



ASSEMBLY MINORITY
WAYS & MEANS

EXECUTIVE BUDGET
ANALYSIS

2024/25

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ED RA

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LAUREN O'HARE

Director

JOHN R. MERTZ, ESQ.

Counsel

ISABELLA M. UNDERWOOD

Deputy Director

Ryan Spinner

Principal Budget Analyst

Andrew Toranzo

Economist

Jason Hecker

Senior Budget Analyst

JOSHUA P. RISLER

Deputy Director

Matthew Henderson

Principal Fiscal Analyst

Justin O'Brien

Senior Budget Analyst

Jonathan Carrock

Senior Fiscal Analyst

Andrew Reinhart

Budget Analyst

DAVID A. YOUNG

Deputy Director

Brian Bartlett

Assoc. Deputy Director

Daniel Green

Senior Budget Analyst

Andrew Coleman

Budget Analyst

COMMITTEE SUPPORT

HEATHER RILEY

Administrative Officer

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FINANCIAL PLAN ANALYSIS

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist

(518) 455-4131

toranzo@nyassembly.gov

The State Financial Plan, submitted by the Governor with the Executive Budget, provides an estimate of State receipts and disbursements based on the parameters of existing statute and the appropriation, Article VII, and language bills proposed. It is the means by which the “cash basis” budget is developed and is used to determine how much will actually be available to be spent and when. The Financial Plan provides an estimate of the monthly flow of revenues and expenditures in the All Funds budget, which is comprised of the General Fund, Special Revenue Funds, Capital Projects Funds, Federal Funds and Debt Service Funds. It excludes Proprietary Funds (Enterprise Funds or Internal Service Funds) and Fiduciary Funds (Trust Funds or Agency Funds like the State and Local Employees’ Retirement System).

The State Finance Law requires that the Financial Plan be updated upon budget enactment and on a quarterly basis throughout the fiscal year. Estimated surpluses and shortfalls in the State Budget are determined through analysis of the Financial Plan. Gaps or surpluses typically only refer to the General Fund portion of the Plan. The General Fund is the State’s major operating fund, receiving all income that is not earmarked for specific purposes. It comprises approximately one-half of the All Funds budget, which also includes Federal funds and other State funds derived from dedicated fees and other earmarked revenues.

SPENDING QUICK FACTS

- General Fund (including transfers) enacted spending has increased 65.4% in the last 10 fiscal years (2014-15 to 2023-24).
- State Operating Funds enacted spending has increased 36% over the last 10 years (2014-15 to 2023-24).
- All Funds enacted spending has increased 66.1% in the last 10 fiscal years (2014-15 to 2023-24).
- According to the Comptroller:
 - ➔ Since 2019 the growth in State spending, 29%, has exceeded the rate of inflation, 17.7%.
 - ➔ In 2023, New York’s spending was \$11,204 per person:
 - ❖ \$5,058 per person for Public Health purposes;
 - ❖ \$2,799 per person for Education purposes;
 - ❖ \$852 per person for General Government purposes;
 - ❖ \$592 per person for Transportation purposes;
 - ❖ \$692 per person for Public Welfare purposes;
 - ❖ \$416 per person for Public Safety purpose; and
 - ❖ \$795 per person for Other purposes.
 - ➔ Spending on public health and education represents 70.1% of the total State spending.
 - ➔ NYS GDP is nearly \$1.6 trillion in 2022.
 - ❖ New York ranked 3rd nationwide and represented 7.8% of the U.S. total.

DISBURSEMENTS/SPENDING

**EXECUTIVE BUDGET PROPOSED SPENDING
FIGURE 1**

FUND TYPE	2023-24 ADJUSTED	2024-25 PROPOSED	Adjusted \$ Change	Adjusted % Change
General Fund	\$103.5 billion	\$107.6 billion	\$4.1 billion	4.0%
State Operating Funds*	\$130.2 billion	\$136.2 billion	\$5.9 billion	4.5%
State Funds	\$138.8 billion	\$144.4 billion	\$5.6 billion	4.0%
All Funds	\$231.6 billion	\$232.7 billion	\$1.05 billion	0.5%

*From FY15 to FY20, the State budget adhered to a self-imposed 2% State Operating Fund spending cap, but this was never put into statute. The FY25 Executive Budget does not address a cap on State Operating Fund spending and grows at 4.5%.

2024-25 PROPOSED SPENDING

Figure 1 compares the proposed FY 2024-25 Executive Budget spending with the FY 2023-24 adjusted spending levels.

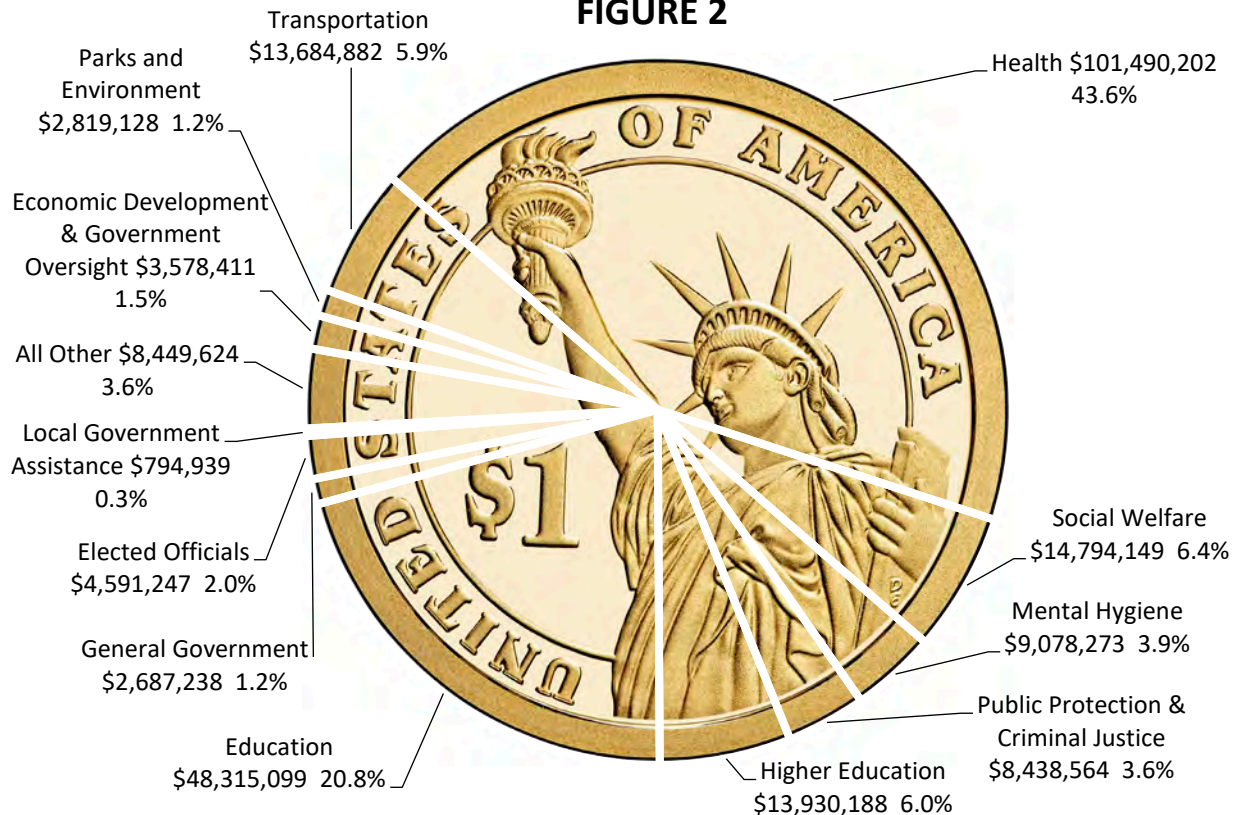
- The **General Fund** category is the major operating fund of the State. It receives all State income not earmarked for a particular program or activity and not specified by law to be deposited in another fund. The State’s General Fund is required to be balanced.
 - ➔ The 2024-25 General Fund is assumed to be balanced at this time.
- The **State Operating Funds** category is comprised of the General Fund and other State-supported activities financed by dedicated revenues in State Special Revenue Funds, as well as Debt Service funds

accounts for the payment of debt service on all tax-financed State long-term debt.

- ➔ State Operating Funds (SOF) proposed spending increased by 4.5%.
- ➔ The FY 2024-25 Executive Budget does not address or impose a 2% cap on spending.
- ➔ SOF spending increase of 4.5% is above projected inflation (CPI) of 2.6%.
- The **All Funds** category is the most comprehensive view of the financial operations of the State, which includes both State and Federal Funds.
 - ➔ Figure 2 breaks down the 2024-25 Executive Budget All Funds spending by program area.

2024-25 EXECUTIVE BUDGET ALL FUNDS SPENDING BY PROGRAM AREA: \$232.7 billion

FIGURE 2



2024-25 EXECUTIVE BUDGET GENERAL FUND SURPLUS/(GAP) PROJECTIONS

Budget surpluses or gaps are estimated on a General Fund basis due to the legal requirement that General Fund receipts and disbursements are balanced. A budget surplus is estimated when State receipts come in higher than what the State plans to spend in that given year. Budget gaps represent shortfalls in State receipts versus expected State spending.

Figure 3 provides a comparison of the Mid-Year Financial Plan budget gap estimates and what the out-year budget gaps will be after adjusting for the Executive proposals.

FY 2024 CLOSE OUT

The Governor’s proposed budget assumes that for the current fiscal year, FY24, the General Fund will have a *surplus of \$2.2 billion*. This is made up of an upward revision of \$4.7 billion in total receipts and additional spending totaling \$2.6 billion for a net surplus. The Governor proposes to use the \$2.2 billion as follows:

- Asylum Seeker Assistance in FY26 (set aside in reserves): \$500 million; and
- Out-year Deficit Reductions: \$1.7 billion.

FY 2025 GAP CLOSING PLAN

The Executive Budget continues to assume a deficit of \$4.3 billion for FY25. To close the gap, the Executive Budget’s Financial Plan assumes an increase of \$3.2 billion in total receipts and \$2.7 billion in savings resulting from re-estimates of spending and agency operations, for a total of \$5.9 billion. The remaining balance of \$1.6 billion will be used to support future tax refunds and liabilities, capital projects, potential labor agreements and helping to reduce out-year budget gaps.

**BUDGET SURPLUS/(GAP) ON A GENERAL FUND BASIS
FIGURE 3**

STATE FISCAL YEAR	2023-24	2024-25
	Mid-Year Update Estimates	Executive Budget Estimates
2023-24	\$0	\$2.2 billion
2024-25	(\$4.3 billion)	\$0
2025-26	(\$9.5 billion)	(\$5 billion)
2026-27	(\$7.7 billion)	(\$5.2 billion)
2027-28	(\$16.5 billion)	(\$9.9 billion)
FY25- FY28 Total	(\$38.1 billion)	(\$20.1 billion)

RECEIPTS/REVENUE

RECEIPTS QUICK FACTS

- According to the Comptroller:
 - ➔ Over the past 5 years, Total Receipts (including Federal & Misc/Lottery) have increased by 38.5%.
 - ➔ Over the past 5 years, New York State tax collections have increased by 47.8%.
 - ❖ PIT and Consumption & Use Taxes accounted for 34.1% of 2023 receipts and have increased 21.3% since 2019.
 - ❖ PIT made up 52.6% of New York State's tax collection in FY23.
 - ❖ Only Oregon has a heavier reliance on PIT than NYS.
 - ❖ Nationwide, over 2/3 of the states rely more heavily on sales and user taxes.
- The combined Federal, State and local tax burden in New York was \$384 per \$1,000 of personal income in FY22, an increase from \$372 in 2021.
- At the local level, property tax revenues are the largest single tax source; In local fiscal year 21, school districts received \$23.9 billion in property taxes, representing around half of total revenue.
 - ➔ School districts were the most dependent on State aid, as it represented 36.7% (\$16.2 billion) of their total revenue.
- NY received \$1.59 for every tax dollar sent to DC in Federal Fiscal Year 2021.
 - ➔ The National average was \$1.92.
 - ➔ This ranks NY 40th among other states.

TAX RECEIPTS

The Division of Budget (DOB) is increasing the estimate for tax receipts and other resources in all years from the levels forecasted in the FY24 Mid-Year Update.

The projection for General Fund tax receipts, over the multi-year Financial Plan, excluding proposed extensions, is revised upward by \$5.9 billion from the forecast included in the FY24 Mid-Year Update.

- **Total Receipts:**
 - ➔ **All Funds:** \$227.6 and
 - ➔ **General Fund:** \$106.4 billion.

FEDERAL AID

Total Federal Funds spending for FY25 is projected to be \$88.2 billion. This includes Federal Funding the State normally receives for Medicaid, Health, Social Welfare, Education, Public Protection, Housing, Economic Development, Mental Hygiene, Parks, Environment, Higher Education and General Government programs, as well as funding for pandemic assistance.

FEDERAL CORONAVIRUS RESPONSE

Pandemic assistance from the Federal Government is expected to total approximately \$22.4 billion over the next 5 years, with aid reduced to \$0 in FY28.

- **Pandemic Assistance Disbursements by Year:**
 - ➔ FY24: \$14.4 billion;
 - ➔ FY25: \$6.5 billion;
 - ➔ FY26: \$1.4 billion;
 - ➔ FY27: \$69 million; and
 - ➔ FY28: \$0

MIGRANT FUNDING

In FY24, the State began to appropriate extraordinary funding and support to assist New York City with the humanitarian crisis related to the influx of asylum seekers to the City of New York. This includes \$1.9 billion appropriated in FY24, and an additional \$2.4 billion appropriated in FY25, for a total of \$4.3 billion. The Executive has also pledged to use \$500 million from reserves for additional support as part of the FY25 appropriation. *Figure 4* summarizes the extraordinary State funding for asylum-seeker assistance.

Asylum Seeker Assistance State Operating Funds Figure 4	
	<u>Total</u>
Total State Funding	\$4.3 billion
Original NYC Support	\$1.1 billion
Additional NYC Support	\$1.1 billion
Additional Aid to NYC and Costs for Randall's Island, Creedmoor, and Floyd Bennett	\$959 million
Safety Net Assistance	\$160 million
National Guard Deployment	\$451 million
Medicaid/Vaccines/Disease Testing	\$326 million
Asylum Seeker Resettlement	\$40 million
All Other*	\$214 million
Use of Economic Uncertainties Reserves	\$500 million
*All other includes case management, legal services, and other uses. Source: Division of Budget	

RESERVE FUNDS

In October 2021, the Governor committed to bringing the State's reserves to 15% of projected State Operating Funds spending by FY25. The State's "principal reserve funds" are the Rainy Day Reserve Fund, the Tax Stabilization Reserve Fund and the Economic Uncertainties Fund.

The 15% reserve goal was met in FY23, instead of FY25. The FY25 Executive proposal continues to preserve these investments and will utilize a portion of the projected current year, FY24, surplus to add \$500 million.

- **FY24:** \$500 million deposit from surplus for a total of \$20 billion (Rainy Day, Tax Stabilization and Economic Uncertainties).
 - **FY26:** Reserves will return to the same level as FY24, \$19.5 billion (Rainy Day, Tax Stabilization and Economic Uncertainties), unless other deposits are made.
- ➔ \$500 million deposit to the Economic Uncertainties Fund in FY24 is proposed in the FY25 Executive Financial Plan to be used for migrant spending initiatives.

STATUTORY RESERVES

There are two rainy day reserve funds known as the Tax Stabilization Reserve Fund and the Rainy Day Reserve Fund; the total combined amount of these two funds is \$6.3 billion:

Tax Stabilization Reserve Fund: \$1.6 billion, the same as last year.

- The *Tax Stabilization Reserve Fund* allows the State to transfer two-tenths of 1% of any excess General Fund revenue at the end of a fiscal year, not to exceed 2% of total General Fund spending. If utilized, this fund must be repaid in the same fiscal year. If it is used to cover an operating deficit at year-end, these loans must be repaid within six

years in no less than three annual installments.

Rainy Day Reserve Fund: \$4.6 billion, the same as last year.

- The *Rainy Day Reserve Fund* allows a maximum deposit of 15% of General Fund spending. The Fund has a maximum allowable balance of 25% of General Fund spending during the current fiscal year. Funds may be used in the case of an economic downturn or catastrophic events. An economic downturn is defined by five consecutive months of decline in the composite index of business cycle indicators. The Commissioner of Labor calculates this index. Further, all funds transferred from the Rainy Day Reserve Fund must be repaid within three years of the date of authorization for transfer.

COMMUNITY PROJECTS FUND

Created to finance discretionary, usually local, projects ("member items") sponsored by individual legislators and the Governor. The fund balance is \$23 million, the same as last year.

CONTINGENCY RESERVE FUND

The Contingency Reserve Fund provides a reserve to fund extraordinary needs arising from litigation against the State. It may be used for payment of judgments against the State where the amounts are in excess of \$25 million and such are not previously appropriated, or emergency payments relating to natural or physical disasters, or to make payments for the enhancements of the State's economy. The Governor maintains a fund balance of \$21 million.

FUND BALANCES

Debt Management Reserve Fund: \$1.86 billion, \$576 million less than last year.

Economic Uncertainties Fund: \$13.78 billion, an increase of \$500 million with the deposit being made in FY24.

- This fund was created in the 2019-20 Enacted Budget for the purpose of holding settlement funds of over \$25 million until appropriated for a specific purpose.
- The Governor is now using this fund as one of the State’s “principal reserve funds.”
- This fund, unlike the other reserve funds, does not have any language on how/when the money may be accessed and does not have any payback provisions.

Labor Settlements/Agency Operations: \$3.2 billion, \$1.5 billion more than last year.

FINANCIAL SETTLEMENTS

Since FY 2014-15, the State has received a total of approximately **\$13.6 billion in Extraordinary Monetary Settlements** for violations of State laws by major financial and other institutions. Refer to the *Settlement Money Agency* section of this book for more detailed information.

- A total of \$8 billion of these settlement funds have been appropriated for capital projects, of which \$5.8 billion has been disbursed through December 31, 2023. No additional settlement funds have been appropriated for capital projects in this Executive Budget proposal.
- This Executive Budget is continuing the 2019-20 Enacted Budget practice of no longer distinctly identifying or classifying any settlement of less than \$25 million.

Opioid Settlements will not be accounted for with the other settlements the State receives and will be held in their own reserve fund pursuant to previously passed legislation.

MISCELLANEOUS APPROPRIATIONS

STATE OPERATIONS BILL, A.8800:

- **Financial Control Board, NYS:** \$3.5 million, same as last year.
- **Insurance and Securities Funds Reserve Guarantee:** \$1.6 billion, same as last year.
- **Reserve for Federal Audit Disallowances:** \$500 million, same as last year.
- **Special Emergency Appropriation:** \$2 billion, \$1 billion more than last year.
 - ➔ The Executive Budget does not include language that would remove the Comptroller’s system of accounting and authority to review and approve contracts, purchasing, servicing or commodities.
- **Special Federal Emergency Appropriation:** \$7 billion, same as last year.
- **Special Public Health Emergency Appropriation:** \$3 billion in funding eliminated.

CONTINGENCY LANGUAGE

APPROPRIATION CONTINGENCY LANGUAGE

The Governor includes the following language in her Executive Budget Appropriation Bills:

State Operations Appropriation Budget Bill, A.8800:

- Delegates the Director of the Division of Budget the authority to increase or decrease by interchange and/or transfer appropriations without limit;

- Requires that the effectiveness of the State Operations Budget Bill will only be made available upon the passage of the Aid to Localities Budget Bill for certain agencies and if the Director of Budget has determined that those Aid to Localities appropriations are sufficient for the ensuing fiscal year; and
- Makes any refunds, rebates, reimbursements, credits, repayments and/or disallowances received by the State Comptroller to be credited back to the original appropriation and reduce expenditures in the year which such credit is received regardless of the timing of the initial expenditure, is continued.

Aid to Localities Appropriation Budget Bill, A.8803:

- Makes any refunds, rebates, reimbursements, credits, repayments and/or disallowances received by the State Comptroller to be credited back to the original appropriation and reduce expenditures in the year which such credit is received regardless of the timing of the initial expenditure, is continued.

ARTICLE VII CONTINGENCY LANGUAGE

Public Protection and General Government Budget Bill, A.8805:

Part X Sweeps & Transfers

- §3-4 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.
 - ➔ *Transfers to note:* \$3.65 billion from the ARPA-Fiscal Recovery Account to the General Fund to cover eligible costs incurred by the State.



CAPITAL PROGRAM & DEBT FINANCING PLAN

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist

(518) 455-4131

toranzo@nyassembly.gov

The Division of the Budget (DOB) issues two reports each year, which provide information on the State's Capital Program and Financing Plan. These reports intend to provide a single, comprehensive report on State debt levels, debt service costs and capital project spending. The first report accompanies the Executive Budget and the second with the Enacted Budget. Data is also updated with each Quarterly Financial Plan Update.

DEBT & CAPITAL QUICK FACTS

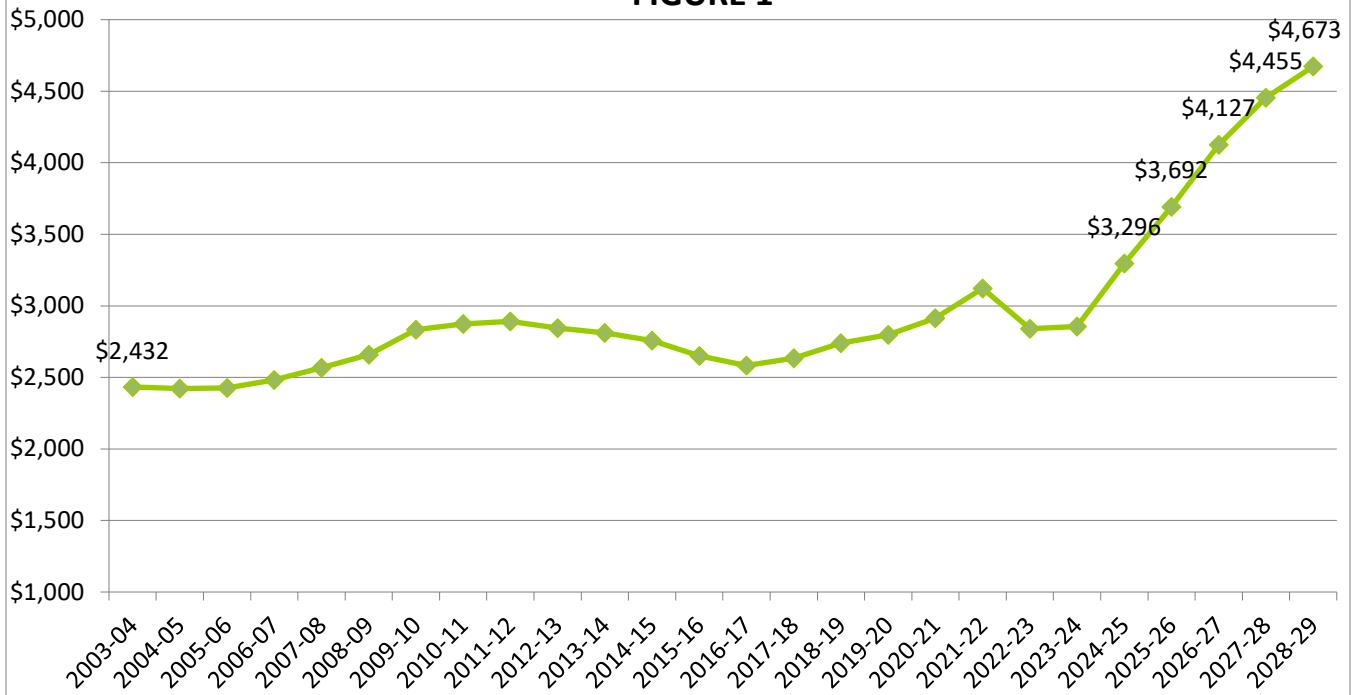
- Over the last 10 years the Executive Budget estimates 1.7% average annual growth in State-related debt, which is lower than the average annual growth in inflation of 2.8%, and growth in personal income of 3.9%.
- Over the last 10 years the Executive Budget estimates 0.5% average annual rate of growth in debt service, which is lower than the growth in inflation of 2.8%, and growth in the State All Funds Budget of 4.0%.
- The Executive Budget estimates that State-related debt per capita to be \$3,296 for FY25, an increase of \$440 or 15.4% from FY24. *Figure 1* shows historical and forecasted debt per capita.
 - ➔ New York's debt per capita in FY23 of \$2,841 ranked eleventh highest in the nation, ahead of the U.S. average, California, Texas, and Florida.
 - ➔ State-related debt per capita is projected to increase from \$2,757 in FY15 to \$4,673 in FY29, an annual average increase of 3.8%.
- The Executive Budget increases bond caps (authorization to issue debt up to a certain amount) by \$11.7 billion.
- According to the 2023 ALEC-LAFFER State Economic Competitiveness Index:
 - ➔ From 2012-2021, New York State is ranked 50th, last, in absolute Domestic Migration, with a cumulative loss of 1,778,252 people.
 - ➔ New York State is ranked 50th, last, in the Economic Outlook Rank; a forward-looking ranking based on State's standing in 15 important state policy variables.

DEBT & CAPITAL QUICK FACTS CONTINUED

- According to the Comptroller:
 - ➔ In 2021, New York was the second most indebted State behind California, and was the sixth highest among all states in their measure of debt per capita; and
 - ➔ The SFY 2023-24 Enacted Five-Year Capital Program and Financing Plan projects that the State will issue over 3.4 times more debt than it will retire over the next five years, with:
 - ❖ \$43.2 billion of new issuances of State-Supported debt; and
 - ❖ \$12.6 billion of State-Supported debt retirements.
 - ➔ State-supported debt is projected to grow 55% to \$86.5 billion in FY27.
 - ❖ \$17.9 billion, nearly 1/3 of State-supported debt, was excluded from the debt limits.
 - ➔ Total Public Authority Debt is \$327.3 billion.
 - ❖ \$197.8 billion was issued by State Authorities and \$129.5 billion was issued by Local Authorities.
 - ❖ 96% of State-funded debt was issued by public authorities, known as “back-door borrowing”.
 - ❖ The State continues to authorize debt issuance for MTA purposes in excess of the 30-year maximum term limit, up to 50 years.

STATE-RELATED DEBT PER CAPITA 2003-04 THROUGH 2028-29

FIGURE 1



OUTSTANDING DEBT

- The projected State-related debt outstanding for FY25 is \$64.4 billion, which is an increase of \$8.5 billion or a 15.1% increase from FY24 levels.
 - ➔ This annual increase in debt outstanding includes \$1 billion for educational facilities, \$2.4 billion for transportation, \$931 million for health and mental hygiene, \$1.7 billion for economic development and housing, \$642 million for environmental facilities, \$350 million for State facilities and equipment and \$1.4 billion for the Hudson Tunnel Project.
 - ❖ The State is expected to execute a service contract with GDC to pay principal and interest costs related to the \$1.4 billion RRIF loan for the Hudson Tunnel Project.
 - ➔ It is projected that State-related debt will increase from \$55.9 billion in FY24 to \$90.8 billion in FY29 (over the period of the Capital Plan) or an average increase of 10% annually.
 - ❖ This reflects the impact of large prepayments of debt over the last three years and the State service contract with GDC.
 - ➔ Total General Obligation Bonds outstanding for FY25 is \$2.5 billion, an increase of \$418 million or 19.6% from FY24 levels.

DEBT ISSUANCE

- For FY25, debt issuances will total \$8.0 billion to finance new and existing capital project spending
 - ➔ The bond issuances will finance capital commitments for education, \$1.3 billion; transportation, \$2.7 billion; economic development and housing, \$1.8 billion; health and mental hygiene, \$967 million; State facilities and equipment, \$458 million; and the environment, \$720 million.
- Over the period of the Capital Plan, new debt issuances are projected to total \$45 billion.
- The State has transitioned to using only three credits, Personal Income Tax (PIT) Revenue Bonds, Sales Tax Revenue Bonds and General Obligation Bonds with the following issuance for FY25:
 - ➔ \$5 billion or 63% through the AA+ rated PIT Revenue Bond Program.
 - ➔ \$2.4 billion or 29% through AA+ rated Sales Tax Revenue Bond Program.
 - ➔ \$604 million or 8% of AA+ rated State General Obligation Bonds.

DEBT RETIREMENTS

- Debt retirements total \$893 million, approximately \$468 million or 34% less than in FY24. The decrease is largely due to prior prepayments, which resulted in the early retirement of \$2.2 billion of bonds that had been scheduled to retire in FY25.

- ➔ Additional retirements are possible through debt management actions, including the use of the Debt Reduction Reserve Fund.
- Debt retirements are projected to average \$2.3 billion annually over the Capital Plan period.
- In five years, the State will be able to retire 14% of existing debt.

DEBT SERVICE

- Total State-related debt service for FY25 is \$3.0 billion, an increase of \$415 million or 16% from FY24.
 - ➔ The vast majority, about \$2.7 billion, consists of debt service payments due on existing debt. The remainder, \$319 million, is expected to result from new money debt issuances.
- As the State issues bonds under the PIT and Sales Tax Credit structures, debt service for these financing programs will increase as debt service for service contract bonds will decline.
 - ➔ The majority of debt service costs are for bonds approved by the Legislature, on behalf of the people, and issued on the State's behalf by public authorities.
- Adjusting for prepayments, State-related debt service is projected at \$6.7 billion in FY25.
- Over the five-year Capital Plan, debt service costs are expected to grow to \$8.7 billion in FY29, an average annual increase of 6.6%.

DEBT CAP

The Debt Reform Act of 2000 restricts the issuance of State-supported debt to capital purposes only and limits such debt to a maximum of 30 years. The Act limits the amount of new State-supported debt to 4% of State Personal Income. The restrictions apply to debt issued since April 1, 2000.

- State-supported debt outstanding is projected to remain under the statutory debt cap over the Plan period.
- For FY25, the available room under the debt cap is \$17.9 billion.
 - ➔ In FY29, the amount available to issue under the Debt Cap reaches a low of \$352 million.
 - ➔ Changes to the debt cap are reflected by personal income forecast adjustments, capital adds, capital re-estimates and bond sale adjustments.
 - ❖ The FY25 Capital Plan proposes new bond-financed capital commitments that will add \$3 billion in new debt over five years. The capital spending increases are partially offset that the State will issue bonds on a slower schedule and higher underspending on bond-financed capital projects than previously assumed.
- The FY21 & FY22 State-supported bond issuances are excluded from the cap as part of the State's response to the COVID-19 pandemic. The FY25 Executive Budget proposes the continuation of extending the maximum maturities longer than 30-years for MTA capital projects.

**CAPITAL SPENDING BY FUNCTION AND FINANCING SOURCE
CAPITAL PROGRAM AND FINANCING PLAN (millions of dollars)**

Figure 2

Spending	2023-24 Current	2024-25 Proposed	Adjusted \$ Change	Adjusted % Change
Transportation and Transit	\$7,241	\$7,981	\$740	10.2%
Education	\$489	\$604	\$115	23.6%
Higher Education	\$1,802	\$2,124	\$322	17.9%
Economic Development	\$1,583	\$2,496	\$913	57.7%
Parks and Environment	\$1,769	\$2,147	\$378	21.4%
Mental Hygiene	\$766	\$903	\$138	18%
Health	\$971	\$983	\$12	1.3%
Social Welfare	\$1,371	\$1,650	\$280	20.4%
Public Protection	\$564	\$752	\$188	33.3%
General Government	\$530	\$518	(\$12)	(2.3%)
All Other	(\$1,408)	(\$1,347)	\$62	4.4%
Total Funding	\$15,677	\$18,811	\$3,135	20.0%
Off Budget Spending	(\$7)	(\$13)	(\$6)	
Financial Plan Capital Spending	\$15,670	\$18,798	\$3,129	20.0%
Financing Source				
Authority Bonds	\$4,941	\$6,473	\$1,532	31.0%
Federal Pay-as-you-go	\$3,629	\$3,816	\$187	5.2%
State Pay-as-you-go	\$6,442	\$8,064	\$1,622	25.2%
General Obligation Bonds	\$664	\$458	(\$207)	(31.1%)
Total	\$15,677	\$18,811	\$3,135	20%

**THE FINANCING PLAN FOR
FY25**

The FY25 Executive Capital Plan estimates a total of \$18.8 billion in State capital project spending. The Capital Plan reflects a second year of spending from increased Federal authorizations:

- \$13.6 billion in new Federal authorizations from the Infrastructure Investment and Jobs Act (IIJA), \$5.9 billion will flow through the State and \$7.7 billion will be disbursed by

public authorities, primarily the MTA and local governments; and

- \$346 million from the Coronavirus Capital Projects Fund, which was included in the American Rescue Plan Act (ARPA) to support ConnectALL initiative.

Figure 2 shows capital projects spending by function and financing source.

Capital spending in FY25 is proposed to be financed with State-supported debt, \$6.9 billion or 37%; State cash resources, \$8.1 billion or 43%; and Federal aid, \$3.8 billion or 20%. Capital spending is projected to increase by 20% as compared to FY24. This

increase is primarily attributable to increased economic development investments, and continuation of the five-year capital plans for housing and transportation.

- A total of 96% of all State long-term bonding is done through public authorities also known as “back-door borrowing” or without voter approval.

The Executive Budget is continuing the FY23 Enacted Capital Plan actions to keep debt affordable and within the State’s debt limit by contributing \$9 billion over five-years of cash resources for PAYGO capital spending. This was to avoid higher cost taxable debt issuances and to allow a larger DOT plan.

CAPITAL PROJECTS AND INITIATIVES

MAJOR INFRASTRUCTURE INVESTMENTS

NEW CAPITAL INITIATIVES IN THE 2024-25 EXECUTIVE BUDGET:

- **Five-Year DOT Capital Plan:** Includes the third year of the five-year, \$32.9 billion Department of Transportation (DOT) capital plan. The Plan leverages Federal funding made in the Infrastructure Investment and Jobs Act to support the final phases of major infrastructure projects. The new plan supports large scale projects including modernizing Livingston Avenue Bridge in Albany; Kensington Expressway in Buffalo; converting Route 17 to I-86; and assessing ways to improve road capacity at the Oakdale Merge in Suffolk County. The Plan also provides funding for BRIDGE-NY program and Operation Pave Our Potholes (POP) and continues commitments through CHIPS.
- **Five-Year Housing Plan:** The Executive Budget continues the \$25 billion housing

plan to create and preserve affordable homes and to electrify and make homes electrification-ready. Funding includes \$5.7 billion in State capital resources and \$19 billion in funding from Federal, local and public authorities. Additionally, \$500 million is proposed in the FY25 Executive Budget to support infrastructure upgrades on State properties that could be repurposed to create up to 15,000 units of housing.

- **Agriculture:** The Executive Budget proposes new investments to support New York’s agricultural industry, including \$34 million in grants for on-farm milk storage technologies and processing infrastructure, \$5 million to reinvigorate New York’s aquaculture industry through the Blue Food Transformation, and \$5 million to grow New York’s bioeconomy. The Budget also continues a multi-year \$50 million investment, to support kitchen facilities that prepare meals for K-12 schools from New York State farm products.
- **Arts and Education:** The Executive Budget supports investments in cultural arts and education, including \$34 million for library construction grants, \$50 million for capital grants administered by NYSCA, and \$28 million for State-owned school improvements.
- **Clean Water Infrastructure Act:** The Executive Budget adds \$500 million to support clean water infrastructure, raising the State’s total investment to \$5.5 billion.
- **Climate and Flood Resiliency:** The Executive Budget includes funding for investments to mitigate damage from marine flooding events, including \$250 million from the 2022 Clean Water, Clean Air and Green Jobs Environmental Bond Act to promote voluntary home buyouts in communities most vulnerable to flooding, \$130 million for Green Resiliency Grants to support flood control infrastructure projects, and \$40 million to launch the Resilient and

Ready Program, which will support low and moderate-income homeowners with resiliency improvements and assist with repairs in the event of a catastrophic event.

- **Economic Development:** Provides \$880 million in new economic and community development funding across a number of programs, including \$150 million for the Regional Economic Development Council (REDC) program; \$200 million for the Downtown Revitalization Initiative (DRI), including NY Forward funding for rural communities; \$400 million for the NYS Environmental Defense Fund (EDF); \$50 million for the Restore NY Communities program; and \$82.5 million for the Olympic Regional Development Authority (ORDA).
- **Empire AI Consortium:** The FY25 Executive Budget includes \$250 million to create the Empire AI Consortium, a partnership of New York's public- and private-research institutions, that will establish an artificial intelligence computing center to promote research and development. In addition to capital grant funding proposed, Empire AI is expected to be supported with \$125 million from private partners and \$25 million from the State University of New York (SUNY).
- **Higher Education:** The Executive Budget proposes \$1.2 billion in new capital funding for SUNY and CUNY.
- **High-Technology Research and Development:** The Executive Budget supports investment in high-tech semiconductor manufacturing and innovation, including \$1 billion to construct a new 50,000 sq ft. facility to support the High NA Extreme Ultraviolet Lithography Center, \$110 million to create One Network for Regional Advanced Manufacturing Partnerships, and \$100 million to invest in shovel-ready sites to attract high-tech manufacturing in New York.

- **Local Capital Grants:** The Executive Budget proposes \$135 million for new County Partnership Grants to support public safety and infrastructure investments.
- **Metropolitan Transportation Authority (MTA) Capital Commitment:** The Capital Plan continues a \$3.1 billion appropriation for the State contribution to the 2020-24 MTA Capital Plan.
- **NY Swims:** The Executive Budget proposes \$150 million to create NY Swims, a new program that will support equitable and widespread access to safe swimming opportunities.
- **Parks:** The Executive Budget allocates \$300 million in capital funding to the OPRHP, including investments in public swimming activities.
- **Public Safety:** Provides an additional \$35 million for the Securing Communities Against Hate Crimes program, \$10 million for Securing Reproductive Health Centers capital grants, and \$50 million of funding for communities most impacted by gun violence.

THE 2024-25 EXECUTIVE CAPITAL PLAN CONTINUES FUNDING FOR THE FOLLOWING:

- **Clean Water, Clean Air and Green Jobs Bond Act:** In November 2022, voters approved the \$4.2 billion bond act at the general election. New program funding is expected to begin in FY25.
- **Expansion of Mental Health Capital Programs:** The Executive Budget continues to build on investments expanding capacity to care for people with mental illness by funding an additional 200 new psychiatric inpatient beds. The funding covers 125 state-operated beds, comprised of 15 for children and adolescents, 85 for adults, and 25 forensic; and 75 Transition to Home beds.

- **Gateway Hudson Tunnel Project:** The Executive Budget includes resources that are expected to be needed to make annual payments to fund the State’s commitment for the project starting in FY25.
 - **Health Care:** Continues to administer awards associated with \$1 billion in Statewide Health Care Facility Transformation Programs IV and V.
 - **Parks:** Continue to make the State multi-year capital investment to fund capital rehabilitation and improvement of State parks and historic sites. This budget includes \$200 million in New York Works capital funding to the Office of Parks, Recreation & Historic Preservation (OPRHP).
 - **Pennsylvania Station Area Civic and Land Use Improvement Project:** The State has completed the transformation of the Moynihan Train Hall and plans to create a commuter-first Penn Station estimated to cost \$22 billion.
 - **Transforming John F. Kennedy Airport:** The State continues to invest in the \$19.5 billion plan to transform JFK Airport through an overhaul of the airport’s eight disparate terminal sites into one unified JFK Airport.
- **OGS, SUCF, ORDA, Battery Park City Authority, State Bridge Authority and specific projects (replacement of Rikers Island Jail Complex and reconstruction of the Brooklyn-Queens Expressway) are authorized to use design-build.**
 - **Continue State’s Policy of selling 50% of New Debt Issuances on a Competitive Basis:** The State has issued \$5.1 billion of bonds to date in FY24, of which 52% were on a competitive basis and over the past five-years the State has issued 50% of its bonds competitively.
 - **Debt Service Prepayments:** The Executive Budget executes \$3.7 billion of prior year prepayments in FY25 of future year debt service payments.
 - **Dedicating PAYGO Resources in lieu of Borrowing:** The State has contributed \$9 billion of cash resources over the last two years for PAYGO capital spending.
 - **Lower Issuance Costs for Public Authority Bond Sales:** The Executive is proposing to lower statutory issuance costs for public authority bond sales that are subject to the Bond Issuance Charge (BIC) by reducing the BIC to pre-2022 levels of \$3.50 per bond.
 - ➔ Refer to *Sweeps and Transfers Highlight* for more information.

CAPITAL AND DEBT MANAGEMENT

The Executive Capital Plan addresses several other issues in the capital and debt program area:

- **Continuing Ability to Use Design-build Procurement Method:** This will allow design and construction services to be contracted by a single entity, reducing potential cost increases due to misunderstandings between building designers and contractors. Currently under the “Infrastructure Investment Act”, the NYSTA, DOT, OPRHP, NYCHA, DEC, DASNY, ESD,
- **OSC Approval of the Terms of PIT and Sales Tax Revenue Bond Issuances:** The Executive Budget proposes legislation that details the terms that are subject to OSC review and approval.
 - ➔ Refer to *Sweeps and Transfers Highlight* for more information.
- **Transfer Language to the Debt Reduction Reserve Fund (DRRF):** Includes a \$500 million appropriation, no cash behind this. The DRRF could be used to reduce the State’s debt burden, maintain bond capacity under the State’s debt cap or meet other Financial Plan goals.

REVENUE

WAYS & MEANS CONTACTS

Matt Henderson, Principal Fiscal Analyst
henderm@nyassembly.gov

Jonathan Carrock, Senior Fiscal Analyst
carrockj@nyassembly.gov

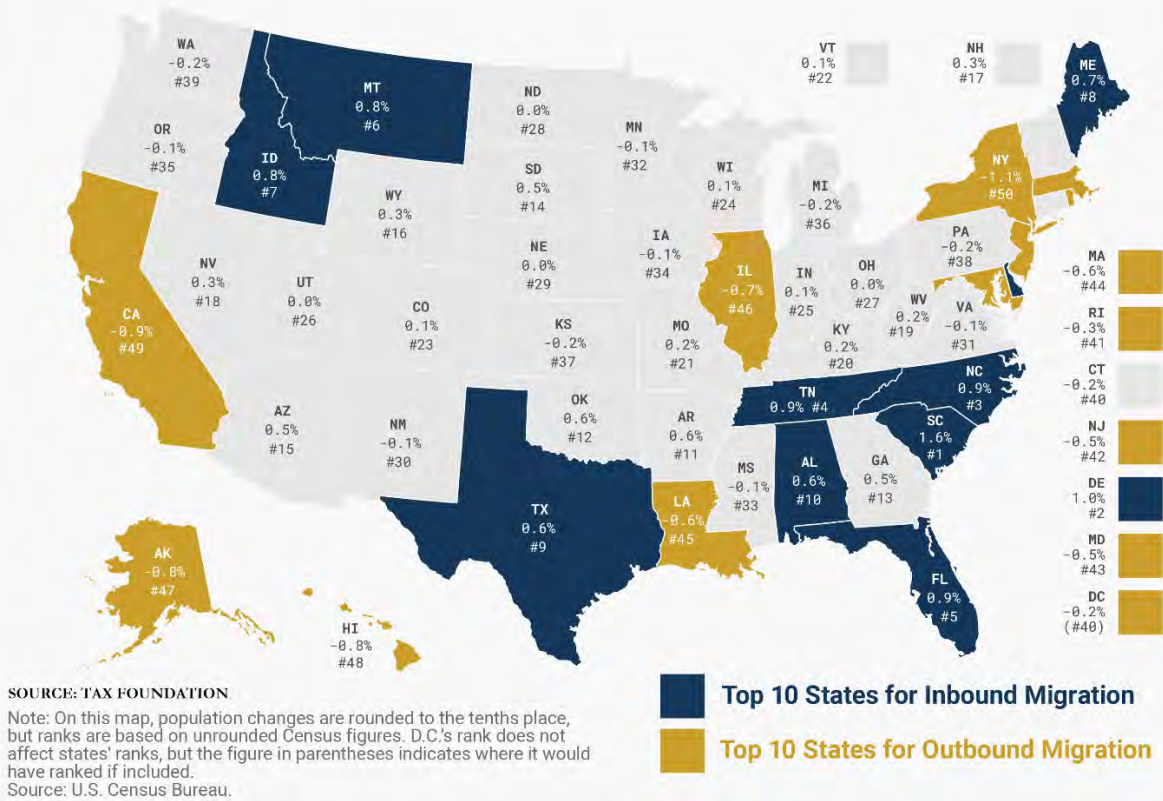
Brian Bartlett, Associate Deputy Director
bartlettb@nyassembly.gov
(518) 455-4131

The 2024-25 Executive Budget does not include any significant tax increases, nor does it include any significant proposals to reduce the tax burden faced by New Yorkers. Instead, this proposal includes several provisions that extend current sections of the Tax Law, establishes a new credit designed to reduce retail theft, changes the way cannabis is taxed, and reforms existing tax policies of the Department of Taxation and Finance. The following is a description of revenue actions in this year's Executive Budget proposal, as found in A.8809 (Revenue Article VII Budget Bill). Each revenue action is categorized as impacting the Personal Income Tax, Business Taxes, Consumption and Use Taxes, Reforms and Other Actions, and Gaming. A table of revenue actions can be found at the end of this highlight in *Figure 2*.

State Population Changes in 2023

FIGURE 1

State Net Population Changes from Interstate Migration, from Most Inbound to Most Outbound, FY 2023



REVENUE QUICK FACTS

According to the Tax Foundation:

- New York’s population shrunk by 1.1% between July 2022 and July 2023, ranking New York as the top state for outmigration (as shown in *Figure 1* above).
- Of the states with the highest rates of outmigration, California, Hawaii, New Jersey, New York, and the District of Columbia have double-digit Personal Income Tax rates.
- New York ranks 49th in the Tax Foundations State Business Tax Climate Index of 2024, the same as last year.
- The ranks of neighboring states are as follows: Pennsylvania, 31st; Massachusetts, 46th; Vermont, 43rd; Connecticut, 47th; and New Jersey, 50th.
- The bottom five states are: New Jersey, 50th; New York, 49th; District of Columbia, t-48th; California, t-48th; and Connecticut, 47th.

PERSONAL INCOME TAX

Make Permanent the Itemized Deduction Limit on High Income Filers (Part A) This Part would make permanent the itemized deduction limit for taxpayers with adjusted gross incomes in excess of \$10 million per year.

Currently, New York’s itemized deduction limit is permanently set at 50% of the Federal charitable contribution deduction allowed for taxpayers with adjusted gross incomes between \$1 million and \$10 million per year. There is an additional limit imposed in New York for taxpayers with incomes over \$10 million per year set at 25% of the Federal charitable contribution limit.

The lower itemized deduction limit for these taxpayers is set to expire at the end of 2024.

This Part would repeal this provision’s expiration date and would make the 25% limit permanent for taxpayers with incomes in excess of \$10 million per year.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Increases State revenue by \$175 million in FY 2026, \$350 million in FY 2027, \$350 million in FY 2028, \$300 million in FY 2029, and \$250 million annually thereafter.

BUSINESS TAXES

Permanently Extend Tax Shelter Reporting Provisions (Part B) This Part would make the current tax shelter reporting and penalty provisions permanent. Currently, these provisions are set to expire July 1, 2024.

Pursuant to the State’s tax shelter reporting provisions, taxpayers who are required to report certain transactions to the Internal Revenue Service must also report such activity to the Department of Taxation and Finance.

- Reportable transactions are those that are substantially similar to transactions that the Department has previously determined to be tax avoidance schemes.

This proposal would eliminate the current expiration date and make these provisions permanent.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Amended Return Loophole Closure (Part D) The Governor proposes to allow the Department of Taxation and Finance to take action on a taxpayer’s amended return when it is filed subsequent to the taxpayer’s petition submitted to the Division of Tax Appeals challenging a notice of deficiency or refund denial resulting from an original filing or a prior return.

According to the Department, there have been several instances in the past year where taxpayers have filed a tax return and immediately submitted a petition to the Division of Tax Appeals to encumber the Department from taking action on any subsequent amended returns for the same tax year. The subsequent amended returns contained significant issues, but the Department was unable to audit them due to this prohibition. This proposal is intended to prevent the potential for this type of abuse.



The Tax Law currently prohibits the Department from taking action on amended returns that are filed in the same tax year as petitions to the Division of Tax Appeals challenging a notice of deficiency or a refund denial.

- ❖ **Effective Date:** Immediately and shall apply to tax years beginning on or after January 1, 2024.
- ❖ **Fiscal Impact:** Increases State revenue by \$20 million annually beginning in FY 2025.

Commercial Security Tax Credit (Part E) This Part would create the Commercial Security Tax Credit Program. Under this program, businesses with fewer than 100 employees would be able to apply for a refundable credit worth up to \$3,000 for each New York retail location with at least \$12,000 in retail theft prevention expenses. Certification of eligibility would be determined by the Division of Criminal Justice Services (DCJS).

To be eligible, businesses need to operate a physical retail space that is open to the public.

Retail theft prevention expenses would include:

- Use of security officers;
- Installation of security cameras;
- Perimeter security lighting;
- Alarm systems;
- Access control systems (vaults); and
- Other appropriate anti-theft devices as determined by DCJS.

The Commercial Security Tax Credit would be available to businesses for taxable years beginning on or after January 1, 2024 and before January 1, 2026.

The total amount of credit available under this program would be capped at \$5 million, annually, for two years.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$5 million in FY 2026 and FY 2027.

CONSUMPTION AND USE TAXES

Permanently Extend Authorization to Manage Delinquent Sales Tax Vendors (Part G) This Part would make permanent the segregated Sales Tax account provisions. These provisions were enacted in 2011 and allows the Commissioner of the Department of Taxation and Finance to require non-compliant Sales Tax vendors to establish a segregated bank account. Businesses are required to remit Sales Tax collections to this segregated account on a weekly basis.

Vendors who fail to comply with the segregated accounts program must obtain a bond and the Commissioner may suspend or revoke the vendor’s Sales Tax certificate of authority due to this failure.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Provide for the Filing of Amended Sales Tax Returns (Part H) The Department of Taxation and Finance has historically accepted amended Sales Tax returns as a general courtesy to any vendor who is required to collect the tax. However, the process of accepting amended Sales Tax returns is not codified in law.

This Part is proposing to codify the process and timeline by which the Department must accept these amended returns. Under this proposal, amended returns that result in a reduction of taxes due would still be allowed as long as the returns do not affect fixed and final tax liabilities.

- The amended Sales Tax returns would be treated as claims for a credit or refund and be subject to the same time limitations as other claims for credits.
- ➔ This is generally three years after the return date or two years after the date the payment has been made.

Vendors would have up to 180 days after the original filing deadline to amend a return. If they

received an estimated notice of determination after failing to file a return, the vendor would also have 180 days from the mailing of the notice to file the missing return.

This proposal would also impose a \$1,000 penalty for taxpayers who falsify information on their Sales Tax return that would reduce their tax liability.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Increase state revenue by \$3 million in fiscal year 2025 and \$10 million annually, thereafter.

Sales Tax Exemption Related to Dodd-Frank Protection Act Three-Year Extension (Part I) This Part provides a three-year extension, until June 30, 2027, of the Sales Tax exemption provided to financial institutions when they sell their properties to a newly created subsidiary as required under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Sales Tax Vending Machine Exemption One-Year Extension (Part J) This Part would extend the Sales Tax exemption on food and drink sold for \$1.50 or less from vending machines that accept coin or currency only and \$2 or less from vending machines that accept any form of payment until May 31, 2025.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$8 million in fiscal year 2025 and \$2 million in fiscal year 2026.

Require Marketplace Providers to Collect Sales Tax on Vacation Rentals (Part K) This Part requires vacation rental marketplace providers to collect Sales Tax on vacation rentals secured through such marketplaces (VRBO, HomeToGo, Airbnb, etc). Under this Part, a vacation rental marketplace provider would be a person who collects the rent and provides the forum, physical or virtual, where the transaction occurs.

The proposal would relieve persons renting properties through vacation rental marketplace

providers of any such responsibilities to collect Sales Tax, as long as the person receives, in good faith, a certification from the vacation rental marketplace provider, on a form authorized by the Department, that the vacation rental marketplace provider is collecting the tax on such transactions.

- This tax structure is similar to how taxes are collected on behalf of hotels that are secured through a room remarketer.
- The proposal would also subject vacation rentals to the \$1.50 NYC hotel unit fee.
- ❖ **Effective Date:** Immediately and apply to rent received or collected by an operator or vacation rental marketplace providers on or after September 1, 2024.
- ❖ **Fiscal Impact:** Increases State revenue by \$8 million in FY 2025 and \$16 million annually thereafter.

Repeal and Replace Cannabis Potency Tax (Part L) This Part replaces the potency tax on adult use cannabis with an excise tax on the wholesale price of the purchase.

Currently, New York State imposes a tax on adult use cannabis that is based on the THC content of the product purchased. These current rates are as follows:

- **Cannabis flower/pre-roll/shake products:** taxed at a rate of 0.005 cent per milligram of THC content;
- **Cannabis concentrates/oil products:** taxed at a rate of 0.008 cent per milligram of THC content; and
- **Cannabis infused/edible products:** taxed at a rate of 0.03 cents per milligram of THC content.

Under this Part the THC potency-based tax would be repealed, and a 9% excise tax would be placed on the amount charged by a distributor to a cannabis retailer. For vertically integrated microbusinesses the tax will apply to 75% of the amount charged to the retail customer. These businesses own and control

multiple stages of the supply of cannabis within one facility.

- ➔ This would be included on top of the existing 9% retail surcharge collected by the state and the 4% local retail surcharge collected by municipalities in which a retail dispensary is located.
- ❖ **Effective Date:** The new 9% excise tax will be applied to all adult-use cannabis sales on or after June 1, 2024.
- ❖ **Fiscal Impact:** None to the State.

REFORMS AND OTHER ACTIONS

Metropolitan Commuter Transportation Mobility Tax Technical Corrections (Part C) The 2023-24 Enacted Budget included a provision that increased the top rate for the Metropolitan Commuter Transportation Mobility Tax, Part Q of Ch. 58 of 2023 (A.3008-C), otherwise known as the Payroll Mobility Tax. This rate increase applied only to taxpayers in the counties of Bronx, Kings, New York, Queens, and Richmond. This provision also included a phased-in rate increase for self-employed individuals in those counties.

However, last year’s rate increase provision erroneously repealed the Payroll Mobility Tax for self-employed individuals in the Metropolitan Commuter Transportation District’s (MCTD) suburban counties (Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester).

This Part would correct this inadvertent repeal to reinstate the previous rate of 0.34% for self-employed taxpayers earning more than \$50,000 per year.

- ❖ **Effective Date:** Immediately and shall apply to taxable years beginning on or after January 1, 2024.
- ❖ **Fiscal Impact:** None to the State.

Permanently Extends the Mandatory Electronic Filing and Payment Requirements (Part F) This Part would permanently consolidate all e-filing requirements into one mandatory e-filing and payment system. In 2008, the Department of Taxation and Finance was authorized to consolidate their various e-filing requirements into a unified system. This consolidation is set to expire December 31, 2024 and after such expiration, the Department would revert back to having several e-filing requirements.

This Part would repeal all legacy e-filing statutes and make the current consolidated e-filing system permanent.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Clarify the Telecommunications Assessment Ceiling Program (Part M) This Part clarifies the intent of the telecommunications assessment ceiling program. Currently, telecommunications property is not subject to Real Property Taxes if it is “used in the transmission of news or entertainment radio, television, or cable television signals for immediate, delayed, or ultimate exhibition to the public”.

- This Part would clarify that only real property used “primarily or exclusively” for news or entertainment radio, television or cable television is exempt from Real Property Taxes.
- ➔ This Part comes in the wake of litigation against the Department of Taxation and Finance by internet providers who claim their service lines transmit news or entertainment radio, television or cable television signals for immediate, delayed or ultimate exhibition to the public thus they should be granted an exemption from Real Property Taxes.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Return Tax Foreclosure Surplus to Property Owner (Part N) Currently, if a local government sells real property they have acquired due to delinquent taxes, they may retain all proceeds the sale generates, including the surplus.

In May of 2023, *Tyler v. Hennepin County* was decided by the United States Supreme Court. The ruling dictated that local governments must return these excess proceeds (the amount the property sells for above the value of the tax debt) to the property owner.

This Part codifies the decision of *Tyler v. Hennepin County* and requires any surplus resulting from tax foreclosure sales to be returned to the property owners and lienors. Local governments would still be made whole for the taxes they are owed.

If a local government currently does not have provisions in place to return surplus proceeds, they must enact a local law to provide for such.

This Part adds to state law the process in which local governments, courts and property owners must adhere to related to foreclosed properties. This includes:

- Within 45 days after a sale of tax foreclosed property, a determination must be made whether a surplus is attributable to the sale.
- The determination will be made by ascertaining the sum of the total amount of taxes due, plus interest and other penalties and applying the following:
 - ➔ If the sale was completed via public auction, the surplus will be determined by subtracting the sum listed above and amount paid for the property; and
 - ➔ If the sale was not completed via public auction, the surplus will be determined by subtracting the sum listed above and full value of the property as shown on the most recent tax roll.

If a surplus is attributable to a sale of a tax foreclosed property, excess proceeds will be paid to

the court which oversaw such sale, and the court will notify the interested parties of the procedure to be followed to make a claim for the surplus.

If a tax-foreclosed property was sold on or after May 25, 2023, the enforcing officer of the tax district has six months from the effective date to submit a report to the court regarding the existence and amount of surplus. The surplus must then be paid to the court to be returned to the property owner.

- ❖ **Effective Date:** Immediately, however, tax districts would have six months from the effective date of the act to pay over any surplus attributable to sales of tax-foreclosed property that occurred between May 25, 2023, and the effective date of the act.
- ❖ **Fiscal Impact:** None to the State.

GAMING

Authorized Use of Capital Funds by a Certain Off-Track Betting Corporation One-Year Extension (Part O) This Executive proposal extends for one year the authorized use of capital acquisition funds by the Capital Off-Track Betting (OTB) Corporation through March 31, 2025. This proposal would allow the Capital OTB Corporation to utilize up to \$1 million in capital acquisition funds for purposes of statutory obligations, payments due to racing associations, and expenditures necessary to accept authorized wagers. This proposal requires the Capital OTB Corporations to submit detailed plans for using such funds. The Commission shall review such plans and notify the Corporation if the expenditure plan is approved. If the Corporation's plan is approved such Corporation must comply with reporting requirements on the use of these funds. In the FY 2024 Enacted Budget, both Capital and Catskill OTB were authorized to use their capital acquisition funds for non-capital use. Capital OTB used \$1 million of its capital acquisition funds towards such purposes, while Catskill OTB did not apply. For this reason, only Capital is included in the 2024-25 Executive Budget.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Pari-Mutuel Tax Rates and Simulcast Provisions One-Year Extension (Part P) Authorizes the simulcasting, by tracks and OTBs, of out-of-state thoroughbred and harness horse races and the distribution of revenue, including purse enhancements from the simulcasting of out-of-state thoroughbred races. It also extends for one year the current statutory distribution of revenue for on-track and off-track wagering at the NYRA tracks and continues until 2025 the authorization for the in-home simulcasting of races, binding arbitration for simulcasting disputes and telephone/internet betting accounts.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** The extension of these provisions will maintain current pari-mutuel tax receipts.



2024-25 EXECUTIVE BUDGET REVENUE ACTIONS
(IN MILLIONS)

Figure 2

PERSONAL INCOME TAX				
Part Description	Part	2024-25	2025-26	
Make Permanent the Itemized Deduction Limit on High Income Filers	A	-	\$175	
Total Personal Income Tax		\$0	\$175	
BUSINESS TAXES				
Part Description	Part	2024-25	2025-26	
Permanently Extend Tax Shelter Reporting Provisions	B	-	-	
Amended Return Loophole Closure	D	-	\$20	
Commercial Security Tax Credit	E	-	(\$5)	
Total Business Taxes		\$0	\$15	
CONSUMPTION AND USE TAXES				
Part Description	Part	2024-25	2025-26	
Permanently Extend Authorization to Manage Delinquent Sales Tax Vendors	G	-	-	
Provide for the Filing of Amended Sales Tax Returns	H	\$3	\$10	
Sales Tax Exemption Related to Dodd-Frank Protection Act Three-Year Extension	I	-	-	
Sales Tax Vending Machine Exemption One-Year Extension	J	(\$8)	(\$2)	
Require Marketplace Providers to Collect Sales Tax on Vacation Rentals	K	\$8	\$16	
Repeal and Replace the Cannabis Potency Tax	L	-	-	
Total Consumption and Use Taxes		\$3	\$24	
REFORMS AND OTHER ACTIONS				
Part Description	Part	2024-25	2025-26	
Metropolitan Commuter Transportation Mobility Tax Technical Corrections	C	-	-	
Permanently Extends the Mandatory Electronic Filing and Payment Requirements	F	-	-	
Clarify the Telecommunications Assessment Ceiling Program	M	-	-	
Return Tax Foreclosure Surplus to Property Owners	N	-	-	
Total Reforms and Other Actions		\$0	\$0	
GAMING				
Part Description	Part	2024-25	2025-26	
Authorized Use of Capital Funds by a Certain Off-Track Betting Corporation One-Year Extension	O	-	-	
Pari-Mutuel Tax Rates and Simulcast Provisions One-Year Extension	P	-	-	
Total Gaming		\$0	\$0	
Total Revenue Actions		\$3	\$214	

Source: Division of Budget

SWEEPS & TRANSFERS

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist

(518) 455-4131

toranzo@nyassembly.gov

This Part will provide the statutory authorizations necessary for the administration of funds and accounts included in the 2024-25 Executive Budget. Specifically, it would: (1) authorize temporary loans and the deposits of certain revenues to specific funds and accounts; (2) authorize the transfers and deposits of funds to and across various accounts; (3) extend various provisions in relation to capital projects and certain certifications; and (4) modify various debt and bond provisions.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

PART X SWEEPS AND TRANSFERS

THE FOLLOWING OUTLINES
TRADITIONAL TRANSFERS OF FUNDS:

§1-2 Temporary Loans Authorizes the Comptroller to identify specific funds and amounts (both State and Federal) to receive temporary loans for the 2024-25 State Fiscal Year.

§3-4 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

- \$100 million from the General Fund to the Environmental Protection Fund;
- \$500 million from the General Fund to the Debt Reduction Reserve Fund;
- \$5 million from the General Fund to the Housing Program Fund;
- \$100 million from the IOLA private contribution account to the General Fund;
- \$1 billion from the General Fund to the Health Care Transformation Fund;
- \$3.65 billion from the ARPA-Fiscal Recovery Account to the General Fund to cover eligible costs incurred by the State; and
- \$1 billion from the General Fund to the Hazardous Waste Remedial Fund, Hazardous Waste Oversight and Assistance Account, State Park Infrastructure Account,

Environmental Protection Fund Transfer Account, the Correctional Facilities Capital Improvement fund, the Housing Program Fund, or the Mental Hygiene Facilities Capital Improvement Fund.

§5 **Direct Payments** Authorizes the Comptroller to deposit earnings from investments that accrue in the General Fund to the Agencies Internal Service Fund, Banking Services Account on or before March 31, 2025.

§6 **State University** Authorizes the State University to transfer up to \$16 million to the General Fund for debt service costs related to capital projects for the NY-SUNY 2020 Challenge Grant program at the University of Buffalo.

§7 **State University** Authorizes the State University to transfer up to \$6.5 million to the General Fund for debt service costs related to capital projects for the NY-SUNY 2020 Challenge Grant program at the University of Albany.

§8 **State University** Authorizes the SUNY Chancellor to transfer estimated tuition revenue balances from the State University Collection Fund to the State University Fund, State University General Revenue Offset Account on or before March 31, 2025.

§9 **State University** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer up to \$1.3 billion from the General Fund to the State University Income Fund, State University General Revenue Offset Account from July 1, 2024 through June 30, 2025.

§10 **State University** Authorizes the Comptroller, upon request of the Director of Budget, to transfer up to \$103 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account from April 1, 2024 through June 30, 2024 to support operations at the State University.

§11 **State University** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer up to \$49.6 million from the General Fund

to the State University Income Fund, State University General Revenue Offset Account from July 1, 2024 to June 30, 2025, to support Tuition Assistance Program payments.

§12 **State University** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer up to \$20 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account from July 1, 2024 to June 30, 2025, to support operations in accordance with the maintenance of effort.

§13 **State University** Authorizes the Comptroller, at the request of the SUNY Chancellor, to transfer up to \$55 million from the State University Income Fund, State University Hospitals Income Reimbursement Account and the State University Income Fund, Long Island Veteran's Home Account to the State University Capital Projects Fund on or before June 30, 2025.

§14 **State University** Authorizes the Comptroller, after consultation with the SUNY Chancellor, to transfer monies from the State University Collection Fund, Stony Brook Hospital Collection Account, Brooklyn Hospital Collection Account, and Syracuse Hospital Collection Account to the State University Income Fund, State University Hospitals Income Reimbursable Account in amounts sufficient to permit the full transfer of money authorized for transfer to the General Fund for SUNY hospital debt service on or before March 31, 2025.

§15 **State University** Authorizes the Comptroller, upon request of the Director of the Budget and SUNY Chancellor, to transfer monies between the State University Dormitory Income Fund and the State University Residence Hall Rehabilitation Fund, up to \$100 million.

§16 **Special Revenue Fund** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer the unencumbered balance of any Special Revenue Fund (excluding Federal funds) or account to the General Fund, up to \$1 billion.

§17 **Technology Services** Authorizes the Comptroller, at the request of the Director of the

Budget, to transfer \$100 million from any non-General Fund or account (excluding Federal Funds, or any fund in which the eligibility for Federal benefits would be impacted) to the Technology Financing Account for the consolidation of operational costs related to technology services.

§18 **Technology Services** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer \$400 million from any non-General Fund or account (excluding funds eligible for Federal benefits that would be impacted) to the General Fund as reimbursement for costs related to technology services.

§19 **NYPA** Authorizes the transfer of up to \$20 million from the New York State Power Authority to the General Fund, to be utilized for energy-related State activities, after April 1, 2024.

§20 **NYPA** Authorizes the transfer of up to \$25 million from NYPA proceeds to the credit of the General Fund, for the State Fiscal Year commencing April 1, 2024, to support the Office of Just Energy Transition and programs for workforce training and retraining and to prepare workers for employment in the renewable energy field.

§21 **NYSERDA** Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund, on or before March 31, 2025.

§22 **NYSERDA** Authorizes the transfer of up to \$5 million from NYSERDA proceeds collected from the auction or sale of carbon dioxide emission allowances, to the credit of the Environmental Protection Fund, on or before March 31, 2025.

§23 **STAR Deposits** Authorizes the Comptroller to make deposits in the School Tax Relief (STAR) Fund in fiscal year 2024-25, up to \$1.58 billion.

§24 **State Operation Costs Transferred to Capital** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer designated special revenue fund balances to the capital projects fund for the purpose of reimbursement to such fund for expenses related to the maintenance and

preservation of State assets. The following transfers are being made:

- **Administrative Program Account:** \$43,000;
- **Helen Hayes Hospital Account:** \$1,537,000;
- **Litigation Settlement and Civil Recovery Account:** \$1,000,000;
- **New York City Veterans' Home Account:** \$474,000;
- **New York State Home for Veterans' and their Dependents at Oxford Account:** \$593,000;
- **New York State for Veterans in the Lower Hudson Valley Account:** \$336,000;
- **Patron Services Account:** \$2,550,000;
- **State University Dormitory Income Fund Account:** \$50,197,000;
- **State University General Income Reimbursable Account:** \$9,173,000;
- **State University Revenue Offset Account:** \$150,218,000; and
- **Western New York Veterans' Home Account:** \$177,000.

§25 **Comptroller** Extends for four years, until March 31, 2028, the Comptroller's authorization to receive money for deposit to funds and accounts identified by the Director of Budget.

§26 **Liability Payments** Extends for four years, until March 31, 2028, the authorization to permit payments for prior years' liabilities.

§27 **Mental Health Arbitrage Rebate** Continues the authorization to allow Mental Hygiene facilities to use excess debt service appropriations to make arbitrage rebate payments to the Federal government, if necessary, to protect the tax-exempt status of the bonds.

THE EXECUTIVE BUDGET PROPOSES INCREASING BOND CAPS BY APPROXIMATELY \$11.7 BILLION

THE FOLLOWING SECTIONS OUTLINE EACH SPECIFIC BOND CAP INCREASE:

§28 **Correctional Facilities Bond Cap** Increases the bond cap for financing correctional facilities from \$9.9 billion to \$10.3 billion.

§29 **Housing Capital Programs Bond Cap** Increases the bond cap for financing housing capital programs from \$13.6 billion to \$13.9 billion.

§30 **Dedicated Highway Bridge and Trust Fund Bond Cap** Increases the bond cap for dedicated highway and bridge trust projects from \$20.6 billion to \$21.5 billion.

§31 **CUNY Educational Facilities Bond Cap** Increases the bond cap for financing CUNY educational facilities from \$11.3 billion to \$11.7 billion.

§32 **Library Facilities Bond Cap** Increases the bond cap for financing library facilities from \$367 million to \$401 million.

§33 **SUNY Educational Facilities Bond Cap** Increases the bond cap for SUNY educational facilities from \$18.1 billion to \$18.8 billion.

§34 **SUNY Community Colleges Bond Cap** Increases the bond cap for financing SUNY community colleges from \$1.2 billion to \$1.4 billion.

§35 **Mental Health Facilities Bond Cap** Increases the bond cap for financing mental health services facilities from \$12.4 billion to \$12.9 billion.

§36 **Homeland Security/State Facilities/Buildings Bond Cap** Increases the bond cap for Homeland Security and Training Facilities from \$501.5 million to \$522.5 million and the bond cap for improvements to State office buildings and facilities from \$1.7 billion to \$1.9 billion.

§37 **Information Technology Bond Cap** Increases the bond cap for the Office of Technology Services from \$1.4 billion to \$1.7 billion.

§38 **Local Highway Bond Cap (CHIPS)** Increases the bond cap for financing local highway projects from \$13.9 billion to \$14.7 billion.

§39 **State Equipment Bond Cap** Increases the bond cap for the purposes of funding costs for the acquisition of equipment, including but not limited to the creation or modernization of information technology systems and related research and development equipment, health and safety equipment, heavy equipment and machinery, the creation or improvement of security systems, and laboratory equipment from \$493 million to \$593 million.

§40 **Environmental Facilities Bond Cap** Increases the bond cap for financing environmental infrastructure projects, including capital costs of clean water infrastructure projects, from \$9.3 billion to \$10.6 billion.

§41 **Youth Facilities Bond Cap** Increases the bond cap for financing youth facilities from \$1.01 billion to \$1.07 billion.

§42 **Transportation Capital Projects Bond Cap** Increases the bond cap for transportation initiatives from \$12.3 billion to \$15.2 billion.

§43 **Economic Development Bond Cap** Increases the bond cap for financing economic development projects, including Rush- NY, New York AI Consortium, and New York Creates UEV Tool, from \$17.6 billion to \$20.3 billion.

§44 **Division of Military and Naval Affairs Bond Cap** Increases the bond cap for financing capital projects for public protection facilities from \$247 million to \$297 million.

§45 **Private Special Education Bond Cap** Increases the bond cap for financing on behalf of special act school districts, State-supported schools for the blind and deaf, approved private special education schools, non-public schools, community centers,

daycare facilities and projects on behalf of Native American Indian Nation schools from \$321.8 million to \$341.9 million.

§46 Agriculture and Markets Food Laboratory Bond Cap Increases the bond cap for the Agriculture and Markets Food Laboratory costs from \$40.95 million to \$41.06 million.

THE FOLLOWING SECTIONS OUTLINE LIQUIDITY AND OTHER MEASURES:

§47 Mental Health Facility Definition Update The Executive Budget proposes updates to the definition of Mental Health Services Facility to include comprehensive psychiatric emergency programs and/or psychiatric inpatient programs and housing for mentally ill persons.

§48 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2025, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget maintains these amounts as follows:

- \$15 million, the same as last year, from the State University General Income Reimbursable Account;
- \$5 million, the same as last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, the same as last year, from the City University Senior College Operating Fund.

§49-50 Comptroller Review of Private Sale Revenue Bonds The Executive Budget proposes defining the conditions for private New York State PIT (§49) and Sales Tax (§50) bond transactions, which the Comptroller is required to review and approve. The

approval of the private sale of such bonds and the terms by the Comptroller shall be limited to a review of the reasonableness of:

- The bond pricing, taking into account current interest rates;
- The costs of issuance and underwriters discount for such bonds;
- If the sale includes refunding bonds, cash flow savings and net present value savings; and
- If the sale involves an interest rate exchange or similar agreement, the economic terms of such agreement.

Further, the Comptroller must consider whether the final maturity of the bonds complies with the following:

- The legal authorization for the project or projects being financed; and
- The parameters established in the authorized issuer's resolution authorizing the issuance of such bonds, as approved by the Public Authorities Control Board.

§51 Fixed Asset Definition Update The Executive Budget proposes updating the fixed asset definition within the State Finance Law to include conservation easements. This is intended to help with bonding for projects under the Environmental Bond Act of 2022.

§52 State Assessed Per Bond Fee Update The Executive Budget proposes to update the schedule for the State assessed per bond fee, known as the Bond Issuance Charge, by exempting it from refunding transactions, eliminating it on transactions for less than \$20 million, and reducing the fee for all transactions greater than \$20 million from \$8.40 per \$1,000 bonded to \$3.50 per \$1,000 bonded.

§53-54 Bond Purchases The Executive Budget proposes amendments to the State Finance Law to clarify that the State can purchase a bond from current holders to include instances where the redemption price paid provides an economic benefit

to the State as certified in writing by a financial advisor to the State.

§55 State Liquidity Financing Measures The Executive Budget proposes to continue the authorization to issue up to \$4 billion of short-term borrowing in the form of Personal Income Tax (PIT) Revenue Notes, for the purpose of temporarily financing budgetary needs of the State due to adverse economic and fiscal events and risks, disasters and emergencies. This is an increase of \$1 billion from FY24. The maturity of these bonds can be no later than March 31st of the State Fiscal Year in which such notes are issued. This would permanently give the State authorization to do this without the need to seek approval in every budget cycle. The notes are not considered a debt of the State and cannot be renewed, extended or refunded.

§56 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50-years until April 1, 2025.

§57 Effective Dates



AGENCY SUMMARY

This section contains a budget fund and bill summary that applies for nearly all State agencies, boards, commissions and public benefit corporations.

BUDGETARY FUNDS

- **All Funds:** This is the broadest measure of spending; it includes all State Operating Funds, Capital Funds and Federal Funds.
- **General Fund:** This is the primary operating fund of the State. It receives all State revenue not earmarked for a particular program or activity and not specified by law to be deposited in another fund.
- **State Operating Funds:** Includes all State spending from the General Fund, State Special Revenue Funds and Debt Service Funds. This measure excludes Capital Projects Funds and Federal spending.
- **State Funds:** The State Funds operating budget comprises the General Fund, Capital Funds and other State supported activities financed by dedicated revenues in State Special Revenue funds.
- **Special Revenue Fund:** State revenues from specific revenue sources that are legally restricted to disbursement for specified purposes. (For example, Motor Fuel Excise Tax that is dedicated to highway and mass transit purposes).
- **Capital Projects Fund:** These funds finance capital construction costs.
- **Federal Funds:** Revenue received from the Federal government.
- **Internal Service Funds:** Funds used to account for the financing of goods and services supplied by one State agency to other State agencies or government units on a cost reimbursement basis.
- **Enterprise Funds:** Funds used to account for operations that operate similarly to private business enterprises.
- **Fiduciary Funds:** Funds used to account for money held by the State in a trust capacity whose principal and income may be spent for designated operations or whose principle must remain intact.

APPROPRIATION BILLS

- **Expenditure Budget Bills:** These bills provide appropriation and reappropriation amounts for each State agency. The appropriation authority is the total amount the agency may spend on that particular program or category.
 - ➔ **State Operating Budget Bill, A.8800:** Salaries and non-wage compensation for most State employees and other operating costs of State departments and agencies.
 - ➔ **Legislature and Judiciary Budget Bill, A.8801:** Salaries, non-wage compensation and capital improvement funding for the Legislature and Judiciary.
 - ➔ **Debt Service Budget Bill, A.8802:** Provides funding to cover the State's outstanding debt.
 - ➔ **Aid-to-Localities Budget Bill, A.8803:** State grants to, or State expenditures on behalf of, counties, cities, towns, villages, school districts and other local entities.
 - ➔ **Capital Projects Budget Bill, A.8804:** State financing for capital construction (bonding or pay-as-you-go).

LANGUAGE BILLS

- **Article VII Budget Bills:** These bills accompany the expenditure budget bills. They direct the method of distribution of the appropriation, provide programmatic changes to existing law, create new programs, and authorize revenue actions.
 - ➔ **Public Protection and General Government:** A.8805.
 - ➔ **Education, Labor and Family Assistance:** A.8806.
 - ➔ **Health and Mental Hygiene:** A.8807.
 - ➔ **Transportation, Economic Development and Environmental Conservation:** A.8808.
 - ➔ **Revenue:** A.8809.
 - ➔ **Concurrent Resolution:** This would amend the New York State Constitution to remove the existing provision providing for a maximum number of supreme court justices in each judicial district.



ADIRONDACK PARK AGENCY

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$6.6 million, \$309,000 more than last year, reflecting increased personal service costs and General Salary Increases (GSIs).



AGING

WAYS & MEANS CONTACT:

Ryan Spinner, Principal Budget Analyst
 (518) 455-4131
spinnerr@nyassembly.gov

STATE OPERATIONS – A.8800

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration and Grants Program:** \$16.6 million, \$3.8 million more than last year, due to increased Federal funds under the Older Americans Act.

- **Lifespan Enhanced Multi-Disciplinary Teams:** \$1.5 million, \$1 million more than last year.
- **Older Americans Act:** \$162.4 million, \$57.3 million more than last year, for increases in Federal funds for social services, caregiver supports, and health and human services programs.
- **Wellness In Nutrition (WIN):** \$37 million, \$1.3 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Expanded In-Home Services for the Elderly Program:** \$67.5 million, same as last year.
- **Health Insurance Information and Counseling:** \$1 million, same as last year.
- **Long-Term Care Ombudsman:** \$3.7 million, same as last year.
- **Long-Term Care Ombudsman and Health Insurance Information Counseling Assistance Program:** \$150,000, same as last year, to expand the volunteer stipend.
- **Naturally Occurring Retirement Communities (NORC):** \$4 million, same as last year.

AID TO LOCALITIES – A.8803

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Community Services for the Elderly Program:** \$38.7 million, \$1 million more than last year.

- Neighborhood Naturally Occurring Retirement Communities (NNORC): \$4 million, same as last year.
- Model Adult Day Services: \$1.1 million, same as last year.
- Senior Community Service Employment Program: \$9 million, same as last year.
- State Master Plan on Aging: \$1 million, same as last year, to create an interagency plan to improve services for the elderly.
- Transportation Costs for Elderly Services: \$1.1 million, same as last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Legislative Additions: \$19.7 million for 29 programs added by the Legislature have been eliminated.

HEALTH AND MENTAL HYGIENE – A.8807

Part W Create an Interagency Council of Elder Justice This Part creates an Interagency Council of Elder Justice within the State Office for the Aging (SOFA), with the goal of protecting older adults from abuse and mistreatment.

The Council shall be chaired by the Director of SOFA and include representatives from the following:

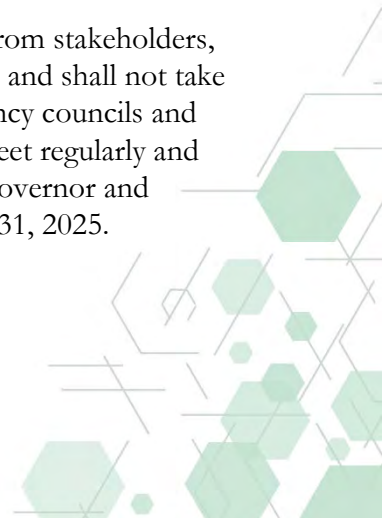
- The Office of Victims Services,
- The Office of Children and Family Services,
- The Department of Financial Services,
- The Division of Criminal Justice Services,
- The Office of Mental Health,

- The Office for The Prevention of Domestic Violence,
- The Department of Health,
- The Office for People With Developmental Disabilities,
- The New York State Police,
- The Justice Center for The Protection of People With Special Needs, and
- The Department of State's Division of Consumer Protection.

The Council is required to:

- Develop and implement a cohesive, comprehensive State plan on elder justice that aligns State elder justice policy and programs across State agency responsibilities;
- Develop plans for a coordinated and comprehensive response from State and local government and other entities when elder abuse is reported;
- Facilitate interagency planning and policy development on elder justice;
- Review and propose specific agency initiatives for their impact on systems and services related to elder justice;
- Coordinate activities for World Elder Abuse Awareness Day and other events; and
- Make recommendations to the Governor that will improve New York's elder abuse prevention and intervention efforts.

The Council shall request input from stakeholders, advocates, experts and coalitions, and shall not take the place of any existing interagency councils and committees. The Council shall meet regularly and submit an annual report to the Governor and Legislature beginning December 31, 2025.



AGRICULTURE & MARKETS

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT ACTIONS INCLUDE:

- **State Fair:** \$29.3 million, \$97,000 more than last year, reflecting pay bill adjustments to support State Fair operations. Of this amount, up to \$320,000 may be transferred via local assistance programming to the Cornell Cooperative Extension of Cayuga County for State Fairgrounds milk bar operations.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$48.9 million, \$7.6 million less than last year, for agriculture local assistance programming. Of this amount, \$5.7 million is included through the Taste-NY program to promote agritourism, including:

→ Taste NY:

- ❖ **City of Geneva:** \$125,000, the same as last year;
- ❖ **Cornell Cooperative Extension of Broome County:** \$250,000, \$100,000 less than last year;
- ❖ **Cornell Cooperative Extension of Cayuga County:** \$215,000, the same as last year;
- ❖ **Cornell Cooperative Extensions of Columbia and Greene Counties:** \$425,000, the same as last year;
- ❖ **Cornell Cooperative Extension of Dutchess County:** \$150,000, the same as last year;
- ❖ **Cornell Cooperative Extension of Erie County:** \$450,000, the same as last year;
- ❖ **Cornell Cooperative Extension of Nassau County:** \$385,000, \$100,000 less than last year;
- ❖ **Cornell Cooperative Extension of Saratoga County:** \$350,000 in new funding;
- ❖ **Cornell Cooperative Extension of Sullivan County:** \$425,000, the same as last year;
- ❖ **Montgomery County Chapter of NYARC, Inc.:** \$410,000, the same as last year;

- ❖ NY Wine and Culinary Center: \$375,000, the same as last year; and
- ❖ Thousand Islands Bridge Authority: \$850,000, the same as last year.

- See the Agriculture Local Assistance Chart at the end of this section for more information.

MAINTAINS THE FOLLOWING:

- **Nourish NY:** \$50 million, the same as last year, to continue the Nourish NY program within the Department of Health. This program allows New York's emergency food providers to purchase surplus products from New York farmers and dairy manufacturers and deliver it to New York families in need.

this amount may be transferred to State Operations for a Long Island seafood processing feasibility study.

SIGNIFICANT DECREASES INCLUDE:

- **County and Local Fair Capital Improvements:** No new funding, however, \$5 million has been reappropriated.
- **Food Access Expansion Grants:** No new funding, however, \$10 million has been reappropriated, to provide grants to support and establish food access infrastructure in underserved communities.
- **Meat Processing Grants:** No new funding, however, \$3.7 million has been reappropriated, for the expansion of existing plants, creation of new plants, job training, safety upgrades, or other purposes to further opportunities for beef, pork and other meat farmers to process meat within New York State. Grant amounts consist of a minimum of \$50,000 per recipient.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Agricultural Processing Infrastructure Support:** \$34 million in new Capital Projects funding to support agricultural infrastructure as announced in the 2024 State of the State, including:
 - ➔ **Cornell Industrial Hemp Program:** \$5 million to support biomaterial processing efforts through the Cornell Industrial Hemp Program;
 - ➔ **Farm and Food Growth Fund:** \$24 million to expand dairy processing capacity through grants for on-farm milk storage technologies and processing infrastructure; and
 - ➔ **Peconic Land Trust:** \$5 million to the Peconic Land Trust for a grant program supporting Long Island aquaculture infrastructure projects. Up to \$50,000 of

MAINTAINS THE FOLLOWING:

- **Agribusiness Child Development Centers:** \$3.2 million, the same as last year, for facility improvements at the 13 Agribusiness Child Development Centers in NY to allow for an expansion of education services, health services and nutrition services to children of migrant farm families.
- **Humane Societies and Animal Shelters:** \$5 million, the same as last year, for humane shelter capital improvement grants. These grants shall be allocated on a competitive basis in an amount not less than \$20,000 and not more than \$500,000, not to exceed 90% of the total project cost. Not less than \$500,000 is earmarked for projects in underserved municipalities or regions. In addition, past language governing municipal population thresholds concerning grant amounts and eligibility has been removed.
- **NY Works:** \$14.7 million, the same as last year, for miscellaneous Departmental capital

improvements, including \$5 million for State Fair infrastructure projects.

- **Scratch Kitchens:** \$10 million, the same as last year, for services, expenses, and grants for the cost of construction, renovation, alteration, rehabilitation, improvements, installation, acquisition, repair or replacement of buildings, equipment, or permanent or temporary facilities to support the preparation and distribution of New York focused meals for regional school infrastructure, such as aggregation, storage hubs and/or commissary-type kitchens.
- **State Fair:** \$3.7 million, the same as last year, for various State Fair capital improvements.

most other Agriculture and Markets fees are set and is part of an ongoing effort by the Department to review the current state of its regulatory fee structures.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part R Weighmaster License Fee The Division of Weights and Measures is responsible for weighing, measuring, testing, and the calibration of a variety of devices and substances in fields including meteorology, the New York State lottery system, petroleum, and other commercial areas. It is also responsible for licensing individuals, via the weighmaster license, throughout the State to perform weights and measures services for those businesses required by law to have them. This proposal would remove the statutory language setting weighmaster licensing fees at \$15 per applicant, and instead allow the Department of Agriculture and Markets to set an appropriate fee by regulation, commensurate with costs. This is how



Agriculture Local Assistance Programming 2024-25 Executive Budget			
Program	FY 2023-24 Enacted	FY 2024-25 Executive	Change From Previous Year
Ag. and Domestic Arts (Local Fairs)	\$500,000	\$500,000	\$0
Agribusiness Child Dev. Program	\$10,410,000	\$10,300,000	(\$110,000)
Agricultural Economic Development	\$2,020,000	\$2,020,000	\$0
Berry Growers Assoc.	\$61,000	\$61,000	\$0
Christmas Tree Farmers Assoc.	\$126,000	\$126,000	\$0
Comfort Food Community	\$50,000	\$0	(\$50,000)
Corn and Soybean Growers Assoc.	\$125,000	\$76,000	(\$49,000)
Cornell Agriculture in the Classroom	\$500,000	\$500,000	\$0
Cornell Animal Health Surveillance**	\$8,751,000	\$8,270,000	(\$481,000)
Cornell Association of Ag. Educators	\$500,000	\$500,000	\$0
Cornell Agrovoltatics	\$1,000,000	\$0	(\$1,000,000)
Cornell Berry Research	\$263,000	\$263,000	\$0
Cannabis Association of New York	\$100,000	\$0	(\$100,000)
Cornell Concord Grape Research	\$252,000	\$202,000	(\$50,000)
Cornell Co-Op Ext. Upstate-Downstate	\$100,000	\$0	(\$100,000)
Cornell Equitable Farm Futures	\$500,000	\$500,000	\$0
Cornell Farm Family Assistance (FarmNet)	\$1,000,000	\$1,000,000	\$0
Cornell Farm Labor Specialist	\$401,000	\$702,000	\$301,000
Central NY Lyme and Tickborne Disease Alliance	\$50,000	\$0	(\$50,000)
Cornell Future Farmers of America	\$1,000,000	\$1,250,000	\$250,000
Cornell Golden Nematode	\$63,000	\$63,000	\$0
Cornell Hard Cider Research	\$202,000	\$202,000	\$0
Cornell Honeybee Research	\$152,000	\$152,000	\$0
Cornell Hops Research	\$300,000	\$0	(\$300,000)
Cornell Integrated Pest Management Support*	\$0	\$2,250,000	\$2,250,000
Cornell Maple Research	\$151,000	\$76,000	(\$75,000)
Cornell Onion Research	\$71,000	\$51,000	(\$20,000)
Cornell Pro-Livestock Program	\$250,000	\$0	(\$250,000)
Cornell Pro-Dairy Program	\$1,463,000	\$1,213,000	(\$250,000)
Long Island Cuisine Trail*	\$0	\$75,000	\$75,000
New Farmer/Horticulturalist Training & Recruitment	\$1,000,000	\$1,000,000	\$0
Cornell Vegetable Research	\$126,000	\$51,000	(\$75,000)
Center for Dairy Excellence (Profit Teams)	\$374,000	\$374,000	\$0
Empire Sheep Producers	\$50,000	\$0	(\$50,000)
Farmers Market Federation of NY EBT	\$139,000	\$139,000	\$0
Farm-to-School Competitive Grants	\$1,508,000	\$1,508,000	\$0
Geneva Exp. Station - Hops Testing	\$353,000	\$303,000	(\$50,000)
Harvest New York	\$600,000	\$600,000	\$0

Hop Growers of NY	\$50,000	\$0	(\$50,000)
Maple Producers	\$227,000	\$152,000	(\$75,000)
Cornell University Small Farms Program	\$500,000	\$500,000	\$0
Agricultural Fair Promotion & Economic Assessment <i>Includes \$550,000 for Co. Extension & Horticultural Grants</i>	\$2,000,000	\$2,000,000	\$0
AFT New Generation Research Center	\$500,000	\$0	(\$500,000)
New York State Apple Growers	\$790,000	\$483,000	(\$307,000)
New York State Turfgrass Assoc.	\$175,000	\$0	(\$175,000)
Northern NY Ag. Development	\$300,000	\$0	(\$300,000)
NY Farm Viability Institute	\$1,900,000	\$1,000,000	(\$900,000)
NYS Apple Research and Development	\$505,000	\$505,000	\$0
NYS Brewers Association	\$100,000	\$76,000	(\$24,000)
NYS Cider Association	\$100,000	\$76,000	(\$24,000)
NYS Distillers Guild	\$100,000	\$76,000	(\$24,000)
Pitney Meadows Community Farm	\$50,000	\$0	(\$50,000)
Taste NY***	\$5,750,000	\$5,750,000	\$0
Teens for Food Justice	\$25,000	\$0	(\$25,000)
Tractor Rollover Prevention/On Farm H & S	\$250,000	\$1,250,000	\$1,000,000
Volunteers Improving Neighborhood Env.	\$75,000	\$0	(\$75,000)
Wine and Grape Foundation	\$1,225,000	\$1,075,000	(\$150,000)
Northeast Organic Farming Association of NY	\$175,000	\$0	(\$175,000)
Dutchess County CCE	\$100,000	\$0	(\$100,000)
Cornell Cooperative NYC	\$250,000	\$250,000	\$0
Cornell Hemp/Cannabinoid Research	\$1,000,000	\$1,000,000	\$0
Minorities in Agriculture	\$50,000	\$50,000	\$0
Farmer's Market Resiliency Grant Program****	\$700,000	\$0	(\$700,000)
Black Farmers United of NYS	\$200,000	\$100,000	(\$100,000)
Urban Farms and Comm. Gardens Grant Program****	\$2,325,000	\$0	(\$2,325,000)
Elizabeth Haub School of Law-Pace University	\$225,000	\$225,000	\$0
John May Farm Safety Fund	\$100,000	\$0	(\$100,000)
Beginning Farmers Grants	\$1,000,000	\$0	(\$1,000,000)
GrowNYC	\$250,000	\$0	(\$250,000)
Disadvantaged Farmers Grants	\$1,000,000	\$0	(\$1,000,000)
Total	\$56,508,000	\$48,895,000	(\$7,613,000)

*=New 2024-25 Program

**=Several Cornell University animal health-related programs are not individually lined out as they have been previously.

***= This funding was transferred in 2022-23 to Agriculture and Markets from Economic Development.

****= Transferred to the Environmental Protection Fund (EPF)

ALCOHOLIC BEVERAGE CONTROL

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director

(518) 455-4131

bartlettb@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Cannabis Management Program:** \$63.1 million, \$1.1 million more than last year, for the Office of Cannabis Management (OCM). This Office regulates and controls the cultivation, processing, distribution and retail sale of cannabis, cannabis-related products, medical cannabis, and hemp within the State of New York. This funding supports 245 Full-Time Employees (FTEs) and costs incurred to expand and enhance drug recognition expert training programs and costs for advanced roadside impaired driving enforcement training.

AID TO LOCALITIES – A.8803

MAINTAINS FUNDING FOR THE FOLLOWING:

- **New York State Community Grants Reinvestment:** \$5 million is provided for expenses related to the NYS Community Grant Reinvestment Fund. In addition, \$5 million is reappropriated from the 2023-24 Enacted Budget for this initiative. Under current law, this Fund will be used by the State Cannabis Advisory Board and administered and disbursed by OCM to provide grants for qualified community-based nonprofit organizations and approved local government entities for the purpose of reinvesting in communities disproportionately affected by past Federal and State drug policies.

**PUBLIC PROTECTION AND
GENERAL GOVERNMENT –
A.8805**

Part G Combat Unlicensed Sale of Cannabis

**OFFICE OF CANNABIS MANAGEMENT (OCM)
ENFORCEMENT AUTHORITY**

The Governor proposes to strengthen the enforcement authority of the Office of Cannabis Management (OCM) to expedite the closure of unlicensed businesses selling cannabis illegally.

The Governor’s proposal would expand OCM's authority to seal a building or premises of an illicit cannabis operator upon the presence of certain factors and following the issuance of a notice of violation and order to cease unlicensed activity.

If OCM determines that the business is an imminent threat to public health and safety, OCM could issue and execute a sealing order with an immediate effective date provided that a hearing is held within 3 days of a request for such a hearing.

The proposal would also increase the civil penalties for any person engaging in unlicensed activity who refuses to let OCM perform a regulatory inspection from \$4,000 to \$20,000 for a first refusal and \$8,000 to \$40,000 for subsequent refusals.

**LOCAL GOVERNMENT ENFORCEMENT
AUTHORITY**

The Governor’s proposal would provide additional enforcement authority to localities to enforce local laws against the sale of illicit cannabis.

Localities would be authorized to adopt their own laws to establish a process for the locality to execute closure orders, seize and destroy illicit cannabis, and establish their own civil penalties against the illicit operators.

The Governor’s proposal would allow localities that adopt a local law or ordinance to establish a local registry with all licensees in their municipality, mirroring OCM’s licensee registry.

This proposal would also allow localities to receive penalty revenue from any legal actions they take related to unlicensed activity.

Part H Alcoholic Beverage Control Law The Executive Budget proposes several recommendations included in the ABC Law Commission report from May 2023, in addition to, other changes to modernize the ABC law. Specifically, this proposal would allow individuals to apply for a license with the State Liquor Authority (SLA) without having to wait 30 days for the municipal notice period to lapse; require the SLA to act on changes in membership or other corporate structure to a limited liability company (LLC) within 90 days of receipt of an application; and add cider, mead, braggot, and liquor as permissible beverages for temporary one-day permits for events. Lastly, this proposal makes two changes not specifically included in the ABC Law Commission report. These changes would remove the requirement that wine and liquor store locations be located at ground level, and also allow for outdoor catering permits.

Part I Issuance of Temporary Wholesale Permits & Multiple Wholesale Licenses This proposal would authorize the SLA to issue temporary permits to businesses that submitted an application for a wholesale license while they await determination on their application. To be eligible, the applicant must have obtained all permits, licenses, and other documents necessary to operate. The proposal would require the SLA to make a determination on the temporary wholesale permit within 45 days of receipt. A temporary permit would be in effect for six months or until the permanent license is approved for the applicant; whichever is sooner. The SLA could extend such permits for subsequent three month periods upon the payment of fees. The SLA would also have the authority to cancel or suspend a temporary permit for good cause shown. The proposal would also allow multiple wholesaler licenses (i.e. cider, wine, beer, and/or liquor) at one

location. The ABC Law currently does not allow wholesale licenses to be held by the same licensee at the same premises, but it does allow this authorization for manufacturers.

Part J Sole Administrative Authority by State Liquor Authority Chair This proposal would permanently codify the executive authority over the State Liquor Authority (SLA) and the Division of Alcoholic Beverage Control (ABC) to the SLA Chair. This authorization is set to lapse on July 18, 2024.

Part K Issuance of Temporary Retail Permits Extends the ability of the SLA to issue temporary retail permits to certain retail applicants while they wait for a full review of their license application from October 12, 2024 to October 12, 2025.

Part L Noncontiguous and Outdoor Café Licensing This proposal would allow retail on-premises licensees to file an application with SLA seeking permission to utilize municipal public space for their licensed premises. In order to receive approval from SLA, licensees must receive a permit or written authorization from the impacted municipality. This proposal would allow licensees to utilize both contiguous and non-contiguous space as part of their licensed premises. The space could be non-contiguous as long as it does not extend further than the midline of any public roadway. If the space is separated from the rest of the licensed premises by a bicycle lane, the licensee would be responsible for displaying appropriate signage to warn patrons of the oncoming bicycles. This authorization was originally granted on a temporary basis by Chapter 238 of the Laws of 2021 in order to provide expanded outdoor seating for on-premises licensees during the COVID-19 pandemic, and the authorization is set to lapse on June 30, 2025. This proposal would permanently codify the ability for licensees to seek this authorization in the Alcoholic Beverage Control Law.

REVENUE – A.8809

Part L Repeal and Replace Cannabis Potency Tax

This Part replaces the potency tax on adult use cannabis with an excise tax on the wholesale price of the purchase.

Currently, New York State imposes a tax on adult use cannabis that is based on the THC content of the product purchased. These current rates are as follows:

- Cannabis flower/pre-roll/shake products: taxed at a rate of 0.005 cent per milligram of THC content;
- Cannabis concentrates/oil products: taxed at a rate of 0.008 cent per milligram of THC content; and
- Cannabis infused/edible products: taxed at a rate of 0.03 cents per milligram of THC content.

Under this Part the THC potency-based tax would be repealed, and a 9% excise tax would be placed on the amount charged by a distributor to a cannabis retailer. For vertically integrated microbusinesses the tax will apply to 75% of the amount charged to the retail customer. These businesses own and control multiple stages of the supply of cannabis within one facility.

- ➔ This would be included on top of the existing 9% retail surcharge collected by the state and the 4% local retail surcharge collected by municipalities in which a retail dispensary is located.
 - ❖ **Effective Date:** The new 9% excise tax will be applied to all adult-use cannabis sales on or after June 1, 2024.
 - ❖ **Fiscal Impact:** None to the State.

ARTS

WAYS & MEANS CONTACT:

Justin O'Brien, Senior Budget Analyst
 (518) 455-4131
obrienj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$5.1 million, \$193,000 more than last year, due to an increase in personal service-related costs. This funding covers the cost of the Council on the Arts agency and the administration that oversees the grants provided to various arts organizations.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **National Endowment for the Arts Grants:** \$400,000. This program covers the administrative costs associated with the National Endowment for the Arts Federal Grant Award.

SIGNIFICANT ACTIONS INCLUDE:

- **State of the Arts Fellowship Program:** \$500,000 in new funding to place artists in various State agencies as a public artist in residence. Agencies that are selected to host an artist through this program will be chosen through a competitive application process.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Empire State Plaza Performing Arts Center:** \$500,000, \$280,000 more than last year, to hire additional staff and expand business operations.

SIGNIFICANT DECREASES INCLUDE:

- **Arts Grants:** \$40.6 million, \$40 million less than last year. This funding is provided to various non-profit cultural organizations through a competitive grant process.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Capital Arts Grant Fund:** \$196,000.
- **Federal Funding to Cultural Organizations:** \$1.4 million.
- **Gifts to the Arts:** \$300,000. This funding includes money that has been donated to the Arts Fund through Personal Income Tax checkoffs.

SIGNIFICANT ACTIONS INCLUDE:

- **Cultivating Havens for the Arts Through Regional Murals (CHARM) NY Program:** \$1 million in new funding to display murals in public buildings across the State.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Regional Arts and Cultural Councils Outside of New York City:** \$8 million. This program provided funding for the arts and cultural community outside of New York City. The schedule of funding for this program included:
 - ➔ \$1 million for ArtsWestchester;
 - ➔ \$1 million for Arts Center of the Capital Region;
 - ➔ \$1 million for Arts Mid-Hudson;
 - ➔ \$1 million for Arts Services Initiative of Western New York;
 - ➔ \$1 million for CNY Arts.
 - ➔ \$1 million for Genesee Valley Council on the Arts;
 - ➔ \$1 million for Huntington Arts Council;
 - ➔ \$500,000 for the Auburn Public Theater; and
 - ➔ \$500,000 for the Earlville Opera House.
- **Stabilization Grants:** \$1 million. These grants provided up to \$50,000 to small and mid-sized arts organizations to support operating expenses.

CAPITAL PROJECTS – A. 8804

SIGNIFICANT INCREASES INCLUDE:

- **Arts and Cultural Facilities Improvement:** \$50 million, \$30 million more than last year. This funding is for competitive capital grants projects administered by the Council on the Arts. These grants cover the cost of projects that include renovations and retrofitting to comply with COVID-19 health regulations and projects that result in overall energy and cost savings, among other things. Of this amount, \$20 million is available exclusively for small to midsize eligible nonprofit arts and cultural organizations.



AUDIT & CONTROL

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Audit & Control Program:** \$165.4 million, \$4.5 million more than last year, for services and expenses related to the Audit and Control Program.
- **Chief Information Office Program:** \$90.6 million, \$311,000 more than last year, for the Chief Information Office. This Office oversees information technology and data management within the agency.
- **College Choice Tuition Savings Program:** \$1.6 million, \$58,000 more than last year, for the administration of the College Savings Program.
- **Executive Direction Program:** \$3.1 million, \$133,000 more than last year, to support the general operations of the Office of the State Comptroller.
- **NY Environmental Protection and Spill Compensation Program:** \$1.2 million, \$50,000 more than last year for expenses related to the cleaning of oil spills.
- **Retirement Services Program:** \$267.1 million, \$2.8 million more than last year, for services and expenses to operating the New York State Common Retirement Fund (CRF) as well as the Public Employees Group Life Insurance Plan.
- **State and Local Accountability Program:** \$4 million, \$184,000 more than last year, for audits of all State and local government agencies, authorities, and special purpose entities.
- **State Operations Program:** \$25.7 million, \$740,000 more than last year, for the Office of State and Local Government Accountability. This office provides oversight through audits of all State and local government agencies, authorities, and special purpose entities.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Office of the State Deputy Comptroller for New York City:** \$4.8 million.

CAPITAL PROJECTS – A. 8804

SIGNIFICANT ELIMINATIONS INCLUDE:

- **IT Initiatives Program:** \$2.8 million. This funding is no longer needed as a majority of this funding was transferred last year to the Chief Information Office Program within State Operations Budget Bill.



CHILDREN & FAMILY SERVICES

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst

(518) 455-4131

heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Central Administration Program:** \$62.8 million, \$2.2 million more than last year. Of this amount, \$552,000 is allocated for the Head Start Program, which is \$15,000 more than last year.
- **Child Care Program:** \$72.4 million, \$5.3 million more than last year, to aid municipalities in administering activities under the Child Care Block Grant.
- **Family and Children's Services Program:** \$127.3 million, \$18.9 more than last year, which funds programs to assist families with abuse, juvenile delinquency and early childhood development problems.
 - ➔ \$2 million in new funding will be for providing and distributing portable cribs across New York State.
- **New York State Commission for the Blind Program:** \$49.7 million, \$713,000 more than last year, for vocational rehabilitation programs for the blind.
- **Systems Support Program:** \$43.1 million, \$12,000 more than last year, to fund maintenance and development of the statewide automated child welfare information system.
- **Training and Development Program:** \$59.8 million, \$390,000 more than last year, for training development programs for not-for-profit agencies that provide child welfare, public assistance, and medical assistance services that OCFS contracts with.
- **Youths Facilities Program:** \$171.9 million, \$3.4 million more than last year, for providing youth services including the New York Model Treatment Program for youth in the care of the Office of Children and Family Services in agency and community residential program facilities.

AID TO LOCALITIES – A.8803

CHILD CARE PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Child Care Resource and Referral Agencies:** \$25 million, \$2 million more than last year.
- **Child Care Demonstration Projects in New York City:** \$30 million, \$2 million more than last year.
- **Child Care Provider Training:** \$9 million, \$1 million more than last year.
- **Child Care Scholarships and Ongoing Professional Development:** \$20 million, \$2.6 million more than last year.
- **Child Day Care Automated Systems:** \$9 million, \$7 million more than last year, for the development and maintenance of automated systems in support of licensing and oversight of child day care providers.
- **Infant/Toddler Resource Centers:** \$9.7 million, \$2.7 million more than last year.
- **New York State Child Care Block Grant:** \$995.6 million, \$536.1 million more than last year, to provide child care subsidies to eligible families.
- **Professional Development for Child Care Providers Offered by Labor Unions:** \$1.8 million, \$250,000 more than last year.
- **Professional Development for Child Care Providers Offered by NYSUT:** \$1.3 million, \$62,000 more than last year.
- **Quality Grant Programs for Child Care Providers Offered by Labor Unions:** \$2.8 million, \$250,000 million more than last year.
- **Quality Grant Programs for Child Care Providers Offered by NYSUT:** \$1.1 million, \$89,800 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Business Navigator Program:** \$1 million, same as last year for a program to help businesses identify different child care supports for their employees. \$100,000 is allocated for each of the 10 Regional Economic Development Council regions.
- **Child Care Assistance for Local Social Services Districts:** \$550 million, same as last year to fund child care assistance among Local Social Services Districts.
- **Child Care Services in State’s Courts:** \$300,000, same as last year, for the operation of child care services in courts.
- **CUNY Foster Youth Students:** \$2.02 million, same as last year.
- **Employer-Supported Child Care Pilot Program:** \$4.8 million, same as last year, for a pilot program to provide families between 85% and 100% of the State median income with child care services.
- **Migrant Workers Child Care Services:** \$750,000, same as last year, to the Department of Agriculture and Markets for child care services for children of migrant workers.
- **Start-up Expenses and Promotion of Child Health and Safety Grants:** \$586,000, same as last year.
- **SUNY Foster Youth Students:** \$2.02 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Family Child Care Networks:** \$5 million in new funding for a new program for Family Child Care Networks (FCCNs), which are child care providers who operate their child care programs out of their own homes.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Child Care Recruitment and Enrollment Pilot Program for AFL-CIO Workforce Development Institute:** \$600,000 for the AFL-CIO Workforce Development to operate a pilot program to facilitate recruitment and enrollment of working families in New York State and outside of New York City up to 85% of the State Median Income for Child Care Assistance.
- **Child Care Recruitment and Enrollment Pilot Program for Consortium for Worker Education:** \$1.25 million for the Consortium for Worker Education to operate a pilot program to facilitate recruitment and enrollment of New York City working families up to 85% of the State Median Income for Child Care Assistance.
- **Grants to Offset Child Care Costs for AFL-CIO Workforce Development Institute:** \$4 million for AFL-CIO Workforce Development Institute to administer grants for working families in Albany, Erie, Oneida, Onondaga, Monroe, Rensselaer, Schenectady, Saratoga, and Suffolk Counties up to 400% of the Federal poverty level.
- **Grants to Offset Child Care Costs for Consortium for Worker Education:** \$1.5 million for the Consortium for Worker Education to administer grants for working families in New York City up to 400% of the Federal poverty level.

FAMILY AND CHILDREN'S SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Adoption Subsidy Program:** \$233.8 million, \$2.2 million more than last year. Subsidies are available for children with special needs, medical treatment, and hard to place children.

- **Child Fatality Review Teams:** \$843,000, \$13,900 more than last year, for services and expenses of Child Fatality Review Teams investigating the death of children.
- **Foster Care Children Medical Care:** \$70 million, \$32.6 million more than last year.
- **New York State Foster Care Block Grant:** \$401.3 million, \$2.9 million more than last year. This funding constitutes the State's Maintenance-of-Effort (MOE) to continue eligibility to receive funding from the Foster Care and Adoption Assistance Program.
- **Post Adoption Services:** \$30.1 million, \$276,000 more than last year, including services to keep children out of the foster care system or State guardianship after adoption.
- **Supportive Housing for Young Adults:** \$2.4 million, \$33,000 more than last year, for supportive housing for young adults aged 25 or younger leaving foster care and are at risk for homelessness.

SIGNIFICANT DECREASES INCLUDE:

- **Child Advocacy Centers:** \$5.2 million, \$2 million less than last year. This program funds multidisciplinary child abuse investigative teams.
- **Kinship Care Program:** \$338,750, \$1.9 million, less than last year. This program is for not-for-profit and voluntary agencies providing support services to the caretaker relative of a minor child.
- **Runaway and Homeless Youth:** \$7.8 million, \$1.3 million less than last year, for counseling services for youth at risk of running away from home or being homeless.
- **Statewide Youth Sports Program:** \$5 million, \$600,000 less than last year, to provide statewide youth sports and education grant program for underserved youths under the age of 18. This funding is provided by revenue from mobile sports betting.

- **Youth Development Programs:** \$14.1 million, \$1.5 million less than last year, for community-level services to promote positive youth development.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Adoption and Safe Families Act Compliance:** \$1.9 million, same as last year, to ensure compliance with the federal Adoption and Safe Families Act of 1997, regarding criminal background checks.
- **Child Welfare Services:** \$900 million, same as last year, for child welfare and preventive services.
- **Community Preventive Services:** \$12.1 million, same as last year.
- **Domestic Violence Victims Survivor-Centered Services:** \$5 million, same as last year, for survivor-centered services to individuals and families who have experienced domestic violence.
- **Foster Care Adoption Assistance Program:** \$869 million, same as last year, for foster care adoption assistance and kinship guardianship assistance programs.
- **Home Visiting Program:** \$26.2 million, same as last year, to provide services to pregnant women and new parents for risks that may lead to child abuse.
- **Indian Tribes Foster Care, Adult and Child Protective Services:** \$4.7 million, same as last year.
- **Institution for Mental Disease:** \$17 million, same as last year, to assist foster care congregate care programs meet the Federal definition of an Institution for Mental Disease (IMD). An IMD is an institution with more than 16 beds that provides diagnosis and treatment of persons with mental disease.
- **Secure and Non-Secure Detention Facilities:** \$76.2 million, same as last year.

- **Social Services Block Grant:** \$150 million, same as last year, to provide services to prevent, reduce, or eliminate dependency on social services programs.

SIGNIFICANT ACTIONS INCLUDE:

- **After-School Program:** \$100.8 million in new funding for a new combined after-school program. This program will combine the previous Advantage After School and Empire State After-School Programs and expand the two previous programs as well as offering technical assistance to grant recipients. The Empire State After-School Program was created in 2017 and was originally appropriated through the Department of Education before being transferred to the Office of Children and Family Services in FY24.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Advantage After School Program:** \$33 million to provide after school activities to children for up to three hours after school hours. Both the Advantage After School Program and the Empire State After-School have been merged into a new combined after-school program.
- **Empire State After-School Program (ESASP):** \$55 million to school districts, and other eligible entities to establish or expand after-school programs in high-need schools. Both the Advantage After School Program and the Empire State After-School have been merged into a new combined after-school program.
- **Various Legislative Additions:** \$67 million is eliminated for 87 programs added by the Legislature in the 2023-24 Enacted Budget, including the 2-1-1 New York program, the Fresh Air Fund, Families of Long Island, and the New York State YMCA Foundation among others. \$19.5 million of the appropriation was allocated according to a plan established by the Speaker of the

Assembly and approved by a vote of the Assembly. \$9.5 million of the appropriation was allocated according to a plan established by the Temporary President of the Senate and approved by a vote of the Senate.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Design and Construction Supervision: \$7 million, same as last year.
- Program Improvement or Program Change: \$18 million, same as last year.

NEW YORK STATE COMMISSION FOR THE BLIND

SIGNIFICANT DECREASES INCLUDE:

- New York State Commission for the Blind: \$350,000, \$65,500 less than last year, due to the elimination of the Helen Keller Services for the Blind.

TRAINING AND DEVELOPMENT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Training and Development Program: \$4.8 million, same as last year.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part G Continue the Current Financing Structure for Residential Placements of Children with Special Needs Outside of New York City This Part makes permanent the current structure of financing for the Committee on Special Education residential placements outside of New York City.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- Facilities Maintenance and Operations: \$6.4 million, \$41,000 more than last year.
- Maintenance and Improvement of Youth Facilities: \$28.8 million, \$37,000 more than last year.



CITY UNIVERSITY OF NEW YORK

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst

(518) 455-4131

colemana@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Additional Operating Support:** \$129 million in additional operating support for senior colleges, \$36 million more than last year.
- **CUNY Fringe Benefits:** \$1.04 billion, \$69.5 million more than last year.
- **Science of Reading Microcredential Programs:** \$1 million in new funding.

SIGNIFICANT DECREASES INCLUDE:

- **CUNY SEEK:** \$37 million, \$1.1 million less than last year.
- **Eliminating the TAP Gap:** \$48.2 million, \$5.6 million less than last year.
- **Mental Health Services:** \$1 million, \$1 million less than last year.
- **Nursing Programs:** \$2 million, \$1 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Care Centers:** \$1.4 million, the same as last year.

- **Hiring New Full-Time Faculty:** \$53 million, the same as last year, in State operating support for new full-time faculty at CUNY campuses, the same as last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Arthur Eve Opportunity Funding:** \$1.78 million, \$54,000 less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community College Apprenticeship Program:** \$2 million, the same as last year.
- **Community College Base Aid:** \$218 million, the same as last year. The Full-Time Equivalent (FTE) base rate is maintained at \$2,997.
- **Community College Child Care Centers:** \$1.7 million, the same as last year.
- **Community College Contract Courses:** \$1.9 million, the same as last year.

- CUNY Accelerated Study in Associates Program (ASAP): \$2.5 million, the same as last year.
- Metropolitan Commuter Transportation Mobility Tax: \$10.7 million, the same as last year.
- Next Generation NY Job Linkage Program: \$2 million, the same as last year.
- Rental Aid: \$8.9 million, the same as last year.

CAPITAL PROJECTS – A.8804

SIGNIFICANT DECREASES INCLUDE:

- CUNY Capital Projects: \$441.1 million, \$636.6 million less than last year. Including but not limited to:
 - ➔ Community College General Maintenance and Improvements: \$15.7 million, \$104 million less than last year.
 - ➔ Facilities Improvements: \$100 million, \$435 million less than last year.
 - ➔ Senior College General Maintenance and Improvements: \$284.2 million, \$100 million less than last year.

EDUCATION, LABOR, AND FAMILY ASSISTANCE – A.8806

Part F Tuition Assistance Program Tuition Credit Extender The Executive Budget proposes making permanent various sections of the SUNY 2020 Challenge Grant Program Act, enacted in 2011, and the Tuition Assistance Program (TAP) Tuition Credit. The TAP tuition credit requires institutions of the State University of New York (SUNY) and the City University of New York (CUNY) to reduce the amount of tuition billed to TAP award recipients based on the difference between the maximum TAP award, currently \$5,665, and full-time resident undergraduate tuition, currently \$7,070 for SUNY State-operated campuses. The State now fully reimburses SUNY and CUNY for the cost of these TAP tuition credits. This State reimbursement authorization is already permanent law. Removing the TAP tuition credit repeal date in current law would align these interrelated provisions of law. This credit is currently set to expire July 1, 2024.



CIVIL SERVICE

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Office of Diversity and Inclusion Management Program:** \$4.5 million, \$1 million more than last year, for developing and administering an anti-racism training program for State employees.
- **Personnel Benefit Services Program:** \$27.9 million, \$560,000 more than last year, for services and expenses related to the personnel benefit services program.
- **Personnel Management Services Program:** \$47.8 million, \$12.7 million more than last year, for services and expenses related to the personnel management services program.
- **Test Evaluation and Validation Program:** \$4.8 million, \$50,000 more than last year, for the test evaluation and validation program.

SIGNIFICANT DECREASES INCLUDE:

- **Administration and Information Management Program:** \$11.9 million, \$1.9 million less than last year, for services and expenses related to the administration and information management program.

AID TO LOCALITIES – A.8803

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration and Information Management Program:** \$2 million for reimbursement to public authorities or municipal corporations for costs of providing sick leave for officers and employees with a qualifying World Trade Center condition.

PUBLIC PROTECTION & GENERAL GOVERNMENT – A.8805

Part Q Eliminate the Lag Payroll and Salary Withholding Program for Newly Hired State Employees This Part would eliminate the Lag Payroll and Salary Withholding for newly hired State employees with an effective date of appointment on or after July 1, 2024. Currently, all State employees must wait approximately one month before receiving their first paycheck and receive a 10% pay reduction for their first ten weeks of employment.

Part S Eliminate Medicare Income Related Monthly Adjustment Amounts (IRMAA) to High Income Retirees This Part would eliminate the State's reimbursement of the Income Related Monthly Adjustment Amounts (IRMAA) to high-income State retirees and their dependents enrolled in the New York State Health Insurance Program (NYSHIP). In 2007, the Federal Government implemented IRMAA, requiring higher-income enrollees to pay more into Medicare to reduce federal Medicare expenses. With the IRMAAs introduction, New York State has been reimbursing both the Medicare premium and the IRMAAs premium. This change makes it so the enrollee with an annual income of \$103,000 or higher, \$206,000 or higher for joint filers, will only be reimbursed by the State for their Medicare premium.

Fiscal Impact: Enactment of this Part would save the State \$5.6 million in Fiscal Year 2026; \$23.5 million in FY 2027; \$28.2 million in FY 2028; and \$33.8 million in FY 2029.

Part T NYSHIP Interest for Premiums in Arrears This Part would permit the Department of Civil Service (DCS) to charge interest to New York State Health Insurance Program (NYSHIP) participating employers that do not pay NYSHIP premiums by the due date.

If enacted, DCS would have the authority to apply an interest amount no greater than the interest incurred by the health insurance plan.

Furthermore, the Director of Budget would be authorized to intercept any funds appropriated by the State from all participating NYSHIP employers that fail to pay their NYSHIP premium on schedule and to direct such amounts to the Health Insurance Fund to meet its obligations.

Fiscal Impact: Enactment of this Part would save the State \$20 million in FY 2025; and \$80 million in FY 2026.



CORRECTIONS & COMMUNITY SUPERVISION

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinhart@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$83.8 million, \$180,000 more than last year, for services and expenses related to the administration program.
- **Community Supervision Program:** \$155 million, \$4.7 million more than last year, for services and expenses related to the Community Supervision Program.
- **Correctional Industries Program:** \$77.6 million, \$380,000 more than last year, for services and expenses related to the Correctional Industries Program.
- **Parole Board Program:** \$8.3 million, \$110,000 more than last year, for the services of the Board of Parole.
- **Support Services Program:** \$333.4 million, \$2.8 million more than last year, for the support services program.

SIGNIFICANT DECREASES INCLUDE:

- **Health Services Program:** \$410.2 million, \$6.8 million less than last year, for services and expenses related to the Health Services Program.
- **Program Services Program:** \$280.9 million, \$2.9 million less than last year, for services and expenses related to the Program Services Program.
- **Supervision of Incarcerated Individuals Program:** \$1.6 billion, \$31.5 million less than last year, for services and expenses related to the supervision of individuals in custody. This funding also supports services and expenses incurred by providing therapeutic and rehabilitative programs related to the Humane Alternatives to Long Term (H.A.L.T.) Solitary Confinement Act.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Treatment and Residential Stabilization for Offenders in the Community:** \$9.1 million, \$2 million more than last year, for treatment and stabilization of offenders in the community. This funding pays for existing contracts, or is distributed through a competitive process, to programs that provide direct payments of stipends or housing assistance to offenders, proprietors of households, landlords, or other governmental entities to offset housing costs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Center for Employment Opportunities:** \$1 million for a program with the Center for Employment Opportunities to assist with vocational or employment skills training or the attainment of employment.
- **Family Televisiting:** \$430,000. This funding is provided to the Osborne Association to support family televisiting at the Albion Correctional Facility and other facilities.
- **Health Services Program:** \$14 million. This represents the State’s share of medical assistance services to incarcerated individuals.
- **Housing and Board of Felony Offenders:** \$5.2 million. This funding is for direct payments to localities for the housing of felony offenders.
- **Re-Entry with a Focus on Family:** \$250,000. This funding is provided to the Osborne Association for a re-entry with a Focus on Family Program at the Queensboro Correctional Facility and other facilities.
- **Vocational Training:** \$9 million to support vocational programs for parolees and other offenders.

CAPITAL PROJECTS – A. 8804

SIGNIFICANT INCREASES INCLUDE:

- **Facilities Maintenance and Operations:** \$111.4 million, \$2.2 million more than last year, for the maintenance of various facilities.
- **Preparations and Review of Plans Relating to Existing or Proposed Facilities:** \$27 million, \$11 million more than last year.
- **Preservation of Facilities:** \$281.5 million, \$76.5 million more than last year.
- **Program Improvement or Program Change:** \$93.2 million, \$6.2 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Environmental Protections:** \$20.9 million, \$2.2 million less than last year.
- **Health and Safety:** \$11.5 million, \$11.5 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Preventative Maintenance:** \$15 million.
- **Alterations and Improvements Within the Correctional Industries Program:** \$3 million.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part D Correctional Facility Closures This Part would allow the Governor to close up to five correctional facilities within Fiscal Year 2025, which will conclude on March 31, 2025. This Part circumvents the State Correction Law on prison closures which currently requires that the

Commissioner of Corrections and Community Supervision shall:

- ➔ Confer with the Department of Civil Service, the Governor's Office of Employee Relations and any other appropriate state agencies to develop strategies to minimize the impact of the closure on the state work force;
- ➔ Consult with the Department of Economic Development and any other appropriate state agencies to develop strategies to minimize the impact of such closures on the local and regional economies;
- ➔ Provide a 12-month notice by certified mail to all local governments, employee labor organizations, and managerial and confidential employees of the prison; and
- ➔ At least six months before the proposed prison closure takes effect, provide an adaptive reuse plan that considers future prison uses and assesses the effects of the closure on the community.

Instead, this Part only requires a 90 day notice prior to any closure. Such notice shall identify the facility or facilities selected for closure and sent to both the Temporary President of the Senate and the Speaker of the Assembly.

The Commissioner of Corrections and Community Supervision will also report on the results of staff relocations within 60 days after the closures. At the time of publication of this book there are no facilities identified for closure by the Executive.



COMMUNITY RESILIENCY, ECONOMIC SUSTAINABILITY, AND TECHNOLOGY (CREST)

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist

(518) 455-4131

toranzo@nyassembly.gov

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **Community Resiliency, Economic Sustainability, and Technology (CREST) Program:** No new funding. This program totals \$770 million and has \$768.8 million in reappropriations.

CREST PROGRAM CRITERIA:

- This program provides grants for capital costs related to acquisition, design, construction, reconstruction, demolition, rehabilitation, preservation, development, improvement or modernization of an existing or proposed facility or other property real and personal, as well as other appurtenances.
- Funds may be used for the acquisition of equipment and other capital assets with a useful life of not less than ten years purchased for installation or use in infrastructure that is owned or controlled by the grant recipient or appurtenant thereto.
- In cases involving the acquisition of non-fixed equipment and capital assets with a useful life of not less than 10 years, such assets will be used by the grant recipient.
- Eligible purposes will include, but not limited to, projects intended to improve the quality of life of the residents of the State of New York through investments in facilities that support arts, cultural, athletic, housing, child care, educational, parks and recreational, transportation, port development, economic development, work force training, employment development, tourism, community redevelopment, climate change mitigation, resiliency, environmental sustainability, and other civic activities.

- Any projects in support of port development, economic development, workforce training, or employment development will create or retain jobs or catalyze economic activity in NYS as certified by the Commissioner of the Department of Economic Development.

CREST CRITERIA CHANGES INCLUDED IN THE 2023-24 ENACTED BUDGET:

- **Chapter 54 of the Laws of 2022, \$385 million Reappropriation:** The Enacted Budget added language to include that grants may be used for vehicles or the acquisition of bond eligible equipment and other capital assets with a useful life of less than 10 years. Such equipment and other capital assets must be for health and safety purposes and purchased for installation onto infrastructure that is owned or controlled by the grant recipient or appurtenant thereto. Provided that in cases involving the acquisition of non-fixed equipment and capital assets, including vehicles, with a useful life of less than 10 years such assets will solely be used by the grant recipient.

FUNDING ALLOCATIONS:

- Individual grants issued will be in an amount no less than \$50,000.
- Funding will be made pursuant to a plan agreed to by the Director of the Budget, Speaker of the Assembly, and President Pro Temp of the Senate.
- Funds may be interchanged, transferred from the appropriation to any other appropriation of any State department, agency, public benefit corporation or public authority or sub-allocated to any other State department, agency or public benefit corporation to achieve this purpose.



CRIMINAL JUSTICE SERVICES

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst
 (518) 455-4131
reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administrative Program:** \$12.6 million, \$740,000 more than last year, for services related to the administration program.
- **Crime Prevention and Reduction Strategies Program:** \$80.8 million, \$2.2 million more than last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Crime Analysis Centers:** \$33 million, \$15 million more than last year. This increase in funding is part of the Governor’s proposal to fight organized retail theft. This funding is provided to:
 - ➔ **Dedicated Retail Theft Teams in District Attorney (DA) Offices:** \$10 million for DAs to prosecute property crime cases.
 - ➔ **Local Law Enforcement:** \$5 million for supporting local law enforcement against retail theft.

- **Enforcement of Medical Cannabis Law:** \$2 million, \$1.8 million more than last year, for discretionary grants to state and local law enforcement for the enforcement of Medical Cannabis Law.
- **Gun Involved Violence Elimination (GIVE):** \$72.1 million, \$35.7 million more than last year, to provide local law enforcement agencies with funding to reduce gun violence and increase the prosecution of domestic violence cases among high-risk offenders.
- **Rape Crisis Centers:** \$6.3 million, \$2.6 million more than last year, for services and expenses of rape crisis centers and for programs to prevent rape.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Alternatives to Incarceration:** \$36.6 million. This funding is provided to local governments and nonprofits to support programs aimed at alternatives to incarceration, community supervision, drug, and alcohol treatments and/or employment programs.
 - ➔ **Aid to Counties and NYC:** \$5.2 million.
 - ➔ **Nonprofits:** \$31.4 million.

- **Ballistic Soft Body Armor Vests:** \$1.4 million. Funding is provided to municipal corporations, public authorities, the State Police, and regional State parks for ballistic soft body armor vests.
- **Crimes Against Revenue Program for District Attorneys:** \$13.5 million.
- **Crime Laboratories:** \$6.3 million. Funding is provided to crime laboratories to help with accreditation, training, and capacity enhancement.
- **Defense Services:** \$40 million for defense services incurred by local government entities and nonprofits.
- **Discovery Implementation:** \$120 million. This funding is allocated to the following:
 - ➔ **Defense Services:** \$40 million.
 - ➔ **NYC Prosecutorial Services:** \$40 million.
 - ➔ **Statewide Prosecutorial Services:** \$40 million.
- **District Attorney Salaries:** \$4.2 million for grants to counties to support district attorney salaries.
- **Extreme Risk Protection Orders:** \$10 million for services and expenses related to enforcing and investigating extreme risk protection orders.
- **Gang Prevention Youth Programs in Nassau and Suffolk Counties Law Enforcement Agencies:** \$500,000.
- **Legal Services Assistance Account:** \$4.2 million for payments to local government agencies and non-profit providers that provide civil or criminal legal services. This appropriation is typically distributed to various groups through budget negotiations.
- **Local Probation Departments:** \$44.9 million to Counties and NYC for local probation departments.
- **NYS District Attorneys Association:** \$100,000.
- **NYS Prosecutors Training Institute:** \$2.1 million for continuing legal education, training, and Medicaid fraud prosecution.
- **Operation SNUG Programs:** \$21 million.
- **Pretrial Services:** \$20 million.
- **Prosecutorial Services of Counties:** \$47 million. This funding is provided to counties to help with the hiring of new prosecutors across the State.
- **Rebuild Aftermath of Violence Between Government and Community-Based Programs:** \$20 million.
- **Recidivism Reduction Programs:** \$11.5 million.
- **Special Narcotics Prosecutor:** \$830,000.
- **State and local crime reduction, youth justice and gang prevention programs:** \$31.1 million.
- **Witness Protection Program:** \$290,000.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Criminal Justice Legislative Adds:** \$34.7 million in Legislative additions. Significant eliminations include:
 - ➔ **Community Safety and Restorative Justice Programs:** \$7.2 million.
 - ➔ **Criminal and Civil Legal Services in Upstate Counties:** \$3.5 million.
 - ➔ **Crime Reduction Funding:** \$3.3 million. Funding for nonprofits and local governments for screening, supervision, job placement, counseling, drug treatment, and legal services.
 - ➔ **Gun Violence Prevention:** \$1.5 million.
 - ➔ **New York State Defenders Association:** \$2.1 million.
 - ➔ **Prisoner's Legal Services of NY:** \$3.1 million.
 - ➔ **Westchester County Policing Program:** \$2.7 million.

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Capital Investment to Combat Gun Violence:** \$50 million. Funding is to support competitive grants for capital investments related to innovative crime reduction strategies in communities affected by gun violence.
- **Securing Communities Against Hate Crimes (SCAHC) Grant Program:** \$35 million. Funding is provided to at-risk eligible nonprofit facilities with financial assistance for enhancing facilities’ physical security systems and staff training.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Technology Acquisition:** \$18 million for services and expenses related to the acquisition and development of technology, including but not limited to equipment, software, and services.
- **Discovery Implementation:** \$50 million for services expenses and grants related to the acquisition and development of technology to support discovery, including equipment, software, hardware and consulting services.

doing so, an assault on a retail worker would be treated the same as an assault on a first responder and would be bail-eligible. Specifically, a person can be charged with this offense if they cause physical injury to another person with the specific intent of preventing the retail worker from performing his or her lawful duties. There is no definition given for the term “retail worker.”

Part B Penalties for the Reselling of Stolen Goods
 This Part makes the new crime of fostering the sale of stolen goods. Under this Part, anyone who fosters the sale of stolen goods, either in person or online, and knew or should have known that such goods were stolen, could be charged with this new crime. Those found guilty would be charged with a class A misdemeanor.

Part C Expand Hate Crime Eligibility
 This Part would expand the list of offenses eligible to be prosecuted as a hate crime. Some of these offenses include gang assault, aggravated murder, labor trafficking, making graffiti, falsely reporting an incident, and various sex crimes.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part A Penalties for the Assault of Retail Workers
 This Part would add “retail worker” to the list of persons protected under the crime of assault in the second degree, which is a class D violent felony. By



DEBT SERVICE

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
 (518) 455-4131
toranzo@nyassembly.gov

STATE DEBT SERVICE – A.8802

SIGNIFICANT ACTIONS INCLUDE:

Debt Service Bill: Appropriates approximately \$13.5 billion for payments to principal, interest and related expenses towards the State’s outstanding debt. This funding is necessary to make legally required payments related to the sale and servicing of debt by the State, as well as contractual debt agreements with public authorities and agencies.

- Specifically, these payments are going toward general obligation bonds, revenue bonds, lease purchase agreements and other special contractual obligations. Further, the appropriation provides reserve funds for market rate fluctuations and debt reduction needs.
- The proposed FY25 Debt Service Bill provides additional appropriation authority needed to pay debt service costs if the proposed fifth round of short-term liquidity financing totaling \$4 billion in short-term notes of debt is adopted and then issued by the State. This is \$1 billion less than what was authorized in the FY24 Enacted Budget. The previously authorized line of credit is no longer being proposed.

➔ In FY21, the State authorized \$11 billion in short term liquidity.

- ❖ This authorization was only utilized in FY21, where \$4.5 billion was issued under the short-term note authorization and was paid back before the start of FY22.

➔ In FY22, FY23, and FY24, the State authorized \$5 billion in short-term liquidity financing each year. None of these authorizations were used.

➔ At this time, the FY25 Executive Budget does not include any planned short-term financing with this authorization and, therefore, does not have to account for any debt service payments.

- For FY25, approximately 30% of debt service costs will go towards principal costs and 70% of debt service costs will cover the interest portion.
- State-related debt service is expected to grow by 6.6%, on an average annual basis, over the 5-year Capital Plan and is projected to be 3.0% of the FY25 All Funds budget. All Funds receipts are only projected to increase by an average of 2.9% over the same time period.

FINANCIAL PLAN IMPLICATIONS

Projected State-related debt service costs for FY25 are \$3.0 billion (this cash spending figure is accounted for in the Executive Budget Financial & Capital Plans), an increase of \$415 million or 16% from FY24 costs.

- The breakdown of the \$3.0 billion is as follows:
 - ➔ Dedicated Highway Revenue Bond Cash Payment: \$45 million;
 - ➔ Gateway Development Corporation: \$3 million;
 - ➔ General Obligation Cash Payment (voter-approved debt): \$260 million;
 - ➔ Health Income Revenue Bond Cash Payment: \$19 million;
 - ➔ Personal Income Tax Notes (Short-term Liquidity Notes): \$0;
 - ➔ Personal Income Tax Revenue Bond Cash Payment: \$1.8 billion;
 - ➔ Sales Tax Revenue Bond Cash Payment: \$842 million; and
 - ➔ Service Contract Bonds: \$14 million.
- Debt Reduction Reserve Fund: \$500 million, same as last year. There is no cash behind this appropriation.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

THE FOLLOWING ARTICLE VII PARTS IMPACT EITHER STATE, AUTHORITY OR LOCAL DEBT SERVICE OBLIGATIONS

Part V NYC Transitional Finance Authority (TFA) Bonding Limit The Executive Budget proposes increasing the bonding capacity for the NYC TFA to help the City support its capital initiatives.

Beginning July 1, 2024, the bonding capacity will increase from \$13.5 billion to \$19.5 billion and have a second increase beginning July 1, 2025 to \$25.5 billion. The current bond cap has been in existence since 2009.

Part X Sweeps and Transfers

§3-4 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

- \$500 million from the General Fund to the Debt Reduction Reserve Fund; and
- \$1 billion from the General Fund to the Health Care Transformation Fund.

§27 Mental Health Arbitrage Rebate Continues the authorization to allow Mental Hygiene facilities to use excess debt service appropriations to make arbitrage rebate payments to the Federal government, if necessary, to protect the tax-exempt status of the bonds.

§28-§46 Bond Caps These sections increase the traditional bond caps (debt authorization authority) by approximately \$11.7 billion to fulfill the proposed 2024-25 Executive Budget proposals.

§48 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2025, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget maintains these amounts as follows:

- \$15 million, the same as last year, from the State University General Income Reimbursable Account;

- \$5 million, the same as last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, the same as last year, from the City University Senior College Operating Fund.

§49-50 Comptroller Review of Private Sale Revenue Bonds The Executive Budget proposes defining the conditions for private New York State PIT (§49) and Sales Tax (§50) bond transactions, which the Comptroller is required to review and approve. The approval of the private sale of such bonds and the terms by the Comptroller shall be limited to a review of the reasonableness of:

- The bond pricing, taking into account current interest rates;
- The costs of issuance and underwriters discount for such bonds;
- If the sale includes refunding bonds, cash flow savings and net present value savings; and
- If the sale involves an interest rate exchange or similar agreement, the economic terms of such agreement.

Further, the Comptroller must consider whether the final maturity of the bonds complies with the following:

- The legal authorization for the project or projects being financed; and
- The parameters established in the authorized issuer’s resolution authorizing the issuance of such bonds, as approved by the Public Authorities Control Board.

§51 Fixed Asset Definition Update The Executive Budget proposes updating the fixed asset definition within the State Finance Law to include conservation easements. This is intended to help with bonding for projects under the Environmental Bond Act of 2022.

§52 State Assessed Per Bond Fee Update The Executive Budget proposes to update the schedule

for the State assessed per bond fee, known as the Bond Issuance Charge, by exempting it from refunding transactions, eliminating it on transactions for less than \$20 million, and reducing the fee for all transactions greater than \$20 million from \$8.40 per \$1,000 bonded to \$3.50 per \$1,000 bonded.

§53-54 Bond Purchases The Executive Budget proposes amendments to the State Finance Law to clarify that the State can purchase a bond from current holders to include instances where the redemption price paid provides an economic benefit to the State as certified in writing by a financial advisor to the State.

§55 State Liquidity Financing Measures The Executive Budget proposes to continue the authorization to issue up to \$4 billion of short-term borrowing in the form of Personal Income Tax (PIT) Revenue Notes, for the purpose of temporarily financing budgetary needs of the State due to adverse economic and fiscal events and risks, disasters and emergencies. This is an increase of \$1 billion from FY24. The maturity of these bonds can be no later than March 31st of the State Fiscal Year in which such notes are issued. This would permanently give the State authorization to do this without the need to seek approval in every budget cycle. The notes are not considered a debt of the State and cannot be renewed, extended or refunded.

§56 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50 years until April 1, 2025.

TRANSPORTATION, ECONOMIC
DEVELOPMENT AND
ENVIRONMENTAL
CONSERVATION – A.8808

**THE FOLLOWING ARTICLE VII PARTS
IMPACT EITHER STATE, AUTHORITY OR
LOCAL DEBT SERVICE OBLIGATIONS**

Part W Battery Park City Authority Bond Capacity
This Part would authorize an increase to the Battery
Park City Authority’s non-renewable bonding cap
from \$1.5 billion to \$2.5 billion, to support the
Authority’s plans to perform critical infrastructure
maintenance and resiliency-related work.



ECONOMIC DEVELOPMENT

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director

(518) 455-4131

bartlettb@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Empire State Entertainment Diversity Job Training:** \$4 million, \$2 million more than last year, to support grants for job creation and training programs that recruit, hire, promote and train an inclusive workforce as production company employees in the motion picture and television industry.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **I Love NY:** \$2.5 million.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Centers for Advanced Technology (CAT):** \$13.6 million, \$1.5 million less than last year. These Centers support university-industry collaborative research and technology

transfer in commercially relevant technologies.

- **Centers of Excellence (COE):** \$12 million, \$1.97 million less than last year. COE foster collaboration between the academic research community and the business sector to develop and commercialize new products and technologies. Funding for each COE shall include:
 - ➔ **Albany COE in Data Science in Atmospheric and Environmental Prediction and Innovation:** \$800,000, \$200,000 less than last year;
 - ➔ **Albany COE in Nanoelectronics:** \$895,455, \$104,545 less than last year;
 - ➔ **Binghamton COE in Small Scale Systems Integration and Packaging:** \$895,455, \$104,545 less than last year;
 - ➔ **Buffalo COE in Bioinformatics and Life Science:** \$895,455, \$104,545 less than last year;
 - ➔ **Buffalo COE in Materials Informatics:** \$895,455, \$104,545 less than last year;
 - ➔ **Clarkson COE in Healthy Water Solutions:** \$375,000, \$625,000 less than last year;
 - ➔ **Cornell University COE in Food and Agriculture Innovation:** \$895,455, \$104,545 less than last year;

- ➔ New York Medical College COE in Precision Responses to Bioterrorism and Disaster: \$1 million, same as last year;
 - ➔ Rochester COE in Data Science: \$895,455, \$104,545 less than last year;
 - ➔ Rochester COE in Sustainable Manufacturing: \$895,455, \$104,545 less than last year;
 - ➔ RPI / RIT / NYU COE in Digital Game Development: \$895,455, \$104,545 less than last year;
 - ➔ Stony Brook COE in Advanced Energy Research: \$895,455, \$104,545 less than last year;
 - ➔ Stony Brook COE in Wireless and Information Technology: \$895,455, \$104,545 less than last year; and
 - ➔ Syracuse COE in Environmental and Energy Systems: \$895,455; \$104,545 less than last year.
- Local Tourism Matching Grants: \$2.45 million, \$1 million less than last year. Tourism Promotion Agencies (TPAs) can use matching funds from this program to market their destination and increase the number of visitors and tourism spending across the State.

MAINTAINS FUNDING FOR THE FOLLOWING:

- High Technology Matching Grants Program: \$12 million. This funding would support various high technology matching grants programs, including the Small Business Innovative Research (SBIR) program and the Small Business Technology Transfer (STTR) program. The purpose of these programs is to attract more Federal R&D funding to support technology development and commercialization efforts in New York State.
- Innovation Hot Spots: \$5 million. This funding provides operating support for NYS Hot Spots and NYS Certified Incubators.

Businesses located in these Hot Spots are exempt from business, real property and sales taxes for five years.

- Manufacturing Extension Partnership Program: \$15.47 million. This funding supports a network of organizations that provide growth and innovation services to small and mid-sized manufacturers.
- Technology Development Organization Matching Grants: \$1.38 million. The purpose of this program is to provide grants to not-for-profit corporations for the purpose of promotion, attraction, stimulation, development and expansion of science and technology-oriented economic activity in a particular region of the State.
- University of Rochester Laser Energetics Program: \$1 million.



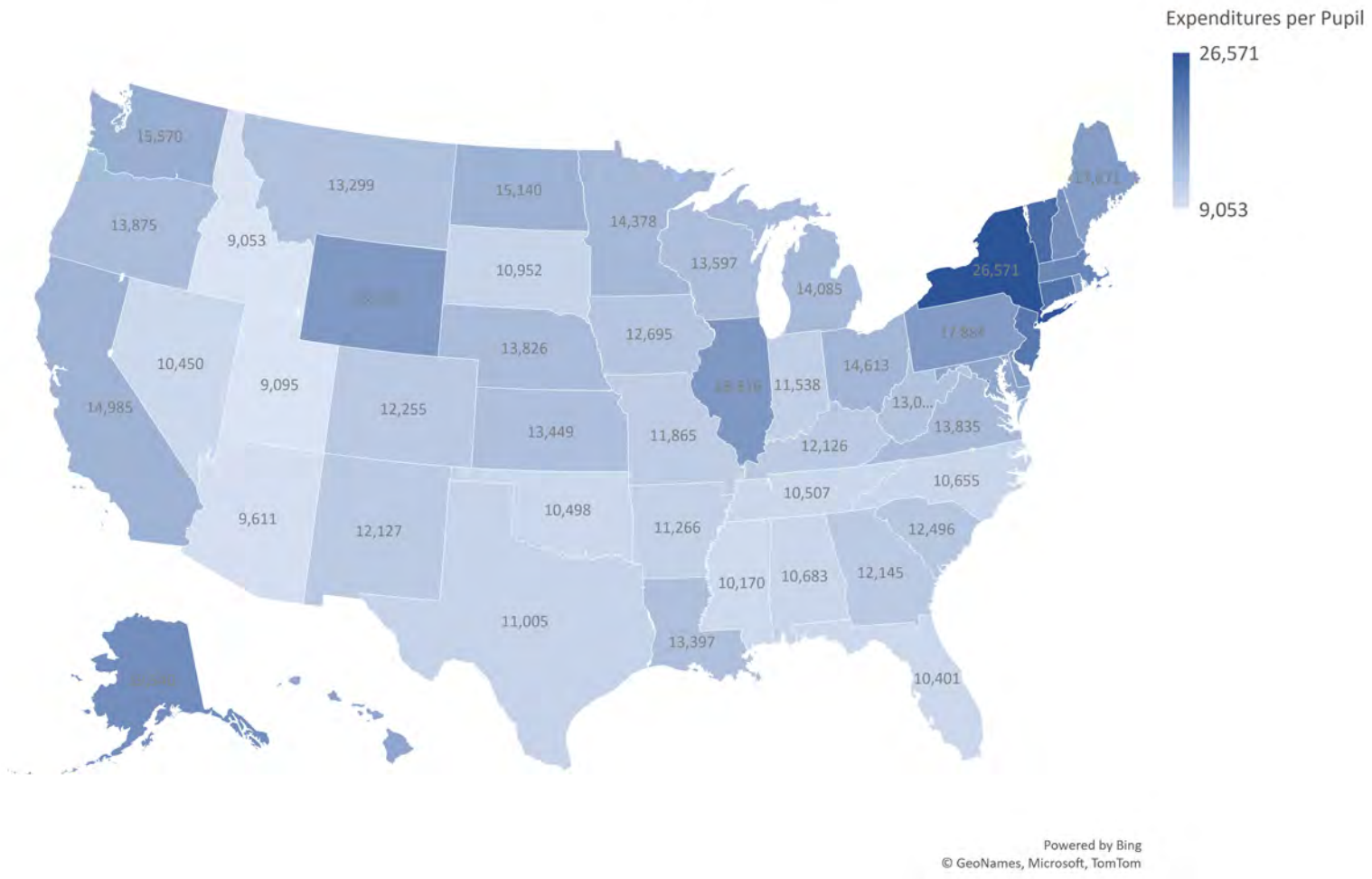
EDUCATION

WAYS & MEANS CONTACT:

Justin O'Brien, Senior Budget Analyst
 (518) 455-4131
obrienj@nyassembly.gov

According to the US Census, in Fiscal Year 2021, New York State's public school per pupil spending was \$26,517. This continues to rank as the highest in the United States and is 60% above the national average of \$14,347 as shown in *Figure 1*.

U.S. School System Current Spending per Pupil: Fiscal Year 2021
Figure 1



STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Adult Career and Continuing Education Services Program:** \$157.4 million, \$6.4 million more than last year, primarily due to an increase in funding for Federal vocational rehabilitation and supported employment programs.
- **Cultural Education Program:** \$78.5 million, \$4.3 more than last year, due to an increase in funding for the administration of various cultural education programs. Also included within this total appropriation is:

 - ➔ \$3 million in new funding for the NOVELny program;
 - ➔ \$275,000 in new funding for the State Museum to comply with the Unmarked Burial Site Protection Act; and
 - ➔ \$1 million less for the Summer School of the Arts, which has been eliminated.
- **Office of Higher Education and the Professions Program:** \$86.1 million, \$3.4 million more than last year, primarily due to an increase in funding for the Licensing and Disciplining Programs for the Professions and the Teacher Certification Office. The increased funding for the Teacher Certification Office will be used as part of a third-year effort to modernize the TEACH certification system, which aims to expedite processing times for the following application types:

 - ➔ **State-Approved Teacher Preparation Programs:** No more than four weeks;
 - ➔ **Reciprocity Applications:** No more than six weeks;
- ➔ **Individual Evaluation of Credentials:** No more than eight weeks; and
- ➔ **Certificate Progression:** No more than eight weeks.
- **Office of Management Services (Chief Financial Officer):** \$63.9 million, \$5.1 million more than last year, due to an increase in personal service and contractual service costs. This Office oversees the finances of school districts and includes the State Aid unit which produces School Aid runs.
- **Office of Prekindergarten through Grade Twelve Education Program:** \$280.4 million, \$14.5 million more than last year. This net increase can be attributed to:

 - ➔ \$7.2 million more for costs associated with the administration of Federal grant programs including Title I-VII grant programs and the Individuals with Disabilities Education Act (IDEA), among others;
 - ➔ \$6.5 million more for the administration of programs through the National School Lunch Act;
 - ➔ \$2.2 million more for personal service and contractual costs incurred by the Office of Prekindergarten through Grade Twelve Education Program;
 - ➔ \$41,000 more for contractual costs incurred by the State Office of Religious and Independent Schools;
 - ➔ \$27,000 more for contractual costs incurred by the Office of Family and Community Engagement; less
 - ➔ \$1.1 million less than last year for the State Education Department to undertake a comprehensive study of alternative tuition rate-setting methodologies for approved preschool and school-age special education providers;
 - ➔ \$250,000 eliminated for the New York City Department of Education for

administrative costs associated with Mayoral Control of New York City schools through 2028; and

➔ \$150,000 eliminated for the Fiscal Consultant for the Rochester City School District.

- **School for the Blind Program:** \$11.7 million, \$567,000 more than last year, for the administration of the School for the Blind in Batavia, New York.
- **School for the Deaf Program:** \$10.5 million, \$464,000 more than last year, for the administration of the School for the Deaf in Rome, New York.

AID TO LOCALITIES – A.8803

GENERAL SUPPORT FOR PUBLIC SCHOOLS (SCHOOL AID)

The Executive Budget provides \$34.7 billion in total State School Aid funding, an increase of \$824.7 million, or 2.4%. (See *Figure 4* following the Capital Projects summary for a complete program-by-program breakdown of these School Aid changes).

SIGNIFICANT FORMULA-BASED AID INCREASES INCLUDE:

- **BOCES Aid:** \$1.3 billion, \$17.9 million more than last year. This aid is funded at present law levels.
- **Charter School Transition Aid:** \$58.1 million, \$5 million more than last year. This aid is funded at present law levels.
- **Computer Software Aid:** \$41.8 million, \$108,698 more than last year. This aid is funded at present law levels.

- **Foundation Aid:** \$24.5 billion, \$507.1 million more than last year. This funding increase reflects the following factors:

➔ **Elimination of the Foundation Aid Hold Harmless Provision:** Currently, districts that are scheduled to receive less Foundation Aid than the prior year are “Held Harmless” and receive the same Foundation Aid amount they did the prior year. The Governor is proposing to eliminate this provision and replace it with a wealth-based “Transition Adjustment.” This adjustment only provides a portion of the hold harmless a district was expecting to receive based on a wealth formula. This, in turn, will lead to certain school districts seeing a year-to-year reduction in their Foundation Aid;

➔ **Foundation Aid State Sharing Ratio (FASSR) Cap Increase:** Increases the cap on the Foundation Aid State Sharing Ratio (FASSR) from 90% to 91%. This ratio represents the percentage of State Aid a district is entitled to based on various district wealth factors; and

➔ **Reduced Inflation Factor:** An inflation factor of 2.4% representing the average change in the consumer price index over the last 10 calendar years, exclusive of the highest and lowest years. Under current law, the inflation factor utilizes a full calendar year and would be 3.8%.

- **Hardware and Technology Aid:** \$34.3 million, \$456,429 more than last year. This aid is funded at present law levels.
- **Library Materials Aid:** \$17.5 million, \$343,802 more than last year. This aid is funded at present law levels.
- **Private Excess Cost (Special Education) Aid:** \$455.5 million, \$17.4 million more than last year. This aid is funded at present law levels.

- **Public Excess Cost (Special Education) Aid:** \$649.8 million, \$75.1 million more than last year. This aid is funded at present law levels.
- **Special Services Aid:** \$224 million, \$2.2 million more than last year. This aid is funded at present law levels.
- **Transportation Aid, including Summer Transportation Aid:** \$2.5 billion, \$148.5 million more than last year. This aid is funded at present law levels.
- **Universal Prekindergarten Aid:** \$1.2 billion, \$99.3 million more than last year. For the 2024-25 School Year, this funding is provided to school districts based on the sum of:
 - ➔ **Formula-based UPK Aid:** Provides funding to school districts based upon the maximum number of full-day four-year-old prekindergarten pupils a district was able to serve in the previous year; plus
 - ➔ **Statewide Universal Full-Day Prekindergarten Program (SUFDPK):** Incentivizes and funds certain universal full-day prekindergarten programs based on an allocation list developed in the FY15 Enacted Budget; and
 - ➔ **Full-Day Four-Year-Old Expansion Grants:** Includes expansion grants that were awarded through the 2021-22 Federal UPK expansion grant (transitioning to State-funded UPK in the 2024-25 School Year), 2021-22 Federal SUFDPK expansion grant (transitioning to State-funded SUFDPK in the 2024-25 School Year), and both rounds of the 2022-23 State SUFDPK expansion grants.

SIGNIFICANT DECREASES INCLUDE:

- **Building Aid:** \$3.3 billion, \$44.5 million less than last year. This aid is funded at present law levels.

- **Reorganization Incentive Building Aid:** \$11.3 million, \$3.5 million less than last year. This aid is funded at present law levels.
- **Reorganization Incentive Operating Aid:** \$2.4 million, \$657,077 less than last year. This aid is funded at present law levels.
- **Textbook Aid:** \$161.5 million, \$65,873 less than last year. This aid is funded at present law levels.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Academic Enhancement Aid:** \$28.3 million. This aid is funded at present law levels.
- **High Tax Aid:** \$223.3 million. This aid is funded at present law levels.
- **Supplemental Public Excess Cost Aid:** \$4.3 million. This aid is funded at present law levels.

SIGNIFICANT ACTIONS INCLUDE:

- **Full Day-Kindergarten Conversion Aid:** There is no funding provided on the school aid run for Full Day-Kindergarten Conversion Aid. This funding is dependent on schools submitting a claim for expenses to convert from half-day to full-day kindergarten programs. The lack of funding on the school aid run can be attributed to no schools claiming reimbursement to facilitate this transition to a full-day program. If a school district applies for Full Day-Kindergarten Conversion Aid for a future conversion, aid will be provided to the district through this formula as the law dictates.

GRANT PROGRAMS AND OTHER AID CATEGORIES

See *Figure 5* after the Capital Projects summary for a complete program-by-program breakdown of these changes.

SIGNIFICANT INCREASES INCLUDE:

- **Charter School Facilities Aid:** \$120 million, \$20 million more than last year. This funding is provided explicitly to New York City who is required to provide new and expanding charter schools with co-located space or pay a portion of the rental costs for private facilities. This funding is provided to cover rental costs for the 2023-24 school year and prior years.
- **Education of Students Located by the Office of Mental Health and the Office of People with Developmental Disabilities:** \$48.8 million, \$1 million more than last year.
- **Homeless Pupil Grants:** \$32 million, \$250,000 more than last year.
- **Nonpublic School Aid:** \$313.2 million in total funding to nonpublic schools, \$43.2 million more than last year. This funding includes:
 - ➔ **Academic Intervention Services:** \$922,000, same as last year;
 - ➔ **Comprehensive Attendance Policy (CAP):** \$86.7 million, \$7.4 million more than last year;
 - ➔ **Mandated Services Aid (MSA):** \$129.5 million, \$13.8 million more than last year;
 - ➔ **Additional MSA and CAP for Prior Year Claims:** \$23 million in new funding to reimburse additional 2021-22 and 2022-23 School Year expenses to comply with State mandates;
 - ➔ **Science, Technology, Engineering and Science (STEM) Program Funding:** \$73 million, same as last year;
 - ➔ **State School Immunization Program:** \$1 million eliminated for nonpublic schools

to comply with State school immunization requirements.

- **School Lunch and Breakfast Program:** \$180 million, \$11 million more than last year. This funding reimburses schools for the cost of providing school breakfast and lunch programs in excess of the Federal rates of reimbursement for the National School Lunch Act and Child Nutrition Act, including schools that are enrolled in the Federal Community Eligibility Provision (CEP) program.
- **Summer School Special Education Programs:** \$404 million, \$36.5 million more than last year.
- **Statewide Universal Full-Day Prekindergarten Program (SUFDPK):** \$428.4 million, \$3.4 million more than last year. This funding includes the following grant programs:
 - ➔ **Statewide Universal Full-Day Pre-Kindergarten (SUFDPK):** \$340 million, same as last year; and
 - ➔ **Various SUFDPK Expansion Grants:** \$88.4 million, \$3.4 million more than last year. This funding represents the consolidation of the following SUFDPK expansion grant programs into one appropriation:
 - ❖ Federal 2021-22 SUFDPK expansion grants that transitioned to State-funded SUFDPK in the 2023-24 School Year;
 - ❖ Both rounds of 2022-23 State SUFDPK expansion grants; and
 - ❖ 2023-24 SUFDPK expansion grants.

SIGNIFICANT DECREASES INCLUDE:

- **Center for Autism and Related Disabilities at SUNY Albany:** \$1.2 million, \$500,000 less than last year.
- **Consortium for Worker Education (CWE):** \$11.5 million, \$1.5 million less than last year.

- Native American Education: \$69.3 million, \$910,000 less than last year.
- School Tax Relief (STAR) Program: \$1.6 billion, \$141.5 million less than last year. This decrease is attributable to the conversion of the STAR Real Property Tax Exemption to the STAR Personal Income Tax Credit.
- Teacher Resource and Computer Training Centers: \$6.4 million, \$15 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Allowances to Private Schools for the Blind and the Deaf (4201 Schools): \$111.9 million.
- Bilingual Education Grants: \$18.5 million.
- BOCES Aid for Special Act Districts: \$700,000.
- Building Aid for Native Americans: \$5 million. Building Aid is provided to school districts educating pupils residing on Native American reservations.
- Building Aid for Special Act School Districts: \$2.7 million.
- Charter School Institute: \$4.8 million.
- Community School Regional Technical Assistance Centers: \$1.2 million. This funding is for the operation of three regional centers that provide technical assistance to school districts establishing and operating community school programs.
- County Vocational Education and Extension Boards (CVEEB): \$932,000.
- Early College High School Programs: \$1 million.
- Education of Children of Migrant Workers: \$89,000.
- Employment Preparation Education: \$96 million.
- Extended Day Competitive Grant Program: \$24.3 million.
- Health Education Grants: \$691,000.
- Incarcerated Youth Education: \$6 million.
- Just for Kids at SUNY Albany: \$235,000.
- Learning Technology Grants: \$3.3 million.
- Locally Sourced Food Reimbursement: \$10 million. This funding is to reimburse school lunch programs that have purchased at least 30% of their total food products from New York State farmers, growers, producers, and processors.
- Math and Science High Schools: \$1.4 million.
- Mentoring and Tutoring Program: \$490,000.
- Minimum Wage Increase Offset for 4201, 853, Special Act and 4410 Schools: \$17.2 million. This funding is provided to support the direct salary costs and fringe benefits associated with any minimum wage increase that takes effect this year for 4201, 853, Special Act and 4410 schools.
- My Brother's Keeper Initiative: \$18 million.
- New York State Center for School Safety: \$466,000.
- Out of School Immigrant Youth and Young Adults: \$1 million.
- Postsecondary Aid to Native Americans: \$800,000.
- Preschool Special Education: \$1.04 billion. This funding is the State's 59.5% share of costs for preschool special education. The remaining 40.5% is paid for by the countries.
- Primary Mental Health Project at the Children's Institute: \$894,000.
- Reduced Price Meals: \$2.3 million to pay for the student cost of reduced-price meals.
- Roosevelt Union Free School District Academic Improvement Grants: \$12 million.
- School Bus Driver Training Grants: \$400,000.
- School Health Services for the Big Four City School Districts: \$13.8 million.

- Small Government Assistance to School Districts: \$1.9 million.
- Summer Lunch Program: \$3 million.
- Supplemental Charter School Tuition: \$185 million. Of this amount, \$150 million will be expended from the General Fund and \$35 million will be backfilled by Federal American Rescue Plan (ARP) funds.
- Syracuse City School District Say Yes to Education: \$350,000.
- Targeted Prekindergarten Grants: \$1.3 million.
- Teacher-Mentor Intern Program: \$2 million.
- Teachers of Tomorrow: \$25 million.
- Voluntary Inter-district Urban-Suburban Transfer Program: \$8.9 million.

SIGNIFICANT ACTIONS INCLUDE:

- Evidence-Based Training for Reading Instruction at NYSUT Education and Learning Trust: \$10 million in new funding to train 20,000 teachers across the State in the science of reading as part of the Governor’s “Back to Basics” reading proposal.
 - ➔ See Part B of A.8806 (Education, Labor and Family Assistance Article VII) in this section for a complete description of this initiative.
- Supplemental Assistance Grants: \$100 million in new funding for school districts eligible for Foundation Aid. This funding would be used to negotiate further School Aid increases.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Additional Grants to Certain School Districts and Other Programs: \$51.7 million. This includes:
 - ➔ Bard High School Early College in Queens: \$461,000.
 - ➔ BioBus: \$400,000.

- ➔ BRIC Arts Media BKLYN: \$150,000.
- ➔ Bullet Aid (Member specific education grants): \$37.3 million. This included:
 - ❖ Assembly Bullet Aid: \$9.8 million;
 - ❖ Executive Bullet Aid: \$20 million; and
 - ❖ Senate Bullet Aid: \$7.5 million.
- ➔ Center for Educational Innovation: \$500,000.
- ➔ Center for Jewish History: \$100,000.
- ➔ Cleary School for the Deaf: \$500,000.
- ➔ Clinically Rich Intensive Teacher Institute Bilingual Extension: \$385,000.
- ➔ Consortium for Worker Education Credential Initiative: \$250,000.
- ➔ Cultural Museum of African Art: \$100,000.
- ➔ DIA Art Foundation: \$150,000.
- ➔ Education Through Music: \$150,000.
- ➔ Executive Leadership Institute: \$974,500.
- ➔ Flushing Town Hall: \$150,000.
- ➔ Future Giants: \$240,000.
- ➔ Henry Viscardi School: \$903,000.
- ➔ Long Island Latino Teachers Association: \$40,000.
- ➔ Long Island Pre-K Initiative (Nassau BOCES): \$750,000.
- ➔ Magellan Foundation, Inc.: \$475,000.
- ➔ Many Threads, One Fabric Implicit Bias Training: \$1.1 million.
- ➔ Mill Neck Manor School for the Deaf: \$500,000.
- ➔ Mind Builders Creative Arts Center: \$365,000.
- ➔ New York City Expanded Specialized High School Test Preparation: \$2 million.
- ➔ New York School for the Deaf: \$903,000.
- ➔ NYC Kids Rise, Inc.: \$650,000.
- ➔ Promise Project: \$250,000.

- ➔ Queens College Townsend Harris High School: \$250,000.
- ➔ St. Francis de Sales School for the Deaf: \$150,000.
- ➔ St. Mary’s School for the Deaf: \$150,000.
- ➔ Storm King Arts Center: \$50,000.
- ➔ Teacher Diversity Pipeline Pilot Program: \$500,000. This funding was for a pilot program operated by the State University College at Buffalo for the Buffalo City School District to assist teacher aides and teaching assistants in attaining the necessary educational and professional credentials to obtain teacher certification.
- ➔ Underground Railroad Education Center: \$150,000.
- ➔ United Community Schools: \$450,000.
- ➔ Universal Hip Hop Museum: \$250,000.
- East Ramapo Central School District Monitor: \$225,000.
- Hempstead Union Free School District Monitor: \$175,000.
- High School-College-Workforce Transformation Grants: \$10 million. This program established local collaboratives consisting of school districts or BOCES, local community colleges, and local industries to implement strategic workforce plans that promote job readiness in their local economies.
- Relief for Tax Certiorari and Taxable Property Valuation Change: \$2 million. This funding was allocated to school districts that face significant financial hardship due to extraordinary changes in taxable property valuations, or a significant shift in tax liability due to a tax certiorari settlement or judgment. School districts that received this funding were selected by the Senate in an itemized list of grantees in a resolution.
- Rochester City School District Monitor: \$175,000.

- School Health Services for Buffalo: \$1.2 million.
- School Health Services for Rochester: \$1.2 million.
- Wyandanch Union Free School District Monitor: \$175,000.
- Yonkers City School District: \$12 million.

ADULT CREER AND CONTINUING EDUCATION SERVICES PROGRAM (ACCESS)

MAINTAINS FUNDING FOR THE FOLLOWING:

- Adult Literacy Education: \$9.3 million.
- Case Services for Disabled Individuals: \$54 million.
- College Reader Aid Payments: \$1 million.
- Independent Living Centers: \$16 million.
- Literacy and Basic Education Grants: \$1.8 million.
- Supported and Integrated Employment: \$15.2 million.

CULTURAL EDUCATION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

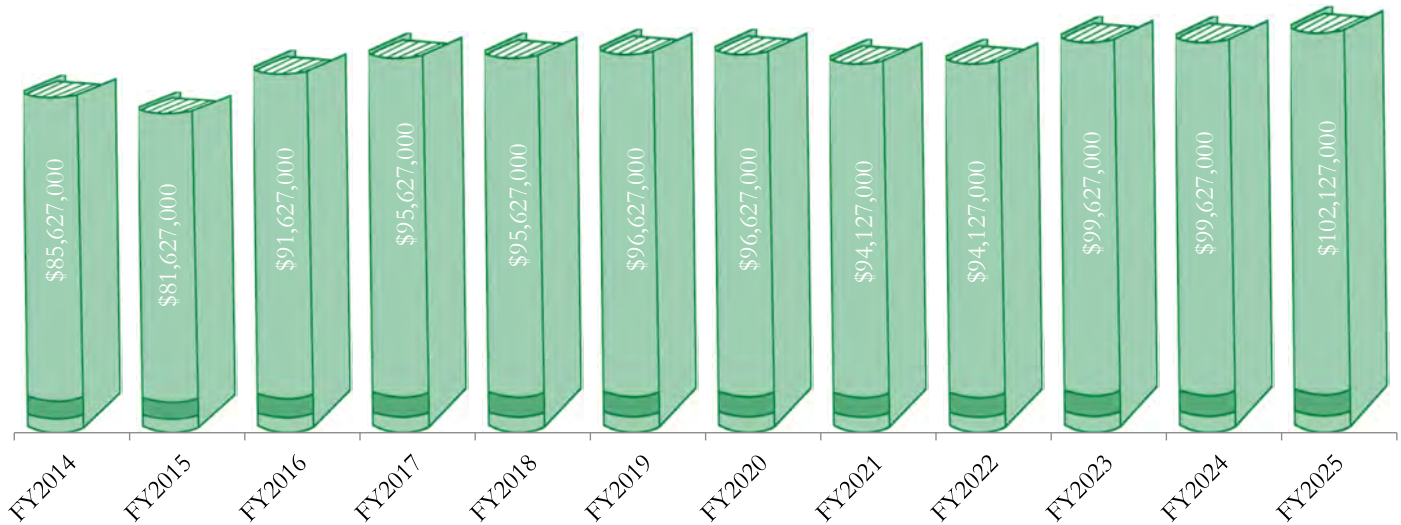
- Library Aid: \$102.1 million, \$2.5 million more than last year.
- ➔ Please see *Figure 2* for Historical Library Aid.

SIGNIFICANT DECREASES INCLUDE:

- Statewide Summer Reading Program (Love Your Library): \$100,000, \$76,000 less than last year.
- ➔ This funding is provided from contributions made by taxpayers when completing their annual tax filings (commonly referred to as a voluntary tax-check off).

HISTORICAL STATE LIBRARY AID

Figure 2



MAINTAINS FUNDING FOR THE FOLLOWING:

- Documentary Heritage Grants and Aid to Archives: \$461,000.
- Langston Hughes Community Library and Cultural Center of the Queens Library: \$112,500.
- Local Governments Records Management Grants: \$8.3 million.
- Public Educational Television and Radio: \$14 million.
- Schomburg Center for Research in Black Culture: \$375,000.

OFFICE OF HIGHER EDUCATION & THE PROFESSIONS

SIGNIFICANT DECREASES INCLUDE:

- Enhanced Services for Students with Disabilities: \$2 million, \$2 million less than last year. This funding enhances supports and services for students with disabilities enrolled in New York State degree granting colleges and universities.
- Collegiate Science and Technology Entry Program (C-STEP): \$15.8 million, \$482,000 less than last year.
- Foster Youth College Success Initiative: \$7.9 million, \$241,000 less than last year.
- Higher Education Opportunity Program (HEOP): \$46.9 million, \$1.4 million less than last year.

- **Independent Colleges and Universities (Bundy Aid):** \$21.8 million, \$13.4 million less than last year. This decrease is attributable to the Governor's proposal to limit Bundy Aid to institutions with endowment assets of less than \$750 million.
 - ➔ See Part D of A.8806 (Education, Labor and Family Assistance Article VII) in this section for a complete breakdown of this proposal.
- **Liberty Partnerships Program:** \$24.2 million, \$738,000 less than last year.
- **Science and Technology Entry Program (STEP):** \$20.9 million, \$636,000 less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **High Needs Nursing Programs:** \$941,000. This program provides financial assistance to expand High Needs Nursing Programs at private colleges and universities.
- **National Board for Professional Teaching Standards Certification Grant Program:** \$368,000.
- **Teacher Opportunity Corps Program:** \$450,000.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Dental Grants Programs:** \$750,000.
- **Latino U College Access:** \$350,000.
- **On Point for College, Inc.:** \$200,000.



CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Library Construction Grants:** \$34 million. Library Construction Grants are available to public libraries for the acquisition, rehabilitation, renovation, or construction of buildings.
➔ Please see *Figure 3* for Historical Library Construction Aid.
- **New York State School for the Blind:** \$4.5 million. This funding is for renovations at the New York State School for the Blind.
- **New York State School for the Deaf:** \$3 million. This funding is for renovation projects at the New York State School for the Deaf.

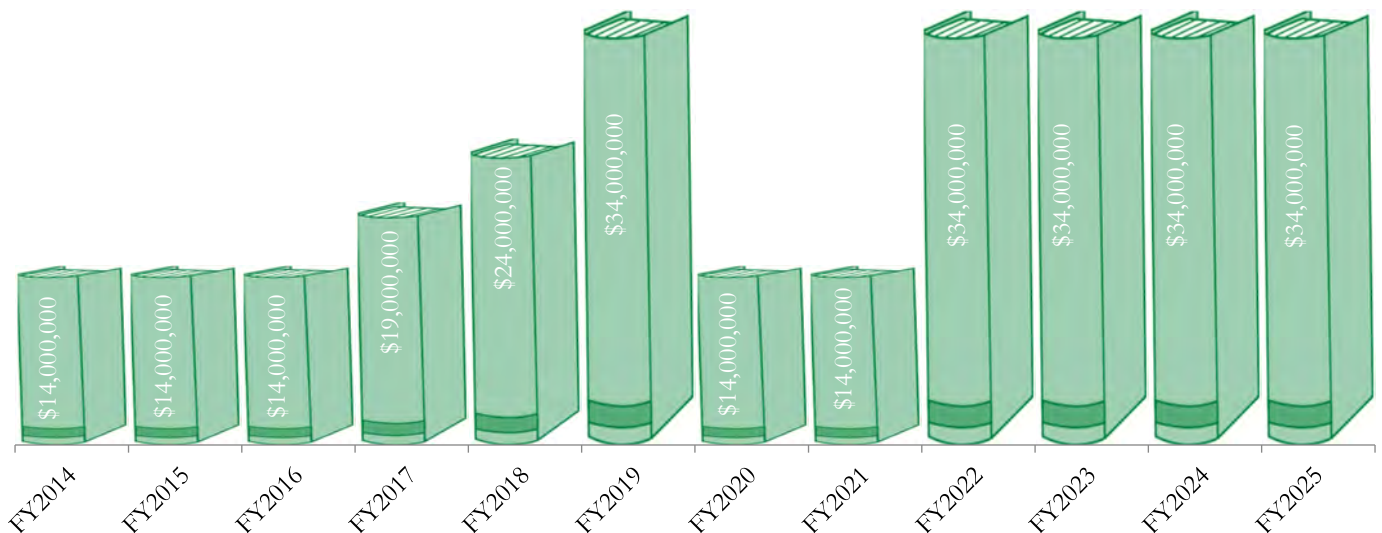
- **Nonpublic School Health and Safety Equipment Projects:** \$45 million. Nonpublic safety grants are available for health and safety equipment, security personnel and related assessments and training needs for nonpublic schools.
- **Schools for Native American Reservations:** \$20.1 million.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Office of the Professions Electronic Licensing System:** \$5.2 million.

HISTORICAL STATE LIBRARY CONSTRUCTION AID

Figure 3



2024-25 Executive School Aid
 Appropriations for the 2023-24 and 2024-25 School Years
 Figure 4

I. Formula Based Aid	2023-24	2024-25	\$ CHANGE	% CHANGE
Foundation Aid	\$23,998,878,704	\$24,505,958,574	\$507,079,870	2.1%
Academic Enhancement Aid	\$28,271,832	\$28,271,832	\$0	0.0%
Charter School Transition Aid	\$53,121,966	\$58,125,350	\$5,003,384	9.4%
High Tax Aid	\$223,298,324	\$223,298,324	\$0	0.0%
Full Day-Kindergarten Conversion Aid	\$0	\$0	\$0	-
Reorganization Incentive Operating Aid	\$3,023,009	\$2,365,932	(\$657,077)	(21.7%)
Universal Prekindergarten Aid	\$1,077,588,258	\$1,176,935,356	\$99,347,098	9.2%
General Purpose Aid Subtotal	\$25,384,182,093	\$25,994,955,368	\$610,773,275	2.4%
Private Excess Cost Aid	\$438,110,697	\$455,545,952	\$17,435,255	4.0%
Public Excess Cost High Cost Aid	\$574,749,672	\$649,806,162	\$75,056,490	13.1%
Supplemental Public Excess Cost Aid	\$4,313,167	\$4,313,167	\$0	0.0%
Support for Pupils with Disabilities Subtotal	\$1,017,173,536	\$1,109,665,281	\$92,491,745	9.1%
BOCES Aid	\$1,257,335,643	\$1,275,264,236	\$17,928,593	1.4%
Non-BOCES Academic Improvement Aid	\$50,742,558	\$52,264,412	\$1,521,854	3.0%
Non-BOCES Career Education Aid	\$139,149,443	\$140,419,738	\$1,270,295	0.9%
Non-BOCES Computer Administration Aid	\$31,865,314	\$31,306,759	(\$558,555)	(1.8%)
BOCES/Career and Technical Ed. Subtotal	\$1,479,092,958	\$1,499,255,145	\$20,162,187	1.4%
Computer Software Aid	\$41,734,600	\$41,843,298	\$108,698	0.3%
Hardware and Technology Aid	\$33,799,069	\$34,255,498	\$456,429	1.4%
Library Material Aid	\$17,114,268	\$17,458,070	\$343,802	2.0%
Textbook Aid	\$161,612,606	\$161,546,733	(\$65,873)	(0.0%)
Instructional Materials Aid Subtotal	\$254,260,543	\$255,103,599	\$843,056	0.3%
Building Aid	\$3,382,239,407	\$3,337,712,473	(\$44,526,934)	(1.3%)
Reorganization Incentive Building Aid	\$14,781,063	\$11,296,999	(\$3,484,064)	(23.6%)
Transportation Aid	\$2,390,011,183	\$2,538,463,602	\$148,452,419	6.2%
Summer Transportation Aid	\$4,999,845	\$4,999,785	(\$60)	(0.0%)
Other Formula-Based Aid Subtotal	\$5,792,031,498	\$5,892,472,859	\$100,441,361	1.7%
Total Formula-Based Aid	\$33,926,740,628	\$34,751,452,252	\$824,711,624	2.4%
II. Grant Programs and Additional Aid Categories:				
Bilingual Education Grants	\$18,500,000	\$18,500,000	\$0	0.0%
BOCES Aid for Special Act Districts	\$700,000	\$700,000	\$0	0.0%
Bus Driver Safety Training Grants	\$400,000	\$400,000	\$0	0.0%
Chargebacks	(\$35,000,000)	(\$35,000,000)	\$0	0.0%
Edu. of OMH/OPWDD	\$47,750,000	\$48,750,000	\$1,000,000	2.1%
Employment Preparation Education Aid	\$96,000,000	\$96,000,000	\$0	0.0%
Homeless Pupils	\$31,730,000	\$31,980,000	\$250,000	0.8%
Incarcerated Youth	\$6,000,000	\$6,000,000	\$0	0.0%
Learning Technology Grants	\$3,290,000	\$3,290,000	\$0	0.0%
Native American Building Aid	\$5,000,000	\$5,000,000	\$0	0.0%
Native American Education	\$70,180,000	\$69,270,000	(\$910,000)	(1.3%)
Roosevelt	\$12,000,000	\$12,000,000	\$0	0.0%
Special Act School Districts	\$2,700,000	\$2,700,000	\$0	0.0%
School Health Services	\$13,840,000	\$13,840,000	\$0	0.0%
Teacher-Mentor Intern	\$2,000,000	\$2,000,000	\$0	0.0%
Teachers of Tomorrow	\$25,000,000	\$25,000,000	\$0	0.0%
Urban-Suburban Transfer	\$8,860,000	\$8,860,000	\$0	0.0%
Total Grant and Additional Aid Categories	\$308,950,000	\$309,290,000	\$340,000	0.1%
III. Competitive Grants				
Competitive Grants	\$195,610,000	\$195,610,000	\$0	0.0%
Additional SUFDPK Expansion Grants ¹	\$50,000,000	\$50,000,000	\$0	0.0%
Total Competitive Grants	\$245,610,000	\$245,610,000	\$0	0.0%
Total State School Aid	\$34,481,300,628	\$35,306,352,252	\$825,051,624	2.4%

¹The FY24 Enacted Budget included a \$50 million expansion for SUFDPK. As of the FY25 Executive Budget, these funds have not yet been awarded to individual school districts. These funds will be included on future School Aid runs after awards are made.

Source: New York State Department of Education & The Division of Budget

2024-25 Executive Budget
Other Public Elementary and Secondary Education Programs
FIGURE 5

Grant Program	2023-24	2024-25	\$ CHANGE	% CHANGE
Additional Grants to Certain School Districts and Other Programs ¹	\$51,721,000	\$0	(\$51,721,000)	(100.0%)
Allowances to Private Schools for the Blind and the Deaf (4201 Schools)	\$111,900,000	\$111,900,000	\$0	0.0%
Buffalo Health Services Grants	\$1,200,000	\$0	(\$1,200,000)	(100.0%)
Center for Autism at SUNY Albany	\$1,740,000	\$1,240,000	(\$500,000)	(28.7%)
Charter Schools Facilities Aid	\$100,000,000	\$120,000,000	\$20,000,000	20.0%
Charter School Institute	\$4,837,000	\$4,837,000	\$0	0.0%
Community School Regional Technical Assistance Centers	\$1,200,000	\$1,200,000	\$0	0.0%
Consortium for Worker Education (CWE)	\$13,000,000	\$11,500,000	(\$1,500,000)	(11.5%)
County Vocational Education and Extension Boards (CVEEB)	\$932,000	\$932,000	\$0	0.0%
Early College High School Program	\$1,000,000	\$1,000,000	\$0	0.0%
East Ramapo CSD	\$225,000	\$0	(\$225,000)	(100.0%)
Education and Learning Trust (NYSUT)	\$0	\$10,000,000	\$10,000,000	-
Education of Children of Migrant Workers	\$89,000	\$89,000	\$0	0.0%
Extended Day Grants	\$24,344,000	\$24,344,000	\$0	0.0%
Health Education Programs	\$691,000	\$691,000	\$0	0.0%
Hempstead UFSD	\$175,000	\$0	(\$175,000)	(100.0%)
High School-College-Workforce Transformation Grants	\$10,000,000	\$0	(\$10,000,000)	100.0%
Just for Kids at SUNY Albany	\$235,000	\$235,000	\$0	0.0%
Locally Sourced Food Reimbursement	\$10,000,000	\$10,000,000	\$0	0.0%
Math and Science High Schools	\$1,382,000	\$1,382,000	\$0	0.0%
Mentoring and Tutoring (Hillside Work-Scholarship Connection)	\$490,000	\$490,000	\$0	0.0%
Minimum Wage Offset for 853, 4410, and 4201 Schools	\$17,180,000	\$17,180,000	\$0	0.0%
My Brother's Keeper	\$18,000,000	\$18,000,000	\$0	0.0%
Nonpublic School Aid - Academic Intervention Services (AIS)	\$922,000	\$922,000	\$0	0.0%
Nonpublic School Aid - (MSA and CAP)	\$195,028,000	\$239,228,000	\$44,200,000	22.7%
Nonpublic School Aid - State School Immunization Program (SSIP)	\$1,000,000	\$0	(\$1,000,000)	(100.0%)
Nonpublic School Aid - STEM Programs	\$73,000,000	\$73,000,000	\$0	0.0%
NYS Center for School Safety	\$466,000	\$466,000	\$0	0.0%
Out of School Immigrant Youth and Young Adults (DACA)	\$1,000,000	\$1,000,000	\$0	0.0%
Postsecondary Aid to Native Americans	\$800,000	\$800,000	\$0	0.0%
Preschool Special Education	\$1,035,000,000	\$1,035,000,000	\$0	0.0%
Primary Mental Health Project	\$894,000	\$894,000	\$0	0.0%
Reduced Price School Meals	\$2,300,000	\$2,300,000	\$0	0.0%
Rochester CSD	\$175,000	\$0	(\$175,000)	(100.0%)
Rochester Health Services Grants	\$1,200,000	\$0	(\$1,200,000)	(100.0%)
Say Yes to Education - Syracuse	\$350,000	\$350,000	\$0	0.0%
School Lunch and Breakfast Program	\$169,000,000	\$180,000,000	\$11,000,000	6.5%
Small Government Assistance	\$1,868,000	\$1,868,000	\$0	0.0%
Summer Lunch Program	\$3,049,000	\$3,049,000	\$0	0.0%
Summer School Special Education Programs	\$367,500,000	\$404,000,000	\$36,500,000	9.9%
Supplemental Assistance Grants	\$0	\$100,000,000	\$100,000,000	-
Supplemental Basic Charter Tuition	\$185,000,000	\$185,000,000	\$0	0.0%
Targeted Pre-K	\$1,303,000	\$1,303,000	\$0	0.0%
Teacher Resource and Computer Training Centers	\$21,392,000	\$6,418,000	(\$14,974,000)	(70.0%)
Wyandanch UFSD	\$175,000	\$0	(\$175,000)	(100.0%)
Yonkers City School District	\$12,000,000	\$0	(\$12,000,000)	(100.0%)
Subtotal	\$2,443,763,000	\$2,570,618,000	\$126,855,000	5.2%

¹ See page 81 for a complete listing of all additional grant programs to certain school districts and all other grant programs

Source: New York State Division of Budget

EDUCATION, LABOR AND
FAMILY ASSISTANCE – A. 8806

PART A SCHOOL AID

§1 Contract for Excellence (C4E) This Section requires that all school districts currently in the Contracts for Excellence program, to remain in the program unless all school buildings in the district are reported as “In Good Standing.” School districts that remain would be required to maintain funding on C4E programs at the same level required for the 2023-24 School Year.

§2 Total Foundation Aid Calculation Provides that a district's allocation of total Foundation Aid is determined by adding the district's transition adjustment to the product of the district's selected Foundation Aid and the total number of eligible students.

§3 Foundation Aid Inflation Factor Calculation The proposal changes how the inflation factor is calculated for the purposes of determining a district's Foundation Aid allocation by using the percentage increase in the Consumer Price Index (CPI) for the 10 most recent calendar years, excluding the highest and lowest values. Currently, this calculation is calculated using the percentage increase in the CPI in the previous calendar year. For the 2024-25 School Year this results in a CPI inflation factor of 2.4%, whereas current law would result in a CPI inflation factor of 3.8%.

§4 Foundation Aid Hold Harmless Elimination and Transition Adjustment Replacement This Section eliminates the Foundation Aid hold harmless provision that ensured that every district receives at least as much Foundation Aid as they did in the

prior school year. Instead, it replaces this provision with a “transition adjustment”. The transition adjustment is additional funding that is added to every school's total Foundation Aid calculation if they are scheduled to receive a Foundation Aid cut. The value of each district's transition adjustment is equal to the district's Foundation Aid State Sharing Ratio (FASSR), but not less than 50%, multiplied by the decrease in Foundation Aid that the district would receive. If a district is not scheduled to receive a Foundation Aid cut, then their transition adjustment amount would be 0.

§5 New York City Foundation Aid for Afterschool Programs Extends the authority granted to the New York City Department of Education to use their Foundation Aid allocation for afterschool programs through the 2028-29 School Year.

§6 through §7 Foundation Aid Phase-In Calculation Elimination Repeals and cleans up various sections of law that determined every district's Foundation Aid phase-in schedule prior to each district having their Foundation Aid fully phased-in for the first time in the 2023-24 School Year.

§8 Foundation Aid State Sharing Ratio (FASSR) Cap Increase Raises the cap on the Foundation Aid State Sharing Ratio (FASSR) from 90% to 91% in the 2024-25 School Year and thereafter.

§9 Intentionally omitted.

§10 Foundation Aid Base Freeze Provides that a district's Foundation Aid base year amount shall not be changed after the first day of the following school year.

§11 Emergency Building Aid for Small City School Districts Repeals language that made small city school districts eligible for financing through the Capital Outlay program if bonding for a Building Aid project would have caused the district to exceed its constitutional debt limit. In the November 2023 General Election, a statewide referendum was adopted by voters that removed small city school districts' debt limitation from the State Constitution, thereby aligning their debt capacity with all other

independent school districts. This Section removes unnecessary language from State law under the Capital Outlay program as a result of the removal of the small city school district debt limitation.

§12 through §13 Transportation Aid Reimbursement for Zero-Emission School Buses

These Sections amend the Transportation Aid formula to exclude any vouchers, payments or grants allocated to school districts through the Environmental Bond Act for the purchase of zero-emission school buses and supporting infrastructure from being considered offsetting revenue. NYSEDA would be required to provide the Commissioner of Education with a list of grants, payments, and vouchers awarded to each school district from Environmental Bond Act funds for the purchase of zero-emission buses and supporting infrastructure no later than one month prior to the end of each calendar year and each school year. Other information to be included in such list includes:

- The type and number of zero-emission school buses to be funded by these payments or grants;
- The supporting infrastructure to be funded by these payments or grants;
- The award amounts of each payment or grant;
- The direct recipient of each payment or grants;
- The district receiving such payment or grant that benefitted from such voucher;
- The date on which the payment or grant was received; and
- Any other information necessary for the calculation of the recipient district's Transportation Aid.

By excluding these grants from the calculation of Transportation Aid, school districts will no longer be penalized with reduced Transportation Aid as a result of receiving these grants.

§14 Academic Enhancement Aid Provides school districts with the same amount of Academic Enhancement Aid for the 2024-25 School Year at the same rate as the previous year.

§15 High Tax Aid Provides language to continue to fund High Tax Aid for the 2024-25 School Year at the same rate as the previous year.

§16 through §17 Universal Prekindergarten (UPK) Supplement Not Supplant Elimination These Sections eliminate the “supplement, not supplant” requirements in UPK and SUFDPK grant programs that districts must exhaust all the funds from one grant before using funds from another grant for the purposes of a universal prekindergarten program.

§18 Universal Prekindergarten Extender Extends until June 30, 2025, the authorization of the Commissioner of Education and the Board of Regents to establish guidelines to allow school districts to collaborate with other agencies and programs to provide prekindergarten instruction.

§19 Smart Schools Review Board Dissolution This Section would dissolve the Smart Schools Review Board, currently comprised of the SUNY Chancellor, NYSED Commissioner, and Director of the Budget, and consolidate approval authority under the Commissioner of Education to review and approve Smart School Investment Plan applications.

§20 through §21 Mayoral Control of New York City Public Schools Extends mayoral control of the New York City public schools for an additional four years until June 30, 2028.

§22 Prior Year Claims Deadline This Section would limit the State Education Department to make payments for prior year claims made up to the 2023-24 School Year for a period of one-year following the conclusion of the 2023-24 School Year.

§23 Definitions of Base Year and Current Year Sets the definitions of base year and current year for the purposes of School Aid.

§24 Teachers of Tomorrow Teacher Recruitment and Retention Program Extends the Teachers of Tomorrow Teacher Recruitment and Retention Program for a further four years through the 2028-29 School Year.

§25 “Big Five” School Districts Special Education Class Sizes Extends the authority for the “Big Five” City School Districts (New York City, Yonkers, Syracuse, Rochester, and Buffalo) to increase maximum class sizes for special education classes, with approval from the Commissioner, for an additional five years until June 30, 2029.

§26 Special Education Class Sizes Extends the authority for non- “Big Five” school districts to exceed the special education class size mandate, with approval from the Commissioner, for an additional five years until July 1, 2029.

§27 through §29 Consortium for Worker Education Establishes the reimbursement rate for costs per contact hour under the Consortium for Worker Education in New York City for the 2024-25 School Year and caps the number of contact hours at 1,063,829. These Sections allow the Commissioner of Education to withhold up to \$11.5 million in aid due to New York City from costs incurred by the Workforce Education Program

§30 through §31 Supplemental Basic Charter School Tuition Payments Provides that for the 2023-24 School Year, Supplemental Basic Charter Tuition Payments owed to New York City from the General Fund will be reduced by \$35 million and backfilled with a grant in the same amount from the Elementary and Secondary School Emergency Relief (ESSER) Fund provided through the American Rescue Plan Act (ARP Act) of 2021.

§32 Special Education Tuition Rate-Setting Methodology Study Extender Extends the deadline when the State Education Department must present its recommendations from the tuition rate-setting methodology study for special education schools to the Director of the Budget and the Legislature by an additional two years until July 1, 2027.

§33 Various Extenders Extends various sections of the law originally enacted in 1994 for five years until March 31, 2029. Specifically, this Section provides a five-year extender to provisions pertaining to: New York City senior college programs; the Proprietary Vocational School Supervision Account; the School for the Blind in the City of Batavia; teacher misconduct hearing panels; school lunch and breakfast programs; and private blind and deaf schools.

§34 School Bus Ridership Extender Extends for five years, until June 30, 2029, the ability of districts to base their transportation plans on actual ridership.

§35 Special Apportionment for Salary Expenses Provides a special apportionment for salary expenses for the 2024-25 School Year.

§36 Special Apportionment for Public Pension Accruals Provides language to comply with GASB 45 requirements.

§37 Set-aside for Magnet Schools Provides language stating that magnet schools will be funded from a required amount from each school district containing a magnet school.

§38 Support of Public Libraries Provides language for the apportionment of Library Aid.

§39 Severability Provides that any provisions of this Act shall be severable due to a finding by a court that such provision was unconstitutional.

§40 Effective Dates Sets the effective dates.

PARTS B THROUGH D

Part B Back to Basics Reading Initiative This Part directs the State Education Department to develop and disseminate instructional best practices for reading to students in kindergarten through grade 3 by July 1, 2024. These best practices must be evidence-based and scientifically based, focusing on reading comprehension in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, comprehension, including

background knowledge, oral language and writing, oral skill development, and align with the culturally responsive-sustaining (CR-S) framework.

As defined in this Part, a culturally responsive-sustaining (CR-S) framework:

- Promotes learning environments that affirm racial, linguistic, and cultural identities;
- Engages students with rigorous, supportive instruction;
- Develops their abilities to connect across lines of difference;
- Elevates historically marginalized voices; and
- Empowers students as agents of social change.

Every school district would be required to annually review their reading curriculum and instructional best practices for students in kindergarten through grade 3 to ensure they align with the practices developed by the State Education Department and are part of a larger plan to improve student reading outcomes.

By September 1, 2025 and annually thereafter, all school districts would be required to certify to the Commissioner that their curriculum, instructional best practices, and teacher development all align with the best practices issued by the Department.

Part C FAFSA Completion for High School Students This Part would mandate that all high school seniors, or their legal guardians in the case of those under 18 years old, fulfill one of the following requirements: complete a Free Application for Federal Aid (FAFSA), submit a New York State DREAM Act application, or submit an opt-out waiver affirming their awareness of the FAFSA and their decision not to file an application.

Starting July 1, 2025, every school district must report the following data to the Commissioner:

- The total number of students certified to have submitted either a FAFSA or New York State DREAM Act application;

- The number of students who submitted an opt-out waiver; and
- The total number of seniors enrolled.

At least four times a year, each school district must explain to every high school senior the scholarships, financial aid, and assistance options provided by the state for post-secondary education. Each district must also provide access and support for students who need assistance completing the FAFSA.

Part D Amend Requirements for Bundy Aid Apportionment The Executive budget proposes to limit operating aid for independent colleges and universities, known as Bundy Aid, to institutions with endowment assets of less than \$750 million. If the total amount of annual apportionments to institutions which meet this requirement would exceed the appropriation for unrestricted aid to independent colleges and universities, the annual apportionment to each institution will be proportionally reduced. Aid to such institutions is proposed to be funded at \$21.8 million, \$13.4 million less than last year. Currently, 107 private institutions of higher education receive Bundy Aid. This proposal would mean that 18 New York State private colleges that have endowments of more than \$750 million would no longer be eligible to receive Bundy Aid.

HEALTH AND MENTAL HYGIENE – A.8807

Part C School Psychologist Temporary Authorizations This Part removes the temporary authorization that allows school psychologists to practice as Early Intervention (EI) providers. This proposal would bring New York into compliance with Federal requirements.

Currently, school psychologists can only provide EI services when employed by a government agency,

chartered elementary or secondary school, or degree-granting institution of higher education, and cannot provide services as an individual. Current EI services provided by school psychologists are not reimbursable by Medicaid, which leads to the cost being covered by either counties or the State.

The Executive Budget proposal includes a 5% rate increase for EI services as well as a 4% rate modifier for rural and underserved areas.

Additionally, this Part extends the authorization for school psychologists to evaluate children ages 3 to 5 for preschool special education services for an additional two years through June 30, 2026.



ELECTIONS

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director
 (518) 455-4131
bartlettb@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Elections Assistance Commission:** \$806,000 in new Federal funding to help improve the electronic transmittal of ballots to the visually impaired, military members, their families and US citizens voting abroad.
- **Regulation of Election Program:** \$8.1 million, \$1.2 million more than last year, to support the addition of 10 new FTEs. Of these 10 FTEs, eight are to support new poll worker training program enacted in 2023, and two are accessibility coordinators.
- **Voting Machine Examination:** \$2 million in new funding to support contractual services related to voting machine examinations.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Public Campaign Finance Board:** \$14.5 million, same as last year, to support additional Public Campaign Finance staff. The Public Campaign Finance Board is responsible for the administration and oversight of a small-donor public matching program for candidates campaigning for

statewide and State Legislative office. The 2020-21 Enacted Budget, Part ZZZ of Chapter 58 of the Laws of 2020, authorized Public Campaign Financing to take effect on November 9, 2022 and to apply to the participants in the primary and General Elections to be held in 2024.

SIGNIFICANT ACTIONS INCLUDE:

- **Help America Vote Act (HAVA):** No new funding. \$7 million in federal funding is reappropriated to support enhanced election technology and security.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Help America Vote Act (HAVA):** \$5 million to support to the Help America Vote Act. This funding is transferred from the State Operations Budget and is a result of the interest generated from past HAVA funding sitting in accounts held by the State.

- **Public Campaign Finance Board:** \$100 million, \$75 million more than last year, to support the payment of public matching funds to participating candidates.
- **Reimbursement Costs for Pre-paid Return Postage:** \$7.7 million, \$3.7 million more than last year, for local boards of elections for reimbursement of costs related to providing pre-paid return postage on absentee voting and Early Mail Voting. Early Mail Voting was enacted by Chapter 481 of the Laws of 2023.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Poll Books:** \$14.7 million in new funding is provided to support the technology costs of electronic poll books.

SIGNIFICANT ACTIONS INCLUDE:

- **Election Capital:** No new funding. \$15 million is reappropriated for local boards of election for technology upgrades and equipment.
- **Online Voter Registration System:** No new funding. \$14.9 million is reappropriated to support the development of an online voter registration system.



EMPIRE STATE DEVELOPMENT CORPORATION

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director

(518) 455-4131

bartlett@nyassembly.gov

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Buffalo Bills:** \$5.3 million, \$65,000 more than last year. This funding supports professional football in Western NY.
- **Entrepreneurial Assistance Program:** \$4.5 million, \$2.7 million more than last year, to support 24 statewide centers that provide instruction, training, technical assistance, and support services to individuals who are interested in starting or recently started their own business, or entrepreneurs seeking to expand or strengthen their early-stage business.
- **Global Entrepreneurs Program:** \$4 million in new funding to support expenses related to the Global Entrepreneurs Program. This program will leverage the visa cap exemption for universities and research non-profits to retain international entrepreneurs who would otherwise be unable to launch start-ups in New York.
- **Office of Workforce and Economic Development:** \$208.4 million, \$28 million

more than last year, to support the Office of Workforce and Economic Development and targeted workforce investments in teachers, healthcare workers, apprenticeships and internships, mental health professionals and caregivers. The following is a breakdown of the available funding:

- ➔ **Apprenticeships at SUNY and CUNY:** \$5 million;
- ➔ **Caregiver Flexibility for Direct Care Workers:** \$39 million;
- ➔ **Diversity in Medicine Program:** \$2.4 million;
- ➔ **Expanding Psychiatric Rehabilitation Services at Office of Mental Health:** \$10.3 million, \$5 million more than last year;
- ➔ **Expansion of Alternative Teacher Certifications:** \$10 million;
- ➔ **Expansion of SUNY Premedical Opportunities Program:** \$1 million;
- ➔ **Financial Burden Relief for Healthcare Workers:** \$47 million;
- ➔ **Internships at SUNY and CUNY:** \$10 million;

- ➔ One Network for Regional Advanced Manufacturing Partnership (ON-RAMP): \$13 million in new funding;
- ➔ Teacher Residency Program: \$30 million;
- ➔ Training Programs at Office of People with Developmental Disabilities: \$10.2 million, \$10 million more than last year;
- ➔ Training Capacity Expansion for Statewide Institutions: \$22.5 million; and
- ➔ Upskilling School Paraprofessionals: \$8 million.

demonstrate regional collaboration among counties to promote regional attractions. In addition, \$8 million in capital funding is provided to support this program, see the Capital Projects section below.

- **Urban and Community Development:** \$3.4 million for the Urban and Community Development program in economically distressed areas.

SIGNIFICANT DECREASES INCLUDE:

- **Legislative Initiatives:** \$13.2 million in various Legislative initiatives have been eliminated.
- **Minority and Women-owned Business Development and Lending Program:** \$635,000, \$1.4 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Development Financial Institutions:** \$1.5 million to support business loans in economically distressed areas.
- **Economic Development Fund:** \$26.2 million. This is Empire State Development’s primary flexible financing program used to provide loans and grants to support business and infrastructure development and the creation and retention of jobs.
- **Economic Development Initiatives and Marketing of New York:** \$45 million to support tourism promotion services, the Governor’s Open for Business initiative, Global NY, international and domestic trade missions as well as advertising for the START-UP NY program. No more than 60% of START-UP NY advertising funding may be used for promotion outside of New York.
- **Market NY:** \$7 million to support winning tourism marketing plans that best

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Albany Nanotech Ultraviolet Lithography Center:** \$500 million in new funding to support the State’s \$1 billion previously announced commitment to expand Albany’s NY CREATES Nanotech Complex. According to the Division of Budget, the remaining \$500 million portion of the total State commitment will come from existing resources. This expansion will include the procurement of a High-Numerical Aperture (NA) Extreme Ultraviolet lithography tool and the construction of a Center to support semiconductor research and development. The State and industry partners such as IBM, Micron, Applied Materials, Tokyo Electron and others will invest \$10 billion to establish the first publicly owned High NA EUV Center in North America. It is argued that this investment will enhance the State’s position as a leading candidate to secure anchor hub status under the Federal National Semiconductor Technology Center and leverage billions in federal funding.
- **Buffalo Bills:** \$2.3 million, \$59,000 more than last year to support professional football in Western NY.

- **County Partnership Grants Programs:** \$135 million in new funding to support the creation of two new County Partnership Grants programs.
- ➔ **County Public Safety Systems Grants:** \$85 million in new funding to support grants to counties for the development, construction, installation, consolidation or operation of public safety communications systems, or networks designed to support public safety answering point centers, including but not limited to, the creation and operation of fiberoptic cable-based networks. Such grants shall be available to any county outside NYC. This funding shall be transferred to the Division of Homeland Security and Emergency Services (DHSES). No funds shall be expended until the Director of the Budget has approved a plan submitted by the Division of Homeland Security and Emergency Services.
- ➔ **County Infrastructure Grants:** \$50 million in new funding to support grants up to \$1 million for county infrastructure projects. Eligible expenses of such grant program may include, but shall not be limited to, construction, reconstruction, renovation, site preparation, demolition, acquisition of real property, preparation of plans, design and other costs incidental thereto. Such grants shall be available to any county outside New York City.
- **Empire AI:** \$250 million in new funding to support the Empire AI Consortium program, also referred to, as the Launch NY AI Consortium. This funding will support the research, innovation and economic development in AI. Empire AI will be a consortium that includes seven founding institutions including: Columbia, Cornell University, New York University, Rensselaer Polytechnic Institute, the State University of New York (SUNY), the City University of New York (CUNY), and the Simons Foundation.
- **FAST-NY:** \$100 million in new funding to support the Focused Attraction of Shovel-Ready Tracts (FAST-NY) Program. The FAST-NY provide grants to prepare and develop shovel-ready sites to increase attractiveness to large employers, including high-tech manufacturing and interstate distribution and logistics businesses.
- **Grown and Certified:** \$20 million in new funding to support the Grown and Certified program. This existing program assures consumers that the food they are buying is local and produced to a higher standard by requiring participating producers to adopt food safety standards and enroll in an environmental management program.
- **ON-RAMP:** \$80 million in new funding and \$120 million in existing capital to support the launch of the One Network for Regional Advanced Manufacturing Partnerships (ON-RAMP) program. ON-RAMP will establish four new workforce development centers along the I-90 corridor, with a flagship center in Syracuse. These centers will offer credentials and training related to advanced manufacturing.
- **RUSH-NY:** \$250 million in new funding for the Redevelopment of Underutilized Sites for Housing Initiative (RUSH-NY). RUSH-NY will support loans and grants for the acquisition of real property, preparation of plans, designs, construction, renovation, administration, and other costs for redeveloping State-owned land for housing. This will be the first of two \$250 million appropriations.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Market NY:** \$8 million to support winning tourism marketing plans that best demonstrate regional collaboration among counties to promote regional attractions. In addition, there is \$7 million in Aid to Localities funding to support this program (see above). The Executive Budget proposal would also provide that receipt of funding to a municipality may be conditional upon certification by the Division of Housing and Community Renewal that such municipality is a pro-housing community.
- **New York Works Economic Development Fund:** \$400 million. This is a Governor’s discretionary pot of funding used to provide capital grants to create/retain jobs or fund infrastructure investments necessary to attract new business and expand existing business.
- **Pace University Performing Arts Center:** \$5 million.
- **Regional Economic Development Councils (REDCs):** \$150 million. This funding will support another round of awards for the 10 Regional Councils, which were established in 2011. As in the previous rounds, \$75 million in Excelsior Job Tax Credits and hundreds of millions in other resources from various existing agency programs will be available to support these awards. The Executive Budget proposal would also provide that receipt of funding to a municipality may be conditional upon certification by the Division of Housing and Community Renewal that such municipality is a pro-housing community.
- **Restore New York Communities Initiative:** \$50 million for services and expenses of the Restore New York Communities Initiative. This program was created in 2006 to support municipal efforts to demolish, deconstruct, rehabilitate, or reconstruct vacant, abandoned, condemned, or surplus properties.

SIGNIFICANT ACTIONS INCLUDE:

- **Belmont Park:** No new funding. \$455 million is reappropriated for costs related to the renovation of Belmont Park Racetrack. This funding would provide a capital loan to the New York Racing Association (NYRA) to support the redevelopment of Belmont Park. Prior to receiving any funds, NYRA must enter into a repayment agreement with the State. This agreement will provide that NYRA will pay the State \$25.8 million annually from its capital budget until the State is repaid in full. The cost of the entire project will be paid from the franchised corporation’s capital funds. In addition to the repayment agreement, NYRA will relinquish its leasehold interest of the property at Aqueduct upon the completion of the Belmont Redevelopment Project allowing it to revert to the State.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part Q NYC and the Urban Development Corporation (UDC) to Set Floor Area Ratios
 Authorizes New York City, in conjunction with the New York State Urban Development Corporation, to change its Floor Area Ratio requirements and allow the square footage of a building to the square footage of its lot to exceed the ratio of 12 to 1.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part U Dormitory Authority of the State of New York Omnibus State & Municipal Authorization for Certain Projects The Executive Budget is proposing to authorize the Dormitory Authority of the State of New York (DASNY) to provide planning, design, procurement, and construction management services to State agencies, counties, cities, towns and villages for capital infrastructure projects.

Specifically, this proposal would amend the definition of the terms “dormitory” and “educational institution” contained within the Public Authorities Law to include any State agency, county, city, town and village for projects funded, in whole or in part, by the following:

- New York State Environmental Bond Act of 2022;
- American Rescue Plan Act of 2021;
- Infrastructure Investment and Jobs Act of 2021; and
- Inflation Reduction Act of 2022.

According to the Executive, the inclusion of such entities within the definitions of “dormitory” and “educational institutions” would authorize DASNY to provide its services to such entities receiving grants or loans under the referenced programs.

The terms “dormitory” and “educational institutions” contained in Public Authorities Law are further amended to include any recipient of a loan or grant from the New York State Downtown Revitalization Program and NY Forward Program administered by the Department of State and the Division of Housing and Community Renewal. The Executive states that the inclusion of such entities within these definitions would authorize DASNY to

provide its services to such entities receiving grants or loans under the referenced programs.

Finally, this bill amends the definition of “municipal building” within the Facilities Development Corporation Act to include any “building, structure, or improvement, including, without limitation, infrastructure improvements.”

Part X Increase the Cap on Entrepreneurial Assistance Center Grants The Executive Budget proposal would increase the cap on grants to Entrepreneurial Assistance Centers (EACs) from \$175,000 to \$250,000. New York currently has 24 EAC across the State. These EACs provide instruction, training, technical assistance, and support services to individuals who are interested in starting or recently started their own business, or entrepreneurs seeking to expand or strengthen their early-stage business.

Part Y Minority and Women-owned Business Enterprise (MWBE) Program Extends Executive Law Article 15-A which governs the Minority and Women-owned Business Enterprise program for 5 years, until December 31, 2029. This program was last extended in 2019.

Part Z Extends the Empire State Economic Development Fund (EDF) Reauthorizes the EDF and extends the program by 3 years, until July 1, 2027.

Part AA Loan Powers of Urban Development Corporation (UDC) Extends the general loan powers of the Urban Development Corporation by 3 years, until July 1, 2027.



EMPLOYEE RELATIONS

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Contract Negotiation and Administration Program:** \$16 million, \$3.5 million more than last year, for funding to create a diversity, equity, and inclusion training program for all State employees and to appropriately staff Affirmative Action Administrator positions.



ENERGY RESEARCH & DEVELOPMENT AUTHORITY

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

CAPITAL PROJECTS – A.8804

MAINTAINS THE FOLLOWING:

- **Empower Plus Program:** No new funding. \$200 million in reappropriations for loans, grants and other costs related to NYSERDA clean energy projects for low-income State residents, including energy efficiency, heating and cooling, health and safety and other related energy improvements, as well as administrative expenses.
- **Offshore Wind:** No new funding. \$500 million is reappropriated under the Urban Development Corporation to support the development of offshore wind ports, manufacturing, supply chain infrastructure and other expenses to advance the offshore wind industry.
- **Western NY Nuclear Service Center:** \$25.8 million, the same as last year, for continued cleanup. This amount reflects a federal match for expenses of the cleanup. The Federal Department of Energy covers 90% of the annual costs of the cleanup, while the State pays for the remaining 10%.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

PART X SWEEPS AND TRANSFERS

§3-4 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

§21 NYSERDA Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund, on or before March 31, 2025.

§22 NYSERDA Authorizes the transfer of up to \$5 million from NYSERDA proceeds collected from the auction or sale of carbon dioxide emission allowances, to the credit of the Environmental Protection Fund, on or before March 31, 2025.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part M NYSERDA Build-Ready Program Extender

This Part extends, for 6 years, until April 19, 2030, authorization for NYSERDA to utilize single-purpose holding companies established by the Authority to acquire, sell and transfer rights and other interests in “build ready” sites to renewable energy developers. The purpose of this authorization is to facilitate the development of renewable energy facilities on such sites. This Program, initially established by Part DDD of Chapter 55 of 2021, was originally set to sunset and expire on April 19, 2024.

Part N NYSERDA Finance Authorization This Part authorizes NYSERDA to finance research, development and demonstration, and policy and planning programs from an assessment on gas and electric corporations; this is not a new assessment and is reauthorized annually. NYSERDA may collect up to \$28.7 million from this assessment, the same as last year.

Part GG Safe Lithium-Ion Batteries This Part amends the General Business Law to ban the sale, distribution, assembly or reconditioning of lithium-ion batteries (including second-use batteries) for use in E-bikes or E-scooters unless such batteries have been certified and labeled by an accredited testing laboratory or other such standard approved by the Department of State (DOS). Any person who violates this ban would be subject to the following civil penalties, which would apply to each battery found to be delinquent:

- \$200 for the first violation; and
- Not more than \$1,000 for each subsequent violation within 2 years of the date of the first violation.

All such penalties collected would be retained by the applicable County or municipality. Additionally, the Department of State would be granted authority to promulgate rules and regulations that provide for additional battery safety standards. This Part would take effect 90 days after becoming law.



ENVIRONMENTAL CONSERVATION

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$237.9 million, \$21.9 million more than last year, reflecting increased personal service costs, information technology system upgrades costs, and administrative support for the development of a database to track Environmental Bond Act spending.
- **Special Revenue Funds:** \$258.8 million, \$5.5 million more than last year, reflecting increased personal service costs and other expenses. This includes last year's hiring of 9 positions for the Lake George Park Commission.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$1.87 million, \$860,000 less than last year. This amount reflects the removal of several legislative additions and last year's transfer of several environmental commissions from the Capital Projects to the Aid to Localities Budget:
 - ➔ **Adirondack Diversity Initiative:** \$300,000, \$120,000 less than last year;
 - ➔ **Delaware River Basin Commission:** \$359,500, the same as last year;
 - ➔ **Friends of the Upper Delaware River Basin:** \$350,000 the same as last year;
 - ➔ **Great Lakes Commission:** \$60,000, \$500,000 less than last year;
 - ➔ **Interstate Environmental Commission:** \$41,600, the same as last year;
 - ➔ **Landfill Closures-Essex County:** \$300,000, the same as last year;
 - ➔ **Landfill Closures-Hamilton County:** \$150,000, the same as last year;

- ➔ New England Interstate Commission: \$38,000, the same as last year;
- ➔ Ohio River Basin Commission: \$14,100, the same as last year; and
- ➔ Susquehanna River Basin Commission: \$259,000, the same as last year.

- Clean Water Infrastructure Act: \$250 million, \$250 million less than last year. This appropriation reflects the first half of a 2-year, \$500 million effort which brings New York State’s total financial commitment for Clean Water Infrastructure (to date, since 2017) to \$5.5 billion by FY 2026. This is proposed as a mechanism to permit the Environmental Facilities Corporation (EFC) to more efficiently disburse funds.
- Facilities Rehabilitation: \$46.7 million, \$27 million less than last year. This funding includes \$41 million for facilities rehabilitation and \$3 million for various adaptation and resiliency projects.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

ReTree NY: \$15 million in new funding for municipalities to plant trees in support of resilient reforestation and urban forests. This funding is part of an overall effort announced in the 2024 State of the State to “Make New York Greener.” In addition to the \$15 million, the following funding is provided:

- ➔ \$25 million in Environmental Bond Act funding for capital investments in the DEC’s Saratoga Tree Nursery; and
- ➔ \$7 million in Environmental Bond Act funding for Program administration and tracking costs.

SIGNIFICANT DECREASES INCLUDE:

- Water Resources: \$805.9 million, \$296.5 million less than last year. This primarily reflects the removal of \$74 million in funding to cover the State’s share of an Army Corps of Engineers seawall construction project located on the South Shore of Staten Island, and \$17.5 million in funding for the State’s share of the U.S. Army Corps of Engineers Mamaroneck-Sheldrake flood risk mitigation project in Mamaroneck, Westchester County, NY. These projects will henceforth be funded via the Environmental Bond Act.

MAINTAINS THE FOLLOWING:

- Environmental Protection Fund (EPF): \$400 million, the same as last year. Highlights include:
 - ➔ Land Acquisition: \$34.5 million, \$4.4 million less than last year.
 - ➔ Water Quality Improvement Program: \$21 million, \$1 million less than last year.
 - ➔ This amount also includes \$25 million in miscellaneous appropriation authority subject to a plan to be released by the Director of the Budget, including:
 - ❖ \$13.5 million for EPF-related personal service costs; and
 - ❖ \$11.5 million in deferred programming appropriations, pursuant to the above-mentioned forthcoming budget plan.
- See the EPF Chart at the end of this section for additional information.
- NY Works: \$90 million, the same as last year. This funding is for health and safety repairs to State infrastructure, including dams, wetland restoration, State lands, and fish hatcheries. This proposal includes \$20 million in funding for construction at the following dams:

- ➔ Conklingville Dam, Hadley, Saratoga County;
- ➔ Old Forge Dam, Old Forge, Herkimer County; and
- ➔ Sixth Lake Dam, Inlet, Hamilton County.

- **Infrastructure Investment and Jobs Act (IIJA):** \$70 million, the same as last year, is appropriated for the expenditure of Federal funds as part of the Infrastructure Investment and Jobs Act of 2022 (IIJA).

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

PART X SWEEPS AND TRANSFERS

§3-4 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

- \$100 million from the General Fund to the Environmental Protection Fund;
- \$1 billion from the General Fund to the Hazardous Waste Remedial Fund, Hazardous Waste Oversight and Assistance Account, State Park Infrastructure Account, Environmental Protection Fund Transfer Account, the Correctional Facilities Capital Improvement fund, the Housing Program Fund, or the Mental Hygiene Facilities Capital Improvement Fund.

§51 Fixed Asset Definition Update The Executive Budget proposes updating the fixed asset definition within the State Finance Law to include

conservation easements. This is intended to help with bonding for projects under the Environmental Bond Act of 2022.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part S Climate Smart Communities Grants Increase

This Part would allow the Department of Environmental Conservation (DEC) to increase the maximum grant award disadvantaged communities can receive via the Climate Smart Communities Grant Program from 50% to 80% of eligible costs, or \$2 million, whichever is less. The Climate Smart Communities Grant Program offers grants, electric vehicle (EV) rebates and free technical assistance to local governments in support of Climate Leadership and Community Protection Act (CLCPA) objectives. Currently, State assistance payments for these Grants are capped at 50% or \$2 million, whichever is less. This current cap would remain in place for communities which do not satisfy the criteria for “disadvantaged communities” or “financial hardship” under the CLCPA.

Part T Clean Air Compliance Fees This Part would restructure annual permit and registration fees for the Department of Environmental Conservation (DEC)’s State Air Quality Control Program. Currently, the fee structure is based on the number of emissions points, a model which is considered outdated and imprecise. This Part would remove fees per emission point and establish a flat annual \$5,000 fee for each facility permit, and \$500 for each registration or other operating approval.

Additionally, this Part would modify the existing fee structure for DEC’s Operating Permit Program. Pursuant to Title V of the Federal Clean Air Act, the

State must implement a fee sufficient to cover the direct and indirect costs of its Operating Permit Program. In recent years, New York State's OPP has not raised sufficient funds to cover the program. This lack of program compliance has been noted by both the Environmental Protection Agency (EPA) and the Office of the State Comptroller (OSC). Commencing January 1, 2027, and every year thereafter, all sources of regulated air contaminants shall submit to the DEC an annual base fee of \$10,000 per facility, an increase of \$7,500 over the current fee. In addition, commencing January 1, 2027, and every year thereafter, all such sources shall submit to the DEC an annual fee not to exceed \$245 per ton of emissions. Currently, these fees per ton range from \$60 to \$90 depending on the total emission. In addition, effective January 1, 2027, and every year thereafter, each per-ton fee shall increase by the percentage, if any, by which the Consumer Price Index (CPI) exceeds the CPI of the previous calendar year.

Lastly, this Part would authorize DEC to implement fees through regulations for major sources of emissions in the New York Metro Area (NYMA). Currently, the NYMA is out of attainment with the Federal National Ambient Air Quality Standard (NAAQS). The Clean Air Act requires the imposition of fees on sources over a certain emissions threshold and this Part would authorize DEC to impose these fees. This Part permits DEC to implement new, or revise existing, regulatory or permitting fee programs (including those authorized herein) to ensure compliance with Federal Title V provisions.



Environmental Protection Fund (In 000's)			
FY 2024-2025 Executive Budget			
Program Name	FY 2023-24 Enacted	FY 2024-25 Executive	Monetary Change
SOLID WASTE			
Landfill Closure/ Gas Management	\$300	\$300	\$0
<i>Essex County</i>	\$0	\$0	\$0
<i>Regional Municipal Waste Mgmt.</i>	\$0	\$0	\$0
<i>Hamilton County</i>	\$0	\$0	\$0
Municipal Recycling	\$19,000	\$16,000	(\$3,000)
<i>Food Donation and Food Scrap Recycling</i>	\$2,500	\$2,500	\$0
Pollution Prevention Institute	\$4,600	\$4,600	\$0
<i>Interstate Chemical Clearinghouse</i>	\$250	\$250	\$0
Secondary Marketing	\$650	\$650	\$0
Environmental Justice Grants	\$13,000	\$12,000	(\$1,000)
<i>Env. Justice Grants- Air Monitoring</i>	\$4,000	\$4,000	\$0
<i>Center for Native Peoples and the Environment</i>	\$746	\$1,142	\$396
<i>Community Group Grants Env. Justice Communities</i>	\$0	\$0	\$0
<i>Adirondack Diversity Initiative</i>	\$0	\$0	\$0
<i>Connect Kids</i>	\$3,000	\$3,000	\$0
Environmental Health Centers	\$12,750	\$9,250	(\$3,500)
<i>Fresh Connect</i>	\$3,850	\$3,100	(\$750)
<i>SNAP EBT</i>	\$0	\$750	\$750
<i>CleanSweep NY</i>	\$500	\$500	\$0
<i>Children's Environmental Health Centers</i>	\$4,000	\$2,000	(\$2,000)
<i>USGS LI Groundwater</i>	\$1,500	\$0	(\$1,500)
<i>SUNY Stony Brook Center for Clean Water</i>	\$2,000	\$2,000	\$0
Natural Resources Damages	\$1,775	\$1,775	\$0
Pesticide Database	\$1,500	\$1,500	\$0
<i>Long Island Pesticide Pollution Prevention</i>	\$200	\$200	\$0
Brownfield Opportunity Areas	\$2,000	\$2,000	\$0
Total	\$55,575	\$48,075	(\$7,500)
PARKS AND RECREATION			
Waterfront Revitalization	\$14,275	\$13,000	(\$1,275)
<i>Inner City/Underserved</i>	\$10,500	\$10,500	\$0
<i>Climate Change Resiliency Planning</i>	\$2,000	\$2,000	\$0
<i>Niagara River Greenway Commission</i>	\$300	\$300	\$0
Municipal Parks	\$26,000	\$22,750	(\$3,250)
<i>Inner City/Underserved</i>	\$13,000	\$13,000	\$0
<i>Tivoli</i>	\$250	\$250	\$0
<i>East River Esplanade 107th Street Pier</i>	\$0	\$0	\$0
<i>Hudson River Valley Trail Grants</i>	\$500	\$500	\$0
<i>SUNY College of Environmental Science and Forestry</i>	\$250	\$250	\$0

<i>Catskill Center for Conservation and Development</i>	\$200	\$200	\$0
<i>Adirondack Park Interpretive Centers</i>	\$250	\$250	\$0
<i>The Riverline</i>	\$225	\$0	(\$225)
<i>Town of Amberst Splash Pad</i>	\$250	\$0	(\$250)
Hudson River Park	\$4,200	\$4,400	\$200
Public Access and Stewardship	\$47,525.0	\$47,025	(\$500)
<i>ORDA/Belleayre</i>	\$1,000	\$1,000	\$0
<i>Essex County Shuttle Service</i>	\$0	\$0	\$0
<i>New York Protected Areas Database</i>	\$18	\$18	\$0
<i>Friends Group Capacity Grants</i>	\$0	\$2,000	\$2,000
<i>Adirondack Mountain Club-High Peaks Info. Center</i>	\$100	\$0	(\$100)
<i>SCALE</i>	\$2,000	\$0	(\$2,000)
<i>Camp Santanoni Historic Area</i>	\$500	\$0	(\$500)
<i>Adirondack/Catskill Visitors' Safety</i>	\$8,000	\$8,000	\$0
<i>DEC Visitor Use Management</i>	\$0	\$0	\$0
<i>Parks and Trails NY</i>	\$2,000	\$0	(\$2,000)
ZBGA	\$20,000	\$17,000	(\$3,000)
Navigation Law	\$2,300	\$2,300	\$0
Total	\$114,300.0	\$106,475	(\$7,825.0)
OPEN SPACE			
Land Acquisition	\$38,900	\$34,500	(\$4,400)
<i>Land Trust Alliance</i>	\$3,000	\$3,000	\$0
<i>Urban Forestry</i>	\$3,200	\$3,200	\$0
<i>Conservation Easements for Land Trusts</i>	\$1,500	\$1,500	\$0
<i>Lake Placid Rail Trail</i>	\$300	\$0	(\$300)
<i>Invasive Species Re-Treeing</i>	\$200	\$0	(\$200)
<i>Regions 1, 2, and 3</i>	\$4,000	\$4,000	\$0
<i>Snake Hill/ Saratoga PLAN</i>	\$1,000	\$0	(\$1,000)
Farmland Protection	\$21,000	\$18,250	(\$2,750)
<i>ACUB/Fort Drum</i>	\$1,000	\$500	(\$500)
<i>Cornell Land Classification</i>	\$97	\$106	\$9
Urban Farms and Comm. Gardens Grant Program**	\$0	\$2,325	\$2,325
<i>Cornell University Carve-out*</i>	\$0	\$325	\$325
Agricultural Waste Management	\$1,500	\$1,500	\$0
<i>Dairy Acceleration Program</i>	\$700	\$700	\$0
Biodiversity Stewardship	\$1,850	\$1,850	\$0
<i>Pollinator Protection</i>	\$500	\$500	\$0
<i>Cornell Bee Husbandry</i>	\$300	\$0	(\$300)
<i>Cary Institute of Ecosystem Studies</i>	\$100	\$100	\$0
Albany Pine Bush Commission	\$3,000	\$3,000	\$0
LI Pine Barrens Commissions	\$2,500	\$2,500	\$0
Environmental Commissions	\$0	\$0	\$0
<i>Susquehanna River Basin Commission</i>	\$0	\$0	\$0

<i>Delaware River Basin Commission</i>	\$0	\$0	\$0
<i>Interstate Environmental Commission</i>	\$0	\$0	\$0
<i>Ohio River Valley Water Sanitation Commission</i>	\$0	\$0	\$0
<i>NE Interstate Water Pollution Control Commission</i>	\$0	\$0	\$0
<i>ESF Center for Native Peoples and the Environment</i>	\$0	\$0	\$0
Invasive Species	\$18,550	\$17,000	(\$1,550)
Lake George Park Commission	\$900	\$900	\$0
<i>Eradication</i>	\$5,750	\$5,750	\$0
<i>Hemlock Woolly Adelgid Control</i>	\$500	\$500	\$0
<i>Cornell University Plant Certification Program</i>	\$120	\$120	\$0
<i>Central Pine Barrens-Prescribed Fires</i>	\$250	\$0	(\$250)
<i>Onondaga County-Water Chestnut Eradication</i>	\$0	\$0	\$0
<i>Southern Pine Beetle Control</i>	\$500	\$500	\$0
Oceans & Great Lakes Ecosystem	\$22,500	\$21,000	(\$1,500)
<i>Peconic Bay Estuary Program</i>	\$550	\$550	\$0
<i>Great Lakes Commission</i>	\$0	\$0	\$0
<i>Billion Oyster Project</i>	\$500	\$0	(\$500)
Water Quality Improvement Program	\$22,000	\$21,000	(\$1,000)
<i>Suffolk County</i>	\$4,500	\$4,500	\$0
<i>Nassau County</i>	\$5,000	\$5,000	\$0
<i>Eastern Finger Lake Coalition*</i>	\$0	\$1,200	\$1,200
<i>Allegheny River Watershed Program*</i>	\$0	\$1,000	\$1,000
<i>Source Water Assessment Plans</i>	\$5,000	\$5,000	\$0
<i>Chautauqua Lake Association</i>	\$150	\$150	\$0
<i>Chautauqua Lake Partnership</i>	\$95	\$95	\$0
<i>City of Long Beach</i>	\$250	\$0	(\$250)
<i>Ossi Sports Club/Lake Ossi</i>	\$25	\$0	(\$25)
<i>Save the Great South Bay, Inc</i>	\$500	\$0	(\$500)
<i>Town of Southeast/ Peach Lake Brook</i>	\$100	\$0	(\$100)
<i>Lake Erie-Niagara River Basin*</i>	\$0	\$1,000	\$1,000
South Shore Estuary Reserve	\$2,000	\$2,000	\$0
Agricultural Non-Point Source Pollution Control	\$19,500	\$19,000	(\$500)
<i>Cornell Integrated Pest Management</i>	\$2,000	\$2,000	\$0
<i>Cornell Cooperative Extension of Suffolk County</i>	\$500	\$500	\$0
<i>Cornell Pesticide Management Education Program</i>	\$250	\$250	\$0
Non-Agricultural Non-Point Source Pollution Control	\$6,200	\$6,000	(\$200)
<i>Cornell Community Integrated Pest Management</i>	\$1,000	\$1,000	\$0
Soil & Water Conservation Districts	\$16,000	\$18,000	\$2,000
Delaware River Basin Restoration Program	\$0	\$0	\$0
Finger Lakes-Lake Ontario Watershed	\$2,750	\$2,750	\$0
Hudson River Estuary Plan	\$7,500	\$7,250	(\$250)
<i>Mohawk River</i>	\$1,000	\$1,000	\$0
Lake Erie Watershed Protection Alliance	\$250	\$250	\$0

Total	\$186,900.0	\$179,075.0	(\$7,825.0)
CLIMATE CHANGE MITIGATION AND ADAPTATION			
Greenhouse Gas Management	\$2,900	\$2,400	(\$500)
<i>Regenerate NY Grant Program</i>	\$500	\$500	\$0
<i>Refrigeration Council Pilot Program</i>	\$500	\$500	\$0
Local Climate Resiliency Plans and Adaptation Projects	\$7,925	\$6,525	(\$1,400)
<i>Wood Products Development Council</i>	\$200	\$200	\$0
<i>Climate Coordinators</i>	\$2,000	\$2,000	\$0
<i>SUNY ESF-Timbuctoo Climate Inst.</i>	\$2,100	\$0	(\$2,100)
<i>SUNY ESF Forest Products and Applied Climate Research</i>	\$1,000	\$0	(\$1,000)
<i>Staying Connected</i>	\$25	\$25	\$0
<i>PBS</i>	\$500	\$0	(\$500)
Smart Growth	\$3,650	\$4,000	\$350
Climate Smart Community Projects	\$13,500	\$12,500	(\$1,000)
<i>Community Forests</i>	\$1,000	\$500	(\$500)
<i>Resiliency Planting Program</i>	\$500	\$500	\$0
Clean Vehicle Projects	\$0	\$0	\$0
<i>Electric Vehicle Fast Chargers</i>	\$1,000	\$0	(\$1,000)
Farmer's Market Resiliency Grant Program**	\$0	\$700	\$700
Climate Resilient Farms Program	\$15,250	\$15,250	\$0
<i>Cornell Soil Health Program</i>	\$500	\$500	\$0
<i>Carbon Sequestration on Agricultural Land</i>	\$500	\$0	(\$500)
<i>Climate Leadership Coordinators</i>	\$0	\$0	\$0
Total	\$43,225	\$41,375	(\$1,850)
Miscellaneous*	\$0	\$25,000	\$25,000
TOTAL EPF	\$400,000	\$400,000	\$0
*New 2024-25 Program			
**Transfers from FY23-24 Agriculture Local Assistance			



FINANCIAL SERVICES

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
 (518) 455-4131
toranzo@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$88.9 million, \$851,000 more than last year.
- **Banking Program:** \$120.5 million, \$3.3 million more than last year.
- **Insurance Program:** \$247.7 million, \$5.8 million more than last year.

- ➔ **Family Planning Services:** \$27.4 million, same as last year.
- ➔ **Healthy NY Program:** \$19.4 million, \$600,000 more than last year.
- ➔ **Immunization Program:** \$7.5 million, same as last year.
- ➔ **Lead Poisoning Prevention and Assistance Program:** \$14.6 million, same as last year.
- ➔ **New York City Fire Training Academy SFY 2023-24:** \$989,000, same as last year.

SIGNIFICANT DECREASES INCLUDE:

- **Banking Program:** \$3 million, \$250,000 less than last year.
- ➔ **Education Debt Consumer Assistance Program:** \$3 million, same as last year.
 - ❖ This funding is for services and expenses of the Community Service Society of New York associated with operating this Program.
- ➔ **Education Debt Consumer Assistance Program:** \$250,000 in funding is eliminated.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Insurance Program:** \$72.9 million, \$2.6 million more than last year.
- ➔ **Entertainment Industry Health Insurance Assistance Demonstration Program:** \$3 million, \$2 million more than last year.

- ❖ This funding is for services and expenses of the Education Debt Consumer Assistance Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Administration Program: \$850,000.

HEALTH AND MENTAL HYGIENE – A.8807

Part AA Commercial Insurance Reimbursement for Behavioral Health Services This Part requires commercial insurance plans to provide a minimum level of reimbursement for in-network providers that are licensed, certified, or otherwise authorized by the Office of Addiction Services (OASAS) and the Office of Mental Health (OMH). This includes outpatient services as well as crisis stabilization centers. The minimum reimbursement rate must be no less than the Medicaid rate set for such services.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part BB Year Extension for Displaced Workers This Part extends for one year, until July 1, 2025, the Entertainment Industry Subsidy Program that provides health insurance continuation assistance for displaced workers.

This subsidy program was created to help eligible entertainment industry employees maintain health insurance during episodic employment. Participants can receive assistance equal to 75% of their COBRA premiums, for up to 12 months in a 5-year period.

Part CC Buy Now Pay Later Act This Part would authorize the Department of Financial Services (DFS) to regulate companies who offer “Buy Now, Pay Later” (BNPL) loans. The proposal would amend the Banking Law to grant DFS licensing and regulatory authority over BNPL loans and their providers.

Specifically, the Superintendent of DFS would be authorized to require BNPL lenders to obtain a license to operate in New York State and impose a fee to obtain such license. To obtain a license, the Superintendent would be required to substantively review such application by examining the financial responsibility of the applicant, including meeting financial solvency, any capital requirements established by the Superintendent, access to credit and experience, character and general fitness of the applicant and all affiliates of such applicant.

If the Superintendent refuses to issue a license, the applicant must be notified of the denial. Further, the Superintendent would have the authority to revoke or suspend a license if the licensee has violated any applicable law or regulation, if any fact or condition exists that clearly would have warranted an initial denial, or if the licensee fails to pay any sum of money or fails to comply with any demand, ruling or requirement of the Superintendent. Whenever a license is revoked or suspended, a special proceeding to review the suspension or revocation must occur within 30 days of the date of suspension or revocation.

The Superintendent may, for good cause, without notice and a hearing suspend a license for a period not exceeding 30 days pending an investigation. “Good cause” exists when a licensee has engaged in prohibited behavior or engages in dishonest or inequitable practices which may cause substantial harm to the public.

This proposal requires BNPL lenders to maintain and preserve books and records for the Superintendent to determine whether such BNPL lender is in compliance with applicable laws and regulations. The Superintendent would be required to establish a date for each licensee to file an annual report giving information concerning the licensee’s business and operations during the preceding calendar year.

This proposal also imposes limitations on charges related to BNPL loans, including prohibiting directly or indirectly charging, contracting for, or receiving any interest, discount or consideration upon a BNPL loan greater than 6% per annum.

To provide consumer protections in relation to BNPL lending, this proposal requires a BNPL lender to:

- Disclose to consumers the terms of such loans, including the cost, such as interest and fees, repayment schedules, and other material conditions, in a clear and conspicuous manner;
- Make a reasonable determination that a consumer applying for such loan has the ability to repay the loan;
- Maintain accurate data that may be reported to credit reporting agencies subject to regulations set for by the Superintendent;
- Require BNPL lenders to provide details regarding refunds and returns for goods or services purchased in connection to these loans; and
- Resolve consumer disputes in a matter that is fair and transparent to consumers.

No BNPL lender shall charge a consumer an unfair, abusive, or excessive penalty or fee in connection with a BNPL loan.

Any individual associated with the operation of a BNPL lender who violates or participates in the violation of applicable law and regulation would be penalized for any violation. Such penalties would consist of having to pay the State up to \$500, or

imprisonment of up to six months, or both, at the discretion of the court.

Part DD Supplemental Spousal Liability Coverage

This Part would require auto insurance policies issued in New York to include supplemental spousal liability coverage only where the insured has indicated on the insurance application that they are married. Supplemental Spousal Liability Coverage is a type of insurance that provides bodily injury liability coverage under a motor vehicle insurance policy when a person is injured or killed in a motor vehicle accident caused by the negligence of their spouse.

Currently, auto insurance policies automatically include supplemental spousal liability coverage for all policies, unless the insured proactively opts-out of such coverage. This proposal amends the current law to only provide this coverage to policyholders who indicate that they are married on an insurance application. Policyholders would maintain the ability to opt-out of such coverage by submitting a written form. Only policyholders indicating a married status would have this coverage included.

This Part also requires that a notification of the availability of supplemental spousal liability insurance be provided upon policy issuance at least once a year for all motor vehicle liability policies. The notice is required to be contained on the front of the premium notice in boldface type and include a concise statement that supplemental spousal liability coverage is available, an explanation of such coverage, and the insurer’s premium for such coverage.

Part EE Eliminate Insulin Cost-Sharing

This Part amends the Insurance Law to ensure that prescription insulin drugs shall not be subject to a deductible, copayment, coinsurance, or any other cost-sharing requirement. Insulin copays are currently limited to \$100 per 30-day supply.

Part FF Combating Discrimination in Housing

This Part would prohibit insurance companies from inquiring on an application, or cancelling, refusing to issue, refusing to renew, or increasing a premium

of insurance which covers loss of or damage to real property based on:

- The level or source of income of the insured individual;
- The real property that must be affordable to residents at a specific income level pursuant to statute, regulations, restrictive declarations or regulatory agreement with a State or local government entity; or
- The real property owner or residents receiving government housing subsidies.

The Governor states that this proposal would clarify that insurers could still consider any underwriting rating factors not specified in this bill or not otherwise prohibited by law and would help address challenges affordable housing providers encounter when obtaining insurance or when seeking to pay reasonable premiums for property insurance.

The proposal includes procedures for broker-dealers, investment advisers, or other qualified individuals to issue a transaction hold for up to 15 days on an eligible adult's account if they suspect financial exploitation. The process involves notification by an employee of a financial institution to local adult protective services and law enforcement, imposing transaction holds on an eligible adult's account with possible extensions of up to 25 days and early releases not more than one business day, and maintaining records related to the financial exploitation of an eligible adult.

Broker-dealers, investment advisers, and qualified individuals are immune from criminal, civil, and administrative liabilities if they act in good faith. Immunity would not apply to those who engage in intentional misconduct or conflicts of interest.

Part HH Increased Penalties for Mental Health and Substance Use Disorder Requirements This Part authorizes the Superintendent of Financial Services to increase penalties up to \$2,000 per violation for insurers who violate Federal Mental Health Parity and Addiction Equity Act requirements if there is a willful violation after notice and hearing. The penalty for such violations, with respect to accident

and health insurance, is currently \$1,000 per violation.

Part II Financial Exploitation Prevention The Executive is proposing to amend the General Business Law and the Banking Law to establish procedures for financial institutions to impose holds on transactions that appear to be related to the exploitation of an eligible adult.

The Part defines an “eligible adult” as an individual who is at least 65 years of age or older, or at least the age of eighteen and who, because of mental or physical impairment, is unable to manage their own resources or protect themselves from financial exploitation without assistance from others.

Financial exploitation of an eligible adult would include the improper use of an eligible adult's funds, property, income or assets; or any act or omission by a person, including through the use of a power of attorney, guardianship or any other authority regarding an eligible adult to obtain control or to convert an eligible adult's money, assets, income, or property through deception, intimidation, threats, or undue influence.

Part JJ Modernization of the Life Insurance

Guaranty Credit Part Y of Chapter 57 of the Laws of 2023 (A.3007-C, Health and Mental Hygiene Budget Bill) required the Superintendent of Financial Services, in consultation with the Division of Budget, Department of Taxation and Finance, and other appropriate agencies, to develop an assessment offset plan to limit the impact of Life and Health Insurance Guaranty Fund assessments on not-for-profit member insurers.

This Part seeks to implement this plan by amending the Insurance Law and Tax Law to ensure that the assessments for not-for-profit member insurers of the Life and Health Insurance Guaranty Corporation of New York are comparable to the assessments for for-profit member insurers after the applicable tax credits for for-profit member insurers.

Specifically, this proposal would change the way in which the credits for assessments paid by member insurers are calculated. For net class A assessments,

the eligible credit amount shall be equal to the product of 80% and the company's net class A assessments paid. Class A assessments are defined as assessments made for the purpose of meeting administrative costs and other general expenses.

For total net class B and C assessments for member insurers, the eligible credit amount shall be equal to the product of 80% and the company's total net class B and class C assessments paid. Class B assessments are defined as assessments made to the extent necessary to carry out the powers and duties of the corporation with regard to an impaired or insolvent domestic insurer. Class C assessments are defined as assessments made to the extent necessary to carry out the powers and duties of the corporation with regard to an impaired or insolvent foreign or alien insurer. The Superintendent would be required to issue a certificate of tax credit for net class A assessments paid, and a separate certificate of tax credit for total net class B and class C assessments paid. DFS will also be required to provide a certificate to the taxpayer if they are eligible for the credit.

The proposal stipulates that the aggregate amount of tax credits for total net class B and class C assessments shall not exceed \$150 million in each calendar year. Such aggregate tax credit would be allocated annually by the Superintendent on a pro-rata basis to each company that files a tax return. Any tax credit amount that exceeds the annual credit cap would be allocated in the following calendar year.

For companies that are issued a certificate of tax credit for total net class B and class C assessments, the annual certificate would set forth an amount equal to thirty-three and one-third per centum of the amount calculated. The amount on the certificate of tax credit would be eligible to be claimed in the taxable year that begins in the calendar year that such certificate is issued. Further, thirty-three and one-third per centum of such amount would be eligible to be claimed in each of the two taxable years following such taxable year. With respect to each such certificate, the amount of the credit must be claimed in the taxable year that

begins in the calendar year that such certificate is issued.

The proposal also sets forth provisions related to the carryover of any credits allowed by this proposal. Credits for any taxable year shall not reduce the tax due for such year to less than the minimum fixed by State Tax Law. However, if the amount of credit allowable for any taxable year reduced the tax to such amount, any amount of credit not deductible in such taxable year may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.

To ensure comparable assessments for not-for-profit insurers of the Guaranty Fund, the proposal includes language that directs class B and class C assessments to be further reduced for not-for-profit member insurers pursuant to methodology included in the plan of operation and approved by the Superintendent. If enacted, these provisions would apply to taxable years beginning on or after January 1, 2024.



GAMING COMMISSION

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director

(518) 455-4131

bartlettb@nyassembly.gov

STATE OPERATIONS – A.8800

MAINTAINS FUNDING FOR THE FOLLOWING:

- **NYS Racing Fan Advisory Council:** \$100,000. This funding supports the NYS Racing Fan Advisory Council. The Council makes recommendations to enhance the experience of horseracing fans and attract more fans to the sport.

AID TO LOCALITIES – A.8803

SIGNIFICANT ACTIONS INCLUDE:

- **Tribal State Compact:** \$200 million, \$25 million more than last year. These funds support local host payments the State receives from such gaming devices at the various Indian casinos. In addition, under the 2013 Upstate New York Gaming and Economic Development Act, every county in an Indian exclusivity zone will share in

Indian gaming facility revenues. Ten percent of the net electronic gaming revenue retained by the State from Native American gaming facilities will be shared by the non-host counties in each respective exclusivity zone. While the Seneca Compact is set to expire March 31, 2024, negotiations are ongoing and any potential change, if at all, to the revenue sharing agreement is unknown at present. Therefore, these appropriations assume that the Compact continues with the current revenue sharing agreement. Below please find a breakout of Tribal State Compact revenues by Nation:

- ➔ **Akwesasne Mohawk Casino Host Communities:** \$61 million, \$10 million more than last year. These funds support local host payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Akwesasne Mohawk Casino. This appropriation has a large increase due to the Mohawk Nation being behind in payments to the State, however, according to the Division of the Budget, they intend on making up these payments this year.
- ➔ **Akwesasne Mohawk Casino Non-Host Communities:** \$10 million, same as last year. These funds are generated by the Akwesasne Mohawk Casino to support non-host communities in the North County exclusivity zone.

- ➔ **Oneida Nation Casino Host**
Communities: \$45 million, \$4 million more than last year. These funds support local host payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Oneida Nation Casinos, as well as, \$6 million in additional revenue for the host communities due to the Oneida agreement.
- ➔ **Oneida Nation Casino Non-Host**
Communities: \$15 million, \$2 million more than last year. These funds are generated by the Oneida Nation Casinos to support non-host counties in the Oneida exclusivity zone.
- ➔ **Seneca Allegany Casino Host**
Communities: \$10 million, \$1 million more than last year. These funds support local host payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Seneca Allegany Casino.
- ➔ **Seneca Allegany Casino Non-Host**
Communities: \$4 million, same as last year. These funds are generated by the Seneca Allegany Casino to support non-host communities in the Western NY exclusivity zone.
- ➔ **Seneca Buffalo Creek Casino Host**
Communities: \$16 million, \$1 million more than last year. These funds support local host payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Seneca Buffalo Creek Casino.
- ➔ **Seneca Buffalo Creek Casino Non-Host**
Communities: \$7 million, \$1 million more than last year. These funds are generated by the Seneca Buffalo Creek Casino to support non-host

communities in the Western NY exclusivity zone.

- ➔ **Seneca Niagara Casino Host**
Communities: \$23 million, \$5 million more than last year. These funds support local payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Seneca Niagara Casino.
- ➔ **Seneca Niagara Casino Non-Host**
Communities: \$9 million, \$1 million more than last year. These funds are generated by the Seneca Niagara Casino to support non-host communities in the Western NY exclusivity zone.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Commercial Gaming Payment Reduction Offsets:** \$17 million for payments to local governments related to commercial gaming. This funding will support local host communities that experienced a reduction in commercial gaming tax rates as part of the 2021-22 Enacted Budget.
- **Gaming Program:** \$62 million. This funding supports commercial casino payments to host municipalities/counties and non-host municipalities of casino gaming facilities.
- ➔ **del Lago / Tioga Casinos:** \$22 million to support commercial casino payments for two casinos located in Region 5. These payments are to be made as follows:
 - ❖ \$5.5 million to support the host municipality and Seneca County equally.
 - ❖ \$5.5 million to support the host municipality and Tioga County equally.
 - ❖ \$11 million to support non-host counties in Region 5 on a per capita basis.

➔ **Resorts World Casino:** \$20 million in commercial casino payments for a casino located in Region 1. These payments are to be made as follows:

- ❖ \$10 million to support the host municipality and Sullivan County equally.
- ❖ \$10 million to support non-host counties in Region 1 on a per capita basis.

➔ **Rivers Casino:** \$20 million in commercial casino payments for a casino located in Region 2. These payments are to be made as follows:

- ❖ \$10 million to support the host municipality and Schenectady County equally.
- ❖ \$10 million to support non-host counties in Region 2 on a per capita basis.

with reporting requirements on the use of these funds. In the FY 2024 Enacted Budget, both Capital and Catskill OTB were authorized to use their capital acquisition funds for non-capital use. Capital OTB used \$1 million of its capital acquisition funds towards such purposes, while Catskill OTB did not apply. For this reason, only Capital is included in the 2024-25 Executive Budget.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

Part P Pari-Mutuel Tax Rates and Simulcast Provisions One-Year Extension Authorizes the simulcasting, by tracks and OTBs, of out-of-state thoroughbred and harness horse races and the distribution of revenue, including purse enhancements from the simulcasting of out-of-state thoroughbred races. It also extends for one year the current statutory distribution of revenue for on-track and off-track wagering at the NYRA tracks and continues until 2025 the authorization for the in-home simulcasting of races, binding arbitration for simulcasting disputes and telephone/internet betting accounts.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** The extension of these provisions will maintain current pari-mutuel tax receipts.

REVENUE – A.8809

Part O Authorized Use of Capital Funds by a Certain Off-Track Betting Corporation One-Year Extension This Executive proposal extends for one year the authorized use of capital acquisition funds by the Capital Off-Track Betting (OTB) Corporation through March 31, 2025. This proposal would allow the Capital OTB Corporation to utilize up to \$1 million in capital acquisition funds for purposes of statutory obligations, payments due to racing associations, and expenditures necessary to accept authorized wagers. This proposal requires the Capital OTB Corporations to submit detailed plans for using such funds. The Commission shall review such plans and notify the Corporation if the expenditure plan is approved. If the Corporation’s plan is approved such Corporation must comply



GENERAL SERVICES

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director

(518) 455-4131

bartlettb@nyassembly.gov

AID TO LOCALITIES – A.8803

SIGNIFICANT ACTIONS INCLUDE:

- **Special Emergency Appropriation:** \$15 million in funding is provided for prior costs associated with migrants and asylum seekers, including costs associated with temporary sheltering at Floyd Bennett Field. This appropriation is required for the continued spending authorization for funds that were from last year's emergency spending authority.

CAPITAL PROJECTS – A.8804

SIGNIFICANT DECREASES INCLUDE:

- **Capital Projects:** \$259.4 million, \$2.6 million less than last year. This decrease reflects one-time funding for the Legislative Library infrastructure project.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Electric Vehicles:** \$17 million, same as last year, is provided to support the conversion of light duty vehicles in the NYS fleet to electric vehicles.



GENERAL STATE CHARGES

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Dental Insurance Plan:** \$75.9 million, \$5.6 million more than last year, for the State's contribution to the dental insurance plan.
- **Employee Benefit Fund:** \$129.9 million, \$2.6 million more than last year, which reflects the State's contribution to the Employee Benefit Fund Program
- **Employees' Retirement:** \$2.2 billion, \$164.6 million more than last year, for the State's contribution to the Employees' Retirement System (ERS) pension accumulation fund, the Police and Fire Retirement System (PFRS) pension accumulation fund, and the NYS Public Employees Life Group Insurance Plan.
- **Healthcare Obligations:** \$5.8 billion, \$525.4 million more than last year, which reflects the State's contributions related to providing employees with health insurance.
- **Litigation:** \$46.5 million, \$1.4 million more than last year, for the payment of private counsel defense and payments on behalf of State officers and employees in civil or judicial proceedings.

- **Social Security:** \$1.1 billion, \$38.8 million more than last year, which reflects the State's contribution to Social Security Benefits.
- **SUNY Teachers Retirement:** \$20.7 million, \$1.4 million more than last year, for liabilities to the New York to the teachers' retirement system
- **Taxes on Public Lands:** \$318.8 million, \$9.3 million more than last year, for Real Property Tax liabilities or obligations on State-owned land.
- **Workers Compensation:** \$699 million, \$39.6 million more than last year, which reflects the State's contribution to the Workers Compensation fund.

SIGNIFICANT DECREASES INCLUDE:

- **Judgments Against the State:** \$154.4 million, \$2.5 million less than last year, for judgments brought against the State or against public benefit corporations indemnified by the State.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Unemployment Insurance for Former State Workers:** \$15 million
- **Payments of Public Lands:** 15.5 million.

HEALTH

WAYS & MEANS CONTACT:

Ryan Spinner, Principal Budget Analyst
 (518) 455-4131
spinnerr@nyassembly.gov

MEDICAID OVERVIEW

Medicaid Global Cap

The Executive Budget proposal extends the Medicaid Global Cap until FY26, which is a cap on State-share Department of Health spending. The Medicaid Global Cap is indexed to the five-year rolling average of Medicaid spending projections within the National Health Expenditure Accounts produced by the Office of the Actuary in the Centers for Medicare & Medicaid Services. The Executive Budget Financial Plan projects that the Medicaid program will remain under the cap in FY25, and exceed the Medicaid Global Cap in FY26 through FY28.

Total Medicaid Spending

Proposed Medicaid Spending in the FY25 Executive Budget Financial Plan is projected to total \$107.7 billion from all funding sources, similar to FY24. Please see *Figure 1* below for the breakout of funding sources.

FY25 Medicaid Spending (billions) Figure 1	
Federal	\$63.6
State	\$35.5
Local	\$8.6
Total	\$107.7

Local Medicaid Impacts

The Executive Budget continues to take over the Local Share Medicaid growth, which is projected to be \$7.4 billion in FY25. This includes approximately \$4 billion for New York City and \$3.4 billion for the rest of the counties.

1115 Waiver Amendment

The Executive Budget includes \$7.5 billion over the next three years through the State’s 1115 Waiver Amendment, of which \$6 billion is federal funds. The funding will be used to advance health equity, reduce health disparities, and strengthen access to primary and behavioral health care across the State. This includes investments in social care networks, increasing reimbursement rates for certain services, strengthening workforce, and assisting financially distressed providers.

Medicaid Scorecard

Figure 2 below provides a summary of fiscal changes to the Medicaid budget as proposed by the Executive. This includes legislative, Article VII, and administrative actions that impact the spending within the Medicaid program.

FY 2025 Executive Budget Medicaid Scorecard				
Figure 2				
(State Share - \$ in millions)	Implementation Date	Article VII/ Admin	FY 2025	FY 2026
Global Cap Forecast (Surplus) / Deficit			\$590.7	\$2,039.8
Signed Legislation			\$5.6	\$25.7
A.250-A - Ambulance Bill	1/1/2025	Art. VII	\$2.5	\$10.0
A.1673-A - Biomarkers Coverage	1/1/2025	Art. VII	\$3.1	\$15.7
Base Revisions			(\$698.0)	\$356.0
Medicaid Enrollment Above Financial Plan Projections	1/1/2024	Admin	\$402.0	\$356.0
Delayed Recoupment of DPT Advances	1/1/2024	Admin	(\$1,100.0)	\$0.0
Financial Plan Support			\$1,100.0	\$0.0
Reimbursement of Prior-Year Financial Plan Support of Delayed DPT Recoupments	1/1/2024	Admin	\$1,100.0	\$0.0
FY 2024 Financial Plan Support of Enrollment and Base Deficits	1/1/2024	Admin	\$0.0	\$0.0
Global Cap Index Update	1/1/2024	Admin	(\$263.1)	(\$157.8)
Executive Base (Surplus)/Deficit			\$735.1	\$2,263.7
Budget Actions			(\$1,230.4)	(\$1,808.7)
Hospital Actions			(\$21.3)	(\$42.5)
Reduce Hospital Capital Rate Add-on by 10%	10/1/2024	Part D, A.8807	(\$21.3)	(\$42.5)
Nursing Home Actions			(\$103.5)	(\$103.5)
Nursing Home VAPAP Reduction	4/1/2024	Admin	(\$75.0)	(\$75.0)
Reduce Nursing Home Capital Rate Add-on by 10%	4/1/2024	Part E, A.8807	(\$28.5)	(\$28.5)
Other Long-Term Care Actions			(\$455.2)	(\$682.6)
Discontinue Wage Parity for Consumer Directed Personal Assistance Program (CDPAP)	10/1/2024	Part G, A.8807	(\$200.4)	(\$400.8)
Institute Plan Penalty for Electronic Visit Verification (EVV) Non-Compliance	1/1/2025	Admin	\$0.0	(\$20.0)
Discontinue Managed Long-Term Care (MLTC) Quality Pool	4/1/2024	Admin	(\$51.8)	(\$51.8)
Require Dual-Eligible Special Needs Plans (DSNPs) to Cover Medicaid Dental Benefits in Medicare	1/1/2025	Admin	(\$3.0)	(\$10.0)
Unallocated Long-Term Care Savings	4/1/2024	Part E, A.8807/Admin	(\$200.0)	(\$200.0)
Managed Care Actions			(\$271.9)	(\$426.9)
Institute Liquidated Damages Against Plans Who Fail to Comply With Model Contract	4/1/2025	Part H, A.8807	\$0.0	(\$5.0)
Competitively Procure Managed Care Organizations (MCOs)	10/1/2025	Part H, A.8807	\$0.0	(\$150.0)
Remove 1% Across the Board Increase for Health Plans	4/1/2024	Part H, A.8807	(\$204.4)	(\$204.4)
Carve Mainstream Managed Care (MMC) out of Independent Dispute Resolution (IDR)	4/1/2024	Part H, A.8807	(\$7.5)	(\$7.5)
Discontinue Mainstream Managed Care (MMC) Quality Pool	4/1/2024	Admin	(\$60.0)	(\$60.0)
Pharmacy Actions			(\$37.4)	(\$87.0)
Streamline Medicaid Drug Cap	10/1/2024	Part I, A.8807	(\$5.0)	(\$10.0)
Discontinue Prescriber Prevails	1/1/2025	Part I, A.8807	(\$5.0)	(\$20.0)
Pharmacy Enhancements and Integration Specialty Drug Management	10/1/2024	Part I, A.8807	(\$9.4)	(\$25.0)
Reduce Coverage for Over-The-Counter (OTC) Pharmaceuticals	10/1/2024	Part I, A.8807	(\$18.0)	(\$32.0)

Other Actions			(\$341.2)	(\$466.2)
Unallocated Medicaid Savings	4/1/2024	Admin	(\$200.0)	(\$200.0)
Procurement Savings and Efficiencies	4/1/2024	Admin	(\$5.0)	(\$5.0)
OHIP Non-Personal Service Reduction	4/1/2024	Admin	(\$25.0)	(\$25.0)
Increase Audit Target	4/1/2024	Admin	(\$100.0)	(\$100.0)
Restructure Health Homes	4/1/2025	Admin	\$0.0	(\$125.0)
Early Intervention - Teletherapy Reimbursement	4/1/2024	Admin	(\$6.5)	(\$6.5)
Early Intervention - Group Session Billing	4/1/2024	Admin	(\$4.7)	(\$4.7)
Total Global Cap (Surplus) / Deficit			(\$495.2)	\$455.1
1115 /SOTS / Additional Investments			\$495.2	\$547.7
1115 Waiver (State Share)			\$451.0	\$473.7
Medicaid Hospital Global Budget Initiative (\$550M Gross)	1/1/2024	Admin	\$275.0	\$275.0
Patient Centered Medical Homes (PCMH) Enhancement for Adults/Kids	4/1/2024	Admin	\$73.8	\$73.8
Substance Use Disorder Amendment	1/1/2024	Admin	(\$22.0)	(\$22.0)
Continuous Eligibility for Kids (0-6) in Medicaid and CHIP	1/1/2025	Part M, A.8807	\$7.6	\$30.3
1115 Additional State Match	4/1/2024	Admin	\$116.7	\$116.7
State of the State Investments			\$44.2	\$74.0
Increase Children's Access to Healthcare			\$13.7	\$21.8
Increase reimbursement rates for Early Intervention by 5%	4/1/2024	Admin	\$6.1	\$6.1
4% Early Intervention Rate Modifier for Rural and Underserved Areas	4/1/2025	Admin	\$0.0	\$0.5
Increase rates for children's mental health provided in integrated settings	10/1/2024	Admin	\$7.6	\$15.2
Expand Access to Primary Care			\$19.9	\$38.3
Increase rates for mental health provided in integrated settings	10/1/2024	Admin	\$13.5	\$27.0
Increase reimbursement rates for healthcare providers serving individuals with physical, intellectual, or developmental disabilities.	10/1/2024	Admin	\$5.2	\$10.4
Expand coverage for Adverse Childhood Experiences (ACE) Screening to adults	10/1/2024	Admin	\$1.2	\$0.9
Other SOTS			\$2.6	\$5.8
Use an "opt out" approach for routine HIV testing	4/1/2024	Part T, A.8807	\$1.0	\$3.5
Allow pharmacists to administer vaccines, screen for diseases, and dispense medication	4/1/2024	Part T, A.8807	\$0.9	\$1.2
Allow RNs to perform HBV testing without non-patient specific standing order	4/1/2024	Part T, A.8807	\$0.1	\$0.1
Permit providers to distribute 3-day supply of buprenorphine	4/1/2024	Part U, A.8807	\$0.5	\$0.5
Ensure access to comprehensive gender-affirming treatments in Medicaid	1/1/2025	Admin	\$0.1	\$0.5
Other Mental Health SOTS (Medicaid Impacts)			\$8.1	\$8.1
Fund New Community-Based Mental Health Teams	4/1/2024	Admin	\$4.0	\$4.0
Establish New Youth Assertive Community Treatment (ACT) Teams Statewide	4/1/2024	Admin	\$4.0	\$4.0
Total Global Cap (Surplus) / Deficit			\$0.0	\$1,002.8

STATE OPERATIONS – A.8800

ADMINISTRATION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Administration Program:** \$213 million, \$13.1 million more than last year, due to increased personal service costs.
- **Modernized Data Systems:** \$12 million, \$3.7 million more than last year, for the implementation and development of modernized health care data systems.
- **Office of Gun Violence Prevention:** \$3 million, \$2.5 million more than last year, for data collection on gun violence that will track emerging gun violence hotspots and deploy resources to areas most in need.

SIGNIFICANT DECREASES INCLUDE:

- **Rental Unit Lead Testing Registration:** \$1.7 million, \$16.8 million less than last year, to create and maintain a lead testing registry for certain rental units.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Asian and Pacific-Islander Demographic Data:** \$7.3 million, same as last year, to collect demographic data as required by Section 170-E of the Executive Law.

CENTER FOR COMMUNITY HEALTH PROGRAM

SIGNIFICANT DECREASES INCLUDE:

- **Prevention, Diagnostic, Detection, and Treatment Services:** \$89.9 million, \$141.4 million less than last year, due to a decrease in Federal funds from the COVID-19 pandemic.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Handicapped Infants and Toddlers Program:** \$27.2 million, same as last year.
- **Tobacco Control and Cancer Initiatives:** \$3.8 million, same as last year.
- **Women, Infants, and Children (WIC):** \$5 million, same as last year, for a supplemental nutrition program.

CENTER FOR ENVIRONMENTAL HEALTH PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Environmental Projects:** \$9.8 million, same as last year.
- **Prevention, Diagnostic, Detection, and Treatment Services:** \$8 million, same as last year.
- **Radiological Health Protection:** \$4.7 million, same as last year.

CHILD HEALTH INSURANCE PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Health Care Reform Act Program (HCRA) Resources Fund:** \$18.5 million, \$824,000 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Aid Payments:** \$137.4 million, same as last year.
- **Poison Control Center:** \$1.1 million, same as last year.

HEALTH CARE REFORM ACT (HCRA) PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Auditing and Auditing Contracts:** \$4.9 million, \$113,000 more than last year.
- **New York State Workforce Innovations Center:** \$10.2 million, \$66,000 more than last year, for initiatives to help increase the health workforce supply in the State.
- **Pool Administration:** \$2.8 million \$112,000 more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Hospital Compliance Audits:** \$250,000, 850,000 less than last year due to the proposed elimination of the Section 405.4 Hospital Audit Program in Part L of Health and Mental Hygiene (A.8807).

INSTITUTIONAL MANAGEMENT PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Helen Hayes Hospital:** \$70.6 million, \$1.4 million more than last year, due to increased fringe benefit costs.
- **Lower Hudson Veterans’ Home:** \$33.7 million, \$2.4 million more than last year, due to increased fringe benefit costs.
- **Oxford Veterans’ Home:** \$28.6 million, \$2 million more than last year, due to increased fringe benefit costs.
- **Western New York Veterans’ Home:** \$18.1 million, \$1.3 million more than last year, due to increased fringe benefit costs.

SIGNIFICANT DECREASES INCLUDE:

- **New York City Veterans’ Home:** \$39.7 million, \$7 million less than last year, due to decreased fringe benefits costs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Recruitment and Retention for Department of Health Veterans’ Facilities:** \$200,000, same as last year.

OFFICE OF PRIMARY CARE AND HEALTH SYSTEMS MANAGEMENT

SIGNIFICANT INCREASES INCLUDE:

- **Certificate of Need Program:** \$8.2 million, \$225,000 more than last year, for increased resources in the Certificate of Need Program.
- **Emergency Medical Services (EMS) Administration and Training:** \$25.9 million, \$12.5 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Professional Medical Conduct Program:** \$22.1 million, same as last year.
- **Social Security Title XVIII Survey and Certification:** \$25 million, same as last year, for Medicare survey and certification.

WADSWORTH CENTER FOR LABORATORIES AND RESEARCH PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Clinical and Laboratory:** \$16.1 million, same as last year.
- **Medical Marijuana Expenses:** \$2.1 million, same as last year, for operation and oversight.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Stem Cell Research Program:** \$3 million, in funding eliminated.

OTHER STATE OPERATIONS

SIGNIFICANT INCREASES INCLUDE:

- **Essential Plan Program:** \$95.3 million, \$4 million more than last year.
- **New York State of Health Program:** \$48.7 million, \$4.5 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AIDS Institute:** \$600,000, same as last year.
- **Elderly Pharmaceutical Insurance Coverage (EPIC) Coverage:** \$13.3 million, same as last year, for administration to assist seniors with out-of-pocket drug costs.
- **Health Insurance Contingency Reserve:** \$773.9 million, same as last year, for use in the event a health insurance contractual agreement with the State Department of Civil Service is terminated.
- **Medicaid Inspector General:** \$57.5 million, same as last year.
- **Office of Health Insurance Program:** \$610 million, same as last year, for the Clinical Laboratory Reference and Accreditation Program.

AID TO LOCALITIES – A.8803

AIDS INSTITUTE PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Hepatitis C Programs:** \$3 million, \$1.9 million more than last year.
- **HIV Healthcare and Support Services:** \$29.2 million, \$4 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Health and Social Services Sexuality Related Programs:** \$12 million, same as last year.
- **HIV, STD, and Hepatitis C Prevention:** \$31.1 million, same as last year.
- **NYIII Supportive Housing Agreement:** \$12.9 million, same as last year.
- **Opioid Drug Addiction, Prevention and Treatment Program:** \$7.8 million, same as last year.
- **Regional HIV STD, and Hepatitis C Prevention:** \$29 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **TGNCNBI Workforce Development:** \$1 million in new funding for workforce development for transgender, gender non-conforming, non-binary, and intersex people within the State.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$2.5 million for six programs added by the Legislature.

CENTER FOR COMMUNITY HEALTH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Indian Health Program:** \$36.7 million, \$6.1 million more than last year.
- **School-Based Health Centers:** \$11.3 million, \$3 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Evidence-Based Cancer Services:** \$19.8 million, \$2.5 million less than last year.
- **Hunger Prevention and Nutrition Assistance Program:** \$34.5 million, \$22 million less than last year.
- **Tobacco Use Prevention and Control:** \$33.1 million, \$7.5 million less than last year, for tobacco use prevention and control and cancer research.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Early Intervention:** \$205 million, same as last year, including funding through a Covered Lives Assessment.
- **Family Planning:** \$10.4 million, same as last year, for Family Planning grants under Article 2 of the Public Health Law.
- **Federal Food and Nutritional Services:** \$556.9 million, same as last year.
- **Health Prevention, Diagnostic, Detection, and Treatment Services:** \$94.6 million, same as last year.
- **Nourish NY:** \$50 million, same as last year, to continue the Nourish NY program within the Department of Health. This program allows New York's emergency food providers to purchase surplus products from New York farmers and dairy manufacturers and deliver to New York families in need.
- **Nurse-Family Partnership:** \$3 million, same as last year.

- **Regional Perinatal Centers:** \$4.5 million, same as last year, for regional perinatal centers.
- **Respite Services:** \$1.8 million, same as last year, to reimburse municipalities for 50% of the costs for respite services approved by an Early Intervention official.
- **State Grants for Abortion Providers:** \$25 million, same as last year, to expand capacity and ensure access for patients.

SIGNIFICANT ACTIONS INCLUDE:

- **Housing and Healthcare for Children with Asthma:** \$2.1 million in new funding.
- **Lead Exposure in Rental Properties:** \$16.8 million in new funding.
- **Native American Dental Care:** \$2.5 million in new funding.
- **Perinatal Quality:** \$700,000 to increase perinatal quality within the State.
- **Reducing Infant Mortality:** \$320,000 in new funding.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$22.9 million in funding eliminated for 38 various legislative additions.
- **Lyme Disease and Other Tick-borne Illnesses:** \$69,400 in funding eliminated associated with discontinuation authorized in Health and Mental Hygiene, Part L (A.8807).
- **Maternity and Early Childhood Foundation:** \$227,000 in funding eliminated.
- **Rabies Program:** \$1.5 million in funding eliminated associated with discontinuation authorized in Health and Mental Hygiene, Part L (A.8807).

CHILD HEALTH INSURANCE PROGRAM (CHIP)

SIGNIFICANT INCREASES INCLUDE:

- **Health Care Reform Act (HCRA) Resources Fund:** \$1.1 billion, \$137.8 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **General Child Health Insurance Program (Federal):** \$1.5 billion, \$226.1 million less than last year, for Federal disbursements of the Children’s Health Insurance Program that provides low-cost health coverage to children in families who earn more than the Medicaid eligibility threshold.

HEALTH CARE REFORM ACT (HCRA) PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AIDS Drug Assistance Program:** \$41.1 million, same as last year, for transfer to Health Research Incorporated (HRI).
- **Diagnostic and Treatment Centers:** \$54.4 million, same as last year, for centers under the Clinic Safety Net Program.
- **Diversity in Medicine Program:** \$1.2 million, same as last year, to support supplemental distributions to the Graduate Medical Education Pool.
- **New York State Workforce Innovations Center:** \$10 million, same as last year, for initiatives to help increase the health workforce supply in the State.
- **Nurse Loan Repayment Program:** \$3 million, same as last year, to provide a student loan repayment program for nurses.
- **Physician Loan Repayment Program:** \$15.9 million, same as last year, for student loan assistance to physicians.

- **Roswell Park Cancer Institute:** \$55.5 million, same as last year.
- **Rural Healthcare Access and Network Development:** \$9.4 million, same as last year.

SIGNIFICANT DECREASES INCLUDE:

- **Excess Medical Malpractice Program:** \$39.3 million, \$39.3 million less than last year due to payment timing changes authorized under Health and Mental Hygiene, Part K (A.8807).

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Empire Clinical Research Investigators Program (ECRIP):** \$3.4 million in funding eliminated associated with discontinuation authorized in Health and Mental Hygiene, Part L (A.8807).
- **Legislative Additions:** \$2.6 million in funding eliminated for four various legislative additions.

OFFICE OF PRIMARY CARE AND HEALTH SYSTEMS MANAGEMENT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Distressed Provider Assistance Account:** \$150 million, same as last year, for grants to financially distressed hospitals.
- **Emergency Medical Services (EMS) Administration:** \$10.6 million, same as last year, for training, instructor development, and expenses of State EMS councils.

SIGNIFICANT ACTIONS INCLUDE:

- **Care Teams for At-Home Low-Income Older Adults:** \$6.3 million in new funding.

- **Respite Care at Adult Care Facilities:** \$7.2 million in new funds for relief to high-need family caregivers.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Coalition for the Institutionalized, Aged, and Disabled:** \$75,000 in funding eliminated.
- **Enriched Housing Program Support:** \$380,000 in funding eliminated associated with discontinuation authorized in Health and Mental Hygiene, Part L (A.8807).
- **Legislative Additions:** \$1.2 million in funding eliminated for four various legislative additions.
- **Long-Term Care Community Coalition:** \$26,000 in funding eliminated.
- **Quality Program for Adult Care Facilities:** \$3.3 million in funding eliminated.

OTHER AID TO LOCALITIES

SIGNIFICANT INCREASES INCLUDE:

- **Essential Plan Program:** \$11.6 billion, \$2.6 billion more than last year, for the State’s insurance marketplace for low-income individuals.
- **Wadsworth Laboratories and Research Program:** \$16.6 million, \$5 million more than last year, for services and expenses related to research of ALS and related rare diseases.

SIGNIFICANT DECREASES INCLUDE:

- **Office of Health Insurance Program:** \$323.1 million, \$1.9 million less than last year, due to the elimination of 6 legislative additions.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Center for Environmental Health:** \$22.3 million, same as last year, including \$5 million for the Water Supply Protection Program.
- **Elderly Pharmaceutical Insurance Coverage (EPIC) Program:** \$93.2 million, same as last year, for pharmaceutical coverage for the elderly.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Maintenance and Improvements of Existing Facilities:** \$62.9 million, \$4 million more than last year.
- **Statewide Health Information Network for New York (SHIN-NY):** \$35 million, \$2.5 million more than last year, to connect regional networks, allowing healthcare professionals to share patient medical information with the consent of the patient.

SIGNIFICANT DECREASES INCLUDE:

- **Facilities Maintenance and Operations:** \$9 million, \$3.3 million less than last year, due to the elimination of the Enhancing Quality of Adult Living Program authorized by Health and Mental Hygiene, Part L (A.8807).

MAINTAINS FUNDING FOR THE FOLLOWING:

- **All Payers Claims Database:** \$10 million, same as last year. The database aggregates all medical claims paid by public and private insurance payers.

- **IT Initiatives Program:** \$10 million, same as last year.
- **Laboratories and Research:** \$12 million, same as last year.
- **Water Resources:** \$362 million, same as last year for the drinking water revolving fund and laboratory testing for public drinking water.

SIGNIFICANT ACTIONS INCLUDE:

- **Safety and Security Projects for At-Risk Facilities:** \$18.3 million in new funding for safety and security projects at not-for-profit reproductive health facilities.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Health Care and Data Modernization:** \$30 million in one-time funding eliminated.
- **Healthcare Facility Transformation V:** \$1 billion in one-time funding eliminated for the statewide Health Facility Transformation V Program.
- **Wadsworth Laboratories:** \$967 million in one-time funding eliminated to consolidate the five Wadsworth Laboratory facilities in Albany into one new facility.

The Executive Budget Financial Plan projects that the Medicaid program will remain under the cap in FY25, and exceed the Medicaid Global Cap in FY26 through FY28.

Part B Various Public Health, Education, and Social Services Law Extenders This Part extends various parts of the Education, Public Health, and Social Services Laws:

- **Commissioner of Health Authority to Issue Certificates of Public Advantage:** Extended for four years through December 31, 2028.
- **Energy Audit and Disaster Preparedness of Residential Health Care Facilities:** Extended for three years through July 1, 2027.
- **Issuance of Certificates of Authority to Accountable Care Organizations:** Extended for four years through December 31, 2028.
- **Managed Care Non-Profit Affiliation for Care Coordination:** Extended for five years through December 31, 2029.
- **Medicaid Eligibility at 150% of Federal Poverty Level for 19-20 Year-Olds Living at Home:** Extended for five years through October 1, 2029.
- **Medicaid Telehealth Payment Parity:** Extended for one year through April 1, 2025.
- **Mental Hygiene Regulatory Waiver Authority for DSRIP Projects:** Extended for two years through April 1, 2026.
- **Office of Mental Health Authority to Certify Special Needs Plans:** Extended for five years through March 31, 2030.
- **Opioid Stewardship Act Extension:** Extended for three years through June 30, 2027.
- **Statewide Medicaid Integrity and Efficiency:** Extended for two years through March 31, 2026.

HEALTH AND MENTAL HYGIENE – A.8807

Part A Medicaid Global Cap Extension This Part extends the Medicaid Global Cap until FY26, which is a cap on State-share Department of Health spending. Beginning in FY23, the Medicaid Global Cap metric was changed to be indexed to the five-year rolling average of Medicaid spending projections within the National Health Expenditure Accounts produced by the Office of the Actuary in the Centers for Medicare & Medicaid Services.

Part C School Psychologist Temporary Authorizations This Part removes the temporary authorization that allows school psychologists to practice as Early Intervention (EI) providers. This proposal would bring New York into compliance with Federal requirements.

Currently, school psychologists can only provide EI services when employed by a government agency, chartered elementary or secondary school, or degree-granting institution of higher education, and cannot provide services as an individual. Current EI services provided by school psychologists are not reimbursable by Medicaid, which leads to the cost being covered by either counties or the State.

The Executive Budget proposal includes a 5% rate increase for EI services as well as a 4% rate modifier for rural and underserved areas.

Additionally, this Part extends the authorization for school psychologists to evaluate children ages 3 to 5 for preschool special education services for an additional two years through June 30, 2026.

Part D Hospital Related Provisions and Distressed Provider Assistance Account Extension This Part reduces the capital rate add-on for hospitals by an additional 10% (Medicaid savings of \$21.3 million in FY25) and aligns the Upper Payment Limit (UPL) with the calendar year to bring New York into compliance with Federal requirements.

Additionally, this Part extends the Distressed Provider Assistance Account through March 31, 2028.

Part E Nursing Home Provisions This Part freezes the operating rate for skilled nursing facilities at January 1, 2024 levels, while the Department of Health develops a methodology for patient acuity using a Patient Driven Payment Model. This is due to the Centers for Medicare and Medicaid Services (CMS) no longer collecting data that is currently used to determine rates. The capital rate add-on for nursing homes is also reduced by an additional 10% providing Medicaid savings of \$28.5 million in FY 25.

Additionally, the residency requirements for eligibility for the State-run Veterans' Nursing Homes are reduced from one year to six months.

Part F Long-Term Care Facilities This Part makes various proposals regarding Assisted Living Facilities (ALFs), Adult Care Facilities (ACFs) and Assisted Living Residences (ALRs).

Special Needs Assisted Living Residence (SNALR) Extension

The Special Needs Assisted Living Residence (SNALR) Voucher program is made permanent.

Assisted Living Residences (ALRs) Quality Improvement Standards

This proposal creates quality improvement standards for ALRs. Beginning January 31, 2025, all these residences must report annually on quality measures to the Department of Health (DOH). These residences must also post the monthly service rate, staffing complement, approved admission or residency agreement, and a consumer-friendly summary of all service fees in a conspicuous place on the facility's website and in a public space within the facility. Additionally, this will be required to be reported to the Department beginning January 1, 2025. DOH shall score all the required reporting categories and shall grant advanced standing classification to top scoring facilities.

Advanced standing residences shall be surveyed every 12 to 18 months, with all other residences being surveyed no less than annually. DOH may post the reporting results on the DOH website.

Adult Care Facilities (ACFs) Accreditation

This Part also allows Adult Care Facilities (ACFs) to seek accreditation by one or more nationally recognized accrediting agencies determined by the Commissioner. The accreditation agencies shall report data to DOH pertaining to whether or not ACFs have received accreditation.

ACFs that have achieved accreditation may be exempt from department inspection for the duration they maintain their accreditation in good standing. Any ACF that loses accreditation shall report such loss to the Department within 10 business days.

Part G Long-Term Care Proposals This Part repeals Downstate wage parity for personal assistants in the Consumer Directed Personal Assistance Program (CDPAP) in New York City, and Nassau, Suffolk, and Westchester counties. Currently, these personal assistants receive a supplemental wage or partial benefit package of \$2.54/hour for New York City, and \$1.67/hour for Long Island and Westchester. This has an associated Medicaid savings of \$200.4 million in FY25.

Part H Managed Care Proposals This Part makes various proposals related to Managed Care.

Managed Care Independent Dispute Resolution (IDR) Process Exclusion

This Part excludes Medicaid Managed Care from the IDR process administered through the Department of Financial Services. This is the process by which a dispute for a bill for emergency services or a surprise bill for health services may be resolved. This has an associated Medicaid savings of \$7.5 million in FY25.

Managed Care 1% Rate Increase Elimination

This Part eliminates a 1% rate increase for all Managed Care Organizations (MCOs) that was enacted in the FY23 Enacted Budget. This has an associated Medicaid savings of \$204.4 million in FY25.

Managed Care Competitive Procurement

This Part continues the moratorium on the processing and approval of certificates of authority for new Managed Care plans with limited exceptions. The Commissioner of Health is also required to competitively procure Medicaid Managed Care benefits from Medicaid Managed Care (MMC) plans, Managed Long Term Care (MLTC) plans, Medicaid Advantage Plus (MAP) plans, and Health and Recovery Plans (HARP) plans.

The following criteria shall be considered by the Commissioner during the procurement process:

- Ability to offer plans in multiple regions;
- Accessibility and geographic distribution of network providers;
- Breadth of service area across multiple regions;
- Commitment to quality improvement;
- Commitment to Managed Care in the State;
- Demonstrated cultural and language competencies specific to the population of participants;
- For current or previously authorized managed care providers, past performance in meeting managed care contract or Federal or State requirements;
- Readiness to timely implement and adhere to maximum wait time criteria for key categories of service;
- The corporate organization and status of the bidder as a charitable corporation;
- The extent to which public hospitals are in the submitted provider network;
- The type and number of products the bidder proposes to operate, including those providing integrated care to individuals dually eligible for services and benefits with an affiliated Medicare Dual Eligible Special Needs Plan;
- Value based care readiness and experience;
- Whether the bidder participates in products for integrated care for participants who are dually eligible for Medicaid and Medicare; and
- Any other criteria deemed appropriate by the Commissioner.

The Department of Health (DOH) shall post the following on its website:

- The request for proposals and a description of the proposed services to be provided;
- The criteria on which the Department shall determine qualified bidders and evaluate their proposals;
- The manner by which a proposal may be submitted, which may include submission by electronic means;
- The manner by which a Managed Care provider may continue to participate in the Managed Care program pending award of Managed Care providers through a competitive bid process; and
- Upon award, the Managed Care providers that the Commissioner intends to contract with, provided that the Commissioner shall update such list to indicate the final slate of contracted managed care providers.

All responsible and responsive submissions received in a timely fashion shall be reviewed by the Commissioner. The Commissioner shall make awards for each product to two or more Managed Care providers in each geographic region defined by the Commissioner, with the authority to offer more contacts based on need for access.

Contracts shall run for a term determined by the Commissioner which may be reviewed or renewed without a new Request for Proposal. Nothing in this Part shall be construed to limit DOH from issuing a new Request for Proposal. The Commissioner may reissue a Request for Proposal, provided, however, that such request may be limited to the geographic or other basis of need that the request for proposals is seeking to address. This has an associated Medicaid savings of \$150 million in FY26.

Managed Care Organization (MCO) Liquidated Damages

This Part entitles the Commissioner of Health to recover liquidated damages from Managed Care organizations for failure to meet the contractual obligations and performance standards of their contract, and the Commissioner shall have sole discretion in determining whether to impose a recovery of the financial loss and damages for noncompliance with any provision of the contract.

Liquidated damages imposed shall be from \$250 to \$25,000 per violation and shall be due within 60 calendar days from the issuance of a statement of damages regardless of any dispute over the amount. The Commissioner may collect damages by reducing payments to MCOs. All damages must be paid out of the administrative costs and profits of the organization, and the damages may not be passed on to any providers or subcontractors.

To dispute damages, an MCO must submit a written request, in a form and manner determined by the Commissioner, of dispute within 30 calendar days of the notice. Any disputes not done in a timely manner or in a proper format shall be denied. MCOs waive their rights to any evidence of dispute not submitted within 30 days.

The Commissioner shall issue the decision of a dispute to the MCO in writing within 90 calendar days of receipt of the dispute, with the decision being final. This has an associated Medicaid savings of \$5 million in FY26.

Part I Pharmacy Related Proposals This Part proposes various pharmacy related actions within the Medicaid program.

Medicaid Over-the-Counter Drug Changes

This Part allows the Commissioner of Health to modify the over-the-counter drugs that are covered by Medicaid to create savings within the Medicaid program. This has an associated Medicaid savings of \$18 million in FY25.

Eliminate “Prescriber Prevails”

This Part eliminates “prescriber prevails” which gives physicians the final determination when the justification for a drug’s use is not clinically supported in the Medicaid program. This has an associated Medicaid savings of \$5 million in FY25.

Medicaid Drug Cap and Rebate Program

This Part repeals several portions of the current Medicaid Drug Cap and replaces it with a Supplemental Rebate Program.

This new Program requires the Commissioner to annually review Department of Health (DOH) State fund Medicaid drug expenditures. This includes but is not limited to drugs in the 80th percentile in total spend and cost per claim, net of rebate. If the Commissioner is unsuccessful in entering into a rebate arrangement with the manufacturer of the drug satisfactory to the Department, the drug manufacturer shall be required to provide the following information:

- The actual cost of developing, manufacturing, producing (including the cost per dose of production), and distributing the drug;
- Research and development costs of the drug;
- Administrative, marketing, and advertising costs for the drug;
- The extent of utilization of the drug;
- Prices for the drug that are charged to purchasers outside the United States;
- Prices charged to typical purchasers in the State;
- The average rebates and discounts provided per payer type in the state; and
- The average profit margin of each drug over the prior five-year period and the projected profit margin anticipated for such drug.

DOH’s annual reporting requirement to the Drug Utilization Review Board is altered to be upon request of the Chair of the Board. This has an associated Medicaid savings of \$5 million in FY25.

Pharmacy Cost Reporting

This Part requires the Commissioner to develop and implement a cost reporting program for licensed pharmacies that participate in the Medicaid program. This includes requiring an annual cost report that includes costs incurred during procurement and dispensing of prescription drugs.

Such cost reports are subject to audit and any information or data that is inaccurate or incorrect must be corrected within 15 business days. Failure to file timely reports may be subject to removal from the Medicaid pharmacy program.

Physician Administered Drugs

This Part changes the reimbursement rate for Physician Administered Drugs from the actual cost of the drugs to the practitioners, to the lower of the following:

- An amount equal to the national average drug acquisition cost set by the Federal Centers for Medicare and Medicaid Services (CMS) for the drug, or if unavailable, the:
 - ➔ Wholesale acquisition cost of the drug based on the package size dispensed;
 - ➔ The Federal upper limit;
 - ➔ The State maximum acquisition cost;
 - ➔ The actual cost of the drug to the practitioner; or
- The actual amount paid by a covered entity under the 340B program.

Fiscal Impact: This has an associated Medicaid savings of \$9.4 million in FY25.

Part J Essential Plan Proposals This Part proposes various changes to the Essential Plan, including:

- Rename the “Basic Health Plan” the “Essential Plan” in State Law;
- Clarify only certain provisions of the Essential Plan would expire with the loss of Federal approval;
- Delays implementation of Long-Term Services and Supports through the Essential Plan for one year; and
- Allows the Commissioner of Health to seek Federal approval to establish a subsidy program to reduce or eliminate premiums or cost-sharing for individuals up to 350% of the Federal Poverty Level.

Part K Physician’s Excess Medical Malpractice Insurance Restructure This Part makes various changes the Excess Medical Malpractice Insurance Program.

For coverage purchased in the July 1, 2023 coverage year, the payment would be spread across two fiscal years with the first payment of 50% of the premium being at the conclusion of the policy period and the second payment being made the following year.

Beginning with policies purchased on or after July 1, 2024, physicians and dentists would be required to pay 50% of the premium. Half of the remaining 50% of the premium would be paid at the end of the policy period, with the remaining 25% being made the following year. Please see *Figure 3* in the next column for a breakout of the payment schedule.

Medical Malpractice Proposal Schedule Figure 3				
Appropriation Year	Obligation	FY 2025	FY 2026	FY 2027
FY 2024 Obligation	\$78.5	\$39.3	\$39.3	
FY 2025 Obligation	\$39.3		\$19.6	\$19.6
FY 2026 Obligation	\$39.3			\$19.6
Total Revised Spending		\$39.3	\$58.9	\$39.3
Cost / (Savings)		(\$39.3)	(\$19.6)	(\$39.3)

Part L Public Health Eliminations This Part proposes eliminating or discontinuing the following public health related programs:

- Empire Clinical Research Investigation Program (ECRIP);
- Enhancing the Quality of Adult Living (EQUAL) Program;
- Enriched Housing Program;
- Medical Society of the State of New York (MSSNY) Physician Health Program;
- Section 405.4 Hospital Audit Program; and
- Tick-Borne Disease Program.

Part M Continuous Public Health Insurance Eligibility for Children Age 0 to 6 This Part enables children to remain continuously eligible for Medicaid and Child Health Plus until the age of 6 without the need for an eligibility redetermination regardless of a change of income in the child’s family.

Fiscal Impact: This has an associated Medicaid cost of \$7.6 million in FY25.

Part N Maternal and Reproductive Health Provisions This Part authorizes the Commissioner of Health to issue a non-patient specific Statewide standing order for doula services for pregnant, birthing, and postpartum individuals through 12 months postpartum.

Additionally, this proposal includes provisions that will add minors to the definition of pregnant individuals that may give consent for medical, dental, health, and hospital services relating to reproductive healthcare, including the termination of a pregnancy for any reason. This Part also affirms the right of minors to confidentially obtain reproductive health care services, including contraception access, under the Reproductive Health Act.

Part O Medical Debt and Hospital Financial Assistance This Part proposes changes to hospital financial assistance requirements and medical debt.

Hospital Financial Assistance

The Executive Budget proposal contains various initiatives related to hospital financial assistance. A definition of “underinsured” is added in Public Health Law to require hospitals to extend required financial assistance to both uninsured and underinsured individuals. An underinsured individual is someone that has out of pocket medical costs that are more than ten percent of their gross annual income for the past 12 months.

Hospitals would be required to change the amount of assistance provided, according to the following:

- Waive all charges for patients with incomes under 200% of the Federal Poverty Level (FPL);
- For patients between 201% and 300% of FPL, hospitals may only charge up to 10% of the Medicaid rate, or 10% of cost-sharing for the underinsured; and
- For patients between 301% and 400% of FPL, hospitals may only charge up to 20% of the Medicaid rate, or 20% of cost-sharing for the underinsured.

Payments under financial assistance payment plans would be limited to 5% of the patient’s monthly income as opposed to 10%, and interest would be capped at 2%. Assistance would be available to patients at any time during the collection process as opposed to the current 90 day timeframe. Hospitals would be required to notify individuals about financial assistance upon discharge.

Medical Debt Protections

The Executive Budget proposal also includes various proposals regarding medical debt. This includes limiting a hospital’s ability to sue patients under 400% of FPL. In legal actions related to medical debt, hospitals must provide an affidavit that the patient does not have an income below 400% of FPL. Additionally, a hospital or its collection agent shall not commence a civil action against a patient for nonpayment for at least 180 days after the first post-service bill is issued and the hospital has made efforts to determine if the patient is eligible for financial assistance. Patients must be provided consent for treatment and consent for payment separately.

This proposal also prohibits requirements that patients pre-authorize a credit card or have a card on file before medically necessary or emergency treatment, and patients must be notified of the possible risks of paying for treatment with a credit card. It is also prohibited for any individual to complete any portion of an application for medical financial products for a patient.

Part P Scope of Practice Extenders This Part extends various scope of practice changes for healthcare providers. The following scope of practice changes are extended for an additional two years until April 1, 2026:

- Allowing Pharmacists to direct limited-service laboratories, order and administer COVID-19 tests, and order and administer influenza tests; and
- The Nurse Practitioner Modernization Act.

The following scope of practice changes are extended permanently:

- Authorizing physicians and certified Nurse Practitioners to order non-patient specific regimens to registered professional nurses for tests to determine the presence of COVID-19 or its antibodies or influenza virus; and
- Authorizing pharmacists to work in collaborative agreements with physicians to adjust, manage, evaluate and implement drug therapies for patients in certain settings for Chronic Drug Therapy Management (CDTM).

Part Q Scope of Practice Expansions This Part includes various provisions related to scope of practice changes.

Physician Assistants

This Part allows Physician Assistants (PAs) to practice without the supervision of a physician under the following circumstances:

- The PA has practiced for more than 8,000 hours;
- Is practicing in primary care;
- Is employed by a health system or hospital established under Article 28 of the Public Health Law; and
- Has completed a program approved by the Department of Health.

PAs would then be allowed to prescribe, dispense, order, administer, or procure items necessary to commence or complete a course of therapy, and prescribe and order a patient specific order or non-patient specific regimen to a licensed pharmacist or registered professional nurse. Additionally, PAs would be able to write medical orders for durable medical equipment. School boards would also be permitted to hire a PA as a director of school health services.

Certified Medication Aides

This Part requires the Commissioner of Education, in consultation with the Commissioner of Health, to promulgate regulations for a Certified Medication Aide (CMA). Tasks of a CMA shall include the administration of medications which are routine and pre-filled or otherwise packaged in a manner that promotes relative ease of administration. This does not include the administration of medications by injection, sterile procedures, and central line maintenance, with the exception of injections of insulin or other injections for diabetes care, to injections of low molecular weight heparin, and to pre-filled auto-injections of naloxone and epinephrine for emergency purposes.

Tasks performed by CMAs may be performed only under the supervision of a registered professional nurse (RN) licensed in New York State. The regulations must also establish a process by which an RN may assign medication-related tasks to a CMA. This includes, but is not limited to, the following:

- Allowing assignment of medication-related tasks to a CMA only where such CMA has demonstrated to the satisfaction of the supervising RN competency in every medication-related task that such CMA is authorized to perform, a willingness to perform such medication-related tasks, and the ability to effectively and efficiently communicate with the individual receiving services, and understand such individual's needs;
- Authorizing the supervising RN to revoke any assigned medication-related task from a CMA for any reason; and
- Authorizing multiple RNs to jointly agree to assign medication-related tasks to a CMA, provided further that only one RN shall be required to determine if the CMA has demonstrated competency in the medication-related task to be performed.

A CMA may perform medication-related tasks as a CMA when such aide has:

- A valid New York State nurse aide certificate;
- A high school diploma, GED or similar education credential;
- Evidence of being at least eighteen years old;
- At least one year of experience providing nurse aide services in a hospital or nursing home;
- The ability to read, write, and speak English and to perform basic math skills;
- Completed the requisite training and demonstrated competencies of a CMA as determined by the Commissioner of Education, in consultation with the Commissioner of Health;
- Successfully completed competency examinations satisfactory to the Commissioner of Education, in consultation with the Commissioner of Health; and
- Meets other appropriate qualifications as determined by the Commissioner of Education, in consultation with the Commissioner of Health.

CMAs are prohibited from holding themselves out, or accepting employment as, a person licensed to practice nursing as a CMA. CMAs are not permitted or required to assess the medication or medical needs of an individual. CMAs shall document all medication-related tasks provided to an individual, including medication administration to each individual through the use of a medication administration record. RNs shall retain the discretion to decide whether to assign medication-related tasks to CMAs under this program and shall not be subject to coercion, retaliation, or the threat of retaliation.

Dental Hygienists

This Part creates the collaborative practice and "Registered Dental Hygienist, Collaborative Practice" (RDH-CP). The practice of the profession of dental hygiene may be performed in collaboration with a licensed dentist, provided such services are performed in accordance with a written practice agreement and written practice protocols to be known as a collaborative practice agreement. Under a collaborative practice agreement, dental hygienists may perform all services which are designated in regulation without prior evaluation of a dentist or medical professional and may be performed without supervision in a collaborative practice setting.

The collaborative practice agreement shall include consideration for medically compromised patients, specific medical conditions, and age procedure-specific practice protocols, including, but not limited to recommended intervals for the performance of dental hygiene services and a periodicity in which an examination by a dentist should occur. The collaborative practice agreement shall be:

- Signed and maintained by the dentist, the dental hygienist, and the facility, program, or organization;
- Reviewed annually by the collaborating dentist and dental hygienist; and
- Made available to the Department and other interested parties upon request.

Only one of these agreements between a dentist and dental hygienist may be in force at a time. Before providing services, a dental hygienist must notify a patient that the dental hygiene services provided are not a substitute for a dental examination by a licensed dentist and instruct them to visit a licensed dentist for comprehensive examination or treatment. If a referral is made by the dental hygienist, they must fill out a referral form and provide a copy to the collaborating dentist.

Dentists are limited to having collaborative agreements with six hygienists at a time, with limited exceptions. To practice under these agreements, hygienists must apply and pay a fee set by the Department of Education, have been in practice for at least three years with a minimum of 4,500 practice hours, and complete an eight-hour continuing education course.

Miscellaneous Scope of Practice Changes

- Permits physicians, PAs, and certified Nurse Practitioners to directly assign and supervise a medical assistant in an outpatient setting for the task of drawing and administering immunizations to patients;
- Permits dentists to administer vaccines for influenza, SARS-CoV-2, Human papillomavirus (HPV), and vaccinations related to a declared public health emergency;
- Permits dentists to offer HIV, hepatitis C, and hemoglobin A1C screening or diagnostic tests;
- Permits dental hygienists to obtain a certificate to administer block anesthesia; and
- Permits dental hygienists to place pre-fit orthodontic bands, use light-cure composite material, take cephalometric radiographs, take two-dimensional and three-dimensional photography of dentition, and adjust removable appliances including nightguards, bleaching trays, retainers and dentures.

Part R Join Interstate Compacts This Part would enter New York into the Interstate Medical Licensure Compact and the Nurse Licensure Compact. These compacts allow for doctors and nurses to relocate to New York and use their existing licenses to practice in the State. The Interstate Medical Licensure Compact currently has 37 member states and the Nurse Licensure Compact currently has 41 member states.

The provisions set forth the applications, oversight, enforcement, dispute resolution process, and rulemaking processes necessary to join such compacts.

Part S Healthcare Safety Net Transformation Program

This Part establishes a Statewide Healthcare Safety Net Transformation Program within the Department of Health (DOH). The purpose of the program is for the transformation of safety net hospitals to improve access, equity, quality, and outcomes while increasing the financial sustainability of safety net hospitals. This includes the ability to utilize new or existing capital funding and/or operating subsidies. A safety net hospital and a partner organization may jointly apply for this program. The Commissioner shall enter an agreement with the President of the Dormitory Authority of The State of New York (DASNY) with approval by the Division of Budget (DOB) to distribute and administer funds.

To qualify as a safety net hospital, a hospital shall:

- Be either a public hospital, a rural emergency hospital, critical access hospital or sole community hospital;
- Have at least 30% of its inpatient discharges made up of Medicaid eligible individuals, uninsured individuals or Medicaid dually eligible individuals and at least 35% of its outpatient visits made up of Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals;
- Serve at least 30% of the residents of a county or a multi-county area who are Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals; or
- In the discretion of the Commissioner, serve a significant population of Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals.

The Comptroller is authorized and directed to transfer up to \$500 million from Statewide Health Care Facility Transformation IV and V funding to support this program. Awards may be provided without competitive bid. The Commissioner of Health is authorized to waive regulatory requirements to more effectively or efficiently implement projects awarded under this program so long as such waiver does not risk patient rights and safety.

Applications for funding shall include a transformation plan that includes at least a five-year strategic and operational plan outlining the roles and responsibilities of each entity and specifically State any regulatory flexibility which may be required. Additionally, the transformation plan shall also include a timeline of key metrics and goals related to improved access, equity, quality, outcomes, and increased financial sustainability of the safety net hospital. The request for level and type of support shall be specific, and continued support shall be contingent upon the implementation of the approved plan. The release of funding is contingent upon compliance with the transformation plan.

Part T Ending the Epidemic This Part makes various proposals to reduce the spread of Human Immunodeficiency Virus (HIV), Hepatitis C Virus (HCV), Hepatitis B Virus (HBV) and Syphilis. This includes the following:

- Requiring clinical laboratories to report negative HIV tests to the Commissioner of Health;
- Requiring laboratories to report negative HCV, HBV, and syphilis tests to appropriate State or local officials;
- Requires notification that HIV testing is voluntary, and allowing for the individual to opt-out before testing;
- Requiring that an individual receive information regarding pre- and post-exposure prophylaxis medications at the time an HIV test result is communicated;

- Allow Registered Nurses (RNs) to facilitate Hepatitis B testing through a non-patient specific standing order;
- Allow pharmacists to dispense HIV Pre-exposure Prophylaxis (PrEP) without a patient specific order, while being required to:
 - ➔ Document that the patient is HIV negative a minimum of every 12 months;
 - ➔ Provide the patient with a self-screening risk assessment questionnaire;
 - ➔ Provide the patient with a fact sheet, developed by the Commissioner of Health, that includes the clinical considerations and recommendations for use of PrEP, the appropriate method for using PrEP, information on the importance of follow-up health care, health care referral information, and the ability of the patient to opt out of practitioner reporting requirements;
 - ➔ Receive training in accordance with promulgated regulations;
 - ➔ Notify the patient’s primary health care practitioner unless the patient opts out of such notification;
 - ➔ Provide the patient with a written record of the PrEP medications dispensed if the patient does not have a primary health care practitioner;
- Allow pharmacists to administer mpox vaccinations to patients 18 or older; and
- Repeals provisions of Public Health Law that make it a misdemeanor to have intercourse with another while knowingly being infected with an infectious venereal disease.

Fiscal Impact: This has an associated Medicaid savings totaling \$2 million in FY25.

Part U Opioids and Overdose Prevention This Part contains various provisions aimed at addressing the opioid crisis.

This Part makes the following changes to the PMP:

- Creating definitions for “public health surveillance” and “patient identifying information” under Public Health Law for Controlled Substances;
- Excluding practitioners of correctional facilities, inpatient mental health facilities, and nursing homes from the requirements to check the Prescription Monitoring Program (PMP) registry before prescribing;
- Extend record expungement, including prescriptions, from five years to 10 years;
- Updating the State’s controlled substance schedules that align with the Federal Drug Enforcement Administration (DEA); and
- Align the State with recently revised DEA regulations by permitting practitioners to distribute up to a three-day supply of narcotics such as buprenorphine for maintenance or detoxification treatment while arrangements are being made for a referral.

Fiscal Impact: This has an associated Medicaid savings of \$0.5 million in FY25.

Part V Emergency Medical Services and Hospitals at Home This Part contains various provisions that expands different health care services that can be provided in the home.

Home Care Delivery Collaboration Expansion

This Part allows Article 40 Hospice and Article 30 Emergency Medical Services to participate in home care collaborations authorized in Public Health Law.

Hospital Care at Home

This Part allows hospitals to provide care in patients’ homes without needing to be licensed as a home care agency. Hospitals would be required to have 51% of their patient hours generated from patients within the hospital, and any patients treated in the home must have a pre-existing clinical relationship with the hospital.

Hospitals and Federally-Qualified Health Centers (FQHCs) would also be permitted to provide off-site primary care and medical care services that are:

- Not home care services;
- Provided by a primary care professional to a patient with a pre-existing clinical relationship with the general hospital or the health care professional providing the service; and
- Provided to a patient who is unable to leave his or her residence to receive services at the general hospital without unreasonable difficulty.

The Department of Health is authorized to establish Medicaid rates for these services. To participate in this program hospitals would be required to submit annual operating cost reports with specific information related to off-site acute services.

Various Emergency Service Expansions

This Part extends Temporary Mobile Integrated and Community Paramedicine programs for an additional seven years, through March 31, 2031 and allows the State to approve up to 200 new or expanded programs. Additionally, Nurse Practitioners and licensed physicians would be authorized to prescribe non-patient specific standing orders for vaccinations by emergency medical services practitioners

Emergency Medical Services Essential Services Act

This Part creates a new Article 30-D in Public Health Law known as the Emergency Medical Services Essential Services Act for areas outside of New York City.

Every county, acting individually or jointly with any other county, city, town, and village, shall ensure that an emergency medical service or a combination of such services are provided for the purposes of effectuating medical emergency response within the boundaries of the county. Counties shall also develop, implement, and maintain a comprehensive county medical emergency response plan and designate one or more primary medical emergency response agencies that shall respond to all calls and demands for such medical emergency response. Such agencies may not refuse to respond to a request for service unless they can prove they have capacity limitations.

Counties that provide, either directly or through agreement with existing services, an emergency medical service or general ambulance service and satisfy administrative and operational standards will be eligible for a non-transferable, permanent municipal ambulance service operating certificate.

Counties that provide, either directly or through agreement with existing services, an emergency medical service or general ambulance service may establish a special district after a 90 day notice to the Department, for the financing and operation of such emergency medical service. Such special district shall be exempt from Real Property Tax Levy Limits until five years after the establishment of the special district.

All emergency medical dispatch agencies shall be licensed by the Department of Health. All emergency medical dispatchers shall complete a certification training course approved by the Department and maintain continuous certification.

The Commissioner of Health is authorized to provide financing for an Emergency Medical Services Demonstration Program to facilitate innovation in medical care provided by emergency medical service practitioners in meeting the community's health care needs.

The Department, with the approval of the State Emergency Medical Services Council (SEMSCO), may establish minimum standards for the licensure of emergency medical services (EMS) practitioners including but not limited to emergency medical technicians and advanced emergency medical technicians by the Department. Additionally, the Department, with the approval of the SEMSCO, may establish minimum standards for specialized credentialing of emergency medical service practitioners which shall include, but not be limited to, emergency vehicle operator, critical care paramedic, emergency medical dispatcher, EMS officer, EMS administrator, emergency medical control physician, and EMS agency medical director.

Additionally, this Part creates a Paramedic Urgent Care Program. Any organization that is authorized to provide advanced life support services may apply to the Department for approval to operate a paramedic urgent care. These programs must:

- Be under the overall supervision and direction of a qualified physician;
- Be staffed by qualified medical and health personnel, physician assistants, or nurse practitioners;
- Utilize advanced emergency medical technicians whose scope of practice is appropriate for the medical services provided;
- Maintain a treatment-management record for each patient; and
- Be integrated with a hospital or other appropriate healthcare organization.

Telehealth may be implemented by these programs, and the Commissioner may specify additional modalities through regulations.

Part AA Commercial Insurance Reimbursement for Behavioral Health Services This Part requires commercial insurance plans to provide a minimum level of reimbursement for in-network providers that are licensed, certified, or otherwise authorized by the Office of Addiction Services (OASAS) and the Office of Mental Health (OMH). This includes outpatient services as well as crisis stabilization centers. The minimum reimbursement rate must be no less than the Medicaid rate for such services.

TRANSPORTATION, ECONOMIC DEVELOPMENT, AND ENVIRONMENTAL CONSERVATION – A.8808

Part EE Eliminate Insulin Cost-Sharing This Part amends Insurance Law to ensure that prescription insulin drugs shall not be subject to a deductible, copayment, coinsurance, or any other cost-sharing requirement. Insulin copays are currently limited to \$100 per 30-day supply.

Part HH Increased Penalties for Mental Health and Substance Use Disorder Requirements This Part authorizes the Superintendent of Financial Services to increase penalties up to \$2,000 per violation for insurers who violate Federal Mental Health Parity and Addiction Equity Act requirements if there is willful violation after a notice and hearing. The penalty for such violations with respect to accident and health insurance is currently \$1,000 per violation.



HIGHER EDUCATION SERVICES CORPORATION

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst
(518) 455-4131
colemana@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT DECREASES INCLUDE:

- **Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP):** \$4.3 million, \$4.3 million less than last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Enhanced Tuition Award:** \$3.8 million, \$3.9 million less than last year.
- **Excelsior Scholarship:** \$136 million, \$25.9 million less than last year.
- **New York Young Farmers Loan Forgiveness Award:** \$150,000, \$50,000 less than last year.
- **Patricia K. McGee Nursing Scholarship:** \$3.9 million, \$1 million less than last year.

- **Say Yes Buffalo Scholarship:** \$2.5 million is eliminated.
- **Tuition Assistance Program:** \$764.2 million, \$132.3 million less than last year. This appropriation fluctuates based on expected enrollment.
- **Various Scholarship Funds:** \$38.9 million, \$15.3 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Welfare Worker Incentive Scholarship:** \$50,000, the same as last year.
- **Child Welfare Worker Loan Forgiveness Incentive Program:** \$50,000, the same as last year.
- **Part-Time Scholarship Award Program:** \$3.1 million, the same as last year.
- **Part-Time Tuition Assistance Program:** \$14.4 million, the same as last year.
- **Regents Licensed Social Worker Loan Forgiveness Program:** \$1.7 million, the same as last year.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part F Tuition Assistance Program Tuition Credit Extender The Executive Budget proposes making permanent various sections of the SUNY 2020 Challenge Grant Program Act, enacted in 2011, and the Tuition Assistance Program (TAP) Tuition Credit. The TAP tuition credit requires institutions of the State University of New York (SUNY) and the City University of New York (CUNY) to reduce the amount of tuition billed to TAP award recipients based on the difference between the maximum TAP award, currently \$5,665, and full-time resident undergraduate tuition, currently \$7,070 for SUNY State-operated campuses. The State now fully reimburses SUNY and CUNY for the cost of these TAP tuition credits. This State reimbursement authorization is already permanent law. Removing the TAP tuition credit repeal date in current law would align these interrelated provisions of law. This credit is currently set to expire July 1, 2024.



HOMELAND SECURITY

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

toranzoa@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$34 million, \$2.7 million more than last year, for services and expenses related to the administration of the Division's programs.
- **Counter Terrorism Grants Program:** \$44 million, \$3 million more than last year, for services related to the domestic terrorism prevention unit.
- **Emergency Management Program:** \$37.3 million, \$13.4 million more than last year to expand the State's disaster response capacity.
- **Fire Prevention and Control:** \$14.35 million, \$5.3 million more than last year, to create teams focused on community fire risk assessment and reduction.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Cyber Incident Response Program:** \$6.6 million.
- **Disaster Assistance Program:** \$23.1 million.
- **Interoperable Communications Program:** \$3.37 million.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Hazard Mitigation Revolving Loan Fund:** \$44 million, \$29 million more than last year, for the Hazard Mitigation Revolving Loan Program. This program provides loans to local governments for eligible hazard mitigation activities. There is a Federal and State component of this funding which includes:
 - ➔ **Federal:** \$40 million, \$26.5 million more than last year.
 - ➔ **State:** \$4 million, \$2.5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Emergency Management Performance Grants – Federal:** \$15.4 million, \$3 million less than last year, from the Federal Government for emergency performance grants.
- **Public Safety Answering Points:** \$10 million, \$10 million less than last year. This funding assists counties in transitioning to Next Generation 911 via a fiberoptic cable network that would connect to a single

Public Service Answering Point in each county for the creation of a fiberoptic cable-based network for public safety answering point centers.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Counter Terrorism Grants Program:** \$565 million.
- **Domestic Terrorism Threat Assessment:** \$10 million. Funding is provided to counties and New York City for service and expenses associated with domestic terrorism threat assessment teams.
- **Disaster Assistance:** \$8.1 billion. This funding reimburses municipalities for costs related to natural and man-made disasters. This funding includes:
 - ➔ **Federal:** \$8 billion.
 - ➔ **State:** \$150 million.
- **Emergency Services Revolving Loan Fund:** \$3.7 million. The Emergency Services Revolving Loan Fund provides loans to municipalities and not-for-profit fire and ambulance corporations to support the purchase of equipment and the construction or maintenance of facilities.
- **Red Cross Emergency Response Preparedness:** \$3.3 million.
- **Radiological Emergency Preparedness:** \$3 million.
- **Volunteer Firefighter Recruitment and Retention Fund:** \$300,000.
- **Volunteer Firefighters Training Stipend Program:** \$6.5 million.
- **Public Safety Communications Systems:** \$65 million for grants to counties to support their public safety communications systems.
- **Public Safety Dispatch Centers:** \$10 million for grants to counties to support public safety dispatch centers.

SIGNIFICANT ACTIONS INCLUDE:

- **Grants For Local Fire Investigation:** \$3.3 million in new funding for a competitive grant program for local governments to support local fire investigations.

CAPITAL PROJECTS – A. 8804

SIGNIFICANT INCREASES INCLUDE:

- **Preservation of Facilities:** \$6 million, \$3 million more than last year, for the preservation and maintenance of facilities.

SIGNIFICANT ACTIONS INCLUDE:

- **Emergency Flood Protection Equipment for Municipalities:** \$15 million in new funding for the purchase and distribution of emergency flood protection equipment to municipalities including but not limited to response equipment and flood barrier technology.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Centralized State Emergency Operations Facility:** \$80 million is eliminated for centralized state emergency operations center facility.
- **State Academy of Fire Science:** \$10 million is eliminated for the construction of a state academy of fire science.
- **Volunteer Fire Infrastructure & Response Equipment Grant Program:** \$25 million is eliminated for grants to volunteer fire departments for both infrastructure and equipment upgrades.

PUBLIC PROTECTION AND
GENERAL GOVERNMENT –
A.8805

Part E Extend the Suspension of the Subsidy to the Revolving Loan Fund This Part would extend the suspension of the annual transfer of \$1.5 million from the Public Safety Communications Account to the Emergency Services Revolving Loan until State fiscal year 2025-26. This suspension has already been in effect due to the Emergency Services Revolving Loan Fund having a positive surplus.



HOUSING & COMMUNITY RENEWAL

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
 (518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$14.7 million, \$1.2 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Low Income Weatherization Program:** \$4.7 million, \$40 million less than last year and returns it to the funding level in FY23.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Development Program:** \$9.1 million, same as last year.
- **Community Renewal Program:** \$327,000, same as last year.
- **Home Stabilization fund:** \$120,00 same as last year.
- **Housing Program:** \$22 million, same as last year.
- **Lead Abatement:** \$268,000, same as last year.

- **Office of Resilient Homes and Communities:** \$500,000, same as last year.
- **Rent Administration:** \$85.8 million, same as last year. This is related to the Division of Housing and Community Renewal’s administration and enforcement of New York’s system of rent regulation.

AID TO LOCALITIES – A.8803

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Controlled Affordable Housing:** \$1 million, same as last year, for the services and expenses of a community controlled affordable housing program.
- **Housing Development Fund Program:** \$15 million, same as last year, for a revolving loan fund program that provides interest-free interim loans to non-profit

organizations to develop low-income housing projects.

- **Fair Chance Housing:** \$250,000, same as last year, to improve access to housing for people with prior arrests or conviction records.
- **Fair Housing Testing:** \$2 million, same as last year, to provide fair housing testing and education throughout the State.
- **Low Income Weatherization Program:** \$32.5 million, same as last year.
- **Rural Rental Assistance, Rural Preservation and Neighborhood Preservation Programs:** See Education, Labor and Family Assistance A.8807 (Part N) under the State of New York, Mortgage Agency section of this publication.
- **Small Cities Community Development Block Grant Program:** \$40 million, same as last year, to support activities that create job opportunities for low- and moderate-income persons; prevent or eliminate blight; provide affordable housing; or address issues that threaten the community’s health or welfare.

SIGNIFICANT ACTIONS INCLUDE:

- **Blue Buffers Voluntary Buyout Program:** \$8.8 million in new funding for a new program which will buy houses from voluntary sellers and turn the houses into “blue buffers” in flood-prone areas.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **First Time Homeowners:** \$25 million in funding is eliminated that assisted low- and moderate-income first-time homeowners with closing costs and down payments.
- **Homeowner Protection Program:** \$40 million in funding is eliminated for a program that provided homeowners with mortgage relief assistance, assistance with applying for loan modifications or other types of loss mitigation, direct representation in court proceedings and

settlement conferences and homeownership counseling.

- **Land Banks:** \$10 million is eliminated.

CAPITAL PROJECTS – A.8804

SIGNIFICANT DECREASES INCLUDE:

- **Access to Home:** \$1 million, \$2 million less than last year, to provide financial assistance to eligible applicants for housing costs.
- **Affordable Housing Corporation Fund:** \$26 million, \$14.5 million less than last year, to assist low- and moderate-income individuals purchase homes to reduce urban blight.
- **Housing Opportunities for the Elderly:** \$1.4 million, \$7 million less than last year, to administer emergency home repairs programs which provide a threat to the life, health or safety of a low-income elderly homeowner. This returns the funding to the State Fiscal Year 2022 level.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Homes for Working Families Program:** \$14 million, same as last year, for maximizing the State’s usage of Federal low-income tax credits.
- **Lead Abatement Program:** \$20 million, same as last year, for lead abatement treatment outside of New York City.
- **Low Income Housing Trust Fund:** \$44.2 million, same as last year, for deposit in the housing trust fund account to offset housing trust fund corporation costs of providing affordable housing to low-income individuals.
- **Main Street Program:** \$4.2 million, same as last year, for a contract with not-for-profit

corporations and municipalities to provide assistance to administer main street or downtown revitalization projects for communities with sustained physical deterioration, decay, neglect, or disinvestment; has a number of substandard buildings or vacant residential or commercial units; and in which more than 50% of the residents are persons of low income.

- **Manufactured Home Advantage Program:** \$5 million, same as last year, to fund loans and grants for the acquisition, demolition, or replacement or repair of mobile or manufactured homes.
- **Public Housing Modernization Program:** \$6.4 million, same as last year, for services and expenses of a public housing modernization program. \$400,000 of this program may be allocated towards Article XII of the Public Housing Law.

SIGNIFICANT ACTIONS INCLUDE:

- **Housing Program:** \$20 million in new funding to support capital and operating subsidies for the development of 6,000 or more supportive housing units over the next five years through a competitive selection process.
- **Resilient and Ready Program:** \$40 million in new funding for the new Resilient and Ready Program which will respond to emergencies with home repairs and permanent retrofits, particularly those in flood-prone areas.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Governor’s Office of Storm Recovery:** \$28 million in funding has been eliminated and its responsibilities were assumed by the Office of Resilient Homes and Communities in 2022.
- **Homeowner Stabilization Fund:** \$50 million in funding is eliminated for services and expenses of the Homeowner Stabilization Fund which was part of the Governor’s

New York Housing Compact proposal in FY24.

- **Mitchell-Lama:** \$50 million in funding is eliminated that preserved and improved Mitchell-Lama properties.
- **New York City Housing Authority (NYCHA) Program:** \$135 million in funding is eliminated for capital projects at NYCHA housing developments.
- **Small Rental Housing Development Initiative:** \$7 million in funding was eliminated that was for capital developments of rental housing with less than 20 units.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part O Enhance Protections Against Deed Theft Chapter 630 of the Laws of 2023 (A.6656), increased protections against real property theft by empowering the Attorney General and local District Attorneys to take measures to prevent deed theft, such as staying any legal proceeding where evictions, foreclosures, or property transfers are sought. It also authorized a stay of foreclosure proceedings pending an investigation into theft or fraud.

In the Executive Budget, the Governor is proposing the “Heirs Property Protection and Deed Theft Prevention Act of 2024” to enhance the defense against deed theft by codifying specific punishments in penal law. Deed theft is defined as intentionally altering, falsifying, forging, or misrepresenting property documents with the intent to deceive, defraud, or unlawfully transfer property rights. Prosecution Felony Deed Theft must be commenced within eight years after the commission of the crime. The punishments are as follows:

- **Deed Theft in the Third Degree:** An individual is guilty of deed theft in the third

degree when they commit theft of one commercial real property.

➔ This will result in a class D felony.

- **Deed Theft in the Second Degree:** An individual is guilty of deed theft in the second degree when they commit deed theft of one residential real property or one mixed use property, or three or more commercial properties.

➔ This will result in a class C felony.

- **Deed Theft in the First Degree:** An individual is guilty of deed theft in the first degree when they commit deed theft of residential real property that is occupied by at least one person, occupied by an elderly person, or occupied by a disabled person.

➔ This will result in a class B felony.

- **Aggravated Deed Theft:** An individual is guilty of aggravated deed theft when they commit deed theft of three or more residential real properties.

➔ This will result in a class B felony.

- The Governor’s proposal also includes a co-tenant right of first refusal upon receiving a bona fide offer to purchase a share or shares of an heir’s property and intends to accept or respond with a counteroffer. If the sale is completed without all co-tenants being made aware of the deal, the co-tenants of the heir’s property will have the right to purchase the shares for the price paid by the non-relative co-tenant, plus 2% interest.

➔ The purchase must be at the identical price, terms, and conditions of the received offer or counteroffer.

- This proposal also outlines the transfer of a death deed within state law which is a legal document that allows individuals to transfer property to designated beneficiaries effective

upon the transferor’s death. A summary of the provisions are as follows:

- ➔ A transfer on death deed is revocable even if the deed or another instrument contains a contrary provision;
- ➔ A transfer on death deed is nontestamentary or in other words the transfer of real property is not executed through a will;
- ➔ The capacity required to make or revoke a transfer on death deed is the same as the capacity required to make a will;
- ➔ Specifies that the transfer on death deed shall include: essential elements and formalities of a properly recordable inter vivos deed; states that the transfer of the beneficiary is to occur at the transferor’s death; and that it is signed by two witnesses, acknowledged before a notary public, and recorded before the transferor’s death;
- ➔ Provides for cases where the transfer of the death deed can be revoked;
- ➔ To the extent the probate estate is insufficient, the estate may enforce the liability against property transferred by a transfer on death deed; and
- ➔ If more than one property is transferred, liability is apportioned among the properties and a proceeding to enforce the liability must be commenced no later than eighteen months after the transferor’s death.

- Lastly, this Part creates a form of transfer on death deed.

Part P Authorizes the Repurposing of Real Property Owned by SUNY and DOT This Part would authorize the State University of New York at Farmingdale (Farmingdale), the State University of New York at Stony Brook (Stony Brook), and the Department of Transportation to lease and contract State-owned land on these properties to construct housing.

SUBPART A – FARMINGDALE STATE COLLEGE

This Subpart authorizes SUNY Farmingdale to lease or contract 8.7 acres of vacant land on Farmingdale’s campus to Farmingdale State Development Corporation to develop, construct, maintain, and operate multi-purpose facilities which would accommodate housing needs. The lease or contract, which shall be deemed a State contract, shall not exceed 99 years and must be executed within five years of the effective date of this Part. The lease or contract must further be subject to the approval of the Director of the Budget, the Attorney General, and the State Comptroller. All work performed on this project will be considered a public work and will be subject to provisions of Article 8 of the Labor Law.

If the real property shall no longer be used for housing, or when the lease or contract expires, the real property and its improvements shall revert to the State University of New York.

Any and all proceeds related to the lease or contract shall be for the benefit of SUNY Farmingdale’s campus and the allocation of such proceeds shall be subject to the approval of the Trustees of the State University of New York.

The lessee or sublessee shall indemnify, hold harmless and defend Farmingdale against all claims, suits, actions, and liability to all persons on the leased premises for damage to any property.

Any contracts which Farmingdale State Development Corporation enters into shall be awarded by a competitive process.

SUBPART B – SUNY STONY BROOK

This Subpart authorizes SUNY Stony Brook to lease or contract 10 acres of underutilized land on Stony Brook’s Southampton campus to a ground lessee to develop, construct, maintain, and operate multi-purpose facilities which would accommodate housing needs. The lease or contract, which shall be deemed a State contract, shall not exceed 99 years

and must be executed within five years of the effective date of this Part. The lease or contract must further be subject to the approval of the Director of the Budget, the Attorney General, and the State Comptroller. All work performed on this project will be considered a public work and will be subject to provisions of Article 8 of the Labor Law.

If the real property shall no longer be used for housing, or when the lease or contract expires, the real property and its improvements shall revert to the State University of New York.

Any and all proceeds related to the lease or contract shall be for the benefit of SUNY Stony Brook’s campus and the allocation of such proceeds shall be subject to the approval of the Trustees of the State University of New York.

The lessee or sublessee shall indemnify, hold harmless and defend Stony Brook against all claims, suits, actions, and liability to all persons on the leased premises for damage to any property.

Any contracts entered into by the ground lessee shall be awarded by a competitive process.

SUBPART C – DEPARTMENT OF TRANSPORTATION

This Subpart authorizes the Department of Transportation to transfer and convey 12.5 acres of State-owned real property located in the Town of Babylon which lies north of Conklin Street and East of Route 110 near the Republic Airport.

Part Q Authorizes New York City to set Floor Area Ratio This Part authorizes New York City, in conjunction with the New York State Urban Development Corporation, to change its Floor Area Ratio requirements and allow it to be greater than 12 to 1 ratio, the size of the building to the size of the building lot.

Part R Establishment of the NYC Affordable Housing from Commercial Conversion Tax Incentive This Part establishes a new Real Property Tax exemption in New York City called the

Affordable Housing from Commercial Conversion Tax Incentive (AHCC) Program.

Under the AHCC Tax Incentive program, housing developers may be eligible for a Real Property Tax Exemption if they convert commercial space into residential housing that can hold six or more families and such housing meet certain affordability requirements.

ELIGIBILITY

To qualify, the following requirements must be sustained in perpetuity.

- No less than 25% of the units can have less than one bedroom, and all units must share a common entrance to the building.
- All units receiving the AHCC exemption will be subject to rent stabilization and cannot be converted into a cooperative or condominium.
- No less than 20% of the dwelling units must be affordable within the applicable affordability limits. These include:
 - ➔ The weighted average of area median income in all available units must not exceed 80% of the Area Median Income (AMI).
 - ➔ No less than 5% of the units available must be affordable to those with a household income that does not exceed 40% of the AMI.
 - ➔ No income for affordable housing can exceed 100% of the area median income, adjusted for family size.

EXEMPTION

The exemption amount and the duration of the exemption would be specified in regulations set forth by the New York City Division of Housing and Community Renewal.

- Projects seeking to obtain this benefit must create six or more rental units and have commenced construction between December 31, 2022 and December 31, 2033.
 - ➔ These projects must be completed on or before December 31, 2039.

BUILDING SERVICE EMPLOYEES

Projects eligible for this exemption are required to provide prevailing wages to building service employees.

- This requirement does not apply to projects that contain less than 30 dwelling units or is eligible for loan or grant assistance provided by a federal, state or local government agency.
 - ➔ Prevailing wage is the pay rate set by law for work on public work projects. This applies to all laborers, workers or mechanics employed under a public work contract.

APPLICATION PROCESS

Applications for the AHCC exemption must be filed with the New York City Department of Housing Preservation and Development (HPD) no earlier than the completion date of the conversion and no later than one year after the conversion is complete. Accompanying the application, a filing fee of no less than \$3,000 per dwelling unit must be submitted.

- The filing fee may be reduced if the conversion is carried out with substantial government assistance.

Part S Enables New York City to Legalize Pre-Existing Basement and Cellar Dwelling Units This Part would authorize New York City, through local law, to establish a program to legalize pre-existing basement and cellar dwelling units and the conversion of such units into legal dwelling units.

Such a local law shall not be subject to environmental review.

The local law passed by New York City may provide owners who convert their inhabited basement or cellar dwelling units freedom from civil or administrative liability, fines, penalties, judgments or other determinations of or prosecution for civil violations. Such local law may also provide relief from any outstanding civil judgments in connection with existing violations regarding illegally inhabited basement or cellar dwellings units. Such local law shall require that all applications for conversions be filed by a specific date which does not exceed 5 years after the effective date of this Part.

Any necessary zoning changes shall be subject to a public hearing at New York City Planning Commission and approved by the New York City Council.

Any application for alterations to legalize a basement or cellar dwelling unit shall include a certification indicating whether such unit was rented to a tenant on the effective date of this Part. A tenant who is evicted or otherwise removed from the unit, to make the necessary alterations to legalize the unit, shall have the right of first refusal to return to such unit when it first becomes a legal dwelling unit. Any tenant unlawfully denied the right of first refusal to return shall have a cause of action in court for compensatory damages or declaratory and injunctive relief.

Part T Extend the Completion Deadline for Projects Vested in the 421-a Real Property Tax Abatement
This Part extends the completion deadline for projects that are vested in the recently expired 421-a Real Property Tax abatement program.

The current deadline for project completion is June 15, 2026. This proposal would extend that deadline by five years making the new completion date June 15, 2031.

- The 421-a Real Property Tax Abatement existed in New York City and offered a 35-year abatement of Real Property Taxes owed

on the construction of new residential dwellings.

- A full abatement of the increase in property taxes lasts for 3 years during construction and the first 25 years after construction. Tax benefits for the last 10 years would then be tied to the number of affordable units created.
- Since this program’s expiration, permits for the creation of new housing in New York City have declined considerably.

Part U Enact the Affordable Neighborhoods for New Yorkers (ANNY) Tax Incentive This Part would establish a new Real Property Tax abatement program called the Affordable Neighborhoods for New Yorkers (ANNY) Tax Incentive.

BENEFITS

Under the ANNY Tax Incentive program, housing developers may be eligible for a 40-year or 35-year Real Property Tax abatement. Under this program, eligible projects that adhere to the affordability and wage requirements will be eligible to receive the following benefits:

Rental Unit Projects: Rental projects built adhering to the program’s requirements will be eligible for a 25-year full Real Property Tax Abatement and 10-year partial Real Property Tax Abatement set at a rate matching the percentage of affordable units; and

- Large rental projects of 30 or more units must maintain affordability restrictions permanently.
- Smaller rental projects of less than 30 units must maintain affordability restrictions for a period of 35 years.

Condominiums and Co-ops Projects: Homeownership projects built adhering to the program’s requirements will be eligible for 40-year full Real Property Tax Abatement.

- Homeownership projects must maintain affordability requirements for 40 years after the completion of construction.

Both condominiums and co-ops and rental unit projects will receive a full Real Property Tax exemption for up to three years during construction.

DEVELOPMENT AREAS

Under this Part, the three prime development areas would be defined in a memorandum of understanding between the Real Estate Board of New York (REBNY) and the New York City Building and Construction Trades Council of Greater New York. These three prime development areas would include:

- The borough of Manhattan;
- The borough of Brooklyn; and
- The borough of Queens.

AFFORDABILITY REQUIREMENTS

The affordability restrictions that developers must adhere to under the ANNY Program would be set forth by the New York City Department of Housing Preservation and Development (HPD).

OTHER AFFORDABILITY REQUIREMENTS

The affordable units must either have the same proportional unit mix as the market-rate units, or at least 50% of the affordable units must be two bedrooms or larger and no more than 25% of the affordable units can be less than one bedroom. Further, all rental units in a building must share a common entrance with other rental units in such building and cannot be isolated to a specific floor.

RENT STABILIZATION

All affordable rental units would remain subject to Rent Stabilization permanently.

BUILDING SERVICE EMPLOYEES

All persons regularly employed at and working on a building receiving ANNY benefits must be paid the prevailing wage.

- Prevailing wage is the pay rate set by law for work on public work projects. This applies to all laborers, workers or mechanics employed under a public work contract.

HOURLY WAGES FOR CONSTRUCTION WORKERS

This Part also sets a minimum average hourly wage for construction workers for each prime development area. This would also be set by a memorandum of understanding between the Real Estate Board of New York (REBNY) and the New York City Building and Construction Trades Council of Greater New York.

MINORITY AND WOMEN-OWNED BUSINESSES

This Part further requires projects to make reasonable efforts to spend on contracts at least 25% of the total applicable costs with minority and women owned businesses.

APPLICATION PROCESS AND FILING FEE

The ANNY Program will have a single application like the 421-a program and is to be filed within one year after the completion of construction of the building. This Part authorizes HPD to establish a filing fee of \$3,000 per unit.

REPORTING TO THE GOVERNOR AND STATE LEGISLATURE

Finally, this Part requires the Commissioner of the NYC Department of Housing and Preservation and Development to report on or before June 30th of each year to the Governor, Temporary President of

the Senate and the Speaker of the Assembly. The report will include the number of total projects and units created by year, level of affordability, and the cost of the ANNY Program, among other things.

to local adult protective services and law enforcement, imposing transaction holds on an eligible adult’s account with possible extensions of up to 25 days and early releases not more than one business day, and maintaining records related to the financial exploitation of an eligible adult.

Broker-dealers, investment advisers, and qualified individuals are immune from criminal, civil, and administrative liabilities if they act in good faith. Immunity would not apply to those who engage in intentional misconduct or conflicts of interest.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part FF Combating Discrimination in Housing This Part would prohibit insurance companies from inquiring on an application, or cancelling, refusing to issue, refusing to renew, or increasing a premium of insurance which covers loss of or damage to real property based on:

- The level or source of income of the insured individual;
- The real property that must be affordable to residents at a specific income level pursuant to statute, regulations, restrictive declarations or regulatory agreement with a State or local government entity; or
- The real property owner or residents receiving government housing subsidies.

The Governor states that this proposal would clarify that insurers could still consider any underwriting rating factors not specified in this bill or not otherwise prohibited by law and would help address challenges affordable housing providers encounter when obtaining insurance or when seeking to pay reasonable premiums for property insurance.

The proposal includes procedures for broker-dealers, investment advisers, or other qualified individuals to issue a transaction hold for up to 15 days on an eligible adult's account if they suspect financial exploitation. The process involves notification by an employee of a financial institution



HUMAN RIGHTS

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
(518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT DECREASES INCLUDE:

- **Administration Program:** \$23.8 million, \$1.6 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Hate and Bias Prevention:** \$3.5 million, same as last year, to provide for services and expenses related to training, educational materials, outreach and conferences.

SIGNIFICANT ACTIONS INCLUDE:

- **Fair Housing Assistance:** \$1.6 million in new funding for services and expenses related to the Fair Housing Assistance Program.



INDEPENDENT COLLEGES

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst
 (518) 455-4131
colemana@nyassembly.gov

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Bundy Aid:** \$21.8 million, \$13.4 million less than last year. This reduction is due to the Governor’s proposal to restrict Bundy Aid to certain independent colleges and universities. Please see Part D in the Education, Labor and Family Assistance Budget Bill (A.8806).
- **Enhanced Tuition Award:** \$3.8 million, \$3.9 million less than last year.
- **Tuition Assistance Program (TAP):** \$764.2 million, \$132.3 million less than last year. This appropriation fluctuates based on expected enrollment.

SIGNIFICANT ACTIONS INCLUDE:

- **Higher Education Facilities Capital Matching Grants Program (HeCAP):** No new funding. \$40 million is reappropriated to support higher education facilities at independent colleges and universities.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Part-Time Tuition Assistance Program:** \$14.4 million, the same as last year.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part D Amend Requirements for Bundy Aid Apportionment The Executive budget proposes to limit operating aid for independent colleges and universities, known as Bundy Aid, to institutions with endowment assets of less than \$750 million. If the total amount of annual apportionments to institutions which meet this requirement would exceed the appropriation for unrestricted aid to independent colleges and universities, the annual apportionment to each institution will be proportionally reduced. Aid to such institutions is proposed to be funded at \$21.8 million, \$13.4 million less than last year. Currently, 107 private institutions of higher education receive Bundy Aid. This proposal would mean that 18 New York State private colleges that have endowments of more than

\$750 million would no longer be eligible to receive Bundy Aid.

Part F Tuition Assistance Program Tuition Credit

Extender The Executive budget proposes making permanent various sections of the SUNY 2020 Challenge Grant Program Act, enacted in 2011, and the Tuition Assistance Program (TAP) Tuition Credit. The TAP tuition credit requires institutions of the State University of New York (SUNY) and the City University of New York (CUNY) to reduce the amount of tuition billed to TAP award recipients based on the difference between the maximum TAP award, currently \$5,665, and full-time resident undergraduate tuition, currently \$7,070 for SUNY State-operated campuses. The State now fully reimburses SUNY and CUNY for the cost of these TAP tuition credits. This State reimbursement authorization is already permanent law. Removing the TAP tuition credit repeal date in current law would align these interrelated provisions of law. This credit is currently set to expire July 1, 2024.



INDIGENT LEGAL SERVICES

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
 (518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Hurrell-Harring Settlement Statewide Implementation:** \$1.6 million, \$135,000 more than last year.
- **Hurrell-Harring Settlement:** \$1.5 million, \$31,000 more than last year.
- **Indigent Legal Services Program:** \$4.87 million, \$579,000 more than last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Hurrell-Harring Settlement Program:** \$23.97 million, \$160,000 more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Article 18-B Family Court Representation:** \$4.5 million, \$10 million less than last year, to improve the quality of representation

- provided to persons entitled to counsel in Family Court matters and Surrogates Court.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Assigned Counsel Program:** \$92 million in funding to reimburse counties and New York City for 50% of the expenditures related to the increased hourly rate for 18-B attorneys.
- **Hurrell-Harring Statewide Implementation:** \$250 million, same as last year, to provide legal services to the indigent.
- **Indigent Legal Services Program:** \$81 million, same as last year, for payments to counties and the City of New York related to indigent legal services where contracts will not be extended for a period of not more than 24 months.



INFORMATION TECHNOLOGY SERVICES

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinhart@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Cybersecurity and Vulnerability Detection:** \$127.9 million, \$32.9 million more than last year, for cyber security services and shared services to local municipalities.
- **End Users Support:** \$107.5 million, \$22.4 million more than last year, for increased personnel and support for end users.
- **Maintaining State Computer Applications:** \$186.1 million, \$584,000 more than last year, for maintaining state computer applications.
- **Office of Information Technology Services Program:** \$915.8 million, \$52.5 million more than last year, for services and expenses related to central administrative activities, cybersecurity projects, and FTE investments to support project development, meet increased cyber demand, and maintain mission-critical systems.
- **State Data Centers:** \$202.5 million, \$6.7 million more than last year, for the operation of state data centers.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Central Administration Activities:** \$21.9 million.
- **Network Services:** \$72 million.
- **IT Training:** \$1.7 million to train employees of the State to obtain information technology certifications.
- **IT legacy Systems at Tax and Finance:** \$10 million for the modernization of IT legacy systems for the Department of Taxation and Finance.

SIGNIFICANT ACTIONS INCLUDE

- **Digitization of Government Services:** \$10 million is eliminated for the digitization of government services.

CAPITAL PROJECTS – A. 8804

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **IT Initiative Program:** \$130.7 million for technology equipment and software.



LABOR

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
 (518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Employment and Training Program:** \$98 million, \$3.7 million more than last year. This program administers employment and training programs that are funded by grants allocated by the United States Department of Labor under the Workforce Innovation and Opportunity Act.

SIGNIFICANT DECREASES INCLUDE:

- **Administration Program:** \$521.9 million, \$24.1 million less than last year, in Federal grants for administering the Unemployment Insurance program during the pandemic.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Labor Standards Program:** \$43.9 million, same as last year.
- **Occupational Safety and Health Program:** \$49.6 million, same as last year.
- **Unemployment Insurance Interest Assessment Surcharge Fund:** \$250 million, same as last year, for repayment on interest

that has accrued on the State's Federal Title XII advance that was requested to supplement the State Unemployment Insurance Trust Fund (State UITF) Account.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Unemployment Insurance Benefit Fund:** \$6 billion, \$2 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Dislocated Worker Employment Program:** \$191 million, \$7.4 million less than last year, to assist those laid off or terminated that do not qualify for unemployment insurance or are having a hard time reentering the workforce.
- **Local Workforce Development Act:** \$3.6 million, \$93,000 less than last year, for training for qualified enrollees of the Self-Employment Assistance Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$15 million, same as last year.
- **Miscellaneous Funding for the Workforce Investment Act:** \$20 million, same as last year, to assist the unemployed to access employment training programs, and education and support services to develop job skills.
- **Occupational Safety and Health Program:** \$419,000, same as last year, to aid local governments for hazard abatement.
- **Unemployment Insurance Occupational Training Fund:** \$26.5 million, same as last year, to provide services to the unemployed in approved Federal training programs.

SIGNIFICANT ACTIONS INCLUDE:

- **Office of Just Transition:** \$22.5 million in new funding for the services and expenses of this Office.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Various Legislative Adds:** \$23.9 million for 41 programs added by the Legislature is eliminated.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part M Establish Prenatal Leave This Part would expand Paid Family Leave (PFL) to include prenatal care during the employee’s pregnancy. Prenatal care would be any health care received during a pregnancy that is related to the pregnancy and includes physical exams, monitoring, testing, and

discussions with a health care provider which are related to the pregnancy.

Written notice of proof for prenatal care leave must be furnished to the employer within 30 days of the last hour in which prenatal care leave was used.

The benefit for prenatal care would be capped at 40 hours during any 52 week period beginning January 1, 2025. The benefit for prenatal care may be taken in hourly increments and in addition to other PFL benefits.

- However, upon election of the employer or insurance carrier and upon notice to the employee at the time of request for prenatal care leave, family leave benefits for prenatal care may be paid in an aggregate payment which corresponds to the hours in the employee’s regular workday within 14 days of the last hourly increment and four business days after such submission.

PFL for prenatal care would not reduce the allowable amount of time for which payable benefits are allowed, as follow:

- For disability benefits payable at the cap of 26 weeks in a 52 week period; and
- For PFL benefits payable at the cap of 12 weeks in a 52 week period.

Part N Increase Short-Term Disability Leave

Benefits This Part would increase the weekly short-term disability leave benefit. The current benefit was established in 1989 and is set at \$170 per week.

Under this Part, the weekly benefit for the first 12 weeks of disability will be raised set to a predetermined schedule:

- 50% of the benefit recipient’s average weekly wage but not to exceed \$400 starting January 1, 2025;
- 50% of the benefit recipient’s average weekly wage but not to exceed \$600 starting January 1, 2026;

- 50% of the benefit recipient’s average weekly wage but not to exceed 50% of the State’s weekly average wage starting January 1, 2027;
- 60% of the benefit recipient’s average weekly wage but not to exceed 60% of the State’s weekly average wage starting January 1, 2028; and
- 67% of the employee’s weekly average wage but not to exceed 67% of the State’s weekly average wage starting January 1, 2029.

The Commissioner of Labor will have until May 31st of each year, instead of March, to determine the State’s average weekly wage and report it to the Superintendent of Financial Services.

The Superintendent of Financial Services shall have the ability to delay these increases by one or more calendar years. When determining to delay these increases the Superintendent shall consider:

- The current cost to employees of the benefit and any expected change in the costs after the benefit increase;
- The current number of insurers issuing insurance policies with a disability benefit and any expected change in the number of insurers issuing such policies after the benefit increases;
- The impact of the benefit increase on employers’ business and the overall stability of the program to the extent that information is readily available;
- The impact of the benefit increase on the financial stability of the disability and family leave insurance market and carriers; and
- Any additional factors that the Superintendent deems relevant.

Under this Part, the weekly benefit for after the 12th week and through the 26th week of disability will be raised to a predetermined schedule:

- 50% of the employee’s average weekly wage but not to exceed \$280 per week on January 1, 2025;
- 60% of the employee’s average weekly wage but not to exceed \$280 per week on January 1, 2028; and
- 67% of the employee’s average weekly wage but not to exceed \$280 per week by January 1, 2029.

Beginning January 1, 2025, the weekly benefit shall not be less than \$100 per week except if the employee’s average weekly wage is less than \$100 per week, in which case the employee shall receive their full average weekly wage.

Beginning January 1, 2025, the maximum employee contribution that an employer is authorized to collect shall be at least 0.5% but no more than 40% of the average of the combination of all employee and employer contributions to disability benefits during the prior calendar year. A self-insurer and self-funded employer shall submit reports to the Superintendent of Financial Services for the purpose of determining 40% of the average of the combination of all employee and employer contributions.

The Superintendent of Financial Services shall establish by September 1st of each year the maximum employee contribution that a covered employer is authorized to collect from each employee for the cost of disability benefits and publish on DFS’s website.

This Part makes further changes to the Workers’ Compensation Law, including:

- Expanding the definition of benefits payable that shall be exempt from all claims of creditors and from levy, execution and attachment or other remedy for recovery or collection of a debt to include family leave benefits; and
- Expanding the definition of estimated annual expenses necessary for the Worker’s Compensation Board to administer

provisions of the Disability Benefits Law that is borne by all affected employers and included in the assessment rate to included Paid Family Leave.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part J Require Paid Breaks for Breast Milk Expression in the Workplace This Part would require employers to provide up to 20 minutes of paid break time for the purposes of an employee to express breast milk for her nursing child.

Part K Limit Liquidated Damages in Certain Frequency of Pay Violations This Part would prohibit plaintiffs from receiving 100% of liquidated damages for untimely payment of wages, that are not weekly wages, if the employee is paid in accordance with their agreed terms of employment, but not less than semi-monthly. Current law requires manual workers to be paid weekly and to receive 100% of liquidated damages within a 6 year statute of limitations, which means those paid bi-weekly can technically receive 100% of liquidated wages despite being paid all their wages on a regular schedule.

Part L Expand Recovery Tools for Stolen Wages The Governor is proposing to expand tools for the Commissioner of the Department of Labor to enforce and collect lost wages. This would authorize the seizure of assets to satisfy any debt of wages owed by an employer to an employee.

- To enforce wage payment laws the Commissioner of the Department of Labor would be able to issue warrants to the sheriff of any county or to any officer or employee of the Department of Labor, commanding them to levy upon and sell the real and personal property within said county of an

employer who has not paid an employee their wages. Once issued:

- ➔ Any such levy shall be for the payment of the lost wages as well as the penalties and the cost of executing the warrant.
- ➔ The sheriff or any officer or employee of the Department of Labor, shall return the warrant to the Commissioner and to pay collected funds to the Department of Labor within 60 days after receipt of the warrant.

- The sheriff or any officer or employee of the Department of Labor shall file a copy of the receipt of the warrant with the county clerk within five days. The county clerk shall then enter the name of the employer mentioned in the warrant and the amount of the contributions, interest, and penalties that the warrant was issued for in the judgment docket. The amount of the warrant then shall become a lien upon the title to and interest in real property and chattels of the employer. The sheriff shall then proceed with the warrant.

Part M Sunset the State’s COVID-19 Sick Leave Law This Part will set an expiration date of July 31, 2024, for New York State’s COVID-19 Sick Leave Law. New York State’s COVID-19 Sick Leave Law was enacted in 2020 and required employers to provide sick leave benefits, paid family leave, and benefits due to disability for employees who were subject to an order of quarantine for COVID-19.



LAW

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Appeals and Opinions Program:** \$11.3 million, \$800,000 more than last year, for handling appellate litigation in both State and Federal courts.
- **Counsel for the State Program:** \$98.1 million, \$8.1 million more than last year, for services and expenses related to the Council for the State Program.
- **Criminal Investigations Program:** \$16.9 million, \$1.7 million more than last year, for services and expenses related to the criminal investigations program.
- **Criminal Justice Program:** \$20.8 million, \$980,000 more than last year for expenses related to investigating and prosecuting criminal cases.
- **Economic Justice Program:** \$43.2 million, \$2.8 million more than last year, for services and expenses related to the Economic Justice Program.

- **Medicaid Fraud Control Program:** \$69 million, \$2.1 million more than last year, for services and expenses related to grants to investigate and prosecute Medicaid fraud.
- **Regional Offices Program:** \$28.6 million, \$3.1 million more than last year, for services and expenses related to the Regional Offices Program.
- **Social Justice Program:** \$50.9 million, \$3.1 million more than last year, related to the Social Justice Program, the Law Enforcement Misconduct Investigative Office, and the fair housing testing program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$23.6 million.
- **Cannabis Management Program:** \$2.8 million.
- **Deed Theft Intervention Program:** \$2 million.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Information Technology Initiative Program:** \$5 million, \$2.3 million more than last year, for services and expenses related to the acquisition and development of technology.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part F Judicial Protections This Part would enact the New York State Judicial Security Act.

- This Act allows specified active or former New York State Judges, Federal Judges within New York State, court personnel, and their immediate family members to request the removal of their personal information from public disclosure. If a written request has been properly submitted and is complete, the chief administrator or employer, as appropriate, must notify all identified parties to comply.
 - ➔ The Act allows for injunctive or declaratory relief in a court against persons or entities failing to comply with the requirements of the notification. A fine of \$1,000 may be imposed on public agencies along with court costs and reasonable attorney fees. Fines against persons or non-public entities may be awarded with an amount up to three times the actual damages but not less than \$4,000 along with court costs and reasonable attorney fees.

- This Act would also enhance criminal liability for assaulting, stalking, or harassing a judge. These include:
 - ➔ Creating the new crime of aggravated assault on a judge, as a class B felony. A person can be charged with this crime when he/she has the intent to cause serious physical injury and prevent a judge from performing official judicial duties and that such individual does, in fact, cause serious physical injury to such judge. This is currently punishable as Assault on a Judge, which is a class C violent felony and bail-eligible. The language of the current proposal, while increasing the severity of the felony classification, fails to amend the violent felony provisions in Penal Law and, therefore, removes the ability of a judge to fix bail or remand the accused to jail. If unamended, the new offense would not be bail-eligible.
 - ➔ Adding the crime of stalking in the 4th degree against a judge or member of his/her immediate family to the requirements of the crime of stalking in the 2nd degree.
 - ➔ Creating the new crime of aggravated harassment of a judge, which is a class E felony. A person can be charged with this crime when he/she harasses, annoys, threatens, or alarms a judge or his/her immediate family.

Part O Stop Addictive Feeds Exploitation (SAFE) for Kids Act This Part would make it unlawful for an operator of a social media platform to provide addictive social media feeds to covered users. Covered users are those that use a website, online service, online or mobile application within New York. To ensure that an operator is not providing an addictive feed to a covered user, the operator must either use commercially reasonable methods to determine that the covered user is not a minor or

the operator has obtained parental consent to provide an addictive feed to the covered user. Additionally, operators would be required to receive verifiable parental consent to send covered minors notifications concerning their addictive social media platform between the times of 12:00 am and 6:00 am.

If an operator is found to be in violation of these provisions while knowingly working with a covered minor, the Attorney General may sue the operator on behalf of the people of the State of New York. Covered users or parents of minors can bring an action as well for violations and seek damages of \$5000 or actual damages.

Part P Child Data Protection Act This Part would make it illegal for websites to collect, use, share, or sell personal data belonging to individuals under the age of 18, except when they obtain informed consent or when it is strictly necessary for the website's intended purpose. If a website is found to be in violation of this provision, the Attorney General of New York would have the authority to initiate legal proceedings seeking injunctive relief, restitution, disgorgement of profits, damages, and civil penalties of up to \$5,000 for each violation. Covered users or parents of minors can bring an action as well for violations and seek damages of \$5,000 or actual damages.

Part R Market-Based Interest Rate on Court Judgements This Part would implement a market-based interest rate on court judgments paid by public and private entities. The Market-based interest rate would be the weekly average one-year constant maturity treasury yield, the same rate utilized by the Federal court system. Currently, the interest rate on judgments is established at a fixed rate of 9%.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A. 8808

Part JJ Enhancing Consumer Protection This Part would change the General Business Law's application of deceptive business practices to include those that are unfair or abusive.

- An act or practice would be unfair when it causes or is likely to cause injury that is not reasonably avoidable or outweighed by benefits to consumers or competition.
- An act or practice is abusive when it:
 - ➔ Interferes with the ability of a person to understand a term or condition of a product or service;
 - ➔ Takes advantage of a person's lack of understanding of the risks associated with the product or service; and
 - ➔ Takes advantage of a person's inability to protect their interests in selecting or using a product or service.

Additionally, this Part outlines certain requirements and procedures that a consumer must follow before initiating legal action for monetary damages exceeding five hundred dollars in relation to unfair, deceptive, or abusive acts or practices. The consumer must notify the person or entity accused of the violations at least 30 days before initiating legal action. If the accused person or entity provides an appropriate correction, repair, replacement, or other remedy within thirty days of receiving the notice, no legal action for monetary damages exceeding five hundred dollars can be pursued.

LEGISLATURE & JUDICIARY

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director
(518) 455-4131
bartlett@nyassembly.gov

LEGISLATURE AND JUDICIARY – A.8801

- **LEGISLATURE:** \$287.4 million for the Legislature, \$3.6 million more than last year. This represents a 1.3% increase over last year. Highlights include:
 - ➔ **Commission on Long Island Power Authority:** \$2 million is eliminated.
 - ➔ **Independent Redistricting Commission:** \$4.1 million, \$80,000 more than last year.
 - ➔ The Legislative Budget, not including the elimination of funding for the Commission on Long Island Power, increased by 2% over last year.
- **JUDICIARY:** \$3.7 billion for the Judiciary, \$335.6 million more than last year. This represents a 9.9% increase over last year. This funding includes:
 - ➔ **Capital Projects:** \$50 million, \$22 million more than last year;
 - ➔ **Federal Funds:** \$19 million, same as last year;
 - ➔ **General State Charges:** \$971.7 million, \$135.3 million more than last year; and
 - ➔ **State Operating Funds:** \$2.7 billion, \$174.5 million more than last year.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part F Judicial Protections This Part would enact the New York State Judicial Security Act.

- This Act allows specified active or former New York State Judges, Federal Judges within New York State, court personnel, and their immediate family members to request the removal of their personal information from public disclosure. If a written request has been properly submitted and is complete, the chief administrator or employer, as appropriate, must notify all identified parties to comply.
- ➔ The Act allows for injunctive or declaratory relief in a court against persons or entities failing to comply with the requirements of the notification. A fine of \$1,000 may be imposed on public agencies along with court costs and reasonable attorney fees. Fines against persons or non-public entities may be awarded with an amount up to three times the actual damages but not less than \$4,000 along with court costs and reasonable attorney fees.

- This Act would also enhance criminal liability for assaulting, stalking, or harassing a judge. These include:
 - ➔ Creating the new crime of aggravated assault on a judge, as a class B felony. A person can be charged with this crime when he/she has the intent to cause serious physical injury and prevent a judge from performing official judicial duties and that such individual does, in fact, cause serious physical injury to such judge. This is currently punishable as Assault on a Judge, which is a class C violent felony and bail-eligible. The language of the current proposal, while increasing the severity of the felony classification, fails to amend the violent felony provisions in Penal Law and, therefore, removes the ability of a judge to fix bail or remand the accused to jail. If unamended, the new offense would not be bail-eligible.
 - ➔ Adding the crime of stalking in the 4th degree against a judge or member of his/her immediate family to the requirements of the crime of stalking in the 2nd degree.
 - ➔ Creating the new crime of aggravated harassment of a judge, which is a class E felony. A person can be charged with this crime when he/she harasses, annoys, threatens, or alarms a judge or his/her immediate family.

CONSTITUTIONAL AMENDMENT

Eliminate Judicial Cap on Supreme Court Justices

- This concurrent resolution provided with the Executive Budget would remove the cap limiting the maximum number of supreme court justices in each judicial district to one per 50,000 residents or a fraction over 30,000 residents.
- This proposed constitutional amendment requires passage by two consecutive Legislatures in 2024 and 2025 and a public referendum, which could be as early as November 2025.



LIEUTENANT GOVERNOR

WAYS & MEANS CONTACT:

Brian Bartlett, Associate Deputy Director

(518) 455-4131

bartlettb@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$921,000, \$175,000 more than last year. The increase in funding will support the addition of a newly appointed Chief Service Officer to oversee the new Office of Service and Civil Engagement (OSCE). The new Office will leverage existing partnerships and resources, including the State's Commission on National and Community Service, to build out an action plan to connect our youth to service opportunities.



LOCAL COMMUNITY ASSISTANCE

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
 (518) 455-4131
toranzo@nyassembly.gov

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Local Community Assistance Program (LCAP):** No new funding. This program totals \$185 million and has \$183.6 million in reappropriations available.

LCAP CRITERIA:

- This Program provides grants for capital costs related to acquisition, design, construction, reconstruction, demolition, rehabilitation and improvement of an existing or proposed facility, or other property real and personal, as well as other appurtenances.
- Funds may be used for the acquisition of equipment and other capital assets with a useful life of not less than 10 years purchased for installation or use in infrastructure that is owned or controlled by the grant recipient or appurtenant thereto.

- Eligible purposes will include, but not limited to, projects that support community development or redevelopment, revitalization, economic development, economic sustainability, arts and cultural development, housing, public security and safety and local infrastructure improvement or enhancement.

LCAP CRITERIA CHANGES INCLUDED IN THE 2023-24 ENACTED BUDGET:

- **Chapter 54 of the Laws of 2022, \$185 million Reappropriation:** The Enacted Budget added language to include that grants may be used for the acquisition of bond eligible equipment and other capital assets with a useful life of less than 10 years. Such equipment and other capital assets must be for health and safety purposes and purchased for installation onto infrastructure that is owned or controlled by the grant recipient or appurtenant thereto.

FUNDING ALLOCATIONS:

- Eligible entities may include municipal and State governmental entities, public authorities and not-for-profit corporations.

- Individual grants issued will be in an amount no less than \$50,000.
- Funds, subject to the approval of the Director of the Budget, may be interchanged, transferred from the appropriation to any other appropriation of any State department, agency, public benefit corporation or public authority or sub-allocated to any other State department, agency or public benefit corporation to achieve this purpose.



LOCAL GOVERNMENT ASSISTANCE

WAYS & MEANS CONTACT:

Jonathan Carrock, Senior Fiscal Analyst
 (518) 455-4131
Carrockj@nyassembly.gov

STATE OPERATIONS – A.8800

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Financial Restructuring Board:** \$2.5 million. This funding is provided for services and expenses related to the administration and contractual services of the Financial Restructuring Board.

- **Video Lottery Terminal (VLT) Aid:** \$30.1 million, \$1.2 million more than last year. Of this funding, \$19.6 million is provided to the City of Yonkers. The remaining \$10.5 million is distributed to the other municipalities that have a VLT gaming facility.
 - ➔ This increase is a result of the Town of Newburgh and Orange County receiving VLT Aid as a result of Resorts World Hudson Valley opening.
 - ❖ See *Figure 1* for a breakdown of this funding.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Local Government Efficiency Grant (LGEG):** \$8 million, \$4 million more than last year, as part of the Executive Budget proposal to increase funding and access to the LGEG Program.
 - ➔ See Part W of A.8805 (Public Protection and General Government Article VII) in this section for a complete description of this initiative.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Aid and Incentives for Municipalities:** \$715.1 million. The Aid and Incentives for Municipalities (AIM) program provides unrestricted municipal aid to cities, towns, and villages in one flat grant program.
- For the Governor’s AIM runs please go to the following links:
 - ➔ **Cities:** <https://www.budget.ny.gov/pubs/archive/fy25/ex/local/aim/fy25aim-cities.pdf>

- ➔ Towns: <https://www.budget.ny.gov/pubs/archive/fy25/ex/local/aim/fy25aim-towns.pdf>
- ➔ Villages: <https://www.budget.ny.gov/pubs/archive/fy25/ex/local/aim/fy25aim-villages.pdf>
- ➔ City Payment schedule: <https://www.budget.ny.gov/pubs/archive/fy25/ex/local/aim/fy25aim-paysched.pdf>
- Citizens Re-Organization Empowerment Grants and Citizens Tax Credit: \$35 million.
- City of Albany: \$15 million.
- Madison County: \$3.75 million.
 - ➔ This funding is provided to Madison County as a result of hosting a gaming facility and not receiving a percentage of the revenue from the gaming devices.

- Small Government Assistance: \$217,300. The following counties receive such funding:
 - ➔ Essex County: \$124,000;
 - ➔ Franklin County: \$72,000; and
 - ➔ Hamilton County: \$21,300.

SIGNIFICANT ACTIONS INCLUDE:

- Local Assistance Resource Program: No new funding. \$54.9 million in reappropriated funding is available for services and expenses of local assistance projects, programs, and other purposes including the payment of liabilities incurred prior to April 1, 2023.
 - ➔ Plans must be approved by the Director of the Division of the Budget (DOB).

LOCAL GOVERNMENT AID TO MUNICIPALITIES WITH VLT FACILITIES
FIGURE 1

VLT Facility	Municipality	2023-24 Enacted Aid	2024-25 Proposed Aid
Batavia Downs	City of Batavia	\$440,789	\$440,789
	Town of Batavia	\$160,388	\$160,388
	Genesee County	\$200,392	\$200,392
Fairgrounds (Buffalo)	Town of Hamburg	\$865,679	\$865,679
	Erie County	\$288,560	\$288,560
Finger Lakes	Town of Farmington	\$1,777,573	\$1,777,573
	Ontario County	\$591,174	\$591,174
Monticello	Village of Monticello	\$291,205	\$291,205
	Town of Thompson	\$634,506	\$634,506
	Sullivan County	\$308,570	\$308,570
Newburgh	Town of Newburgh	N/A	\$780,109
	Orange County	N/A	\$454,173
Saratoga	City of Saratoga Springs	\$2,325,592	\$2,325,592
	Saratoga County	\$775,198	\$775,198
Vernon Downs	Village of Vernon	\$137,103	\$137,103
	Town of Vernon	\$231,788	\$231,788
	Oneida County	\$256,796	\$256,796
Yonkers	City of Yonkers	\$19,600,000	\$19,600,000
TOTAL		\$28,885,313	\$30,119,594

- **County-Wide Shared Services Initiative (CWSSI):** No new funding. \$184.5 million in reappropriated funding for the one-time matched savings reimbursement to local governments that submitted shared services proposals as part of the County-Wide Shared Services Property Tax Savings Plan. This funding will no longer be made available for any projects implemented after June 30, 2024.
 - ➔ See Part U of A.8805 (Public Protection and General Government Article VII) in this section for a complete description of this initiative.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Miscellaneous Financial Assistance:** \$5.2 million in unrestricted aid to various municipalities. These municipalities included:
 - ➔ **Albany County:** \$300,000.
 - ➔ **Broome County:** \$115,000.
 - ➔ **Monroe County:** \$295,000.
 - ➔ **North Shore Water Authority:** \$2 million.
 - ➔ **Onondaga County:** \$1.2 million.
 - ➔ **Sullivan County:** \$55,000.
 - ➔ **Town of Niskayuna:** \$500,000.
 - ➔ **Town of Oswego:** \$300,000.
 - ➔ **Town of Whitestown:** \$100,000.
 - ➔ **Village of New Paltz:** \$300,000.
- **Municipal Assistance State Aid Fund:** \$30 million.
 - ➔ This payment was for the Municipal Assistance Corporation for the City of Troy and is no longer needed as the Corporation has since been dissolved.

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Downtown Revitalization:** \$200 million for the Downtown Revitalization Initiative (DRI). Of this funding, \$100 million is earmarked for the NY Forward Program.
 - ➔ **DRI Program:** The DRI program provides \$10 million to 10 communities over five years through a competitive grant process. Communities must apply to the Regional Economic Council, which will review the applications and nominate the community to receive the \$10 million award.
 - ❖ The Downtown Revitalization program is designed and executed by the Department of State and the Division of Housing and Community Renewal for Transformative housing, economic development, transportation, and community projects including those designed to increase the Real Property Tax base.
 - ➔ **NY Forward:** The NY Forward Program awards funding to community projects that revitalize villages and hamlets.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part U Sunset State Matching Funds for the County-Wide Shared Services Initiative This Part would sunset the state matching funds component of the County-Wide Shared Services Initiative (CWSSI) on April 1, 2024.

The Governor is proposing to allow counties to continue to convene shared services panels to attempt to implement plans that would lessen the Real Property Tax burden on taxpayers.

- Counties would no longer be required to hold shared services panels; they may continue to hold these shared services panels should they choose to do so.
- The requirement to submit plans to the Department of State would also sunset, eliminating the need for this mandate.
- Plans which were submitted to the Department of State on or before January 31, 2023 and implemented before June 30, 2024 will remain eligible for the state matching funds component of the CWSSI.

The argument for this proposal is that generally the CWSSI plans developed by counties and submitted to the Department of State hardly ever entered into the implementation phase to receive the state matching funds.

Part V NYC Transitional Finance Authority (TFA) Bonding Limit The Executive Budget proposes increasing the bonding capacity for the NYC TFA to help the City support its capital initiatives. Beginning July 1, 2024, the bonding capacity will increase from \$13.5 billion to \$19.5 billion and have a second increase beginning July 1, 2025 to \$25.5 billion. The current bond cap has been in existence since 2009.

Part W Improve the Effectiveness of the Local Government Efficiency Grant Program This Part would allow for the expansion of the Local Government Efficiency Grant Program (LGEG) for grant awards commencing on April 1, 2024.

Under the LGEG program, the Secretary of State awards grants to municipalities to cover costs associated with local government efficiency, including but not limited to consolidation, shared services, and regionalized delivery services.

Increased grant awards will be provided starting in FY 2025. These increased grant amounts would be as follows:

- **Planning Grants:** Increases from \$12,500 per municipality and \$100,00 total per grant to \$20,000 per municipality and \$120,000 total per grant.
- **Implementation Grants:** Increases from \$200,000 per municipality and \$1 million total per grant to \$250,000 per municipality and \$1.25 million total per grant.
- ➔ Maximum grant amounts cannot exceed \$250,000 per municipality and grants will be awarded primarily to plans that would result in consolidation of municipalities or municipal services.

Local governments must demonstrate financial savings and operational efficiency to obtain this grant. However, these local governments cannot also receive the Citizens Re-Organization Empowerment Grant with the same plans submitted for eligibility to receive the LGEG.

Approved projects must include examination of financial savings, return on public investment, and management improvements resulting from a projects implementation.

In the selection process, the Secretary of State would give the highest priority to applications that would result in the following:

- Dissolution or consolidation of municipalities.
 - Implementation of the complete functional consolidation of a municipal service.
 - Local Governments with historically high costs of operation or sustained increases in Real Property Taxes.
- ➔ Priority will also be given to municipalities that have previously completed a plan pursuant to the County-Wide Shared Services Initiative.

EDUCATION, LABOR, AND FAMILY ASSISTANCE – A.8806

Part O Enhance Protections Against Deed Theft

Chapter 630 of the Laws of 2023 (A.6656), increased protections against real property theft by empowering the Attorney General and local District Attorneys to take measures to prevent deed theft, such as staying any legal proceeding where evictions, foreclosures, or property transfers are sought. It also authorized a stay of foreclosure proceedings pending an investigation into theft or fraud.

In the Executive Budget, the Governor is proposing the “Heirs Property Protection and Deed Theft Prevention Act of 2024” to enhance the defense against deed theft by codifying specific punishments in penal law. Deed theft is defined as intentionally altering, falsifying, forging, or misrepresenting property documents with the intent to deceive, defraud, or unlawfully transfer property rights. Prosecution Felony Deed Theft must be commenced within eight years after the commission of the crime.

The punishments are as follows:

- **Deed Theft in the Third Degree:** An individual is guilty of deed theft in the third degree when they commit theft of one commercial real property.
 - ➔ This will result in a class D felony.
- **Deed Theft in the Second Degree:** An individual is guilty of deed theft in the second degree when they commit deed theft of one residential real property or one mixed use property, or three or more commercial properties.
 - ➔ This will result in a class C felony.
- **Deed Theft in the First Degree:** An individual is guilty of deed theft in the first degree when they commit deed theft of residential real property that is occupied by at least one person, occupied by an elderly person, or occupied by a disabled person.
 - ➔ This will result in a class B felony.
- **Aggravated Deed Theft:** An individual is guilty of aggravated deed theft when they commit deed theft of three or more residential real properties.
 - ➔ This will result in a class B felony.
- The Governor’s proposal also includes a co-tenant right of first refusal upon receiving a bona fide offer to purchase a share or shares of an heir’s property and intends to accept or respond with a counteroffer. If the sale is completed without all co-tenants being made aware of the deal, the co-tenants of the heir’s property will have the right to purchase the shares for the price paid by the non-relative co-tenant, plus 2% interest.
 - ➔ The purchase must be at the identical price, terms, and conditions of the received offer or counteroffer.

- This proposal also outlines the transfer of a death deed within state law which is a legal document that allows individuals to transfer property to designated beneficiaries effective upon the transferor’s death. A summary of the provisions are as follows:
 - ➔ A transfer on death deed is revocable even if the deed or another instrument contains a contrary provision;
 - ➔ A transfer on death deed is nontestamentary or in other words the transfer of real property is not executed through a will;
 - ➔ The capacity required to make or revoke a transfer on death deed is the same as the capacity required to make a will;
 - ➔ Specifies that the transfer on death deed shall include: essential elements and formalities of a properly recordable inter vivos deed; states that the transfer of the beneficiary is to occur at the transferor’s death; and that it is signed by two witnesses, acknowledged before a notary public, and recorded before the transferor's death;
 - ➔ Provides for cases where the transfer of the death deed can be revoked;
 - ➔ To the extent the probate estate is insufficient, the estate may enforce the liability against property transferred by a transfer on death deed; and
 - ➔ If more than one property is transferred, liability is apportioned among the properties and a proceeding to enforce the liability must be commenced no later than eighteen months after the transferor's death.

- Lastly, this Part creates a form of transfer on death deed.

Part R Establishment of the NYC Affordable Housing from Commercial Conversion Tax Incentive

This Part establishes a new Real Property Tax exemption in New York City called the Affordable Housing from Commercial Conversion Tax Incentive (AHCC) Program.

Under the AHCC Tax Incentive program, housing developers may be eligible for a Real Property Tax Exemption if they convert commercial space into residential housing that can hold six or more families and such housing meet certain affordability requirements.

ELIGIBILITY

To qualify, the following requirements must be sustained in perpetuity.

- No less than 25% of the units can have less than one bedroom, and all units must share a common entrance to the building.
- All units receiving the AHCC exemption will be subject to rent stabilization and cannot be converted into a cooperative or condominium.
- No less than 20% of the dwelling units must be affordable within the applicable affordability limits. These include:
 - ➔ The weighted average of area median income in all available units must not exceed 80% of the Area Median Income (AMI).
 - ➔ No less than 5% of the units available must be affordable to those with a household income that does not exceed 40% of the AMI.
 - ➔ No income for affordable housing can exceed 100% of the area median income, adjusted for family size.

EXEMPTION

The exemption amount and the duration of the exemption would be specified in regulations set forth by the New York City Division of Housing and Community Renewal.

- Projects seeking to obtain this benefit must create six or more rental units and have commenced construction between December 31, 2022 and December 31, 2033.
- ➔ These projects must be completed on or before December 31, 2039.

BUILDING SERVICE EMPLOYEES

Projects eligible for this exemption are required to provide prevailing wages to building service employees.

- This requirement does not apply to projects that contain less than 30 dwelling units or is eligible for loan or grant assistance provided by a federal, state or local government agency.
- ➔ Prevailing wage is the pay rate set by law for work on public work projects. This applies to all laborers, workers or mechanics employed under a public work contract.

APPLICATION PROCESS

Applications for the AHCC exemption must be filed with the New York City Department of Housing Preservation and Development (HPD) no earlier than the completion date of the conversion and no later than one year after the conversion is complete. Accompanying the application, a filing fee of no less than \$3,000 per dwelling unit must be submitted.

- The filing fee may be reduced if the conversion is carried out with substantial government assistance.

Part T Extend the Completion Deadline for Projects Vested in the 421-a Real Property Tax Abatement
This Part extends the completion deadline for projects that are vested in the recently expired 421-a Real Property Tax abatement program.

The current deadline for project completion is June 15, 2026. This proposal would extend that deadline by five years making the new completion date June 15, 2031.

- The 421-a Real Property Tax Abatement existed in New York City and offered a 35-year abatement of Real Property Taxes owed on the construction of new residential dwellings.
- A full abatement of the increase in property taxes lasts for 3 years during construction and the first 25 years after construction. Tax benefits for the last 10 years would then be tied to the number of affordable units created.
- Since this program’s expiration, permits for the creation of new housing in New York City have declined considerably.

Part U Enact the Affordable Neighborhoods for New Yorkers (ANNY) Tax Incentive
This Part would establish a new Real Property Tax abatement program called the Affordable Neighborhoods for New Yorkers (ANNY) Tax Incentive.

BENEFITS

Under the ANNY Tax Incentive program, housing developers may be eligible for a 40-year or 35-year Real Property Tax abatement. Under this program, eligible projects that adhere to the affordability and wage requirements will be eligible to receive the following benefits:

Rental Unit Projects: Rental projects built adhering to the program’s requirements will be eligible for a 25-year full Real Property Tax Abatement and 10-year partial Real Property Tax Abatement set at a rate matching the percentage of affordable units; and

- Large rental projects of 30 or more units must maintain affordability restrictions permanently.
- Smaller rental projects of less than 30 units must maintain affordability restrictions for a period of 35 years.

Condominiums and Co-ops Projects:

Homeownership projects built adhering to the program’s requirements will be eligible for 40-year full Real Property Tax Abatement.

- Homeownership projects must maintain affordability requirements for 40 years after the completion of construction.

Both condominiums and co-ops and rental unit projects will receive a full Real Property Tax exemption for up to three years during construction.

DEVELOPMENT AREAS

Under this Part, the three prime development areas would be defined in a memorandum of understanding between the Real Estate Board of New York (REBNY) and the New York City Building and Construction Trades Council of Greater New York. These three prime development areas would include:

- The borough of Manhattan;
- The borough of Brooklyn; and
- The borough of Queens.

AFFORDABILITY REQUIREMENTS

The affordability restrictions that developers must adhere to under the ANNY Program would be set forth by the New York City Department of Housing Preservation and Development (HPD).

OTHER AFFORDABILITY REQUIREMENTS

The affordable units must either have the same proportional unit mix as the market-rate units, or at

least 50% of the affordable units must be two bedrooms or larger and no more than 25% of the affordable units can be less than one bedroom. Further, all rental units in a building must share a common entrance with other rental units in such building and cannot be isolated to a specific floor.

RENT STABILIZATION

All affordable rental units would remain subject to Rent Stabilization permanently.

BUILDING SERVICE EMPLOYEES

All persons regularly employed at and working on a building receiving ANNY benefits must be paid the prevailing wage.

- Prevailing wage is the pay rate set by law for work on public work projects. This applies to all laborers, workers or mechanics employed under a public work contract.

HOURLY WAGES FOR CONSTRUCTION WORKERS

This Part also sets a minimum average hourly wage for construction workers for each prime development area. This would also be set by a memorandum of understanding between the Real Estate Board of New York (REBNY) and the New York City Building and Construction Trades Council of Greater New York.

MINORITY AND WOMEN-OWNED BUSINESSES

This Part further requires projects to make reasonable efforts to spend on contracts at least 25% of the total applicable costs with minority and women owned businesses.

APPLICATION PROCESS AND FILING FEE

The ANNY Program will have a single application like the 421-a program and is to be filed within one year after the completion of construction of the building. This Part authorizes HPD to establish a filing fee of \$3,000 per unit.

REPORTING TO THE GOVERNOR AND STATE LEGISLATURE

Finally, this Part requires the Commissioner of the NYC Department of Housing and Preservation and Development to report on or before June 30th of each year to the Governor, Temporary President of the Senate and the Speaker of the Assembly. The report will include the number of total projects and units created by year, level of affordability, and the cost of the ANNY Program among other things.

TRANSPORTATION, ECONOMIC DEVELOPMENT, AND ENVIRONMENTAL CONSERVATION – A.8808

Part KK Extend Videoconference Participation in Public Meetings This Part would extend until July 1, 2026, the authorization for public bodies to conduct public meetings with the ability for members of the local government and the public to join via video conferencing.

REVENUE – A.8809

Return Tax Foreclosure Surplus to Property Owner (Part N) Currently, if a local government sells real property they have acquired due to delinquent taxes, they may retain all proceeds the sale generates, including the surplus.

In May of 2023, *Tyler v. Hennepin County* was decided by the United States Supreme Court. The ruling dictated that local governments must return these excess proceeds (the amount the property sells for above the value of the tax debt) to the property owner.

This Part codifies the decision of *Tyler v. Hennepin County* and requires any surplus resulting from tax foreclosure sales to be returned to the property owners and lienors. Local governments would still be made whole for the taxes they are owed.

If a local government currently does not have provisions in place to return surplus proceeds, they must enact a local law to provide for such.

This Part adds to state law the process in which local governments, courts and property owners must adhere to related to foreclosed properties. This includes:

- Within 45 days after a sale of tax foreclosed property, a determination must be made whether a surplus is attributable to the sale.
- The determination will be made by ascertaining the sum of the total amount of taxes due, plus interest and other penalties and applying the following:
 - ➔ If the sale was completed via public auction, the surplus will be determined by subtracting the sum listed above and amount paid for the property; and
 - ➔ If the sale was not completed via public auction, the surplus will be determined by subtracting the sum listed above and full value of the property as shown on the most recent tax roll.

If a surplus is attributable to a sale of a tax foreclosed property, excess proceeds will be paid to the court which oversaw such sale, and the court will notify the interested parties of the procedure to be followed to make a claim for the surplus.

If a tax-foreclosed property was sold on or after May 25, 2023, the enforcing officer of the tax district has six months from the effective date to submit a report to the court regarding the existence and amount of surplus. The surplus must then be paid to the court to be returned to the property owner.



MENTAL HYGIENE OVERVIEW

WAYS & MEANS CONTACT:

Ryan Spinner, Principal Budget Analyst

(518) 455-4131

spinnerr@nyassembly.gov

THE DEPARTMENT OF MENTAL HYGIENE OPERATES THREE INDEPENDENT AGENCIES:

- The Office of Addiction Services and Supports;
- The Office of Mental Health; and
- The Office of People with Developmental Disabilities.

Addiction Services and Supports

The Office of Addiction Services and Supports (OASAS) oversees one of the nation's largest substance use disorder systems of care. In New York State, OASAS oversees more than 1,600 prevention, treatment, and recovery programs serving over 680,000 individuals annually. This includes the direct operation of 12 Addiction Treatment Centers where doctors, nurses, and clinical staff provide inpatient and residential services to approximately 8,000 individuals per year. OASAS is the single designated State agency responsible for the coordination of State and federal relations in the area of addiction services.

Mental Health

New York State has a large, multi-faceted mental health system that serves more than 700,000 individuals each year. The Office of Mental Health (OMH) operates psychiatric centers across the State. OMH also regulates, certifies and oversees more than 4,500 programs, operated by local governments and nonprofit agencies. These programs include various inpatient and outpatient programs, emergency, community support, residential and family care programs.

People With Developmental Disabilities

The New York State Office for People with Developmental Disabilities (OPWDD) is responsible for coordinating services for New Yorkers with developmental disabilities, including intellectual disabilities, cerebral palsy, Down syndrome, autism spectrum disorders, Prader-Willi syndrome and other neurological impairments. OPWDD provides services directly and through a network of approximately 600 non-profit service-providing agencies, with about 80% of services provided by private nonprofits and 20% provided by State-run services.

COST OF LIVING ADJUSTMENT (COLA)

The Executive Budget includes a 1.5% Cost of Living Adjustment (COLA) for staff of various programs within the Office of Addiction Services and Supports (OASAS), Office for the Aging (SOFA), Office of Children and Family Services (OCFS), Office of Mental Health (OMH), and the Office for People with Developmental Disabilities (OPWDD). For Cost of Living Adjustment spending numbers, please see *Figure 1* below.

MINIMUM WAGE

Over the past several years New York State has increased funding to the Department of Mental Hygiene agencies for adjustments related to increased minimum wage costs Statewide. For historical Minimum Wage increases, please see *Figure 2* below.

Human Services Cost of Living Adjustment (millions) Figure 1										
	FY 2025 Executive Budget 1.5% COLA					FY 23 Through FY 25 Cumulative COLA				
Agency	Agency Share	DOH Local Share	Total State Funds	Federal Share	Gross Amount	Agency Share	DOH Local Share	Total State Funds	Federal Share	Gross Amount
OPWDD	\$46.9	\$27.3	\$74.2	\$65.1	\$139.3	\$315.6	\$195.2	\$510.9	\$464.9	\$975.8
OMH	\$35.0	\$2.0	\$37.0	\$8.9	\$45.9	\$209.7	\$16.1	\$225.8	\$64.4	\$290.2
OASAS	\$8.9	\$0.4	\$9.3	\$1.3	\$10.6	\$63.9	\$1.5	\$65.4	\$10.5	\$75.9
Mental Hygiene Subtotal	\$90.7	\$29.7	\$120.4	\$75.3	\$195.8	\$589.2	\$212.8	\$802.0	\$539.9	\$1,341.9
SOFA	\$3.4	\$0.0	\$3.4	\$0.0	\$3.4	\$23.7	\$0.0	\$23.7	\$0.0	\$23.7
OCFS	\$5.1	\$0.0	\$5.1	\$0.0	\$5.1	\$38.0	\$0.0	\$38.0	\$0.0	\$38.0
OTDA	\$0.1	\$0.0	\$0.1	\$0.0	\$0.1	\$62.2	\$0.0	\$62.2	\$0.5	\$62.7
Other Agency Subtotal	\$8.5	\$0.0	\$8.5	\$0.1	\$8.5	\$62.2	\$0.0	\$62.2	\$0.5	\$62.7
Total	\$99.2	\$29.7	\$128.9	\$75.4	\$204.3	\$651.4	\$212.8	\$864.2	\$540.4	\$1,404.6

Mental Hygiene Minimum Wage (millions) Figure 2				
Agency	State Share FY 2025	Annual Change	Gross FY 2025	Annual Change
OPWDD	\$258.0	\$45.1	\$475.6	\$83.2
OMH	\$46.3	\$8.2	\$65.3	\$11.6
OASAS	\$29.9	\$3.8	\$33.8	\$4.3
Total	\$334.1	\$57.2	\$574.7	\$99.1

ADDICTION SERVICES AND SUPPORTS

WAYS & MEANS CONTACT:

Ryan Spinner, Principal Budget Analyst
 (518) 455-4131
spinnerr@nyassembly.gov

STATE OPERATIONS – A.8800

EXECUTIVE DIRECTION PROGRAM

SIGNIFICANT DECREASES INCLUDE:

- **Opioid Settlement Fund Administration:** \$3.4 million, \$7.8 million less than last year, proportionate to deposits in the Opioid Settlement Fund.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Chemical Dependence Treatment and Prevention:** \$6.5 million, same as last year.
- **General Executive Direction Program:** \$65.8 million, same as last year.
- **NYS Drug Treatment and Education Fund:** \$1.8 million, same as last year, to support services and expenses of substance abuse focused on cannabis.

- **Problem Gambling Services:** \$1 million, same as last year, for the New York State Commercial Gaming Fund Problem Gambling Services Account.
- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$14 million, same as last year.

INSTITUTIONAL SERVICES

MAINTAINS FUNDING FOR THE FOLLOWING:

- **General Institutional Services:** \$77.6 million, \$1.4 million, same as last year.
- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$1.2 million, same as last year, for prevention and treatment services.

AID TO LOCALITIES – A.8803

COMMUNITY TREATMENT SERVICES PROGRAM

SIGNIFICANT DECREASES INCLUDE:

- **Problem Gambling, Chemical Dependence Outpatient, and Treatment Support Services:** \$137.7 million, \$11.4 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Additional Federal Grants:** \$50 million, same as last year, for a dry appropriation for Federal funds yet to be awarded.
- **Crisis Services:** \$12.8 million, same as last year.
- **Jail-Based Substance Use Disorder Treatment and Transition Services:** \$8.9 million, same as last year.
- **Managed Care Transition Savings:** \$37 million, same as last year, as a result of savings from recovered premiums related to the Medicaid Fee-for-Service to Managed Care transition.
- **Medical Cannabis Addiction Fund:** \$2 million, same as last year.
- **Residential Services:** \$130.8 million, same as last year.
- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$31.8 million, same as last year.
- **Substance Use Disorder and Mental Health Ombudsman:** \$8.5 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Cost of Living Adjustment Salary Increases:** \$8.9 million in funding for a 1.5% Cost of Living Adjustment for Human Services workers.

- **Minimum Wage:** \$2.9 million for minimum wage increases.
- **Opioid Settlement Funds:** \$63.7 million in new funding as a result of settlements the Attorney General reached with various opioid manufacturers. This funding is broken out according to the following:

- ➔ **Harm Reduction:** \$8 million;
- ➔ **Housing:** \$4.8 million;
- ➔ **Investments Across the Service Continuum:** \$12.9 million;
- ➔ **Prevention:** \$3.7 million;
- ➔ **Priority Populations:** \$3.9 million;
- ➔ **Public Awareness:** \$654,000;
- ➔ **Recovery:** \$5.2 million;
- ➔ **Research:** \$716,000.
- ➔ **Reserved for Municipalities:** \$17 million;
- ➔ **Transportation:** \$2.6 million; and
- ➔ **Treatment:** \$4.3 million.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$4.2 million for six programs was eliminated.

PREVENTION AND PROGRAM SUPPORT

SIGNIFICANT INCREASES INCLUDE:

- **State Funded Recovery Services:** \$52.5 million, \$5 million more than last year, for recovery services, including housing.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Chemical Dependence Treatment, Prevention, and Recovery Services:** \$7.3 million, same as last year.
- **Federally Funded Recovery Services:** \$23 million, same as last year.
- **General Prevention and Program Support:** \$75.2 million, same as last year.

- Medical Cannabis Addiction Services: \$2 million, same as last year.
- NYS Drug Treatment and Education Fund: \$4 million, same as last year, to support services and expenses of substance abuse focused on cannabis.
- Problem Gambling Education, Prevention, Recovery, and Treatment Services: \$9.6 million, same as last year.
- Substance Abuse Prevention and Treatment (SAPT) Block Grant: \$48.7 million, same as last year.
- Substance Use Education, Prevention, Recovery, and Treatment Services: \$100,000, same as last year.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- Design and Construction Supervision: \$7 million, \$1 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- Alterations and Improvements: \$34 million, \$1 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Acquisition, Design, Construction, and Rehabilitation: \$24 million, same as last year.
- Community Facilities Alterations and Improvements: \$5.5 million, same as last year.
- Facilities Maintenance and Operations: \$3.5 million, same as last year.
- Institutional Services Program: \$17 million, same as last year.
- Non-Bondable Projects: \$1 million, same as last year.

HEALTH AND MENTAL HYGIENE – A.8807

Part U Opioids and Overdose Prevention See Department of Health section of this publication.

Part X Make the Opioid Stewardship Fund Permanent This Part permanently extends the Authority of the Office of Addiction Services and Supports to utilize revenues in the Opioid Stewardship Fund.

Part AA Commercial Insurance Reimbursement for Behavioral Health Services See Department of Health section of this publication.

Part FF Human Services Cost of Living Adjustment The Executive Budget provides a 1.5% Cost of Living Adjustment (COLA) for staff of various programs within the Office of Addiction Services and Supports (OASAS), Office for the Aging, Office of Children and Family Services (OCFS), Department of Health (DOH), Office of Mental Health (OMH), and the Office for People with Developmental Disabilities (OPWDD). This would result in a total increased cost of \$128.9 million across all State agencies.

TRANSPORTATION, ECONOMIC DEVELOPMENT, AND ENVIRONMENTAL CONSERVATION – A.8808

Part HH Increased Penalties for Mental Health and Substance Use Disorder Requirements This Part authorizes the Superintendent of Financial Services to increase penalties up to \$2,000 per violation for insurers who violate Federal Mental Health Parity and Addiction Equity Act requirements if there is a willful violation after notice and hearing. The penalty for such violations with respect to accident and health insurance is currently \$1,000 per violation.

MENTAL HEALTH

WAYS & MEANS CONTACT:

Ryan Spinner, Principal Budget Analyst

(518) 455-4131

spinnerr@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Forensic Services Program:** \$341.1 million, \$12 million more than last year, due to increased personal service costs.
- **General Administration and Finance Program:** \$123.9 million, \$16.5 million more than last year, due to increased personal service costs
- **General Adult Services Program:** \$1.4 billion, \$26.4 million more than last year, due to increased costs associated with reopening of State-operated inpatient psych beds.
- **General Children and Youth Services Program:** \$252.2 million, \$10.9 million more than last year, due to increased personal service costs.
- **Research in Mental Illness Program:** \$94.2 million, \$1 more than last year, due to increased personal service costs.
- **Secure Treatment Program:** \$82.1 million, \$550,000 more than last year, due to increased personal service costs.

AID TO LOCALITIES – A.8803

ADULT SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Adult Homes:** \$67.9 million, \$3.4 million more than last year, for mentally ill residents of adult homes.
- **Community Mental Health Residential Programs:** \$1 billion, \$123.3 million more than last year.
- **Individual Placement and Supports:** \$12 million, \$8.9 million more than last year, for the Individual Placement and Support Program (ISP).
- **Joseph P. Dwyer Program:** \$8 million, \$308,600 more than last year. This equals a 4% increase for each county. To see the breakdown by county, please see *Figure 1* on the following page.
- **Non-Residential Services:** \$455.3 million, \$31.3 million more than last year, for community services that provide nonresidential services.

Joseph P. Dwyer
Figure 1

County	FY 24 Amount
Albany County	\$109,200
Allegany County	\$104,000
Broome County	\$192,400
Cattaraugus County	\$192,400
Cayuga County	\$104,000
Chautauqua County	\$192,400
Chemung County	\$104,000
Chenango County	\$104,000
Clinton County	\$54,600
Columbia County	\$104,000
Cortland County	\$104,000
Delaware County	\$104,000
Dutchess County	\$192,400
Erie County	\$192,400
Essex County	\$104,000
Franklin County	\$54,600
Fulton County	\$104,000
Genesee County	\$83,200
Greene County	\$104,000
Hamilton County	\$104,000
Herkimer County	\$104,000
Jefferson County	\$192,400
Lewis County	\$104,000
Livingston County	\$104,000
Madison County	\$104,000
Monroe County	\$192,400
Montgomery County	\$104,000
Nassau County	\$192,400
Niagara County	\$192,400
Oneida County	\$109,200
Onondaga County	\$192,400
Ontario County	\$104,000
Orange County	\$192,400
Orleans County	\$54,600
Oswego County	\$104,000
Otsego County	\$104,000
Putnam County	\$192,400
Rensselaer County	\$192,400
Rockland County	\$192,400
Saratoga County	\$192,400
Schenectady County	\$109,200
Schoharie County	\$104,000
Schuyler County	\$104,000
Seneca County	\$104,000
St. Lawrence	\$104,000
Steuben County	\$104,000
Suffolk County	\$192,400
Sullivan County	\$192,400
Tioga County	\$104,000
Tompkins County	\$104,000
Ulster County	\$192,400
Warren and Washington Counties	\$192,400
Wayne County	\$104,000
Westchester County	\$192,400
Wyoming County	\$54,600
Yates County	\$104,000
University at Albany Social School of Welfare	\$218,400
New York City	\$416,000
Total	\$8,023,600

- **Psychiatric Emergency Programs:** \$73.4 million, \$24.1 million more than last year, for emergency mental health programs operated by local governments.
- **State Share of Medical Assistance for Community Mental Health Services:** \$391.8 million, \$53 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **9-8-8 Crisis Hotline:** \$60 million, same as last year, for a statewide mental health crisis hotline.
- **Adult Mental Health Services:** \$62.6 million, same as last year, due to flat Federal funding.
- **Assisted Outpatient Treatment:** \$7.6 million, same as last year, for those receiving services from hospital outpatient clinics.
- **Eating Disorder Treatment Access:** \$2 million, same as last year, to expand access to eating disorder treatment.
- **Eating Disorder Treatment Centers:** \$1.2 million, same as last year, for the Comprehensive Care Centers for Eating Disorders Program.
- **Intensive and Sustained Engagement Treatment:** \$2.8 million, same as last year, for the Intensive and Sustained Engagement Treatment (INSET).
- **Managed Care Transition Savings:** \$74 million, same as last year, as a result of savings from recovered premiums related to the Medicaid Fee-for-Service to Managed Care transition.
- **Programs to Assist and Transition from Homelessness:** \$6.4 million, same as last year.
- **Psychiatric Recruitment:** \$14 million, same as last year, for recruitment of psychiatric professionals.

- **Suicide Prevention for Veterans, First Responders, Law Enforcement, and Corrections Officers:** \$1 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Cost of Living Adjustment Salary Increases:** \$35 million in funding for a 1.5% Cost of Living Adjustment for Human Services workers.
- **Minimum Wage:** \$8.2 million for minimum wage increases.
- **Suicide Prevention, Peer-to-Peer, and Mental Health Services:** \$2 million in new funds for veterans, first responders, and disaster response workers.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$7.6 million in funding eliminated for 21 various programs added by the Legislature.

CHILDREN AND YOUTH SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Children and Family Community Mental Health Services:** \$140.8 million, \$12.4 million more than last year.
- **Community Programs:** \$53.3 million, \$6.7 million more than last year, for community mental health emergency programs.
- **Community Residences:** \$14.8 million, \$853,000 more than last year, for community residences including making rental and mortgage payments of community residential facilities for the mentally ill.
- **High Fidelity Wrap Around Services for Children:** \$10 million, \$5 million more than last year, for wrap around services for children.

- **Non-Residential Services:** \$180.3 million, \$13.4 million, for programs provided by local governments.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Federal Block Grant:** \$14.5 million, same as last year, due to flat Federal funding for the Community Mental Health Services Block Grant.
- **Youth Suicide Prevention:** \$10 million, same as last year, for youth suicide prevention

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **State Mental Health Facilities:** \$498.8 million, \$95 million more than last year, for acquisition, construction, reconstruction, rehabilitation, and improvements of State facilities.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Non-Bondable Projects:** \$1 million, same as last year.

SIGNIFICANT DECREASES INCLUDE:

- **Community Mental Health Facilities:** \$96.7 billion, \$959 million less than last year, due to the loss of one-time funding for municipalities and not-for-profit agencies for increased support and expansion of intensive crisis stabilization centers, intensive mobile treatment, low barrier housing, supportive and reentry transitional housing and inpatient alternatives to detention and treatment.

HEALTH AND MENTAL
HYGIENE – A.8807

Part Y Makes the Community Mental Health Support and Workforce Reinvestment Program Permanent

This Part permanently extends provisions which require the Office of Mental Health to reinvest savings from potential State Psychiatric Center inpatient bed closures for community mental health services and workforce.

Part AA Commercial Insurance Reimbursement for Behavioral Health Services See Department of Health section of this publication.

Part BB Makes the Comprehensive Psychiatric Emergency Programs (CPEP) Permanent This Part permanently extends CPEPs which include hospital-based crisis intervention services, extended observation beds, crisis outreach services, and crisis residential services.

Part DD Representative Payee Authority for Mental Hygiene Directors This Part permanently extends the authority of Directors in Office for People With Developmental Disabilities and Office of Mental Health facilities to act as representative payees to use funds for an individual’s care and treatment.

Part FF Human Services Cost of Living Adjustment The Executive Budget provides a 1.5% Cost of Living Adjustment (COLA) for staff of various programs within the Office of Addiction Services and Supports (OASAS), Office for the Aging, Office of Children and Family Services (OCFS), Department of Health (DOH), Office of Mental Health (OMH), and the Office for People with Developmental Disabilities (OPWDD). This would result in a total increased cost of \$128.9 million across all State agencies.

TRANSPORTATION, ECONOMIC
DEVELOPMENT, AND
ENVIRONMENTAL
CONSERVATION – A.8808

Part HH Increased Penalties for Mental Health and Substance Use Disorder Requirements This Part authorizes the Superintendent of Financial Services to increase penalties up to \$2,000 per violation for insurers who violate Federal Mental Health Parity and Addiction Equity Act requirements if there is a willful violation after notice and hearing. The penalty for such violations with respect to accident and health insurance is currently \$1,000 per violation.



PEOPLE WITH DEVELOPMENTAL DISABILITIES

WAYS & MEANS CONTACT:

Ryan Spinner, Principal Budget Analyst
 (518) 455-4131
spinnerr@nyassembly.gov

STATE OPERATIONS – A.8800

CENTRAL COORDINATION AND SUPPORT PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- General Central Coordination and Support Program: \$138.3 million, \$450,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Intellectual and Developmental Disability Ombudsman: \$2 million, same as last year, for an Intellectual and Developmental Disability Ombudsman Program.

COMMUNITY SERVICES PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- General Community Services Program: \$1.7 billion, same as last year.

DEVELOPMENTAL DISABILITIES PLANNING COUNCIL

MAINTAINS FUNDING FOR THE FOLLOWING:

- Developmental Disabilities Planning Council: \$4.8 million, same as last year.

JUSTICE CENTER FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

SIGNIFICANT INCREASES INCLUDE:

- Justice Center for People With Developmental Disabilities: \$62.3 million, \$1.4 million more than last year, for the hiring of additional investigators.

INSTITUTIONAL SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Institutional Services Program:** \$482.6 million, \$3.9 million more than last year, due to increased personal service costs.

RESEARCH IN DEVELOPMENTAL DISABILITIES PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **General Research in Developmental Disabilities Program:** \$29.9 million, same as last year.

AID TO LOCALITIES – A.8803

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Day Program Services:** \$86.2 million, \$6.7 million more than last year, for day program services for people with developmental disabilities.
- **Hepatitis B, Care at Home Waiver, Epilepsy Services, Special Olympics New York, Inc., and Voluntary Fingerprinting:** \$14.2 million, \$1 million more than last year for increased funding for the Special Olympics.
- **Residential Services:** \$351.6 million, \$4 million more than last year, for increases in housing subsidies and room and board supplements.
- **State Share of Medical Assistance (Medicaid) for Community Services:** \$4.4 billion, \$185 million more than last year, due to increased

Federal funding and funding from the Mental Hygiene Stabilization Fund.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **ACCES-VR:** \$56 million, same as last year, for workshop, day training, and employment services to people with developmental disabilities.
- **Family Support Services:** \$97 million, same as last year, for family support services for people with developmental disabilities.

SIGNIFICANT ACTIONS INCLUDE:

- **Cost of Living Adjustment Salary Increases:** \$46.9 million in funding for a 1.5% Cost of Living Adjustment for Human Services workers.
- **Minimum Wage:** \$45.1 million for minimum wage increases.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$960,000 million for 7 programs added by the legislature.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Community and Institutional Services Program:** \$74.4 million, \$12 million more than last year, for rehabilitation, health and safety, and fire safety projects.
- **Facilities Maintenance and Operations:** \$52 million, \$8 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Design and Construction Supervision:** \$13 million, same as last year.

HEALTH AND MENTAL
HYGIENE – A.8807

Part Z Make Flexibilities for Demonstrations Programs Permanent This Part permanently extends regulatory flexibilities granted to the Office for People With Developmental Disabilities that were authorized in the FY16 Enacted Budget.

Part CC Justice Center Notification to the Office of the Medicaid Inspector General (OMIG) This Part clarifies that the Justice Center shall refer reports of abuse or neglect to OMIG when the reports could be subject to OMIG sanctions once the reports are no longer subject to amendment or appeal. This would be determined in consultation with OMIG.

Part DD Representative Payee Authority for Mental Hygiene Directors This Part permanently extends the authority of Directors in Office for People With Developmental Disabilities and Office of Mental Health facilities to act as representative payees to use funds for an individual’s care and treatment.

Part EE Nursing Staff Flexibility This Part allows direct support staff in OPWDD community-based settings to perform similar tasks that align with the Consumer Directed Personal Assistance Program (CDPAP), as long as a registered nurse determines the recipient, family, or household member is capable of providing such instruction. Individuals would not be able to hold themselves out as one who accepts employment solely for performing such care.

Part FF Human Services Cost of Living Adjustment
The Executive Budget provides a 1.5% Cost of Living Adjustment (COLA) for staff of various programs within the Office of Addiction Services and Supports (OASAS), Office for the Aging, Office of Children and Family Services (OCFS), Department of Health (DOH), Office of Mental Health (OMH), and the Office for People with Developmental Disabilities (OPWDD). This would result in a total increased cost of \$128.9 million across all State agencies.



METROPOLITAN TRANSPORTATION AUTHORITY

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst

(518) 455-4131

colemana@nyassembly.gov

CAPITAL PROJECTS – A.8804

SIGNIFICANT ACTIONS INCLUDE:

- **Interborough Express and Subway Expansion:** \$68 million in new funding for feasibility studies, environmental reviews, preliminary design, and engineering work necessary to advance the Interborough Express and western expansion of the Second Avenue Subway projects.
 - ➔ **Interborough Express:** \$52 million for a feasibility study, design, and engineering work.
 - ➔ **Second Avenue Subway:** \$16 million for an expansion feasibility study, design, and engineering work.

- **Metropolitan Transportation Authority (MTA):** This will be the final year of the MTA's \$55 billion 2020-2024 Capital Program.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

PART X SWEEPS AND TRANSFERS

§56 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50-years until April 1, 2025.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part A Extend the Metropolitan Transportation Authority Tax Increment Financing Authority The Executive budget proposes to extend the MTA’s tax increment financing authority for 10 years, until April 1, 2034. This authority allows municipalities to create “mass transportation capital districts” to facilitate Tax Increment Financing for MTA capital projects.

In addition, this authorization allows municipalities located within the Metropolitan Commuter Transportation District (MCTD) to work with the MTA to designate alternative funding sources for capital projects within their communities. This authority was amended in the 2023-24 Enacted Budget and would have sunset in 2024.

Part B MTA Fare Enforcement This proposal would implement several recommendations made by the MTA’s Blue-Ribbon Panel Report on Fare and Toll Evasion in May 2023. These recommendations include:

- Increasing the maximum applicable fine for offenses from \$100 to \$200, excluding supplemental penalties, interest, or other costs;
- Allowing the Transit Adjudication Bureau (“TAB”) to have jurisdiction over downstate rail systems (including the Long Island Railroad and Metro-North Railroad) for all “railroad” infractions in addition to the currently included transit infractions;
- Authorizing written warnings in lieu of fines for first offenses for the purpose of acting as a predicate to a civil penalty in the event of subsequent violations;
- Forgiving fare evasion penalties for violators who qualify and enroll in New York City’s

Fair Fares program. The Fair Fares program is a City program created to help New Yorkers with low incomes manage their transportation costs by providing them with a 50% discount on subway and eligible bus fares;

- Authorize the Transit Adjudication Bureau (TAB), in an instance of a second fare violation, to issue a fare card to violators (after their first offense) for use on transit facilities, including MTA buses and subways, on which the amount of funds is not to exceed 50% of the penalty amount imposed on the violator; and
- Authorizes the MTA to seize and confiscate tokens, tickets, cards, or other types of fare media which have been forged, counterfeit, or improperly altered or transferred.

Part C Toll Enforcement This proposal would increase fines and penalties for toll evasion on the New York State Thruway, for entry into or remaining in the Central Business District in Manhattan, or on any other tolled highway, parkway, or bridge throughout the State, and prohibit the sale or distribution of license plate covers or devices that obscure such plates for the purpose of toll evasion. This proposal would include the use of a toll facility without payment of the toll as a theft of services offense. Operators that use such license plate covers or devices shall be liable for a fine of not less than \$100, nor more than \$500.

Additionally, it would authorize police officers to confiscate or seize any license plate coverings or devices designed for the purpose of toll evasion, and to issue fines of not less than \$250 to violators. Lastly, it would authorize the Department of Motor Vehicles to suspend and restrict registration transactions for vehicles with suspended registrations related to the owner’s failure to pay tolls or fines issued to the owner, or to remove license plate-obscuring coverings or devices.

Part D Toll Fraud Deterrence This proposal would create new misdemeanor and felony offenses, and fines, associated with fraudulent attempts to claim

credits, discounts, or exemptions from Central Business District or transportation authority tolls.

- Individuals who knowingly make false statements or falsify permits for the purpose of obtaining toll credits, discounts, or exemptions from Central Business District or Triborough Bridge and Tunnel Authority toll shall be subject to a class A misdemeanor.
- ➔ Those who violate such provisions, and as a result receive credits, discounts, or exemptions with a total value exceeding \$1,000 shall be subject to a class E felony.
- ➔ Those who violate such provisions, and as a result, receive credits, discounts, or exemptions with a total value exceeding \$3,000, shall be subject to a class D felony.



MILITARY & NAVAL AFFAIRS

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$8.6 million, \$310,000 more than last year, for services and expenses related to the administration of the agency.

SIGNIFICANT DECREASES INCLUDE:

- **Special Services Program:** \$77.6 million, \$4 million less than last year. This reduced funding was provided to expand eligibility for World Trade Center (WTC) death and disability benefits to participating servicemembers on State Active Duty (SAD) in WTC site rescue, recovery, or cleanup operations.

➔ This funding was moved to the Aid to Localities Budget.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Military Readiness Program:** \$60 million for services and expenses related to State's military readiness.

AID TO LOCALITIES – A.8803

SIGNIFICANT ACTIONS INCLUDE:

- **Special Services Program:** \$4 million in new funding for expenses related to the WTC death and disability benefits reimbursements.
- ➔ This funding was originally included in the Division's State Operations budget and is being transferred to the Aid to Localities budget to better suit the intent of the funding.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Military Readiness Program:** \$1.5 million for reimbursements to certain organized militia members for group life insurance premium costs incurred during periods of military service.

CAPITAL PROJECTS – A. 8804

SIGNIFICANT DECREASES INCLUDE:

- **Maintenance and Improvements:** \$91 million, \$60 million less than last year. This net decrease can be attributed to:
 - ➔ **Capital Program:** \$35 million, \$10 million more than last year for the Division's bonded capital program.
 - ➔ **Lexington Avenue Armory – State Funding:** \$15 million, \$10 million less than last year, for a multi-year renovation and rehabilitation project at the Lexington Avenue Armory.
 - ➔ **Lexington Avenue Armory – Federal Funding:** \$15 million, \$60 million less than last year, related to the Armory; and
 - ➔ **Federal Capital:** \$26 million, same as last year, for the Federal share of the improvement and preservation of facilities.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Design and Construction Supervision:** \$13.8 million for the improvement and preservation of facilities.
- **Facilities and Maintenance Operations:** \$14.9 million for maintenance of various facilities.



MOTOR VEHICLES

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst

(518) 455-4131

colemana@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- Operating Support for the Department of Motor Vehicles: \$125.2 million, \$3.5 million more than last year.
- ➔ Clean Air Program: \$23.2 million, \$1.1 million more than last year.
- ➔ Governor's Traffic Safety Committee: \$30.9 million, \$2.4 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Accident Prevention Course Program: \$425,000, the same as last year.
- Compulsory Insurance Program: \$11.6 million, the same as last year.
- DMV Seized Assets Program: \$400,000, the same as last year.
- Motorcycle Safety Program: \$1.6 million, the same as last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- Governor's Traffic Safety Committee: \$24.9 million, \$400,000 less than last year.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- Dedicated Highway and Bridge Trust Fund Support for the DMV: \$336.5 million, \$2.5 million more than last year.
- Transformational Improvements: \$178.5 million in new funding for services and expenses related to technology equipment, software, and services needed to upgrade or replace the Department's legacy technology systems.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part F Extend the Internet Point Insurance Reduction Program The Executive proposes extending the Internet Point Insurance Reduction Program (IPIRP) by two years, until April 1, 2026. The Internet Point Insurance Reduction Program provides digital accident prevention courses to motorists for the purpose of granting point and insurance premium reduction benefits.

Part G Extend the Authorization for Certain Department of Motor Vehicle Fees This Part would extend the expiration dates of certain DMV fees related to motor vehicle transactions until April 1, 2026. This proposal would also extend the provision that allows revenues in the Dedicated Highway and Bridge Trust Fund to be used for DMV expenses until April 1, 2026.

Part H Online Insurance Verification System This Part would authorize the Commissioner of DMV to establish a system for the online verification of automotive liability insurance. This system would make available information provided by motor vehicle insurers to the Department for the purpose of verification of evidence of automotive insurance coverage for motorists. The Insurance Verification System will include:

- The ability to send and receive requests for, or verification of, evidence of insurance to and from insurers electronically, including data related to vehicle identification numbers and policy numbers;
- Security for the protection of data against unauthorized access;
- Provide access to authorized Department personnel, court systems, law enforcement, and other entities authorized by the State as

permitted by any State or Federal privacy laws;

- Providing access to on-duty law enforcement personnel in performance of their duties relating to verifying proper vehicle insurance coverage;
 - A testing and pilot period of not less than one year;
 - Require every insurer that is licensed to issue motor vehicle insurance policies to provide access to motor vehicle insurance policy status information; and
 - Develop a computer indicator (QR code or barcode) that can be imprinted on a vehicle registration sticker, or on a sticker to be affixed on license plates, to enable law enforcement to access the insurance verification database.
- ➔ This Part would only become effective when the Online Insurance Verification System is fully functional, and authorizes, but does not require, the DMV to develop and implement the program.

Part J Autonomous Vehicle Technology Extender This Part proposes extending the Department of Motor Vehicles’ (DMV) authority to approve demonstrations and tests of motor vehicles equipped with autonomous vehicle technology from April 1, 2024, to April 1, 2026, to allow for more time to gather relevant data to consider the impacts of this technology.

Part K Stretch Limousine Passenger Safety Act This Part proposes to amend sections of the Transportation and Vehicle and Traffic Law to implement limousine safety recommendations made by the Stretch Limousine Passenger Safety Task Force. These recommendations include:

- The Commissioner of Motor Vehicles and the Commissioner of Transportation shall report on safety issues on the Department of Transportation’s website and toll-free hotline, as well as develop and publish an

- annual report on the Department's website comparing the previous three years of report data to the extent possible;
- The Commissioner of Transportation may direct law enforcement to secure the license plates of, impound, or immobilize stretch limousines which are placed out of service, and shall suspend the registration of stretch limousines until defects with the out of service vehicle are satisfactorily adjusted;
 - ➔ Failure of the holder to return license plates for out of service vehicles to the Commissioner of Motor Vehicles will be a misdemeanor.
 - Operating a vehicle placed out of service while under suspension will constitute a class A misdemeanor, punishable by a fine of no less than \$10,000;
 - Requiring the installation of roll-over protection devices (such as cages, pillars, and anti-intrusion bars) in stretch limousines within one year of which the National Highway Traffic Safety Administration promulgates final regulations which establish standards for such protection devices;
 - Define a "stretch limousine" as an altered motor vehicle with an extended chassis, lengthened wheelbase, or elongated seating area, with a seating capacity of nine or more passengers, including the driver, which is used in the business of transporting passengers for compensation;
 - Requiring stretch limousines to be equipped with a window break tool and operational fire extinguisher, and ensure that driver and passenger partitions can be used to exit the vehicle in case of emergency;
 - Prohibiting the operation of any stretch limousine that is over 10 years old or has mileage exceeding 350,000 miles, whichever occurs first; and
 - Requiring motor carriers to provide live, in-person pre-trip safety briefings, and require each driver to demonstrate their proficiency in providing such briefings. The Commissioner of Motor Vehicles shall coordinate with the Department of Transportation and Division of State Police in preparing the form and content of such safety briefings.



NEW YORK POWER AUTHORITY

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

[greend@nyassembly.gov](mailto:greennd@nyassembly.gov)

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Canal Infrastructure Investments:** \$50 million in new funding for the improvement of the NYS Canal System. These funds will be used for dam and lock repair, flood mitigation, infrastructure improvements, canal system resiliency, and other projects.
- **Watershed Modeling:** \$1.5 million in new funding for watershed modeling of the Mohawk and Oswego River basins, for the purpose of modeling and tracking floods and flood conditions.

SIGNIFICANT DECREASES INCLUDE:

- **Canal Development Program:** \$2.5 million, \$5 million less than last year, for the maintenance, construction, reconstruction, development, or promotion of the New York State Canal System.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

PART X SWEEPS AND TRANSFERS

§3-4 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

§19 NYPA Authorizes the transfer of up to \$20 million from the New York State Power Authority to the General Fund, to be utilized for energy-related State activities after April 1, 2024.

§20 NYPA Authorizes the transfer of up to \$25 million from NYPA proceeds to the credit of the General Fund, for the State Fiscal Year commencing April 1, 2024, to support the Office of Just Energy Transition and programs for workforce training and retraining and to prepare workers for employment in the renewable energy field.

§48 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2025, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget maintains these amounts as follows:

- \$15 million, the same as last year, from the State University General Income Reimbursable Account;
- \$5 million, the same as last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, the same as last year, from the City University Senior College Operating Fund.



NON-PROFIT INFRASTRUCTURE CAPITAL INVESTMENT

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
(518) 455-4131
toranzo@nyassembly.gov

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **Non-profit Infrastructure Capital Investment Program:** No new funding. The Program has a cumulative total of \$170 million, of which \$79.9 million is available in reappropriations.

NON-PROFIT INFRASTRUCTURE CAPITAL INVESTMENT PROGRAM CRITERIA:

- This Program provides targeted investment for capital projects in eligible non-profit human services organizations to improve the quality, efficiency, and accessibility of non-profit human services organizations that serve New Yorkers. These organizations provide direct services to New Yorkers through State contracts, State authorized payments, and/or State payment rates.

- Non-profit human services organizations are eligible for investment grants that include, but are not limited to, technology upgrades related to improving electronic records, data analysis, or confidentiality; renovations or expansions of space used for direct program services; modification to provide for sustainable, energy-efficient spaces that would result in overall energy and cost savings; and accessibility renovations.
- A non-profit human services organization that is eligible for this grant and is located on publicly owned property, may not use the funds for building or property maintenance, improvements, structural maintenance or improvements, or building systems maintenance or improvements.

NON-PROFIT INFRASTRUCTURE CAPITAL INVESTMENT CHANGES INCLUDED IN THE 2023-24 ENACTED BUDGET:

- **Chapter 54 of the Laws of 2022, \$50 million Reappropriation:** The Enacted Budget updated the project criteria language to

include renovations or expansions of non-publicly owned space owned by or leased to the eligible non-profit human services organization pursuant to a lease. Further, eligible non-profit human services organizations are now to be prequalified in a manner prescribed by the State for such grants. Lastly, funding will now be made on a rolling pass-fail process outlined in the Request for Grant Applications that will include guidelines for the Program as determined by representatives from certain State agencies. Nothing will preclude a non-profit human services organization that is otherwise eligible and that is located on publicly owned property from receiving a grant as long as such purpose or project would be otherwise eligible and the grant is not used for building or property maintenance or improvements, structural maintenance or improvements, or building systems maintenance or improvements.

- **Chapter 54 of the Laws of 2017 and Chapter 55 of the Laws of 2016, \$37.6 million Reappropriation:** The Enacted Budget updated that any funding that has been awarded under these reappropriations but not claimed by an eligible applicant may be made available by the Dormitory Authority for future grant awards to eligible applicants.

FUNDING ALLOCATIONS:

- Funding will be made available through a competitive process that will include multiple representatives from the Office of Children and Family Services, Office of Temporary and Disability Assistance, Office for People with Developmental Disabilities and the Office of Mental Health, to be determined by the Director of Budget and the guidelines for the program and competitive process will be subject to the approval of the Director of the Budget.

- Proposals submitted by eligible non-profit human services organizations will include the amount of funds requested, size and scope of the project, number of clients benefiting, a detailed description of the project, the extent to which the proposed project reflects necessary improvements or upgrades to continue to service non-profit human services organizations target population and a statement whether the project has received all necessary regulatory approvals.
- The Dormitory Authority will administer the Program, with debt issuance through the Dormitory Authority and the Urban Development Corporation.



OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

STATE OPERATIONS – A.8800

MAINTAINS THE FOLLOWING:

- **Olympic Facilities Operations Program:**
\$14.09 million, the same as last year.
-

CAPITAL PROJECTS – A.8804

SIGNIFICANT DECREASES INCLUDE:

Ski Facility Upgrades: \$82.5 million, \$10 million less than last year, for services and expenses related to the maintenance, upgrade, renovation, and modernization of Olympic, ski, and other facilities owned and operated by the Olympic Regional Development Authority, including Whiteface Mountain, Gore Mountain, and Belleayre Mountain Ski Resort. \$2.5 million of this reduction reflects funding that, in previous years, has been transferred to ORDA from NY Works; for the FY 2024-25 proposal this funding has been included within ORDA's Capital appropriation directly.

PARKS, RECREATION & HISTORIC PRESERVATION

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$386.3 million, \$26.6 million more than last year, inclusive of pay bill adjustments. This increase reflects General Salary Increases (GSIs), Geographic Pay Differential efforts and increased personal service costs due to the hiring of 79 FTEs to support Parks operations, including:
 - ➔ 30 positions reflecting expected personnel numbers from the incoming 2024 Park Police Class;
 - ➔ 24 Scalars and Americans with Disabilities Act (ADA) Staff;
 - ➔ 13 additional Staff at Sojourner Truth State Park; and
 - ➔ 12 positions supporting Federal Grants administration.

- This amount also includes \$5 million in support of the Governor's NY-SWIMS initiative announced as part of the 2024 State of the State, and \$200,000 to support NY-SWIMS Free Sunscreen distribution efforts.

MAINTAINS THE FOLLOWING:

- **Enterprise Funds:** \$41.7 million, the same as last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE:

- **Federal Operating Grants:** \$17.05 million, \$15 million more than last year, reflecting new Federal funding grants for recreation services projects, including acquisition, research, development, education and rehabilitation of parklands, programs and facilities.

MAINTAINS THE FOLLOWING:

- **ArtPark and Company, Inc.:** \$300,000, the same as last year.
- **Historic Preservation Program:** \$1.12 million, the same as last year, for the acquisition, development, and administration of historic properties.
- **Snowmobile Trail Maintenance:** \$8.1 million, the same as last year.

pools, and the provision of pop-up pools.

- ➔ **State Parks Centennial:** \$100 million in new funding for projects to celebrate 100 years of New York State Parks and to support OPRHP’s plans to rehabilitate the Jones Beach East Bathhouse.

- **Parks Infrastructure:** \$116.4 million, \$15 million more than last year, for alterations, rehabilitation and improvements of various park facilities and historic sites. Of this amount, \$15 million reflects preparations for the 2025 Ryder Cup to be held at Bethpage State Park, Farmingdale, Nassau County, New York.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **NY Works:** \$450 million, \$247.5 million more than last year. This appropriation is broken out into the following categories:
 - ➔ **NY Works Parks Infrastructure:** \$200 million, \$2.5 million less than last year, for State parks and historic sites, including publicly accessible electric vehicle (EV) charging stations and improvements of the Empire State Trail. This amount reflects the removal of \$2.5 million worth of funds usually transferred from NY Works to the Olympic Regional Development Authority (ORDA).
 - ➔ **New York Statewide Investment in More Swimming (NY SWIMS):** \$150 million in new funding for OPRHP and partner agencies to invest in various grant programs for municipalities or other eligible entities that will enhance and expand municipal swimming opportunities throughout the State through the installation of innovative floating pools, renovation and construction of municipal inground

SIGNIFICANT DECREASES INCLUDE:

- **Zoos, Botanical Gardens and Aquaria (ZBGA):** No new funding. \$10 million is reappropriated from FY 2023-24, for capital improvements to zoos, botanical gardens and aquaria Statewide, to be disbursed by the Commissioner of Parks and Recreation on a non-competitive basis.



PREVENTION OF DOMESTIC VIOLENCE

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
 (518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$6.1 million, \$1.2 more than last year, for the administration of various programs.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Capital District Domestic Violence Law Clinic and, the Family Violence and Women’s Rights Clinic at SUNY Buffalo Law School:** \$170,000, \$50,000 less than last year, in funding for the Family Violence and Women’s Rights Clinic at SUNY Buffalo.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Domestic Violence and Gender-Based Violence Hotline:** \$1.2 million, same as last year.
- **Rape Crisis Center:** \$4.5 million, same as last year, to operate rape crisis centers around the State.
- **Financial Assistance to Victims and Survivors of Domestic Violence:** \$5 million, same as last year, to support grants to government entities and not-for-profits distributed pursuant to a plan prepared by the Office of the Prevention of Domestic Violence and approved by the Director of the Budget.



PUBLIC AUTHORITIES

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
 (518) 455-4131
toranzoa@nyassembly.gov

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.8805

Part V NYC Transitional Finance Authority (TFA) Bonding Limit The Executive Budget proposes increasing the bonding capacity for the NYC TFA to help the City support its capital initiatives. Beginning July 1, 2024, the bonding capacity will increase from \$13.5 billion to \$19.5 billion and have a second increase beginning July 1, 2025 to \$25.5 billion. The current bond cap has been in existence since 2009.

PART X SWEEPS AND TRANSFERS

§19 NYPA Authorizes the transfer of up to \$20 million from the New York State Power Authority to the General Fund, to be utilized for energy-related State activities, after April 1, 2024.

§20 NYPA Authorizes the transfer of up to \$25 million from NYPA proceeds to the credit of the General Fund, for the State Fiscal Year commencing April 1, 2024 to support the Office of Just Energy Transition and programs for workforce training and retraining and to prepare workers for employment in the renewable energy field.

§21 NYSERDA Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund, on or before March 31, 2025.

§22 NYSERDA Authorizes the transfer of up to \$5 million from NYSERDA proceeds collected from the auction or sale of carbon dioxide emission allowances, to the credit of the Environmental Protection Fund, on or before March 31, 2025.

§28-§46 Bond Caps These sections increase the traditional bond caps (debt authorization authority) by approximately \$11.7 billion to fulfill the proposed 2024-25 Executive Budget proposals.

§48 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2025, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided

that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget maintains these amounts as follows:

- \$15 million, the same as last year, from the State University General Income Reimbursable Account;
- \$5 million, the same as last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, the same as last year, from the City University Senior College Operating Fund.

§49-50 Comptroller Review of Private Sale Revenue Bonds The Executive Budget proposes defining the conditions for private New York State PIT (§49) and Sales Tax (§50) bond transactions, which the Comptroller is required to review and approve. The approval of the private sale of such bonds and the terms by the Comptroller shall be limited to a review of the reasonableness of:

- The bond pricing, taking into account current interest rates;
- The costs of issuance and underwriters' discount for such bonds;
- If the sale includes refunding bonds, cash flow savings and net present value savings; and
- If the sale involves an interest rate exchange or similar agreement, the economic terms of such agreement.

Further, the Comptroller must consider whether the final maturity of the bonds complies with the following:

- The legal authorization for the project or projects being financed; and
- The parameters established in the authorized issuer's resolution authorizing the issuance of such bonds, as approved by the Public Authorities Control Board.

§51 Fixed Asset Definition Update The Executive Budget proposes updating the fixed asset definition within the State Finance Law to include conservation easements. This is intended to help with bonding for projects under the Environmental Bond Act of 2022.

§52 State Assessed Per Bond Fee Update The Executive Budget proposes to update the schedule for the State assessed per bond fee, known as the Bond Issuance Charge, by exempting it from refunding transactions, eliminating it on transactions for less than \$20 million, and reducing the fee for all transactions greater than \$20 million from \$8.40 per \$1,000 bonded to \$3.50 per \$1,000 bonded.

§53-54 Bond Purchases The Executive Budget proposes amendments to the State Finance Law to clarify that the State can purchase a bond from current holders to include instances where the redemption price paid provides an economic benefit to the State as certified in writing by a financial advisor to the State.

§55 State Liquidity Financing Measures The Executive Budget proposes to continue the authorization to issue up to \$4 billion of short-term borrowing in the form of Personal Income Tax (PIT) Revenue Notes, for the purpose of temporarily financing budgetary needs of the State due to adverse economic and fiscal events and risks, disasters and emergencies. This is an increase of \$1 billion from FY24. The maturity of these bonds can be no later than March 31st of the State Fiscal Year in which such notes are issued. This Section would grant permanent authorization to the State for such issuance, and eliminate the requirement to seek approval in each budget cycle. The notes are not considered a debt of the State and cannot be renewed, extended or refunded.

§56 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50-years until April 1, 2025.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part U Dormitory Authority of the State of New York Omnibus State & Municipal Authorization for Certain Projects The Executive Budget is proposing to authorize the Dormitory Authority of the State of New York (DASNY) to provide planning, design, procurement, and construction management services to State agencies, counties, cities, towns and villages for capital infrastructure projects.

Specifically, this proposal would amend the definition of the terms “dormitory” and “educational institution” contained within the Public Authorities Law to include any State agency, county, city, town and village for projects funded, in whole or in part, by the following:

- New York State Environmental Bond Act of 2022;
- American Rescue Plan Act of 2021;
- Infrastructure Investment and Jobs Act of 2021; and
- Inflation Reduction Act of 2022.

According to the Executive, the inclusion of such entities within the definitions of “dormitory” and “educational institutions” would authorize DASNY to provide its services to such entities receiving grants or loans under the referenced programs.

The terms “dormitory” and “educational institutions” contained in Public Authorities Law are further amended to include any recipient of a loan or grant from the New York State Downtown Revitalization Program and NY Forward Program administered by the Department of State and the Division of Housing and Community Renewal. The Executive states that the inclusion of such entities within these definitions would authorize DASNY to

provide its services to such entities receiving grants or loans under the referenced programs.

Finally, this bill amends the definition of “municipal building” within the Facilities Development Corporation Act to include any “building, structure, or improvement, including, without limitation, infrastructure improvements.”

Part V Extend DASNY Subsidiary Authorization This Part would extend for three years, until July 1, 2027, the Dormitory Authority of the State of New York’s (DASNY) authority to establish subsidiaries to take title to the property of borrowers regulated under Public Health Law (not-for-profit hospitals and health care facilities), who have defaulted on loan agreements or mortgages with DASNY.

Part W Battery Park City Authority Bond Capacity This Part would authorize an increase to the Battery Park City Authority’s non-renewable bonding cap from \$1.5 billion to \$2.5 billion, to support the Authority’s plans to perform critical infrastructure maintenance and resiliency-related work.



PUBLIC SERVICE

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst
 (518) 455-4131
greend@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Special Revenue Funds-Other:** \$136.2 million, \$30 million more than last year. Of this amount, \$4 million reflects increased personal service costs and \$26 million reflects the transfer of 50 FTEs from the Department of State (DOS) to the Department of Public Service (DPS). This transfer is due to the Office of Renewable Energy Siting (ORES)'s removal from DOS to a new Renewable Energy Siting and Electric Transmission Program under DPS.

AID TO LOCALITIES – A.8803

SIGNIFICANT ACTIONS INCLUDE:

- **Energy Affordability Guarantee:** \$50 million in new funding to ensure that customers (including residents within the service area of the Long Island Power Authority) who fully electrify their homes through the NYSERDA EmPower Plus Program do not

spend more than 6% of their income on electric bills. DPS is authorized and directed to establish a cap on such customers' energy usage (per kilowatt-hour) applicable to the guarantee. This complements \$200 million in reappropriated funding for DPS's Energy Affordability Program enacted in the FY23-24 Budget.

MAINTAINS THE FOLLOWING:

- **Energy Affordability Program:** No new funding. \$200 million in reappropriations is provided, for funding for utility bill relief for residential customers that do not currently qualify for the Department of Public Service's current energy affordability policy program, but whose income is below the State median income. The Public Service Commission is directed to consider the feasibility of using area median income or other eligibility thresholds in the event the use of State median income prevents reaching all households that have an energy burden greater than 6%. In addition to Statewide residents, residential customers of electric corporations regulated by the Public Service Commission (PSC) and the Long Island Power Authority, and its service provider Public Service Enterprise Group-Long Island (PSEG-LI) are eligible to participate in the program. This reappropriation may be disbursed to utilities,

including LIPA, and then disbursed to ratepayers.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part O Transmission Infrastructure Siting This Part establishes the Renewable Action Through Project Interconnection and Deployment (RAPID) Act. This Part creates a “one-stop shop” for the environmental review and permitting of both major renewable energy generation and electric transmission facilities. This Part repeals Section 94-C of the Executive Law and uses that language as a replacement for Article VIII of the Public Service Law, which is also repealed. This action transfers the State’s Office of Renewable Energy Siting (ORES) from the Department of State (DOS) to the Department of Public Service (DPS), and adds the siting of electric transmission infrastructure to ORES’s portfolio of responsibilities.

This Part adds electric transmission lines less than 10 miles in length to the definition of “major renewable energy facility” within the Public Service Law in order to integrate such facilities into the State’s bulk transmission system. This definition, however, does not include any such transmission line located wholly underground in a city with a population over 125,000, or a primary transmission line approved by the Federal Energy Regulatory Commission (FERC) in connection with a hydroelectric facility. This Part would also require ORES to establish comprehensive regulations and uniform permit terms and conditions for major electric transmission facilities, ultimately transferring review of new electric transmission permits from the Public Service Commission to ORES within 18 months of enactment.

Municipalities and landowners (for which a transmission siting applicant lacks a right-of-way agreement for such transmission siting) which would be affected by the expedited siting of transmission infrastructure envisioned by this Part would, in some cases, be afforded the opportunity to challenge the explanation for the public need for such transmission to ORES, but do not have any ability to vote down the siting of transmission projects outright.

Part P Affordable Gas Transition Act This Part adds the achievement of both the “climate justice” and “emissions reduction” targets contained within the Climate Leadership and Community Protection Act (CLCPA), to the list of powers and duties of the Public Service Commission (PSC) under the Public Service Law. This bill codifies a Statewide transition away from the use of natural gas into the Public Service Law, while requiring maintenance of reliable gas service during such a transition, and that such a transition ensures access to electric alternatives by low to moderate income customers at reasonable costs, with minimal effects upon energy system reliability or safety.

This Part requires that utilities and municipalities notify customers of information concerning energy efficiency technologies and electric alternatives to natural gas, and eliminates the so-called “100-foot rule” concerning payment of costs for gas service infrastructure from the Public Service Law. This Part permits the PSC to curtail or discontinue gas service at its discretion, provided that such actions take place in accordance with planned natural gas phase-outs, and permits the prohibition of gas use in “wasteful devices and practices,” encouraging instead conservation and efficiency in gas use.

Furthermore, this Part would have the PSC review the capital plans of gas corporations in order to suggest alternatives to gas infrastructure; electric corporations may be required to submit to the same review process where gas and electric service areas overlap. This Part prohibits the construction of new gas plants (in areas where gas service was not previously present) after December 31, 2025, but exceptions may be authorized by the PSC on a case-

by-case basis, where such prohibitions are not feasible.

Part Q Cable TV & Utility Assessments This Part authorizes the Public Service Commission (PSC) to transfer revenue from cable television assessments to the Department of Health (DOH) to absorb costs incurred from the Department's Public Service Education Program. This is not a new assessment and is normally reauthorized annually; this Part extends such authorization for a period of 5 years until April 1, 2029. This Part also authorizes the PSC to transfer revenue from a utility assessment to the Office of Parks, Recreation and Historic Preservation, the Department of Agriculture and Markets, the Department of Environmental Conservation, and the Department of State to pay for utility oversight-related expenses.



RAISE THE AGE

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst

(518) 455-4131

heckerj@nyassembly.gov

AID TO LOCALITIES – A.8803

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Raise the Age Program:** \$250 million, same as last year, for continued services and expenses related to raising the age of juvenile jurisdiction.
- ➔ Counties and the City of New York shall be eligible for appropriated funds, provided the county or city submits a comprehensive plan on or after April 1, 2023, in the form and manner prescribed by the Office of Children and Family Services and the Division of Criminal Justice Services, and the plan is approved by the Director of the Budget. Eligible services and expenses may include:
 - ❖ Adolescent offender facilities;
 - ❖ Aftercare services;
 - ❖ Costs of local governments;
 - ❖ Court operational expenses and services;
 - ❖ Detention and specialized secure detention services;

- ❖ Juvenile delinquency detention;
- ❖ Juvenile delinquency prevention services;
- ❖ Law enforcement services;
- ❖ Local presentment agency costs;
- ❖ Probation services;
- ❖ Placement services;
- ❖ Program oversight and monitoring services;
- ❖ Specialized housing services; and
- ❖ Transportation services including transportation provided by sheriffs.

SETTLEMENT MONEY

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
 (518) 455-4131
toranzo@nyassembly.gov

SETTLEMENT MONEY

2024-25 EXECUTIVE BUDGET

Since State Fiscal Year 2014-15, the State has received approximately **\$13.6 billion in Extraordinary Monetary Settlements** for violations of State laws by major financial and other institutions.

A total of \$8 billion of these settlement funds have been appropriated for capital projects, of which \$5.8 billion has been disbursed through December 31, 2023.

- No additional settlement funds have been appropriated for capital projects in this Executive Budget proposal.

As of April 1, 2019, the Financial Plan no longer distinctly identifies or classifies any settlement of less than \$25 million as an Extraordinary Monetary Settlement. These settlements will be collected as a Miscellaneous Receipt and be used for General Fund purposes.

ECONOMIC UNCERTAINTIES FUND

Beginning in the 2019-20 Enacted Budget, a new reserve fund was created for the purposes of holding settlement funds; this fund is known as the reserve for “Economic Uncertainties.”

- **Economic Uncertainties Fund: \$13.78 billion.**
 - ➔ \$1.75 billion in settlement funds being transferred; and
 - ➔ \$12.03 billion in General Fund surplus funds being transferred to this fund.
- If a settlement is more than \$25 million, the Division of Budget (DOB) has determined that such funds will be placed in this reserve fund for recessionary purposes and not one-shot or reoccurring programmatic needs.
- Adopted in the 2022-23 Enacted Budget, this fund is being used as one of the State’s “principal reserve funds” to help reach the reserve goal of 15% of State spending.
 - ➔ This fund, unlike the other reserve funds, does not have any language on how/when the money may be accessed and does not have any pay back provisions.

SETTLEMENT MONEY USES

The State has used these one-time cash payments in a variety of ways. *Figure 1* and the following list goes into more detail of how each year spent these settlement funds:

- **CSX Litigation Payment:** \$76 million to pay for an eminent domain case the State lost to CSX Transportation Inc. The Federal government must pay \$24 million, for a total State and Federal payment of \$100 million.
- **Department of Law:** \$180 million to the Department of Law for litigation services (\$10 million in 2015-16, \$63 million in 2016-17, \$27 million in 2017-18 and \$80 million in 2018-19).
- **Financial Plan Operations:** \$1.807 billion to help balance the Financial Plan and help prevent gaps or deficits in the plan (\$275 million in 2014-15, \$250 million in 2015-16, \$102 million in 2016-17, \$461 million in 2017-18, and \$719 million in 2018-19).
- **2015-16 Enacted Budget:** \$5.405 billion designated for the following:
 - ➔ \$150 million was for Emergency Response;
 - ➔ \$355 million for Grants to Essential Health Care Providers;
 - ➔ \$15.5 million for Roswell Park;
 - ➔ \$19.5 million for Community Health Facility Revolving Loan Fund;
 - ➔ \$10 million for Infrastructure costs of Behavioral Health Services in the Medicaid Managed Care Benefit Package;
 - ➔ \$115 million for Infrastructure improvements, \$150 million for Municipal Restructuring;
 - ➔ \$500 million for New NY Broadband;
 - ➔ \$250 million for Penn Station Access;
 - ➔ \$50 million for Southern Tier/Hudson Valley Agriculture Programs;
 - ➔ \$1.285 billion for Thruway Stabilization Program;
 - ➔ \$150 million for Transformative Economic Development Projects;
 - ➔ \$1.5 billion for Upstate Revitalization Fund; and
 - ➔ \$850 million for OPWDD Federal Reimbursement needs.
- **2016-17 Enacted Budget:** \$1.96 billion designated for the following:
 - ➔ \$700 million was for Thruway Stabilization Program;
 - ➔ \$200 million for DOT Capital Plan;
 - ➔ \$170 million for Upstate Revitalization Fund;
 - ➔ \$85 million Economic Development;
 - ➔ \$1 billion for Jacob Javits Convention Center (which must be paid back);
 - ➔ \$25 million Empire State Poverty Reduction Initiative;
 - ➔ \$640 million for the Comprehensive Statewide Multi-year Housing Program; and
 - ➔ \$20 million for Municipal Consolidation.
 - ➔ There was also a \$120 million transfer to the Environmental Protection Fund.
- **2017-18 Enacted Budget:** \$1.37 billion designated for the following:
 - ➔ \$100 million was for Downtown Revitalization;
 - ➔ \$100 million for Counter-terrorism measures;
 - ➔ \$400 million for Buffalo Billion Phase II;
 - ➔ \$65 million for MTA Capital Projects;
 - ➔ \$20 million for Non-MTA Capital projects;
 - ➔ \$10 million for Non-MTA Operating Funds;
 - ➔ \$320 million for Life Sciences; and
 - ➔ \$155 million for Potential Labor settlements.

- **2018-19 Enacted Budget:** \$319 million designated for the following:
 - ➔ \$194 million for MTA Subsidy for operations; and
 - ➔ \$125 million for Health Care Capital Grants.
- **2019-20 Enacted Budget:** \$738 million designated for the following:
 - ➔ \$250 million for the Clean Water Infrastructure initiative; and
 - ➔ \$488 million for Rainy Day Reserve Deposits.
 - ➔ Further, \$890 million to be held in the reserve for “Economic Uncertainties”.
 - ➔ Retained by Attorney General: \$6 million.
- **2020-21 Enacted Budget:** \$600 million to be held in the reserve for “Economic Uncertainties”.
- **2021-22 Enacted Budget:** \$1.3 billion of bonded capital designated for the Empire Station Complex project to flow through the NYS Special Infrastructure Account/Economic Development purposes.
 - ➔ \$68 million to be held in the reserve for “Economic Uncertainties”.
- **2022-23 Enacted Budget:** No planned capital projects using settlement funds.
 - ➔ \$163 million to be held in the reserve for “Economic Uncertainties”.
- **2023-24 Enacted Budget:** No planned capital projects using settlement funds.
 - ➔ \$34 million to be held in the reserve for “Economic Uncertainties”; and
 - ➔ \$500 million to be deposited into the Economic Uncertainties Reserve Fund from General Fund surplus by the end

of FY24 as proposed by the 2024-25 Executive Budget Financial Plan.

- **2024-25 Executive Budget:** No planned capital projects using settlement funds.
- **Reserve for “Economic Uncertainties”:**
 - ➔ \$1.75 billion after settlement funds are deposited; and
 - ➔ The total amount available in this reserve fund after State surplus deposits from FY24 is \$13.78 billion.

CAPITAL PROJECTS – A.8804

Settlement money can either be appropriated through the NYS Special Infrastructure Account, directly through an Agency’s specific budget or through the Financial Plan. *Opioid Settlements will not be accounted for with the other settlements the State receives and will be held in their own reserve fund pursuant to previously passed legislation.*

- **NYS Special Infrastructure Account:** No new settlement funds are identified to flow through the NYS Special Infrastructure Account.
- **Financial Plan/Agency Budgets:** No new settlement funds are identified for programmatic or General Fund needs in the 2024-25 Executive Budget.

EXTRAORDINARY MONETARY SETTLEMENTS (\$ IN MILLIONS) FIGURE 1	
Uses of Settlement \$ Appropriated	\$13,615 Offset by:
Settlements Budgeted in 2014-15 Financial Plan	(275)
Settlements Budgeted in 2015-16 Financial Plan	(250)
Settlements Budgeted in 2016-17 Financial Plan	(102)
Settlements Budgeted in 2017-18 Financial Plan	(461)
Settlements Budgeted in 2018-19 Financial Plan	(719)
Support to OASAS Chemical Dependence Program 2015-16	(5)
Federal Audit Disallowance 2015-16	(850)
Department of Law- Litigation Services Operations 2015-16	(10)
Enacted Budget Initiatives 2015-16	(4,550)
Department of Law- Litigation Services Operations 2016-17	(63)
Enacted Budget Initiatives 2016-17	(1,960)
Department of Law- Litigation Services Operations 2017-18	(27)
Enacted Budget Initiatives 2017-18	(1,370)
CSX Litigation Payment 2017-18	(76)
Department of Law- Litigation Services Operations 2018-19	(80)
Enacted Budget Initiatives 2018-19	(319)
Enacted Budget Initiatives 2019-20	(738)
Retained by Attorney General	(6)
Enacted Budget Initiatives 2020-21	0
Enacted Budget Initiatives 2021-22	0
Enacted Budget Initiatives 2022-23	0
Enacted Budget Initiatives 2023-24	0
Executive Budget Initiatives 2024-25	0
Settlement Money Available in the Financial Plan	\$1,754
Settlement \$ Portion in the Reserve for "Economic Uncertainties"	(81,754)
Unallocated Settlement Money	0

Figure 2 indicates the specific amounts, fiscal year and institution that paid the State settlement funds. This chart is a snapshot in time and may be adjusted with each Financial Plan update.

EXTRAORDINARY MONETARY SETTLEMENTS (\$ AMOUNT IN MILLIONS)				
Figure 2				
	FYS 2015-23	FY 2024	FY 2025	Total
Total Settlement Money Received by the State	\$13,581	\$34	\$0	\$13,615
Aetna Insurance Company	2	0	0	2
Agricultural Bank of China	215	0	0	215
American International Group, Inc.	35	0	0	35
Athene Life Insurance	60	0	0	60
AXA Equitable Life Insurance Company	20	0	0	20
Bank Hapoalim	220	0	0	220
Bank Leumi	130	0	0	130
Bank of America	300	0	0	300
Bank of America Merrill Lynch	42	0	0	42
Bank of Korea	35	0	0	35
Bank of Pakistan	35	0	0	35
Bank of Tokyo Mitsubishi	315	0	0	315
Barclays	685	0	0	685
BNP Paribas	3,941	0	0	3,941
Chubb	1	0	0	1
Cigna	2	0	0	2
Citigroup (State share)	92	0	0	92
Coinbase	50	0	0	50
Commerzbank	692	0	0	692
Conduent Education Services	1	0	0	1
Credit Agricole	459	0	0	459
Credit Suisse AG	880	0	0	880
Deutsche Bank	1,599	0	0	1,599
FedEx	26	0	0	26
Goldman Sachs	445	0	0	445
Google/YouTube	34	0	0	34
Grand River Enterprises Six Nations	50	0	0	50
Habib Bank	225	0	0	225
Intesa SanPaolo	235	0	0	235
Lockton Affinity	7	0	0	7
Mashreqbank	106	34	0	140
Mega Bank	180	0	0	180
MetLife Parties	70	0	0	70
Morgan Stanley	150	0	0	150
MUFG Bank	33	0	0	33
Nationstar Mortgage	5	0	0	5
New Day	1	0	0	1
Ocwen Financial	100	0	0	100
Oscar Insurance Company	1	0	0	1
PHH Mortgage	28	0	0	28
PricewaterhouseCoopers LLP	25	0	0	25
Promontory	15	0	0	15
RBS Financial Products Inc.	100	0	0	100
Robinhood Crypto	30	0	0	30
Societe Generale SA	498	0	0	498
Standard Chartered Bank	662	0	0	662
UBS	41	0	0	41
Unicredit	506	0	0	506
Volkswagen	65	0	0	65
Wells Fargo	65	0	0	65
Western Union	60	0	0	60
William Penn	6	0	0	6
Other Settlements	1	0	0	1

STATE & MUNICIPAL FACILITIES

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist
 (518) 455-4131
toranzo@nyassembly.gov

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **State & Municipal Facilities (SAM) Program:** No new funding. This program has a cumulative total of \$3.2 billion, of which approximately \$1.9 billion is still available in reappropriations.

PROGRAM CRITERIA:

- Funds capital costs of construction, improvement, rehabilitation or reconstruction of facilities, acquisition of capital facilities and assets, including fixed assets, acquisition by an eligible entity of capital assets including, but not limited to, heavy duty road maintenance and construction vehicles, pavers, snow plows, street sweepers and heavy duty fire, emergency response and law enforcement vehicles and economic development projects.
- Authorizes the acquisition, by eligible entities, of equipment and other capital assets, including vehicles in support of health, safety, technology or innovation as eligible uses.
- Eligible entities are: the State, municipal corporations, water and sewer districts, MTA, a college or university, an independent not-for-profit institution of higher education, public school districts, public housing authorities, public libraries and library systems chartered by the Regents of NYS or established by an act of the Legislature, public park conservancies or not-for-profit corporations organized for the purpose of investing in parks owned by the State or municipal corporations and not for profit fire districts, fire commissions fire companies, fire departments, volunteer rescue and ambulance squads, special act schools districts, schools for the blind and deaf and 4201 and 853 schools, sanitation districts, special districts, Metropolitan Commuter Transportation Authority, Niagara Frontier Transportation Authority, Rochester- Genesee Regional Transportation Authority, Capital District Transportation Authority, Central New York Regional Transportation Authority

and/or New York City Health & Hospitals Corporation.

- The Governor and/or, with the approval of the Director of the Budget, have complete discretion over the distribution of these capital funds, through the Dormitory Authority and the Urban Development Corporation.
- This is bonded capital.

SAM AUTHORIZATIONS INCLUDED IN 2019-20 APPROPRIATION BUDGET CLEAN-UP (CHAPTER 314 OF 2019):

- Authorized \$385 million in new funding, for a total of \$2.8 billion.
 - ➔ Funds from this appropriation are available to all previous purposes, as well as for the Lake Ontario resiliency and economic development projects and purposes, including services and expenses, loans, grants and costs of program administration related to hardening infrastructure along the Lake Ontario waterfront and strengthening the local economy within the region. The money can also be used for projects or priorities recommended by the Lake Ontario Resiliency and Economic Development Initiative Commission.
 - ➔ Further, the 2017 SAM reappropriation was amended to now include any purpose, individual, or entity authorized under the Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program for any damages sustained as a result of severe storms and flooding which occurred between January 1, 2019 and December 31, 2019, without limits.

SAM AUTHORIZATIONS IN THE 2019-20 ENACTED BUDGET:

- Authorized up to \$13 million for any purpose, individual or entity authorized under the Southern Tier-Finger Lakes Recovery Program, as administered by the Housing Trust Fund Corporation, for damages sustained as a result of a severe storm and flooding which occurred between August 13, 2018 and August 15, 2018.

SAM AUTHORIZATIONS IN THE 2018-19 ENACTED BUDGET:

- Of the \$475 million in new funding enacted in the 2018-19 Budget:
 - ➔ \$385 million can be used by all previous and new eligible entities, as well as any other not-for-profit corporation or other not-for-profit entity.
 - ➔ The remaining \$90 million can be used by all previous and new eligible entities, with \$40 million being specifically dedicated for payment of liabilities incurred or payments made prior to April 1, 2018 for any purpose, individual, or entity authorized under the Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program. The \$40 million will be subject to the approval of the Director of Budget.

SAM AUTHORIZATIONS INCLUDED IN 2017-18 EXTRAORDINARY SESSION- A.40001 (HEASTIE), PART K:

- Authorized for any purpose, individual, or entity authorized under the Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program.
 - ➔ Funds should be available, including the payment of liabilities incurred or

payments made prior to April 1, 2017, subject to approval of the Director of the Budget.

- Authorized payment for the costs of other storm recovery and mitigation projects, not to exceed \$10 million in the aggregate to municipalities and special districts:
 - ➔ In an amount no less than \$6.8 million for Chautauqua, Cattaraugus and Allegany counties for damages sustained as a result of a severe storm and flooding that occurred July 14th and 15th, 2015; and
 - ➔ In an amount not to exceed \$2 million to Monroe County for damages resulting from a severe storm, which occurred March 8, 2017.



STATE OF NEW YORK MORTGAGE AGENCY

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
(518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

MAINTAINS FUNDING FOR THE FOLLOWING:

- Homeowner Mortgagee Revenue Reimbursement Program: \$61.8 million, same as last year.
- Mortgage Insurance Fund Reimbursement Program: \$15 million, same as last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- Mortgage Insurance Fund Reimbursement Program: \$121.7 million, \$85.4 million less than last year, in relation to the MTA Capital Program and the financing of the Niagara Frontier Transportation Authority.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part N Mortgage Insurance Fund (MIF) Utilization

The MIF is a fund of the State of New York Mortgage Agency (SONYMA), to insure mortgage loans for projects that would not otherwise be able to obtain mortgage insurance. The SONYMA statute requires excess revenues from the MIF, after expenses and required reserves, to be returned to the State following SONYMA Board approval, if it does not negatively impact the MIF's credit rating. The Executive Budget proposes the utilization of \$95 million in revenues as follows:

- Neighborhood Preservation Programs: \$12.8 million, \$4.8 million less than last year.
- Rural Preservation Programs: \$5.4 million, \$2.2 million less than last year.
- Rural Rental Assistance Programs: \$23.2 million, \$1.5 million more than last year.
- New York State Supportive Housing Program/the Solutions to End Homelessness Program/the Operational Support for AIDS Housing Program: \$53.6, \$2.8 million more than last year.

STATE POLICE

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

As part of the Executive Budget proposal to combat retail theft in the State, the State Police is being given a total of \$25.2 million to create organized retail theft teams. This funding is approximately \$17.8 million for the teams themselves and \$7.4 million in capital funding for new police vehicles. This funding is spread throughout the budgets for the State Police and therefore is not explicitly provided as stand-alone line items.

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$29.54 million, \$480,000 more than last year, for services and expenses related to the Administration Program.
- **Criminal Investigation Activities Program:** \$262.4 million, \$12.2 million more than last year. This net increase can be attributed to:
 - ➔ \$7.2 million to support criminal investigation activities; and
 - ➔ \$5 million of this new funding is appropriated for the State's implementation of National Instant Criminal Background Check (NICS) System.

- **Patrol Activities Program:** \$657.4 million, \$6 million more than last year, for expenses related to increased costs related to patrol activities.
- **Technical Police Services Program:** \$143.4 million, \$7.5 million more than last year, for services and expenses of the Technical Police Services Program.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- **Maintenance and Operation of Various Facilities:** \$10 million, \$50,000 more than last year.
- **Alterations and Improvements for the Preservation of Facilities:** \$60.9 million, \$7.4 million more than last year, related to the purchase of vehicles for the proposed organized retail theft teams.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Justice Department Federal Equitable Sharing Agreement: \$60 million.
- Alterations and improvements for Health and Safety: \$2 million.
- Design Construction and Outfitting of New Stations and Zone Headquarters: \$12 million.

SIGNIFICANT ACTIONS INCLUDE:

- Forensic Laboratory Facilities: \$100 million is eliminated for the purchase and renovation of a forensic laboratory. No new funding for this project has been provided for this fiscal year.



STATE UNIVERSITY OF NEW YORK

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst

(518) 455-4131

colemana@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Additional Operating Support:** \$217 million, \$54 million more than last year.
- **Empire AI Consortium:** \$2.5 million in new funding.
- **Eliminating the TAP Gap:** \$49.6 million, \$634,000 more than last year.
- **Empire State Service Corps Program:** \$2.75 million in new funding. In partnership with the Office of Service and Civic Engagement, this program intends to provide paid community service work opportunities to SUNY college and university students.
- **Long Island Veterans' Home:** \$60.4 million, \$3.6 million more than last year.
- **Reimbursable Hospital Income:** \$4.4 billion, \$350.8 million more than last year.
- **Science of Reading Microcredential Program at SUNY New Paltz:** \$1 million in new funding.

- **Statewide Investment in More Swimming (NY SWIMS) Initiative:** \$2 million in new funding to provide learn-to-swim courses, subsidize lifeguard certification exams, and provide college credit for lifeguard training courses.
- **State Weather Risk Communication Center at SUNY Albany:** \$1.5 million in new funding.
- **SUNY Employee Fringe Benefits:** \$2 billion, \$36 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Educational Opportunity Program (EOP):** \$42.5 million, \$1.3 million less than last year.
- **High-Need Nursing Program:** \$1.7 million, \$1 million less than last year.
- **Mental Health Services:** \$1 million, \$1 million less than last year.
- **SUNY Maritime Scholarships:** \$239,000, \$1 million less than last year.

- **State Match for Endowment Contributions:** \$500 million is eliminated in non-reoccurring funding for matching contributions to endowments of the four SUNY university centers at Albany, Binghamton, Buffalo, and Stony Brook.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **ATTAIN Lab Program:** \$6 million, the same as last year.
- **Child Care Centers:** \$1.6 million, the same as last year.
- **Educational Opportunity Centers:** \$72.6 million, the same as last year.
- **Hiring New Full-Time Faculty:** \$53 million, the same as last year.
- **New York State Veterinary College at Cornell:** \$500,000, the same as last year.
- **Small Business Development Centers:** \$2.7 million, the same as last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Cornell Cooperative Extension:** \$4.4 million, \$1.7 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Care Centers at Community Colleges:** \$2.1 million, the same as last year.
- **Community College Apprenticeship Program:** \$3 million, the same as last year.
- **Community College Base Aid:** \$416.6 million, the same as last year. The Full-Time Equivalent (FTE) base rate is maintained at \$2,997.

- **Community College Contract Courses:** \$1.9 million, the same as last year.
- **Community Colleges with Low Enrollment:** \$940,000, the same as last year.
- **Next Generation NY Job Linkage Program:** \$3 million, the same as last year.
- **Rental Aid:** \$11.6 million, the same as last year.

CAPITAL PROJECTS – A.8804

SIGNIFICANT ACTIONS INCLUDE:

- **SUNY Capital Projects Fund:** \$100 million in new funding for university-wide projects for new facilities.
- **SUNY Capital Projects:** \$1.2 billion. Highlights include:
 - ➔ **Community College General Maintenance and Improvements:** \$138.2 million, \$32.2 million more than last year.
 - ➔ **General Maintenance and Improvements:** \$650 million, \$820 million less than last year. This funding supports state-operated campuses.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part F Tuition Assistance Program Tuition Credit Extender The Executive budget proposes making permanent various sections of the SUNY 2020 Challenge Grant Program Act, enacted in 2011, and the Tuition Assistance Program (TAP) Tuition Credit. The TAP tuition credit requires institutions of the State University of New York (SUNY) and the City University of New York (CUNY) to reduce the amount of tuition billed to TAP award recipients based on the difference between the maximum TAP award, currently \$5,665, and full-time resident undergraduate tuition, currently \$7,070 for SUNY State-operated campuses. The State now fully reimburses SUNY and CUNY for the cost of these TAP tuition credits. This State reimbursement authorization is already permanent law. Removing the TAP tuition credit repeal date in current law would align these interrelated provisions of law. This credit is currently set to expire July 1, 2024.

Part P Authorizes the Repurposing of Real Property Owned by SUNY and DOT This Part would authorize the State University of New York at Farmingdale (Farmingdale), the State University of New York at Stony Brook (Stony Brook), and the Department of Transportation to lease and contract State-owned land on these properties to construct housing.

- **Subpart A – Farmingdale State College** This Subpart authorizes SUNY Farmingdale to lease or contract 8.7 acres of vacant land on Farmingdale’s campus to Farmingdale State Development Corporation to develop, construct, maintain, and operate multi-purpose facilities which would accommodate housing needs. The lease or contract, which shall be deemed a State contract, shall not exceed 99 years and must be executed within five years of the effective date of this Part. The lease or contract must further be subject to the approval of the

Director of the Budget, the Attorney General, and the State Comptroller. All work performed on this project will be considered a public work and will be subject to provisions of Article 8 of the Labor Law.

- ➔ If the real property shall no longer be used for housing, or when the lease or contract expires, the real property and its improvements shall revert to the State University of New York.
- ➔ Any and all proceeds related to the lease or contract shall be for the benefit of SUNY Farmingdale’s campus and the allocation of such proceeds shall be subject to the approval of the Trustees of the State University of New York.
- ➔ The lessee or sublessee shall indemnify, hold harmless and defend Farmingdale against all claims, suits, actions, and liability to all persons on the leased premises for damage to any property.
- ➔ Any contracts which Farmingdale State Development Corporation enters into shall be awarded by a competitive process.

- **Subpart B – SUNY Stony Brook** This Subpart authorizes SUNY Stony Brook to lease or contract 10 acres of underutilized land on Stony Brook’s Southampton campus to a ground lessee to develop, construct, maintain, and operate multi-purpose facilities which would accommodate housing needs. The lease or contract, which shall be deemed a State contract, shall not exceed 99 years and must be executed within five years of the effective date of this Part. The lease or contract must further be subject to the approval of the Director of the Budget, the Attorney General, and the State Comptroller. All work performed on this project will be considered a public work and will be subject to provisions of Article 8 of the Labor Law.

- ➔ If the real property shall no longer be used for housing, or when the lease or contract expires, the real property and its improvements shall revert to the State University of New York.
 - ➔ Any and all proceeds related to the lease or contract shall be for the benefit of SUNY Stony Brook's campus and the allocation of such proceeds shall be subject to the approval of the Trustees of the State University of New York.
 - ➔ The lessee or sublessee shall indemnify, hold harmless and defend Stony Brook against all claims, suits, actions, and liability to all persons on the leased premises for damage to any property.
 - ➔ Any contracts entered into by the ground lessee shall be awarded by a competitive process.
- **Subpart C – Department of Transportation** This Subpart authorizes the Department of Transportation to transfer and convey 12.5 acres of State-owned real property located in the Town of Babylon which lies north of Conklin Street and East of Route 110 near the Republic Airport



STATE

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
 (518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$8.6 million, \$93,000 more than last year, resulting from increased personal service costs.
- **Authorities Budget Office Program:** \$3.4 million, \$48,000 more than last year, to perform reviews of operations, finances, and records of public authorities.
- **Business and Licensing Services Program:** \$76 million, \$7 million more than last year.
- **Code Enforcement Program:** \$4 million, \$1.7 million more than last year.
- **Local Government and Community Services Program:** \$86.3 million, \$65.2 million more than last year. This increase is attributed to \$65 million in new federal funding for the Coastal Zone Management Program that may be transferred to the Aid to Localities Budget bill.
- **Office for New Americans:** \$2.6 million, \$45,000 more than last year, for administration of the Office for New Americans.

- **Tug Hill Commission Program:** \$1.3 million, \$32,000 more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Consumer Protection Program:** \$6.1 million, \$25.8 million less than last year. This decrease is due to a \$10 million elimination in costs associated with the services and expenses related to the Office of Renewable Energy and a \$18 million elimination of expenses relating to activities of the Utility Intervention Unit.

MAINTAINS THE FOLLOWING INCLUDES:

- **State of New York Commission on Uniform State Laws:** \$155,000, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **New York State Asian American and Pacific Islander Commission:** \$1.4 million in new funding, for the new Commission to improve the community, economic and social well-being, and the health and educational needs of the Asian American and Pacific Islander communities. This Commission was created by Chapter 639 of the Laws of 2023 (A.3301-A).

- **New York State Commission on African American History:** \$1 million in new funding, for the Commission to promote a greater understanding of the history of African Americans. This Commission was created by Executive Order No.15 of 2022.
- **Office of Faith and Non-Profit Development Services:** \$1.5 million in new funding, for the services and expenses of the Office. The Office assists faith-based community organizations find and provide assistance for grant opportunities.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Office for New Americans:** \$45.7 million, \$48.8 million less than last year. The proposal includes:
 - ➔ \$44.2 million for programs to assist non-citizens with services including: English as a second language; job training and placement assistance; legal services; case management; and retraining programs for immigrant engineers.
 - ❖ \$20 million is eliminated for these same purposes.
 - ➔ \$30 million is eliminated for Asian American Pacific Islander crisis intervention initiatives and programs combatting biased crimes
 - ➔ \$1.5 million, same as last year, for donated gifts and bequests.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AmeriCorps Program:** \$2.5 million, same as last year, to support volunteers who help in communities with educational, environmental, health and public protection problems.
- **Appalachian Technical Assistance:** \$1 million, same as last year, for Appalachian Regional Grants Program.
- **Coastal Zone Management Program:** \$2.2 million, same as last year, to promote the beneficial use of coastal resources.
- **Community Services Block Grant:** \$125 million, same as last year, for not-for-profit organizations to help low income and poor families combat poverty.
- **Local Government Federal Programs:** \$4 million, same as last year, for local government programs funded by the Federal government.

SIGNIFICANT ACTIONS INCLUDE:

- **Coastal Zone Management Program:** \$85 million in new funding, for services and expenses of the Coastal Zone Management Program that may be transferred to the State Operations Budget bill.
- **Municipality Reimbursement for Lifeguard Costs:** \$5 million in new funding, to reimburse municipalities for the costs of lifeguard bonuses, certification costs, or expansions of operating hours for the proposed New York Statewide Investment in More Swimming Initiative.
- **New York State Commission on African American History:** \$5 million in new funding, for the services and expenses, loans, grants, and administration costs of the new Commission. The Commission is responsible for promoting a greater understanding of the history of African Americans. This Commission was created by Executive Order No.15 of 2022.

- **Office of Faith and Non-Profit Development Services:** \$3.5 million in new funding, for services and expenses related to grants awarded by the Office.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Various Legislative Additions:** \$8.4 million for 10 programs added by the Legislature in the 2023-24 Enacted Budget.

SIGNIFICANT ACTIONS INCLUDE:

- **New York State Commission on African American History:** \$10 million in new funding, for the services and expenses, loans, grants, and administration costs of the new commission. The Commission is responsible for promoting a greater understanding of the history of African Americans. This Commission was created by Executive Order No.15 of 2022.

CAPITAL PROJECTS – A.8804

MAINTAINS THE FUNDING FOR THE FOLLOWING:

- **Downtown Revitalization Initiative:** \$200 million, same as last year.
 - ➔ \$100 million from this appropriation is for communities nominated by the State’s 10 Regional Economic Development Councils (REDCs) for an 8th round of \$10 million awards to revitalize their downtown communities through housing, economic development, transportation, and community projects.
 - ➔ \$100 million is for economic development, transportation, and community projects administered through the 3rd round of the NY Forward Program to revitalize villages and hamlets.
- **Maintenance and Repair:** \$2 million, same as last year, for regulation of cemetery corporations and maintenance of abandoned cemetery property.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part GG Safe Lithium-Ion Batteries This Part amends the General Business Law to ban the sale, distribution, assembly or reconditioning of lithium-ion batteries (including second-use batteries) for use in E-bikes or E-scooters unless such batteries have been certified and labeled by an accredited testing laboratory or other such standard approved by the Department of State (DOS). Any person who violates this ban would be subject to the following civil penalties, which would apply to each battery found to be delinquent:

- \$200 for the first violation; and
- Not more than \$1,000 for each subsequent violation within 2 years of the date of the first violation.

All such penalties collected would be retained by the applicable County or municipality. Additionally, the Department of State would be granted authority to promulgate rules and regulations that provide for additional battery safety standards. This Part would take effect 90 days after becoming law.

STATEWIDE DECARBONIZATION (EXECUTIVE ORDER 22)

WAYS & MEANS CONTACT:

Daniel Green, Senior Budget Analyst

(518) 455-4131

greend@nyassembly.gov

CAPITAL PROJECTS – A.8804

SIGNIFICANT ACTIONS INCLUDE:

- **Statewide Decarbonization:** \$50 million in new funding to support the provisions of the Governor’s Executive Order 22 (issued September 20, 2022), which directed State Agencies to Adopt a Sustainability and Decarbonization Program to support the State’s climate change mitigation efforts. These efforts include various procurement, energy efficiency and other projects or priorities as recommended by the Green New York Council established by this same Order. All or a portion of these funds may be sub-allocated or transferred to any State Department, Agency, Public Authority, or Public Benefit Corporation.
- The Green New York Council includes the leadership of the following State entities:
 - ➔ Department of Economic Development;
 - ➔ Department of Environmental Conservation (DEC);
 - ➔ Department of Health (DOH);

- ➔ Department of Transportation (DOT);
- ➔ Division of the Budget (DOB);
- ➔ Dormitory Authority of the State of New York (DASNY);
- ➔ Environmental Facilities Corporation (EFC);
- ➔ Metropolitan Transportation Authority (MTA);
- ➔ New York State Energy Research and Development Authority (NYSERDA);
- ➔ New York Power Authority (NYPA);
- ➔ Office of General Services (OGS); and
- ➔ Office of Parks, Recreation, and Historic Preservation (OPRHP).



STATEWIDE FINANCIAL SYSTEM

WAYS & MEANS CONTACT:

Andrew Toranzo, Economist

(518) 455-4131

toranzo@nyassembly.gov

STATE OPERATIONS – A.8800

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Statewide Financial System Program:** \$32 million, the same as last year.
 - ➔ This funding is for the development of enterprise technology solutions. These funds are available upon the mutual agreement of the Director of the Division of the Budget and the State Comptroller on a joint implementation plan for the integrated development of Statewide Financial System (SFS) to be utilized by agencies, the Division of the Budget and the Office of the State Comptroller.
 - ➔ This supports 147 FTE.



TAX APPEALS

WAYS & MEANS CONTACT:

Matt Henderson, Principal Fiscal Analyst

henderm@nyassembly.gov

(518) 455-4131

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$4 million, \$669,600 more than last year, for the Division's administration program. This accounts for a 3% contractual increase and three new FTEs.



TAXATION & FINANCE

WAYS & MEANS CONTACT

Matt Henderson, Principal Fiscal Analyst
henderm@nyassembly.gov

Jonathan Carrock, Senior Fiscal Analyst
carrockj@nyassembly.gov
 (518) 455-4131

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration and Operations:** \$57.7 million, \$1.1 million more than last year, for services and expenses related to the Department's Administration and Operations Program.
- **Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax Program:** \$430.3 million, \$25.9 million more than last year. This increase includes a 3% contractual increase and 43 additional FTEs to combat unlicensed cannabis sales. Major changes to the program include:
 - ➔ **Cigarette Strike Task Force Account:** \$4.5 million, \$335,000 more than last year, for investigating and prosecuting criminal activity associated with the sale and trafficking of illegal cigarettes.
 - ➔ **Highway Use Tax Administration Account:** \$518,000, \$18,000 more than last year for the administration of the Highway Use Tax.
- ➔ **Industrial and Utility Services Account:** \$3.4 million, \$328,000 more than last year, for services and expenses related to the preparation of appraisals on special franchises, unit of production values of oil and gas rights, and assessment ceilings on railroad properties.
- ➔ **New York City Assessment Account:** \$88 million, \$8.4 million more than last year, for the administration, collection, and distribution of New York City Personal Income Taxes.
- ➔ **Tax Contact Center:** \$53.4 million, \$4.2 million more than last year, for the planning, development, and establishment of a statewide contact center within the Department of Taxation and Finance, the Office of Children and Family Services, and the Department of Labor on behalf of customer State agencies.

AID TO LOCALITIES – A.8803

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Medical Cannabis Program:** \$7 million for the payment of aid to counties in which medical cannabis is manufactured and dispensed.
- **Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax Program:** \$926,000. This funding is for local reimbursements to assessors and county directors of Real Property Tax Services for training and financial assistance to assessing units that conduct reassessments.

REVENUE – A.8809

Part B Permanently Extend Tax Shelter Reporting Provisions This Part would make the current tax shelter reporting and penalty provisions permanent. Currently, these provisions are set to expire July 1, 2024.

Pursuant to the State's tax shelter reporting provisions, taxpayers who are required to report certain transactions to the Internal Revenue Service must also report such activity to the Department of Taxation and Finance.

- Reportable transactions are those that are substantially similar to transactions that the Department has previously determined to be tax avoidance schemes.

This proposal would eliminate the current expiration date and make these provisions permanent.

Part D Amended Return Loophole Closure The Governor proposes to allow the Department of Taxation and Finance to take action on a taxpayer's amended return when it is filed subsequent to the taxpayer's petition submitted to the Division of Tax Appeals challenging a notice of deficiency or refund denial resulting from an original filing or a prior return.

According to the Department, there have been several instances in the past year where taxpayers have filed a tax return and immediately submitted a petition to the Division of Tax Appeals to encumber the Department from taking action on any subsequent amended returns for the same tax year. The subsequent amended returns contained significant issues, but the Department was unable to audit them due to this prohibition. This proposal is intended to prevent the potential for this type of abuse.

The Tax Law currently prohibits the Department from taking action on amended returns that are filed in the same tax year as petitions to the Division of Tax Appeals challenging a notice of deficiency or a refund denial.

Part F Permanently Extends the Mandatory Electronic Filing and Payment Requirements This Part would permanently consolidate all e-filing requirements into one mandatory e-filing and payment system. In 2008, the Department of Taxation and Finance was authorized to consolidate their various e-filing requirements into a unified system. This consolidation is set to expire December 31, 2024, and after such expiration, the Department would revert back to having several e-filing requirements.

This Part would repeal all legacy e-filing statutes and make the current consolidated e-filing system permanent.

Part G Permanently Extend Authorization to Manage Delinquent Sales Tax Vendors This Part would make permanent the segregated Sales Tax account provisions. These provisions were enacted in 2011 and allow the Commissioner of the Department of Taxation and Finance to require non-compliant Sales Tax vendors to establish a segregated bank account. Businesses are required to remit Sales Tax collections to this segregated account on a weekly basis.

Vendors who fail to comply with the segregated accounts program are required to post a bond, if they do not, the Commissioner may suspend or revoke the vendor's Sales Tax certificate of authority.

Part H Provide for the Filing of Amended Sales Tax Returns The Department of Taxation and Finance has historically accepted amended Sales Tax returns as a general courtesy to any vendor who is required to collect the tax. However, the process of accepting amended Sales Tax returns is not codified in law.

This Part is proposing to codify the process and timeline by which the Department must accept these amended returns. Under this proposal, amended returns that result in a reduction of taxes due would still be allowed as long as the returns do not affect fixed and final tax liabilities.

- The amended Sales Tax returns would be treated as claims for a credit or refund and be subject to the same time limitations as other claims for credits.
- ➔ This is generally three years after the return date or two years after the date the payment has been made.

Vendors would have up to 180 days after the original filing deadline to amend a return. If they received an estimated notice of determination after failing to file a return, the vendor would have 180 days from the mailing of the notice to file the missing return.

This proposal would also impose a \$1,000 penalty for taxpayers who falsify information on their Sales Tax return that would reduce their tax liability.



TEMPORARY & DISABILITY ASSISTANCE

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst
 (518) 455-4131
heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Disability Determinations Program:** \$216 million, \$20 million more than last year, to provide services to help individuals determine which public assistance programs they are eligible for.
- **Employment and Income Support Program:** \$126.7 million, \$26.7 more than last year, for the administration of programs that promote employment search activities; including:
 - ➔ **Home Energy Assistance Program (HEAP):** \$17 million, same as last year, for the administration of the Low Income Home Energy Assistance Program for those qualifying individuals who have difficulty paying their energy bills.
 - ➔ **Program Services and Expenses:** \$60.6 million, \$13 million more than last year.
 - ➔ **Supplemental Nutrition Assistance Program (SNAP):** \$47.8 million, \$13.8

million more than last year, for the operation of the statewide electronic benefit transfer system, the common benefit identification card and an integrated eligibility system to provide SNAP benefits. \$13 million will be for the State's share of administering the new Summer EBT program.

SIGNIFICANT DECREASES INCLUDE:

- **Specialized Services Program:** \$15.7 million, \$6.4 million less than last year, for administration services related to refugee resettlement and homeless housing.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$55.7 million, same as last year, for agency costs for administering agency social services programs.
- **Administrative Hearing Program:** \$30.6 million, same as last year, to provide impartial hearings to applicants for, and recipients of, social services benefits

administered by OTDA and other Executive branch agencies.

- **Child Support Services Program:** \$47.9 million, same as year, for child support enforcement and the administration of interstate bank match services, a paternity media campaign and other programs to ensure payment of child support.
- **Information Technology Program:** \$13.4 million, same as last year for the design, operation, and maintenance of the welfare to work management system, the child support management system and other OCFS computer management systems.

SIGNIFICANT ACTIONS INCLUDE:

- **Shelter Oversight and Compliance:** \$6.4 million in new funding for the Division of Shelter Oversight and Compliance program which provide case management, access to healthcare and child care, and assistance with finding permanent housing.

AID TO LOCALITIES – A.8803

EMPLOYMENT AND INCOME SUPPORT PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Safety Net Assistance Program:** \$800 million, \$175 million more than last year. This program provides cash assistance to eligible individuals and families who are not eligible for the Federal Family Assistance Program.

SIGNIFICANT DECREASES INCLUDE:

- **Legal Representation for Individuals Denied Federal Disability Benefits:** \$5.3 million, \$1.5 million less than last year. This program provides legal representation to individuals whose Federal disability benefits have been denied or discontinued.
- **Nutrition Outreach and Education Program (NOEP):** \$3.5 million, \$1.9 million less than last year, to assist food insecure individuals applying for Supplemental Nutrition Assistance Program (SNAP) benefits.
- **Temporary Assistance to Needy Families (TANF) Base Benefits and Initiatives:** \$2.8 billion, \$384 million less than last year. The programs below are included in TANF Initiatives. Please see *Table 1* for a further breakout of all TANF funds.

➔ Existing programs include:

- ❖ **Summer Youth Employment Program:** \$50.4 million, \$3.3 million more than last year, to operate youth employment programs in localities that receive GIVE funding.
- ❖ **Youth Opportunities Program (Youth Employment Program):** \$38.8 million, \$20.8 million more than last year, to operate youth employment programs in localities that receive GIVE funding.

➔ New programs include:

- ❖ **Rochester, Buffalo, Syracuse Anti-Poverty:** \$50 million in new funding for these 3 upstate cities to provide services, assistance, and support to households with children under 18 years of age that are below the Federal poverty level. \$25 million is allocated for Rochester, \$12.25 million is allocated for Buffalo, and \$12.25 million is allocated for Syracuse.

➔ Eliminated programs include:

- ❖ **Career Pathways Programs:** \$1.4 million eliminated, which provided funds for programs to link education and occupational training.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Adult Shelter Cap:** \$2 million, same as last year, for services and expenses incurred by local social services districts in relation to the Adult Shelter Cap.
- **HIV Employment Program:** \$1.2 million, same as last year, for on-the-job training and employment programs for individuals with HIV.
- **Home Energy Assistance Program (HEAP):** \$600 million, same as last year, due to an increase in Federal funding to help low-income families pay the cost of heating and cooling their homes.
- **Family Assistance and Emergency Assistance to Families Program:** \$1.5 billion, same as last year, to fund shelter supplements, Family Assistance (TANF), Emergency Assistance to Families programs and assist households, at local option, to prevent eviction and address homelessness.
- **State Payments for Social Security Disability Insurance:** \$700 million, same as last year, to fund State payments for eligible aged, blind and disabled persons.
- **Supplemental Nutrition Assistance Program (SNAP):** \$500 million, same as last year. SNAP provides low-income people with benefits for purchasing food.

SIGNIFICANT ACTIONS INCLUDE:

- **Summer Electronic Benefit Transfer (Summer EBT) Program:** \$300 million in new funding from the Federal government due to a state opt-in to provide food to over 2 million children during the summer months.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Stolen Public Assistance Benefits:** \$150,000 to assist individuals or families who had their public assistance benefits stolen starting on or after January 1, 2022.
- **Support for Migrant Services and Assistance:** \$1 billion in funding to provide reimbursement to New York City for costs between April 1, 2022 and April 1, 2024, for migrant services including shelter and humanitarian aid. New funding for migrant services has been moved to the Specialized Services Program, see below.
- **Various Legislative Additions:** \$4.5 million is eliminated for 18 programs added by the legislature.

SPECIALIZED SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Homeless Housing Account:** \$11 million, \$1.5 million more than last year, for services related to Federal homeless grants.
- **Refugee Resettlement:** \$180 million, \$130 million more than last year, in Federal funding for refugee resettlement program and aid to municipalities under the Federal Refugee Assistance Act of 1980. This program includes, but is not limited to, for refugee services for Cuban-Haitian refugees.
- **Solutions to End Homelessness Program (STEHP)/New York State Supportive Housing Program (NYSSHP)/Operational Support for AIDS Housing (OSAH):** \$53.6 million, \$2.8 million more than last year. STEHP provides assistance for individuals and families to remain in or obtain permanent housing while experiencing homelessness or eviction. NYSSHP provides supportive services to young adults to achieve as much self-sufficiency as possible. OSAH provides funding to

Homeless Housing and Assistance Program projects that house homeless singles and families with HIV/AIDS.

SIGNIFICANT DECREASES INCLUDE:

- **Refugee Economic Self-Sufficiency:** \$2 million, \$5 million less than last year, to assist refugees in attaining economic self-sufficiency and reduce their reliance on public assistance.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Case Management Services:** \$200,000, same as last year, for services and expenses to households outside of New York City receiving public assistance and having a household member who has been released from prison.
- **Code Blue Program:** \$20 million, same as last year. This program funds local social services districts when implementing emergency measures for the homeless during inclement winter weather.
- **Local Shelter Allowances:** \$100 million, same as last year, to provide shelter supplements to individuals and families experiencing homelessness or are facing an imminent loss of housing, including individuals and families without children.
- **Refugee Basic Needs Assistance:** \$5 million, same as last year, to assist refugees with food, clothing, and shelter assistance, and other services determined by OTDA. Funds are to be given to voluntary refugee resettlement agencies and be allocated proportionally to the geographic distribution of the population in the State.
- **Reimbursement for New York City Adult Homeless Shelters:** \$69 million, same as last year, to reimburse New York City for adult homeless shelter expenditures, including reimbursement for costs associated with a court mandated plan to improve shelter conditions for medically frail persons.

- **Reimbursement for Local Social Services Districts Adult Homeless Shelters outside New York City:** \$5 million, same as last year, to reimburse local social services districts outside New York City for adult homeless shelters expenditures, including reimbursement for costs associated with a court mandated plan to improve shelter conditions for medically frail persons.
- **New York City Homeless and Homeless At Risk Emergency Needs:** \$1 million, same as last year, for services and expenses to help meet the emergency needs of homeless individuals and those at risk of becoming homeless.
- **Victims of Human Trafficking Program:** \$2.4 million, same as last year, for a program providing services for victims of human trafficking through non-government organizations.

SIGNIFICANT ACTIONS INCLUDE:

MIGRANT AND ASYLUM SEEKER FUNDING

- **Support for Migrant Services and Assistance:** \$2.4 billion, \$1.4 billion more than last year, to provide reimbursement to New York City for humanitarian aid costs related to migrant services including short-term shelter stay, National Guard costs, services for migrants, case management and legal services, resettlement, and immunization for communicable diseases.
- **Additional Migrant and Asylum Seeker funding includes:**
 - ➔ \$122 million for the prior costs of operating a migrant shelter at Floyd Bennett Field. This appropriation is required for the continued spending authorization for funds that were from last year’s emergency spending authority.

- ➔ \$25 million for the resettlement of migrants. This appropriation is required for the continued spending authorization for funds that were from last year’s emergency spending authority.
- ➔ \$1.5 million for refugee and immigrant student welcome grants, which had been previously appropriated under the Department of Education in the FY20 Enacted Budget and again in the FY23 Enacted Budget.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Emergency Rental Assistance Program (ERAP):** \$606 million is eliminated in combined State and federal funds for ERAP. ERAP provided up to 12 months of rental and utility arrears for eligible applicants and up to 3 months of prospective rent for eligible applicants that are rent burdened. The program stopped accepting new applications after January 20, 2023.
- ➔ \$356 million, was eliminated in State funding; and
- ➔ \$250 million, from the CARES Act was eliminated in federal funding.
- **NYCHA Rental Assistance:** \$35 million was eliminated to cover COVID rental arrears for New York City Housing Authority residents.

OTHER AID TO LOCALITIES

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Support Services Program:** \$140 million, same as last year. This Program provides assistance to custodial parents with obtaining support and medical insurance coverage for their children by locating parents, and other services.

- **Empire State Supportive Housing Initiative Program:** \$210 million, same as last year, to provide housing and support services for vulnerable New Yorkers; including but not limited to seniors, veterans, victims of domestic violence, formerly incarcerated individuals, individuals diagnosed with HIV/AIDS, homeless individuals with co-presenting health conditions and eligible services to run-away and homeless youths.

SIGNIFICANT DECREASES INCLUDE:

- **Legal Representation for Eviction:** \$35 million, \$15 million less than last year, to support legal services and representation for eviction cases outside of New York City. \$10 million was eliminated for legal services and representation for cases in New York City.

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Supported Housing Program:** \$128 million, same as last year, for assisting not-for-profits, charitable and religious organizations, municipalities, and public corporations to provide housing for the homeless.
- ➔ \$116 million for payment of contracts which implement the Homeless Housing and Assistance Program;
 - ❖ \$1 million of this amount is for necessary health and safety improvements to existing shelters outside of New York City;

- ➔ \$5 million will be used to develop permanent, emergency, and traditional housing for veterans;
- ➔ \$5 million will also be used to develop permanent, emergency, and traditional housing for people with HIV/AIDS; and
- ➔ \$2 million for fringe benefits and indirect costs for implementing the Homeless Housing and Assistance Program.

- Age;
- Health;
- Criminal records and other employment barriers;
- Record of seeking work;
- Local job market;
- Availability of employers willing to hire the parent;
- Prevailing earnings level in the local community; and
- Other relevant background factors such as the age, number, needs, and care of the children covered by the child support order.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.8806

Part H Authorizes the Pass-Through of any Federal Supplemental Security Income Cost of Living Adjustment This Part authorizes the 2024 Federal COLA pass-through. This Part sets the amount for Personal Needs Allowance (PNA) and the standard payment and eligibility amount for those individuals receiving supplemental security income and residing in residential care or family care facilities.

Part I Implement Mandatory Federal Child Support Changes This Part would bring New York State into compliance with Federal regulations regarding child support. This change would require, when determining the amount of income that will be attributed or imputed for child support, the court will consider:

- Specific circumstance of the parent, including the parent’s assets;
- Residence;
- Employment and earning history;
- Job skills;
- Educational attainment;
- Literacy;



**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUNDING COMMITMENTS
(THOUSANDS)
FIGURE 1**

TANF BASE BENEFIT PROGRAMS	2023-24 UPDATED	2024-25 EXECUTIVE	\$ Difference
Public Assistance (PA) Benefits	\$1,032,650	\$1,051,586	\$18,936
Emergency Assistance to Needy Families (EAF)	\$199,156	\$199,156	\$0
NYC EAF Share Change	(\$25,094)	(\$25,094)	\$0
NYC Family Assistance (FA) Share Change	(\$120,555)	(\$123,390)	(\$2,835)
PA Benefits Cliff Changes	\$6,257	\$6,257	\$0
Caseload/EAF Contingency	\$0	\$0	\$0
TANF BASE BENEFITS TOTAL	\$1,092,414	\$1,108,515	\$16,101
TANF INITIATIVE PROGRAMS	2023-24 UPDATED	2024-25 EXECUTIVE	\$ Difference
ACCESS - Welfare to Careers	\$800	\$0	(\$800)
Advanced Technology Training (ATTAIN)	\$4,000	\$0	(\$4,000)
Advantage After Schools	\$0	\$0	\$0
Career Pathways	\$1,425	\$0	(\$1,425)
Centro of Oneida	\$25	\$0	(\$25)
Child Care CUNY	\$141	\$0	(\$141)
Child Care Demonstration Projects	\$0	\$0	\$0
Child Care Subsidies	\$235,930	\$477,200	\$241,270
Child Care SUNY	\$193	\$0	(\$193)
Flexible Fund for Family Services	\$1,738,247	\$1,014,000	(\$724,247)
Non-Residential Domestic Violence Screening	\$3,000	\$3,000	\$0
Additional Non-residential Domestic Violence Screening	\$200	\$0	(\$200)
Jewish Child Care Association	\$200	\$0	(\$200)
Preventive Services	\$785	\$0	(\$785)
Rochester-Genesee Regional Transportation Authority	\$82	\$0	(\$82)
Summer Youth Employment Program	\$47,100	\$50,400	\$3,300
Youth Opportunities Program (Youth Employment Program)	\$18,000	\$38,800	\$20,800
Local District Case Management Support	\$0	\$17,200	\$17,200
Rochester, Buffalo, Syracuse Anti-Poverty	\$0	\$50,000	\$50,000
Wage Subsidy Program	\$475	\$0	(\$475)
Wheels for Work	\$144	\$0	(\$144)
TANF INITIATIVE TOTAL	\$2,050,747	\$1,650,600	(\$400,147)
TOTAL TANF COMMITMENT	\$3,143,161	\$2,759,115	(\$384,046)

TRANSPORTATION

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst

(518) 455-4131

colemana@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- Operating Support for the Department of Transportation (DOT): \$500.9 million, \$5.7 million more than last year, which includes:
 - ➔ Motor Carrier Safety Program: \$8.3 million, same as last year.
 - ➔ Office of Passenger and Freight Transportation Program: \$55.5 million, \$271,000 less than last year.
 - ➔ Operations Program: \$426.6 million, \$5.9 million more than last year.

AID TO LOCALITIES – A.8803

TRANSIT OPERATING AID

SIGNIFICANT INCREASES INCLUDE:

- Ogdensburg Bridge and Port Authority: \$3.1 million in new funding.

DOWNSTATE

- Operating Aid for the Metropolitan Transportation Authority (MTA): \$4.2 billion, \$124.4 million more than last year.
 - ➔ Additional Mass Transportation Assistance Program for the MTA: \$300 million in funding for a one-time payment to fund a portion of impacts resulting from the COVID-19 pandemic is eliminated.
- Operating Aid for Downstate, Non-MTA Transit Systems: \$551 million, \$28.3 million more than last year. This represents an overall regional increase of 5.4% for downstate transit.

- ➔ Lower Hudson Transit Link: \$11 million, same as last year.
- ➔ Nassau County/Long Island Bus: \$118.5 million, \$6.3 million more than last year.
- ➔ New York City Department of Transportation: \$156 million, \$8.2 million more than last year.
- ➔ Rockland County: \$6 million, \$316,000 more than last year.
- ➔ Staten Island Ferry: \$58.4 million, \$3.1 million more than last year.
- ➔ Suffolk County: \$46.1 million, \$2.4 million more than last year.
- ➔ Suffolk Shuttle: \$500,000, \$250,000 less than last year.
- ➔ Unspecified Formula Driven Aid: \$56.6 million, \$3 million more than last year.
- ➔ Westchester County: \$98 million, \$5.2 million more than last year.

UPSTATE

- Operating Aid for Upstate Transit Systems: \$323.2 million, \$16.6 million more than last year. This represents an overall regional increase of 5.4% for upstate transit.
- ➔ Capital District Transportation Authority: \$64 million, \$4.8 million more than last year.
- ➔ Central New York Regional Transportation Authority: \$52.2 million, \$2.7 million more than last year.
- ➔ Niagara Frontier Transportation Authority: \$82.3 million, \$4.2 million more than last year.
- ➔ Rochester-Genesee Regional Transportation Authority: \$63.4 million, \$3.2 million more than last year.
- ➔ Unspecified Formula Driven Aid: \$61.3 million, \$1.6 million more than last year.

SIGNIFICANT ACTIONS INCLUDE:

- Transit Mobility Pilot Program: No new funding. \$10 million is reappropriated for expenses incurred for a five-year pilot program to assist riders facing barriers to traditional public transit. This year is the second year of the pilot program.
- Gateway Development Operating Program: \$24.3 million to the Gateway Development Commission for the State share of annual operating expenses, same as last year.

TOLL AND FARE RELIEF

- Student Fare for School Children Program: \$25.3 million, the same as last year.
- Verrazzano Narrows Commercial Toll Relief: \$3.5 million, the same as last year.
- Verrazzano Narrows Bridge Resident Toll Relief: \$22.5 million, the same as last year. This funding offers a percentage rebate for Staten Island residents crossing the Verrazzano Narrows Bridge.

CAPITAL PROJECTS – A.8804

SIGNIFICANT INCREASES INCLUDE:

- State Share of Hudson Yards Concrete Casing: \$69.3 million in new funding.

SIGNIFICANT DECREASES INCLUDE:

- Consolidated Local Street and Highway Improvement Program (CHIPS): \$538 million, \$60 million less than last year.
- Niagara Frontier Transportation Authority Capital: \$20 million is eliminated.

- **State Touring Routes:** \$100 million, \$40 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Airport Capital:** \$36.5 million, the same as last year.
- **BRIDGE-NY:** \$200 million, the same as last year.
- **Extreme Winter Recovery:** \$100 million, the same as last year.
- **Marchiselli Program:** \$39.7 million, the same as last year.
- **Non-MTA Bus:** \$50.4 million, the same as last year.
- **Non-MTA Electric Bus Capital Assistance:** \$20 million, the same as last year. This is the final year of a \$100 million 5-year program to aid non-MTA transit systems in the transition to electric buses.
- **PAVE-NY:** \$150 million, the same as last year.
- **Pave Our Potholes (POP):** \$100 million, the same as last year.
- **Upstate Transit Capital Funding:** \$20 million, the same as last year. This includes:
 - ➔ **Capital District Transportation Authority:** \$3.6 million, the same as last year.
 - ➔ **Central New York Regional Transportation Authority:** \$3.3 million, the same as last year.
 - ➔ **Niagara Frontier Transportation Authority:** \$5.2 million, the same as last year.
 - ➔ **Rochester-Genesee Regional Transportation Authority:** \$4 million, the same as last year.
 - ➔ **Unspecified Formula Driven Capital Aid:** \$3.958 million, the same as last year.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.8808

Part C Toll Enforcement This proposal would increase fines and penalties for toll evasion on the New York State Thruway, for entry into or remaining in the Central Business District in Manhattan, or on any other tolled highway, parkway, or bridge throughout the State, and prohibit the sale or distribution of license plate covers or devices that obscure such plates for the purpose of toll evasion. This proposal would include using a toll facility without paying the toll as a theft of services offense. Operators that use such license plate covers or devices shall be liable for a fine of not less than \$100, nor more than \$500.

Additionally, it would authorize police officers to confiscate or seize any license plate coverings or devices designed for the purpose of toll evasion, and to issue fines of not less than \$250 to violators. Lastly, it would authorize the Department of Motor Vehicles to suspend and restrict registration transactions for vehicles with suspended registrations related to the owner’s failure to pay tolls or fines issued to the owner, or to remove license plate-obscuring coverings or devices.

Part D Toll Fraud Deterrence This proposal would create new misdemeanor and felony offenses and fines associated with fraudulent attempts to claim credits, discounts, or exemptions from Central Business District or transportation authority tolls.

- Individuals who knowingly make false statements or falsify permits for the purpose of obtaining toll credits, discounts, or exemptions from Central Business District or Triborough Bridge and Tunnel Authority toll shall be subject to a class A misdemeanor.

- ➔ Those who violate such provisions, and as a result receive credits, discounts, or exemptions with a total value exceeding \$1,000 shall be subject to a class E felony.
- ➔ Those who violate such provisions, and as a result, receive credits, discounts, or exemptions with a total value exceeding \$3,000, shall be subject to a class D felony.

Part E Warren County Contribution to Capital District Transportation Authority This Part would allow Capital District Transportation Authority (CDTA) to receive State Transportation Operating Assistance (STOA) for mass transportation services provided in Warren County. This proposal provides that Warren County will contribute 2.21% of matching payments for services of the CDTA. While this proposal updates the contribution percentages for other participating Counties, their local funding match will remain the same.

Part I Allow New York City to Lower Its Speed Limit The Executive Budget proposal would enable New York City to lower speed limits. The City would be authorized to set speed limits as low as 20 miles per hour, and as low as 10 miles per hour in school zones or other designated zones for the purpose of implementing traffic calming measures. Speed limits will not be set below 10 miles per hour in any area.

The City is not authorized to lower or raise the speed limit by more than five miles per hour unless the City provides written notice within 60 days prior to implementation, and an opportunity for public comment, to the community board or boards of the communities in which the speed limit adjustment will apply.

Part J Autonomous Vehicle Technology Extender This Part proposes extending the Department of Motor Vehicles’ (DMV) authority to approve demonstrations and tests of motor vehicles equipped with autonomous vehicle technology from April 1, 2024, to April 1, 2026, to allow for more

time to gather relevant data to consider the impacts of this technology.

Part K Stretch Limousine Passenger Safety Act This Part proposes to amend sections of the Transportation and Vehicle and Traffic Law to implement limousine safety recommendations made by the Stretch Limousine Passenger Safety Task Force. These recommendations include:

- The Commissioner of Motor Vehicles and the Commissioner of Transportation shall report on safety issues on the Department of Transportation’s website and toll-free hotline, as well as develop and publish an annual report on the Department’s website comparing the previous three years of report data to the extent possible;
- The Commissioner of Transportation may direct law enforcement to secure the license plates of, impound, or immobilize stretch limousines which are placed out of service, and shall suspend the registration of stretch limousines until defects with the out of service vehicle are satisfactorily adjusted;
 - ➔ Failure of the holder to return license plates for out of service vehicles to the Commissioner of Motor Vehicles will be a misdemeanor.
- Operating a vehicle placed out of service while under suspension will constitute a class A misdemeanor, punishable by a fine of no less than \$10,000.
- Requiring the installation of roll-over protection devices (such as cages, pillars, and anti-intrusion bars) in stretch limousines within one year of which the National Highway Traffic Safety Administration promulgates final regulations which establish standards for such protection devices;
- Define a “stretch limousine” as an altered motor vehicle with an extended chassis, lengthened wheelbase, or elongated seating area, with a seating capacity of nine or more passengers, including the driver, which is

used in the business of transporting passengers for compensation;

- Requiring stretch limousines to be equipped with a window break tool and operational fire extinguisher, and ensure that driver and passenger partitions can be used to exit the vehicle in case of emergency;
- Prohibiting the operation of any stretch limousine that is over 10 years old or has mileage exceeding 350,000 miles, whichever occurs first; and
- Requiring motor carriers to provide live, in-person pre-trip safety briefings, and require each driver to demonstrate their proficiency in providing such briefings. The Commissioner of Motor Vehicles shall coordinate with the Department of Transportation and Division of State Police in preparing the form and content of such safety briefings.



VETERANS' SERVICES

WAYS & MEANS CONTACT:

Jason Hecker, Senior Budget Analyst

(518) 455-4131

heckerj@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Veterans' Benefits Advising Program:** \$9.9 million, \$1.9 more than last year, to administer the various programs available to veterans.
- **Veterans' Education Program:** \$2.2 million, \$67,000 more than last year, to administer Veterans' Tuition Awards, Military Deferment and other education related programs.

SIGNIFICANT DECREASES INCLUDE:

- **Administration Program:** \$1.9 million, \$876,000 less than last year.

AID TO LOCALITIES – A.8803

SIGNIFICANT DECREASES INCLUDE:

- **Veterans' Benefits Advising Program:** \$5 million, \$3.5 million less than last year to administer the various programs available to

veterans. (See Figure 1 for a breakdown of program funding.)

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Blind Veterans Annuity Assistance Program:** \$6.4 million, same as last year, to provide annuities to blind veterans and eligible surviving spouses.
- **Burial Benefits:** \$400,000, same as last year, for burial costs not covered by the Federal government.
- **Gold Star Annuity Benefits:** \$599,000, same as last year, paid to parents of service members who died on active duty.

CAPITAL PROJECTS – A.8804

MAINTAINS FUNDING FOR THE FOLLOWING:

- **State Veterans' Cemetery:** \$4 million, same as last year, for the State's Veteran's Cemetery. The State Veterans' Cemetery will be located at Sampson Veterans Memorial Cemetery in Romulus, Seneca County. \$2 million would come from Federal funds.

Veterans' Benefits Advising Program			
FIGURE 1			
Program Name	2023-24 Enacted	2024-25 Executive	Total Proposed Change
City and County Veterans Services Agencies	\$2,380,000	\$2,380,000	\$0
Buffalo and Erie County Naval and Military Park	\$100,000	\$0	(\$100,000)
Burial Services for Veterans	\$100,000	\$100,000	\$0
Clear Path for Veterans	\$325,000	\$0	(\$325,000)
Helmets-to-Hardhats	\$300,000	\$0	(\$300,000)
Homeless Veterans Housing	\$1,100,000	\$500,000	(\$600,000)
Hunts Point WW Veteran Monument	\$15,000	\$0	(\$15,000)
Justice for Heroes Initiative	\$250,000	\$250,000	\$0
Legal Services of NYC Veterans Justice Project	\$200,000	\$0	(\$200,000)
Legal Services of the Hudson Valley Veterans and Military Family Advocacy Project	\$405,000	\$0	(\$405,000)
New York State Defenders Association Veterans Defense Program	\$500,000	\$0	(\$500,000)
New York State Defenders Association Veterans Defense Program - Long Island	\$220,000	\$0	(\$220,000)
North Country Veterans Association	\$125,000	\$0	(\$125,000)
NYS Veterans of Foreign Wars of United States Inc.	\$125,000	\$0	(\$125,000)
Outdoor RX Program	\$150,000	\$0	(\$150,000)
Sage Veterans' Project	\$200,000	\$0	(\$200,000)
Utica Center for Development	\$100,000	\$0	(\$100,000)
Veterans-to-Veterans Support Services	\$1,000,000	\$1,000,000	\$0
Veterans Outreach and Counseling	\$500,000	\$500,000	\$0
Veterans Outreach Center (Monroe County)	\$250,000	\$250,000	\$0
Vietnam Veterans of America - New York State Council	\$100,000	\$0	(\$100,000)
TOTAL	\$8,445,000	\$4,980,000	(\$3,465,000)

VICTIM SERVICES

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$22.69 million, \$7.52 million more than last year, for services and expenses related to the administration program. This net increase can be attributed to:
 - ➔ **Storage of Sexual Offense Evidence Collection Kits:** \$2.5 million, \$15,000 more than last year;
 - ➔ **Crime Victims Assistance:** \$4.8 million, \$79,000 more than last year;
 - ➔ **Federal Operational Grants for Crime Victims Assistance:** \$771,000, \$66,000 more than last year;
 - ➔ **Criminal Justice Improvement Account:** \$13.6 million, \$7.3 million more than last year.
- **Victim and Witness Assistance Program** \$3.31 million, \$170,000 more than last year, for victim and witness assistance in accordance with the Federal Crime Control Act of 1984.

AID TO LOCALITIES – A.8803

SIGNIFICANT INCREASES INCLUDE

- **Payments to Victims Program:** \$53.7 million, \$18.1 million more than last year, for financial support to crime victims. This funding supports medical and counseling expenses, burial costs, lost wages, transportation, and other expenses incurred after criminal acts. There is State and Federal share of this funding with the net increase attributed to:
 - ➔ **State Share:** \$42.2 million, \$18.1 million more than last year; and
 - ➔ **Federal Share:** \$11.5 million, same as last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Victim and Witness Assistance Funding:** \$163 million. This funding includes:
 - ➔ **Federal funding support for victim and witness assistance:** \$150 million with up to \$10 million available for community-based violence intervention programs; and

- ➔ **Criminal Justice Improvement Account:**
\$13 million for programs that provide victims and witness assistance with funds provided from the Criminal Justice Improvement Account.

SIGNIFICANT ACTIONS INCLUDE:

- **Victims of Crime Act Funding (VOCA):**
\$120 million in new funding for services and expenses of programs that provide victim assistance and witness assistance.
- ➔ This funding has been appropriated for the next six years to ensure victims of crime are not impacted by potential VOCA shortfalls as less federal funding has been allocated for the federal Crime Victims Fund (CVF) balance.

CAPITAL PROJECTS – A. 8804

SIGNIFICANT INCREASES INCLUDE:

- **Sexual Offense Evidence Collections Kits (SOECK) Storage Facility:** \$4.1 million, \$2.6 million more than last year, for constructing and maintaining the storage facility containing sexual offense evidence collection kits.



WATERFRONT COMMISSION

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.8800

SIGNIFICANT ACTIONS INCLUDE:

- **Forfeiture Program:** \$42,000 in new federal funding for expenses incurred relating to joint operations or task forces with the United States Departments of Justice and Homeland Security.
- **Operations Program:** \$3.3 million in new funding for expenses related to the Operation of the New York Waterfront Commission.
- **Waterfront Employees Assessment Program:** \$1.6 million in new funding for the New York Waterfront Commission's assessment on waterfront employers and related services in the Port of New York.

AID TO LOCALITIES – A.8803

SIGNIFICANT ACTIONS INCLUDE:

- **Operations Program:** \$2 million in funding is eliminated in the Aid to Localities budget. This funding was appropriated for costs associated with transitional support for the New York Waterfront Commission.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A. 8808

Part L Waterfront Commission Act This Part would establish the New York Waterfront Commission (NYWC) in consolidated law and repeal outdated language in unconsolidated law. In 2023, the Waterfront Commission of New York Harbor (WCNYH) was dissolved and replaced by the NYWC. The provisions within this Part would establish the NYWC as its own agency within the State of New York, making it adhere to New York's sections of Criminal Procedure, Retirement and Social Security, and Tax Laws.