

VETO MESSAGE - No. 32

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bill:

Assembly Bill Number 2854, entitled:

"AN ACT to amend the economic development law, in relation to the preparation of performance plans and the establishment of a private industry review council; and providing for the repeal of article 7-A of such law relating to the establishment of the New York state private industry review council upon expiration thereof"

NOT APPROVED

This bill would establish a Private Industry Review Council (Council) to evaluate and recommend changes to state economic development programs and services, and would require that programs offered by the State's economic development agencies undergo extensive performance planning, by the agencies as well as by independent contractors, to evaluate the effectiveness of economic development programs.

While all twelve of the Council's members would be appointed by the Governor, ten appointments would be made on the recommendation of legislative leaders and one would be made on the recommendation of a labor organization. Authorizing a body that consists almost wholly of persons recommended by officials other than the Executive to undertake what are essentially executive functions - reviewing programs administered by executive agencies and the organization and operations of these agencies - would constitute a highly unusual and unwarranted infringement upon Executive authority. The fact that most of those recommendations would issue from the legislative branch also raises separation of powers concerns.

Moreover, the bill would empower the Council to administer oaths or affirmations, take testimony, subpoena witnesses, require the production of books, records, documents, and papers and hold public and private hearings. It would be quite extraordinary to confer such powers upon private individuals, and no justification has been offered to support such a measure.

Another significant concern is that the extremely detailed performance planning and program evaluation required by this bill - much of which appears duplicative - would require the Department of Economic Development (DED) to provide significant staff and technical assistance, and would cost, according to the Division of the Budget, approximately \$3 million per year. Although the State's economic goals require that it make smart investments to create jobs and expand opportunity for New Yorkers, it is not clear that this bill represents the most appropriate application of resources to achieve these goals.

These deficiencies mandate disapproval of the bill. However, the idea that input from private industry would be beneficial in the design and implementation of the State's economic development policies and programs has appeal, and I invite the sponsors to engage DED in a discussion of

other means by which such objective might be accomplished.

The bill is disapproved.

(signed) DAVID A. PATERSON
