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February 12, 2026

Honorable Liz Krueger
Chair, Senate Finance Committee
financechair@nysenate.gov

Honorable J. Gary Pretlow
Chair, Assembly Standing Committee on Ways and Means
wamchair@nyassembly.gov

Re: Written Testimony of Sanford N. Berland
Executive Director, Commission on Ethics and Lobbying in Government
New York State Joint Budget Hearing
2026-2027 Executive Budget Proposal

Dear Chair Krueger and Chair Pretlow:

On behalf of the New York State Commission on Ethics and Lobbying in Government ("COELIG"), enclosed is our State Fiscal Year 2026-2027 written budget testimony.

COELIG's management team has worked diligently to meet the agency's statutory mandates with available resources, and it will continue to do so to the best of its ability, while at the same time recognizing that adequate resources are needed to meet our agency's statutory mandates.

In support of the State's commitment to control spending and achieve greater efficiency in government, to restore the public's faith in the integrity of our State government, and to ensure strict compliance with the State's ethics and lobbying laws and regulations, COELIG submits a budget request totaling \$9,916,000 for Fiscal Year 2026-2027. Note that this request assumes no growth in the total base appropriation for personal and non-personal services over our agency's appropriation for Fiscal Year 2025-2026. An additional request for funding is included to upgrade certain of our data systems with such additional funding to be provided from increases in the fees we collect, and which are provided for in amendments to the state's Lobbying Act that are included in the Executive Budget's Article VII bills. Those Article VII bills should be revised so that a portion of those increases can be retained by our agency as well as new revenue generated from amendments we will make to our late-filing fee regulations.

Restoring public trust in state government

Letter to Honorable Liz Krueger and
Honorable J. Gary Pretlow
February 12, 2026
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As demonstrated in my written testimony, the appropriation we request is essential if the Commission is to continue and elevate its work by fulfilling its mission and the mandate of the Ethics Commission Reform Act of 2022, to restore public confidence in our State's government.

Very truly yours,

A handwritten signature in blue ink, consisting of a series of connected, fluid strokes that form a stylized, somewhat abstract representation of the name Sanford N. Berland.

Sanford N. Berland
Executive Director

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WRITTEN TESTIMONY OF SANFORD N. BERLAND, EXECUTIVE DIRECTOR
COMMISSION ON ETHICS AND LOBBYING IN GOVERNMENT

NEW YORK STATE JOINT LEGISLATIVE BUDGET HEARING
2026-2027 EXECUTIVE BUDGET PROPOSAL

PUBLIC PROTECTION

February 12, 2026

Thank you for the opportunity to submit this testimony on behalf of the Commission on Ethics and Lobbying in Government (COELIG, or “the Commission”) to emphasize the necessity of providing the Commission with a budgetary appropriation for Fiscal Year 2026-2027 that will enable it to perform its critical governmental functions and to fulfill its salutary and essential legislative mandate: to restore public confidence that our state’s government is, indeed, working in the public’s interest. We believe that the reduced appropriation set forth in the Executive Budget for the Commission – \$8,910,000 – is inadequate to meet the Commission’s minimum needs for the coming year and request that the final enacted budget provide the full amount sought by COELIG in its budget submission - \$9,160,000 - and side letter - \$750,000 – totaling \$9,910,000, or \$1,000,000 more than is provided in the Executive Budget, three-quarters of which will be offset by the additional lobbying registration and late fees that COELIG has proposed and which are included in the Governor’s proposed Article VII bills but which in their current form do not include any direct allocation to COELIG.

Without the full requested appropriation, the Commission will be unable to perform its duties fully and with the thoroughness and speed that its legislative mandate demands. The lack of

Restoring public trust in state government

adequate funding will come at the expense of public confidence that state government is indeed committed to ensuring that it is working in the public interest. With the successful conclusion last year of the litigation that had prevented the Commission from achieving its full operational capabilities for nearly half of its existence,¹ the Commission has pursued the hiring and deployment of the full complement of personnel called for by its approved and fine-tuned staffing plan. We have five open positions that are indispensable to the complete fulfillment of the Commission's duties, responsibilities and mission. To fill these positions, the Commission requires the full availability of a personal services appropriation for fiscal year 2026-2027 of \$7,904,500, an increase of \$218,500 over its 2025-2026 personal services appropriation that is offset by a corresponding reduction in its nonpersonal services appropriation request. The Executive Budget makes the full availability of the proposed personal services appropriation impossible, however, by reducing the Commission's nonpersonal services appropriation by a further \$250,000, for a total reduction of \$468,500, nearly thirty-two percent, against the Commission's SFY 2025-2026 NPS appropriation.

Background. The Commission is the product of the Ethics Commission Reform Act of 2022 (ECRA) (L. 2022, Ch. 56, Part QQ) and replaced the former Joint Commission on Public Ethics (JCOPE). The Commission came into being in the summer of 2022 and immediately set about building an agency within the framework dictated by ECRA, with the robust capabilities essential to meeting the ambitious goals and objectives established by that statute. Among other things, those goals and objectives include substantially strengthening the Commission's capacity and capabilities in its most crucial areas of jurisdiction, including investigations and enforcement, lobbying regulation and oversight, and state official and workforce ethics oversight guidance, as well as overseeing and administering an unprecedented and nationally unique program of ethics training for the state's entire executive branch workforce – encompassing over 300,000 individuals – and for virtually all lobbyists and lobbying clients in the state. It should be particularly noted that this expanded training mandate alone represents a more than ten-fold increase in the number of affected state officers and employees, and more than thirty times as many trainings, over the triennial ethics training program administered under prior law by JCOPE for policymakers and

¹ See *Cuomo v. New York State Commission on Ethics and Lobbying in Government*, 44 NY3d141 (2025).

high earners. Moreover, unique among the state's lineage of ethics and lobbying regulatory agencies, COELIG is now subject to the state's Freedom of Information Law and Open Meetings Law ("FOIL" and "OML," Articles 6 and 7 of the Executive Law), transparency innovations that have been welcome but also costly from the perspective of agency resource consumption.

Adequate funding of the Commission's varied and complex operations is essential for the Commission to carry out its duties with the thoroughness and zeal our mission demands and to avoid the delays, limitations, backlogs, and systemic frustrations that plagued predecessor agencies, not only in the handling of investigative and enforcement matters, but also in the processing and review of the tens of thousands – collectively, more than one hundred thousand – financial disclosure statements and lobbying registrations, reports, and amendments that the Public Officers Law and the Lobbying Act require the state's ethics and lobbying agency to review every year and which are indispensable to our state's system of ethical transparency and compliance. In recognition of the need to ensure adequate funding and to supply COELIG with the means to meet its substantially expanded responsibilities, ECRA called for a substantial and necessary increase in the Commission's funding over that of its predecessor in Fiscal Year 2021-2022, and the Governor and Legislature followed suit in the three subsequent fiscal years. While those increases were appreciable, they were not lavish or excessive and represented amounts the Commission expected it would require on an annual basis to fulfill its many responsibilities, conduct its varied and demanding functions, and fulfill its ambitious but essential mission: to restore the public's trust in their state government by holding every person who works for that government, regardless of position or office, and those who seek to influence it, to the highest levels of ethics and accountability.

The *Cuomo* litigation and its impact on the Commission. In April 2023, barely seven months after the first COELIG commission meeting, former Governor Andrew Cuomo filed a civil action in state Supreme Court, Albany County, seeking an injunction to prevent the Commission from moving forward with an enforcement proceeding against him and a declaration that the Commission's structure contravenes separation of powers principles in violation of the state constitution. From September 11, 2023, the date that court issued its ruling granting the former Governor's motion for a preliminary injunction, until February 18, 2025, when the Court of

Appeals issued its seminal ruling upholding ECRA and validating the Commission’s structure and authority, the Commission was limited in exercising its investigative and enforcement functions and related powers and sharply constrained in its ability to recruit qualified individuals to fill the many vacancies in its approved staffing plan. *See Cuomo v. New York State Commission*, 76 Misc. 3d 1036 (Sup. Ct. Albany County, September 11, 2023), *aff’d*, 228 AD23d 175 (3d Dep’t 2024), *reversed*, 44 NY3d 141 (2025). Following that landmark ruling, and with increased funding for SFY 2025-2026, the Commission was able to begin deepening its capabilities and improving efficiency and productivity across the agency, effectuating structural adjustments to its divisions and units, strengthening internal management, and filling vacancies in a number of key positions across the agency. Unfortunately, the filling of vacant positions came to an effective halt with the Director of the Budget’s October 9, 2025 call for a “flat” budget for the coming state fiscal year. That has left our agency with a current head count of 63 full-time equivalents, out of an authorized total of 68, with unfilled positions in our Investigation and Enforcement Division and our Training, Compliance Audit and Review, and Financial Disclosure units. Without the full appropriation we have requested, we will not be able to fill these positions, which represent seven percent of our total FTEs and are core to our work and to our achieving our statutory goals.

COELIG’s Operations. The Commission performs its statutory duties across five principal divisions and two shared units, pursuant to an organizational structure that is primarily dictated by the express requirements of Executive Law Section 94² and complies with the 68-FTE headcount that has been authorized in every enacted budget since SFY 2023-2024, as well as in the current Executive Budget proposal. The Commission’s advisory and financial disclosure functions are within the Ethics Division. The Commission’s lobbying guidance and filings programs constitute the Lobbying Division. The Commission’s education and auditing programs and training functions are shared between the Ethics and Lobbying Divisions in, respectively, the Education Unit and the Compliance Audit and Review Unit. The Communications and Public Information Division coordinates the Commission’s external communications; oversees the release of public

² See Executive Law § 94(6)(c). For the most part, the organizational structure set forth in this section emulates the divisional structure employed by the predecessor agency.

information; plans the Commission's statutory annual public meeting; provides and manages content on the Commission's website, social media channels, and newsletters; receives requests for public records and handles the Commission's media, stakeholder, and legislative relations, as well as provide technical coordination of the logistics for the Commission's public meetings, which are livestreamed and recorded for subsequent viewing. Staff are assigned across the agency, and many employees share responsibilities to provide the necessary flexibility to perform critical functions and meet the Commission's broad and varied mandates. Underlying the Commission's Fiscal Year 2026-2027 budget request is a staffing and expense plan that is indispensable if the Commission is to avoid backlogs and delays and perform its mandated functions in a timely, efficient, comprehensive and effective manner, as follows:

Ethics Division – Guidance and Ethics Training. ECRA has not only increased tenfold over prior law the number of individuals in the executive branch for whom ethics training, administered by COELIG, is required – from over 30,000, to as many, by our latest calculation, as 333,000 – it has made executive and legislative branch ethics training an annual requirement, with live/live-online comprehensive ethics training alternating with on-demand refresher training.³ The markedly expanded training requirement has posed equally marked staffing challenges, not only for our agency, but for every one of the nearly 400 agencies encompassed by the new ethics training requirement. In our ongoing efforts to meet that challenge, in 2025 we introduced a second comprehensive online on-demand ethics course, accessible on our website and also available to agencies both for mounting on their own websites and for group training sessions, to supplement both the on-demand course we have provided on the Office of Employee Relations' State Learning Management System since 2023 and the existing COELIG and executive branch agency live training capabilities.

³ In addition, the Commission is required to provide an online live question and answer course for agency ethics officers, and it also provides a program of ethics trainer trainings, expanded to meet the increased need for agency-level ethics trainers. ECRA has also extended the mandatory triennial online lobbying ethics training requirement, previously applicable only to registered lobbyists, to now apply to lobbying clients (who at the end of last year numbered over 4,400), which has required both a modification of the online course and our method of providing it, and an expansion of our compliance capturing and monitoring capabilities. It should be noted that the Commission will be pursuing, in the current legislative session, as it did last year, an amendment to Section 1-d(h) of the Legislative Law to increase the required frequency of mandatory ethics training for lobbyists and clients to once every two years, rather than three years, to coincide with the biennial registration requirement of Legislative Law § 1-e(a).

To address the expanded overall training requirements, three additional trainer positions and a training data assistant position were created in our Education Unit to expand and improve training, tracking, and communication modalities and to keep up with markedly increased administrative and reporting obligations (see, for example, Executive Law § 94(8)(f), which requires quarterly and annual reporting of the status of training compliance to the Governor and the Legislature). In 2025, to strengthen management of the Education Unit, we created and staffed the position of Assistant Director of Education. In response to both the expanded training requirements and the growing demands for guidance stimulated by the increased reach and frequency of mandatory ethics training and to which our Advice and Guidance Unit is required by law to respond⁴, we also restructured and strengthened management of the expanded Ethics Division, widening the responsibilities of the incumbent Senior Deputy Director to include oversight of the Education Unit and, through internal transfer, adding the position of Deputy Director of Advice and Guidance.

To date, there have been over 612,000 live-in-person, live-online, and on-demand comprehensive ethics training completions. The Commission's comprehensive workforce ethics training implementation plan for the period July 8, 2022 through December 31, 2025, called for all executive branch officials and employees to have received at least one ethics training by the end of 2024 and to have completed a full ethics training cycle – i.e., one live (in person or online) comprehensive training and one refresher training – by December 31, 2025. In addition, more than 10,000 lobbyists and lobbying clients completed online lobbying ethics training during the initial triennial lobbying ethics training cycle, which will be ending shortly.

To facilitate our handling of the unprecedented ethics training mandate, we have worked with the Office of Information Technology Services to develop and implement a Statewide Ethics Training Application that, among other things, monitors training compliance at the individual employee level to create, for the first time, a record of each of the more than approximately 333,000 state officers and employees required to complete ethics training. The application went live in mid-June 2024, and refinements to the application and data population continued in 2025. The system,

⁴ See Executive Law § 94(7). In 2024, Ethics Division attorneys responded to over 1,300 guidance requests, an increase of more than 60% over the prior year, issuing hundreds of informal letter opinions and answering many hundreds more telephone inquiries, including requests for state employee approval to engage in remunerative outside activities (governed by Public Officers Law § 74 and 19 NYCRR Part 932) and guidance concerning permissible post-separation private-sector employment (governed by Public Officers Law § 73).

SETA, now has profiles for more than 260,000 executive branch employees. It is designed to identify, schedule, track, and report ethics training compliance at the individual employee level across the more than 380 departments, commissions, authorities and other bodies and agencies that make up the state's executive branch. Although the Commission had been planning to lease a modest amount of additional space for the Training Unit in Albany to help expand the number of simultaneous live-online ethics trainings to help meet the challenge of the expanded training requirement, and negotiations to that end had been initiated, in light of the state's current fiscal straits, we have put that effort on hold.

Compliance Audit and Review Unit/FDS Unit. The Compliance Audit and Review Unit is also a shared unit, jointly supporting both the Lobbying Division and the FDS unit, which is housed in the Ethics Division. Under our staffing plan, we filled positions for an additional Compliance Auditor and an additional Compliance Analyst in the Compliance Audit and Review Unit in 2025. We also added an additional Compliance Auditor position, to enable the Commission to increase the number of lobbying filings audited annually, but that position will remain unfilled unless the Commission is adequately funded for the coming fiscal year. With the elimination of the lobbying filing processing backlogs that had resulted from short staffing in prior years, throughput is now commensurate with filing rates. We need to be fully staffed in this unit to prevent downstream processing delays and backlogs and to ensure that our audits and reviews are always performed in a timely, thorough, and comprehensive manner. For like reasons, we previously filled vacancies in the positions of Assistant Director of FDS and Assistant Filings Specialist (Filings Examiner) in our FDS Unit and created and filled Assistant Director positions in both units to improve oversight and workflow.

Lobbying Division. As was noted in our budget submissions, lobbying activity remains at historically high levels – the lobbying industry spending reached a record of \$382.1 million in 2024, and we expect the number for 2025, when all of the data has been assessed and reconciled, to be at least as high. The Commission anticipates that lobbying registrations, reports, and amendments will continue to be filed, and lobbying guidance and filing assistance will be sought at historically high rates. To ensure the timely processing, review and reconciliation of the tens of

thousands of filings the unit handles every quarter, and to facilitate prompt follow-up, we have improved the division's supervisory structure and in 2025 filled vacancies and cross-assigned two agency attorneys to the Division, to enhance our overall compliance efforts.

Investigations and Enforcement Division. Under the predecessor agency's staffing plan, this was nominally an eight-person unit, but fiscal constraints limited staffing six at its peak to six positions. The Commission's approved staffing plan calls for expanding the division to at least nine FTEs, both to expedite the disposition of the significant number of open and pending investigative and enforcement matters carried over from JCOPE and to accommodate the expeditious handling of new matters, as well as to meet the demands of the series of significant and complex investigative and enforcement matters that the Division has been handling.

In the first part of 2023, we successfully recruited highly capable new leadership for the Division, including both a new Director of Investigations and Enforcement and a Deputy Director of the Division (a newly created position), both of whom have extensive experience investigating and pursuing public integrity matters. We also created and filled a Senior Investigative Counsel position and recruited and promoted two highly experienced Senior Investigators, providing the Division with a core team of investigators and counsel with diverse and deep law enforcement backgrounds. In 2025, after the favorable ruling by the Court of Appeals in the *Cuomo* litigation, we successfully filled a second investigative counsel position and hired a third investigator. The position of electronic document specialist, supporting the handling and trial of complex enforcement matters, remains unfilled. Division staff were assiduous in handling the growing number and breadth of investigations and enforcement matters while the *Cuomo* litigation was pending, and with its successful conclusion and the resumption of the evidentiary hearing process, filling this position is crucial.

Administrative Division, Executive Staff, and Communications/Public Information. In 2025, our Director of Communications and Public Affairs took on the added duties of Chief of Staff to the Executive Director. The Commission also hired a second communications assistant in 2025. Also in 2025, the Commission added a Research Data Analyst, which has enabled the Commission to provide the public with much more timely and accessible reporting of information collected by the

agency – the well-received bi-monthly preliminary lobbying data reports that the Commission began issuing in 2025 have been made possible by the addition of this position, which has also enabled the Commission to more readily identify, evaluate, and deploy technological tools to improve its efficiency and expand its capabilities.

These positions are all essential and indispensable to the efficient and effective operation of our agency and to achieving our goal of maximizing, to the full extent possible, the transparency of our operations and our openness to public scrutiny. Staff have taken extensive steps to provide expanded training in the use of these systems by the press, public, and interested communities. Further, the Commission has made the entire lobbying database publicly available on the OpenNY data platform, where it is by far the largest dataset hosted on that platform with more than 351 million records. The maintenance and upgrading of these systems, both to meet new statutory requirements and to address heightened security concerns – particularly in the wake of a cyber-attack in 2022 – requires significant staff and technological resources.

Commissioner Per Diems. These are also part of the personal services component of our budget and are statutorily intended to encourage and facilitate Commission members’ active engagement in oversight of the agency’s overall operations. (*See* Executive Law § 94(4)(f).)

Non-Personal Services. This component of our budget is comprised of lease and utility costs for the Commission’s offices in Albany and New York City; office equipment and information technology costs; audit and case management software and systems; livestreaming fees (livestreaming of Commission and committee meetings is required by the OML); professional services and related items; travel costs for in-person attendance at Commission meetings (mandated by the OML); legal services (projections for hearing officer fees, hearing transcription services and service of subpoenas); auditing of agency audit randomization (required by the Lobbying Act at Legislative Law § 1-d(b)); postage and electronic transmission charges; social media and communications charges; telecommunications equipment and data charges; and other infrastructure related costs.

For SFY 2026-2027, we have reduced our projected expenditures to the bare minimum necessary to maintain our operations, eliminating from our budget previously planned modifications to our Albany workspace and the acquisition of additional leased space in Albany

for our expanded ethics training unit, reducing planned equipment purchases by 40 percent, cutting travel expenses by half, and lowering or dropping vendor services across the board, and removing any other expenditure that can be avoided or deferred. As a result, our requested non-personal services appropriation, \$1,255,500, is \$218,500 less than our SFY 2025-2026 NPS appropriation (\$1,474,000). The Governor’s proposed SFY 2026-2027 budget, however, would drop the appropriation even further, to \$1,005,500, a reduction of \$468,500, or nearly 32 percent. At that level, we will not be able to meet our SFY 2026-2027 contractual obligations alone – which will total \$1,135,500 – without drawing funds from our personal services appropriation. Overall, an appropriation at that level will result in the Commission being unable to fill at least five essential agency positions (seven percent of our total FTEs) across its Investigation and Enforcement, Compliance Audit and Review, Financial Disclosure and Ethics Training units, an impossible situation for the Commission in the execution of its duties. COELIG’s requested nonpersonal services appropriation of \$1,255,500 represents a reasonable projection of the minimum amount the Commission will require in fiscal year 2026-2027 to meet its necessary and indispensable nonpersonal services costs.

Side Letter Request – COELIG’s Technology Needs

The Commission’s “side letter” to its budget submission requests additional funding in the amount of \$750,000 in 2026-27, to replace our old, outdated and incomplete/never completed New York State Office of Information Technology Service-developed systems for our Lobbying Application and Public Search Query, and our Financial Disclosure Statement systems. That will bring our total budget request for State Fiscal Year 2026-2027 to \$9,910,000. Replacing those systems is crucial to the efficiency and effectiveness of our work and to providing the transparency and accessibility the public expects.

Among its many duties, as outlined above, the Commission is responsible for administering and making publicly available the disclosures required to be filed by the individuals and entities under its oversight, including the more than 35,000 annual Financial Disclosure Statements – FDSs – as well as the more than 70,000 registration statements and activity and expenditure reports, and amendments, required to be filed by the more than 12,500 registered lobbyists and lobbying clients

who spent more than \$382 million to influence both state and local public officials in 2024, with 2025 filings and expenditures on course to exceed those figures. Indeed, the more than 351 million lobbying records the Commission makes accessible constitute one of the largest publicly available datasets in the state.

OITS created the Lobbying Application and FDS systems in 2019 and 2013, respectively. Both systems were considered antiquated in comparison to the systems used by other government agencies at the time of their introduction. Today, their functionality remains extremely limited, and the systems are not considered “user-friendly” by the public, our regulated communities, and staff. Indeed, state legislators, stakeholders, and members of our regulated communities, as well as the general public, have all expressed concerns about the difficult-to-navigate platforms – even with widely expanded user training, our Lobbying Help Desk fielded over 35,000 calls in 2025 – and they have repeatedly asked us to prioritize the updating of the systems and have asked the Governor and Legislature to appropriate funds for that purpose.⁵ The Lobbying Application and PSQ (which had more than 11.5 million “hits” in 2025) are often plagued by slowdowns or interruptions that render the platforms useless for hours at a time, impeding transparency. The FDS system is complicated and confusing for filers, and it lacks essential functionality for agency use, particularly in communicating with filers and identifying deficiencies and inconsistencies in filings. In addition, neither of these systems is accessible to individuals with disabilities such as the visually impaired. Our long-running efforts to have OITS address these concerns have been a source of both frustration and consternation.

The full functionality of both the Lobbying Application/PSQ system and the FDS system have never been realized because of persistent delays by OITS in completing these systems and even in confirming when the work would or could be completed. Given the new method that has now gone into effect for determining costs for OITS to complete these projects, OITS informed us shortly before our budget request of SFY 2026-2027 was submitted that under their recommended approach, it would cost COELIG and the state an additional \$2.9 million and, after a protracted delay to allow OITS to recruit and train new staff, take at least 16 months to add to the systems the functionalities that were originally designed years and years ago. It would be both

⁵ A letter supporting the Commission’s requested appropriation has been submitted and publicized by a wide range of public interest and so-called “watchdog” groups. A copy is attached to this testimony.

economically and functionally senseless to allocate such a huge amount of money – a third of our overall budget – and to tie up agency and state resources, for the sake of continuing to work on completing long-outdated and archaic systems, when procuring up-to-date systems, each equipped with markedly greater functionality and utilizing modern technology on par with the much more capable systems used by similar agencies around the country, could be implemented more quickly and at a fraction of the cost through the procurement process.

The Commission has benchmarked itself against ethics and lobbying regulatory agencies in other states and cities, and we have had initial meetings with a number of vendors to determine the range of possibilities for the new systems and the scope of potential costs. Based upon those discussions, we estimate that Lobbying Application/PSQ replacement systems can be developed using currently available funds and with approximately an additional \$750,000 in the Commission’s SFY 2026-2027 appropriation, and that \$375,000 annually in subsequent years would cover system maintenance costs and allow us to procure a new FDS system. Procuring new systems would save the state more than \$2 million, and potentially considerably more, and would provide the Commission with vastly improved regulatory tools, the public with greatly enhanced access to lobbying data, and state officers and employees and our regulated communities with streamlined, efficient, and user-friendly compliance and reporting systems. To that end, we have begun working with OITS and the Executive Chamber on a proposal to be submitted through the Budget Bulletin H300 process to pursue such a procurement.

Moreover, recognizing the state’s strained budgetary circumstances, we provided the Division of Budget with a proposal for generating additional revenue to fund the Commission’s side-letter request and future technology costs. Acting on a recommendation made to us last year by a member of the Legislature and at the Division of Budget’s request, we prepared and provided to DOB proposed amendments to the Lobbying Act, Legislative Law Article 1-A, increasing lobbying registration fees and authorizing the Commission to collect late fees from lobbyists and clients who fail to complete their required ethics training within the required time, which currently carries no penalty. These proposed amendments were projected to generate, along with amendments to the Commission’s late registration and registration amendment fee schedule, more than sufficient additional revenue in SFY 2026-2027 to defray the Commission’s \$750,000 side-letter request, with more than \$1.9 million in added revenue produced in SFY 2027-2028, with

like or greater amounts of new revenue produced in succeeding fiscal years, \$375,000 of which would be made available each year to COELIG to fund a new FDS system and the upkeep, maintenance and licensing fees for its systems.⁶

In fact, COELIG's proposed amendments to the Lobbying Act were accepted by DOB and are largely reflected in the Governor's proposed Article VII bills at Parts U and Z, but with one significant omission: the provision intended to permit COELIG to retain a portion of the newly generated revenue to help defray its technology costs, proposed amended Legislative Law § 1-e(e)(v), was omitted. We ask that this provision be restored⁷ by the Legislature and that COELIG's side letter request be included in the agency's SFY 2026-2027 appropriation, bringing its non-personal services appropriation for SFY 2026-2027 to a total of \$2,005,500.

Accordingly, and for all of the above reasons, the Commission respectfully requests that its non-personal services appropriation and its full appropriation, inclusive of the costs of replacing its existing Lobbying Application/PSQ and Financial Disclosure, system at \$9,910,000, together with such additional amount as may be required to make up for any amount that the Division of Budget holds back from that appropriation.

Conclusion

As before, the Commission recognizes the reality that the state's fiscal resources are not unlimited, that state resources must be carefully minded and prudently managed, and that difficult fiscal challenges lie ahead. Respect for government and acknowledgment that its resources are the public's resources are core to the Commission's ethos and its mission, and the Commission remains fully committed to doing its part to address that challenge. The Commission has, and will

⁶ A copy of COELIG's proposed amendments and projections of additional revenue to be generated in SFY 2026-2027 and 2027-2028 are attached.

⁷ Indeed, without this provision, COELIG will be incurring significant additional costs and allocating significant staff time to billing and collecting the increased and new fees without any offsetting budgetary benefit, a net fiscal detriment to the agency.

continue, to identify measures to improve the Commission's efficiency and accountability to New Yorkers, as well as to demonstrate its leadership in ethics and lobbying compliance.

The Commission must be emphatic, however, that its ability to meet these mandates is entirely dependent upon its having funding sufficient to maintain the requisite levels of appropriately trained and qualified staff across all positions. Without the requisite funding, the Commission cannot succeed in providing the training, guidance, and compliance monitoring called for by the state's ethics and lobbying laws nor can it adequately enforce the ethical standards mandated by those statutes or ensure the unambiguous transparency that is critical to rebuilding trust in our state's government. The central importance of our mission was stated by the Court of Appeals less than a year ago

Trust in government is essential to democracy because its erosion leads to apathy, disaffection, and the breakdown of civic institutions. Indeed, government cannot function if the public perceives that those entrusted with public power are unaccountable when they misuse their authority for private gain. Maintaining public confidence is thus a foundational state interest and a core governmental responsibility. Given the danger of self-regulation, the Legislature and the Governor have determined that there is an urgent need for the robust, impartial enforcement of the State's ethics and lobbying laws. That task is assigned to the Commission.

44 NY3d at 167. We – our agency and its Commissioners – do not take our responsibilities or the centrality of our mission lightly. We embrace them. But we cannot do our work fully and effectively without adequate funding. Accordingly, we ask that the full appropriation we have requested for SFY 2026-2027, totaling \$9,910,000⁸, be provided, without any withholding from the appropriation by the Division of the Budget.

⁸ To the extent the Division of Budget intends to hold back any portion of our ultimate SFY 2026-2027 appropriation – in prior years, it has withheld approximately 4.5% of our appropriation – we ask that it not do so and, if it will be doing so nonetheless, that our appropriation be increased in an amount that will assure that we will have sufficient cash allocated in SFY 2026-2027 to meet our personal services and non-personal services costs.

Thank you, and please do not hesitate to let me know if you have any questions about our agency and its budgetary needs, or if there is any additional information that would be helpful to you, the Committees, and the Legislature at large in the budgetary process or otherwise.

Thank you,



Sanford N. Berland
Executive Director,
New York State Commission on Ethics
and Lobbying in Government

Attachments.

Note that the following are Commission staff drafts for discussion purposes:

Amending Executive Law § 94(8):

8. Training. The commission shall establish a training unit and shall develop and administer an on-going program for the education and training in ethics and lobbying for those subject to the provisions of this section, as follows:

(a) The commission shall develop and administer a comprehensive and interactive live-in person or live-online ethics training course and shall designate and train instructors to conduct such training. Such live course shall be designed to include practical application of the material covered and a question-and-answer participatory segment. Unless the commission grants an extension or waiver for good cause shown, statewide elected officials, members of the legislature and employees of the legislature, and state officers and employees as defined in sections seventy-three, seventy-three-a, and seventy-four of the public officers law, and the political party chair as is defined in section seventy-three of the public officers law, shall complete the live course within ninety days of appointment or employment and shall complete the live course every two years subsequently.

(b) The commission shall develop and administer an online ethics refresher course for all individuals listed under subparagraph (i) of this paragraph who have previously completed the live course. Such refresher course shall be designed to include any changes in law, regulation, or policy or in the interpretation thereof, and practical application of the material covered. Unless the commission grants an extension or waiver for good cause shown, such individuals shall take such refresher course once every year after having completed the live course under paragraph (a) of this subdivision.

(c) The commission shall develop and administer an online live question and answer course for agency ethics officers.

(d) The commission shall develop and administer training courses for lobbyists and clients of lobbyists and adopt regulations and procedures related to such training courses, including, but not limited to, establishing deadlines for training course completion.

(d-1) The commission may impose a fee upon lobbyists and clients of lobbyists for late completion of the training course required by this subdivision, as set forth in section 1-d of the legislative law.

(e) The provisions of this subdivision shall be applicable to the legislature except to the extent that an ethics training program is otherwise established by the assembly and/or senate for their

respective members and employees and such program meets or exceeds each of the requirements set forth in this subdivision.

(f) On an annual basis, the commission, in coordination with the legislative ethics commission, shall determine the status of compliance with the training requirements under this subdivision by each state agency and by the senate and the assembly. Such determination shall include aggregate statistics regarding participation in such training and shall be reported on a quarterly basis to the governor and the legislature in writing. Amending Legislative Law § 1-d(h) and adding new Legislative Law § 1-d(i):

(h) provide an online ethics training course for ~~individuals registered as~~ lobbyists and clients listed on a statement of registration submitted pursuant to section one-e of this article. The curriculum for the course shall include, but not be limited to, explanations and discussions of the statutes and regulations of New York concerning ethics in the public officers law, the election law, the legislative law, summaries of advisory opinions, underlying purposes and principles of the relevant laws, and examples of practical application of these laws and principles. The commission shall prepare those methods and materials necessary to implement the curriculum. ~~Through calendar year two thousand twenty-six, Each individual registered as a lobbyist pursuant to section one-e of this article and client~~ shall complete such training course at least once in any three-year period during which ~~he or she is registered as a~~ the lobbyist or client is listed on a statement of registration submitted pursuant to section one-e of this article in accordance with procedures adopted by the commission. Commencing with the two thousand twenty-seven and two thousand twenty-eight biennial period and thereafter, each lobbyist and client shall complete such training course at least once in each biennial period and at least once every two years during which the lobbyist or client is listed on a statement of registration submitted pursuant to section one-e of this article, in accordance with procedures adopted by the commission.

(i) the commission may impose a fee for failure to complete the online ethics training course in a timely manner as required by this section not to exceed twenty-five dollars for each day that the lobbyist or client is late, in accordance with procedures adopted by the commission.

Amending Legislative Law § 1-e(e):

(e) (i) The first statement of registration filed annually by each lobbyist for calendar years through two thousand three shall be accompanied by a registration fee of fifty dollars except that no registration fee shall be required of a public corporation. A fee of fifty dollars shall be required for any subsequent statement of registration filed by a lobbyist during the same

calendar year; (ii) The first statement of registration filed annually by each lobbyist for calendar year two thousand four shall be accompanied by a registration fee of one hundred dollars except that no registration fee shall be required from any lobbyist who in any year does not expend, incur or receive an amount in excess of five thousand dollars of reportable compensation and expenses, as provided in paragraph five of subdivision (b) of section one-h of this article, for the purposes of lobbying or of a public corporation. A fee of one hundred dollars shall be required for any subsequent statement of registration filed by a lobbyist during the same calendar year; (iii) The first statement of registration filed biennially by each lobbyist for the first biennial registration requirements for calendar years two thousand five and two thousand six ~~and thereafter~~, through the thirty-first day of March 2026 shall be accompanied by a registration fee of two hundred dollars except that no registration fee shall be required from any lobbyist who in any year does not expend, incur or receive an amount in excess of five thousand dollars of reportable compensation and expenses, as provided in paragraph five of subdivision (b) of section one-h of this article, for the purposes of lobbying or of a public corporation. A fee of two hundred dollars shall be required for any subsequent statement of registration filed by a lobbyist during the same biennial period through the thirty-first day of March two thousand twenty-six; (iv) The statement of registration filed after the due date of a biennial registration for calendar years two thousand five and two thousand six through the thirty-first day of march two thousand twenty-six shall be accompanied by a registration fee that is prorated to one hundred dollars for any such registration filed after January first of the second calendar year covered by the biennial reporting requirement-; (v) Beginning with the first statement of registration filed by each lobbyist on or after the first day of April two thousand twenty-six and thereafter, there shall be an annual registration fee of two hundred and fifty dollars for each calendar year in which such registration remains in effect, except that no registration fee shall be required from any lobbyist who in any year does not expend, incur or receive an amount in excess of five thousand dollars of reportable compensation and expenses, as provided in paragraph five of subdivision (b) of section one-h of this article, for the purposes of lobbying or of a public corporation. An annual registration fee of two hundred and fifty dollars shall be required for any subsequent statement of registration filed by a lobbyist during the same biennial period and for each calendar year in which such registration remains in effect; (vi) In addition to the fees authorized by this section, the commission may impose a fee for late filing of a registration statement required by this section not to exceed twenty-five dollars for each day that the statement required to be filed is late, except that if the lobbyist making a late filing has not previously been required by statute to file such a statement, the fee for late filing shall not exceed ten dollars for each day that the statement required to be filed is late. From the total amount of annual lobbying statement registration fees, fees for the late filing of registration statements and registration statement amendments, and fees for late

completion of the online lobbyist and client ethics training course collected pursuant to section 1-d(e)(i) of the legislative law in state fiscal year two thousand twenty-six, seven hundred fifty thousand dollars of such fees may be applied by the Commission to improve, upgrade and/or replace the Commission’s lobbying registration, reporting, compliance and public database and other data systems; from the total of amount of such fees collected in each subsequent state fiscal year, up to three hundred seventy-five thousand dollars of such fees may be applied by the Commission to fund the upkeep and maintenance of, and licensing fees for, those systems.

Projected Total New Revenue for Both Proposals Each Fiscal Year

	Increase in Registration Fees	Add Late Training Fees	Increase in LATE Registration Fees		Total for All 3
FY 2026-27	\$ 393,300.00	\$ 242,500.00	\$ 124,900.00		\$ 760,700.00
FY 2027-28	\$ 1,732,800.00	N/A	\$ 184,800.00		\$ 1,917,600.00
Total	\$ 2,126,100.00	\$ 242,500.00	\$ 309,700.00		\$ 2,678,300.00



February 5, 2026

Governor Kathy Hochul
New York State

Minority Leader Robert Ort
New York State Senate

Majority Leader Andrea Stewart-Cousins
New York State Senate

Minority Leader William Barclay
New York State Assembly

Speaker Carl Heastie
New York State Assembly

Re: Fully fund the Commission on Ethics and Lobbying in Government with \$9.1 million, and use new fees to fund \$750,000 tech upgrades in FY 2026-2027 budget

Dear Governor Hochul and Legislative Leaders,

We strongly urge you to fully fund the NYS Commission on Ethics and Lobbying in Government (COELIG) by:

1. Appropriating \$9.1 million in the final FY 2026-2027 state budget, [as requested by COELIG](#); and
2. Using a portion of new fees for late ethics trainings and increased lobby registration fees to fund COELIG's proposed \$750,000 tech upgrades.

\$9.1 million gets COELIG up to a full complement of 68 staff

The Executive Budget appropriation of \$8,910,000 ([State Ops, page 212](#)) falls short of COELIG's request for \$9,160,000 by \$250,000. We urge you to fully fund COELIG at the level they have requested. A \$250,000 increase is a tiny amount in the context of a \$260 billion budget, but a very meaningful amount to COELIG, which is the first line of defense against corruption in state government.

COELIG staff have broad responsibilities, and it is crucial they have the funding to fully staff up and help public officials comply with reporting requirements, hold mandated training sessions, and ensure rules and laws are being followed by all. COELIG is counting on \$9.1 million to fill five positions that are currently on hold; if filled, they would get to a full headcount of 68.

We understand that the discrepancy between their request and your budget could be accounting for what COELIG was provided in the past as a reimbursement for JCOPE's liabilities for production of the Hogan Lovells report.¹ Regardless of past liabilities, failing to provide \$250,000 in additional funding this year's budget will have a negative impact on the agency's ability to fulfill its mission going forward, particularly as it continues to staff up after a [lengthy legal fight](#) over its constitutional status in 2024 and 2025.

New training and registration fees should benefit COELIG and its filers, not general fund

Parts U and Z of the Public Protection and General Government executive budget bill create two new fees related to COELIG's training and registration requirements for lobbyists:

- Part U would impose late fees of \$25 per day on lobbyists and lobbyist clients who fail to timely comply with mandated ethics trainings, raising a total of \$750,000 in revenue, according to the PPGG Memorandum in Support (Page 28).
- Part Z would increase lobbyist registration fees from \$200 to \$250 and require lobbyists to pay the registration fee in both years of the biennial registration period, raising a total of \$300,000 in revenue, according to the PPGG Memorandum in Support (Page 32).

Part Z would be a 250% increase in fees over a two-year period for lobbyists registered in the state of New York. According to COELIG staff and as discussed at their [January 21, 2026 meeting](#), they worked with the Division of the Budget to propose these fees, and asked that a portion of the new fees, \$750,000, be allocated to COELIG for a technology upgrade.

We think it is only fair that if lobbyists are paying more for their registrations, they see some benefit. Upgrading the financial disclosure and lobby filing systems will not only benefit filers, but also COELIG staff, who oversee filings and use them for enforcement actions, and the general public – including the press – who use the disclosures to better understand who is seeking to influence state government.

[COELIG's budget letter](#) states that all current requested updates to its systems submitted to the Office of Information Technology (ITS) “would cost COELIG and the state an additional \$2.9 million and, after a protracted delay to allow OITS to recruit and train new staff, take at least 16 months to add the functionalities to the systems as they were originally designed years and years ago...procuring state-of-the-art systems...could be implemented more quickly and at a fraction of the cost through the procurement process.”

We strongly believe that allocating \$750,000 to COELIG – a portion of total fees, not the entirety – for tech upgrades to its outdated filing systems is a good use of new fees paid for by lobbyists, particularly given that internal improvements would be costly and take time away from other state IT projects. We urge you to include this funding in your final budget, along with the \$9.1 million in total operating funds COELIG needs to best fulfill its mission.

¹ Ironically, this report was one of the tipping points in the push to overhaul JCOPE and create the new Commission on Ethics and Lobbying in Government due to political and structural problems regarding its independence.

https://ethics.ny.gov/system/files/documents/2022/07/hogan-lovells-jcope-report_2022.07.01.pdf

Thank you for your consideration.

Sincerely,

Rachael Fauss
Senior Policy Advisor
Reinvent Albany

Grace Rauh
Executive Director
Citizens Union

Evan Davis
Manager
Committee to Reform the State Constitution

Susan Lerner
Executive Director
Common Cause-New York

Erica Vladimer
Founding Director
Harassment-Free New York

Erica Smikta
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