



WILL BARCLAY
Minority Leader

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

April 27, 2020

The Honorable Andrew Cuomo
Governor, State of New York
NY State Capitol Building
Albany, New York 12224

Dear Governor Cuomo:

The significant decline in state tax receipts, due to the drop in personal income taxes resulting from the new July 15th filing deadline and the economic downturn associated with “New York State on Pause” restrictions, has had a dramatic impact on the state’s resources and ability to make required payments. The Assembly Minority Conference recognizes the state is experiencing cash flow and cash shortages, which will likely affect the rest of fiscal year 2020-2021 and beyond.

In an effort to address the state’s current financial dilemma, the Public Authorities Control Board (PACB) on April 22nd approved two resolutions authorizing the Dormitory Authority of the State of New York (DASNY) to issue debt on behalf of the state. The two resolutions totaled \$11 billion – \$3 billion in lines of credit and \$8 billion in bonding issuance. Based on the 2020-2021 Enacted Financial Plan, it is anticipated that \$4.5 billion will be issued in the next few months.

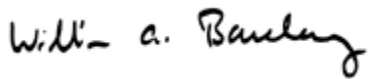
We acknowledge the unprecedented financial challenges caused by the COVID-19 pandemic. Our Conference has always questioned the wisdom of issuing debt on the backs of taxpayers to fund state operations, but we understand the state needs to meet its obligations and ensure government remains functional. Any new debt issued to help with the impact of the COVID-19 pandemic is significant, especially when excluded from the state’s debt cap measure. The specific uses and distribution of this funding necessitate a full public accounting beyond what is provided in the PACB process.

The Assembly Minority Conference requests that:

- The amount issued at any given time by DASNY should only reflect immediate state-aid payments required;
- Information regarding the amount issued, the terms (rates and maturity dates), purpose of use, and debt-service costs should be released to the Legislature at time of sales, issuance, or draws;
- Education, health care, and payments to local governments should be a priority when managing state cash flow;
- Federal funding should be exhausted prior to issuing any state debt to cover state-aid payments;
- All federal funding related to COVID-19 that is received and spent by New York State should be reported in detail to the Legislature in a timely manner; and
- Monthly updates on economic, revenue, spending, cash-flow, and borrowing should be made public and provided to the Legislature moving forward regardless of COVID-19.

In these uncertain times, millions of New Yorkers are in search of answers, assurance, and clarity. Our responsibility to share information and operate openly and transparently has never been more critical. Thank you for your consideration.

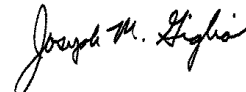
Sincerely,



Minority Leader Will Barclay



Assemblyman Ed Ra



Assemblyman Joe Giglio

CC: Assembly Speaker Carl Heastie
Senate Majority Leader Andrea Stewart Cousins
Senate Minority Leader John Flanagan
Robert Mujica, Director of Budget