



February 7, 2024

Governor Kathy Hochul
New York State

Majority Leader Andrea Stewart-Cousins
New York State Senate

Speaker Carl Heastie

New York State Assembly
Minority Leader Robert Ort
New York State Senate

Minority Leader William Barclay
New York State Assembly

Re: Fully Funded Ethics Oversight is the First Line of Defense Against Corruption

Dear Governor Hochul and Legislative Leaders,

We request that you provide full funding for ethics oversight agencies in the final FY 2024-2025 state budget. Specifically, we ask you to:

1. At a minimum, maintain the Governor’s proposed \$8.1 million budget for the Commission on Ethics and Lobbying in Government (COELIG).
2. Increase the Commission on Judicial Conduct’s budget to \$8.9 million from the \$8.3 million in the Executive budget, as requested by the Commission.
3. Enact an independent budgeting mechanism for both agencies to ensure their needs are fully met.

Robustly funded ethics oversight agencies are the first line of defense against corruption. It is crucial that they have the resources to not only ensure compliance with reporting requirements and hold mandated training sessions, but also proactively enforce the law, conduct investigations, ensure full public transparency of disclosures, and generally increase awareness of their activities.

Commission on Ethics and Lobbying in Government (COELIG)

[According to COELIG’s budget testimony](#), the 2022 law creating COELIG increased the number of state employees requiring ethics training from 30,000 to 330,000. This is in addition to the training required for lobbyists, which was completed by 8,600 individuals in 2023. We support the Governor’s budget proposal to provide an additional \$279,000 over last year’s budget, which

will help the agency respond to the huge increase in mandated ethics trainings and lobbying activity. COELIG notes that spending on lobbying hit a record \$331.5 million in 2023. We ask that, at a minimum, the Senate and Assembly maintain the Governor's \$8.1 million budget for COELIG in their one-house bills.

We note that COELIG's budget testimony states that the Executive Budget's inclusion of \$8.1 million "is the least amount needed" to fulfill its mission. In its [January 24, 2024 meeting](#), COELIG staff said that the agency continues to have large Information Technology needs to both implement the new training programs and improve its aging disclosure filing systems. Executive Director Sanford Berland highlighted that the agency in FY 2025-2026 will need additional resources to improve its financial disclosure filing system. We strongly support upgrades to the state's financial disclosure filing system, particularly if it is accompanied by requirements for: (1) all disclosures to be filed electronically; and (2) for more disclosure statements to be published online (see [COELIG's 2024 Legislative Agenda](#) and [S3544 \(Breslin\) / A1560 \(McDonald\)](#), requires electronic financial disclosures of legislative members and candidates).

Commission on Judicial Conduct

Our groups support the Commission on Judicial Conduct's request for \$8.9 million to process its burgeoning caseload. We concur with the concerns raised in the [Commission's testimony](#) that the Division of Budget recently signed off on a contract for more than \$400,000 for a "badly needed case management system," but the proposed Executive Budget of \$8.3 million will not pay for this contract or other fixed costs such as rent or mandated salary increases.

The Commission's testimony highlights their increasing caseload, with the following relevant data from 2023:

- A record 2,800 new complaints processed
- Over 500 preliminary reviews and inquiries
- Over 200 full-fledged investigations – the most since 2010 and a 28% increase over the Commission's 10-year average.
- 17 judges publicly disciplined, 13 of which were removals or stipulated permanent resignations.

Additionally, the Commission's testimony notes that its staffing levels have actually decreased over time – in 1978, when it was created, there were 63 Full-Time Equivalents (FTEs). Today, under the current budget, there would be 49. With \$8.9 million, the Commission could increase its staffing level to 56.

Independent Budgeting for Ethics Oversight Agencies

Our groups strongly support independent budgeting mechanisms for oversight agencies. These agencies are politically vulnerable given that their job is to regulate the lawmakers and public officials who set their budgets, or are highly influential.

While COELIG's appropriation must be listed separately by statute, and "separately stated appropriations...shall not be decreased by interchange with any other appropriation," (Executive Law §94(1)(f)) this is not the same as independent budgeting, and can be circumvented with "notwithstanding" clauses passed in the budget.

There are two main ways that independent budgeting can be implemented:

- Using a fixed percentage of a related agency's budget – for example, the New York City Independent Budget Office budget is pegged to a minimum of 10 percent of the Office of Management and Budget's annual budget (see [NYC Charter Chapter 11, Section 259](#)). We note that this likely requires a constitutional amendment.
- Requiring the agency's budget request to be included in the Governor's Executive Budget without change; the Governor could instead recommend changes - see [A4908 \(Lavine\) / S4398 \(Hoylman-Sigal\)](#). This mechanism would allow the Legislature to adjust the budget, however.

We urge the Legislature to ensure that whatever mechanism is used, the opportunities for adjustments or reductions are as limited as possible. Ideally, independent budgeting should be set in the State Constitution, and pegged to the budget of a related agency. This ensures that the watchdog's resources are proportional to the agency it is overseeing, better reflecting staff growth and inflation over time.

Thank you for your consideration.

Sincerely,

John Kaehny
Executive Director
Reinvent Albany

Betsy Gotbaum
Executive Director
Citizens Union

Susan Lerner
Executive Director
Common Cause New York

Laura Ladd Bierman
Executive Director
League of Women Voters of New York State

Blair Horner
Executive Director
NY Public Interest Research Group

Erica Vladimer
Co-Founder
Sexual Harassment Working Group