STATE OF NEW YORK

10632

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

AN ACT to amend the state finance law, in relation to requiring itemized appropriations and prohibiting lump sum appropriations in the budget; and to repeal certain provisions of such law relating thereto

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

Section 1. This act shall be known and may be cited as the "appropriate appropriations act".

§ 2. Subdivision 1 of section 24 of the state finance law, as amended by chapter 1 of the laws of 2007, is amended to read as follows:

1. The budget submitted annually by the governor shall be simultaneously accompanied by a bill or bills for all proposed appropriations and reappropriations and for the proposed measures of taxation or other legislation, if any, recommended therein. Such bills shall be submitted by the governor and shall be known as budget bills**; provided, however, that all appropriations and reappropriations contained in such budget bills shall only contain itemized appropriations which shall not be in the form of lump sum appropriations. For the purposes of this article and article four of this chapter, "itemized appropriation" shall mean an appropriation pursuant to article seven of the state constitution that specifically relates to a program which is included in the financial plan presented as part of the budget submitted pursuant to section twenty-two of this article that bears the financial plan program reference number or numbers to which it shall pertain, and shall be classified into the same category as the associated program or programs have been classified in such financial plan; and is not a lump sum appropriation as defined in section two of this chapter**.

(a) For all non-federal state operations appropriations, such bill or bills shall only contain itemized appropriations and shall be made, where practicable, by agency and within each agency by program and within each program at the following level of detail and in the following order:

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

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(i) by fund type, which at a minimum shall include general fund, special revenue-other funds, capital projects funds, and debt service funds;

(ii) for personal service appropriations, separate appropriations shall be made for regular personal service, temporary personal service, and holiday and overtime pay;

(iii) for nonpersonal service appropriations, separate appropriations shall be made for supplies and materials, travel, contractual services, equipment, and fringe benefits, as appropriate.

(b) Any appropriation for temporary assistance for needy families, the environmental protection fund, and the medical assistance program, shall only contain itemized appropriations [~~which shall not be in the form of lump sum appropriations,~~]; provided, however, for the purposes of the medical assistance program, itemized appropriations shall consist of categories-of-service with separate appropriations for hospital inpatient, hospital outpatient and emergency room, clinic, nursing home, other long-term care, managed care, pharmacy, dental, transportation, and other non-institutional services.

§ 3. Subdivision 5 of section 24 of the state finance law is REPEALED and a new subdivision 5 is added to read as follows:

5. (a) To the extent that any appropriation or reappropriation either does not identify a specific recipient, or is not subject to allocation by a statutory formula, such appropriation or reappropriation shall identify an administering state agency or public authority and, prior to the disbursement of any funds so appropriated, each such state agency or public authority shall:

(i) develop and execute a process in accordance with all provisions of law applicable to a program administered by a state agency whereby each project proposed to be funded with such appropriation or reappropriation shall be scored and ranked based on clear, measurable and objective criteria. The ranking of such projects shall indicate their relative importance in the best interest of the state;

(ii) develop and execute a process in accordance with all provisions of law applicable to a program administered by a state agency for entering into any contract or commitment for the disbursement of such funds which shall include, where appropriate, public advertising for bids or proposals, and a method for awarding contracts under each project that shall permit full and free competition. Such method shall be based on clear, measurable and objective criteria; and

(iii) identify each project to be funded with such appropriation or reappropriation and the portion of such appropriation or reappropriation to be allocated to each project.

(b) Any appropriation added pursuant to section four of article seven of the constitution shall identify a specific recipient or grantee, or shall be subject to allocation by a statutory formula, or shall be subject to allocation pursuant to the provisions of paragraph (a) of this subdivision.

§ 4. Subdivision 1 of section 27 of the state finance law, as added by chapter 836 of the laws of 1992, is amended to read as follows:

1. Each fiscal year the budget submitted by the governor shall contain separate and distinct appropriations[~~, which may be lump sum appropriations,~~] for scheduled maintenance activities.

§ 5. The state finance law is amended by adding a new section 28 to read as follows:

§ 28. Itemization of grants. 1. For any fund that provides grants, the governor shall maintain an online database of all individual grants. Such database shall include:

(a) the award amount;

(b) the agency that administered the grant fund;

(c) the name of the fund;

(d) the date of the contract award;

(e) the grantee's name, EIN and address, and the senate and assembly district which represents such grantee;

(f) the name of any legislators who nominated the grantee, or who submitted or co-signed a written recommendation in support of the grantee;

(g) the itemized appropriation authorizing the grant or grant fund;

(h) any additional state grants for the same project from any year;

(i) project status; and

(j) the original solicitation documents and grantee's submission or submissions in response thereof.

2. Provided further, any grant or grants whose total is in excess of one million dollars to a single grantee from a single competitive grant fund shall be an itemized appropriation in a budget bill pursuant to section twenty-two of this article.

§ 6. Subdivision 6 of section 44 of the state finance law, as amended by chapter 393 of the laws of 1952, is amended to read as follows:

6. No position, contained in a schedule of positions in an appropriation act [~~or in an approved segregation of a lump sum appropriation pursuant to this chapter,~~] shall, during the period for which funds are appropriated or segregated for such position, be transferred from the organizational unit in which such position appears in such schedule or segregation except upon request of the head of a department or other state agency and approval by the director of the budget. When approved by the director of the budget, he shall issue a certificate to the head of the department or other state agency in which the position exists and to the state comptroller authorizing the transfer of the position and the appropriation made therefor. Copies of such certificate shall be filed with the senate finance committee, the assembly ways and means committee and the state civil service commission.

§ 7. Section 49 of the state finance law is REPEALED.

§ 8. Section 51 of the state finance law, as amended by chapter 577 of the laws of 1988, is amended to read as follows:

§ 51. Interchange of appropriations or items therein. No appropriation shall be increased or decreased by transfer or otherwise except as provided for in this section or section fifty-three, sixty-six-f, seventy-two or ninety-three of this chapter, or article eight of the education law. Whenever an appropriation is made from a fund to a department or agency and is accompanied by a schedule showing the programs or purposes for which such appropriation may be expended, the amount appropriated for any item or items within any program or purpose for such department or agency may be increased or decreased by interchange with amounts appropriated from such fund for any other item or items within the same program or purpose, or with other items appropriated from such fund not in the same program or purpose but which are contained in the state comptroller's classification of items as last promulgated, with the approval of the director of the budget, who shall file such approval with the office of the state comptroller and copies thereof with the senate finance committee and the assembly ways and means committee. The amounts appropriated to a department or agency from a particular fund in

a fiscal year for the programs or purposes of such department or agency may be interchanged among such programs or purposes under the same conditions as heretofore described except that the total amount appropriated for any program or purpose may not be increased or decreased by more than the aggregate of five per cent of the first five million dollars, four percent of the second five million dollars and three per cent of amounts in excess of ten million dollars of an appropriation for a program or purpose. [~~The allocation of lump sum appropriations from a fund made to a department or agency for later distribution to programs or purposes or to the units of the state university to the allocation of lump sum appropriations made to all state departments and agencies for later allocation for specific programs or purposes shall not be deemed to be part of such total increase or decrease.~~]

§ 9. Section 42 of the state finance law is amended to read as follows:

§ 42. Limitation on expenditures. The several amounts appropriated in any act shall be deemed to be only for so much thereof as shall be sufficient to accomplish in full the purposes designated by the appropriations and shall be paid by the division of the treasury, department of taxation and finance, from the respective funds as specified, pursuant to the requirements of this chapter**, provided, however, that such limitation shall not apply to revenue from other sources. Every appropriation shall state a source of revenue**. It shall be the duty of the comptroller to report [~~annually~~] **quarterly** to the legislature the detail of the several expenditures **and if the amounts appropriated are in compliance with this section**.

§ 10. Paragraph a of subdivision 2 of section 53 of the state finance law, as amended by chapter 58 of the laws of 1982, is amended and a new subdivision 10 is added to read as follows:

a. Transfers to the general fund or the capital projects fund established under section ninety-three of this chapter shall be only for the purpose and to the extent required to meet emergency and unanticipated expenditures of the state which shall mean:

(1) expenditures deemed necessary or essential to the proper and efficient functioning of the government of the state or the rendering of governmental services by the state, in order to meet [~~emergencies~~] **a local state of emergency or state declaration of disaster emergency pursuant to article two-B of the executive law,** and unanticipated requirements arising from or which threaten to interfere with the lawful exercise of one or more of the powers of government by the state[~~;~~

~~(2) expenditures deemed necessary or essential to protect fully the New York state housing finance agency, the state university construction fund, the state university, or the facilities development corporation from general public liability arising from their ownership or interest in state university facilities or mental hygiene facilities financed by the New York state housing finance agency, as the case may be, or to repair, restore, rebuild or replace such a facility upon damage, loss or destruction thereof, or to pay the annual rentals for such a facility in the event of the damage, loss or destruction thereof and of the availability and possession thereof by the state university construction fund and the occupancy thereof by the state university, or the availability and possession thereof by the state university, or the availability and possession thereof by the facilities development corporation and the occupancy thereof by the department of mental hygiene; and~~

~~(3) expenditures deemed necessary or essential for payment of the state's liability, pursuant to a contract with a county containing a~~

~~city having a population of seventy-five thousand or more inhabitants or a city having a population of seventy-five thousand or more inhabitants, providing for the financing and the construction and leasing of state office buildings and other public improvements in such county or city, to hold such county or city and its officers, agents or employees harmless against liability, loss, cost, damage, claims, judgments or expense based on personal injury, death or damage to property, real, personal or mixed, which because of the uncertainty of events are not clearly foreseeable or predictable at the time of passage of the budget and other appropriation measures during the regular session of the legislature next preceding the occurrence or development thereof, and for which other appropriations are not available or are insufficient.~~

~~Transfers made pursuant to subparagraphs two and three of this paragraph are expressly for the purpose of applying self-insurer principles to the facilities therein described, consistent with the system of self-insurance followed by the state for real property under its jurisdiction and control~~].

10. The state and any department, bureau, board, commission or authority thereof, and any other agency or instrumentality of the state shall not use special emergency appropriations, nor any state or federal grant not expected to be recurring, for the financing of any program that does not expire subsequent to the exhaustion of such disbursement, unless otherwise stipulated.

§ 11. Section 25 of the state finance law is amended to read as follows:

§ 25. Reappropriation bills. Every appropriation reappropriating moneys shall set forth clearly the year, chapter and part or section of the act by which such appropriation was originally made, a brief summary of the purposes of such original appropriation, and the year, chapter and part or section of the last act, if any, reappropriating such original appropriation or any part thereof, and the amount of such reappropriation. **No appropriation shall be reappropriated for more than one additional fiscal year except for capital project funds, debt service funds, apportionment of public moneys to school districts pursuant to section thirty-six hundred two of the education law, or medical assistance to needy persons pursuant to title eleven of article five of the social services law. For any appropriation that does not lapse after twelve months, the reappropriation may be made for one additional fiscal year after the appropriation lapses.**

If it is proposed to change in any detail the purpose for which the original appropriation was made, the bill as submitted by the governor shall show clearly any such change.

§ 12. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.