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NEW YORK STATE GOVERNMENT HAS A HUGE CORRUPTION PROBLEM

GOVERNOR CUOMO, LEGISLATURE MUST ACT

After his former top aide, Joe Percoco was convicted on federal corruption charges, and numerous ethical violations were revealed at trial, Governor Cuomo said:

"We must learn from what happened and put additional safeguards in place to secure the public trust. Anything less is unacceptable."

Two weeks later the Governor passed a state budget that includes zero anti-corruption or transparency measures. The legislature again wrote a blank check for billions in economic development and lump sum spending at high risk for abuse and corruption.

The Governor and the legislature need to act now to begin **restoring the Public Trust**, **strengthening transparency and oversight of the programs most at risk for corruption**. They should immediately:

- 1. Pass a Database of Deals (A.8175-A-2017 (Schimminger) & S.6613-B-2017 (Croci)) and in both houses' budget bills (Part KK in A.9508-B and Part LLLL in S.7508-B);
- 2. Require economic development entities to follow ethics, FOIL and the Open Meetings Laws. Several entities involved in the alleged bid rigging scandal did not have to follow laws which state agencies do --- laws that may have prevented the corruption before it occurred. (In both houses' budget bills Part JJ in A. 9508-B and Part KKKK in S.7508-B)
- **3. Limit campaign contributions by vendors doing business with the state** (Part L in the Governor Cuomo's Good Government and Ethics bill is a starting point for more comprehensive restrictions). A.9924/S.8039 builds on the Governor's proposal, establishing stronger restrictions.

More broadly, our groups call for a package of anti-corruption reforms that directly address the problems revealed at the trial:

<u>Restore Public Trust Priority Reforms</u>

• **Clean Contracting**. Pass the Comptroller's Procurement Integrity Act (S. 3984/A.6355), which includes basic accountability measures that would result in an open, ethical, and efficient way to award government contracts appropriations, an area which was identified as a key problem in the indictments of the governor's top aides.

• **Ban "Pay to Play.**" Strict "pay to play" restrictions on state vendors. Evidence at the trial showed that state vendors clearly want to influence state contract awards by giving campaign contributions to elected leaders.

• **Close "LLC Loophole.**" Ban unlimited campaign contributions via Limited Liability Companies. LLCs have been at the heart of some of Albany's largest scandals.

• **Real Budget Transparency**. Make lump-sum budget appropriations and the resulting expenditures fully transparent.

• Effective Watchdogs. Truly independent, effective, well-resourced, ethics enforcement agencies are needed (e.g. JCOPE, SBOE, ABO).

• **Strict Limits on Outside Income**. Real limits on the outside income for legislators and the executive branch. Moonlighting by top legislative leaders and top members of the executive branch has triggered indictments by the federal prosecutors.