



NEW YORK STATE SENATOR

Velmanette Montgomery

## Senator Montgomery Announce Comprehensive Budget Reform Proposals

VELMANETTE MONTGOMERY April 7, 2010

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NYS Senator Velmanette Montgomery (D-Brooklyn) joined today with members of her Senate Democratic Conference to announce comprehensive budget reform measures that will end Albany's pattern of quick fixes and ensure New Yorkers receive a fiscally responsible budget.

The legislative package provides for long-term financial planning, the enactment of stricter accounting principles, and mandates stringent standards of accountability for State-financed programs and services.

"The legislation in the reform package will help establish a much more efficient budget process for our state. I especially like the fact that the package creates an independent budget office as well as a performance management and tax expenditure cost benefit analysis. There are too many instances where our state expends hundreds of millions of dollars without first analyzing the impact on taxpayers."

The plan will:

- Establish a two-year budget and require the Executive to submit two-year financial plans in order to ensure proper long-term fiscal planning (S7160).
- Remove fiscal manipulations by requiring both the Executive Budget proposal and Enacted Budget to be balanced according to Generally Accepted Accounting Principles, which will “fundamentally realign recurring spending with recurring revenue to restore the State's fiscal health” as recommended in a recent report by the state Comptroller (S7284).
- Task a 15-member Empire State Performance Commission with designing a performance based management and budgeting blueprint to streamline government and end waste and fraud within programs and services (S7259).
- Create a non-partisan Legislative Budget Office modeled after the U.S. Congressional Budget Office, which will remove the politics from revenue forecasting while simultaneously ensuring funds are not being used to create hidden slush funds by being stuffed away in “off-budget” public authorities. (S4526).
- End New York’s status as the only state with a budget date prior to the federal tax collection date, and shift the start of the fiscal year to June 1 to allow for proper fiscal planning (S5221C).
- Require the Executive, in their Annual Tax Expenditure Report, to list a cost-benefit analysis of all New York’s 380-plus tax break programs, to allow for the strengthening of programs which work, and ending of programs which waste revenue (S7347).

The Senate Majority is also developing legislation to force the Legislature to regularly review and amend the state’s tax break systems by enacting automatic sunsets phased in over five years (excluding programs with pre-existing sunsets).

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