

May 24, 2022

RE: Cost/Benefit Analysis Legislation (S.5356/A.8159)

Dear Legislator:

As a taxpayer, a constituent and a member of the New York State Public Employees Federation, I urge you to pass legislation to make the state more fiscally responsible by requiring a cost/benefit analysis for large state consultant contracts (S.5356 by Sen. Breslin/A.8195 by Asm. Bronson).

This legislation is much needed as it would help to lower the cost of many projects in the state while helping to ensure that state employees are utilized, as much as practicable. Specifically, this bill would require state agencies with a contract over \$1 million to conduct a cost/benefit study to determine if the existing state workforce could provide the services at a lower cost to the taxpayers. While this practice may be used as some agencies, it is not a universally adopted approach.

In 2011, PEF estimated that \$300 million could be saved annually from the state budget by enacting legislation requiring agencies to conduct cost-benefit analysis prior to entering into outside contracts for services. That would equate to over \$356 million in today's dollars. Similar results were found in previous independent studies conducted by NYS Senate Task Force on Government Efficiency (2010); DOT/KPMG (2001); Comptroller McCall (1998); and Comptroller Regan (1990).

This legislation will lead to cost savings for New York and ensure PEF members are providing the services for which they were hired. At a time when the state is looking for new ways to save its scarce resources, this bill would be the perfect solution.

As my elected representative, I kindly ask that you work with the leadership in your house to pass S.5356/A.8159 at the earliest possible opportunity.

Sincerely,