



S.4773 (Ryan) /A.1396 (Eachus)

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<p>BILL</p> <p>S.4773 (Ryan) /A.1396 (Eachus)</p>
<p>SUBJECT</p> <p>Prevents Outsourcing During a hiring Freeze</p>
<p>DATE</p> <p>April 21, 2026</p>
<p>OPPOSE</p>

The Business Council of New York State strongly opposes S.4773 (Ryan)/A.1396 (Eachus) which would prevent any agency, department, division, commission, bureau or any other state entity under the authority of the Executive department from contracting, subcontracting or hiring any third party to perform services during a State hiring freeze.

New York State is not currently operating under a hiring freeze with the previous hiring freeze ending in 2021, enacted in response to the unprecedented times of the COVID-19 pandemic, therefore this legislation is unnecessary. If this were enacted there would be effects that outlast a hiring freeze, such as a negative view of state contracts. State contracts would be seen as unreliable and risky, which would reduce the state vendor system's competitiveness. Additionally, this legislation would create real negative consequences for state operations, including:

- Substantially slower processing of permits/licenses, a process that is already time consuming.
- Severely slowed or halted key infrastructure projects. This legislation seeks to protect union roles however, infrastructure projects rely heavily on union labor and if this legislation were to become law it would be detrimental to many unions contracting with the state on various projects.
- Delayed IT modernization of essential systems. It is crucial we have up to date effective and efficient running systems across the state.
- Economic impact on small/local vendors and non-profits. This legislation would significantly reduce opportunities for these groups.

This legislation could be counterintuitive and ultimately increase costs to the state, delayed projects could lead to penalties and pushed timelines, both costly repercussions.

This legislation is unrealistic as there are many projects the State simply cannot allow to go unfinished or be delayed. It is irresponsible to have a constraint on agencies' abilities to weather a fiscal storm and be able to continue their

function of public service. For these reasons, The Business Council opposes the above-mentioned legislation.