



NEW YORK STATE SENATOR

Liz Krueger

Krueger Continues Efforts to Reform the State Legislature—Introduces Bills to Improve Budget Transparency and Prevent Conflicts of Interest

LIZ KRUEGER August 24, 2006

New York—Continuing efforts to reform what the Brennan Center for Justice calls the "most dysfunctional" legislature in the country, New York State Senator Liz Krueger has introduced two new reform bills for the state Senate to pass in the next legislative session.

One bill, S7092, provides for requiring full disclosure of any memoranda of understanding between the governor and the legislature regarding member items, appropriations and capital funding in the state budget. Legislative leaders are currently allowed to allocate these funds as they wish without any public disclosure about the distribution of these monies.

"There are literally billions of taxpayer dollars being distributed through these secret slush-funds," said Krueger. "The public has a right to know how, and by whom, their money is being spent."

In June, 2006, the Albany Times-Union wrote that the Senate Majority Leader and Assembly Speaker "refuse to let anyone know how lawmakers are spending hundreds of millions of dollars in taxpayer money." The paper has since filed suit against the Senate Majority Leader and Assembly Speaker "for concealing the names of lawmakers who arranged to spend millions of dollars in taxpayer money on pork barrel projects."

In March, 2006, the Institute for Competitive State Government stated that "[A]lthough state spending cannot be expected to be perfectly uniform, the distribution of capital pork is dramatically disparate." For instance, the Capital region, Senator Bruno's district, received 23% of all funds, or \$373 per person, while the Syracuse region received just 4%, or \$95 per person. New York City received 13% of these funds, amounting to \$29 per person, the lowest of any region in the state.

"New York State debt has tripled since 1990 resulting in per-capita debt of more than three times the national average. Despite this, the current model of three-men-in-a-room who are allowed to dole out huge sums of money remains completely unchecked, even the press cannot find out how these monies are spent. I fundamentally believe we need more openness and transparency in the state's budget process," Krueger said.

The second bill, S8495, which is an act to amend the public officers law in relation to standards for board members of public authorities, seeks to prevent lobbyists who are registered with the State from serving on Public Authority Boards.

In June, 2006, Senator Krueger wrote a letter to Governor Pataki asking for his reconsideration on the reappointment of Joseph Strasberg, a registered lobbyist for landlords and developers, as the chairman of the State of New York Mortgage Agency. The Mortgage Agency makes low-interest loans available to prospective homeowners and also does business with developers, allowing them to offer advantageous loans and obtain favorable mortgage insurance rates for their projects.

"Particularly in the wake of the Abramoff scandal and similar scandals in New York and other states," Krueger wrote, "I believe it is essential that appointees to state authority boards avoid even the appearance of a potential conflict of interest. Because as a paid lobbyist Joseph Strasberg does not meet this standard, I opposed his nomination when it

came before the Housing Committee in the Senate, and I urge you to withdraw his nomination."

Governor Pataki re-nominated Mr. Strasberg and the Republican-controlled Senate approved his nomination.

Krueger said, "Someone who is a paid lobbyist in the State should not be in a position of authority over State funds through Public Authorities."

Despite the continued efforts to reform the state legislature, Krueger and her colleagues have been met with resistance on many reform bills in the Senate.

She cited a bill which has been endorsed by the Brennan Center for Justice, Common Cause/NY, the League of Women Voters/NY, and the New York Public Interest Group (NYPIRG), that would ban gifts to elected officials, state officers or employees, and candidates for those offices. Another bill, S8004/A11510, sponsored by Senator Krueger and Assemblyman Pete Grannis is being held up but if passed would strengthen the state's nearly non-existent ban on the use of campaign contributions for personal use.

"Senator Bruno acts as though we have fixed the problems facing the state legislature—we have not. There is a tremendous amount of unfinished business when it comes to reform, and many of our bills are going nowhere because of his lack of leadership," Krueger concluded.