STATE OF NEW YORK

8371--A

2017-2018 Regular Sessions

IN ASSEMBLY

June 12, 2017

Introduced by M. of A. THIELE -- read once and referred to the Committee on Ways and Means -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- 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 implementation of a contingency budget

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. Contingency budget. 1. A contingency budget shall take effect on the first day of the fiscal year in the event the legislature has not finally acted upon all the appropriation bills submitted by the governor for such fiscal year and shall be sufficient for the ongoing operation and support of state government and local assistance. Such contingency budget shall take effect without further action by the legislature or the governor, and shall remain in effect until both houses of the legislature pass a single multiple appropriation bill which alters such contingency budget. Passage by both houses of the legislature of such multiple appropriation bill shall constitute the conclusion of the contingency period.

2. The contingency budget shall authorize the renewal of the appropriations and reappropriations enacted for the immediately preceding fiscal year. Such appropriations and reappropriations, in addition to any related statutory spending and revenue provisions in effect during such year, shall remain in effect for the same period as the contingency budget remains effective.

3. (a) The aggregate disbursements authorized by appropriations and reappropriations in the contingency budget for such fiscal year shall not exceed aggregate disbursements made in the immediately preceding

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

LBD11655-03-8

fiscal year, provided further that disbursements authorized by individual items of appropriation and reappropriation in the contingency budget shall not exceed disbursements made for such individual items of appropriation and reappropriation in the immediately preceding fiscal year, with the following exceptions:

(i) payments related to public assistance grants under the family assistance, safety net and disability assistance programs established pursuant to chapter four hundred thirty-six of the laws of nineteen hundred ninety-seven, and for emergency assistance for families and payments for eligible aged, blind and disabled persons related to supplemental security income;

(ii) federal funds for which receipt would be jeopardized or federal law would be violated if subject to such disbursement limitation; and

(b) The contingency budget shall not authorize disbursements for the contingency period for any:

(i) spending related to prior year appropriations or reappropriations for items which were one-time or non-recurring in nature; or

(ii) new contracts that are not for the continuation of ongoing services or capital projects; or

(iii) trend factors, cost of living adjustments or other rate adjustments that would otherwise automatically become effective, except those required by federal law.

(c) No law changing the exceptions contained in paragraph (a) or (b) of this subdivision may become effective until three years from the date of its enactment.

4. If, after a contingency budget becomes effective, the director of budget projects that annual receipts are insufficient to meet annual disbursements under the contingency budget, uniform reductions shall be applied to all disbursements other than those included in paragraph (a) of subdivision three of this section in order to achieve a balanced plan of receipts and disbursements. Such reductions shall be applied not later than the thirtieth day that the contingency budget is in effect, except where federal or other notification is required to effectuate a reduction, in which case such notification shall be made no later than the thirtieth day after the contingency budget is in effect and the related reduction shall take effect as soon thereafter as allowed. No reduction implemented under this subdivision shall alter any eligibility provision for any program.

§ 2. This act shall take effect on the same date as a concurrent resolution amending the constitution, entitled "CONCURRENT RESOLUTION OF THE SENATE AND ASSEMBLY proposing amendments to articles IV and VII of the constitution, in relation to the submission of the budget to the legislature by the Governor" as proposed in legislative bills numbers S.5999 and A.8351, takes effect.