



New York State  
PUBLIC EMPLOYEES  
FEDERATION AFL-CIO  
LEGISLATIVE DEPARTMENT  
100 State Street, Suite 1070  
Albany, NY 12207

Kenneth Brynien, *President*

1-800-724-4997  
1-518-432-4003  
Fax: 1-518-432-7739

Arlea Igoe, *Secretary Treasurer*

# ***SUPPORT***

**April 7, 2009**  
**A4298\Brodsky**  
**S3919\Flanagan**

The New York State Public Employees Federation, representing 59,000 Professional, Scientific, and Technical workers of New York State, supports this legislation.

This legislation prohibits a state public authority from creating a subsidiary without the prior approval of the legislature. Further, if enacted, this bill would establish that subsidiaries created prior to July 1, 2008 are legal, but would require that such subsidiaries provide a justification report to the chairs of the appropriate committees of the Senate and Assembly by March 31, 2009.

Although, initially created with specific purposes and finite jurisdictions, Public Benefit Corporations (PBCs) have become an unwieldy “shadow government” of New York State that operates under the cover of darkness and out of the sight of taxpayers. Unlike state agencies, they function with less accountability to the public and in a cloud of obscurity. The ability of these authorities to grow through the creation of subsidiaries only amplifies the problem. PBCs, if necessary at all, must be limited to their specific statutory intent and not enabled to extend beyond those bounds without the affirmative action of the elected legislature.

For these reasons, the Public Employees Federation urges you to support this legislation.

For more information, please contact:

Brian F. Curran, Legislative Director and Counsel