

STATE OF NEW YORK

10633

IN ASSEMBLY

June 20, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Rajkumar) --
read once and referred to the Committee on Ways and Means

CONCURRENT RESOLUTION OF THE SENATE AND ASSEMBLY

proposing an amendment to section 14 of article 3 of the constitution, in relation to prohibiting the governor from issuing a message of necessity for budget related bills; proposing an amendment to sections 4 and 7 of article 7, in relation to a balanced budget; and proposing amendments to article 7, in relation to limitations on state-supported debt and the rainy day reserve fund

1 Section 1. Resolved (if the Senate concur), That section 14 of article
2 3 of the constitution be amended to read as follows:
3 § 14. No bill shall be passed or become a law unless it shall have
4 been printed and upon the desks of the members, in its final form, at
5 least three calendar legislative days prior to its final passage, unless
6 the governor, or the acting governor, shall have certified, under his or
7 her hand and the seal of the state, the facts which in his or her opin-
8 ion necessitate an immediate vote thereon, in which case it must never-
9 theless be upon the desks of the members in final form, not necessarily
10 printed, before its final passage, provided, however, such immediate
11 vote shall not be permitted for budget bills or appropriation bills
12 relating thereto except for emergency appropriations; nor shall any bill
13 be passed or become a law, except by the assent of a majority of the
14 members elected to each branch of the legislature; and upon the last
15 reading of a bill, no amendment thereof shall be allowed, and the ques-
16 tion upon its final passage shall be taken immediately thereafter, and
17 the ayes and nays entered on the journal.
18 For purposes of this section, a bill shall be deemed to be printed and
19 upon the desks of the members if: it is set forth in a legible electron-
20 ic format by electronic means, and it is available for review in such
21 format at the desks of the members. For purposes of this section "elec-
22 tronic means" means any method of transmission of information between
23 computers or other machines designed for the purpose of sending and
24 receiving such transmissions and which: allows the recipient to
25 reproduce the information transmitted in a tangible medium of

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

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1 expression; and does not permit additions, deletions or other changes to
2 be made without leaving an adequate record thereof.

3 § 2. Resolved (if the Senate concur), That section 4 of article 7 of
4 the constitution be amended to read as follows:

5 § 4. The legislature may not alter an appropriation bill submitted by
6 the governor except to strike out or reduce items therein, but it may
7 add thereto items of appropriation provided that such additions are
8 stated separately and distinctly from the original items of the bill and
9 refer each to a single object or purpose. Such new items shall state
10 revenues sufficient to meet such proposed expenditures. None of the
11 restrictions of this section, however, shall apply to appropriations for
12 the legislature or judiciary.

13 Such an appropriation bill shall when passed by both houses be a law
14 immediately without further action by the governor, except that appro-
15 priations for the legislature and judiciary and separate items added to
16 the governor's bills by the legislature shall be subject to approval of
17 the governor as provided in section 7 of article IV.

18 § 3. Resolved (if the Senate concur), That section 7 of article 7 of
19 the constitution be amended to read as follows:

20 § 7. No money shall ever be paid out of the state treasury or any of
21 its funds, or any of the funds under its management, except in pursuance
22 of an appropriation by law; nor unless such payment be made within two
23 years next after the passage of such appropriation act; and every such
24 law making a new appropriation or continuing or reviving an appropri-
25 ation, shall distinctly specify the sum appropriated, and the object or
26 purpose to which it is to be applied, and every appropriation shall have
27 moneys and revenues sufficient to meet such expenditures; and it shall
28 not be sufficient for such law to refer to any other law to fix such
29 sum.

30 § 4. Resolved (if the Senate concur), That section 10 of article 7 of
31 the constitution be amended to read as follows:

32 § 10. In addition to the above limited power to contract debts, the
33 state may contract debts to repel invasion, suppress insurrection, or
34 defend the state in war, or to [~~suppress forest fires~~] respond to
35 natural disasters or an epidemic of a disease; but the money arising
36 from the contracting of such debts shall be applied for the purpose for
37 which it was raised, or to repay such debts, and to no other purpose
38 whatever.

39 § 5. Resolved (if the Senate concur), That article 7 of the constitu-
40 tion be amended by adding a new section 20 to read as follows:

41 § 20. Limitations on the issuance of state-supported debt. 1. (a)
42 State-supported debt may not be contracted for unless the total
43 outstanding principal amount of such debt, as of the last day of the
44 immediately preceding fiscal year, is less than the designated percent-
45 age of the total personal income of the state. Nothing shall preclude
46 the contracting of state-supported debt prior to October thirty-first of
47 each year if, as of the last day of the immediately preceding fiscal
48 year, the total outstanding principal amount of such debt was less than
49 the designated percentage of the total personal income of the state.
50 Such designated percentage shall be four percent.

51 (b) If state-supported debt is issued to refund or otherwise affect
52 the refunding, retirement or defeasance of state-supported debt
53 originally issued on and after April first, two thousand, provided such
54 refundings are conducted in accordance with section thirteen of this
55 article, the calculation of the total outstanding principal amount of
56 debt shall exclude such refunding debt, and shall only include the

1 amount of prior refunded debt, as if it were still outstanding, in each
2 year until such refunding debt is finally retired. Notwithstanding the
3 foregoing, the provisions of section thirteen of this article relating
4 to the maintenance or management of escrow funds and sinking funds shall
5 only be applicable to state-supported debt issued by the state comp-
6 troller. If state-supported debt is issued to refund or otherwise affect
7 the refunding, retirement or defeasance of state-supported debt issued
8 prior to April first, two thousand, then the amount of such refunding
9 debt shall be excluded from the calculation of the total outstanding
10 principal amount of debt in each year until such refunding debt is
11 finally retired. In addition, if state-supported debt is retired or
12 defeased with payments in any fiscal year made by the state that are not
13 required by mandatory payments, such debt shall be excluded from the
14 calculation of the total outstanding principal amount of debt, including
15 retirements or defeasances accomplished on an economic basis.

16 2. State-supported debt may not be contracted for unless, as of Octo-
17 ber thirty-first of each year, the total amount of interest, install-
18 ments of principal, contributions to sinking funds, and related payments
19 on a cash basis of accounting for state-supported debt in the immedi-
20 ately preceding fiscal year is less than the designated percentage of total
21 governmental funds receipts for such fiscal year. Nothing shall preclude
22 the contracting of state-supported debt prior to October thirty-first of
23 each year if, in the immediately preceding fiscal year, the total amount
24 of interest, installments of principal, contributions to sinking funds,
25 and related payments was less than the designated percentage of total
26 governmental funds receipts. This shall include the total amount of
27 payments on such debt issued on and after April first, two thousand, but
28 shall not include payments in any fiscal year made by the state to
29 defease or retire debt not required by mandatory payments nor payments
30 made by the state for debt issued to refund debt that was issued prior
31 to April first, two thousand. In addition, if state-supported debt is
32 issued to refund or otherwise affect the refunding, retirement or defea-
33 sance of state-supported debt originally issued on and after April
34 first, two thousand, provided such refundings are conducted in accord-
35 ance with section thirteen of this article, the calculation of the total
36 amount of interest, installments of principal, contributions to sinking
37 funds, and related payments shall exclude payments made on such refund-
38 ing debt, and shall only include the payments on the prior refunded
39 debt, as if it were still outstanding, in each year until such refunding
40 debt is finally retired. Such designated percentage shall be five
41 percent.

42 3. No state-supported debt shall be contracted except to finance capi-
43 tal works or purposes.

44 4. Notwithstanding any other provision of law to the contrary, no
45 state-supported debt shall be issued with a final maturity of more than
46 thirty years.

47 5. The provisions of this section shall apply to debt issued pursuant
48 to section nine of this article only to the extent that such notes
49 remain outstanding.

50 6. The debt limits of this section may not be changed by statute,
51 except as necessary to repel invasion, suppress insurrection, or defend
52 the state in war, or to respond to natural disasters or an epidemic of a
53 disease.

54 § 6. Resolved (if the Senate concur), That article 7 of the constitu-
55 tion be amended by adding a new section 21 to read as follows:

1 § 21. Rainy day reserve fund. 1. There shall be in the state treasury
2 a fund to be known as the "rainy day reserve fund". Such fund shall
3 consist of moneys deposited therein and moneys shall be withdrawn from
4 such fund only for the purposes as provided therein.

5 2. Such fund shall have a maximum balance not to exceed thirty per
6 centum of the aggregate amount projected to be disbursed from the gener-
7 al fund during the then-current fiscal year. At the request of the
8 director of the budget, the state comptroller shall transfer moneys to
9 the rainy day reserve fund up to and including an amount equivalent to
10 twenty per centum of the aggregate amount projected to be disbursed from
11 the general fund during the then-current fiscal year, unless such trans-
12 fer would increase the rainy day reserve fund to an amount in excess of
13 thirty per centum of the aggregate amount projected to be disbursed from
14 the general fund during the then-current fiscal year, in which event
15 such transfer shall be limited to such amount as will increase the rainy
16 day reserve fund to such thirty per centum limitation.

17 3. a. The amounts available in such reserve may be used in the event
18 of an economic downturn, as determined by the commissioner of labor, or
19 as necessary to repel invasion, suppress insurrection, or defend the
20 state in war, or to respond to natural disasters or an epidemic of a
21 disease.

22 b. Prior to authorizing any transfer from the rainy day reserve fund
23 pursuant to the provisions of this section, the director of the budget
24 shall notify the speaker of the assembly, the temporary president of the
25 senate, and the minority leaders of the assembly and the senate. Such
26 letter shall specify the reasons for the transfer and the amount there-
27 of. Any amounts transferred from the rainy day reserve fund to the
28 general fund shall be subject to all the repayment provisions of this
29 section.

30 4. Any transfer authorized in subdivision three of this section shall
31 be repaid in cash within a period of three years after the date that
32 such authority to transfer funds under the provisions of this subdivi-
33 sion lapses, provided however that any transfer authorized as a result
34 of a catastrophic event shall be subject to repayment provisions to be
35 proposed by the governor and implemented by appropriation or transfer of
36 funds.

37 5. Moneys in the rainy day reserve fund may be temporarily loaned to
38 the general fund during any fiscal year in anticipation of the receipt
39 of revenues from taxes, fees and other sources required to be paid into
40 the general fund during such fiscal year. Moneys so temporarily loaned
41 shall be repaid in cash during the same fiscal year.

42 § 7. Resolved (if the Senate concur), That the foregoing amendment be
43 referred to the first regular legislative session convening after the
44 next succeeding general election of members of the assembly, and, in
45 conformity with section 1 of article 19 of the constitution, be
46 published for 3 months previous to the time of such election.