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THE LEAGUE OF WOMEN VOTERS of New York State

TESTIMONY TO THE SENATE SELECT COMMITTEE ON BUDGET AND TAX REFORM CHAIR, SENATOR LIZ KRUEGER DECEMBER 17 SENATE HEARING ROOM 250 BROADWAY, 19TH FLOOR NEW YORK, NY

Subject: Improving transparency, forecasting and flexibility in New York State's budgetary

process.

Good afternoon, members of the committee and Senator Krueger. I am Sally Robinson, Issues and Advocacy Vice-President of the New York State League of Women Voters. The League of Women Voters is a multi-issue, nonpartisan political organization working to promote political responsibility through informed and active participation of citizens in government. The League has over fifty local Leagues statewide. It is celebrating its ninetieth anniversary and its current membership includes both men and women.

The formulation and passage of the state budget is one of the most important functions of state government. The League has had a position on improving the state budget process for almost 17 years and it remains a priority. We believe that any reforms of the state budget process should aim for a budget that is both timely in passage and responsive to the state's various constituencies. The process itself should strive for openness and citizen involvement.

Although the 2007 budget reforms did cover some of what we have lobbied for over the past two decades, many of these reforms have not implemented. We recognize that you and your

colleagues were not in the majority in the 2008 session, however the new Democratic majority during the 2009 legislative session continued to fall well short of achieving an open and transparent budget so the public knows where its dollars are going. The process was one of the most closed in years.

The League also has been adamant that additional reforms are needed:

- A clear concise budget document and public disclosure of off-budget items
- An independent budget office
- Mandated joint conferencing and public meetings
- More accountability for member items
- Limiting the use of "messages of necessity".

Some Progress in Timeliness and Disclosure

One of the aims of the 2007 budget reforms was to increase the time for budget deliberations with "quick-start" budget discussions required each November. We were encouraged when the Governor released his 2009 Executive budget early in December allowing for earlier budget discussions. Unfortunately, in the end the process lacked involvement by rank and file legislators or the public. Progress was made this year in accordance with another 2007 reform that called for fiscal impact statements for legislative changes to the budget prior to adoption.

Clear and Concise Budget Document

Both legislative deliberation and citizen involvement require a budget document that is lucid, concise, and understandable. The budget should clearly identify non-recurring revenues and allow for the same degree of public disclosure and scrutiny for "off-budget" items as for the Executive budget.

Consensus Revenue Forecasting and an Independent Budget Office

In our view the single most important reform not accomplished by the 2007 budget reforms was the creation of an independent budget office. Instead, the Comptroller would be the final arbiter for available state revenues. The Comptroller is an elected official and does not have the same public perception of objectivity, particularly in election years. Independent, nonpartisan

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forecasting and economic analysis would be one important means of enhancing long-term planning capabilities and ensuring greater fiscal stability for the state.

Joint Conferencing and Public Meetings

The League has long urged the use of joint conferencing and public meetings to facilitate the budget process and increase public participation. Despite rules changes as a result of the 2007 budget reforms, and the use of conference committees in 2008, conference committees were not even formed in 2009. A deeply flawed process in developing the 2009-2010 budget left the public without adequate information or input. The law should be changed to mandate the creation of joint conference committees and adequately noticed joint public meetings. We believe that increased public awareness of the budget and participation in the budget process would result in more accountability in the final budget.

Member Items

Although the 2007 budget reforms did require that member items be itemized in resolutions, both the Senate and Assembly should go further in disclosing the use of member items, listing the legislator's names with sponsored member items in any appropriations bills or resolutions. Member items should also be distributed equitably and committed for public purposes.

Messages of Necessity

The League urges that the use of "messages of necessity" during the budget process be restricted to genuine instances in which a delay would case substantial and irreparable harm.

Thank you Senators for this opportunity to express our views on how to improve New York State's budget process. We look forward to working with you during the 2010 legislative session to improve openness, transparency, and responsiveness during the budget process. We would also urge you to include more citizen involvement in this process and empower rank and file legislators to do the job that their constituents sent them to Albany to do.