

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:

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

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

21 § 164-e. Financial reports to the legislature. 1. For the purposes of
22 this section, "state agency" means any state department, board, bureau,
23 division, commission, committee, public authority, public benefit corpo-
24 ration, council, office, or other governmental entity performing a
25 governmental or proprietary function for the state.

26 2. The head of each state agency shall, on an annual basis, submit a
27 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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1 committee, and the chair and ranking minority member of the assembly
2 ways and means committee that shall include the following:

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

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

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

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

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

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

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