



45 Broadway | 22<sup>nd</sup> Floor | New York, NY 10006  
(212) 967-0322 | [www.unhny.org](http://www.unhny.org)

## **UNH State Fiscal Year 2019-20 Budget & Policy Priorities** **Database of Deals**

**Database of Deals** – The Database of Deals would be a public, searchable, downloadable database of State subsidy and economic development benefits deals created and maintained by the Empire State Development Corporation (ESDC). The database would track the:

- Name and location of the benefit recipient;
- Type of benefit received;
- Amount of economic development benefits received for the current reporting year;
- Time span of received economic development benefits;
- Total number of employees at all sites of a project; and
- Number of jobs a participant is obligated to create during the project and their retention statistics

**Challenge and Opportunity** – New York spends over \$4 billion annually on economic development benefits and business subsidies, but this spending lacks a clear mechanism for evaluation. The ESDC administers at least 66 different programs and gives hundreds of millions of taxpayer dollars annually through grants, loans, tax credits and other incentives to private companies, nonprofit organizations, and other non-governmental entities throughout New York. These subsidies are often given based on benefits promised to the State or local communities, which can be anything from offers to create jobs to the development and maintenance of public space.

Despite the fact that the public funds these subsidies, the current system does not provide the public opportunities to track this spending, or the follow-through of subsidy-recipients on the promises they made when making the deal. The Database of Deals would make fundamental information about business subsidies known to the public and establish a foundation for greater accountability. All the information on how much a business or other organization has received and whether they are delivering on their promises will be aggregated in one place. Today, specific information about state economic development subsidies is scattered across multiple state websites and is often limited or incomplete.

**Benefits of the Database of Deals** – A downloadable Database of Deals will allow legislators and advocates to determine whether recipients are meeting their job creation, job retention and capital investment requirements, and help the public to determine which business subsidies are an effective use of taxpayer money to grow the economy and foster employment. The opaque nature of New York's economic development system increases the risk of ineffective or misappropriated public investments. The Database of Deals will help to promote transparency, helping to hold all parties accountable for their use of public dollars.

**UNH Recommendation: Legislate a Database of Deals to track statewide economic development spending.**

*For more information, please contact J.T. Falcone at (917) 484-9322 or [jfalcone@unhny.org](mailto:jfalcone@unhny.org)*