

EXECUTIVE ORDERS

Executive Order No. 4: Establishing the Spending and Government Efficiency (SAGE) Commission.

WHEREAS, instead of an efficient, sensible system of government, New York State has numerous agencies, authorities and other bodies whose jurisdiction overlaps, resulting in a waste of taxpayers' money, impeding New York State government's ability to formulate public policy and undermining its capacity to efficiently deliver necessary services;

WHEREAS, since the completion of the last comprehensive governmental reorganization in 1927, New York State government has enlarged its workforce from 29,000 to more than 190,000 and increased its annual budget from \$239 million to \$135 billion;

WHEREAS, this growth has been accompanied by an explosion in the number of agencies and public authorities so that today, there exist close to 1,000 state agencies, authorities, commissions and other statutorily created bodies;

WHEREAS, New York State government now faces unprecedented budgetary challenges that require fundamental changes in the way it does business, including eliminating failed approaches and creating improved ways to serve the public;

WHEREAS, it is incumbent on those charged with providing government services to protect the public's health and safety, educate our citizens, promote economic development, provide necessary infrastructure, safeguard fundamental rights and perform other essential functions in a manner that avoids duplication, delay and unnecessary regulation and bureaucracy;

WHEREAS, New York State has many business leaders with experience in restructuring complex organizations and educational and other non-profit institutions with the knowledge and expertise necessary to improve the operations and accountability of government;

WHEREAS, it is of compelling public importance that New York State undertake a redesign of its inefficient and outdated state government structure and operations by doing a comprehensive review of every agency of state government and recommending structural and operational changes in the government; and

WHEREAS, such a review will allow for the elimination or more efficient organization of duplicative, outdated, unnecessary and ineffective agencies and authorities and provide for operational improvements so that government functions effectively and serves taxpayers at the lowest cost with the greatest value;

NOW, THEREFORE, I, Andrew M. Cuomo, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and laws of the State of New York, do hereby order as follows:

A. Definitions

As used herein, the following terms shall have the following meanings:

1. "State agency" or "agency" shall mean any state agency, department, office, board, bureau, division, committee, council or office.

2. "Public authority" or "authority" shall mean a public authority or public benefit corporation created by or existing under any New York State law, with one or more of its members appointed by the Governor or who serve as members by virtue of holding a civil office of New York State, other than an interstate or international authority or public benefit corporation, including any subsidiaries of such public authority or public benefit corporation.

B. Spending and Government Efficiency Commission

1. There is hereby established the Spending and Government Efficiency Commission ("SAGE Commission") that shall exist to provide independent guidance for, and advice to, the Governor.

2. The Governor shall appoint up to 20 voting members of the SAGE Commission. The members of the SAGE Commission shall include: private citizens; two members of the New York State Assembly, one recommended by the Speaker of the Assembly and one recommended by the Minority Leader of the Assembly; and two members of the New York State Senate, one recommended by the Temporary President of the Senate and one recommended by the Minority Leader of the Senate. The Director of State Agency Redesign and Efficiency shall serve as a Co-Chair of the SAGE Commission and will be responsible for managing any staff whom the Governor shall appoint. The Governor shall designate one or more additional Co-Chairs from among the other members of the SAGE Commission. The SAGE Commission shall be authorized to create sub-committees and task forces that include individuals who are not members of the SAGE Commission, provided that any recommendation of such sub-committees and task forces must be approved by the SAGE Commission before being sent to the Governor. The Director of the Division of the Budget and the Director of State Operations shall serve as ex officio, non-voting members of the Commission.

3. Vacancies shall be filled by the Governor, and the Governor may appoint additional members to the SAGE Commission as necessary. Members of the SAGE Commission shall serve at the pleasure of the Governor.

4. A majority of the total members of the SAGE Commission who have been appointed shall constitute a quorum, and all recommendations of the SAGE Commission shall require approval of a majority of its total members appointed by the Governor.

5. The SAGE Commission shall attempt to engage and solicit the input of a broad and diverse range of groups, organizations, and individuals, including, without limitation, members of the New York State Legislature and representatives of public sector employees.

C. Cooperation with the SAGE Commission

1. Every agency or authority of New York State shall provide to the SAGE Commission every assistance and cooperation, including use of New York State facilities, which may be necessary or desirable to fulfill the purposes of this Executive Order.

2. Staff support necessary for the conduct of the SAGE Commission's work may be furnished by agencies and authorities (subject to the approval of the boards of directors of such authorities). Additional funding necessary for the Commission's work shall be provided from sources, including appropriated funds, to the extent of available appropriations. The SAGE Commission may draw upon the human resources, expertise and funding of private institutions, including those institutions associated with individuals appointed to the SAGE Commission, as those private institutions deem appropriate, and as consistent with all statutes, rules and guidance from the New York State Commission on Public Integrity regarding such assistance. Such assistance shall be provided without financial remuneration and shall not be provided under any circumstances that would create an actual conflict of interest, or the appearance of such a conflict.

D. Duties and Purpose

1. The SAGE Commission shall comprehensively review and assess New York State government, including, but not limited to, its

structures, operations and processes for governing, with the goal of saving taxpayer money, increasing accountability and improving the delivery of government services. This review shall also include a review of commissions, task forces and councils created by Executive Order or otherwise.

2. The SAGE Commission is charged with redesigning the organizational structure of government by streamlining, consolidating or eliminating redundant and unnecessary agencies, authorities, commissions and other bodies that have overlapping missions; identifying operational improvements that increase cost effectiveness and improve service quality such as shared services, enhanced use of Information Technology and changes in service delivery mechanisms; creating meaningful metrics and targets to highlight inefficiencies; and identifying activities that are not central to the core mission of agencies, authorities or New York State government. The SAGE Commission shall be asked to make recommendations that, if implemented, would result in the reduction of at least 20 percent of the number of existing agencies and authorities.

3. The SAGE Commission shall also examine ways for the government to be more flexible, transparent, user-friendly and accountable to residents of New York State, including, without limitation, by developing a performance management system with meaningful and transparent metrics and targets.

4. The SAGE Commission shall commence its work not later than January 7, 2011. The SAGE Commission shall submit its recommendations on agency and authority reorganizations not later than May 1, 2011 or such other date as the Governor shall advise the SAGE Commission. It shall submit its recommendations for operational efficiencies on an ongoing basis, with a final report to be presented to the Governor on or before June 1, 2012 or such other date as the Governor shall advise the SAGE Commission. The SAGE Commission shall terminate its work and be relieved of all responsibilities and duties hereunder with the submission of its final report.

(L.S.) GIVEN under my hand and the Privy Seal of the State in the City of Albany, this fifth day of January in the year two thousand eleven.

BY THE GOVERNOR

/S/ Andrew M. Cuomo

/s/ Steven M. Cohen

Secretary to the Governor

Executive Order No. 5: Establishing the Medicaid Redesign Team.

WHEREAS, New York State spends more than twice the national average on Medicaid on a per capita basis and spending per enrollee is the second highest in the nation;

WHEREAS, New York ranks 21st out of all states for overall health system quality and 50th for avoidable hospital use and costs;

WHEREAS, New York's Medicaid program struggles within a disjointed, sprawling administrative structure;

WHEREAS, New York's Medicaid payment system often creates financial disincentives for the delivery of high-value, cost-effective, quality health care;

WHEREAS, New York State faces serious financial challenges in achieving a balanced budget in the 2011-12 State Fiscal Year;

WHEREAS, New York State's current fiscal constraints necessitate specific budget reductions for Medicaid spending; and

WHEREAS, it is of compelling public importance that the State conduct a fundamental restructuring of its Medicaid program that achieves measurable improvement in health outcomes, sustainable cost control and a more efficient administrative structure;

NOW, THEREFORE, I, Andrew M. Cuomo, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and laws of the State of New York, do hereby order as follows:

A. Definitions

As used herein, the following terms shall have the following meanings:

1. "State agency" or "agency" shall mean any state agency, department, office, board, bureau, division, committee, council or office.

2. "Public authority" or "authority" shall mean a public authority or public benefit corporation created by or existing under any New York State law, with one or more of its members appointed by the Governor or who serve as members by virtue of holding a civil office of New York State, other than an interstate or international authority or public benefit corporation, including any subsidiaries of such public authority or public benefit corporation.

3. "State officer or employee" shall have the meaning given in Section 73 of the Public Officers Law.

B. Medicaid Redesign Team

1. There is hereby established the Medicaid Redesign Team ("Team") that shall exist to provide guidance for, and advice to, the Governor.

2. The Governor shall appoint up to 25 voting members of the Team. The members of the Team shall include: state officers or employees with relevant expertise; two members of the New York State Assembly, one recommended by the Speaker of the Assembly and one recommended by the Minority Leader of the Assembly; two members of the New York State Senate, one recommended by the Temporary President of the Senate and one recommended by the Minority Leader of the Senate; and stakeholders with expertise in areas such as:

- a. health care delivery;
- b. health care insurance;
- c. health care workforce;
- d. economics;
- e. business;
- f. consumer rights; and
- g. other relevant areas.

3. Vacancies shall be filled by the Governor, and the Governor may appoint additional voting and non-voting members to the Team as necessary. Members of the Team shall serve at the pleasure of the Governor.

4. The Governor shall designate a Chair or Co-Chairs from among the members of the Team.

5. The Governor shall appoint the New York State Medicaid Director as Executive Director of the Team.

6. The Director of the Budget shall serve as an ex officio, non-voting member of the Team.

7. A majority of the total members of the Team who have been appointed shall constitute a quorum, and all recommendations of the Team shall require approval of a majority of its total members.

8. The Team shall attempt to engage and solicit the input of a broad and diverse range of groups, organizations and individuals.

C. Cooperation with the Team

1. Every agency or authority of New York State shall provide to the Team every assistance and cooperation, including use of New York State facilities, which may be necessary or desirable to fulfill the purposes of this Executive Order.

2. Staff support necessary for the conduct of the Team's work may be furnished by agencies and authorities (subject to the approval of the boards of directors of such authorities).

D. Duties and Purpose

1. The Team shall engage Medicaid program stakeholders for the purpose of conducting a comprehensive review of and making recommendations regarding the Medicaid program, which shall include specific cost saving and quality improvement measures for redesigning the Medicaid program to meet specific budget reductions for Medicaid spending. The Team's review and recommendations shall address matters including but not limited to:

- a. existing programs in New York State and across the country that have resulted in Medicaid savings and improved quality;
- b. existing programs in New York State that consume a disproportionate share of Medicaid dollars;

- c. opportunities in the federal Patient Protection and Affordable Care Act that can help strengthen both the fiscal and care delivery models of New York State’s Medicaid program;
- d. the utilization of Medicaid services by overall volume, site of service, and beneficiary group;
- e. new models of health care delivery to improve care management for beneficiaries with complex health conditions;
- f. existing regulations that are outdated, redundant, or hinder the modernization of the Medicaid program;
- g. potential cooperative efforts with the federal government to improve coverage, cost, and quality within the Medicaid program; and
- h. the possible restructuring of Medicaid to achieve short-term solutions and long term systemic changes.

2. At the direction of the Team, the Executive Director shall notify stakeholders of the purposes of the Team, the opportunities for stakeholder participation and the means and schedule for such participation. Meetings with stakeholders shall be held in various regions of New York State. Participating stakeholders may be assigned to specific working groups, consistent with their areas of expertise and interest.

3. The Executive Director shall provide parameters for the submission of proposals and recommendations by stakeholders and other interested parties. After consultation with the Division of the Budget, the Executive Director shall evaluate whether such proposals can be feasibly implemented and if so, the savings that may be realized therefrom.

4. The Team shall commence its work no later than January 7, 2011. On or before March 1, 2011, the Team shall submit its first report to the Governor of its findings and recommendations for consideration in the budget process for New York State Fiscal Year 2011-12. The Team shall submit quarterly reports on its continuing review thereafter. The Team shall make its final recommendations to the Governor not later than the end of the State Fiscal Year 2011-12, at which time it shall terminate its work and be relieved of all responsibilities and duties hereunder.

(L.S.) GIVEN under my hand and the Privy Seal of the State in the City of Albany, this fifth day of January in the year two thousand eleven.

BY THE GOVERNOR
 /S/ Andrew M. Cuomo
 /s/ Steven M. Cohen
Secretary to the Governor

Executive Order No. 6: Establishing the Mandate Relief Redesign Team.

WHEREAS, New York State’s municipalities and school districts are encumbered with unfunded and underfunded mandates from state government;

WHEREAS, New York State’s municipalities and school districts should administer services in the most efficient and effective manner possible so as to minimize the impact on local property taxpayers;

WHEREAS, property tax levies in New York grew by 73 percent from 1998 to 2008—more than twice the rate of inflation during that period;

WHEREAS, New York has the second highest combined state and local taxes in the nation and the highest local taxes in America as a percentage of personal income—79 percent above the national average;

WHEREAS, the median property taxes paid by New Yorkers are 96 percent above the national median;

WHEREAS, when measured in absolute dollars paid, Westchester, Nassau and Rockland are among the five highest taxed counties in the nation, ranking first, second and fifth, respectively;

WHEREAS, in 2009, when property taxes were measured as a percentage of home value, nine out of the top ten counties in the nation were all in Upstate New York;

WHEREAS, New York State government now faces unprecedented budgetary challenges, requiring fundamental changes in the way it does business, eliminating failed approaches and creating improved ways to serve the public;

WHEREAS, in order to reduce the burden of local property taxes, it is of compelling public importance that New York State conducts a rigorous, systematic and comprehensive review of mandates imposed on local governments, school districts and other local taxing districts, the reasons for such mandates and the costs on local governments, school districts and other local taxing districts that are associated with complying with such mandates; and

WHEREAS, such a review will look for the best and most cost- efficient and cost- effective ways to deliver mandated programs and services and identify mandates that are ineffective, unnecessary, outdated and duplicative;

NOW, THEREFORE, I, Andrew M. Cuomo, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and statutes of the State of New York, do hereby order as follows:

A. Definitions

As used herein, the following terms shall have the following meanings:

- 1. “State agency” or “agency” shall mean any state agency, department, office, board, bureau, division, committee, council or office.
- 2. “State officer or employee” shall have the meaning given in Section 73 of the Public Officers Law.
- 3. “Local government” shall mean a county, city, town, village or special district.
- 4. “School district” shall mean a common, union free, central, city or central high school district.
- 5. “Unfunded mandate” shall mean (i) any legal requirement that a local government provide or undertake any program, project or activity, or increase spending for an existing program, project, regulation or activity on behalf of New York State; or (ii) any legal requirement that a local government grant a new property tax exemption or broaden the eligibility, or increase the value of an existing property tax exemption; or (iii) any legal requirement that otherwise would likely have the effect of raising property taxes, and which fails to provide any funding.
- 6. “Underfunded mandate” shall mean (i) any legal requirement that a local government provide or undertake any program, project or activity, or increase spending for an existing program, project, regulation or activity on behalf of New York State; or (ii) any legal requirement that a local government grant a new property tax exemption or broaden the eligibility, or increase the value of an existing property tax exemption; or (iii) any legal requirement that otherwise would likely have the effect of raising property taxes, and which fails to provide sufficient funding.

B. Mandate Relief Redesign Team

1. There is hereby established the Mandate Relief Redesign Team (“Team”) that shall provide independent guidance for, and advice to, the Governor.

2. The Governor shall appoint up to 20 voting members of the Team. The members of the Team shall include: state officers or employees with relevant expertise; two members of the New York State Assembly, one recommended by the Speaker of the Assembly and one recommended by the Minority Leader of the Assembly; two members of the New York State Senate, one recommended by the Temporary President of the Senate and one recommended by the Minority Leader of the Senate; and stakeholders, including representatives of:

- a. cities;
- b. counties;
- c. towns and villages;
- d. school districts;
- e. organized labor;
- f. businesses; and
- g. other relevant sectors.

3. Vacancies shall be filled by the Governor, and the Governor may appoint additional voting and non-voting members to the Team as necessary. Members of the Team shall serve at the pleasure of the Governor.

4. The Governor shall designate a Chair or Co-Chairs from among the members of the Team.

5. The Lieutenant Governor and the Director of the Budget shall serve as ex officio, non-voting members of the Team.

6. A majority of the total members of the Team who have been appointed shall constitute a quorum, and all recommendations of the Team shall require approval of a majority of its total members.

7. The Team shall attempt to engage and solicit the input of a broad and diverse range of groups, organizations and individuals.

C. Cooperation with the Team

1. Every agency or authority of New York State shall provide to the Team every assistance and cooperation, including use of New York State facilities, which may be necessary or desirable for the accomplishment of the duties or purposes of this Executive Order.

2. Staff support necessary for the conduct of the Team's work may be furnished by agencies and authorities (subject to the approval of the boards of directors of such authorities).

D. Duties and Purpose

1. The Team shall focus on the New York State's service delivery structure that requires school districts, local governments and other local taxing districts to administer and fund mandated programs. The Team shall look for ways to reduce the costs of mandated programs on schools and local governments by determining how school districts and local governments may be given greater ability to control costs. The Team shall look at the reason for delays in state reimbursement for mandated programs. The Team shall look at the practice of cost-shifting of mandated programs.

2. In performing its work, the Team shall identify opportunities for eliminating or reducing unfunded and underfunded mandates imposed by the New York State government on local governments and school districts.

3. The Team shall commence its work no later than January 7, 2011. On or before March 1, 2011, the Team shall submit its first report to the Governor of its findings and recommendations for consideration in the budget process for New York State Fiscal Year 2011-12. The Team shall submit quarterly reports on its continuing review thereafter. The Team shall make its final recommendations to the Governor not later than the end of the State Fiscal Year 2011-12, at which time it shall terminate its work and be relieved of all responsibilities and duties hereunder.

(L.S.)

GIVEN under my hand and the Privy Seal of the State in the City of Albany, this fifth day of January in the year two thousand eleven.

BY THE GOVERNOR

/S/ Andrew M. Cuomo

/s/ Steven M. Cohen

Secretary to the Governor