

2011-12 NEW YORK STATE EXECUTIVE BUDGET

**GUBERNATORIAL REORGANIZATION OF GOVERNMENT
AGENCIES AND FUNCTIONS SUBJECT TO THE
APPROVAL OF THE LEGISLATURE
ARTICLE VII LEGISLATION**

MEMORANDUM IN SUPPORT

2011-12 NEW YORK STATE EXECUTIVE BUDGET

GUBERNATORIAL REORGANIZATION OF GOVERNMENT AGENCIES AND FUNCTIONS SUBJECT TO THE APPROVAL OF THE LEGISLATURE

MEMORANDUM IN SUPPORT

A BUDGET BILL submitted by the Governor in
Accordance with Article VII of the Constitution

AN ACT to amend the executive law, in relation to gubernatorial reorganization of governmental agencies and functions, subject to disapproval by the legislature; and to amend the legislative law, in relation to formulation of a concurrent resolution incorporating gubernatorial reorganization

Purpose:

This bill amends the Executive Law and the Legislative Law to facilitate the reorganization of State agencies to maximize efficiencies, reduce expenditures and eliminate waste, thereby providing higher quality government services to the public.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

New York State government is a veritable maze of agencies, departments, boards, commissions and offices that have developed *ad hoc* over many years. This tangled web of government administration is inefficient, expensive and unresponsive to the needs of New Yorkers.

The first step towards untangling this web has been Governor Cuomo's Executive Order No. 4 (2011), establishing the Spending and Government Efficiency (SAGE) Commission. The SAGE Commission has been asked to comprehensively review and assess New York State government, including, but not limited to, its structures, operations and processes for governing, with the goal of saving taxpayer money, increasing accountability and improving the delivery of government services. It has also been tasked to review commissions, task forces and councils created by Executive Order or otherwise.

On or before May 1, 2011, or such other date as the Governor may determine, the SAGE Commission will submit its recommendations on agency and authority reorganizations. On or before June 1, 2012, or such other date as the Governor may

determine, the Commission will present its final report, containing recommendations for redesigning the organizational structure of government by streamlining, consolidating or eliminating redundant and unnecessary agencies, authorities, commissions and other bodies that have overlapping missions; identifying operational improvements that increase cost effectiveness and improve service quality such as shared services, enhanced use of Information Technology and changes in service delivery mechanisms; creating meaningful metrics and targets to highlight inefficiencies; and identifying activities that are not central to the core mission of agencies, authorities or New York State government. The Commission will also make recommendations that, if implemented, would result in the reduction of at least 20 percent of the number of existing agencies and authorities.

To enable these dramatic reforms as well as others that would lead to a more efficient and responsive executive branch of government, this legislation would give authority and flexibility to the Governor to incorporate such plans into reorganization plans, which would be implemented in a compact time frame with legislative approval.

A very similar approach has proven successful at the federal level (the Executive Reorganization Act, 5 U.S.C. section 901 *et seq.*) and in New Jersey, and the constitutionality of such legislation has been upheld by the courts. (*E.g., Brown v. Heymann*, 62 N.J. 1 (1972)).

This is a new bill.

Budget Implications:

Enactment of this bill will engender government efficiencies with resulting budget savings over many years.

Effective Date:

This bill takes effect immediately.