STATE OF NEW YORK

9377

IN ASSEMBLY

March 6, 2024

Introduced by M. of A. NOVAKHOV, BROOK-KRASNY, CHANG -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the executive law and the state finance law, in relation to requiring state agencies to submit an annual report to the financial committees of the legislature

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

Section 1. Legislative intent. Imposing fines and penalties is occasionally necessary to deter, discourage, and, if need be, penalize actions dangerous or harmful to the citizenry or otherwise contrary to public good. However, there is an inherent conflict of interest when agencies intentionally impose monetary penalties, fees and fines for the sole purpose of supplementing their budgets. This is a separate issue from the various fixed fees imposed by state entities pursuant to statute, especially as these are often earmarked to support related public projects. In addition, for example, there are well thought out fee assessments that support wildlife conservation and management. In addition, under our state constitution, it is an authority granted to the legislature, in partnership with the governor and the division of the budget, to determine the proper appropriation level for each government body. A bureaucracy's inherent risk arises from the temptation it may have to raise money for its own operations by imposing extra, potentially unjustified fees on individuals and companies. Therefore, it is incumbent upon the legislature to review such impositions and determine if the assessments against New Yorkers are justified.

§ 2. The executive law is amended by adding a new section 164-e to read as follows:

§ 164-e. Financial reports to the legislature. 1. For the purposes of this section, "state agency" means any state department, board, bureau, division, commission, committee, public authority, public benefit corporation, council, office, or other governmental entity performing a governmental or proprietary function for the state.

2. The head of each state agency shall, on an annual basis, submit a report to the chair and ranking minority member of the senate finance

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

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committee, and the chair and ranking minority member of the assembly ways and means committee that shall include the following:

(a) an accounting of all fines, fees, interest and surcharges that were assessed by such state agency in the prior year;

(b) the purpose for each fine, fee or surcharge assessed by such state agency; and

(c) where such fines, fees and surcharges assessed in the prior year were deposited.

3. The chair of the senate finance committee and the chair of the assembly ways and means committee shall cause such reports to be uploaded to the senate and assembly websites and made available and accessible to the public.

§ 3. Section 4 of the state finance law is amended by adding a new subdivision 14 to read as follows:

14. Notwithstanding the provisions of any other section of law to the contrary, all funds received by any state government entity or state agency as defined by section one hundred sixty-four-e of the executive law in payment of any fine, penalty, settlement, or related interest thereof are to be remitted to the general fund. This provision shall not be applicable to fees imposed by any state government entity where the use of such funds has been specified by law for a specific public purpose.

§ 4. This act shall take effect on the first of April next succeeding the date on which it shall have become a law. Effective immediately, the addition, amendment, and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.