscal year, the amount so transferred shall be repaid in cash prior to the computation and payment of any transfer to the fund pursuant to subdivision three of this section in not less than three equal annual installments within the period of six years or less next succeeding the date of such transfer; provided, however, that if any such annual installment shall increase such reserve fund to an amount in excess of ~~[two]~~ five per centum of the amount of the norm for the then current fiscal year, such installment shall be limited to such amount as will increase such reserve fund to such ~~[two]~~ five per centum limitation and no further repayment of the whole or any part of such transfer shall be required in any subsequent fiscal year. Repayments to the tax stabilization reserve fund shall be stipulated in annual budget bills.

1 § 4. The legislative law is amended by adding a new section 53-a to
2 read as follows:

3 § 53-a. Failure to enact a timely state budget. After the commence-
4 ment of the fiscal year of the state, until all the appropriation bills
5 submitted by the governor for that fiscal year and all the bills submit-
6 ted by the governor containing the proposed legislation recommended in
7 the budget for that fiscal year shall have been finally acted on by both
8 houses of the legislature, neither house shall consider or take any
9 action whatsoever on any other bill, resolution or other matter pending
10 before either such house or any committee thereof, except for appropri-
11 ation bills submitted to the legislature on message from the governor
12 certifying to the necessity of the immediate passage of such bill.

13 § 5. Section 54 of the legislative law is amended by adding three new
14 subdivisions 3, 4 and 5 to read as follows:

15 3. When both houses are in agreement and prepared to finally act on
16 the appropriation bills submitted by the governor in accordance with
17 article seven of the constitution, the secretary of the senate finance
18 committee and the secretary of the assembly ways and means committee
19 shall prepare and deliver to the division of the budget a letter that
20 states that both houses are in agreement and prepared to finally act on
21 the appropriation bills and proposed legislation submitted by the gover-
22 nor in accordance with article seven of the constitution. The secretary
23 of the senate finance committee and the secretary of the assembly ways
24 and means committee shall furnish the division of the budget, concurrent
25 with the submission of the joint letter, information sufficient for the
26 preparation of a summary report, including the appropriation bills and
27 proposed legislation on which both houses are in agreement and prepared
28 to act.

29 4. Promptly upon receipt of the joint letter and information described
30 in subdivision three of this section, the division of the budget shall
31 prepare a plain language summary report of the appropriation bills and
32 related legislation to be enacted by the legislature. Such summary
33 report shall be in such a form as to indicate that the budget as amended
34 provides that, for the general fund, the total of anticipated disburse-
35 ments, including transfers to other funds, is not greater than the total
36 of anticipated receipts, including transfers from other funds, plus any
37 balance available in such fund. The summary report shall further
38 describe the impact of proposed legislative amendments on the receipt
39 and disbursement estimates contained in the executive budget for such
40 fiscal year and for the succeeding two fiscal years. The summary report
41 shall be in such format as the division of the budget may determine.

42 5. The division of the budget summary report as described in subdivi-
43 sion four of this section shall be placed on the desks of each member of
44 the legislature, and shall be made available to the public for a period
45 of at least forty-eight hours prior to the passage of the appropriation
46 bills and related legislation by each house.

47 § 6. Paragraph (a) of subdivision 2 of section 54 of the legislative
48 law, as added by chapter 1 of the laws of 2007, is amended to read as
49 follows:

50 (a) The legislature shall enact a budget for the upcoming fiscal year
51 that it determines is balanced in the general fund. The total amount of
52 all funds spending, which shall include spending from all state revenue
53 sources including taxes, fees, fines, federal grants, bond proceeds,
54 lottery proceeds and miscellaneous receipts, and which comprises spend-
55 ing from the general fund, special revenue funds, capital projects fund,
56 debt service funds, internal service funds, enterprise funds and fiduci-

1 ary funds, shall not exceed spending in the prior year by more than the
2 rate of inflation as determined by the percentage increase in the
3 consumer price index for urban wage earners and clerical workers (CPI-W)
4 published by the United States department of labor, bureau of labor
5 statistics; provided, however, that such spending may exceed the rate of
6 inflation by the amount of any unexpected federal funds received by the
7 state.

8 § 7. Section 22 of the state finance law is amended by adding a new
9 subdivision 17 to read as follows:

10 17. Notwithstanding any provision of law to the contrary, the budget
11 submitted pursuant to this section shall not provide for total all funds
12 spending in an amount which exceeds spending in the prior year by more
13 than the rate of inflation as determined by the percentage increase in
14 the consumer price index for urban wage earners and clerical workers
15 (CPI-W) published by the United States department of labor, bureau of
16 labor statistics. For the purposes of this subdivision all funds spend-
17 ing shall include spending from all state revenue sources including
18 taxes, fees, fines, federal grants, bond proceeds, lottery proceeds and
19 miscellaneous receipts, and shall comprise spending from the general
20 fund, special revenue funds, capital projects fund, debt service funds,
21 internal service funds, enterprise funds and fiduciary funds.

22 § 8. Of moneys appropriated to state operations and aid to localities
23 in the general fund, community projects fund - 007, no such moneys shall
24 be appropriated for services and expenses, grants in aid, or for
25 contracts with certain not-for-profit agencies, universities, colleges,
26 school districts, corporations, and/or municipalities unless such appro-
27 priation is set forth with such specificity as is reasonable to deter-
28 mine how such moneys shall be expended.

29 § 9. This act shall take effect immediately; provided however that the
30 provisions of section three of this act shall take effect three years
31 after it shall have become a law.