

The History of the Executive Budget

From New York State's inception following the Constitutional Convention of 1777 and into the 20th century, budget requests were sent directly from agencies to the legislature. These requests were reviewed by Legislative Finance Committees, independent from one another, and without an overall statewide financial plan. The role of the governor was limited to using political power to influence decision making and to exercise veto power.

One hundred and fifty years later the Executive Budget Process would come to serve as the Governor's policy agenda.

Charles Evans Hughes may be most well known as the 11th chief justice of the United States Supreme Court; but as the 36th Governor of New York State he started the conversation about the need for a strategic, enterprise-wide Executive Budget process. In 1909 he expressed that "there should... be provided some permanent method for comparative examination of departmental budgets and proposals for appropriations in advance of the legislative session so that the Legislature may be aided by preliminary investigation and report in determining, with just proportion, the amounts that can properly be allowed."

1909

Governor Smith submitted the first budget prepared under the Executive Budget process a full-year earlier than required by the New York State Constitution.

1928

Revisions to Article VII of the State Constitution became effective in 1929. Franklin D. Roosevelt began his tenure as New York's Governor and submitted the budget prepared by Alfred E. Smith.

1929

The Legislature approves Governor Thomas E. Dewey's request to advance the start of the fiscal year from July 1 to April 1 to line with more sound financial planning, avoiding short-term borrowing and reducing the uncertainties in estimating revenue. Dewey also expanded the scope and function of the Division of the Budget.

1943

Governor Mario M. Cuomo believed in the power of the government to improve people's lives, and emphasized the State's commitment to serving New Yorkers, even in times of fiscal strain. As governor, he dramatically lowered income tax rates, made investments education, infrastructure, transportation and public safety.

1982

1900

2010 2010

1925

In 1910, the federal government established the Commission on Economy and Efficiency, focused on budgeting, and the advantages of analysis, planning and management. Many the concepts publicized by the Commission drove proposed changes to New York State Government during the Constitutional Convention of 1915. The proposed changes were rejected by the voters, however many proposals related to the reorganization of the State's government were accepted by voter referendum in 1925.

1927

Governor Alfred E. Smith succeeded in achieving further reforms when voters passed revisions to the New York State Constitution that required the governor to coordinate agency budget requests, develop a balanced budget containing a financial plan of proposed expenditures and revenues to support them, and to submit the budget to the Legislature along with appropriation bills necessary to execute the budget. Additionally, the governor is charged with managing the budget throughout the fiscal year. The Division of the Budget was created in 1927 and charged with developing and implementing the Executive Budget.

1955

In his budget message, Governor W. Averell Harriman stressed the importance of the submission of Executive Budget to unite the Governor and the Legislature in their obligation to New Yorkers when he said "it is our duty together to find common ground for the many different concerns and points of view inherent in a free society."

1959

Governor Nelson A. Rockefeller cemented the strong role of New York's Governor as architect of the State's policy agenda in 1969 by stressing the need for New York State to balance the priorities of social programs and economic growth.

Governor Andrew M. Cuomo has used the Executive Budget Process to restore fiscal discipline to New York State, close a \$10 billion deficit in his first budget, and continue to limit state spending to 2% each year. Under Governor Cuomo's leadership New York State has made significant investments in education, infrastructure and economic development.