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**TESTIMONY OF JOSHUA NORKIN
DIRECTOR OF THE AUTHORITIES BUDGET OFFICE
JOINT LEGISLATIVE PUBLIC HEARING ON THE EXECUTIVE
BUDGET PROPOSAL**

FEBRUARY 28, 2026

Introduction

My name is Joshua Norkin and I am the Director of the Authorities Budget Office (ABO). The Authorities Budget Office is the first office of its kind in the nation. The ABO was created by a bi-partisan reform movement that spanned several years, starting with Executive Order 135, which created a commission to look at public authority reform by Governor Pataki in 2005, and culminating with Governor Paterson's signing of the Public Authorities Reform Act of 2009.

The ABO's role and responsibilities are two-fold – to provide support and assistance to New York's myriad public authorities, and to ensure accountability through oversight and compliance with the law. The ABO carries out its mission by: promoting good governance principles through training, policy guidance, the issuance of best practices recommendations and assistance to public authority staff and board members; investigating complaints made against public authorities for noncompliance or inappropriate conduct; conducting reviews to assess the operating and governance practices of public authorities and their compliance with state laws; and, collecting, analyzing and disseminating information on the finances and operations of state and local public authorities to the public.

Executive Budget

The ABO thanks Governor Hochul for committing \$6 million dollars in capital funding to rebuild the antiquated Public Authorities Reporting Information System (PARIS). The current system creates issues for users on both the front and back end, and after twenty years is reaching the end of its useful lifespan. A new PARIS system will also provide additional data on housing, grants and loans, energy projects, labor issues and tax breaks.

A new system will take time to develop, and the ABO is prepared to work with the Office of the State Comptroller, public authorities, and other stakeholders to create a user-friendly system that promotes greater transparency of authorities' operations and provides pertinent data to assist in making informed policy decisions.

Public authorities and New Yorkers deserve a modern system that is responsive to their needs and enhances transparency. I urge the Legislature to support this redevelopment.

Compliance

The ABO is working hard to ensure legal compliance at New York's public authorities. Importantly, the ABO is striving to ensure that new guidance and tools are provided to authorities to help them come into compliance with the law.

In the coming months, the ABO will begin to take steps to ensure that all authorities are in compliance with their annual reporting requirements under the Public Authorities Law. This month, authorities who have not filed their annual reports for three consecutive years are being put on notice that failure to come into compliance will result in censure, and could ultimately result in removal of their board members. This is the strongest oversight authority granted to the ABO by statute. Public Authorities Law Section 6-a provides a process for board member suspension after three years of delinquency in filing annual reports. The ABO has begun the process of bringing these authorities into compliance by providing ample warning to the authorities that they must file. The ABO will work with any public authority who needs assistance or additional time to come into compliance.

Transparency and the Open Meetings Law

In January, the ABO released a report that concluded that New York's authorities are not always in compliance with the strict requirements of the Open Meetings Law (OML), specifically related to the use of executive session. The report shows that authority boards must carefully consider whether executive session is legally permissible, and then identify the permissible reason with specificity for the public before entering into executive session.

The ABO identified and reviewed 397 sets of meeting minutes for meetings held between January 2023 and June 2025 that were posted on the respective websites of 16 public authorities. There were 326 meetings that included executive session (82 percent). Oftentimes a board will motion to enter executive session for more than one reason. The meeting minutes reflected that authorities' boards motioned to enter executive session for 549 reasons during the 326 meetings. While a large number of meeting minutes reviewed by the ABO showed compliance with the law, there were numerous instances where public authorities' boards voted to use executive session for matters not permitted under Section 105 of OML.

- Of the 549 reasons supporting a board’s motion, in 240 instances the public authority correctly utilized executive session (44 percent).
- There were 145 instances where 11 of the 16 public authorities’ boards entered executive session for matters that are not permitted under Section 105 of OML. These included unpermitted reasons such as “legal,” “discussing contracts,” “planning sales,” and “marketing strategies.”
- There were 2 instances where boards entered executive session without disclosing any matter, in clear violation of OML.
- The review found authority boards cited 155 reasons to enter executive session that were likely permissible under Section 105 of OML but were not sufficiently described in meeting minutes to meet the specificity standards required by law.
- The remaining 7 reasons provided by boards were exempt pursuant to Section 108(3) of OML since they were confidential under state or federal law. These included board member evaluations and discussion protected by attorney-client privilege.

As a result of this review, ABO Policy Guidance 26-01: Appropriate Use of Executive Session has been updated to include a quick reference guide to help authorities comply with the law when using executive session.

Transparency and Website Disclosures

In October 2025, the ABO released a Special Report detailing the findings of a three-year review of public authority compliance with the accountability and transparency laws that require information about public authority operations and finances to be publicly available online.

Between May 2021 and June 2024, the ABO reviewed the websites of 51 public authorities to determine compliance with laws requiring the public disclosure of certain information on authority websites. The report discusses overall compliance with the law and identifies several areas in which authorities are largely failing to meet their disclosure obligations. For example, 83 percent of industrial development agencies (IDAs) reviewed are failing to make publicly available critical documentation about sales tax exemptions they are distributing.

Notably, the results of the transparency reviews indicated low compliance with authorities posting certain information. The ABO has determined that additional assistance was needed to help authorities address areas of problematic compliance and is in the process of making additional training available to the authorities in February 2026.

2025 Annual Report

The ABO's Annual Report was released in September 2025. It was the nineteenth annual report issued by the ABO and the first issued since I became Director. The report includes a wealth of annual data on public authority debt, finances and tax exemptions. It cites 156 authorities as non-compliant with the annual public accountability, transparency and disclosure requirements of state law. These authorities are subject to additional enforcement action should they remain delinquent in filing financial and operating information with the ABO.

Also of note, the significant shift of debt-issuance and proliferation of LDCs continued in 2024. The total amount of outstanding debt reported by IDAs continues to decline with the influx of LDCs being used to issue conduit debt for projects. IDAs reported a total of \$4.4 billion of total outstanding debt for 2024, down from \$6.3 billion reported in 2020, resulting in a 30.3 percent decrease. The total amount of outstanding debt reported by LDCs was \$21.4 billion. Conduit debt reported by LDCs is 74.4 percent of total LDC debt, which increased from 70.1 percent in 2020, or \$15.9 billion for 2024 versus \$14.9 billion in 2020.

The report revealed that there are now over six hundred public authorities that are subject to ABO oversight. That is more than double the number of authorities that existed when the ABO was created 20 years ago. That number is being driven by the creation of Local Development Corporations, which are not-for-profit corporations created by municipalities to issue tax exempt debt as well as distribute grants and loans. I urge the Legislature and the Executive to begin to think through ways to limit the growth of public authorities across New York. Simply – more authorities makes oversight more complicated for the ABO.

As part of the ABO's mission to make public authorities more transparent and accountable, we provide public access to the PARIS reports on the ABO website on the "Authorities Directory & Reports" webpage and also annually updates 30+ datasets in Open NY. Open NY provides eight years of public authority information concerning economic development, contracts, real property transactions, staffing, and finances.

Local Economic Development Database

Notable highlights from 2024-2025 include the creation of the Local Authorities Economic Development Database (LAEDD), a new searchable platform to analyze and visualize data, increasing the transparency of local authorities' activities. Published by the ABO this database is comprised of Industrial Development Agency (IDA) and Local Development Corporation (LDC) projects receiving financial incentives, including a map of project locations. The database is compiled from the IDA and LDC annual reports in the Public Authorities Reporting Information System (PARIS) and will be updated annually. The ABO recently released its most data set in January 2026. The LAEDD works in conjunction with the Open NY datasets, updated annually by the ABO, and provides a searchable platform to analyze data. The LAEDD contains information concerning IDA and LDC projects receiving

financial incentives, including an interactive map of project locations. The enhanced database increases the transparency of local authorities' activities by providing a customizable tool to review and visualize data. Additional resources include a data dictionary and appendix.

Expanded Outreach

The ABO expanded training opportunities in 2025 and now hosts monthly PARIS trainings throughout the year. More than 155 individuals participated in PARIS training in 2025. The ABO is eager to work with interested parties on pathways to developing a new PARIS system that will better inform the public, stakeholders and government officials about the successes of economic development across the state.

Conclusion

I want to thank the Legislature for giving me the time to speak today. I look forward to working with members to better understand how the ABO can be helpful to New York. I am happy to answer any questions that you may have.