



ASSEMBLY MINORITY
WAYS & MEANS

EXECUTIVE BUDGET
ANALYSIS

2025/26

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FINANCIAL PLAN ANALYSIS

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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

- Since Governor Hochul took office (2022-23 to 2024-25):
 - ➔ General Fund (including transfers) enacted spending has increased by \$18.8 billion or 21.1%.
 - ➔ State Operating Funds enacted spending has increased by \$19.8 billion or 17.7%.
 - ➔ All Funds enacted spending has increased by \$30.3 billion or 14.5%.
- According to the Comptroller:
 - ➔ Since 2020 the growth in State spending, 35.8%, has exceeded the rate of inflation, 19.5%.
 - ➔ In 2024, New York’s spending was \$12,000 per person:
 - ❖ \$5,671 per person for Public Health purposes;
 - ❖ \$3,010 per person for Education purposes;
 - ❖ \$874 per person for General Government purposes;
 - ❖ \$588 per person for Transportation purposes;
 - ❖ \$665 per person for Public Welfare purposes;
 - ❖ \$550 per person for Public Safety purpose; and
 - ❖ \$642 per person for Other purposes.
 - ➔ Spending on public health and education represents 72.3% of the total State spending.
 - ➔ NYS GDP is nearly \$1.8 trillion in 2023.
 - ❖ New York ranked 3rd nationwide and represented 7.9% of the U.S. total.

DISBURSEMENTS/SPENDING

EXECUTIVE BUDGET PROPOSED SPENDING
FIGURE 1

FUND TYPE	2024-25 ADJUSTED	2025-26 PROPOSED	Adjusted \$ Change	Adjusted % Change
General Fund	\$108.4 billion	\$116.3 billion	\$7.9 billion	7.3%
State Operating Funds*	\$133.3 billion	\$143.8 billion	\$10.5 billion	7.9%
State Funds	\$147.1 billion	\$161.2 billion	\$14.1 billion	9.6%
All Funds	\$243.4 billion	\$252.0 billion	\$8.6 billion	3.6%

*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 FY26 Executive Budget does not address a cap on State Operating Fund spending and grows at 7.9%.

2025-26 PROPOSED SPENDING

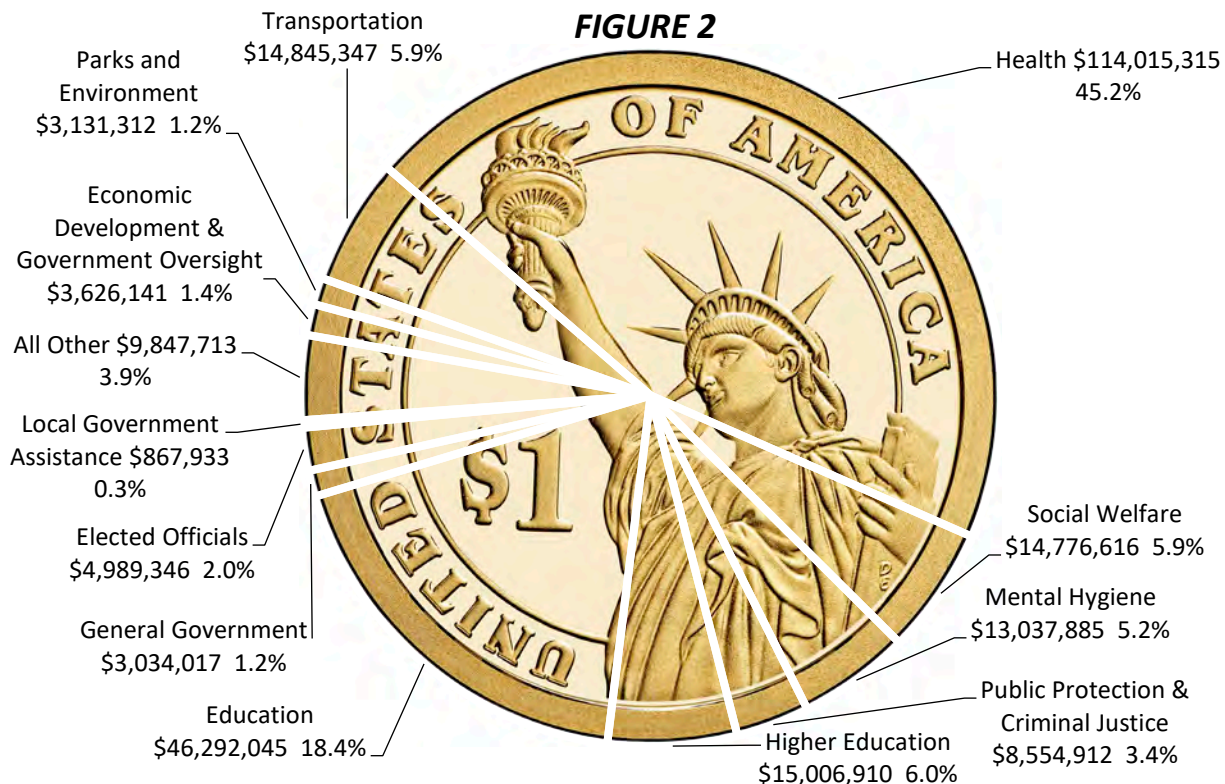
Figure 1 compares the proposed FY 2025-26 Executive Budget spending with the FY 2024-25 adjusted spending levels.

- 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 2025-26 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 7.9%.
- ➔ The FY 2025-26 Executive Budget does not address or impose a 2% cap on spending.
- ➔ SOF spending increase of 7.9% is above projected inflation (CPI) of 2.8%.
- 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 2025-26 Executive Budget All Funds spending by program area.

2025-26 EXECUTIVE BUDGET ALL FUNDS SPENDING BY PROGRAM AREA: \$252.0 billion

FIGURE 2



2025-26 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 2025 CLOSE OUT PLAN

The Governor’s proposed budget assumes that for the current fiscal year, FY25, the General Fund will have a *surplus of \$3.5 billion*.

- This is made up of an upward revision of \$2.9 billion in total receipts and a downward revision in spending of \$955 million.
- This is further offset by deposits to reserves and timing of the Pass-Through Entity Tax. The current year’s surplus will be transferred to FY26 to close the existing \$1 billion budget deficit.

FY 2026 EXECUTIVE PROPOSAL

The Division of Budget states that this surplus, along with an anticipated surplus of \$1.8 billion in FY26, will be used to support the new investments and proposals in the FY 2026 Executive Budget.

OUT-YEAR GAPS

Out-year budget gaps have grown substantially since the Mid-Year Update to the Financial Plan. This is due to higher spending estimates in Medicaid, School Aid and pension costs.

BUDGET SURPLUS/(GAP) ON A GENERAL FUND BASIS			
FIGURE 3			
STATE FISCAL YEAR	2024-25 Mid-Year Update Estimates	2024-25 Third Quarter Baseline Estimates	2025-26 Executive Budget Estimates After Proposals
2024-25	\$0	\$3.5 billion	N/A
2025-26	(\$1.0 billion)	\$1.8 billion	\$0
2026-27	(\$6.2 billion)	(\$3.9 billion)	(\$6.5 billion)
2027-28	(\$7.1 billion)	(\$7.4 billion)	(\$9.8 billion)
2028-29	N/A	(\$11.8 billion)	(\$11.0 billion)
3-year (Gap) Total	(\$14.3 billion)	(\$23.2 billion)	(\$27.3 billion)

RECEIPTS/REVENUE

Receipts Quick Facts

- According to the Comptroller:
 - ➔ Over the past 5 years, Total Receipts (including Federal & Misc/Lottery) have increased by 32.4%.
 - ➔ Over the past 5 years, New York State tax receipts have increased by 28.4%.
 - ❖ PIT and Consumption & Use Taxes accounted for 32.2% of 2024 receipts and have increased 5.6% since 2020.
 - ❖ PIT made up 50.6% of New York State’s tax collection in FY24.
 - ❖ Only Oregon and Massachusetts have a heavier reliance on PIT than NYS.
 - ❖ Nationwide, nearly 40% of the states rely more heavily on sales and user taxes.
- The combined Federal, State and local tax burden in New York was \$378 per \$1,000 of personal income in FY23, a decrease from \$384 in 2022.
- At the local level, Real Property Tax revenues are the largest single tax source; in local FY22 school districts received \$24.2 billion in Real Property Taxes, representing around half of total revenue.
 - ➔ School districts were the most dependent on State aid, as it represented 37% (\$17.5 billion) of their total revenue.
- NY received \$1.06 for every tax dollar sent to DC in Federal Fiscal Year 2022.
 - ➔ The National average was \$1.28.

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 FY25 Mid-Year Update.

The baseline forecast for General Fund tax receipts has been increased by an average of \$1.7 billion annually, resulting in an \$8.3 billion cumulative increase through FY 2029.

Through December 2024, General Fund tax receipts including transfers from other funds, were \$1.1 billion higher than estimated in the Mid-Year Update, driven mainly by strength in Personal Income Tax and Pass-Through Entity Tax collections.

- **Total Receipts:**
 - ➔ **All Funds:** \$243.9 billion
 - ➔ **General Fund:** \$108.6 billion

STATE AND LOCAL TAX DEDUCTION (SALT)

The Mid-Year Update to the FY25 Financial Plan originally assumed that the SALT Cap would expire in FY27, which would have provided the State with an additional \$3.2 billion in PIT tax revenue.

The Executive Budget revises this assumption to reflect the likelihood that the Federal government will extend the SALT deduction cap.

Therefore, PIT estimated tax projections have been lowered by \$3.2 billion in FY27 to reflect the assumed continuation of the SALT cap under the new Federal administration. This downward revision to tax estimates is entirely offset by a reserve previously set aside for this purpose, resulting in no net Financial Plan impact.

FEDERAL AID

Total Federal Funds (operating and capital) for FY26 is projected to be \$93.1 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 \$10.6 billion from FY25 to FY29.

- Pandemic Assistance Disbursements by Year:
 - ➔ FY25: \$9.1 billion;
 - ➔ FY26: \$1.3 billion;
 - ➔ FY27: \$93 million;
 - ➔ FY28: \$24 million; and
 - ➔ FY29: \$24 million.

MIGRANT FUNDING

The FY 2026 Executive Budget *does not include any new funding for asylum seeker assistance* but maintains the extraordinary funding and support to assist the City of New York.

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 Financial Plan continues to assume the use of \$500 million from the Economic Uncertainties reserve in FY26 as proposed in FY25 Enacted Budget. *Figure 4* summarizes the extraordinary State funding for asylum seeker assistance.

As stated in previous Financial Plan updates, \$70 million in annual recurring spending is built into social safety net programs associated with elevated caseloads driven by this population, and routine funding.

Asylum Seeker Assistance <i>FIGURE 4</i>	
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	\$402 million
Medicaid/Vaccines/Disease Testing	\$325 million
Asylum Seeker Resettlement	\$40 million
All Other*	\$276 million
Use of Economic Uncertainties Reserves	\$500 million
*All other includes case management, legal services, and other uses.	

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 FY26 Executive proposal continues to preserve these investments.

In light of the current risks and uncertainties, the Executive Budget maintains the existing level of Principal Reserves to protect essential services in the event of an economic downturn or other future fiscal challenges. To further protect these reserves, the Governor has directed the transfer of funds held in reserve for Economic Uncertainties to the statutory Rainy Day Reserve to increase the balance by \$1 billion annually from FY25 through FY27 and \$862 million in FY28, as fiscal conditions permit. The Division of Budget has indicated that the goal is to increase the Rainy Day Reserve Fund to \$10 billion.

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 \$9.7 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: \$8.1 billion, \$2 billion more than last year. This includes:

- ➔ A \$1 billion transfer from the Economic Uncertainties Fund in FY25; and
- ➔ A planned transfer of \$1 billion from the Economic Uncertainties Fund in FY26.
- 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 \$25 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 billion, \$860 million less than last year.

Economic Uncertainties Fund: \$11.3 billion, a decrease of \$2.5 billion from last year. This includes:

- ➔ A \$1 billion transfer to the Rainy Day Reserve Fund in FY25;
 - ➔ A planned transfer of \$1 billion to the Rainy Day Reserve Fund in FY26; and
 - ➔ A planned \$500 million withdrawal for migrant assistance to the City of New York in FY26.
- 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: \$3.1 billion, the same as 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. A total of \$8 billion of these settlement funds have been appropriated for capital projects, of which \$6.1 billion has been disbursed through December 31, 2024. 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.

- Effective FY 2025, DOB no longer tracts settlement payments. However, settlement receipts above \$25 million will be set aside in the General Fund Reserve for Economic Uncertainties and smaller receipts will be utilized annually for general operations consistent with past practice prior to the extraordinary levels that began in FY 2015.

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.3000:

- **Financial Control Board, NYS:** \$3.5 million, same as last year.
- **Insurance and Securities Funds Reserve Guarantee:** \$1.51 billion, \$90 million less than last year.
- **Reserve for Federal Audit Disallowances:** \$500 million, same as last year.
- **Special Emergency Appropriation:** \$2 billion, the same as 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.

CONTINGENCY LANGUAGE

APPROPRIATION CONTINGENCY LANGUAGE

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

State Operations Appropriation Budget Bill, A.3000:

- 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 in which such credit is received regardless of the timing of the initial expenditure, is continued.

Aid to Localities Appropriation Budget Bill, A.3003:

- 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 in which such credit is received regardless of the timing of the initial expenditure, is continued.



CAPITAL PROGRAM & DEBT FINANCING PLAN

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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

- From 2010 to 2020, State debt outstanding fell by 0.05% and adjusting for inflation the State's debt level is roughly the same as it was in 1982.
- 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 3.1%, and growth in the State All Funds Budget of 4.8%.
- The Executive Budget estimates that State-related debt per capita to be \$3,313 for FY26, an increase of \$423 or 14.6% from FY25. *Figure 1* shows historical and forecasted debt per capita.
 - ➔ New York's debt per capita in FY23 of \$2,842 ranked eleventh highest in the nation, greater than the U.S. average, California, Texas, and Florida.
 - ➔ State-related debt per capita is projected to increase from \$2,651 in FY16 to \$4,915 in FY30, an annual average increase of 4.5%.
- The Executive Budget increases bond caps (authorization to issue debt up to a certain amount) by \$19.8 billion.
- According to the 2024 ALEC-LAFFER State Economic Competitiveness Index:
 - ➔ From 2013-2022, New York State is ranked 50th, last, in absolute Domestic Migration, with a cumulative loss of 1,967,607 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 2022, 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 2024-25 Enacted Five-Year Capital Program and Financing Plan projects that the State will issue over 4.2 times more debt than it will retire over the next five years, with:
 - ❖ \$46.3 billion of new issuances of State-Supported debt; and
 - ❖ \$10.9 billion of State-Supported debt retirements.
 - ➔ State-supported debt is projected to grow over 65% to \$89.7 billion in FY27.
 - ❖ \$17.9 billion, nearly 1/3 of State-supported debt, was previously excluded from the debt limits.
 - ➔ Total Public Authority Debt is \$325.4 billion.
 - ❖ \$189.3 billion was issued by State Authorities and \$136.1 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 2029-30
FIGURE 1



OUTSTANDING DEBT

- The projected State-related debt outstanding for FY26 is \$65.1 billion, which is an increase of \$8.5 billion or a 15% increase from FY25 levels.
 - ➔ This annual increase in debt outstanding includes \$2.2 billion for economic development and housing, \$1.7 billion for education facilities, \$900 million for environmental facilities, \$1.1 billion for health and mental hygiene, \$565 million for State facilities and equipment, \$3.5 billion for transportation, and \$152 million for the Hudson Tunnel Project.
 - ❖ Additionally, debt outstanding reflects expected draws on the \$1.3 billion RRIF loan for the Hudson Tunnel Project.
 - ➔ It is projected that State-related debt will increase from \$56.5 billion in FY25 to \$96.3 billion in FY30 (over the period of the Capital Plan) or an average increase of 11% annually.
 - ❖ This reflects the impact from the reduction in debt outstanding due to large prepayments over the last four years and higher capital spending projections than historically experienced.
 - ➔ Total General Obligation Bonds (voter-approved) outstanding for FY26 is \$2.6 billion, an increase of \$214 million or 8.9% from FY25 levels.

DEBT ISSUANCE

- For FY26, debt issuances will total \$9.9 billion to finance new and existing capital project spending.
 - ➔ The bond issuances will finance capital commitments for education, \$1.7 billion; transportation, \$3.5 billion; economic development and housing, \$2.2 billion; health and mental hygiene, \$1.1 billion; State facilities and equipment, \$565 million; and environment, \$900 million.
- Over the period of the Capital Plan, new debt issuances are projected to total \$51.3 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 FY26:
 - ➔ \$7.1 billion or 71.6% through the AA+ rated PIT Revenue Bond Program.
 - ➔ \$2.4 billion or 24.2% through AA+ rated Sales Tax Revenue Bond Program.
 - ➔ \$413 million or 4.2% of AA+ rated State General Obligation Bonds.

DEBT RETIREMENTS

- Debt retirements total \$1.5 billion, approximately \$869 million or 146% more than in FY25. This reflects the impact of prior repayments, which resulted in the early retirement of \$2.5 billion of bonds that had been scheduled to retire in FY26.

- ➔ Additional retirements are possible through debt management actions, including the use of the Debt Reduction Reserve Fund.
- Debt retirements are projected to average \$2.4 billion annually over the Capital Plan period.
- In five years, the State will be able to retire 9% of existing debt.

DEBT SERVICE

- Total State-related debt service for FY26 is \$2.3 billion, a decrease of \$843 million or 27% from FY25.
 - ➔ The vast majority, about \$2 billion, consists of debt service payments due on existing debt. The remainder, \$297 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 FY26.
- Over the five-year Capital Plan, debt service costs are expected to grow to \$8.7 billion in FY30, an average annual increase of 6.9%.

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 FY26, the available room under the debt cap is \$19.3 billion.
 - ➔ In FY30, the amount available to issue under the Debt Cap reaches a low of \$441 million.
 - ➔ Changes to the debt cap are reflected by personal income forecast adjustments, capital adds, capital re-estimates and bond sale adjustments.
 - ❖ The FY26 Capital Plan proposes new bond-financed capital commitments that will add \$5.9 billion in new debt over five years.
 - ❖ The capital spending increases are offset by the FY26 Executive Budget personal income forecast, greater underspending on capital projects than previously assumed, changes in the timing of bond issuances, \$1 billion of new PAYGO capital spending, and reductions in debt as a result of legal defeasances to date.
- The FY21 & FY22 State-supported bond issuances are excluded from the cap as part of the State's response to the COVID-19 pandemic.

CAPITAL SPENDING BY FUNCTION AND FINANCING SOURCE
 (\$ millions)
FIGURE 2

Spending	2024-25 Current	2025-26 Proposed	Adjusted \$ Change	Adjusted % Change
Transportation and Transit	\$7,564	\$8,937	\$1,373	18.1%
Education	\$431	\$458	\$28	6.4%
Higher Education	\$1,786	\$2,361	\$575	32.2%
Economic Development	\$2,033	\$2,458	\$425	20.9%
Parks and Environment	\$2,066	\$2,414	\$348	16.8%
Mental Hygiene	\$657	\$837	\$180	27.4%
Health	\$732	\$1,146	\$414	56.5%
Social Welfare	\$1,894	\$2,197	\$303	16.0%
Public Protection	\$622	\$814	\$191	30.8%
General Government	\$578	\$680	\$101	17.5%
All Other	(\$1,318)	(\$1,116)	\$202	15.3%
Total Funding	\$17,046	\$21,185	\$4,138	24.3%
Off Budget Spending	(\$13)	(\$0)	\$13	
Financial Plan Capital Spending	\$17,033	\$21,185	\$4,151	24.4%
Financing Source				
Authority Bonds	\$5,672	\$8,925	\$3,253	57.4%
Federal Pay-as-you-go	\$3,412	\$3,916	\$504	14.8%
State Pay-as-you-go	\$7,595	\$7,941	\$346	4.6%
General Obligation Bonds	\$368	\$403	\$35	9.5%
Total	\$17,046	\$21,185	\$4,138	24.3%

THE FINANCING PLAN FOR FY26

The FY26 Executive Capital Plan estimates a total of \$21.2 billion in State capital project spending. The Capital Plan reflects a new \$10 million appropriation to disburse funds from the Inflation Reduction Act which makes New York eligible to receive a value of new and extended clean energy tax credits as elective payments and expected to be received in the new fiscal year.

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

Capital spending in FY26 is proposed to be financed with State-supported debt, \$9.3 billion or 44%; State cash resources, \$7.9 billion or 38%; and Federal aid, \$3.9 billion or 18%. Capital spending is projected to increase by 24% as compared to FY25. 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 \$13.6 billion over five years of cash resources for PAYGO capital spending; \$1 billion is added in FY26. 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 2025-26 EXECUTIVE BUDGET:

- **Agriculture and State Fairgrounds:** The Executive proposes \$53 million for renovations and projects and State fairground, \$10 million for the dairy industry, \$10 million to create scratch kitchens, \$5 million for animal and humane societies, and \$3 million for agribusiness child care centers.
- **Arts and Education:** Supports investments by including \$70 million for nonpublic school health and safety projects, \$40 million for arts and cultural grants and \$34 million for library construction grants.
- **Clean Water Infrastructure:** The Executive Budget adds \$500 million to support clean water, raising the State's total commitment to \$6 billion.
- **Climate Change Adaptation and Mitigation:** Includes \$1 billion to reduce the State's carbon emissions by building out thermal energy networks at SUNY campuses, \$78 million for coastal resiliency projects, \$30 million increase in Green Resiliency Grants to support flood control infrastructure projects, \$50 million to support sustainability in New York's dairy industry, \$50 million to bolster the Resilient and Ready program, and \$50 million for the public facilities sustainability program.
- **Community Development:** The Executive Budget includes new capital grants to support and encourage community development across the State, including \$100 million for the construction and renovation of community centers through NY BRICKS, \$100 million for the construction and renovation of child care centers, \$67.5 million for the construction and renovation of playgrounds through NY PLAYS, and \$50 million in additional funding for NY SWIMS.
- **Economic Development:** Includes \$300 million for the POWER UP Fund to create power-ready sites for advanced manufacturing and other development, \$100 million to continue investing in shovel-ready sites to attract high-tech manufacturing to New York through FAST-NY, \$400 million for economic and community development projects in the City of Albany, including funding for the State Museum, \$90 million for the Empire AI Consortium, and \$750 million to continue economic development programs, including \$400 million for the NY Works EDF, \$200 million for DRI, including NY Forward, funding to increase support for rural communities, and \$150 million for the REDC program.
- **Five-Year DOT Capital Plan:** Includes the fourth year of the five-year, \$34.1 billion Department of Transportation (DOT) capital plan, with nearly \$6.9 billion being provided in FY26. The DOT Capital Plan continues funding commitments to support the final phases of major infrastructure projects, including the Hunts Point Interstate Access Improvement and the replacement of I-81 in Syracuse.
 - ➔ The Plan also supports new large-scale projects, including modernizing the Livingston Avenue Bridge in Albany, converting Route 17 to I-86 in Orange and Sullivan Counties, and assessing ways to improve road capacity at the Oakdale Merge in Suffolk County.
 - ➔ In addition, the Plan includes \$1 billion for the "Bridge NY" Program and \$1 billion for the Pave Our Potholes Program and continues funding

commitments to local highway and bridge programs.

- **Five-Year Housing Plan:** The Executive Budget continues a \$25 billion, five-year housing plan to create and preserve 100,000 affordable homes, including 10,000 homes with support services for vulnerable populations.
 - ➔ Funding includes \$5.7 billion in State capital resources, \$8.8 billion in State and Federal tax credits and other Federal allocations, and \$11 billion to support the operation of shelters and supportive housing units and to provide rental subsidies.
 - ➔ Additionally, the FY26 Executive Budget includes a \$1 billion State contribution to New York City’s “City of Yes” housing initiative, \$230 million for additional housing initiatives aimed at creating more affordable and supportive housing, and a new \$50 million round of “Resilient and Ready” capital grants to assist homeowners impacted by extreme weather events.
- **General Government:** The Executive Budget proposes funding for the Empire State Plaza energy master plan, the replacement of Eastern Stairway at the State Capitol, and other projects and State-owned facilities. Further, the budget proposes \$130 million for ITS Innovation Capital Fund and \$100 million for the Statewide Equipment Program.
- **Hazardous Waste:** Includes a ten-year \$1.25 billion reauthorization of the State Superfund Program to clean up hazardous waste sites.
- **Higher Education:** Proposes \$2.2 billion in new capital funding for SUNY and CUNY and allows them to receive \$150 million from the Clean Water, Clean Air and Green

Jobs Bond Act to support decarbonization efforts at campuses.

- **MTA 2025-2029 Capital Plan:** The Governor and Legislature are expected to work closely during budget negotiations to support and approve an MTA 2025-29 Capital Plan. Accordingly, the Executive Budget assumes \$32.7 billion of base funding that would be directly contributed by funding partners (NYC, MTA and Federal government), which includes \$3 billion from the State.
- **Public Safety:** The Executive Budget proposes an additional \$35 million for the SCAHC Program, \$15 million for Securing Reproductive Health Centers capital grants, \$50 million for law enforcement technology, and \$25 million for volunteer fire infrastructure and response equipment. Further, the budget includes funding to expedite the installation of cameras in State prisons.

THE 2025-26 EXECUTIVE CAPITAL PLAN CONTINUES FUNDING FOR THE FOLLOWING:

- **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 FY26.
- **Healthcare:** The Executive Budget invests up to \$1 billion in capital funds to supplement the existing Safety Net Transformation Program.
 - ➔ The Executive Budget also invests an additional \$5 million to support infrastructure improvements, modernization and safety and security for abortion access providers. Further, the budget provides for \$25 million to facilitate capital improvements at DOH-administered veteran's homes and Helen Hayes Hospital.

- **Mental Hygiene Capital Investments:** The Executive Budget continues to build on the Governor's investments in expanding the capacity to care for people with mental illness by funding an additional 100 new psychiatric inpatient beds at the Wards Island.
 - ➔ The Executive Budget also proposes \$75 million to modernize OPWDD's IBR and \$18 million to renovate the Surmount campus in Tupper Lake.
- **MTA 2020-2024 Capital Plan:** The Executive Budget continues the State's \$3.1 billion contribution to the \$52.1 billion MTA 2020-24 Capital Plan.
- **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.
- ➔ Increasing the discretionary purchasing thresholds of State agencies and public authorities for procurements made through certified MWBEs;
- ➔ Providing municipalities with access to DASNY's planning, design, procurement, and construction management services;
- ➔ Expanding the ability of State agencies and public authorities to pre-qualify vendors; and
- ➔ Requiring a coordinated approach between the MTA and utility providers to reduce delays and project costs when utility relocations are necessary to advance MTA capital projects.

- **Capital Projects Dashboard:** Creating a database and dashboard for capital projects, as well as a public-facing property inventory map to enhance transparency and efficiency in managing State assets.
- **Dedicating PAYGO Resources in lieu of Borrowing:** Since FY23, the State has added \$13.6 billion of cash resources for PAYGO capital spending, enabling the State to avoid higher cost taxable debt issuances, avoid issuing debt for capital expenditures with short economic useful lives, meet the increased funding needs for the multi-year transportation capital plan, and maintain affordable debt levels.
- **Debt Service Prepayments:** The State has executed \$20.5 billion of prepayments of future year debt service payments since FY21.
 - ➔ The Executive Budget assumes an additional \$2 billion of prepayments will be executed in FY25.
- **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

CAPITAL AND DEBT MANAGEMENT

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

- **Reforms to Increase Speed and Efficiency in the Delivery of Capital Projects:** These include:
 - ➔ Expanding the use of alternative project delivery methods that are available to the State agencies and public authorities to provide options that would be more cost-effective for project delivery depending on the project's size, nature, and timeline;

under the State's debt cap or meet other Financial Plan goals.

- **Continue State's Policy of selling 50% of New Debt Issuances on a Competitive Basis:** The State has issued \$4.1 billion of bonds to date in FY25, of which 38% were on a competitive basis and over the past five years the State has issued 45% of its bonds competitively.

- **Legislative Proposals:**

- ➔ **PIT Bond Expansion:** Reauthorize and permit any of the five issuers that are authorized to issue PIT Bonds – DASNY, ESD, NYSTA, EFC, and HFA – to issue for any capital program financed with PIT bonds. This provision would increase the number of issuers that could issue PIT bonds for any authorized purpose from three to five.

- ❖ Refer to *Sweeps and Transfers Highlight* for more information.

- ➔ **Bond Cap Language Amendments:** Amend bond cap language to be consistent across programs. State law contains bond cap authorizations that limit the amount of bonds that can be issued for specific programs. The majority of the State's 67 bond caps set a statutory limit based on the authorized amount of capital spending, which matches an associated capital appropriation. However, seven bond caps are based on the bond principal amount, which does not directly match capital appropriations. This proposal would standardize those inconsistent bond caps.

- ❖ Refer to *Sweeps and Transfers Highlight* for more information.

- ➔ **GO Bond Redemption:** Authorizing the State Comptroller to redeem General Obligation Bonds when doing so would

result in debt service savings for the State by removing the limitation to redeem or refund bonds at a price of 103% of the par value or below.

- ❖ Refer to *Sweeps and Transfers Highlight* for more information.

- ➔ **Short-Term Liquidity Authorization:** Allows for the issuance of \$3 billion of PIT revenue anticipation notes which mature no later than March 31st of the fiscal year in which they are issued.

- ❖ Refer to *Sweeps and Transfers Highlight* for more information.

- ➔ **Retiring Remaining DOH Health Income Revenue Bonds:** This will allow RPCI to be removed from the State borrowing program and transition to an RPCI-backed credit program.

- ❖ Refer to *Sweeps and Transfers Highlight* for more information.

REVENUE

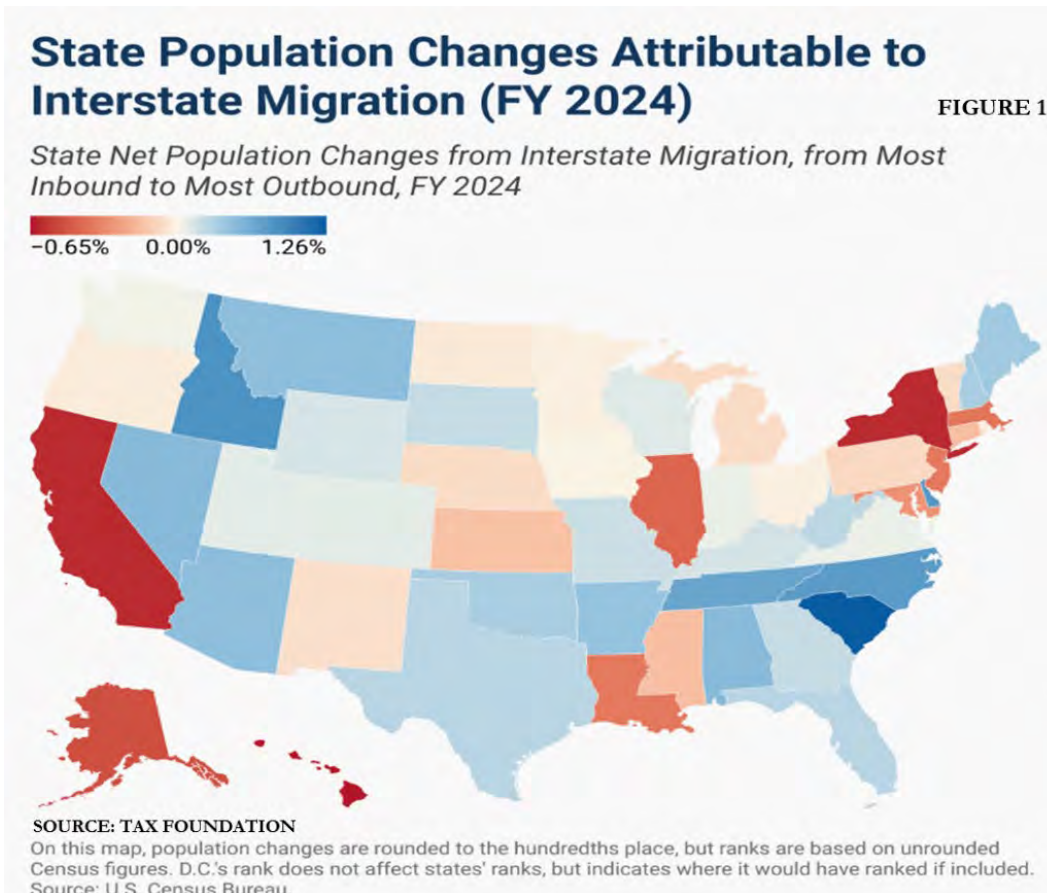
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The population of New York decreased by 0.61% between July 2023 and June 2024, ranking the State as the second worst in the nation for outmigration, as shown in *Figure 1* below. Only Hawaii saw its population decrease at a higher rate than New York. California, Alaska, and Illinois round out the top five states for population loss. New York’s outmigration woes show the continued trend of Americans leaving high-tax states for more affordable places to live.



Exclusive of the timing of Pass-Through Entity Tax filings, the 2025-26 Executive Budget includes a two-year net State tax reduction of \$6.4 billion. The Executive Budget includes an extension of the temporary enhanced tax rates on the ultra-wealthy, known as the Ultra-Millionaire's Tax. The Governor's Budget also includes a tax cut for the Middle Class and rebate checks, as well as various other tax credits and cuts, proposals reforming and extending current Tax Law, Real Property Tax Law, the Economic Development Law, and refining 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.3009 (Revenue Article VII Budget Bill) and A.3008 (Transportation, Economic Development and Environmental Conservation). Revenue actions are categorized into five categories: Personal Income Tax, Business Taxes, Consumption and Use Taxes, Reforms and Other Actions, and Gaming. A table for revenue actions can be found at the end of this highlight in *Figure 2*.

PERSONAL INCOME TAX

INFLATION REBATE CHECKS (PART A)

This Part would create a one-time Inflation Refund Tax Credit. Taxpayers who were full-year residents in Tax Year 2023 and whose income in that year was below a certain threshold would receive an advanced payment of a Personal Income Tax credit in 2025. The advanced credit payment amounts would be:

- \$500 for taxpayers who are married and file a joint tax return whose income was below \$300,000 for Tax Year 2023; or
- \$300 for taxpayers who are single, are married but file separately, or who file as head of household and whose income in Tax Year 2023 was less than \$150,000.

This credit would not reduce a taxpayer's Federal tax liability and would be subject to Federal Personal Income Taxes. However, the credit would not be subject to State or local Personal Income Taxes.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$3.1 billion in FY 2026.

PROVIDE A MIDDLE-CLASS TAX CUT AND EXTEND THE ULTRA-MILLIONAIRE'S TAX (PART B)

Middle-Class Tax Cut

This Part would provide a two-year phase-in of reduced Personal Income Tax (PIT) rates for:

- Married taxpayers who file jointly and earn up to \$323,000 per year;
- Head-of-Household filers who earn up to \$269,300 per year; and
- Single taxpayers and married taxpayers who file separately and earn up to \$215,000 per year.

Rates for these taxpayers would be reduced by 10 basis points for Tax Year 2025, followed by an additional reduction of 10 basis points in Tax Year 2026.

Extend the Ultra-Millionaire's Tax

Additionally, the Governor proposes a five-year extension of the "Ultra-Millionaire's Tax." The enhanced rates for high-income earners were originally scheduled to expire and revert to the previous maximum rate of 8.82% for tax years beginning after 2027. This proposal would extend the surcharge by five years through tax year 2032.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$458 million in FY 2026, \$1.1 billion in FY 2027, and \$35 million in FY 2028. Additionally, this proposal would increase State revenue by \$2.6 billion in FY 2029 and \$3.97 billion in FY 2030.

ENHANCE THE EMPIRE STATE CHILD CREDIT (PART C)

This Part would increase the Empire State Child Tax Credit from a maximum of \$330 per child to \$1,000 per child for children under the age of four for Tax Years 2025, 2026, and 2027 and would provide for the phase-in of an increase credit amount for children who are ages 4 through 16.

The phase-in of the credit amount for children ages 4 through 16 would maintain the current maximum credit amount for such children at \$330 per child for Tax Year 2025 and increase the maximum credit amount to \$500 per child for Tax Years 2026 and 2027.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$471 million in FY 2026 and \$825 million in FY 2027 and FY 2028.

ESTABLISH THE CATALIST NY PROGRAM (PART G)

This Part would create a new Statewide economic development program called the Companies Attracting Talent to Advance Leading Innovations and Scale Technologies in New York Program, or the “CATALIST NY Program.”

The CATALIST NY Program’s intent would be to help grow the innovation economy in New York State and support early-stage innovation businesses.

Under this program, eligible small business incubators could receive certification from the Department of Economic Development (DED) to become “CATALIST NY” incubators.

CATALIST NY incubators would be authorized to nominate eligible small, start-up businesses for certification to become CATALIST NY small businesses. This certification would come from DED and would provide certified businesses with tax benefits. Priority for tax benefits would be given to incubators that support businesses in the following sectors:

- Clean energy and climate technology;
- Life sciences;
- Computing and cyber security;
- Agricultural technology;
- Advanced manufacturing;
- Materials; and
- Microelectronics.

The tax benefits under this program include a new Personal Income Tax deduction for all wages paid to up to eight new net employees who are employed by a certified CATALIST NY small business. This deduction would be available for a period of five years beginning with the taxable year during which DED issues a certificate of tax benefits to a CATALIST NY small business.

- For taxable years beginning on or after January 1, 2025, and before January 1, 2030, the aggregate number of employees allowed tax benefits would in any taxable year could not exceed 4,500.
- Funds utilized to provide tax benefits under this proposal would come from the State’s Excelsior Jobs Program.
- No tax benefit would be allowed for taxable years beginning on or after January 1, 2035.
 - ❖ **Effective Date:** Immediately and shall apply to taxable years beginning on or after January 1, 2025.
 - ❖ **Fiscal Impact:** None to the State.

SIMPLIFY STAR INCOME DEFINITION (PART O)

The Part would enact various reforms to the STAR exemption and credit programs. These reforms are as follows:

Enhanced STAR

This would require that only one owner who resides primarily on the property must be 65 years of age or older to receive the Enhanced STAR benefit.

Furthermore, the Enhanced STAR benefit will remain in effect even if the property owner passes away and their spouse is under 65 years of age, as long as they continue to reside at the property.

- Currently, all owners of the property need to be 65 years of age or older in order for the property to obtain the Enhanced STAR benefit.

The Governor also proposes to only consider the income of those who primarily reside at the property for Enhanced STAR eligibility.

- The income limit for Enhanced STAR is \$107,300 for the 2025-26 school year.

Redundant Filing

This Part would allow property owners who are not required to file Personal Income Tax returns to stop filing income statements with the Department of Taxation and Finance if such property owner has met the income requirements for three consecutive years.

- The Commissioner of Taxation and Finance would continue to be authorized to request an income statement at the Commissioner's discretion.

Commissioner Determination

Under this Part, the Commissioner of Taxation and Finance would retain the authority to determine eligibility for the Basic and Enhanced STAR programs, in consultation with local assessors as necessary.

- To make this determination, the Commissioner uses information obtained from local tax rolls, Personal Income Tax returns, the STAR registration program, and other data available to the Department.

In instances where the Commissioner finds a property owner receiving the Basic STAR exemption to be eligible for the Enhanced STAR exemption, the property owner would no longer need to fill out a separate application.

In such instances, the Commissioner would notify the local assessor, who would then be authorized to grant the enhanced STAR exemption without requesting a new application from the property owner.

To determine income for an eligible property, the Commissioner would use the federal adjusted gross income of all individuals who primarily resided at the property as of July 1st of the prior year. This calculation would also include the income of any spouses of those individuals who primarily resided on the property as of that date.

- Currently, the date used to verify income is December 31st of the taxable year. The current date does not give the Department enough time to see if a property is, in fact, eligible by the time school tax bills are sent out in September.

Technical Changes

This Part would also make various technical changes to the law to make it easier for taxpayers and assessors to understand. These technical changes align and consolidate the following practices under similar sections of Real Property Tax Law:

- If the Commissioner determines that the property is not eligible for any STAR benefit, they will provide the property owner with a notice and an opportunity to demonstrate that the property is, in fact, eligible for a STAR benefit.
 - ➔ If the owner fails to respond to the notice within 45 days, the exemption will be denied for that year.
- The local assessor or the board of assessment review would still not have the authority to consider an objection to the removal or denial by an applicant for the STAR program. Such determinations would only be challengeable before the Department.

➔ If the taxpayer is denied a STAR benefit by the Department, they would be able to challenge such determination with an appeal to the State Board of Real Property Tax Services.

- ❖ **Effective Date:** January 1, 2026.
- ❖ **Fiscal Impact:** Reduces State revenue by \$9 million annually, beginning in FY 2027.

ORGAN DONATION TAX CREDIT (PART S)

This Part would establish the Organ Donation Tax Credit for taxpayers who, while living, donate one or more human organs for human organ transplantation.

- For the purposes of this credit, “human organ” means all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow.

This credit would provide eligible full-year resident taxpayers with a one-time, refundable tax credit of up to \$10,000 for unreimbursed expenses related to the transplant that would include:

- Travel expenses;
- Lodging expenses; and
- Lost wages in the tax year in which the living human organ transplantation occurs.

This credit would not be available if the taxpayer had already been reimbursed for certain living donor expenses under the Public Health Law.

Additionally, this Part would sunset the existing \$10,000 New York subtraction modification for human organ donation. The subtraction modification would be available to taxpayers through tax year 2024.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$1 million, annually, beginning in FY 2027.

FEDERAL PARTNERSHIP ADJUSTMENT REPORTS (PART V)

This Part would bring New York’s compliance requirements for partnerships and partners in line with federal audit reforms, as well as, streamline reporting processes, and clarify enforcement mechanisms. Specifically, this Part would:

- **Expand Reporting Requirements for Federal Adjustments:** Require partnerships to report federal audit adjustments, administrative adjustment requests, or renegotiated contract terms within 90 days of a final determination. These reporting requirements would include adjustments that impact a partnership’s or partner’s New York taxable income, even if no federal income tax is owed.
 - ➔ Partnerships would be required to detail distributive shares for direct and indirect partners and apply New York’s apportionment rules for corporate partners and allocation rules for non-residents and residents
 - ➔ Tiered partnerships would be required to report adjustments through ownership chains and default to 100% New York allocation if indirect partner data is not available.
- **Centralized Partnership-Level Audits and Payment:** This Part would also establish a New York partnership representative who would have the sole authority to act on audit resolutions
- **Compliance Enforcement and Penalties:** This Part would implement penalties for a failure to report adjustments of up to \$50 per month per partner for up to 5 months. The statute of limitations for this component would extend to two years after reporting adjustments but would remain indefinite for non-compliant partnerships.

- **Tiered Partnerships and Indirect Partner Rules:** Indirect partners would be required to report adjustments resulting in overpayments. Partnerships that lack data on independent partners must either:
 - ➔ Allocate 100% of corporate partners’ adjustments to New York, or
 - ➔ Treat individual/trust partners as residents subject to full State taxation.
- **Retroactive Application and Transition Rules:** Adjustments finalized before the effective date must be reported within one year of enactment. Interest on overpayments would be suspended for reports that are filed late.

This Part would align the State with federal centralized partnership audit rules as established by the federal Bipartisan Budget Act of 2015 for the purpose of reducing administrative burdens on the Department of Taxation and Finance while allowing the State to continue to tax enforcement directly against partners whose partnership fails to comply with reporting requirements.

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

ELIMINATE NYC PERSONAL INCOME TAXES FOR CERTAIN FILERS (PART W)

This Part would establish a new Personal Income Tax credit for certain New York City residents.

A taxpayer would be eligible for a credit equal to the city Personal Income Tax liability otherwise owed after all other credits are applied if such taxpayer:

- Claims at least one dependent on their Federal income tax return during the tax year;
- Has an income at or below a specific threshold based on their number of dependents and filing status;

- Does not receive the State or city Pass-Through Entity Tax credit; and
- Does not have certain types of disqualified income in an amount greater than \$10,000;
 - ➔ Disqualified income includes, but is not limited to: interest, dividends, and net capital gains.

Taxpayers exceeding the income threshold may qualify for a partial credit. This applies if their income exceeds the limit by \$5,000 or less, based on their filing status and number of dependents. The amount of the partial credit would decrease as the taxpayer’s income increases until the amount of credit is phased out.

This bill would also amend the Administrative Code of the City of New York to add a new subdivision to establish the credit authorized by this proposal.

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

CLEAN HEATING FUEL CREDIT EXTENSION (PART Y)

This Part would extend the Clean Heating Fuel Credit for three years until December 31, 2029.

The current Clean Heating Fuel Credit is a refundable credit available to taxpayers who purchase bioheating fuel for residential heating or hot water production, up to \$0.20 per gallon.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$5 million in FY 2028 and FY 2029.

ALTERNATIVE FUELS AND ELECTRIC VEHICLE RECHARGING PROPERTY CREDIT EXTENSION (PART Z)

This Part would extend the Alternative Fuels and Electric Vehicle Recharging Property Credit for three years, until December 31, 2028.

This credit is worth up to \$5,000 or 50% of the cost of the electric vehicle recharging property, less any grants awarded for the installation.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$3 million in FY 2028 and FY 2029.

FINANCIAL INSTITUTION DATA MATCH SYSTEM EXTENSION (PART EE)

This Part would extend the Financial Institution Data Match (FIDM) system by five years, until April 1, 2030, within the Tax Law.

FIDM is a system used by the State to identify and seize non-exempt assets of tax debtors and child support obligors.

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

BUSINESS TAXES

EXTEND AND DOUBLE THE LOW-INCOME HOUSING CREDITS (PART D)

The Part would increase the State Low-Income Housing Tax Credit statewide allocation limits for each year from 2025 through 2029. The proposal would double the amount of the year-over-year increases from \$15 million per year to \$30 million per year. For the first year of the new proposed cap, the increase would be \$15 million to account for the

currently scheduled \$15 million increase set to take effect for 2025. The new cap amounts would be:

- \$187 million for 2025;
- \$217 million for 2026;
- \$247 million for 2027;
- \$277 million for 2028; and
- \$307 million for 2029.

This Part would also authorize the use of the Low-Income Housing Tax Credit for affordable housing building projects that qualified for bond forgiveness under the Internal Revenue Code.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenues by \$15 million in FY 2027, \$45 million in FY 2028, \$75 million in FY 2029, and \$105 million in FY 2030.

HISTORIC PROPERTY REHABILITATION TAX CREDIT EXPANSION (PART E)

This Part allows taxpayers who receive the Federal Historic Properties Rehabilitation Tax Credit to transfer all or a portion of the State’s Historic Properties Rehabilitation Tax Credits to other taxpayers. Such transfers would be subject to the Office of Parks, Recreation, and Historic Preservation (NYS Parks) approval.

The current State Historic Property Tax Credit offers a Corporate Franchise or Personal Income Tax Credit to property owners who rehabilitate historic properties in accordance with preservation standards.

In order to receive the current Credit, the property must be located on a census tract where the median family income is at or below 100% of the state median family income.

- Currently, the State’s credit must be allocated in the same manner and to the same parties as the Federal credit.

- The Federal credit is worth up to 20% of qualifying expenditures for rehabilitation projects that are approved by the National Park Service.
- The State credit is worth 30% of qualified expenditures of less than \$2.5 million and 20% of qualified expenditures between \$2.5 million and \$5 million.

This Part would allow the recipient of the Credit to transfer the State credit in whole, or in part, to another person or entity (transferee), while retaining the Federal credit.

The transferee is not required to have an ownership interest in the property to be rehabilitated, however, they may not transfer any portion of the credit they receive to any other entity.

A taxpayer seeking to transfer the credit must enter into a transfer agreement with the transferee that includes:

- The building identification numbers for all buildings in the project;
- The date each building was placed into service;
- The schedule of years for which the transfer credit may be claimed and the amount of the credit that has been previously claimed;
- The amount of consideration received by the taxpayer for the transfer credit; and
- The amount of credit being transferred.

No transfer of a credit may occur without filing a transfer application with the Commissioner of Parks, Recreation, and Historic Preservation. If approved, the Commissioner would be required to issue a transfer approval certificate, which would then be included on the transferee's tax return.

- If approved by the Parks Commissioner, an approval certificate would be attached to the transferee's tax return.

The Commissioner of Parks, Recreation, and Historic Preservation would be required to work in

consultation with the Commissioner of Taxation and Finance to establish procedures and standards necessary to facilitate the transfer of such credits.

Additionally, this Part would relax the current requirement that eligible projects be located wholly or in part in census tracts at or below 100% of the State median family income if the project is to be undertaken on land under the jurisdiction of the Office of Parks, Recreation, and Historic Preservation, or if the project is for the development of affordable housing for which the taxpayer has an approved regulatory agreement with the State or Federal government stipulating a 30-year affordable housing timeframe.

- ❖ **Effective Date:** January 1, 2026.
- ❖ **Fiscal Impact:** None to the State.

WAITING PERIOD RESTRICTION AND LIMIT DEDUCTIONS ON INSTITUTIONAL REAL ESTATE INVESTORS (PART F)

This Part would establish a 75-day waiting period for institutional real estate investors seeking to purchase single-family and two-family residences. This Part would also prohibit institutional real estate investors from utilizing certain deductions to reduce their taxable income under the State's Corporate Franchise Tax and Personal Income Tax.

75-Day Waiting Period

An entity is considered an institutional real estate investor if one of the following criteria are met:

- Entity owns ten or more single-family and/or two-family residences;
- ➔ The entity is considered to own the residence if it directly owns such residence or residences, or it indirectly owns 10% or more of such residence or residences.

- Entity manages or receives funds pooled from investors and acts as a fiduciary to one or more such investors; or
- The entity has \$50 million or more in net assets under management on any day during the taxable year.

Under this Part, on or after July 1, 2025, institutional real estate investors would be barred from purchasing, acquiring, or offering to purchase or acquire any interest in single-family and two-family residences unless such residences have been listed for sale to the general public for at least 75-days.

- This includes any single- or two-family residences that were constructed or acquired with federal, state, or local government funding.
- This waiting period would restart if the seller changes the asking price for such residence.

If the institutional real estate investor has waited the allotted 75 days and wishes to purchase the residence, they would be required to submit to the seller a form stating that they are, in fact, an institutional real estate investor.

If the institutional real estate investor violates the waiting period or fails to accurately identify themselves to the seller, the Attorney General would have the authority to enforce civil penalties upon them.

- Civil penalties may not exceed \$250,000.

Claiming Depreciation Tax Deductions

This Part would also prohibit institutional real estate investors from utilizing the Federal deduction for depreciation under both the State's Corporate Franchise Tax and Personal Income Tax for the depreciation of owned properties.

Additionally, the interest deduction allowed under the Internal Revenue Code would be disallowed for State tax purposes. Any interest deducted from an institutional real estate investor's Federal taxes would be required to be added back into the

computation of the entire net income for State tax purposes.

- This provision would not apply if the residence were sold to an individual for use as their principal residence or if it is sold to a not-for-profit that creates affordable housing.

- ❖ **Effective Date:** The waiting period would begin 120 days after becoming law, and the prohibition on deductions would apply to all taxable years beginning on and after January 1, 2025.
- ❖ **Fiscal Impact:** Increases State revenue by \$6 million annually, beginning in FY 2027.

EXTEND AND AMEND THE EXCELSIOR JOBS PROGRAM (PART H)

Extend Excelsior Jobs Program and Apply Program to Semiconductor Supply Chain Projects

This Part would extend the Excelsior Jobs Program for an additional 10 years, through 2039, and expand the program to provide enhanced benefits for semiconductor supply chain projects.

- Semiconductor supply chain projects include, but are not limited to, those projects that would aid in semiconductor device manufacturing, the production of component parts, or otherwise support the domestic production of semiconductor chips.
- Under this Part, semiconductor supply chain projects would be eligible for an Excelsior Jobs Tax Credit equal to 7% of gross wages paid; an Excelsior Investment Tax Credit equal to 3% of qualified investments; and an Excelsior Research and Development Tax Credit equal to 7% of qualified research and development expenditures conducted in New York State.

Extend the Green CHIPS Program

This Part would also extend the Green CHIPS program and maintain the current Green CHIPS credit cap of \$200 million per year for an additional 10 years, through 2039.

Additionally, this Part would sunset the current Employee Training Incentive Program on December 31, 2028.

Creates the Semiconductor Research and Development Program

This Part also establishes the Semiconductor Research and Development Program within the Department of Economic Development. This program would provide financial incentives intended to attract large-scale semiconductor research and development projects to New York State by providing new Corporate Franchise and Personal Income Tax credits for semiconductor research and development.

- This credit would be equal to 15% of qualified semiconductor research and development expenditures.

Semiconductor Manufacturing Workforce Training Incentive Program

Additionally, this Part would establish a Semiconductor Manufacturing Workforce Training Incentive Program within the Department of Economic Development. This program would provide tax credits to assist businesses with expenses related to employee training. The amount of the credit would be:

- 75% of eligible wages, training costs and wrap-around services up to \$25,000 per employee;
- Up to \$1,000,000 per eligible non-semiconductor manufacturing business; and
- Up to \$5,000,000 per eligible semiconductor manufacturing business.

Expand the Empire State Jobs Retention Tax Credit Program

Lastly, this Part would enhance and expand the Empire State Jobs Retention Tax Credit Program to assist businesses impacted by an event leading to an emergency declaration by the Governor. This proposal would allow any business, including small businesses, at risk of leaving the State or closing operations due to a declared emergency event, to participate in the Jobs Retention Tax Credit program.

- ❖ **Effective Date:** Subpart A shall take effect immediately and apply to taxable years beginning on or after January 1, 2025; provided, however, that Section 5 shall take effect on December 31, 2028. Subpart B shall take effect immediately.
- ❖ **Fiscal Impact:** None to the State. Credits provided under this proposal would come from a reallocation of currently available tax credits.

EXTEND AND AMEND THE FILM TAX CREDIT (PART I)

This Part would extend the Empire State Film Production Credit program for an additional two years, through 2036, and would make various changes to the Film Production Credit and the Empire State Post-Production Credit programs. This Part would also establish a new \$100 million Empire State Independent Film Production Credit.

Under this Part a new “production plus” initiative would be established intended to attract recurring business and multiple productions to New York State. Eligible projects are those with at least \$100 million in qualified production costs. This initiative would provide qualifying productions with an additional credit worth 10% of qualified production costs.

Additionally, this Part established a new \$100 million Independent Film Production Tax Credit within the Empire State Film Production Program. An “independent film production company” would be one that is principally engaged in the production of a qualified film, is not publicly traded, and is not majority-owned by a company publicly traded on the U.S. Stock Exchange. Under this credit, qualified independent film production companies would be eligible for a credit worth 30% of qualified production costs and an additional 10% credit on wages and other qualified production costs for films with a minimum budget of \$500,000 shot in Upstate New York.

- Qualified films are those that have a minimum budget of \$1 million and principally film in the counties of Westchester, Rockland, Nassau, Suffolk, or New York City boroughs; or are films with a minimum budget of \$250,000 that are filmed in Upstate New York counties.

The Independent Film Production Tax Credit would not be available for productions that include, but are not limited to documentaries, news programs, talk shows, or reality shows.

Of the Empire State Film Production Program's total credit allocation, the total annual amount of credit available for the Independent Film Production Tax Credit component would not exceed \$20 million for films with budgets under \$10 million, and \$80 million for films with budgets of \$10 million or more.

This Part would also remove some restrictions on the above-the-line costs in the film production program to include the wages, salaries, or other compensation for writers, directors, composers, and performers.

- ❖ **Effective Date:** Immediately and shall apply to initial applications received on or after January 1, 2025.
- ❖ **Fiscal Impact:** Reduces State revenue by \$111 million in FY 2027 and by \$115 million in FY 2028 and FY 2029.

NEWSPAPER AND BROADCAST MEDIA JOBS PROGRAM TECHNICAL CHANGE (PART J)

This Part would correct a drafting error within the Newspaper and Broadcast Media Jobs Program tax credit. This drafting error unintentionally restricted the credit so that parent, subsidiary, and affiliate companies were all subject to a one credit limitation.

This correction would expand the definition of “independently owned” so that each subsidiary and affiliate of a parent company would be eligible for the full \$300,000 credit cap if they otherwise qualify for the credit.

- ❖ **Effective Date:** Immediately and applies to taxable years beginning on or after January 1, 2025.
- ❖ **Fiscal Impact:** None to the State.

AMEND THE DIGITAL GAMING MEDIA PRODUCTION CREDIT PROGRAM (PART K)

This Part would allow for any unused amount of the Empire State Digital Gaming Media Production Credit allocated for a given year to be carried over and added to the aggregate amount of credits allowed in subsequent years.

Currently, the aggregate amount of tax credits allowed in any taxable year is \$5 million. This Part would allow any unused portion of the credit from one year to be carried forward into future years.

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

NEW YORK CITY MUSICAL AND THEATRICAL PRODUCTION TAX CREDIT EXTENSION (PART L)

This Part would extend the New York City Musical and Theatrical Production Credit for two years, through December 31, 2027, and increase the aggregate amount of credit available under the program by \$100 million, for a total of \$400 million.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$50 million in FY 2029 and FY 2028.

ENACT PASS-THROUGH ENTITY TAX FLEXIBILITY (PART Q)

This Part would amend the deadline for qualifying entities to elect to pay the Pass-Through Entity Tax and the New York City Pass-Through Entity Tax from March 15th to September 15th of a given tax year.

Additionally, this Part would adjust the payment schedule for Estimated Tax payments to accommodate the later election date.

- ❖ **Effective Date:** Immediately and applies to all taxable years beginning on or after January 1, 2026.
- ❖ **Fiscal Impact:** Reduces State revenue by \$3 billion in FY 2026. However, the Pass-Through Entity Tax is a revenue-neutral tax program. The reduction in State revenue is due to the timing of refunds related to the associated Pass-Through Entity Personal Income Tax credit.

ARTICLE 9-A ESTIMATED TAX THRESHOLD INCREASE (PART R)

This Part would increase the threshold at which Corporate Franchise Tax filers are required to make

Estimated Tax payments from \$1,000 to \$5,000 for Tax Years beginning on or after January 1, 2026.

Increasing this threshold would ease the filing burden for many small businesses while reducing administrative costs for the Department.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$84 million in FY 2026 and \$144 million in FY 2027.

CREDIT INCREASE FOR THE EMPLOYMENT OF PERSONS WITH DISABILITIES (PART U)

This Part would increase Credit for Employment of Persons with Disabilities for employers who hire disabled workers from a maximum of \$2,100 per qualified employee to \$5,000 per qualified employee for taxable years beginning on or after January 1, 2025.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$2 million, annually, beginning in FY 2027.

WORKERS WITH DISABILITIES TAX CREDIT EXTENSION (PART BB)

This Part would extend the Workers with Disabilities Tax Credit for three years, from January 1, 2026, to January 1, 2029.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$1 million in FY 2028 and FY 2029.

HIRE A VET CREDIT EXTENSION (PART CC)

This Part would extend the Hire a Vet Tax Credit for three years, through January 1, 2029.

The Hire-A-Vet tax credit incentivizes businesses to hire veterans. Employers of non-disabled veterans are eligible for a maximum credit of \$15,000 per eligible full-time employee and \$7,500 per eligible part-time employee. Employers of disabled veterans are eligible for a maximum credit of \$20,000 for full-time employees and \$10,000 for part-time employees.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$1 million in FY 2028 and FY 2029.

MUSICAL AND THEATRICAL PRODUCTION CREDIT EXTENSION (PART DD)

This Part would extend the Musical and Theatrical Production Credit for productions outside New York City for four years, through January 1, 2030.

This credit incentivizes touring musical and theatrical productions in theaters located in New York State but outside of New York City. Eligible production companies under this program may claim a refundable credit equal to 25% of qualified production costs and transportation expenditures.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$8 million in FY 2028, FY 2029, FY 2030, and FY 2031.

- These Sales Tax exemptions are typically granted by IDAs to companies undertaking approved economic development projects, such as building new facilities, expanding existing ones, or investing in infrastructure improvements.

The IDA appointees must report these exemptions to the Department of Taxation and Finance. The Department then creates a Tax Expenditure Report to estimate the cost of the IDA benefits annually.

The IDA appointees must also separately report this same information to the Authorities Budget Office (ABO) and the State Comptroller through the Public Authorities Reporting Information System (PARIS).

- The Department of Taxation and Finance can access the data it needs to create the Tax Expenditure report directly through PARIS, so the need for IDA appointees to report Sales Tax exemptions to all parties is duplicative.

This Part would eliminate the redundant reporting of exemptions to the Department, simply requiring the total value of Sales Tax exemptions to be reported annually to ABO and PARIS. The Tax Department can then access the information it needs to generate the Tax Expenditure Report without this unnecessary burden on the IDAs.

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

EXTEND THE SALES TAX VENDING MACHINE EXEMPTION (PART AA)

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, 2026.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$8 million in FY 2026 and \$2 million in FY 2027.

CONSUMPTION AND USE TAXES

ELIMINATE DUPLICATIVE IDA SALES TAX REPORTING (PART P)

Currently, agents and project operators appointed by Industrial Development Agencies (IDAs) are required to report the total value of Sales Tax exempted during the calendar year for the various economic development projects they oversee.

REFORMS & OTHER ACTIONS

CLARIFY TAXPAYER NOTIFICATION AND PROTEST RIGHTS (PART M)

This Part would clarify that the protest rights afforded to taxpayers are the same whether the taxpayer is informed via electronic communications or mailed communications.

A recent court decision held that the Department of Taxation and Finance's use of the Online Services System (OLS) to deliver notices of outstanding balances conferred onto taxpayers protested rights before the Division of Tax Appeals. This decision expanded the authority of the Division of Tax Appeals to hear challenges that were not intended by the Tax Law. The effect of this has inhibited the ability of the Department to begin tax debt collection activities by allowing taxpayers to extend a challenge period simply by accessing their OLS account.

This Part would clarify that protest rights for electronic notices are the same as mailed notices and are only conferred upon receipt of a statutory notice for which the Tax Law specifically confers protest rights.

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

IMPROVE THE TAX WARRANT PROCESS (PART N)

This Part would establish the State's tax lien priority when the Department of Taxation and Finance files a tax warrant and warrant-related records with the Department of State.

Currently, the Department is required to file tax warrants and related records with the Department of State and with the county clerk where the tax debtor owns real, personal, or other property.

However, processing delays with counties can prejudice the State's lien priority.

Under this proposal, the State's lien priority could be established despite any processing delays with counties. The Department of State maintains a publicly searchable database of tax warrants and warrant-related records on its website through which public access to such records is maintained.

- ❖ **Effective date:** July 1, 2025 and applies to warrants and warrant-related records filed, or deemed to have been filed, on or after such date.
- ❖ **Fiscal Impact:** None to the State.

PERMANENTLY EXTEND THE ESTATE TAX THREE-YEAR GIFT ADDBACK RULE (PART T)

This Part would make the Estate Tax Three-Year Gift Addback Rule permanent. This rule is currently set to expire on January 1, 2026.

Under this rule, certain gifts made by a decedent in the three-years prior to their death are required to be added-back to the decedent's New York taxable estate.

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

AMEND THE NYC RELOCATION AND EMPLOYMENT ASSISTANCE PROGRAM (PART X)

This Part would extend the New York City Relocation and Employment Assistance Program (REAP) for five years, until June 30, 2030.

- The REAP program offers businesses tax credits for relocating jobs from outside of New York City or below 96th Street in Manhattan to designated locations above 96th Street or into one of the four other boroughs of New York City.

This Part would also establish a new, citywide pilot program called the Relocation Assistance Credit Per Employee Program (RACE). This program would allow New York City to provide tax incentives to attract businesses to relocate to vacant or underused office space within the city.

- Specifically, this Part would allow New York City to offer tax incentives to businesses leasing office space of 20,000 square feet or more in a building constructed prior to the year 2000.
- Eligible businesses are those that have been conducting substantial business operations at one or more locations outside of New York State for a period of at least 24 consecutive months immediately prior to the taxable year in which the business relocates to New York City and has relocated all or part of their business operation to New York City on or after July 1, 2025.

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

CONSERVATION EASEMENTS AND EXEMPTIONS FROM THE MANSION TAX (PART TT OF A.3008)

This Part would remove the requirement that conservation easement agreements must be approved by the Attorney General.

- These conservation easement agreements generally involve a property owner voluntarily choosing to enter an agreement with the Department of Environmental Conservation (DEC), agreeing to restrict activities that might harm the conservation value of the property, such as subdivision, large-scale development, or resource extraction.
- ➔ The property owner still retains ownership of the land and can sell, lease, or pass it down to heirs, but the easement restrictions remain in place for future owners.

Additionally, this Part seeks to exempt any conveyance of real property that will be used for open space, parks, or historic preservation from the Mansion Tax. The property must be conveyed to a not-for-profit corporation that is operated for conservation purposes to obtain this exemption.

- The Mansion Tax is a Real Estate Transfer Tax that applies to high-value property sold for \$1 million or more. For properties sold at or above \$1 million, the tax rate starts at 1% of the purchase price.
- Properties sold for \$2 million or more have a progressively higher Mansion Tax rate.
 - ❖ **Effective Date:** Immediately.
 - ❖ **Fiscal Impact:** To be determined.

IMPLEMENT TAX DISCLOSURE FOR THE CLIMATE LEADERSHIP AND COMMUNITY PROTECTION ACT (PART ZZ OF A.3008)

This Part would authorize the Department of Taxation and Finance to share taxpayer information from the tax returns of petroleum or fossil fuel businesses with the Department of Environmental Conservation and/or the New York State Energy Research and Development Authority to implement and enforce the Climate Leadership and Community Protection Act.

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

GAMING

SIMPLIFY THE PARI-MUTUEL TAX RATE STRUCTURE (PART FF)

Pari-Mutuel Tax Rate Restructure (Subpart A)

This Part streamlines the Pari-Mutuel tax rate structure by moving to a flat tax on live racing handle. Currently, pari-mutuel tax rates are very

complex and burdensome for operators. These tax rates are determined based on several factors including: time of day, type of signal, the track holding the race, type of bet, location, type of racing and regulatory fees. Under this proposal the tax rates on the handle would be:

- 1.1% for thoroughbred tracks,
- 1% for harness tracks, and
- 0.6% for Off-Track-Betting Corporations (OTBs).

This Part would cap the pari-mutuel wagering tax paid by such harness tracks to FY24 levels. According to the Division of Budget, these updated tax rates were set with the intent to generate similar pari-mutuel tax collections as currently reported by racing entities on an annual basis.

This Part would also eliminate “breakage” on pari-mutuel bets. Breakage is the difference between what bettors should receive on a winning bet and what they receive. It is essentially a rounding down of payouts to simplify transactions. In New York, breakage is currently rounded down to the nearest nickel for winnings under \$5, to the nearest dime for winnings greater than \$5 but less than \$25, to the nearest quarter when greater than \$25 but less than \$250 and to the nearest fifty cents when over \$250. Breakage is currently retained by each track.

Under this Part, any track and their respective breeding funds or regional OTB corporations may contract with each other to implement a different revenue distribution scheme than currently provided for in statute, provided a copy of any agreement is sent to the State Gaming Commission. Any such agreement would require signatures from all parties involved and shall be posted on the Gaming Commission’s website within 30 days.

This Executive proposal would repeal a tax credit on pari-mutuel taxes owed by regional OTB corporations equal to 54% of the tax attributed to the OTB’s daily increase in wagers on races at each respective track within the state compared to its average daily wager amount on races during 2004. In addition, the Executive proposal would repeal

provisions that grant a regional OTB corporation located in a county where NYRA operates a racetrack (Capital and Nassau OTB) a tax credit of 25% of the taxes due on wagers on races conducted by NYRA where NYRA simulcast races from its Saratoga Racecourse to its Belmont and Aqueduct Racetracks. According to the Division of Budget, the elimination of these tax credits was taken into consideration when developing the new proposed tax rates for racing entities.

Make Permanent Revenue Sharing of Out-of-State Simulcasting (Subpart B)

Lastly, this Part permanently extends the simulcasting (by tracks and OTBs etc.) 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 permanently extends the current statutory distribution of revenue for on-track and off-track wagering at the NYRA tracks and continues the authorization for the in-home simulcasting of races, binding arbitration for simulcasting disputes and telephone/internet betting accounts. These authorizations were previously extended on a yearly basis in previous years.

- ❖ **Effective Date:** Subpart A would take effect on September 1, 2025, and Subpart B would take effect immediately.
- ❖ **Fiscal Impact:** None to the State.

TEMPORARILY EXTEND THE LOWERED CASINO SLOT TAX RATES (PART GG)

This Part would extend the lowered tax rate of 30% on slot machine gross gaming revenues for upstate commercial casinos from April 1, 2026, to June 30, 2028, if certain conditions are met. Currently, the tax rate for commercial casinos has been lowered to 30% from April 1, 2021, to March 31, 2026, for most of these establishments. Tioga Downs rate was lowered to 30% in 2023. Without this extension the tax rates on slot machine gross gaming revenue, these tax rates would revert to statutory levels, Del

Lago (37%), Tioga Downs (37%), Resorts World Catskills (39%) and Rivers (45%).

Each commercial casino must be current on all statutory obligations to the State and provide an annual report detailing the use of the funds resulting from the lowered tax rate by January 1st of each year. Such reports shall include, but not be limited to, any impact on employment levels since receiving the lower tax rate, an accounting of the use of such funds, any other measures implemented to improve the financial stability of the gaming facility and any other information deemed necessary by the Gaming Commission.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$49 million in FY 2027 and FY 2028 and by \$12 million in FY 2029.

EXTEND AUTHORIZED USE OF CAPITAL FUNDS BY A CERTAIN OFF-TRACK BETTING CORPORATION FOR ONE YEAR (PART HH)

This Part extends for one year the authorized use of capital acquisition funds by the Capital Off-Track Betting (OTB) Corporation through March 31, 2026. This proposal would allow the Capital OTB Corporation to utilize up to \$1 million in capital acquisition funds for the purpose of payment of statutory and contractual obligations, expenditures necessary to accept authorized wagers, and past-due obligations to the State.

Further, this Part 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. Capital OTB was authorized to use \$1 million of its Capital Acquisition Funds towards similar non-capital uses in FY25.

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

CONDUCT A STUDY OF THOROUGHbred FETLOCK JOINT INJURY DETECTION THROUGH ADVANCED IMAGING (PART II)

This Part authorizes an agreement between the State Gaming Commission and the Cornell University College of Veterinary Medicine to undertake (at Cornell's equine hospital adjacent to Belmont Park) a 3-year research study concerning the use of advanced imaging to identify the incidence of fetlock fractures in thoroughbred racehorses and develop a risk factor index for fatal musculoskeletal inquiries in such horses. Such study shall identify fetlock fractures and utilize magnetic resonance imaging to further define early bone pathology and blood biomarker findings to support the attempted refinement of risk factors.

To pay for the study, this Part would establish an additional 1% fee on multijurisdictional account wagering providers (ADWs) on each wager accepted from New York residents (currently 5% fee) for the next three years (expires September 1, 2028). Any unexpended funds would remain in the state's general fund. This funding will support this study and may be used to purchase equipment and fund staffing needs.

Lastly, the New York Racing Association (NYRA) will contribute \$2 million by September 1, 2025, to the Harry M. Zweig Memorial Fund to support this study.

- ❖ **Effective Date:** Immediately. The new 1% fee shall apply to wagers from New York residents accepted on and after September 1, 2025, through August 31, 2028. This Act shall be deemed repealed on September 1, 2028.
- ❖ **Fiscal Impact:** Increases State revenue by \$3 million in FY 2026, \$6 million in FY 2027, \$6 million in FY 2028, and \$3 million in FY 2029.

2025-26 EXECUTIVE BUDGET REVENUE ACTIONS				
(IN MILLIONS)				
Figure 2				
PERSONAL INCOME TAX				
Part Description	Part	2025-26	2026-27	
Inflation Rebate Checks	A	(\$3,080)	-	
Provide a Middle-Class Tax Cut and Extend the Ultra-Millionaire's Tax	B	(\$458)	(\$1,115)	
Enhance the Empire State Child Credit	C	(\$471)	(\$825)	
Establish the CATALIST NY Program	G	-	-	
Simplify STAR Income Definition	O	-	(\$9)	
Organ Donation Tax Credit	S	-	(\$1)	
Federal Partnership Adjustment Reports	V	-	-	
Eliminate NYC Personal Income Taxes for Certain Filers	W	-	-	
Clean Heating Fuel Credit Extension	Y	-	-	
Alternative Fuels and Electric Vehicle Recharging Property Credit Extension	Z	-	-	
Financial Institution Data Match System Extension	EE	-	-	
Total Personal Income Tax		(\$4,009)	(\$1,950)	
BUSINESS TAXES				
Part Description	Part	2025-26	2026-27	
Extend and Double the Low-Income Housing Credits	D	-	(\$15)	
Historic Property Rehabilitation Tax Credit Expansion	E	-	-	
Waiting Period Restriction and Limit Deductions on Institutional Real Estate Investors	F	-	\$6	
Extend and Amend the Excelsior Jobs Program	H	-	-	
Extend and Amend the Film Tax Credit	I	-	(\$111)	
Newspaper and Broadcast Media Jobs Program Technical Change	J	-	-	
Amend the Digital Gaming Media Production Credit Program	K	-	-	
New York City Musical and Theatrical Production Tax Credit Extension	L	-	-	
Enact Pass-Through Entity Tax Flexibility	Q	(\$3,045)	-	
Article 9-A Estimated Tax Threshold Increase	R	(\$84)	(\$144)	
Credit Increase for the Employment of Persons with Disabilities	U	-	(\$2)	
Workers with Disabilities Tax Credit Extension	BB	-	-	
Hire A Vet Credit Extension	CC	-	-	
Musical and Theatrical Production Credit Extension	DD	-	-	
Total Business Taxes		(\$3,129)	(\$266)	
CONSUMPTION AND USE TAXES				
Part Description	Part	2025-26	2026-27	
Eliminate Duplicative IDA Sales Tax Reporting	P	-	-	
Extend the Sales Tax Vending Machine Exemption	AA	(\$8)	(\$2)	
Total Consumption and Use Taxes		(\$8)	(\$2)	
REFORMS AND OTHER ACTIONS				
Part Description	Part	2025-26	2026-27	
Clarify Taxpayer Notification and Protest Rights	M	-	-	
Improve the Tax Warrant Process	N	-	-	
Permanently Extend the Estate Tax Three-Year Gift Addback Rule	T	-	-	
Amend the NYC Relocation and Employment Assistance Program	X	-	-	
Conservation Easements and Exemptions from the Mansion Tax	TT of A.3008	-	-	
Implement Tax Disclosure for the Climate Leadership and Community Protection Act	ZZ of A.3008	-	-	
Total Reforms and Other Actions		\$0	\$0	
GAMING				
Part Description	Part	2025-26	2026-27	
Simplify the Pari-Mutuel Tax Rate Structure	FF	-	-	
Temporarily Extend the Lowered Casino Slot Tax Rates	GG	-	(\$49)	
Extend Authorized Use of Capital Funds by a Certain Off-Track Betting Corporation for One Year	HH	-	-	
Conduct a Study of Thoroughbred Fetlock Joint Injury Detection Through Advanced Imaging	II	\$3	\$6	
Total Gaming		\$3	(\$43)	
Total Revenue Actions		(\$7,143)	(\$2,261)	

SWEEPS & TRANSFERS

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This Part will provide the statutory authorizations necessary for the administration of funds and accounts included in the 2025-26 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.3005

PART EE – 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 2025-26 State Fiscal Year.

§3-4 Sweeps and Transfers

Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

- \$1 billion from the General Fund to the Hazardous Waste Oversight and Assistance Account, State Parks Infrastructure Account, EPF, Correctional Facilities Capital Improvement Fund, Housing Program Fund or Mental Hygiene Facilities Program Account;
- \$500 million from the General Fund to the Debt Reduction Reserve Fund;
- \$250 million from the General Fund to the enterprise fund, unemployment insurance benefit fund, interest assessment account;
- \$100 million from the General Fund to the Environmental Protection Fund;
- \$100 million from any Special Revenue Federal Fund to the General Fund;
- \$15.5 million from the Community Projects Fund to the General Fund; and
- \$11.7 million from the Unemployment Insurance Interest and Penalty Account to the General 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, 2026.

§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, 2026.

§8-a State University

Authorizes the Comptroller, at the request of the Director of the Budget, to transfer a total of up to \$100 million from the General Fund to the State University General Revenue Offset Account and/or the State University Income Fund, during the period of July 1, 2025, through June 30, 2026, to pay costs attributable to the State University Health Science Center at Brooklyn and/or the State University of New York Hospital at Brooklyn.

§9 State University

Authorizes the Comptroller, at the request of the Director of the Budget, to transfer \$1.5 billion from the General Fund to the State University Income Fund, State University General Revenue Offset Account from July 1, 2025, through June 30, 2026.

§10 State University

Authorizes the Comptroller, at the request of the Director of the Budget, to transfer up to \$55.8 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account July 1, 2025, to June 30, 2026, for General Fund operating support.

§11 State University

Authorizes the Comptroller, at the direction of the Director of the Budget and the Chancellor of the State University of New York, to transfer monies from any special revenue fund of the State University of New York to the State University of New York Green Energy Loan Fund to support such activity in an amount not to exceed \$25 million from each fund for the time period of July 1 to June 30 annually.

§12 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, 2026.

§13 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, 2026.

§14 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 \$125 million from each fund.

§15 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.

§16 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.

§17 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.

§18 NYPA

Authorizes the transfer of up to \$10 million from the New York State Power Authority to the General Fund to be utilized for energy-related State activities after April 1, 2025.

§19 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, 2025, 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.

§20 NYSERDA

Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund on or before March 31, 2026.

§21 NYSERDA

Authorizes the transfer of \$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, 2026.

§22 STAR Deposits Correction

Provides for a technical correction to maintain the Comptroller's authority to make deposits in the School Tax Relief Fund.

§23 STAR Deposits

Authorizes the Comptroller to make deposits in the School Tax Relief (STAR) Fund in fiscal year 2025-26, up to \$1.4 billion.

§24 Infrastructure Investment Fund Transfers

Makes permanent the Comptroller's authority to transfer monies from the Dedicated Infrastructure Investment Fund to the General Fund, and from the General Fund to the Dedicated Infrastructure Fund, in an amount determined by the Director of Budget to the extent money is available in the Fund.

The Comptroller is only authorized to transfer monies from the Dedicated Infrastructure Investment Fund to the General Fund in the event of an economic downturn, and/or to fulfill disallowances and/or settlements related to over-payments of federal Medicare or Medicaid revenues in excess of \$100 million from anticipated levels, as determined by the Director of Budget.

§25 Indirect Cost Recovery Account Repeal

At the request of the Comptroller, this section repeals subdivision 2 of section 8-b of the State Finance Law, which requires receipts derived from indirect costs assessments, paid pursuant to appropriations, to be deposited to the indirect cost recovery account. According to the Executive, this account is no longer in use.

§26 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: \$1.6 million;
- Litigation Settlement and Civil Recovery Account: \$1 million;
- New York City Veterans' Home Account: \$488,220;
- New York State Home for Veterans' and their Dependents at Oxford Account: \$610,790;
- New York State for Veterans in the Lower Hudson Valley Account: \$422,524;
- Patron Services Account: \$2.6 million;
- State University Dormitory Income Fund Account: \$55.1 million
- State University General Income Reimbursable Account: \$11.9 million;
- State University Revenue Offset Account: \$182.9 million; and
- Western New York Veterans' Home Account: \$182,310.

§27 Accident Prevention Course, and other Technology Pilot Program Fund Repeal

Repeals section 89-g of the State Finance Law, which established a special fund in the joint custody of the Comptroller and the Commissioner of Taxation and Finance known as the "Accident Prevention Course Internet, and Other Technology Pilot Program Fund". According to the Executive, this fund is no longer in use.

§28 – §30 GAAP Requirements

Allows for the Division of Budget (DOB) to publish a summary financial plan in accordance with generally accepted accounting principles (GAAP) at the Governor's 30-day Executive Budget Amendments rather than at the release of the Executive Budget. DOB would still be required to publish a financial plan at the release of the Executive Budget, but only on a cash basis.

§31 NYPA Decarbonization Transfers

Authorizes the Comptroller to transfer, upon the request of the Director of the Budget, on or before March 31, 2026, the following amounts from the following special revenue accounts or enterprise funds to the General Fund, for the purpose of offsetting principal and interest costs, provided that the annual amount of the transfer shall 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 state fiscal year:

- Miscellaneous Special Revenue Fund, State University General Income Reimbursable Account: \$15 million;
- State University Dormitory Income Fund: \$5 million; and
- Enterprise Fund, City University Senior College Operating Fund: \$5 million.

§32 Comptroller Bond Redemption

Authorizes the Comptroller, on or before March 31, 2026, to transfer up to \$25 million from various state bond funds to the General Debt Service Fund, for the purpose of redeeming or defeasing outstanding state bonds to offset debt service costs.

THE EXECUTIVE BUDGET PROPOSES INCREASING BOND CAPS BY APPROXIMATELY \$19.8 BILLION

THE FOLLOWING SECTIONS OUTLINE EACH SPECIFIC BOND CAP INCREASE:

§33 Housing Capital Programs Bond Cap

Increases the bond cap for financing housing capital programs from \$14.5 billion to \$16.5 billion. The Executive Budget also proposes changing this debt cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

§34 Dedicated Highway Bridge and Trust Fund Bond Cap

Increases the bond cap for dedicated highway and bridge trust projects from \$21.5 billion to \$22.3 billion.

§35 CUNY Educational Facilities Bond Cap

Increases the bond cap for financing CUNY educational facilities from \$11.8 billion to \$12.2 billion. The Executive Budget also proposes changing this debt cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

§36 Library Facilities Bond Cap

Increases the bond cap for financing library facilities from \$411 million to \$445 million.

§37 SUNY Educational Facilities Bond Cap

Increases the bond cap for SUNY educational facilities from \$18.99 billion to \$20.5 billion The Executive Budget also proposes changing this debt

cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

§38 SUNY Community Colleges Bond Cap

Increases the bond cap for financing SUNY community colleges from \$1.4 billion to \$1.5 billion.

§39 Mental Health Facilities Bond Cap

Increases the bond cap for financing mental health services facilities from \$12.9 billion to \$13.6 billion. The Executive Budget also proposes changing this debt cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

§40 Homeland Security/ State Facilities/ Buildings Bond Cap

Increases the bond cap for Homeland Security and Training Facilities from \$522.5 million to \$550.5 million and the bond cap for improvements to State office buildings and facilities from \$1.9 billion to \$2.2 billion.

§41 Information Technology Bond Cap

Increases the bond cap for the Office of Technology Services from \$1.7 billion to \$1.9 billion.

§42 Local Highway Bond Cap (CHIPS)

Increases the bond cap for financing local highway projects from \$14.8 billion to \$15.7 billion. The Executive Budget also proposes changing this debt cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

§43 State Equipment Bond Cap

Increases the bond cap for the purposes of funding costs related to 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 \$593 million to \$693 million.

§44 Environmental Facilities Bond Cap

Increases the bond cap for financing environmental infrastructure projects, including capital costs of clean water infrastructure projects, from \$10.87 billion to \$13.22 billion.

§45 Youth Facilities Bond Cap

Increases the bond cap for financing youth facilities from \$1.07 billion to \$1.22 billion. The Executive Budget also proposes changing this debt cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

§46 Transportation Capital Projects Bond Cap

Increases the bond cap for transportation initiatives from \$15.2 billion to \$17 billion.

§47 Economic Development Bond Cap

Increases the bond cap for financing economic development projects, from \$20.9 billion to \$22.9 billion.

§48 Division of Military and Naval Affairs Bond Cap

Increases the bond cap for financing capital projects for public protection facilities from \$297 million to \$397 million.

§49 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 \$396.9 million to \$440.4 million.

§50 Agriculture and Markets Food Laboratory Bond Cap

Increases the bond cap for the Agriculture and Markets Food Laboratory costs from \$41.06 million to \$41.18 million.

§51 Capital Restructuring Financing Program Bond Cap

Increases the bond cap for the Capital Restructuring Financing Program for health care and related facilities licensed pursuant to Public Health Law or the Mental Hygiene Law and other state costs associated with such capital projects, from \$5.2 billion to \$6.2 billion.

§52 MTA Transportation Facilities Bond Cap

Increases the bond cap for financing MTA transportation facilities from \$12.5 billion to \$15.5 billion.

§53 State Police Facilities Bond Cap

Increases the bond cap for financing Division of State Police facilities from \$538.1 million to \$550.1 million.

§54 Hazardous Waste Remediation Bond Cap

Increases the bond cap for Hazardous Waste Remediation from \$2.2 billion to \$3.5 billion.

§55 Correctional Facilities Bond Cap

Increases the bond cap for financing correctional facilities from \$10.3 billion to \$11.1 billion. The Executive Budget also proposes changing this debt cap from a gross to net cap, which exclude cost of issuance and other related expenses under the cap. This aligns cap with the majority of other bond caps.

THE FOLLOWING SECTIONS OUTLINE LIQUIDITY AND OTHER BONDING MEASURES:

§56-§57 DOH Defeasance

These sections would remove the Roswell Park Cancer Institute (RPCI) revenues from the Health Income Fund, following the expected defeasance of DASNY Department of Health (DOH) Revenue Bonds in FY 2026. The defeasance will be funded with reserve funds on hand and will free up RPCI revenues, allowing RPCI to issue non-State bonds for capital needs.

§58 State Liquidity Financing Measures

This section is proposing to make permanent the authorization to issue up to \$3 billion of short-term borrowing in the form of Personal Income Tax (PIT) Revenue Notes in a fiscal year, 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 the same amount as proposed in FY25. The maturity of these bonds can be no later than March 31st of the State Fiscal Year in which such notes are issued. The notes are not considered a debt of the State and cannot be renewed, extended or refunded.

§59 PIT Issuer Flexibility

This section makes permanent the authorization for any authorized issuer of Personal Income Tax (PIT) bonds to issue PIT bonds for state capital works and purposes that would otherwise be restricted to a single issuer. Further, this section expands the authorized PIT bond issuers to include the New York State Housing Finance Agency and the New York State Environmental Facilities Corporation to issue bonds for any authorized purpose and makes this authorization permanent.

§60 Bond Redemption Price

This section allows the Comptroller to redeem bonds above 3% par value. According to the Division of Budget, this section eliminates an outdated restriction which prevents the State from fully taking advantage of market conditions to call General Obligation bonds back for savings when those bonds are above a certain price. This is similar to a change made last year for Personal Income Tax (PIT) and Sales Tax bonds.

§61 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 Operations Budget Bill, A.3000:** Salaries and non-wage compensation for most State employees and other operating costs of State departments and agencies.
 - ➔ **Legislature and Judiciary Budget Bill, A.3001:** Salaries, non-wage compensation, and capital improvement funding for the Legislature and Judiciary.
 - ➔ **Debt Service Budget Bill, A.3002:** Provides funding to cover the State's outstanding debt.
 - ➔ **Aid-to-Localities Budget Bill, A.3003:** State grants to, or State expenditures on behalf of, counties, cities, towns, villages, school districts, and other local entities.
 - ➔ **Capital Projects Budget Bill, A.3004:** 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.3005.**
 - ➔ **Education, Labor and Family Assistance: A.3006.**
 - ➔ **Health and Mental Hygiene: A.3007.**
 - ➔ **Transportation, Economic Development and Environmental Conservation: A.3008.**
 - ➔ **Revenue: A.3009.**



ADIRONDACK PARK AGENCY

WAYS AND MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$8.2 million, \$1.6 million more than last year, reflecting increased personal service costs and General Salary Increases (GSIs). This includes funding for 5 additional positions to support increased wetlands permitting administrative requirements.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Headquarters Building Construction Support:** \$10 million in new funding to support the design and construction, consultation, inspection and engineering costs associated with the planned removal of the Adirondack Park Agency (APA) headquarters facility from its current site in Ray Brook to Saranac Lake, NY.

AGING

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- Administration and Grants Program: \$16.6 million.

- Expanded In-Home Services for the Elderly Program: \$68.5 million, \$126,999 more than last year.
- Long-Term Care Ombudsman: \$6.2 million, \$2.5 million more than last year.
- Older Americans Act: \$162.6 million, same as last year, for social services, caregiver supports, and health and human services programs.
- Wellness In Nutrition (WIN): \$40.1 million, \$1.9 million more than last year.

AID TO LOCALITIES – A.3003

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- Ageless Innovation: \$700,000, \$350,000 more than last year.
- Community Services for the Elderly Program: \$41.4 million, \$1.9 million more than last year.
- County Services – Unmet Need: \$53 million, \$35 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- Intuition Robotics: \$350,000, \$350,000 less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Health Insurance Information and Counseling: \$1 million.
- Lifespan Enhanced Multi-Disciplinary Teams: \$1.5 million.
- Long-Term Care Ombudsman and Health Insurance Information Counseling Assistance Program: \$150,000. Funding expands the volunteer stipend.
- Naturally Occurring Retirement Communities (NORC): \$4 million.

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

SIGNIFICANT ELIMINATIONS INCLUDE:

- Legislative Additions: \$14.2 million for 35 programs added by the Legislature have been eliminated.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART AA – FINANCIAL EXPLOITATION PREVENTION OF VULNERABLE ADULTS

This Part amends the General Business Law and the Banking Law to establish procedures for financial institutions, including broker-dealers, investment advisers, and banking 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 60 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.

A financial institution may impose a transaction hold if they reasonably believe that a financial exploitation of an eligible adult may have occurred, may have been attempted, or is being attempted. The institution no later than two business days must notify all parties on the account and adult protective services and/or law enforcement. A transaction hold shall expire fifteen business days after its application except that a transaction hold may be extended for up to forty additional business days if there is a continued reasonable belief of exploitation, or if an institution no longer reasonably believes that a transaction is the subject of or related to financial exploitation, it shall release such transaction, provided that adult protective services and/or law enforcement doesn’t object.

Before placing a delay on a disbursement or a transaction, an institution shall:

- Develop training policies or programs reasonably designed to educate employees who perform or approve transactions on behalf of customers on issues pertaining to financial exploitation of specified adults; and
- Conduct training for employees as soon as reasonably practicable and maintain a written record of all trainings conducted.

An institution shall be immune from civil and administrative liability for good faith actions in relation to the application of this proposal.

Further, this Part authorizes the Attorney General and the Superintendent of the Department of Financial Services to promulgate regulations to effectuate this proposal.

AGRICULTURE & MARKETS

WAYS AND MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$209.2 million, \$24.1 million more than last year, reflecting increased administrative and personal service costs. This increase includes funding for 99 new positions, including the transition of 50 positions from seasonal to full-time and 49 positions to support food safety inspection, sustainability efforts, and further operations support.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Nourish NY:** \$55 million, \$750,000 more than 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.

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$53.4 million, \$6.9 million less than last year, for agriculture local assistance programming, reflecting the removal of various FY 25 legislative additions. Of this amount, \$5.8 million is included through the Taste-NY program, \$1 million more than last year, to promote agritourism, including:
 - ➔ **Taste NY:**
 - ❖ **City of Geneva:** \$128,000, \$3,000 more than last year;
 - ❖ **Cornell Cooperative Extension of Broome County:** \$250,000, the same as 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:** \$200,000, \$50,000 more than last year;
 - ❖ **Cornell Cooperative Extension of Erie County:** \$450,000, the same as last year;
 - ❖ **Cornell Cooperative Extension of Jefferson County:** \$300,000, the same as last year;

- ❖ Cornell Cooperative Extension of Nassau County: \$385,000, the same as last year;
 - ❖ Cornell Cooperative Extension of Saratoga County: \$350,000, the same as last year;
 - ❖ 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: \$550,000, the same as last year.
- See the Agriculture Local Assistance Chart (*Figure 1*) at the end of this section for more information.

through the Cornell Industrial Hemp Program.

- **Peconic Land Trust:** No new funding. \$5 million in reappropriations to the Peconic Land Trust for a grant program supporting Long Island aquaculture infrastructure projects. Up to \$50,000 of this amount may be transferred to State Operations for a Long Island seafood processing feasibility study.
- **Cornell University Veterinary Diagnostics:** No new funding. \$19.5 million in reappropriations for the expansion or rehabilitation of the New York State Veterinary Diagnostic Laboratory and the Animal Health Diagnostic Center at Cornell University.

MAINTAINS THE FOLLOWING:

- **Agribusiness Child Development Centers:** \$3.2 million. This funding is for facility improvements at the 13 Agribusiness Child Development Centers in NY. This funding will 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. This funding is 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.
- **Scratch Kitchens:** \$10 million. This funding is 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

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **NY Works:** \$49.7 million, \$35 million more than last year, for State Fair capital improvements. Of this amount, \$44 million will be used for refurbishment and construction projects at the Suburban Park, Chevy Court, and Expo Center facilities at the State Fairgrounds.

SIGNIFICANT DECREASES INCLUDE:

- **Farm and Food Growth Fund:** \$10 million, \$14 million less than last year, to expand dairy processing capacity through grants for on-farm milk storage technologies and processing infrastructure.
- **Cornell Industrial Hemp Program:** No new funding. \$5 million has been reappropriated to support biomaterial processing efforts

infrastructure, such as aggregation, storage hubs and/or commissary-type kitchens.

- **State Fair:** \$3.7 million. This funding is for various State Fair capital improvements. This traditional funding level is in addition to the \$44 million included under NY Works.

SIGNIFICANT ACTIONS INCLUDE:

- **County and Local Fair Capital Improvements:** No new funding. \$5 million has been reappropriated.
- **Food Access Expansion Grants:** No new funding. \$10 million has been reappropriated, to provide grants to support and establish food access infrastructure in underserved communities.
- **Meat Processing Grants:** No new funding. \$3.4 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.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART OO – CHANGES TO THE AGRICULTURAL AND FARMLAND PROTECTION PROGRAM

This Part makes changes to the State’s Agricultural and Farmland Protection Program. Specifically, this Part would add the resilience of local food supply chains to the list of considerations when developing

county and municipal-level agriculture and farmland protection plans.

State Assistance for Agricultural and Farmland Protection Planning Activities

State assistance payments would be made available to counties, municipalities, and New York City (as well as non-profit organizations) to conduct agricultural and farmland protection planning activities. This funding would be equal to:

- **Counties:** Funding will not exceed \$50,000 to each County or \$100,000 to two Counties developing a joint plan with a max of 50% of plan development costs.
 - ➔ Counties with approved plans may apply for up to \$50,000 in additional State funding for plan updates or additional plan development after 60 months of the approval of an original plan, not to exceed 50% of plan development costs.
- **Municipalities Other Than Counties:** State funding for plan development shall not exceed \$40,000 whether applying for assistance individually or jointly with other municipalities with a max of 75% of plan development costs.
 - ➔ Municipalities with approved plans may apply for additional State funding for plan updates or new plan development after 60 months of the approval of the original plan. This additional funding may not exceed \$40,000 whether applying for assistance individually or jointly with other municipalities and shall not exceed 75% of plan development costs.
- **New York City:** State funding for such plans shall not exceed \$200,000 and 75% of plan development costs.
- **Non-Profits:** Awards for plan development are increased from \$50,000 to \$75,000.

State Assistance for Additional Activities under Agricultural and Farmland Protection Plans

This Part establishes a program to award State grants to Counties to implement additional activities under approved farmland protection plans, in addition to those currently authorized, not to exceed 75% of implementation costs. These activities include, but are not limited to:

- Audits of a municipality's land use and subdivision regulations, zoning, or site plan requirements to assess potential hardship or unreasonable restrictions to agricultural land and farm operations;
- Audits of a municipality's zoning to assess opportunities and challenges to recruiting and retaining agriculture support service providers;
- Incorporation of local and regional food system planning into existing emergency management and disaster plans of County and Municipal governments;
- Compiling and disseminating planning guides that help identify existing and emerging constraints for urban agriculture and suggested strategies for municipalities to encourage and sustain urban agriculture;
- Compiling and disseminating planning guides in support of agricultural economic development, such as opportunities to incorporate agricultural tourism or other value-added enterprises to farm operations in a manner compatible with agricultural land use; and
- Compiling and disseminating planning guides that help identify emerging land use conflicts with agriculture and suggested strategies for municipalities to avoid or mitigate potential harm to local farm operations.

State Assistance for Agricultural and Farmland Protection Capacity Building Initiatives

This Part also permits State funding for local farmland protection capacity-building initiatives, including payment of up to 100% of costs for each capacity-building effort. Local governments, Soil and Water Conservation Districts and non-profits can re-apply for an award 120 months after a final previous award. Non-profits, notably, can use such awards to fund up to 100% of eligible 5-year startup costs.

Agriculture Local Assistance Programming
2025-26 Executive Budget Proposal
Figure 1

Program	FY 2024-25 Enacted	FY 2025-26 Executive	Change From Previous Year
Ag. and Domestic Arts (Local Fairs)	\$550,000	\$500,000	(\$50,000)
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	\$1,000,000	\$500,000
Cornell Animal Health Surveillance	\$8,751,000	\$8,270,000	(\$481,000)
Cornell University 4-H*	\$0	\$250,000	\$250,000
Cornell University Ruminant Center*	\$0	\$750,000	\$750,000
Cornell Association of Ag. Educators	\$500,000	\$500,000	\$0
Cornell Agrovoltatics	\$0	\$0	\$0
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	\$150,000	\$0	(\$150,000)
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	\$702,000	\$702,000	\$0
Central NY Lyme and Tickborne Disease Alliance	\$50,000	\$0	(\$50,000)
Cornell Future Farmers of America	\$1,250,000	\$1,000,000	(\$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	\$4,250,000	\$4,250,000	\$0
Cornell Maple Research	\$151,000	\$219,000	\$68,000
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	\$1,463,000	\$0
Cornell Quality Milk Promotion	\$0	\$0	\$0
Long Island Cuisine Trail	\$75,000	\$0	(\$75,000)
New Farmer/Horticulturalist Training & Recruitment	\$1,000,000	\$1,000,000	\$0
Cornell Vegetable Research	\$126,000	\$51,000	(\$75,000)
Cornell Veterans to Farms	\$0	\$0	\$0
Center for Dairy Excellence (Profit Teams)	\$374,000	\$374,000	\$0

Empire Sheep Producers	\$60,000	\$0	(\$60,000)
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	\$100,000	\$0	(\$100,000)
Maple Producers	\$251,000	\$201,000	(\$50,000)
Cornell University Small Farms Program	\$500,000	\$500,000	\$0
Agricultural Fair Promotion & Economic Assessment	\$2,000,000	\$2,000,000	\$0
New Generation Regional Navigator	\$0	\$0	\$0
AFT New Generation Research Center	\$700,000	\$0	(\$700,000)
New York State Apple Growers	\$1,241,500	\$483,000	(\$758,500)
New York State Turfgrass Assoc.	\$200,000	\$0	(\$200,000)
Northern NY Ag. Development	\$300,000	\$0	(\$300,000)
NY Farm Viability Institute	\$2,150,000	\$1,000,000	(\$1,150,000)
NYS Apple Research and Development	\$505,000	\$505,000	\$0
NYS Brewers Association	\$100,000	\$76,000	(\$24,000)
NYS Cider Association	\$117,500	\$76,000	(\$41,500)
NYS Distillers Guild	\$100,000	\$76,000	(\$24,000)
Pitney Meadows Community Farm	\$50,000	\$0	(\$50,000)
NY Fiber*	\$0	\$100,000	\$100,000
Taste NY	\$5,750,000	\$5,800,000	\$50,000
Teens for Food Justice	\$25,000	\$0	(\$25,000)
Tractor Rollover Prevention/On Farm H & S	\$1,250,000	\$1,250,000	\$0
Volunteers Improving Neighborhood Env.	\$75,000	\$0	(\$75,000)
Walkway Over The Hudson	\$0	\$0	\$0
Wine and Grape Foundation	\$1,225,000	\$1,075,000	(\$150,000)
Northeast Organic Farming Association of NY	\$200,000	\$0	(\$200,000)
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
Black Farmers United of NYS	\$200,000	\$100,000	(\$100,000)
Elisabeth Haub School of Law-Pace University	\$225,000	\$225,000	\$0
Hudson Valley Agribusiness Development Corporation	\$200,000	\$0	(\$200,000)
NYS Senior Farmer's Market Nutrition Program*	\$0	\$500,000	\$500,000
NY Cannabis Farmers Alliance	\$100,000	\$0	(\$100,000)
John May Farm Safety Fund	\$100,000	\$250,000	\$150,000
Beginning Farmers Grants	\$1,000,000	\$0	(\$1,000,000)
GrowNYC	\$750,000	\$0	(\$750,000)
Disadvantaged Farmers Grants	\$1,000,000	\$0	(\$1,000,000)
Total	\$60,312,000	\$53,412,000	(\$6,900,000)

*=New 2025-26 Program

ALCOHOLIC BEVERAGE CONTROL

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **General Fund:** \$21.4 million, \$4.9 million more than last year, to support 28 new staff in the Licensing, Legal, Wholesale and Manufacturing Bureaus, as well as, additional contractual services for the Agency’s licensing system.
- **Cannabis Management Program:** \$68.1 million, \$5 million more than last year, for the Office of Cannabis Management (OCM). This additional funding will support 29 new staff in the Enforcement, Compliance, Legal, and Hearing Units.
 - ➔ The Executive Budget recommends a workforce of 455 FTEs, an increase of 57 from FY25.
 - ➔ 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.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **New York State Community Grants Reinvestment:** \$5 million. Funding is provided for expenses related to the NYS Community Grant Reinvestment Fund. 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.3005

**PART Q EXTEND
AUTHORIZATION FOR
TEMPORARY RETAIL PERMITS**

This Part extends the ability of the State Liquor Authority (SLA) to issue temporary retail permits to certain retail applicants while they wait for a full review of their license application from October 12, 2025, to October 12, 2026.

ARTS

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$6.1 million, \$1 million more than last year, due to an increase in personal service and contractual 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.
- **State of the Arts Fellowship Program:** \$500,000. This funding places artists in various State agencies as a public artist in residence. Agencies are selected to host as artist through a competitive application process.

SIGNIFICANT ACTIONS INCLUDE:

- **Cultivating Havens for the Arts through Regional Murals (CHARM) NY:** \$1 million in new funding. This program was previously awarded funding in last year's Aid to Localities budget to display murals in public buildings across the State. This funding has been shifted to the State Operations budget for contractual services costs.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Empire State Plaza Performing Arts Center:** \$1 million, \$500,000 more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Arts Grants:** \$60.6 million, \$20 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 donated to the Arts Fund through Personal Income Tax checkoffs.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Regional Arts and Cultural Councils Outside of New York City:** \$4 million. This program provided funding for the arts and cultural community outside of New York City for them to further distribute through a competitive grant process. The schedule of funding for this program included:
 - ➔ \$500,000 for ArtsWestchester;
 - ➔ \$500,000 for Arts Center of the Capital Region;
 - ➔ \$500,000 for Arts Mid-Hudson;
 - ➔ \$500,000 for Arts Services Initiative of Western New York;
 - ➔ \$500,000 for CNY Arts;
 - ➔ \$500,000 for Genesee Valley Council on the Arts;
 - ➔ \$500,000 for Huntington Arts Council;
 - ➔ \$250,000 for the Auburn Public Theater; and
 - ➔ \$250,000 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. 3004

SIGNIFICANT DECREASES INCLUDE:

- **Arts and Cultural Facilities Improvement:** \$40 million, \$40 million less than last year. This funding is for competitive capital grant 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 would be made available exclusively for small to midsize eligible nonprofit arts and cultural organizations.



AUDIT & CONTROL

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Audit & Control Program:** \$179.8 million, \$10.4 million more than last year, for services and expenses related to the Audit and Control Program.
- **Chief Information Office Program:** \$91.9 million, \$1.3 million more than last year, for the Chief Information Office. This Office oversees information technology and data management within the agency.
- **Executive Direction Program:** \$3.6 million, \$540,000 more than last year, to support the general operations of the Office of the State Comptroller.
- **NY Environmental Protection and Spill Compensation Program:** \$1.3 million, \$116,000 more than last year, for expenses related to the cleaning of oil spills.
- **Office of the State Deputy Comptroller for New York City:** \$4.9 million, \$75,000 more than last year, for fringe benefits to Office of the State Deputy Comptroller of New York City.

- **Retirement Services Program:** \$283.6 million, \$16.6 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:** \$4.2 million, \$166,000 more than last year, for audits of all State and local government agencies, authorities, and special purpose entities.
- **State Operations Program:** \$27.1 million, \$1.4 million 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:

- **College Choice Tuition Savings Program:** \$1.6 million.

CHILDREN & FAMILY SERVICES

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Central Administration Program:** \$63.5 million, \$630,000 more than last year.
 - ➔ **Head Start Program:** \$552,000 same as last year.
 - ➔ **Self-Service Kiosks:** \$600,000 in new funding for public benefit kiosks in high-need communities.
- **Family and Children’s Services Program:** \$128.8 million, \$1.5 more than last year, which funds programs to assist families with abuse, juvenile delinquency, and early childhood development problems.
- **Systems Support Program:** \$43.1 million. Provided to fund maintenance and development of the statewide automated child welfare information system.
- **Training and Development Program:** \$59.8 million. Funding is 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. Funding is to provide 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.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Care Program:** \$72.4 million. Funding aids municipalities in administering activities under the Child Care Block Grant.
- **New York State Commission for the Blind Program:** \$49.7 million. Funding is for vocational rehabilitation programs for the blind.

AID TO LOCALITIES – A.3003

CHILD CARE PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **United Federation of Teachers Child Care Providers Professional Development:** \$1.4 million, \$121,000 more than last year, for the United Federation of Teachers (UTF) to provide professional development to child care providers in New York City.
- **United Federation of Teachers Child Care Provider Quality Grant Program:** \$1.2 million, \$176,000 more than last year, for the United Federation of Teachers (UTF) to establish and operate a quality grant program for licensed and registered group family day care in New York City.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Business Navigator Program:** \$1 million, same as last year, 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.
- **Employer-Supported Child Care Pilot Program:** \$4.8 million, same as last year, for to provide families between 85% and 100% of the State median income with child care services.
- **Federal Child Care and Development Block Grant:** \$753.6 million. Funding is for programs provided funding from the Federal Child Care and Development Block Grant. These include:
 - ➔ **Child Care Assistance for Local Social Services Districts:** \$576 million. To fund child care assistance among Local Social Services Districts.

- ➔ **Child Care Demonstration Projects in New York City:** \$30 million.
- ➔ **Child Care Provider Training:** \$9 million.
- ➔ **Child Care Resource and Referral Agencies:** \$25 million.
- ➔ **Child Care Services in State’s Courts:** \$300,000.
- ➔ **Child Care Scholarships and Ongoing Professional Development:** \$29 million, \$9 million more than last year.
- ➔ **Child Day Care Automated Systems:** \$25 million, \$16 million more than last year, for the development and maintenance of automated systems in support of licensing and oversight of child day care providers.
- ➔ **CUNY Foster Youth Students:** \$2.02 million.
- ➔ **Family Child Care Networks:** \$5 million. Funding is for Family Child Care Networks (FCCNs), which are child care providers who operate their child care programs out of their own homes.
- ➔ **Infant/Toddler Resource Centers:** \$10.7 million.
- ➔ **Migrant Workers Child Care Services:** \$750,000. Funding is provided 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.
- ➔ **SUNY Foster Youth Students:** \$2.02 million.
- **Local 1000, AFSCME, AFL-CIO Child Care Providers Professional Development:** \$1.8 million. Funding is for Local 1000, AFSCME, AFL-CIO to provide professional development to child care providers outside of New York City. These funds may be available to CSEA Workers’ Opportunity Resources and Knowledge Institute as well.

- **Local 1000, AFSCME, AFL-CIO Child Care Provider Quality Grant Program:** \$2.8 million. Funding is for Local 1000, AFSCME, AFL-CIO to establish and operate a quality grant program for licensed and registered group family day care outside of New York City. These funds may be available to CSEA Workers' Opportunity Resources and Knowledge Institute as well.
- **New York State Child Care Block Grant:** \$997.2 million. Funding is for child care subsidies to eligible families.

SIGNIFICANT ACTIONS INCLUDE:

- **Substitute Pool for Eligible Child Care Providers:** \$3 million in new funding may be made available to contractors for the purpose of administering the program.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **AFL-CIO Workforce Development Institute:** \$5 million. Funding was 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.
- **AFL-CIO Workforce Development Institute Child Care Recruitment and Enrollment Pilot Program:** \$600,000. Funding was 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.
- **Consortium for Worker Education Child Care Costs Offset Grant:** \$5 million. Funding was for the Consortium for Worker Education to administer grants for working families in New York City up to 400% of the Federal poverty level.

- **Consortium for Worker Education Child Care Recruitment and Enrollment Pilot Program:** \$1.25 million. Funding was 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.

FAMILY AND CHILDREN'S SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Adoption Subsidy Program:** \$239.2 million, \$3.4 million more than last year. Subsidies are available for children with special needs, medical treatment, and hard to place children.
- **After-School Program:** \$109.7 million, \$6.5 million more than last year, for the After School Program. This Program combined the previous Advantage After School and Empire State After School Programs and expanded the two previous programs as well as offering technical assistance to grant recipients.
- **Child Advocacy Centers:** \$14.5 million, \$7.2 million more than last year. This Program funds multidisciplinary child abuse investigative teams.
- **Child Fatality Review Teams:** \$909,000, \$66,000 more than last year, for services and expenses of Child Fatality Review Teams investigating the death of children.
- **Home Visiting Program:** \$26.2 million, \$57,800 more than last year, to provide services to pregnant women and new parents for risks that may lead to child abuse.
- **Foster Care Children Medical Care:** \$119 million, \$49 million more than last year.

- **Indian Tribes Foster Care, Adult and Child Protective Services:** \$6 million, \$1.3 million more than last year.
- **New York State Foster Care Block Grant:** \$412.3 million, \$8.4 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:** \$30.7 million, \$576,000 more than last year, including services to keep children out of the foster care system or State guardianship after adoption.
- **Runaway and Homeless Youth:** \$10 million, \$1.5 million more than last year, for counseling services for youth at risk of running away from home or being homeless.
- **Statewide Youth Sports Program:** \$12.5 million, \$7.5 million more than last year, to provide statewide youth sports and education grant programs for underserved youths under the age of 18. This funding is provided by revenue from mobile sports betting.
- **Supportive Housing for Young Adults:** \$2.5 million, \$141,000 more than last year, for supportive housing for young adults aged 25 or younger leaving foster care and are at risk for homelessness.
- **Youth Development Programs:** \$21.6 million, \$6 million more than last year, for community-level services to promote youth development.

SIGNIFICANT DECREASES INCLUDE:

- **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.
- **Various Legislative Additions:** \$2 million, \$75.8 million less than last year, as 110 of 111 programs added by the Legislature are

eliminated. These include the 2-1-1 New York program, the Fresh Air Fund, Families of Long Island, and the New York State YMCA Foundation among others.

- ➔ \$20 million of the eliminated appropriation is 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 eliminated appropriation is allocated according to a plan established by the Temporary President of the Senate and approved by a vote of the Senate.
- ➔ The Simon Wiesenthal Central is allocated \$2 million, \$150,000 less than last year. It is the only legislative addition which was included in the Executive Budget.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Adoption and Safe Families Act Compliance:** \$1.9 million. Funding is to ensure compliance with the federal Adoption and Safe Families Act of 1997, regarding criminal background checks.
- **Child Welfare Services:** \$900 million. Funding is for child welfare and preventive services.
- **Community Preventive Services:** \$12.1 million.
- **Domestic Violence Victims Survivor-Centered Services:** \$5 million. Funding is for survivor-centered services to individuals and families who have experienced domestic violence.
- **Healthy Family New York Home Visiting Program:** \$20 million. Funding is for the Healthy Family New York Home Visiting Program, which provides home-based services to prevent child abuse and neglect for expecting parents and new families.

- **Foster Care Adoption Assistance Program:** \$869 million. Funding is for foster care adoption assistance and kinship guardianship assistance programs.
- **Institution for Mental Disease:** \$17 million. Funding assists 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.
- **Social Services Block Grant:** \$150 million. Funding for services to prevent, reduce, or eliminate dependency on social services programs.

SIGNIFICANT ACTIONS INCLUDE:

- **Dolly Parton Imagination Library:** \$7 million in new funding to incentivize libraries, library systems, non-profits, school districts, and BOCES to participate in a public-private partnership with the Dollywood Foundation to gift books free of charge to children from birth to age five. This was a new program funded at \$500,000 last year through the State Education Department.

NEW YORK STATE COMMISSION FOR THE BLIND

SIGNIFICANT DECREASES INCLUDE:

- **New York State Commission for the Blind:** \$350,000, \$65,000 less than last year.

TRAINING AND DEVELOPMENT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Training and Development Program:** \$4.8 million.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Design and Construction Supervision:** \$8.5 million, \$1.5 million more than last year. This funding is added for the development, preparation, and review of plans related to facilities overseen by OCFS.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Facilities Maintenance and Operations:** \$6.4 million.
- **Maintenance and Improvement of Youth Facilities:** \$28.8 million.
- **Program Improvement or Program Change:** \$18 million.

SIGNIFICANT ACTIONS INCLUDE:

- **Child Care Capital Program:** \$100 million in new funding to for a new round of the Child Care Capital Program, which was funded at \$50 million in the FY23 Enacted Budget.



EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART O – CONTINUE THE CURRENT FINANCING STRUCTURE FOR RESIDENTIAL PLACEMENTS OF CHILDREN WITH SPECIAL NEEDS OUTSIDE OF NEW YORK CITY

This Part removes the expiration date of April 1, 2025, and permanently extends the current structure of financing for the Committee on Special Education residential placements outside of New York City.

PART P – ESTABLISHES A CHILD CARE SUBSTITUTE POOL

This Part would create a child care substitute pool through Child Care Support Centers. Child Care Support Centers are defined as business entities certified by the Office of Children and Family Services (OCFS) to place individuals as child care substitute caregivers in child day care centers, group family day care homes, family day care homes, or school age child care programs certified to operate by OCFS.

OCFS shall certify, regulate, and inspect Child Care Support Centers and may limit the number of operating certificates issued. Operating certificates are valid until surrendered by the Child Care Support Center or revoked by OCFS.

Substitute caregivers would be required to meet the standards and trainings for child day care program employees, clear criminal history review requirements, and meet any other requirements established by OCFS. Substitute caregivers shall be considered as prospective employees of a child day care program.

CITY UNIVERSITY OF NEW YORK

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Additional Operating Support to Senior Colleges:** \$265 million, \$96 million more than last year.
- **Accelerate, Complete, Engage (ACE) and Accelerated Study in Associate Program (ASAP):** \$8 million in new funding.
- **CUNY Artificial Intelligence Initiative:** \$5 million in new funding.
- **CUNY Fringe Benefits:** \$1.06 billion, \$22 million more than last year.
- **CUNY Medical School:** \$27.8 million, \$23.8 million more than last year.
- **Eliminating the TAP Gap:** \$55.5 million, \$2.4 million more than last year.
- **Retroactive Salary Increases for Faculty:** \$192.2 million, \$154.2 million more than last year, for lump-sum payments for retroactive salary increases. These payments are for the current academic year and would be otherwise received in the following academic year.

SIGNIFICANT DECREASES INCLUDE:

- **CUNY SEEK:** \$37.1 million, \$1.7 million less than last year.
- **Expansion of Nursing Programs:** \$2 million, \$1 million less than last year.
- **Mental Health Services:** \$1 million, \$1 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Care Centers:** \$1.4 million.
- **Hiring New Full-Time Faculty:** \$53 million.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Asian American / Asian Research Institute:** \$350,000.
- **CUNY Black Male Initiative:** \$1.2 million.
- **CUNY-Sponsored Midwifery Program:** \$500,000.
- **Dr. John L. Flateau Chair in Election Data Analysis and Research at Medgar Evers College:** \$250,000.
- **Model New York State Senate Session Project:** \$150,000.
- **Science of Reading Microcredential Program:** \$1 million.
- **Sexual and Reproductive Justice Hub at the CUNY Graduate School of Public Health and Health Policy:** \$500,000.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Community College Base Aid:** \$223.4 million, \$1.3 million more than last year. The Full-Time Equivalent (FTE) base rate is maintained at \$2,997.
 - ❖ Base aid funds university system operating costs for community colleges. The formula for institutions to receive aid is typically based on full-time equivalent (FTE) rates, but since FY23, the funding floor has been based on 100% of the funding received for the previous year. While there is no FTE rate increase, the increase in funding is to support the funding floor.
- **Metropolitan Commuter Transportation Mobility Tax:** \$11.5 million, \$800,000 more than last year.
- **New York Opportunity Promise Scholarship:** \$14.1 million in new funding for a program which provides a full-ride scholarship to community college students aged 25 to 55 seeking an associate’s degree in a high-demand field or subject.

SIGNIFICANT DECREASES INCLUDE:

- **Arthur Eve Opportunity Funding:** \$1.8 million, \$81,000 less than last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$8.8 million in various legislative additions, including:
 - ❖ **Asian American/Asian Research Institute:** \$262,500;
 - ❖ **CUNY Black Male Initiative:** \$881,250;

- ❖ **CUNY Law School W. Haywood Burns Chair in Human and Civil Rights:** \$262,500;
- ❖ **CUNY School of Medicine:** \$3 million;
- ❖ **CUNY Sponsored Midwifery Program:** \$375,000;
- ❖ **Dr. John L. Flateau Chair in Election Data Analysis and Research at Medgar Evers College:** \$187,500;
- ❖ **Du Bois Bunche Center for Public Policy at Medgar Evers College:** \$562,500;
- ❖ **Expansion of Nursing Programs:** \$750,000;
- ❖ **Increasing Mental Health Services:** \$750,000;
- ❖ **Model New York State Senate Session Project:** \$112,500;
- ❖ **SEEK Program:** \$1.3 million; and
- ❖ **Sexual and Reproductive Justice Hub at the CUNY Graduate School of Public Health and Health Policy:** \$375,000.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **CUNY Capital Projects:** \$497.4 million, \$16.4 million more than last year. This funding includes:
 - ➔ **Community College General Maintenance and Improvements:** \$35.1 million, \$19.5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Facilities Improvements:** \$133 million, \$7 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Senior College General Maintenance and Improvements: \$284.2 million.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART D – STREAMLINE PART-TIME FINANCIAL AID PROGRAMS

This Part consolidates the State’s Aid for Part-Time Study (APTS) and Part-Time Scholarship (PTS) under the Part-Time Tuition Assistance Program (PT-TAP). Under this Part, the APTS and PTS programs are eliminated, and PT-TAP eligibility requirements are expanded to streamline the administration of such eliminated part-time financial aid programs to students. This Part redefines a part-time student under PT-TAP as any student who is enrolled in at least three but less than twelve credits per semester. In addition, the proposal would also repeal the current provision that limits the awards to those first attending college after 2006.

Currently, part-time students must be enrolled in at least six but less than twelve credits per semester to receive part-time financial aid.

PART E – STREAMLINE EXCELSIOR SCHOLARSHIP PAYMENTS

This Part combines the Excelsior Scholarship award and Excelsior Tuition Credit payments to SUNY and CUNY colleges to simplify the administration of the Excelsior Scholarship for the Higher Education Services Corporation (HESC) and for students. Under this proposal, the maximum award amount from HESC would be made equal to resident undergraduate tuition at a SUNY campus and eliminate the provision that SUNY and CUNY

institutions provide tuition credits to students to cover excess tuition liability.

Currently, students who receive the Excelsior Scholarship can receive a maximum award of \$5,500 per academic year, which is less than the \$7,070 four-year tuition at a SUNY institution. Students receiving Excelsior awards who rely on the award to cover the full cost of tuition have the difference between their tuition and award credited to their student account as a separate aid payment borne by SUNY or CUNY, and the State then reimburses the university systems for these credits.

Under this proposal, Excelsior Scholarship awards going to a SUNY or CUNY institution through HESC to cover student costs would be simplified into one payment instead of a two-step calculation.

PART F – NEW YORK OPPORTUNITY PROMISE SCHOLARSHIP FOR COMMUNITY COLLEGE

This Part creates a new scholarship for SUNY and CUNY community college students that provides grants for tuition, fees, books, and supplies for students between the ages of 25 and 55 who have applied for a New York State Tuition Assistance Program (TAP) award, complete at least six credit hours per semester, and pursue an associate’s degree in high-demand subjects. High-demand subjects include, but are not limited to:

- ➔ Artificial Intelligence;
 - ➔ Advanced Manufacturing;
 - ➔ Cybersecurity;
 - ➔ Engineering;
 - ➔ Green and Renewable Energy;
 - ➔ Nursing and Allied Health Professions;
 - ➔ Pathways to Teaching in Shortage Areas; and
 - ➔ Technology.
- ❖ Such fields may be updated annually by the Department of Labor no later than 180 days before the start date

of the fall term of such community colleges.

- ❖ Students shall not be eligible to receive an award under this program if they have already obtained any postsecondary degree.
- ❖ Students shall not be eligible to receive awards for greater than ten semesters in total.

This Part would also require the SUNY and CUNY Chancellors to submit a report on the program to the Governor, Speaker of the Assembly, and Temporary President of the Senate that includes, but is not limited to:

- ➔ Full-time and Part-time enrollment data;
- ➔ Full-time and Part-time retention and completion rates;
- ➔ Barriers to student participation;
- ➔ Student demographic data;
- ➔ Average prior learning and transfer credit awarded;
- ➔ The total amount of funds awarded;
- ➔ The average award per student; and
- ➔ Post-completion outcomes, including transfer, employment, and wages, as applicable.

CIVIL SERVICE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration and Information Management Program:** \$12.6 million, \$680,000 more than last year, for services and expenses related to the administration and information management program.
- **Office of Diversity and Inclusion Management Program:** \$4.6 million, \$34,000 more than last year, for developing and administering an anti-racism training program for State employees.
- **Personnel Benefit Services Program:** \$33.2 million, \$4.5 million more than last year, for services and expenses related to the Personnel Benefit Services Program.
- **Personnel Management Services Program:** \$67.3 million, \$19.5 million more than last year. Of this increase, \$15 million is for the enhancement of the State's Hiring for Emergency Placement Statewide (HELPS) program which streamlines the State's appointment process and \$4.5 million is to combat fraud.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Test Evaluation and Validation Program:** \$4.8 million.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Administration and Information Management Program:** \$9 million, \$7 million more than last year, 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 AND
GENERAL GOVERNMENT –
A.3005

**PART U – ELIMINATE MEDICARE
INCOME RELATED MONTHLY
ADJUSTMENT AMOUNTS (IRMAA)
TO HIGH INCOME RETIREES**

The Governor is proposing to eliminate IRMAA reimbursement for 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. Since then, New York State has been reimbursing both the Medicare premium and the IRMAAs premium.

Starting on January 1, 2025, the State will only provide reimbursement for the standard Medicare premium for any active or retired employee.

Under this proposal, enrollees earning over \$106,000 (\$212,000 or higher for joint filers) will only be reimbursed for their Medicare premium.

The State will retain half of the savings and distribute the remaining half to retirees who:

- retired before January 1, 2012, and
- retired after January 1, 2012, at a level that is lower than salary grade 9.

The reimbursements would take place over the next two years and would be divided equally amongst all eligible retirees.

- ❖ **Fiscal Impact:** The savings to the State is estimated to be \$12.3 million in FY 2026 and \$12.9 million in FY 2027.

**PART V – WAIVER FOR CIVIL
SERVICE EXAMINATION FEES**

The Governor has proposed the continuation of waiving Civil Service exam fees through June 30, 2026. Civil Service exam fees have been waived since July 1, 2023, and this waiver was set to expire on December 31, 2025.

**PART W – OPTIONAL PAYMENT
PLAN FOR NEW STATE
EMPLOYEES**

Last years Enacted Budget removed the State’s payroll lag policy that withheld a new State employee’s paycheck for the first 28 days of employment. This proposal was set to take effect on July 1, 2025. After discussions between the Division of the Budget, the State Comptroller, Civil Service, and Information Technology Services, it was determined that the elimination of the payroll lag system was unfeasible without a significant investment of time and capital in upgrading various IT systems.

In place of the elimination of the State’s payroll lag, the Governor has proposed a new, optional payroll plan that would grant a new State employee their choice of:

- A reduced paycheck for their first 14 pay periods. Each check would be reduced by 1/14 of its full amount, or
- Accepting the current policy, which would require new State employees wait 28-days for their first paycheck.

This policy would take effect for new employees starting July 1, 2026.



CORRECTIONS & COMMUNITY SUPERVISION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$105.9 million, \$22.1 million more than last year, for services and expenses related to the Administration Program.
- **Health Services Program:** \$458 million, \$47.8 million more than last year. Of this increase, \$44 million is for contractual services related to the State's Medication Assisted Treatment (M.A.T) programs.
- **Program Services Program:** \$287.5 million, \$6.5 million more than last year, for services and expenses related to the Program Services Program.
- **Supervision of Incarcerated Individuals Program:** \$1.9 billion, \$263.2 million more than last year, for services and expenses related to the supervision of individuals in custody. The majority of this funding reflects a wage increase for NYSCOPBA's negotiated contract that took effect last year.

- **Support Services Program:** \$337.6 million, \$4.2 million more than last year, for the Support Services Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Supervision Program:** \$155 million.
 - **Correctional Industries Program:** \$77.6 million.
 - **Parole Board Program:** \$8.3 million.
-

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Center for Employment Opportunities:** \$1 million. This funding allows 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 Felonies:** \$5.2 million. This funding is for direct payments to localities for the housing of felony offenders.
- **Osborne Association Family Transportation Service:** \$1 million. Funding provides transportation for visitors to and from state correctional facilities.
- **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.
- **Treatment and Residential Stabilization for Offenders in the Community:** \$9.1 million. 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.
- **Vocational Training:** \$9 million. Funding supports vocational programs for parolees and other offenders.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Fixed Camera System:** \$400 million in new funding for the acceleration and continued installation of fixed cameras in all facilities.

SIGNIFICANT INCREASES INCLUDE:

- **Facilities Maintenance and Operations:** \$113.7 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:** \$34 million, \$7 million more than last year.
- **Preventative Maintenance:** \$20 million, \$5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Health and Safety:** \$4.5 million, \$7 million less than last year.
- **Preservation of Facilities:** \$276.5 million, \$5 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Alterations and Improvements Within the Correctional Industries Program:** \$3 million.
- **Environmental Protections:** \$20.9 million.
- **Program Improvement or Program Change:** \$93.2 million.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART C – CORRECTIONS & STATE POLICE OFFICER RECRUITMENT AND RETENTION

This Part removes the residency requirement for all State Corrections Officers, allowing for the hiring of non-residents as Corrections Officers in State run correctional facilities.

Additionally, this Part would remove the 35-year age cap for new State police officer recruits and has proposed increasing the mandatory retirement age for State police officers from 60 to 63 years old.

PART E – MERIT TIME AWARDS

This Part would grant the Corrections Commissioner the authority to designate additional programs through which merit time can be awarded to incarcerated individuals. Additionally, this Part would enable the Corrections Commissioner to identify additional programs eligible for limited credit time allowances, provided that these programs are completed successfully in no less than 18 months.



COMMUNITY RESILIENCY, ECONOMIC SUSTAINABILITY, AND TECHNOLOGY

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CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **Community Resiliency, Economic Sustainability, and Technology (CREST) Program:** No new funding. This Program has a cumulative total of \$1.2 billion, of which \$1.1 billion is available in reappropriations.

CREST PROGRAM CRITERIA

- This program provides grant funding to cover capital costs associated with acquiring, designing, constructing, reconstructing, demolishing, rehabilitating, preserving, developing, improving or modernizing existing or proposed facilities, properties (both real and personal), and related appurtenances.
- Funds may be used for the acquisition of bond eligible equipment and other bond eligible capital assets 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, such assets will be solely used by the grant recipient.
- Eligible purposes will include but not be 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 Previous Budgets

- The 2024-25 Enacted Budget made changes to the eligible grant language to say that grants may be used for the acquisition of bond eligible equipment and other bond eligible capital assets and removed useful life of bonds and health and safety purposes of grant.

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

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administrative Program:** \$14 million, \$1.4 million more than last year, for services related to the administration program.
- **Crime Prevention and Reduction Strategies Program:** \$110.4 million, \$29.6 million more than last year, for increased staffing assistance and contractual services relating to the adoption of technology solutions that advance the detection and prevention of crime.

AID TO LOCALITIES – A.3003

SIGNIFICANT ACTIONS INCLUDE:

- **Onondaga County District Attorney Office:** \$2 million in new funding is provided to the Onondaga County District Attorney's Office. This office is currently handling the prosecution of the Marcy Correctional Facility death case.

- **Correctional Association of New York (CANY):** \$2 million in new funding is provided to CANY for their continued oversight of State correctional facilities.
- **Local Crime Reduction:** \$10 million in new funding is provided for efforts focused on supporting local crime reduction and community justice.
- **NYPD Subway Patrols:** \$77 million in new funding to support the enhanced NYPD operations on New York City train platforms and on subway cars for six months.
- **Initiatives to Reduce Intimate Partner Violence:** \$40.7 million in new funding for programs targeted at reducing intimate partner violence and related efforts targeting domestic violence.

SIGNIFICANT INCREASES INCLUDE:

- **Crime Analysis Centers:** \$36 million, \$3 million more than last year. This increase in funding is part of the Governor's proposal to establish a New York State Crime Analysis and Joint Special Operations Command Headquarters (CA-JSOC).
- **Rape Crisis Centers:** \$12.8 million, \$6.2 million more than last year, for services and

expenses of rape crisis centers and for programs to prevent rape.

- **Indigent Legal Services:** \$11.9 million, \$1 million more than last year. This program provides funding for the New York State Defenders Association, defenses services funding, and funding for prisoner’s legal services.
 - ➔ The \$1 million increase reflects funding for a study on correctional facilities by an independent entity following the death of an incarcerated individual at the Marcy Correctional Facility.

SIGNIFICANT DECREASES INCLUDE:

- **Gun Involved Violence Elimination (GIVE):** \$36.4 million, \$35.7 million less than last year. This funding has been redistributed throughout the DCJS budget to offset other program increases.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Criminal Justice Legislative Adds:** \$21.8 million in Legislative additions.
- **Community Safety and Restorative Justice Programs:** \$7.2 million.
- **Criminal and Civil Legal Services in Upstate Counties:** \$3.5 million.

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. Funding is 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. Funding provides grants to counties to support district attorney salaries.
- **Enforcement of Medical Cannabis Law:** \$2 million. Funding provides discretionary grants to State and local law enforcement for the enforcement of Medical Cannabis Law.
- **Extreme Risk Protection Orders:** \$10 million. Funding covers 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. Funding provides 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. Funding is provided to Counties and NYC for local probation departments.

- NYS District Attorneys Association: \$100,000.
- NYS Prosecutors Training Institute: \$2.1 million. Funding covers 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: \$825,000.
- State and Local Crime Reduction, Youth Justice and Gang Prevention Programs: \$31.1 million.
- Witness Protection Program: \$287,000.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- NYS State Crime Analysis and Joint Special Operations Command Headquarters: \$10 million in new funding for the construction of a New York State Crime Analysis and Joint Special Operations Command Headquarters (CA-JSOC).

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.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART A – CRIMINAL JUSTICE PROGRAM EXTENDERS

This proposal would extend for two years various criminal justice and public safety programs that would otherwise expire on March 31, 2025, or September 1, 2025. These programs include:

- Psychological testing of correctional officer candidates;
- Expanding the geographic area of employment of certain police officers;
- Determinate sentencing;
- Inmate work release programs and furloughs;
- The earned eligibility program;
- Substance abuse treatment for incarcerated individuals;
- Mandatory surcharge and crime victim assistance fees;
- Alternatives to incarceration;
- Armory rent;
- The ignition interlock program for individuals convicted of alcohol-related violations;
- Electronic court appearances;
- The adult interstate compact;
- Mandatory arrest in cases of domestic violence; and
- Protective measures for child witnesses.

PART B – DISCOVERY REFORM

This Part makes several changes to the State’s Discovery law. Changes in this Part include:

- Reducing the required notice period before a defendant’s statements can be presented to a grand jury from 48-hours to 24-hours.
 - Narrowing the discovery obligations from "related to the subject matter" to "relevant to the subject matter of the charges," which would reduce the volume of material subject to disclosure.
 - Clarifying that material requiring a subpoena is not automatically subject to discovery by the prosecutor unless the defense cannot reasonably obtain it themselves.
 - Expanding the scope of permissible redactions to include witnesses' physical addresses and contact information, provided one form of contact information would be disclosed.
 - Ensuring that a certificate of compliance filed in good faith and with due diligence will not be invalidated for belated or missing disclosures provided supplemental disclosures are made and remedies are available to cure any prejudice to the defense.
- ➔ Additionally, this proposal would require that challenges to certificates of compliance be submitted within 35 days of filing, with exceptions for good cause.

PART C – CORRECTIONS & STATE POLICE OFFICER RECRUITMENT AND RETENTION

This Part removes the residency requirement for all State Corrections Officers, allowing for the hiring of non-residents as Corrections Officers in State run correctional facilities.

Additionally, this Part would remove the 35-year age cap for new State police officer recruits and has

proposed increasing the mandatory retirement age for State police officers from 60 to 63 years old.

PART D – CRIME OF DOMESTIC VIOLENCE

This Part would create the new crime of Domestic Violence. This crime will automatically result in the individual being entered into the FBI’s National Instant Criminal Background Check System, preventing convicted abusers from evading firearm restrictions. The crime of Domestic Violence is committed when an individual commits a serious offense against an individual who is a member of the same family or household.

Additionally, this crime would apply to offenses such as Assault in the third degree, Obstruction of Breathing or Blood Circulation, Forcible Touching, Sexual Abuse, or Unlawful Imprisonment when such actions take place against a current or former spouse, parent, guardian of the defendant, or a person similarly situated to a spouse, parent, or guardian of the defendant.

- The crime of Domestic Violence would be a Class A Misdemeanor.

PART L – OUTLAW ARTIFICIAL INTELLIGENCE-GENERATED CHILD SEXUAL ABUSE MATERIAL

This Part would expand the scope of child pornography offenses to include artificial intelligence-generated child sexual abuse materials.

PART N – STRENGTHENING THE TRANSIT BAN

This Part expands the 2020 Subway Sex Offender Ban to include those that have assaulted any individual in relation to operating or riding the Metropolitan Transportation Authority system. This Part further modifies the ban to allow a court to determine if this ban should apply for an individual under probation or conditional discharge.

Additionally, this Part specifies that the Metropolitan Transportation Authority shall not use facial recognition technology to enforce this ban.

PART O – TRESPASSING AND BURGLARY OF TRANSPORTATION FACILITIES

This Part would expand the definition of Burglary and Criminal Trespassing to include facilities used for the transportation of individuals.

PART P – AGGRAVATED TRANSPORTATION OFFENSE

This Part creates the new crime of Aggravated Transportation Offense. An individual can be convicted of an Aggravated Transportation Offense for committing several specified offenses, including but not limited to: Assault, Burglary, Menacing, Stalking, and Harassment, within the previous five years of their most recent offense.

- An Aggravated Transportation Offense is a Class C Felony.

DEBT SERVICE

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STATE DEBT SERVICE – A.3002

SIGNIFICANT ACTIONS INCLUDE:

Debt Service Bill: Appropriates \$10.7 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. Further, the appropriation provides reserve funds for market rate fluctuations and debt reduction needs.

Specifically, these payments are going toward:

- general obligation bonds,
- revenue bonds,
- lease purchase agreements, and
- other special contractual obligations.

For FY26, approximately 63% of debt service costs will go towards principal costs, and 37% of debt service costs will cover the interest portion.

State-related debt service is expected to grow by 6.9%, on an average annual basis, and by FY30 is projected to be 3.3% of the All Funds budget while All Funds receipts will only grow by 1.7%.

LIQUIDITY FINANCING

- The FY26 Debt Service Bill does provide additional appropriation authority needed to pay debt service costs for the sixth round of short-term liquidity financing totaling \$3 billion (short-term notes) issued by the State. This is same amount authorized in the FY25 Enacted Budget.
- The previously authorized line of credit is no longer being proposed.
- 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.
- At this time, the 2025-26 Executive Budget does not include any planned short-term financing with these authorizations and, therefore, does not have to account for any debt service payments.

FINANCIAL PLAN IMPLICATIONS

Projected State-related debt service costs for FY26 are \$2.3 billion (this cash spending figure is accounted for in the Executive Budget Financial & Capital Plans), a decrease of \$843 million or 27% from FY25 costs.

The vast majority, about \$2.0 billion, consists of debt service payments due on existing debt. The remainder, \$297 million, is expected to result from new money debt issuances.

- The breakdown of the \$2.3 billion is as follows:
 - ➔ General Obligation Cash Payment (voter-approved debt): \$300 million;
 - ➔ Health Income Revenue Bond Cash Payment: \$9 million;
 - ➔ Personal Income Tax Revenue Bond Cash Payment: \$1.1 billion;
 - ➔ Sales Tax Revenue Bond Cash Payment: \$855 million; and
 - ➔ Service Contract Bonds: \$12 million.
- Debt Reduction Reserve Fund: \$500 million, same as last year. There is no cash behind this appropriation.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

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

PART R – NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY (TFA) BOND LIMIT INCREASE

This Part increases the bonding capacity for the NYC TFA to help the City support its capital initiatives. Beginning July 1, 2025, the bonding capacity will increase from \$27.5 billion to \$30.5 billion.

PART EE – 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.

§31 NYPA Decarbonization Transfers

Authorizes the Comptroller to transfer, upon the request of the Director of the Budget, on or before March 31, 2026, the following amounts from the following special revenue accounts or enterprise funds to the general fund, for the purpose of offsetting principal and interest costs, provided that the annual amount of the transfer shall 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 state fiscal year:

- Miscellaneous Special Revenue Fund, State University General Income Reimbursable Account: \$15 million;
- State University Dormitory Income Fund: \$5 million; and
- Enterprise Fund, City University Senior College Operating Fund: \$5 million.

§32 Comptroller Bond Redemption

Authorizes the Comptroller, on or before March 31, 2026, to transfer up to \$25 million from various state bond funds to the General Debt Service Fund, for the purpose of redeeming or defeasing outstanding state bonds to offset debt service costs.

§33-§55 Bond Caps

These sections increase the traditional bond caps (debt authorization authority) by approximately

\$19.8 billion to fulfill the 2025-26 Executive Budget initiatives.

§58 State Liquidity Financing Measures

This section is proposing to make permanent the authorization to issue up to \$3 billion of short-term borrowing in the form of Personal Income Tax (PIT) Revenue Notes in a fiscal year, 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 the same amount as proposed in FY25. The maturity of these bonds can be no later than March 31st of the State Fiscal Year in which such notes are issued. The notes are not considered a debt of the State and cannot be renewed, extended or refunded.

§59 PIT Issuer Flexibility

This section makes permanent the authorization for any authorized issuer of Personal Income Tax (PIT) bonds to issue PIT bonds for state capital works and purposes that would otherwise be restricted to a single issuer. Further, this section expands the authorized PIT bond issuers to include the New York State Housing Finance Agency and the New York State Environmental Facilities Corporation to issue bonds for any authorized purpose and makes this authorization permanent.

§60 Bond Redemption Price

This section allows the Comptroller to redeem bonds above 3% par value. According to the Division of Budget, this section eliminates an outdated restriction which prevents the State from fully taking advantage of market conditions to call General Obligation bonds back for savings when those bonds are above a certain price. This is similar to a change made last year for Personal Income Tax (PIT) and Sales Tax bonds.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

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

PART HH – PRIVATE ACTIVITY BOND ALLOCATION ACT

This Part Extends for 3 years, until 2028, the Private Activity Bond Allocation Act of 2022. The Act provides an allocation mechanism for the bond volume ceiling established in the Federal Tax Reform Act of 1986 for New York State. The statewide ceiling is as follows: 1/3 for local agencies; 1/3 for State agencies; and 1/3 for a statewide bond reserve.

The Act also provides for a review of unused State and local allocations by September 15th, which will then be redistributed or assigned to future projects. Further, as in previous years, a five-member New York State Bond Allocation Policy Advisory Panel is continued with representatives appointed by each Legislative Leader, including the Minority Leader of each house, and the Governor. This panel provides policy advice regarding the priorities for distribution of the Statewide ceiling.



ECONOMIC DEVELOPMENT

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Empire State Entertainment Diversity Job Training:** \$4 million. Funding supports 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.
- **I Love NY:** \$2.5 million.

AID TO LOCALITIES – A.3003

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, \$2.5 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;

- ➔ Cornell University Eastern NY satellite COE in Food and Agriculture Innovation: Funding is eliminated, \$250,000 less than last year. This funding was a legislative add 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;
 - ➔ Rochester/SUNY Albany COE in RNA Research and Therapeutics: Funding is eliminated, \$250,000 less than last year. This funding was a legislative add 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. The Executive Budget proposes to create the Companies Attracting Talent to Advance Leading Innovations and Scale Technologies in New York Program, or the “CATALIST NY Program.” CATALIST NY would provide Personal Income Tax deductions to qualifying employees employed by certified businesses in CATALIST NY incubators. Please see the Revenue Highlight in this publication for more information (Part G of the Revenue Bill – A.3009).
- 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.



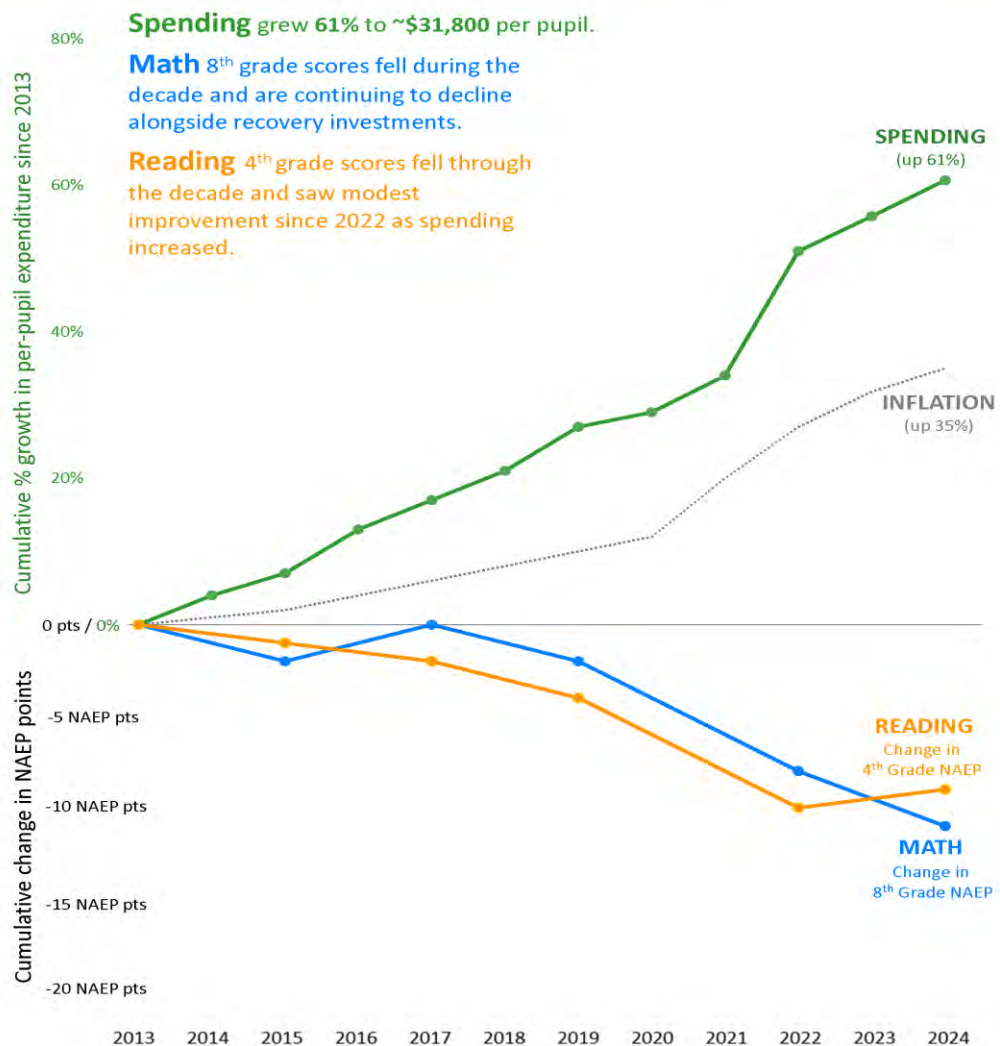
EDUCATION

WAYS & MEANS CONTACT:

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According to an analysis from Edunomics Lab at the McCourt School of Public Policy, New York State education spending has grown by 61% to approximately \$31,800 per pupil since 2013, while both math and reading scores on National Exams for Educational Progress (NAEP) have decreased during the same period.

New York: Change in Spending and Scores since 2013



Analysis by Edunomics Lab using data from these sources: **Scores:** The Nation's Report Card (NAEP) 2013-2024. **Spending:** U.S. Census Annual Survey of School System Finances through 2023, then NEA's Ranking of the States estimate for 2024. **Inflation:** CPI, BLS. **Questions:** Edunomics@Georgetown.edu



STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Adult Career and Continuing Education Services Program:** \$161.3 million, \$3.9 million more than last year, due to an increase in funding for Federal vocational rehabilitation and supported employment programs.
- **Office of Management Services (Chief Financial Officer):** \$64.2 million, \$251,000 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:** \$288.4 million, \$518,000 more than last year.

➔ See *Figure 1* below for a breakdown of this net increase.

SIGNIFICANT DECREASES INCLUDE:

- **Cultural Education Program:** \$78.6 million, \$1.1 million less than last year, due to the elimination of a legislative addition for the Summer School of the Arts program.
- **Office of Higher Education and the Professions Program:** \$85.7 million, \$400,000 less than last year, due to a decrease in contractual services costs for the TEACH modernization project.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **School for the Blind Program:** \$11.7 million. This funding is for the administration of the School for the Blind in Batavia, New York.
- **School for the Deaf Program:** \$10.5 million. This funding is for the administration of the School for the Deaf in Rome, New York.

Breakdown of Funding Changes for the Office of Kindergarten Through Grade Twelve
Figure 1

Program Name	2024-25 Funding	2025-26 Funding	Adjusted \$ Change	Adjusted % Change
American Rescue Plan Act Grants Administration	\$865,000	\$0	(\$865,000)	(100.0%)
Additional Services and Expenses of the State Education Department	\$0	\$2,500,000	\$2,500,000	-
Educational Materials and Resources Focused on Indigenous Cultures and Histories	\$0	\$500,000	\$500,000	-
Dyslexia and Dysgraphia Task Force	\$150,000	\$0	(\$150,000)	(100.0%)
Educational Materials and Resources for Teaching About the Holocaust	\$500,000	\$0	(\$500,000)	(100.0%)
Fiscal Consultant for the Rochester City School District	\$150,000	\$0	(\$150,000)	(100.0%)
Health Education Including HIV/AIDS Education	\$1,534,000	\$1,534,000	\$0	0.0%
Miscellaneous Federal Contracts Management	\$150,000	\$150,000	\$0	0.0%
National School Lunch Act	\$29,919,000	\$31,100,000	\$1,181,000	3.9%
Office of Kindergarten Through Grade Twelve Education Program	\$34,604,000	\$34,604,000	\$0	0.0%
Office of Family and Community Engagement	\$835,000	\$835,000	\$0	0.0%
Office of Religious and Independent Schools	\$1,502,000	\$1,502,000	\$0	0.0%
Printing of State Standardized Assessments	\$8,400,000	\$8,400,000	\$0	0.0%
Teaching About Financial Literacy	\$400,000	\$0	(\$400,000)	(100.0%)
Translation of Grades 3-8 English Language Arts and Math Assessments	\$500,000	\$500,000	\$0	0.0%
Tuition Rate-Setting Methodology Study	\$1,370,000	\$0	(\$1,370,000)	(100.0%)
Updating the New York State English-as-a-Second-Language Achievement Test	\$4,000,000	\$0	(\$4,000,000)	(100.0%)
Various Federal Grants Programs Including Title I-VII Grants and the Individuals with Disability Education Act (IDEA)	\$202,997,000	\$206,769,000	\$3,772,000	1.9%
Total Funding	\$287,876,000	\$288,394,000	\$518,000	0.2%

Source: Division of Budget

AID TO LOCALITIES – A.3003

GENERAL SUPPORT FOR PUBLIC SCHOOLS (SCHOOL AID)

The Executive Budget provides \$37.4 billion in total State School Aid funding, an increase of \$1.7 billion, or 4.7%. (See *Figure 4* following the Capital Projects summary for a program-by-program breakdown of these School Aid changes).

SIGNIFICANT FORMULA-BASED AID INCREASES INCLUDE:

- **BOCES Aid:** \$1.3 billion, \$510,069 more than last year. This aid is funded at present law levels.
- **Charter School Transition Aid:** \$60.6 million, \$9.4 million more than last year. This aid is funded at present law levels.
- **Computer Software Aid:** \$42.6 million, \$700,023 more than last year. This aid is funded at present law levels.
- **Foundation Aid:** \$26.4 billion, \$1.5 billion more than last year. This funding increase reflects the following factors:
 - ➔ **Guaranteed Minimum Increase:** Each school district will receive at least a 2% increase in their Total Foundation Aid allocation compared to what they received last year.
 - ➔ **Poverty Estimates:** Estimates used to determine district poverty levels are updated with newer data sources that could be updated annually. These changes apply to the 2025-26 School Year and thereafter and include:
 - ❖ **Census Data:** Replacing data originally drawn from the 2000 Census with the most recent three years of the U.S. Census Bureau’s

Small Area Income and Poverty Estimates (SAIPE) data; and

- ❖ **Free and Reduced-Price Lunch (FRPL) Data:** Replacing data collected from FRPL applications with Economically Disadvantaged data that the State Education Department collects based on a student’s participation in economic assistance programs such as the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF), among others.

➔ **State Sharing Ratio Cap Increase:** Increasing the State Sharing Ratio Cap from 91% to 93%, driving additional aid to the lowest-wealth districts.

- **Hardware and Technology Aid:** \$35.2 million, \$1.2 million more than last year. This aid is funded at present law levels.
- **Library Materials Aid:** \$17.8 million, \$581,341 more than last year. This aid is funded at present law levels.
- **Private Excess Cost (Special Education) Aid:** \$518.8 million, \$42.8 million more than last year. This aid is funded at present law levels.
- **Public Excess Cost (Special Education) Aid:** \$631.3 million, \$1.8 million more than last year. This aid is funded at present law levels.
- **Special Services Aid:** \$246 million, \$4 million more than last year. This aid is funded at present law levels.
- **Textbook Aid:** \$165.1 million, \$3.1 million more than last year. This aid is funded at present law levels.
- **Transportation Aid, including Summer Transportation Aid:** \$2.7 billion, \$135.2 million more than last year. This aid is funded at present law levels.

- **Universal Prekindergarten Aid:** \$1.2 billion, \$143 million more than last year. For the 2025-26 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; and
 - ➔ **Statewide Universal Full-Day Prekindergarten Program (SUFDPK):** Incentivizes and funds certain universal full-day prekindergarten programs based on an allocation list developed in the FY 2015 Enacted Budget and expansion programs funded between 2021 and 2024.

SIGNIFICANT DECREASES INCLUDE:

- **Building Aid:** \$3.3 billion, \$107.8 million less than last year. This aid is funded at present law levels.
- **Reorganization Incentive Building Aid:** \$7.4 million, \$4 million less than last year. This aid is funded at present law levels.
- **Reorganization Incentive Operating Aid:** \$1.7 million, \$657,077 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 future conversion, aid will be provided to the district through this formula as the law dictates.

GRANT PROGRAMS AND OTHER AID CATEGORIES

See *Figures 4 and 5* after the Capital Projects summary for a program-by-program breakdown of these changes.

SIGNIFICANT INCREASES INCLUDE:

- **Charter School Facilities Aid:** \$145 million, \$25 million more than last year. This funding is provided explicitly to New York City, which 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 2024-25 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, \$500,000 more than last year.
- **Homeless Pupil Grants:** \$37 million, \$1.8 million more than last year.
- **Nonpublic School Aid:** \$319.8 million in total funding to nonpublic schools, \$18.8 million more than last year. This funding includes:

- ➔ Academic Intervention Services: \$922,000, \$500,000 less than last year;
 - ➔ Arts and Music Programs: \$5 million, same as last year;
 - ➔ Mandated Services Aid (MSA)/Comprehensive Attendance Policy (CAP): \$228.38 million, \$10.3 million more than last year;
 - ➔ Science, Technology, Engineering and Science (STEM) Program Funding: \$85.5 million, \$10 million more than last year; and
 - ➔ State School Immunization Program: \$1 million eliminated for nonpublic schools to comply with State school immunization requirements.
- **Preschool Special Education:** \$1.1 billion, \$57 million more than last year. This funding is the State’s 59.5% share of costs for preschool special education. The remaining 40.5% is paid for by the counties.
 - **School Lunch and Breakfast Program:** \$340 million, \$160 million more than last year. This funding reimburses schools for the cost of providing universal free school breakfast and lunches 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.
 - ➔ The Executive Budget also includes a \$36 million one-time allocation to address an estimated 2024-25 School Year shortfall for the CEP subsidy program.
 - ➔ See Part B of A.3006 (Education, Labor and Family Assistance Article VII) in this section for a complete description of the Universal Free School Meals initiative.

- **Summer School Special Education Programs:** \$413 million, \$9 million more than last year.
- **Supplemental Charter School Tuition:** \$190 million, \$5 million more than last year.

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:** \$62.2 million, \$10 million less than last year.
- **School Tax Relief (STAR) Program:** \$1.4 billion, \$178.5 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, \$10 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Allowances to Private Schools for the Blind and the Deaf (4201 Schools):** \$113.4 million.
- **My Brother’s Keeper Initiative:** \$28 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.
- 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: \$5.8 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. All successful applicants will receive reimbursement at the established rate of \$0.1901 for all lunches in the paid reimbursement category.
- 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.
- 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.
- Primary Mental Health Project at the Children's Institute: \$894,000.

- 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.
- Statewide Universal Full-Day Prekindergarten Program (SUFDPK): \$428.4 million. This funding includes the following grant programs:
 - ➔ Statewide Universal Full-Day Pre-Kindergarten (SUFDPK): \$340 million; and
 - ➔ SUFDPK Expansion Grants: \$88.4 million.
- Summer Lunch Program: \$3 million.
- 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: \$13.3 million.

SIGNIFICANT ACTIONS INCLUDE:

- College in High School Opportunity Fund: The Executive Budget proposal consolidates all dual enrollment early college high school programs into a \$64.6 million College in High School Opportunity Fund for the 2025-26 School Year. This represents an increase of \$6.3 million from the prior school year. Programs supported by this fund would include:
 - ➔ Smart Scholars, Smart Transfer, and Pathways in Technology (P-Tech) Programs: \$52.4 million; and

➔ New Ongoing, Per-Credit Funding for College in High School Programs: \$12.2 million.

- **Distraction Free Learning Environments:** \$13.5 million in new funding to help districts comply with the Governor’s proposed Distraction Free Learning Initiative that prohibits students from using internet-enabled devices on school grounds during the school day.

➔ See Part C of A.3006 (Education, Labor and Family Assistance Article VII) in this section for a complete description of this initiative.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Additional Grants to Certain School Districts and Other Programs:** \$64.3 million.
- **Early College High School Programs:** \$1 million.
- **Evidence-Based Training for Reading Instruction at NYSUT Education and Learning Trust:** \$10 million. This funding was provided to train 20,000 teachers across the State in the science of reading as part of the Governor’s “Back to Basics” reading initiative.
- **Reduced Price Meals:** \$2.3 million. This funding was used to pay for the student cost of reduced-price meals and is no longer needed due to the Governor’s proposal to provide universal free school meals for all students.
- **School District Monitors:** \$750,000. This funding was for school monitors in the following districts:
 - ➔ **East Ramapo Central School District Monitor:** \$225,000.
 - ➔ **Hempstead Union Free School District Monitor:** \$175,000.
 - ➔ **Rochester City School District Monitor:** \$175,000.

➔ Wyandanch Union Free School District Monitor: \$175,000.

- **School Health Services for Buffalo:** \$1.2 million.
- **School Health Services for Rochester:** \$1.2 million.
- **Yonkers City School District:** \$12 million.

ADULT CREER AND CONTINUING EDUCATION SERVICES PROGRAM (ACCESS)

SIGNIFICANT DECREASES INCLUDE:

- **Adult Literacy Education:** \$9.3 million, \$500,000 less than last year.
- **Independent Living Centers:** \$16 million, \$750,000 less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Case Services for Disabled Individuals:** \$54 million.
- **College Reader Aid Payments:** \$1 million.
- **Literacy and Basic Education Grants:** \$1.8 million.
- **Supported and Integrated Employment:** \$15.2 million.

CULTURAL EDUCATION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Library Aid:** \$104.6 million, \$748,000 more than last year. This level of aid is equal to the SY 2025-26 statutory funding amount.

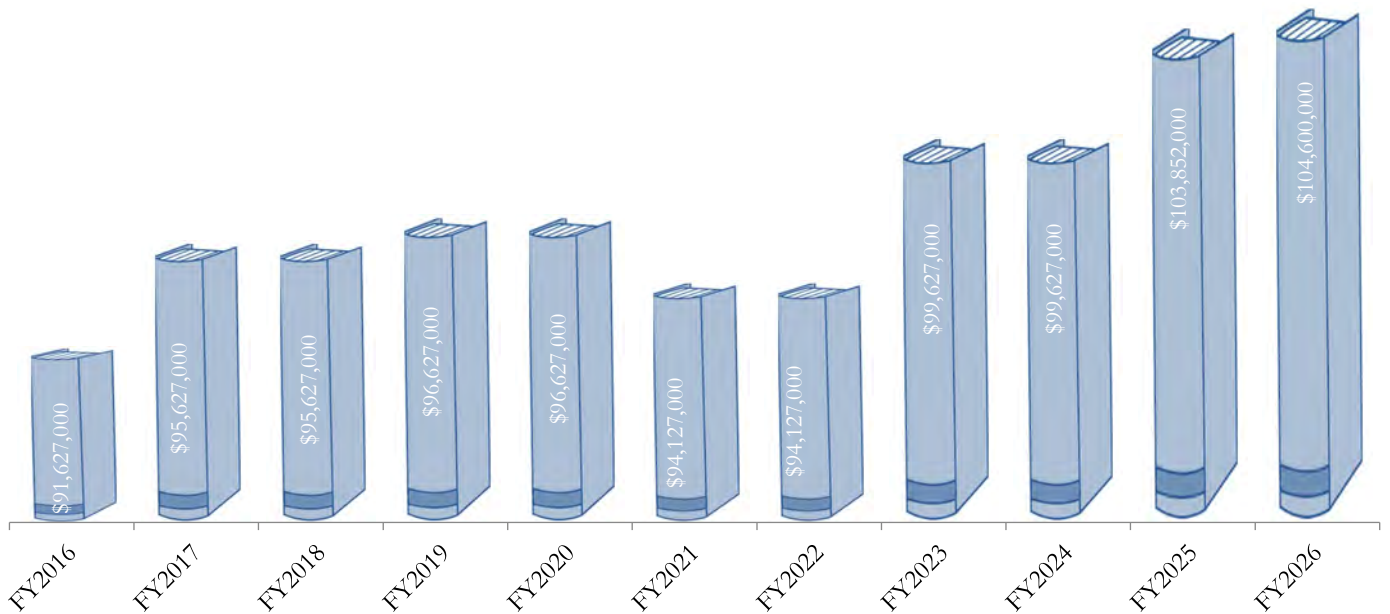
➔ See *Figure 2* on the next page for historical Library Aid.

SIGNIFICANT DECREASES INCLUDE:

- **Langston Hughes Community Library and Cultural Center of the Queens Library:** \$167,500, \$55,000 less than last year.

HISTORICAL STATE LIBRARY AID

Figure 2



- **Schomburg Center for Research in Black Culture:** \$500,000, \$125,000 less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Documentary Heritage Grants and Aid to Archives:** \$461,000.
- **Local Governments Records Management Grants:** \$8.3 million.
- **Public Educational Television and Radio:** \$14 million.
- **Statewide Summer Reading Program (Love Your Library):** \$100,000.

➔ This funding is provided from contributions made by taxpayers when completing their annual tax filings (commonly referred to as a voluntary tax-check off).

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Dolly Parton Imagination Library Program:** \$500,000 for the Dolly Parton Imagination Library is transferred to the Office of Children and Family Services.

OFFICE OF HIGHER EDUCATION & THE PROFESSIONS

SIGNIFICANT DECREASES INCLUDE:

- **Collegiate Science and Technology Entry Program (C-STEP):** \$15.8 million, \$723,000 less than last year.
- **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.

- **Foster Youth College Success Initiative:** \$7.9 million, \$362,000 less than last year.
- **Higher Education Opportunity Program (HEOP):** \$46.9 million, \$2.1 million less than last year.
- **Independent Colleges and Universities (Bundy Aid):** \$16.3 million, \$6 million less than last year.
- **Liberty Partnerships Program:** \$24.2 million, \$1.1 million less than last year.
- **Science and Technology Entry Program (STEP):** \$20.9 million, \$954,000 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.3004

SIGNIFICANT INCREASES INCLUDE:

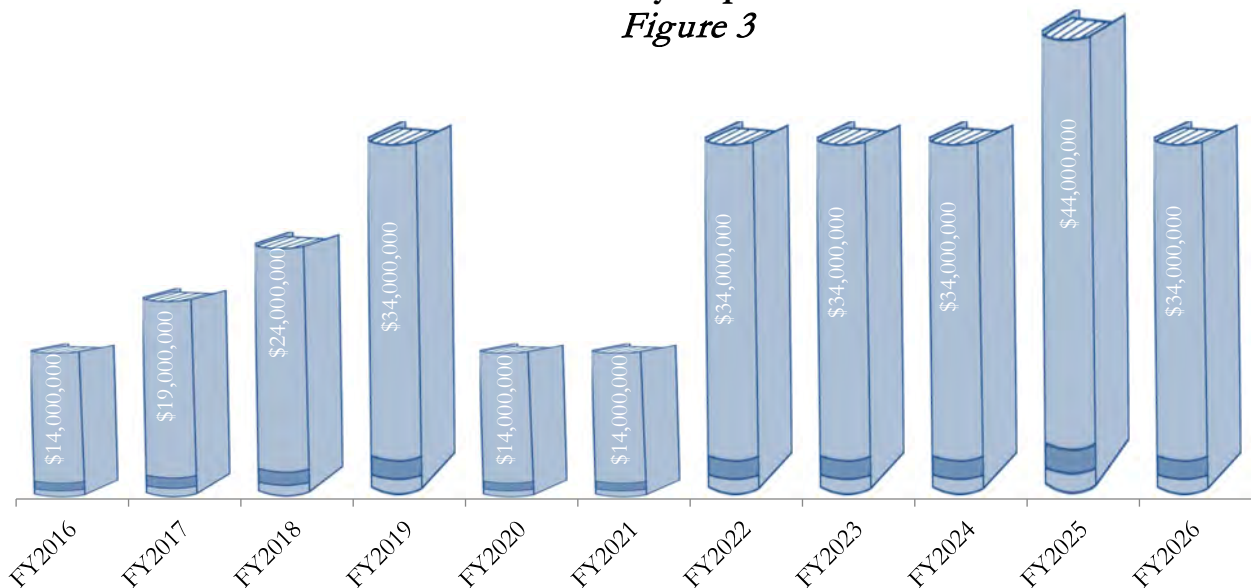
- **State Education Department Rehabilitation Projects:** \$27.6 million, \$20 million more than last year. This funding is for rehabilitation projects at the State Education Department building in Albany, NY.

SIGNIFICANT DECREASES INCLUDE:

- **Library Construction Grants:** \$34 million, \$10 million less than last year. Library Construction Grants are available to public libraries for the acquisition, rehabilitation, renovation, or construction of buildings.

➔ See *Figure 3* below for Historical Library Construction Aid.

Historical State Library Capital Construction Aid
Figure 3



MAINTAINS FUNDING FOR THE FOLLOWING:

- **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:** \$70 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:

- **New York State Museum, Library and Archives:** \$10 million. This funding was for capital projects to preserve and improve the facilities of the State Museum, State Library, and State Archives.
- **State Supported Schools for the Blind and Deaf (4201 Schools):** \$30 million. This funding was for extraordinary alteration, rehabilitation, and improvement projects at certain 4201 facilities.

SY 2025-26 Executive School Aid
Appropriations for the 2024-25 and 2025-26 School Years
Figure 4

I. Formula Based Aid	2024-25	2025-26	\$ CHANGE	% CHANGE
Foundation Aid	\$24,926,667,873	\$26,390,965,619	\$1,464,297,746	5.9%
Academic Enhancement Aid	\$28,271,832	\$28,271,832	\$0	0.0%
Charter School Transition Aid	\$51,257,010	\$60,624,931	\$9,367,921	18.3%
High Tax Aid	\$223,298,324	\$223,298,324	\$0	0.0%
General Purpose Aid Subtotal	\$25,229,495,039	\$26,703,160,706	\$1,473,665,667	5.8%
Private Excess Cost Aid	\$475,910,274	\$518,754,246	\$42,843,972	9.0%
Public Excess Cost High Cost Aid	\$629,480,874	\$631,329,300	\$1,848,426	0.3%
Supplemental Public Excess Cost Aid	\$4,313,167	\$4,313,167	\$0	0.0%
Support for Pupils with Disabilities Subtotal	\$1,109,704,315	\$1,154,396,713	\$44,692,398	4.0%
BOCES Aid	\$1,312,781,103	\$1,313,291,172	\$510,069	0.0%
Non-BOCES Academic Improvement Aid	\$56,260,249	\$56,018,497	(\$241,752)	(0.4%)
Non-BOCES Career Education Aid	\$153,475,879	\$156,163,940	\$2,688,061	1.8%
Non-BOCES Computer Administration Aid	\$32,223,054	\$33,773,973	\$1,550,919	4.8%
BOCES/Career and Technical Ed. Subtotal	\$1,554,740,285	\$1,559,247,582	\$4,507,297	0.3%
Building Aid	\$3,435,301,357	\$3,327,491,861	(\$107,809,496)	(3.1%)
Transportation Aid	\$2,536,638,374	\$2,671,827,806	\$135,189,432	5.3%
Summer Transportation Aid	\$4,999,660	\$4,999,861	\$201	0.0%
Building and Transportation Aid Subtotal	\$5,976,939,391	\$6,004,319,528	\$27,380,137	0.5%
Computer Software Aid	\$41,927,760	\$42,627,783	\$700,023	1.7%
Hardware and Technology Aid	\$33,921,866	\$35,169,362	\$1,247,496	3.7%
Library Material Aid	\$17,204,029	\$17,785,370	\$581,341	3.4%
Textbook Aid	\$162,039,566	\$165,092,515	\$3,052,949	1.9%
Instructional Materials Aid Subtotal	\$255,093,221	\$260,675,030	\$5,581,809	2.2%
Full Day-Kindergarten Conversion Aid	\$0	\$0	\$0	-
Universal Prekindergarten Aid	\$1,067,980,871	\$1,210,986,413	\$143,005,542	13.4%
Early Childhood Education Aid Subtotal	\$1,067,980,871	\$1,210,986,413	\$143,005,542	13.4%
Reorganization Incentive Operating Aid	\$2,365,933	\$1,708,856	(\$657,077)	(27.8%)
Reorganization Incentive Building Aid	\$11,435,661	\$7,401,015	(\$4,034,646)	(35.3%)
District Reorganization Aid Subtotal	\$13,801,594	\$9,109,871	(\$4,691,723)	(34.0%)
Total Formula-Based Aid	\$35,207,754,716	\$36,901,895,843	\$1,694,141,127	4.8%
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)	(\$33,380,000)	\$1,620,000	(4.6%)
Edu. of OMH/OPWDD	\$48,250,000	\$48,750,000	\$500,000	1.0%
Employment Preparation Education Aid	\$96,000,000	\$96,000,000	\$0	0.0%
Homeless Pupils	\$35,230,000	\$36,980,000	\$1,750,000	5.0%
Incarcerated Youth	\$5,750,000	\$5,750,000	\$0	0.0%
Learning Technology Grants	\$3,285,000	\$3,285,000	\$0	0.0%
Native American Building Aid	\$5,000,000	\$5,000,000	\$0	0.0%
Native American Education	\$72,220,000	\$62,190,000	(\$10,030,000)	(13.9%)
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	\$13,250,000	\$13,250,000	\$0	0.0%
Total Grant and Additional Aid Categories	\$319,125,000	\$312,965,000	(\$6,160,000)	(1.9%)
III. College in High School Opportunity Fund & Competitive Grants				
College in High School Opportunity Fund ¹	\$58,240,000	\$64,580,000	\$6,340,000	10.9%
Competitive Grants	\$85,990,000	\$85,990,000	\$0	0.0%
Total State School Aid	\$35,671,109,716	\$37,365,430,843	\$1,694,321,127	4.7%

¹The Executive Budget Proposal consolidates funding for the Pathways in Technology (P-Tech) Early College High School, Smart Scholars Early College High School, and Smart Transfer Early College High School Grants into a new College in High School Opportunity Fund. It also provides \$12.2 million for new grants to provide new ongoing, per-credit funding for College in High School programs. This represents an increase of \$6.34 million from the prior school year.

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

FY 2025-26 Executive Budget
 Other Public Elementary and Secondary Education Programs
 Figure 5

Grant Program	2024-25	2025-26	\$ CHANGE	% CHANGE
Additional Grants to Certain School Districts and Other Programs	\$64,282,000	\$0	(\$64,282,000)	(100.0%)
Allowances to Private Schools for the Blind and the Deaf (4201 Schools)	\$113,400,000	\$113,400,000	\$0	0.0%
Amityville Union Free School District	\$2,000,000	\$0	(\$2,000,000)	(100.0%)
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	\$120,000,000	\$145,000,000	\$25,000,000	20.8%
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%
Distraction Free Learning Environments	\$0	\$13,500,000	\$13,500,000	0.0%
Early College High School Program	\$1,000,000	\$0	(\$1,000,000)	(100.0%)
East Ramapo CSD Monitor	\$225,000	\$0	(\$225,000)	(100.0%)
Education and Learning Trust (NYSUT)	\$10,000,000	\$0	(\$10,000,000)	(100.0%)
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 Monitor	\$175,000	\$0	(\$175,000)	(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	\$28,000,000	\$28,000,000	\$0	0.0%
Nonpublic School Aid - Academic Intervention Services (AIS)	\$1,422,000	\$922,000	(\$500,000)	(35.2%)
Nonpublic School Aid - Arts and Music Programs	\$5,000,000	\$5,000,000	\$0	0.0%
Nonpublic School Aid - (MSA and CAP)	\$218,128,000	\$228,380,000	\$10,252,000	4.7%
Nonpublic School Aid - State School Immunization Program (SSIP)	\$1,000,000	\$0	(\$1,000,000)	(100.0%)
Nonpublic School Aid - STEM Programs	\$75,500,000	\$85,500,000	\$10,000,000	13.2%
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	\$1,092,000,000	\$57,000,000	5.5%
Primary Mental Health Project	\$894,000	\$894,000	\$0	0.0%
Reduced Price School Meals	\$2,300,000	\$0	(\$2,300,000)	(100.0%)
Rochester CSD Monitor	\$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	\$180,000,000	\$340,000,000	\$160,000,000	88.9%
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	\$404,000,000	\$413,000,000	\$9,000,000	2.2%
Supplemental Basic Charter Tuition	\$185,000,000	\$190,000,000	\$5,000,000	2.7%
Targeted Pre-K	\$1,303,000	\$1,303,000	\$0	0.0%
Teacher Resource and Computer Training Centers	\$16,428,000	\$6,418,000	(\$10,010,000)	(60.9%)
Wyandanch UFSD Monitor	\$175,000	\$0	(\$175,000)	(100.0%)
Yonkers City School District	\$12,000,000	\$0	(\$12,000,000)	(100.0%)
Subtotal	\$2,563,460,000	\$2,744,970,000	\$181,510,000	7.1%

Source: New York State Division of Budget

EDUCATION, LABOR AND FAMILY ASSISTANCE – A. 3006

PART A – SCHOOL AID

§1 Contract for Excellence (C4E)

This Section requires 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 2024-25 School Year.

§2 through §7 Foundation Aid Poverty Estimates Update

These Sections update the Foundation Aid formula by redefining the data sources used to calculate each district’s poverty level as part of the Pupil Needs Index (PNI). Specifically, these Sections facilitate the following changes to the formula:

- **Census Data:** Replaces data originally drawn from the 2000 Census with the most recent three years of the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE) data; and
- **Free and Reduced Prince Lunch (FRPL) Data:** Replaces data collected from FRPL applications with the most recent three years of Economically Disadvantaged data. Economically Disadvantaged data is collected by the State Education Department and includes students who participate in, or whose family participates in, economic assistance programs such as Social Security Insurance (SSI), Supplemental Nutrition Assistance Program (SNAP), Foster Care, Refugee Assistance, and Temporary Assistance for Needy Families (TANF), among others.

§8 Foundation Aid State Sharing Ratio “Tier Two” Calculation

Amends the second tier of the Foundation Aid State Sharing Ratio (FASSR) calculation to drive additional Foundation Aid to certain school districts across the State.

§9 Foundation Aid State Sharing Ratio Cap Increase

Raises the cap on the Foundation Aid State Sharing Ratio (FASSR) from 91% to 93% in the 2025-26 School Year and thereafter. By raising this cap, more Foundation Aid will be driven to the lowest wealth districts in the State.

§10 Foundation Aid Guaranteed Minimum Increase

Provides that for the 2025-26 School Year, each school district’s total Foundation Aid allocation will increase by at least 2% compared to what they received last year.

§11 Dual Enrollment Policy

This Section requires the Commissioner of Education to adopt a statewide policy that outlines the definition of dual enrollment programs and provides guidelines for participation and data reporting in New York State. Dual enrollment includes existing programs such as Pathways in Technology (P-Tech), Smart Scholars, and Smart Transfer.

The policy must require schools and higher education institutions that they partner with to provide dual enrollment programs to annually submit data to the State Education Department (SED) demonstrating participation and success in dual enrollment programs. SED must post this data on its public website.

By September 1, 2026, all schools participating in dual enrollment programs must have a partnership agreement with a higher education institution on file with SED. These partnership agreements must establish the scope and terms of the dual enrollment program, as well as a protocol for collecting, sharing, and reporting any data required by the Commissioner. Partnership agreements must be

consistent with the policy adopted by the Commissioner and must be updated and resubmitted no less than once every five years.

By January 1, 2026, the Commissioner, the Chancellor of the State University of New York, the Chancellor of the City University of New York, and the Governor must establish data points to be submitted pursuant to this initiative.

§12 Transportation After 4 pm in New York City

Provides that for the 2025-26 School Year and thereafter, increases in funding for the Transportation After 4 pm program in New York City will be tied to the growth in the Consumer Price Index (CPI).

§13 Academic Enhancement Aid

Provides language to continue to fund Academic Enhancement Aid for the 2025-26 School Year at the same rate as the previous year.

§14 High Tax Aid

Provides language to continue to fund High Tax Aid for the 2025-26 School Year at the same rate as the previous year.

§15 Universal Prekindergarten Extender

Extends until June 30th, 2026, 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.

§16 Prior Year Claims Deadline

This Section limits the State Education Department to make payments for prior year claims made up to the 2024-25 School Year for a period of one-year following the conclusion of the 2024-25 School Year.

§17 Definitions of Base Year and Current Year

Sets the definition of base year and current year for the purposes of School Aid.

§18 through §20 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 2025-26 School Year and caps the number of contact hours at 1,014,109. 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.

§21 “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 year until June 30, 2026.

§22 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 year until July 1, 2026.

§23 Special Apportionment for Salary Expenses

Provides a special apportionment for salary expenses for the 2025-26 School Year.

§24 Special Apportionment for Public Pension Accruals

Provides language to comply with GASB 45 requirements.

§25 Set-Asides for Magnet Schools

Provides language stating that magnet schools will be funded from a required amount from each school district containing a magnet school.

§25 Set-Asides for Magnet Schools

Provides language stating that magnet schools will be funded from a required amount from each school district containing a magnet school.

§26 Support for Public Libraries

Provides language for the apportionment of Library Aid.

§27 Severability

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

§28 Effective Dates

Sets the effective dates.

PART B – UNIVERSAL FREE SCHOOL MEALS

This Part requires all school districts, charter schools, and non-public schools that participate in the national school lunch program or the school breakfast program as provided in the Richard B. Russell National School Lunch Act and the Child Nutrition Act to serve breakfast and lunch at no cost to students.

Under this initiative, schools are required to adopt Federal programs, such as the Community Eligibility Provision (CEP), Provision 2, or any other mechanism deemed effective by the State Education Department (SED) to maximize Federal reimbursement. Schools that do not qualify for CEP as a single entity must group schools within their jurisdiction to increase eligibility and reapply annually to maximize Federal reimbursement rates.

Further, schools are required to conduct the Direct Certification Matching Process at least three times per year and utilize other measures to maximize the number of students eligible for free meals. SED must provide technical support to ensure the successful implementation of universal free meals and assist schools in navigating Federal requirements, maximizing participation in CEP or other Federal provisions, and securing Federal funding.

Starting in the 2025-2026 school year, the State would reimburse school districts for the difference between the Federal reimbursement rates for

reduced-price/paid meals and free meals, ensuring full reimbursement at the free meal rate for all schools.

Lastly, school districts are required to promote SNAP to families by providing application assistance or direct referrals to outreach partners to increase the number of students directly certified for free meals.

PART C – USE OF INTERNET-ENABLED DEVICES DURING THE SCHOOL DAY

This Part requires school districts, Boards of Cooperative Education Services (BOCES), and charter schools to adopt written policies prohibiting the use of internet-enabled devices by students during the school day on school grounds. The policy is required to include methods for parents and guardians to contact students during the school day, with written notification provided at the start of each school year. The policy must also include one or more methods for on-site storage where students can store their internet-enabled devices during the school day, which may include student lockers.

Exemptions may be made to these policies, including:

- If a student receives authorization from a teacher or a school district to use an internet-enabled device for a specific educational purpose;
- Where necessary for a student’s healthcare;
- In the event of an emergency;
- For translation services; or
- Where required by law.

Policies may not prohibit the use of internet-enabled devices if such devices are specified in a student’s Individualized Education Program (IEP) or under Federal laws that outline accommodations that schools must provide to students with disabilities.

Under this initiative, policies are required to be adopted and posted in a visible and accessible location on schools' public website by August 1, 2025. By September 1, 2026, and annually thereafter, districts must publish reports on policy enforcement, including demographic data on students disciplined for non-compliance. If disparities in enforcement are identified, mitigation plans must be included.

PART AA – STATE MUSEUM DATA COLLECTION

This Part requires the Commissioner of Education to submit a report to the Governor and Legislature that includes information regarding usage, budgeting, staffing, assets, and functions of the State Museum. Specifically, information to be included in the report includes:

- Annual statistics from Fiscal Years 2004-05 through 2024-25 related to visitorship, donations, school visits, marketing expenditures, staffing, capital expenditures, non-State revenue sources, and balances of total revenues and operating expenses;
- A summary of current agreements with cultural institutions for loan or exchange of collections;
- Information on collections currently on display, collections in possession of the museum but not on display, and new collections scheduled to be displayed within five years;
- A record of special events, exhibitions, tours, and other non-normal offerings over the prior five years;
- Details on ancillary services provided at the museum, such as food service, retail and walking tours; and
- Usage of the State Museum's collections by Federal, State, local, or other governmental entities over the prior five years for display or research.

Beginning September 1, 2026, and annually thereafter, the Commissioner would be required to provide updated reports supplementing the previous year's information.

ELECTIONS

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Help America Vote Act (HAVA) Election Security:** \$3.4 million in new funding to support enhanced election technology and security improvements.

SIGNIFICANT DECREASES INCLUDE:

- **Elections Assistance Commission:** \$806,000 is eliminated that was previously appropriated to help improve the electronic transmittal of ballots to the visually impaired, military members, their families, and US citizens voting abroad.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Public Campaign Finance Board:** \$14.5 million. 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.

- **Doctor John L. Flateau New York Voting and Elections Database:** \$2.5 million. Funding supports the establishment of a New York Voting and Elections Database within the State Board of Elections (SBOE) to act as a central repository of certain elections and voting data available to the public.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Reimbursement Costs for Pre-paid Return Postage:** \$5 million, \$2.7 million less 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.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Public Campaign Finance Board:** \$100 million. Funding supports the payment of public matching funds to participating candidates.
- ➔ According to the NYS Public Campaign Finance Program 2024 End of Cycle Report in the 2024 election cycle, the Public Campaign Finance Board (PCFB) distributed approximately \$35 million to qualifying candidates.
- ➔ The program had 328 total participants this cycle, with roughly 70.5% of overall candidate committees for the office of State Senate or State Assembly selecting to register in the program.
 - ❖ There were 336 Assembly Candidates in total, of which 225 (67%) participated in the Program.
 - ❖ There were 129 Senate Candidates in total, of which 103 (80%) participated in the program.

SIGNIFICANT ACTIONS INCLUDE:

- **General Election 2024:** No new funding. \$5 million is reappropriated for local boards of elections to support costs related to the 2024 General Election. Such costs shall include, but not be limited to, the temporary employment of personnel and public awareness campaigns.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Election Capital:** No new funding. \$6.7 million is reappropriated for local boards of election for technology upgrades and equipment.
- **Online Voter Registration System:** No new funding. \$14.6 million is reappropriated to support the development of an online voter registration system.
- **Poll Books:** No new funding. \$14.7 million is reappropriated to support the purchase of electronic poll books.



EMPIRE STATE DEVELOPMENT CORPORATION

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AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Buffalo Bills:** \$5.4 million, \$70,000 more than last year. This funding supports professional football in Western NY.
- **CATALIST NY:** \$9 million in new funding to support the Companies Attracting Talent to Advance Leading Innovations and Scale Technologies in New York (CATALIST NY) program. The CATALIST NY initiative will provide tax incentives to early-stage businesses that have completed a NYS incubator program. Please see the Revenue Highlight in this publication for more information (Part G of the Revenue Bill – A.3009).
- **Entrepreneurial Assistance Program:** \$5.5 million, \$1 million more than last year, to support over 20 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.
- **Economic Development Incentives and Marketing of New York:** \$47 million, \$2 million more than last year, to promote tourism and business investment.
 - ➔ This funding supports 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.
- **Federal Tourism Grant:** \$18 million, \$16 million, more than last year to support Federal Tourism grants. This funding supports State and local marketing, infrastructure, workforce, tourism and outdoor recreation. The original appropriation authority lapsed, and this appropriation will allow agencies to finally spend this funding received by the State 2 years ago.

SIGNIFICANT DECREASES INCLUDE:

- **Legislative Initiatives:** \$17.3 million in various Legislative initiatives have been eliminated.
- **Minority and Women-owned Business Development and Lending Program:** \$635,000, \$365,000 less than last year.
- **Office of Workforce and Economic Development:** \$191.4 million, \$17 million less 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, same as last year;
 - ➔ **Caregiver Flexibility for Direct Care Workers:** \$39 million, same as last year;
 - ➔ **Diversity in Medicine Program:** \$2.4 million, same as last year;
 - ➔ **Expanding Psychiatric Rehabilitation Services at Office of Mental Health:** \$10.3 million, same as last year;
 - ➔ **Expansion of Alternative Teacher Certifications:** No new funding, \$10 million less than last year;
 - ➔ **Expansion of SUNY Premedical Opportunities Program:** \$1 million, same as last year;
 - ➔ **Financial Burden Relief for Healthcare Workers:** \$47 million, same as last year;
 - ➔ **Internships at SUNY and CUNY:** \$10 million, same as last year;
 - ➔ **One Network for Regional Advanced Manufacturing Partnership (ON-RAMP):** \$14 million, \$1 million more than last year;
 - ➔ **Teacher Residency Program:** \$30 million, same as last year;

- ➔ **Training Programs at Office of People with Developmental Disabilities:** \$10.2 million, same as last year;
- ➔ **Training Capacity Expansion for Statewide Institutions:** \$22.5 million, same as last year; and
- ➔ **Upskilling School Paraprofessionals:** No new funding, \$8 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Development Financial Institutions:** \$1.5 million. Funding supports 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.
- **Global Entrepreneurs Program:** \$4 million. Funding supports 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.
- **Market NY:** \$7 million. Funding supports winning tourism marketing plans that best 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. Funding is for the Urban and Community Development program in economically distressed areas.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Championing Albany’s Potential Initiative:** \$335 million in new funding to promote business development, bolster public safety, build out community anchors, and enhance affordability and cultural experiences. The Executive Budget includes \$400 million in total to support this initiative with funding provided by the Department of Transportation (DOT), Office of General Services (OGS) and the State Education Department (SED).
 - ➔ The Division of Budget stated that \$150 million of this funding will support capital improvements to the New York State Museum, Library, and Archives in consultation with the State Education Department.
- **POWER UP:** \$100 million in new funding to support the Promote Opportunity with Electric Readiness for Underdeveloped Properties (POWER UP) Fund. This funding will support proactive development of electric capacity to create power-ready sites. The purpose of the program is to attract new businesses to the State. The Governor proposes to fund this program with \$300 million over 3 years.
- **Buffalo Bills:** \$2.4 million, \$66,000 more than last year, to support professional football in Western NY.

SIGNIFICANT DECREASES INCLUDE:

- **Empire AI:** \$90 million, \$160 million less than last year, 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 Artificial Intelligence (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.
- ➔ This investment is in addition to the \$275 million State investment included in the FY25 Enacted Budget.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **FAST-NY:** \$100 million. Funding supports the Focused Attraction of Shovel-Ready Tracts (FAST-NY) Program. The FAST-NY Program provides grants to prepare and develop shovel-ready sites to increase attractiveness to large employers, including high-tech manufacturing and interstate distribution and logistics businesses.
- **Market NY:** \$8 million. Funding supports 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 continues to 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 continue 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.
- **RUSH-NY:** \$250 million. Funding is 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 second of two \$250 million appropriations.

SIGNIFICANT ACTIONS INCLUDE:

- **Albany Nanotech Ultraviolet Lithography Center:** No new funding. \$300 million is reappropriated to support the State’s \$1 billion previously announced commitment to expand Albany’s NY CREATES Nanotech Complex. 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.
- **County Public Safety Systems Grants:** No new funding. \$85 million is reappropriated 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:** No new funding. \$50 million is reappropriated 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.
- **Grown and Certified:** No new funding. \$20 million is reappropriated 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.
- **Legislative Additions:** No new funding. \$69.5 million in various legislative adds is reappropriated. Some of these initiatives include:
 - ➔ **Hip Hop Museum:** No new funding. \$10 million is reappropriated.
 - ➔ **Hunts Point Meat Market:** No new funding. \$10 million is reappropriated.
 - ➔ **MiSci Museum:** No new funding. \$10 million is reappropriated.

- **ON-RAMP:** No new funding. \$80 million is reappropriated 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.
- **Restore New York Communities Initiative:** No new funding. \$50 million is reappropriated 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.

manager is responsible for developing and providing the owner with a proposed guaranteed maximum price to construct the project.

Under this delivery method, the contractor assumes the responsibility for construction, the period of time for performance, and the costs exceeding the contract amount. Lastly, this Part would expand the authority to pre-qualify vendors and require authorized State agencies to publish in a newspaper annually, or the NYS Contract Reported, an advertisement requesting prospective contractors to submit qualification statements.

PART Z – NEW YORK CITY PUBLIC WORKS INVESTMENT ACT EXPANSION

This Part would expand New York City’s authorization to use construction manager build and progressive design-build procurement methods to include additional agencies and projects. Both of these procurement methods involve the contractor early in the project, use qualification-based selection rather than the lowest bidder, and provide for more collaboration between the owner, designer, and builder.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART Y – INFRASTRUCTURE INVESTMENT ACT EXPANSION

This Part would add the State University of New York and the City University Construction Fund to the list of authorized State entities under the Infrastructure Investment Act. This Part would also allow authorized State entities to utilize Construction Manager as Constructor (CMAC) as an alternative project delivery method. It would further expand the authority to pre-qualify vendors to State agencies. This Part defines CMAC as a contract where the construction manager is retained by the owner during the design phase and is responsible for collaborating working as part of a team in conjunction with the owner and owner’s separately retained design firm. The construction

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART EE – EXTENDS THE EMPIRE STATE ECONOMIC DEVELOPMENT FUND (EDF)

This Part reauthorizes the EDF and extends the program by 3 years, until July 1, 2028.

PART FF – LOAN POWERS OF URBAN DEVELOPMENT CORPORATION (UDC)

This Part extends the general loan powers of the Urban Development Corporation by 3 years, until July 1, 2028.

PART KK – MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE (MWBE) PROGRAM

This Part extends the Minority and Women-owned Business Enterprise (MWBE) program for 2 years, until December 31, 2027.

PART LL – INCREASE THE LINKED DEPOSIT PROGRAM

This Part increases the maximum authorization of funds on deposit for the Linked Deposit program from \$560 million to \$1 billion. The current \$560 million allocation has remained unchanged since 2007 and is expected to be fully committed within FY26.

The Linked Deposit program helps NYS businesses obtain loans at reduced interest rates to improve their competitiveness, expand their markets, develop new products, modernize equipment, and invest in their facilities. New York State places a deposit for the same amount as the loan at the bank and earns less interest on the deposit, allowing the lender to transfer the interest rate savings onto the borrower. At the end of the four-year term, the bank returns the deposit to New York State.

PART MM – INCREASE DISCRETIONARY PROCUREMENT THRESHOLDS FOR MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES (MWBE) AND VETERAN OWNED BUSINESSES

This Part increases the State agency and public authority discretionary procurement thresholds for MWBEs and Service-Disabled Veteran Owned

Businesses (SDVOBs). These discretionary thresholds would be increased as follows:

- State Agency Threshold: From \$750,000 to \$1.5 million; and
- Public Authority Threshold: From \$500,000 to \$1.5 million.

REVENUE – A.3009

PART G – ESTABLISH THE CATALIST NY PROGRAM

This Part would create a new Statewide economic development program called the Companies Attracting Talent to Advance Leading Innovations and Scale Technologies in New York Program, or the “CATALIST NY Program.”

The CATALIST NY Program’s intent would be to help grow the innovation economy in New York State and support early-stage innovation businesses.

Under this program, eligible small business incubators could receive certification from the Department of Economic Development (DED) to become “CATALIST NY” incubators.

CATALIST NY incubators would be authorized to nominate eligible small, start-up businesses for certification to become CATALIST NY small businesses. This certification would come from DED and would provide certified businesses with tax benefits. Priority for tax benefits would be given to incubators that support businesses in the following sectors:

- Clean energy and climate technology;
- Life sciences;
- Computing and cyber security;
- Agricultural technology;

- Advanced manufacturing;
- Materials; and
- Microelectronics.

The tax benefits under this program include a new Personal Income Tax deduction for all wages paid to up to eight new net employees who are employed by a certified CATALIST NY small business. This deduction would be available for a period of five years beginning with the taxable year during which DED issues a certificate of tax benefits to a CATALIST NY small business.

- For taxable years beginning on or after January 1, 2025, and before January 1, 2030, the aggregate number of employees allowed tax benefits would in any taxable year could not exceed 4,500.
- Funds utilized to provide tax benefits under this proposal would come from the State’s Excelsior Jobs Program.
- No tax benefit would be allowed for taxable years beginning on or after January 1, 2035.

PART H – EXTEND AND AMEND THE EXCELSIOR JOBS PROGRAM

Extend Excelsior Jobs Program and Apply Program to Semiconductor Supply Chain Projects

This Part would extend the Excelsior Jobs Program for an additional 10 years, through 2039, and expand the program to provide enhanced benefits for semiconductor supply chain projects.

- Semiconductor supply chain projects include, but are not limited to, those projects that would aid in semiconductor device manufacturing, the production of component parts, or otherwise support the domestic production of semiconductor chips.
- Under this Part, semiconductor supply chain projects would be eligible for an Excelsior Jobs Tax Credit equal to 7% of gross wages paid; an Excelsior Investment Tax Credit

equal to 3% of qualified investments; and an Excelsior Research and Development Tax Credit equal to 7% of qualified research and development expenditures conducted in New York State.

Extend the Green CHIPS Program

This Part would also extend the Green CHIPS program and maintain the current Green CHIPS credit cap of \$200 million per year for an additional 10 years, through 2039.

Additionally, this Part would sunset the current Employee Training Incentive Program on December 31, 2028.

Creates the Semiconductor Research and Development Program

This Part also establishes the Semiconductor Research and Development Program within the Department of Economic Development. This program would provide financial incentives intended to attract large-scale semiconductor research and development projects to New York State by providing new Corporate Franchise and Personal Income Tax credits for semiconductor research and development.

- This credit would be equal to 15% of qualified semiconductor research and development expenditures.

Semiconductor Manufacturing Workforce Training Incentive Program

Additionally, this Part would establish a Semiconductor Manufacturing Workforce Training Incentive Program within the Department of Economic Development. This program would provide tax credits to assist businesses with expenses related to employee training. The amount of the credit would be:

- 75% of eligible wages, training costs and wrap-around services up to \$25,000 per employee;

- Up to \$1,000,000 per eligible non-semiconductor manufacturing business; and
- Up to \$5,000,000 per eligible semiconductor manufacturing business.

Expand the Empire State Jobs Retention Tax Credit Program

Lastly, this Part would enhance and expand the Empire State Jobs Retention Tax Credit Program to assist businesses impacted by an event leading to an emergency declaration by the Governor. This proposal would allow any business, including small businesses, at risk of leaving the State or closing operations due to a declared emergency event, to participate in the Jobs Retention Tax Credit program.

EMPLOYEE RELATIONS

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **Contract Negotiation and Administration Program:** \$16 million. This funding is used 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:

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CAPITAL PROJECTS – A.3004

MAINTAINS THE FOLLOWING:

- **Western NY Nuclear Service Center:** \$25.8 million. Funding is for continued cleanup and reflects a Federal match for the cleanup expenses. The Federal Department of Energy covers 90% of the annual costs of the cleanup, while the State pays for the remaining 10%.

SIGNIFICANT ACTIONS INCLUDE:

- **Empower Plus Program:** No new funding. \$94.5 million is reappropriated 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.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART EE- SWEEPS AND TRANSFERS

§3-4 Sweeps and Transfers

Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

THE FOLLOWING OUTLINES
TRADITIONAL TRANSFERS OF FUNDS:

§20 NYSERDA

Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund on or before March 31, 2026.

§21 NYSERDA

Authorizes the transfer of \$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, 2026.

TRANSPORTATION, ECONOMIC
DEVELOPMENT AND
ENVIRONMENTAL
CONSERVATION – A.3008

**PART VV – NYSERDA FINANCE
AUTHORIZATION**

This Part authorizes NYSERDA to finance research, development, demonstration, and policy and planning programs through an existing annual assessment on gas and electric corporations. This is not a new assessment but a reauthorization. For this year, NYSERDA may collect up to \$35.7 million – an increase of \$7 million from the previous year. Of that amount, \$1 million is dedicated to operational support, while \$6 million is allocated to cover the costs related to NYSERDA’s Nuclear Power Development Master Plan.

ENVIRONMENTAL CONSERVATION

WAYS AND MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **General Fund-Administration:** \$275.5 million, \$37.6 million more than last year, reflecting increased personal service costs, information technology system upgrade costs, and administrative support. This funding includes a dry appropriation of \$29.7 million in support of a forthcoming switch to SFS Payroll Systems.
 - ➔ This amount also reflects the addition of 28 positions supporting the DEC's new wetlands regulations.
- **Special Revenue Funds-Other:** \$259.4 million, \$533,000 more than last year, reflecting increased personal service costs and other expenses.
 - ➔ This amount reflects the addition of 30 positions to provide program support for the State's new climate change adaptation cost recovery program (Climate Superfund).

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$2.1 million, \$2.1 million less than last year. This amount reflects the removal of last year's legislative additions. Please see the attached Local Assistance Chart (*Figure 1*) at the end of this section for details.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **State Superfund:** \$125 million, \$25 million more than last year, associated with the Governor's proposed reauthorization and strengthening of the superfund program.
- **Facilities Rehabilitation:** \$59 million, \$12.3 million more than last year. This funding

includes \$46 million for facilities rehabilitation and \$3 million for various adaptation and resiliency projects.

MAINTAINS THE FOLLOWING:

- **Clean Water Infrastructure:** \$500 million. This funding supports clean water infrastructure projects.
 - ➔ This funding brings New York State’s total financial commitment for Clean Water Infrastructure to \$6 billion since 2017.
- **Environmental Protection Fund (EPF):** \$400 million. Highlights include:
 - ➔ **Vermont Energy Investment Corporation:** \$250,000 in new funding for the deployment of demonstration projects showcasing natural refrigerants.
 - ➔ See the attached EPF Chart (*Figure 2*) at the end of this section for more details.
- **Infrastructure Investment and Jobs Act (IIJA):** \$70 million for the expenditure of Federal funds as part of the Infrastructure Investment and Jobs Act of 2022 (IIJA).
- **NY Works:** \$90 million. This funding is for health and safety repairs to State infrastructure, including dams, wetland restoration, State lands, and fish hatcheries. This includes up to \$5 million for the Albany Pine Bush Preserve Commission, and also includes \$10 million in funding for construction at the following dams:
 - ➔ Conklingville Dam, Hadley, Saratoga County;
 - ➔ Old Forge Dam, Old Forge, Herkimer County;
 - ➔ Indian Lake Dam, Indian Lake, Hamilton County; and
 - ➔ Sixth Lake Dam, Inlet, Hamilton County.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART EE – 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; and
- \$1 billion from the General Fund to the Hazardous Waste Oversight and Assistance Account, State Parks Infrastructure Account, EPF, Correctional Facilities Capital Improvement Fund, Housing Program Fund or Mental Hygiene Facilities Program Account.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART PP – WASTE TIRE FEE EXTENDER

This Part extends for 5 years until December 31, 2030, the authority of the Department of Environmental Conservation (DEC) to collect New York State’s waste tire fee. This is a \$2.50 fee charged for each new tire sold in New York State to

be paid by the purchaser at the time of sale. This Part eliminates the current mail order sales exclusion to the collection of that tire fee. This change is intended to capture an increased number of online tire sales.

This Part would also require out-of-state sellers that meet the requirements for Sales Tax collection to collect the fee on sales of new tires that are delivered in New York. Tire installers in New York would be required to collect the fee when installing such tires unless the purchaser can show that the fee was already paid.

PART QQ – YOUTH HUNTING EXTENDER

This Part extends, for 5 years until December 31, 2030, authorization for a Youth Hunting Program within the Department of Environmental Conservation (DEC). Part ZZ of Chapter 55 of the Laws of 2021 (A.3005-C of 2021) established a Deer Hunting Pilot Program within the DEC. This program allows 12- and 13-year-old license holders to hunt deer in permissible seasons with a crossbow, rifle, shotgun, or muzzleloader in eligible Counties under the supervision of an adult with at least 3 years of hunting experience. The program was scheduled to sunset on December 31, 2025.

PART RR – HAZARDOUS WASTE SUPERFUND REAUTHORIZATION

This Part makes several changes to the Inactive Hazardous Waste Disposal Site Program, known as the State Superfund. Specifically, these changes include:

- Adding four new definitions concerning natural resources, natural resource damages, response costs, and a considerably expanded definition of persons to be held responsible for improper hazardous waste disposal, bringing such definitions into alignment with Federal law.
- Requiring the Department of Environmental Conservation (DEC) to prioritize implementation of remedial programs at

sites located in disadvantaged communities, consistent with the protection of public health and the environment.

- Clarifying municipal liability under the Program by stating that no municipality can be held liable as a responsible party unless that municipality has, through action or inaction, intentionally or recklessly caused site contamination outside the performance of governmental functions at property it owns or operates.

Increased DEC Authority

This Part increases the authority of DEC under the State Superfund by:

- Authorizing DEC to provide for the recovery of costs and natural resource damages in State court;
- Allowing DEC to issue unilateral orders to responsible parties in instances where there is a significant threat to public health or the environment that a responsible party is unwilling to address; and
- Enabling DEC to file environmental liens on sites to ensure transparent controls are in place for remedial measures.

Increased Fines

Any person who fails to comply with the provisions of this proposal may be fined an amount not to exceed \$37,500 for each day a violation or failure to comply continues. Conversely, any person who complies with an order under the provisions of this proposal may petition the DEC for reimbursement of reasonable costs of remediation (plus interest) within 60 days of the completion of a required action. If the DEC refuses to grant all or part of such a reimbursement, an action may be filed against the DEC within 30 days of refusal.

Bond Authority

Finally, this Part would allow funds to be used for remedial programs at sites owned by New York State and increase the maximum amount of bonds

that may be issued to finance hazardous waste site remediation projects from \$2.2 billion to \$3.45 billion. This bond authorization is extended for 10 years, to March 31, 2036.

PART SS – BAN PFAS IN FIREFIGHTING EQUIPMENT

This Part bans the manufacture, sale or distribution of any firefighting personal protective equipment (PPE) containing perfluoroalkyl substances (PFAS) in the State beginning January 1, 2028. This Part also makes technical changes to the language governing the recall of Class B firefighting foam containing PFAS pursuant to Chapter 88 of the Laws of 2020, which aimed to reduce the use of PFAS chemicals in firefighting equipment.

PART UU – CRAB REGULATION EXTENDER

This Part extends, for 4 years, until December 31, 2029, the authority of the Department of Environmental Conservation (DEC) to regulate and manage the taking of crabs.

**Environmental Conservation Local Assistance Programming
FY 2025-26 Executive Budget Proposal
Figure 1**

Program	FY 2024-25 Enacted	FY 2025-26 Executive	Change From Previous Year
Adirondack Diversity Initiative**	\$420,000	\$300,000	(\$120,000)
Buffalo-Niagara Waterkeeper, Inc.	\$250,000	\$0	(\$250,000)
Catskill Center for Conservation and Development	\$50,000	\$0	(\$50,000)
Catskill Mountainkeeper	\$50,000	\$0	(\$50,000)
Delaware River Basin Commission**	\$359,500	\$359,500	\$0
Environmental Leaders of Color, Inc.	\$200,000	\$0	(\$200,000)
Friends of the Upper Delaware River Basin**	\$350,000	\$350,000	\$0
Fund-NYC/Jamaica Bay Rockaway Parks Conservancy	\$350,000	\$0	(\$350,000)
Great Lakes Commission**	\$560,000	\$60,000	(\$500,000)
The Hope Program	\$140,000	\$0	(\$140,000)
Interstate Environmental Commission**	\$96,600	\$41,600	(\$55,000)
Landfill Closures- Essex County**	\$300,000	\$300,000	\$0
Landfill Closures- Hamilton County**	\$150,000	\$150,000	\$0
Long Island City Coalition	\$125,000	\$0	(\$125,000)
New England Interstate Commission**	\$38,000	\$38,000	\$0
Ohio River Basin Commission**	\$14,100	\$14,100	\$0
Save the Great South Bay, Inc.	\$300,000	\$0	(\$300,000)
Scenic Hudson, Inc.	\$250,000	\$250,000	\$0
Susquehanna River Basin Commission**	\$259,000	\$259,000	\$0
Total	\$4,262,200	\$2,122,200	(\$2,140,000)
* = New 2025-26 Program			
** FY 2023-24 Transfers from the Environmental Protection Fund (EPF)			



Environmental Protection Fund (In 000's)			
FY 2025-2026 Executive Budget Proposal			
Figure 2			
Program Name	FY 2024-25 Enacted	FY 2025-26 Executive	Monetary Change
SOLID WASTE			
Landfill Closure/ Gas Management	\$300	\$300	\$0
Municipal Recycling	\$19,000	\$19,000	\$0
<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	\$13,000	\$0
<i>Env. Justice Grants- Air Monitoring</i>	\$4,000	\$4,000	\$0
<i>Center for Native Peoples and the Environment</i>	\$1,142	\$1,142	\$0
<i>Connect Kids</i>	\$3,000	\$3,500	\$500
Environmental Health Centers	\$11,250	\$11,250	\$0
<i>Fresh Connect</i>	\$3,850	\$3,850	\$0
<i>CleanSweep NY</i>	\$500	\$500	\$0
<i>Children's Environmental Health Centers</i>	\$4,000	\$4,000	\$0
<i>USGS LI Groundwater</i>	\$0	\$0	\$0
<i>SUNY Stony Brook Center for Clean Water</i>	\$1,000	\$1,000	\$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	\$54,075	\$54,075	\$0
PARKS AND RECREATION			
Waterfront Revitalization	\$14,275	\$14,275	\$0
<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	\$25,900	(\$100)
<i>Inner City/Underserved</i>	\$13,000	\$13,000	\$0
<i>Tivoli</i>	\$250	\$25	(\$225)
<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>	\$250	\$250	\$0
<i>Adirondack Park Interpretive Centers</i>	\$250	\$250	\$0
<i>Westchester Parks Foundation- Camp Morty</i>	\$250	\$0	(\$250)
<i>The Riverline</i>	\$225	\$0	(\$225)
<i>Town of Amherst Splash Pad</i>	\$250	\$0	(\$250)
Hudson River Park	\$4,400	\$4,400	\$0

Public Access and Stewardship	\$47,000.0	\$49,000	\$2,000
<i>ORDA/Belleayre</i>	\$0	\$0	\$0
<i>New York Protected Areas Database</i>	\$18	\$300	\$282
<i>Friends Group Capacity Grants</i>	\$0	\$0	\$0
<i>Adirondack Mountain Club-High Peaks Info. Center</i>	\$500	\$0	(\$500)
<i>SCALE</i>	\$2,000	\$1,500	(\$500)
<i>Camp Santanoni Historic Area</i>	\$500	\$750	\$250
<i>Adirondack/Catskill Visitors' Safety</i>	\$10,000	\$8,000	(\$2,000)
<i>DEC Visitor Use Management</i>	\$0	\$0	\$0
<i>Parks and Trails NY</i>	\$2,000	\$2,500	\$500
ZBGA	\$20,000	\$20,000	\$0
Navigation Law	\$2,300	\$2,300	\$0
Total	\$113,975.0	\$115,875	\$1,900.0
OPEN SPACE			
Land Acquisition	\$39,500	\$37,500	(\$2,000)
<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>Open Space Grant Program*</i>	\$0	\$200	\$200
<i>Invasive Species Re-Treeing</i>	\$200	\$200	\$0
<i>Regions 1, 2, and 3</i>	\$4,000	\$4,000	\$0
<i>Snake Hill/ Saratoga PLAN</i>	\$0	\$0	\$0
Farmland Protection	\$21,000	\$21,000	\$0
<i>ACUB/Fort Drum</i>	\$500	\$250	(\$250)
<i>Cornell Land Classification</i>	\$106	\$0	(\$106)
Urban Farms and Community Gardens Grant Program**	\$2,325	\$2,325	\$0
<i>Cornell University Carveout</i>	\$0	\$0	\$0
Agricultural Waste Management	\$1,900	\$1,900	\$0
<i>Dairy Acceleration Program</i>	\$700	\$700	\$0
Biodiversity Stewardship	\$1,850	\$1,850	\$0
<i>Pollinator Protection</i>	\$500	\$0	(\$500)
<i>Cornell Bee Husbandry</i>	\$300	\$300	\$0
<i>Cary Institute of Ecosystem Studies</i>	\$180	\$180	\$0
<i>Adirondack Watershed Inst.-Paul Smith's College</i>	\$100	\$0	(\$100)
<i>SUNY Albany Atmospheric Sciences Research Center</i>	\$100	\$0	(\$100)
Albany Pine Bush Commission	\$3,000	\$3,100	\$100
LI Pine Barrens Commission	\$2,500	\$2,500	\$0
Lake George Park Commission	\$900	\$900	\$0
Invasive Species	\$18,550	\$18,550	\$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	\$175	\$55
<i>Central Pine Barrens-Prescribed Fires</i>	\$250	\$250	\$0

<i>Southern Pine Beetle Control</i>	\$500	\$500	\$0
Oceans & Great Lakes Ecosystem	\$22,500	\$22,500	\$0
<i>Peconic Bay Estuary Program</i>	\$750	\$750	\$0
<i>Billion Oyster Project</i>	\$500	\$500	\$0
Water Quality Improvement Program	\$22,250	\$22,250	\$0
<i>Suffolk County</i>	\$4,500	\$4,500	\$0
<i>Nassau County</i>	\$5,000	\$5,000	\$0
<i>Eastern Finger Lake Coalition</i>	\$1,200	\$1,200	\$0
<i>Allegheny River Watershed Program</i>	\$1,000	\$1,000	\$0
<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>Cornell-Septic/Phosphorus Treatment</i>	\$1,000	\$1,000	\$0
<i>City of Long Beach</i>	\$250	\$0	(\$250)
<i>Ossi Sports Club/Lake Ossi</i>	\$0	\$0	\$0
<i>Save the Great South Bay, Inc</i>	\$200	\$0	(\$200)
<i>Town of Southeast/Peach Lake Brook</i>	\$0	\$0	\$0
<i>Lake Erie-Niagara River Basin</i>	\$1,300	\$1,300	\$0
South Shore Estuary Reserve	\$2,000	\$2,000	\$0
Agricultural Non-Point Source Pollution Control	\$17,500	\$18,500	\$1,000
<i>Cornell Integrated Pest Management</i>	\$0	\$0	\$0
<i>Cornell Cooperative Extension of Suffolk County</i>	\$500	\$0	(\$500)
<i>Cornell Pesticide Management Education Program</i>	\$250	\$0	(\$250)
Non-Agricultural Non-Point Source Pollution Control	\$6,000	\$6,000	\$0
<i>Cornell Community Integrated Pest Management</i>	\$1,000	\$1,000	\$0
Soil & Water Conservation Districts	\$17,250	\$17,250	\$0
Delaware River Basin Restoration Program	\$0	\$0	\$0
Finger Lakes-Lake Ontario Watershed	\$3,500	\$3,500	\$0
Hudson River Estuary Plan	\$7,500	\$7,500	\$0
<i>Mohawk River</i>	\$1,000	\$1,000	\$0
Lake Erie Watershed Protection Alliance	\$250	\$250	\$0

Total	\$190,275.0	\$189,375.0	(\$900.0)
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CLIMATE CHANGE MITIGATION AND ADAPTATION

Greenhouse Gas Management	\$2,400	\$2,400	\$0
<i>Regenerate NY Grant Program</i>	\$500	\$500	\$0
<i>Refrigeration Council Pilot Program</i>	\$500	\$500	\$0
<i>Community Forests</i>	\$500	\$500	\$0
<i>Vermont Energy Investment Corporation*</i>	\$0	\$250	\$250
Local Climate Resiliency Plans and Adaptation Projects	\$7,025	\$6,525	(\$500)
<i>Wood Products Development Council</i>	\$200	\$20	(\$180)
<i>Climate Coordinators</i>	\$2,000	\$2,500	\$500
<i>Resiliency Planting Program</i>	\$500	\$100	(\$400)
<i>SUNY ESF-Timbuctoo Climate Inst.</i>	\$1,250	\$1,250	\$0

<i>SUNY ESF Forest Products & Applied Climate Research</i>	\$1,500	\$1,500	\$0
<i>Staying Connected</i>	\$25	\$25	\$0
<i>PBS</i>	\$0	\$0	\$0
Smart Growth	\$3,800	\$3,800	\$0
Climate Smart Community Projects (Clean Vehicles)	\$12,500	\$12,000	(\$500)
<i>Electric Vehicle Fast Chargers</i>	\$0	\$0	\$0
Farmer's Market Resiliency Grant Program**	\$700	\$700	\$0
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)
Total	\$41,675	\$40,675	(\$1,000)
TOTAL EPF	\$400,000	\$400,000	\$0

*New 2025-26 Program

**FY 24-25 Transfers from Agriculture Local Assistance



FINANCIAL SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$89.6 million, \$705,000 more than last year.
- **Banking Program:** \$126.6 million, \$6.1 million more than last year.
- **Insurance Program:** \$254.8 million, \$7.1 million more than last year.

- **Insurance Program:** \$72.9 million for the following programs:
 - ➔ **Entertainment Industry Health Insurance Assistance Demonstration Program:** \$3 million;
 - ➔ **Family Planning Services:** \$27.4 million;
 - ➔ **Healthy NY Program:** \$19.4 million;
 - ➔ **Immunization Program:** \$7.5 million;
 - ➔ **Lead Poisoning Prevention and Assistance Program:** \$14.6 million; and
 - ➔ **New York City Fire Training Academy for FY26:** \$989,000.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Education Debt Consumer Assistance Banking Program:** \$3.25 million.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$850,000.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ELIMINATIONS INCLUDE:

- **IT Modernization:** \$60 million. Of this funding, \$58.3 million remains in reappropriations from the FY25 appropriation.



TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART S – ASSISTANCE DEMONSTRATION PROJECT FOR DISPLACED WORKERS

This Part extends for one year, until July 1, 2026, 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 Y – REGULATE BUY NOW PAY LATER LOANS

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, 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 Part 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. In addition to annual reports, the Superintendent may require licensees such additional regular or special reports as the Superintendent may deem necessary for the proper supervision of licensees.

This Part also imposes limitations on certain acts that buy-now-pay-later lenders can take, including:

- Employ any scheme, device, or artifice to defraud or mislead a borrower;
- Engage in any unfair, deceptive, or abusive act or practice toward any person or misrepresent or omit any material information in connection with the buy-now-pay-later loans;
- Misapply payments to the outstanding balance of any buy-now-pay-later loan or to any related fees;
- Provide inaccurate information to a consumer reporting agency; or

- Make any false statement or make any omission of a material fact in connection with any information or reports filed with a governmental agency or in connection with any investigation conducted by the Superintendent or another governmental agency.

Further, 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.

The Superintendent may establish a standard amount or percentage for total maximum charge or fee in connection with a late payment, default, or any other violation of the buy-now-pay-later loan agreement that a buy-now-pay-later lender can charge a consumer. Such fee or charge shall not be collected more than once for a single such late payment, default, or other violation of the loan agreement.

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, whether the transaction will or will not be reported to a credit reporting agency 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 or credits the return of goods or services purchased in connection to these loans;

- Resolve consumer disputes in a matter that is fair and transparent to consumers;
- Provides the consumer with the option to consent as to whether the lender may use, sell, or share the data of such consumer, other than in connection with the making of a particular buy-now-pay-later loan; and
- Voids any buy-now-pay-later loan made by a person not licensed by the Superintendent.

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 Z – PHARMACY BENEFIT MANAGER TRANSPARENCY

This Part requires PBMs to publish a report, no later than July 1st of each year, containing rebate contract information from the prior calendar year on its website, and file this report with the Department of Financial Services (DFS). This information shall include the following:

- The aggregated dollar amount of rebates, fees, price protection payments and any other payments the PBM received from drug manufacturers through a rebate contract;
- The portions of the amounts of such rebates which were:
 - ➔ Passed on to health plans; or
 - ➔ Retained by the pharmacy benefit manager.
- For each rebate contract in effect during the reporting period:
 - ➔ The names of the contracting parties;
 - ➔ The execution date and the term of the contract, including extensions;
 - ➔ The name of the drugs and the associated national drug codes covered

by the rebate contract, and for each drug:

- ❖ A summary of the contract terms regarding formulary placement, formulary exclusion, or prior authorization requirements or step edits, of any drugs considered to compete with each drug;
 - ❖ A summary of all terms requiring or incentivizing volume or market share for each drug, including base rebate amounts, bundled rebates and incremental rebates, stated separately, and price concession, stated separately for each drug; and
 - ❖ The total number of prescriptions filled and units dispensed for which a rebate, discount, price concession or other consideration was received by the PBM for each drug;
- ➔ The rebate percentage and dollar amount retained by the PBM for every rebate, discount, price concession or other consideration under each rebate contract; and
 - ➔ The dollar amount of any other compensation paid by a drug manufacturer to a PBM for services including distribution management services, data or data services, marketing or promotional services, research programs, or other ancillary services, under each rebate contract.

PART AA – FINANCIAL EXPLOITATION PREVENTION OF VULNERABLE ADULTS

This Part establishes procedures for financial institutions, including broker-dealers, investment advisers, and banking 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 60 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.

A financial institution may impose a transaction hold if they reasonably believe that financial exploitation of an eligible adult may have occurred, may have been attempted, or is being attempted. The institution no later than two business days must notify all parties on the account and adult protective services and/or law enforcement. A transaction hold shall expire fifteen business days after its application, except that a transaction hold may be extended for up to forty additional business days if there is a continued reasonable belief of exploitation, or if an institution no longer reasonably believes that a transaction is the subject of or related to financial exploitation, it shall release such transaction, provided that adult protective services and/or law enforcement does not object.

Before placing a delay on a disbursement or a transaction, an institution shall:

- Develop training policies or programs reasonably designed to educate employees who perform or approve transactions on behalf of customers on issues pertaining to the financial exploitation of specified adults; and
- Conduct training for employees as soon as reasonably practicable and maintain a written record of all trainings conducted.

An institution shall be immune from civil and administrative liability for good faith actions in relation to the application of this proposal.

Further, this authorizes the Attorney General and the Superintendent of the Department of Financial Services to promulgate regulations to effectuate this proposal.

PART BB – VEHICLE GROUP INSURANCE VEHICLE CAPACITY REQUIREMENTS

Current law allows only for-hire vehicles with a capacity of eight or more to be eligible for group insurance policies. This Part would remove that capacity requirement to allow owners of all for-hire motor vehicles to benefit from group insurance policies. The Governor states that this proposal will open opportunities for insurers to expand their group policy offerings and provide owners of for-hire vehicles more options for sufficient coverage in this market.

PART CC – FLEX RATING FOR LIVERY INSURANCE

This Part would allow for flex rating for for-hire vehicle coverage. The Department of Financial Services would be required to promulgate regulations governing the amount of permissible flex rating.

Specifically, this Part allows insurers to increase for-hire motor vehicle rates up to a percentage specified in regulation promulgated by the Superintendent, but not to exceed 5%. These increases may take effect without the Superintendent’s prior approval. Further, the legislation prohibits insurers from implementing more than two rate increases during any twelve-month period. An insurer is also prohibited from implementing a rate increase within the limitation specified in regulation until the onset of the new policy period. Finally, this Part excludes buses and school buses from these regulations.

The Executive states that this Part would allow insurers to quickly make small adjustments in response to changes in the industry and better compete for business within reasonable limitations and strengthen regulations in the industry.

PART DD – INSURANCE RATE APPROVAL FOR FOR-HIRE VEHICLES

This Part would require for-hire vehicle insurers to refile their rates, rating plans, rating rules, and rate manuals, including no-fault coverages, by August 1, 2025, and every three years after for Department of Financial Services (DFS) approval. For rates submitted prior to August 1st, the Superintendent may approve the phasing-in of rates that meet the standards set.

The Executive states that this rate review cycle will enable DFS to establish actuarially sound rates across the industry and phase in any rate increases over-time to help owners of for-hire vehicles manage the costs of coverage.



GAMING COMMISSION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Commercial Gaming Regulation:** \$23.7 million, \$11.2 million more than last year, to support regulation and oversight of commercial casinos and future downstate commercial casinos.

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.3003

SIGNIFICANT INCREASES INCLUDE:

- **Cornell University College of Veterinary Medicine Study:** \$5.8 million in new funding for Cornell University College of Veterinary Medicine to study and develop a protocol to advance the field of thoroughbred injury detection. For more information, please see Part II of the Revenue Budget Bill A 3009.
- **Tribal State Compact:** \$251 million, \$51 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. Negotiations on the Seneca Compact that expired on March 31, 2024, are on pause at the request of the Nation. 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: \$70 million, \$9 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: \$12 million, \$2 million more than 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: \$51 million, \$6 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: \$17 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: \$20 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 Seneca Allegany Casino.
- ➔ **Seneca Allegany Casino Non-Host**
Communities: \$8 million, \$4 million more than 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: \$22 million, \$6 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: \$9 million, \$2 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: \$30 million, \$7 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: \$12 million, \$3 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.

REVENUE – A.3009

PART FF – SIMPLIFY THE PARI-MUTUEL TAX RATE STRUCTURE

Pari-Mutual Tax Rate Restructure (Subpart A)

This Part streamlines the Pari-Mutuel tax rate structure by moving to a flat tax on live racing handle. Currently, pari-mutuel tax rates are very complex and burdensome for operators. These tax rates are determined based on several factors including: time of day, type of signal, the track holding the race, type of bet, location, type of racing and regulatory fees. Under this proposal the tax rates on the handle would be:

- 1.1% for thoroughbred tracks,
- 1% for harness tracks, and
- 0.6% for Off-Track-Betting Corporations (OTBs).

This Part would cap the pari-mutuel wagering tax paid by such harness tracks to FY24 levels. According to the Division of Budget, these updated tax rates were set with the intent to generate similar pari-mutuel tax collections as currently reported by racing entities on an annual basis.

This Part would also eliminate “breakage” on pari-mutuel bets. Breakage is the difference between what bettors should receive on a winning bet and what they receive. It is essentially a rounding down of payouts to simplify transactions. In New York,

breakage is currently rounded down to the nearest nickel for winnings under \$5, to the nearest dime for winnings greater than \$5 but less than \$25, to the nearest quarter when greater than \$25 but less than \$250 and to the nearest fifty cents when over \$250. Breakage is currently retained by each track.

Under this Part, any track and their respective breeding funds or regional OTB corporations may contract with each other to implement a different revenue distribution scheme than currently provided for in statute, provided a copy of any agreement is sent to the State Gaming Commission. Any such agreement would require signatures from all parties involved and shall be posted on the Gaming Commission’s website within 30 days.

This Executive proposal would repeal a tax credit on pari-mutuel taxes owed by regional OTB corporations equal to 54% of the tax attributed to the OTB’s daily increase in wagers on races at each respective track within the State compared to its average daily wager amount on races during 2004. In addition, the Executive proposal would repeal provisions that grant a regional OTB corporation located in a county where NYRA operates a racetrack (Capital and Nassau OTB) a tax credit of 25% of the taxes due on wagers on races conducted by NYRA where NYRA simulcast races from its Saratoga Racecourse to its Belmont and Aqueduct Racetracks. According to the Division of Budget, the elimination of these tax credits was taken into consideration when developing the new proposed tax rates for racing entities.

Make Permanent Revenue Sharing of Out-of-State Simulcasting (Subpart B)

Lastly, this Part permanently extends the simulcasting (by tracks and OTBs etc.) 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 permanently extends the current statutory distribution of revenue for on-track and off-track wagering at the NYRA tracks and continues the authorization for the in-home simulcasting of races, binding arbitration for

simulcasting disputes and telephone/internet betting accounts. These authorizations were previously extended on a yearly basis in previous years.

- ❖ **Effective Date:** Subpart A would take effect on September 1, 2025, and Subpart B would take effect immediately.
- ❖ **Fiscal Impact:** None to the State.

PART GG – TEMPORARILY EXTEND THE LOWERED CASINO SLOT TAX RATES

This Part would extend the lowered tax rate of 30% on slot machine gross gaming revenues for upstate commercial casinos from April 1, 2026, to June 30, 2028, if certain conditions are met. Currently, the tax rate for commercial casinos has been lowered to 30% from April 1, 2021, to March 31, 2026, for most of these establishments. Tioga Downs rate was lowered to 30% in 2023. Without this extension the tax rates on slot machine gross gaming revenue, these tax rates would revert to statutory levels, del Lago (37%), Tioga Downs (37%), Resorts World Catskills (39%) and Rivers (45%).

Each commercial casino must be current on all statutory obligations to the State and provide an annual report detailing the use of the funds resulting from the lowered tax rate by January 1st of each year. Such reports shall include, but not be limited to, any impact on employment levels since receiving the lower tax rate, an accounting of the use of such funds, any other measures implemented to improve the financial stability of the gaming facility and any other information deemed necessary by the Gaming Commission.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$49 million in FY 2027 and FY 2028 and by \$12 million in FY 2029.

PART HH – EXTEND AUTHORIZED USE OF CAPITAL FUNDS BY A CERTAIN OFF-TRACK BETTING CORPORATION FOR ONE YEAR

This Part extends for one year the authorized use of capital acquisition funds by the Capital Off-Track Betting (OTB) Corporation through March 31, 2026. This proposal would allow the Capital OTB Corporation to utilize up to \$1 million in capital acquisition funds for the purpose of payment of statutory and contractual obligations, expenditures necessary to accept authorized wagers, and past-due obligations to the State.

Further, this Part 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. Capital OTB was authorized to use \$1 million of its Capital Acquisition Funds towards similar non-capital uses in FY25.

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

PART II – CONDUCT A STUDY OF THOROUGHBRED FETLOCK JOINT INJURY DETECTION THROUGH ADVANCED IMAGING

This Part authorizes an agreement between the State Gaming Commission and the Cornell University College of Veterinary Medicine to undertake (at Cornell’s equine hospital adjacent to Belmont Park) a 3-year research study concerning the use of advanced imaging to identify the incidence of fetlock fractures in thoroughbred racehorses and develop a risk factor index for fatal musculoskeletal inquiries in such horses. Such study shall identify fetlock fractures and utilize magnetic resonance imaging to further define early bone pathology and

blood biomarker findings to support the attempted refinement of risk factors.

To pay for the study, this Part would establish an additional 1% fee on multijurisdictional account wagering providers (ADWs) on each wager accepted from New York residents (currently 5% fee) for the next three years (expires September 1, 2028). Any unexpended funds would remain in the State’s general fund. This funding will support this study and may be used to purchase equipment and fund staffing needs.

Lastly, the New York Racing Association (NYRA) will contribute \$2 million by September 1, 2025, to the Harry M. Zweig Memorial Fund to support this study.

- ❖ **Effective Date:** Immediately. The new 1% fee shall apply to wagers from New York residents accepted on and after September 1, 2025, through August 31, 2028. This Act shall be deemed repealed on September 1, 2028.
- ❖ **Fiscal Impact:** Increases State revenue by \$3 million in FY 2026, \$6 million in FY 2027, \$6 million in FY 2028, and \$3 million in FY 2029.



GENERAL SERVICES

WAYS & MEANS CONTACT:

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AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **General Fund:** \$209.4 million, \$65.3 million more than last year, to support converting existing temporary positions to permanent, general salary increases, additional contract and project management positions and other expenses of the agency.
- ➔ **New York State Commission on Reparations Remedies:** \$5 million in new funding to support the Commission. This Commission was created by Chapter 729 of the Laws of 2023 (A.7691).

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Capital Projects:** \$508.9 million, \$249.3 million more than last year. This increase supports one-time funding for renovations to the NYS Capitol, the first phase of the Empire State Plaza Energy Infrastructure Master Plan and other energy projects across various State facilities.
- **Championing Albany's Potential Initiative:** \$25 million in new funding to support plans to design, construct and renovate buildings and facilities within the City of Albany.
 - ➔ The Executive Budget includes \$400 million in total to support this initiative with funding provided by the Department of Transportation (DOT), Office of General Services (OGS) and the State Education Department (SED).

MAINTAINS FUNDING FOR THE FOLLOWING:

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

GENERAL STATE CHARGES

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STATE OPERATIONS – A.3000

SIGNIFICANT ACTIONS INCLUDE:

- **SUNY Hospitals Health Insurance Premiums:** \$312 million in new funding for 3 SUNY hospitals who are in danger of being in arrears in paying their Health Insurance Premiums. This funding will ensure that can make these payments on/before March 31, 2026.

SIGNIFICANT INCREASES INCLUDE:

- **Dental Insurance Plan:** \$82.7 million, \$6.8 million more than last year, for the State's contribution to the dental insurance plan.
- **Employee Benefit Fund:** \$132.5 million, \$2.6 million more than last year, which reflects the State's contribution to the Employee Benefit Fund Program.
- **Employees' Retirement:** \$2.5 billion, \$228.3 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:** \$5.9 billion, \$103.8 million more than last year, which reflects the State's contributions related to providing employees with health insurance.
- **Litigation:** \$55.9 million, \$9.3 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:** \$1.26 billion, \$114.7 million more than last year, which reflects the State's contribution to Social Security Benefits.
- **SUNY Teachers Retirement:** \$23.5 million, \$2.7 million more than last year, on behalf of SUNY to the Teachers' Retirement System for eligible state university faculty.
- **Taxes on Public Lands:** \$334.8 million, \$15.9 million more than last year, for Real Property Tax liabilities or obligations on State-owned land.
- **Judgments Against the State:** \$178 million, \$21 million more than last year, for payments of judgements against the State.

MAINTAINS FUNDING FOR THE
FOLLOWING:

- Payments of Public Lands: \$15.5 million.
- Reimbursements to NYC for Special Accidental Death Benefits to First Responders: \$32 million.
- State Employee Payments to the Metropolitan Commuter Transportation Mobility Tax: \$40.2 million.
- Survivors' Benefit Fund to Survivors of State Employees and Retired State Employees: \$15.5 million.
- Unemployment Insurance for Former State Workers: \$15 million.
- Workers Compensation: \$699 million which reflects the State's contribution to the Workers Compensation Fund.

HEALTH

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MEDICAID OVERVIEW

Medicaid Global Cap

The Executive Budget proposal extends the Medicaid Global Cap through FY27, 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 FY26 and exceed the Medicaid Global Cap in FY27 through FY29. The Executive Budget estimates that from FY27 through FY29, the State will be over the Global Cap by a cumulative \$5.7 billion and will require a gap-closing savings plan. To remain under the cap, the Executive Budget shifts local share costs for other State agencies from the Department of Health to the respective agencies. This resulted in an estimated \$2 billion in space under the Cap. This exclusion will continue in perpetuity

Total Medicaid Spending

Proposed Medicaid Spending in the FY26 Executive Budget is projected to total \$123.8 billion from all funding sources. This includes \$44.1 billion in State spending, \$70.9 billion in federal spending, and \$8.8 billion in spending by counties (local share). Please see the chart in *Figure 1* in the next column for a breakout of the funding sources.

Total Medicaid Spending (billions) <i>Figure 1</i>			
Funding Source	FY 25	FY 26	% Change
State	\$37.7	\$44.1	17.0%
Federal	\$69.2	\$70.9	2.5%
Local	\$8.6	\$8.8	2.3%
Total	\$115.5	\$123.8	7.2%

Local Medicaid Impacts

The Executive Budget continues to take over the Local Share of Medicaid growth, which is projected to be \$8.3 billion in FY26. This includes approximately \$4.6 billion for New York City and \$3.7 billion for the rest of state counties.

Managed Care Organization (MCO) Tax

The FY25 Enacted Budget included language that created a Healthcare Stability Fund funded by a tax on MCOs used to generate revenue for additional Federal Medicaid matching funds. This tax is expected to generate \$3.7 billion in net resources over the next two years, with funds being distributed from the Healthcare Stability Fund over the next three years. \$1.4 billion in net funds are expected to be disbursed in FY26.

Medicaid Scorecard

Figure 2, beginning on the next page, 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 2026 Executive Budget Medicaid Scorecard				
<i>Figure 2</i>				
(State Share - \$ in millions)	Eff. Date	Art. VII/ Admin	FY 2026	FY 2027
Global Cap Forecast (Surplus) / Deficit			\$2,935.50	\$4,180.70
Signed Legislation			\$41.50	\$43.50
Medically Fragile Young Adults (A.3674-A)	4/12/2025	Leg	\$11.70	\$14.30
Medically Fragile Adult Demo A.10189-B)	12/21/2024	Leg	\$29.80	\$29.80
Treatment in Place (A.9102-C)	10/1/2024	Leg	(\$0.50)	(\$1.10)
Access for Opioid Use Disorder (A.5984-B)	2/20/2025	Leg	\$0.50	\$0.50
Global Cap Metric Update		Admin	(\$209.20)	(\$345.00)
Reallocation of Other State Agency Costs		Admin	(\$2,111.30)	(\$2,213.30)
Executive Base (Surplus) / Deficit			\$656.40	\$1,665.90
Budget Actions			(\$165.50)	(\$276.80)
Hospital Actions			(\$56.70)	(\$56.70)
Restructure the Public Indigent Care Pool	4/1/2025	A.3007, Part D	(\$56.70)	(\$56.70)
Other Long-Term Care Actions			(\$40.60)	(\$97.70)
Eliminate Funding for Managed LTC Quality Pool	4/1/2025	Admin	(\$22.40)	(\$22.40)
Institute Hard Enrollment Cap on NHTD Waiver	1/1/2026	Admin	(\$18.20)	(\$75.30)
Managed Care Actions			(\$55.90)	(\$73.00)
Shift Funding for Managed Care Quality Pool	4/1/2025	Admin	(\$26.30)	(\$26.30)
MMC to FFS Shift for NH Long-Term Stays	10/1/2025	A.3007, Part E	(\$7.60)	(\$15.20)
Authorize Plan Penalties	4/1/2025	A.3007, Part E	(\$5.00)	(\$5.00)
Carve Out Medicaid from the IDR Process	4/1/2025	A.3007, Part E	(\$7.50)	(\$7.50)
Applied Behavior Analysis (ABA) Reforms	10/1/2025	Admin	(\$9.60)	(\$19.00)
Other Actions			(\$12.40)	(\$49.50)
Discontinue Prescriber Prevails	1/1/2026	A.3007, Part C	(\$12.40)	(\$49.50)
Total Global Cap (Surplus) / Deficit After Budget Actions			\$490.90	\$1,389.10

State of the State Investments			\$9.10	\$15.00
Support Maternal & Child Health			\$2.40	\$4.80
Expand Access To Lactation Supports	1/1/2026	Admin	\$0.10	\$0.20
Improve & Expand Access to Infertility Treatments	10/1/2025	A.3007, Part Q	\$2.30	\$4.60
Support Mobility for People with Physical Disabilities			\$4.10	\$8.70
Enhance New Wheelchair Evaluation Rates	1/1/2026	Admin	\$0.00	\$0.20
Expand Coverage for Wheelchair Repairs	1/1/2026	Admin	\$4.00	\$8.20
Preventive Maintenance Coverage	1/1/2026	Admin	\$0.10	\$0.40
Other SOTS Investments			\$2.60	\$1.50
Health Equity for Justice-Involved Youth	7/1/2025	Admin	\$3.20	\$3.40
Expand Scope of Covered Services for Pharmacists	10/1/2025	A.3007, Part V	(\$1.40)	(\$2.70)
Allow Paramedics to Administer Buprenorphine	4/1/2025	A.3007, Part O	\$0.80	\$0.80
Total Global Cap (Surplus) / Deficit After SOTS Investments			\$500.00	\$1,404.10
MCO Tax Revenue Reinvestments			\$1,415.00	\$1,415.00
Hospital Investments	4/1/2025	A.3007, Part F	\$305.00	\$305.00
Nursing Home/ALP/Hospice Investments	4/1/2025	A.3007, Part F	\$200.00	\$200.00
Physician Fee Schedule Investments	4/1/2025	Admin	\$50.00	\$50.00
Clinic Investments	4/1/2025	A.3007, Part F	\$10.00	\$10.00
Managed Care Quality Pool Investments	4/1/2025	Admin	\$50.00	\$50.00
Safety Net Transformation Program Investments	4/1/2025	Admin	\$300.00	\$300.00
Global Cap Offset	4/1/2025	Admin	\$500.00	\$500.00
Global Cap Adjustments			(\$1,915.00)	(\$1,915.00)
MCO Tax Investment Exemption	4/1/2025	Admin	(\$1,415.00)	(\$1,415.00)
Global Cap Offset	4/1/2025	Admin	(\$500.00)	(\$500.00)
Total Global Cap (Surplus) / Deficit			\$0.00	\$904.10
MCO Tax Revenue			(\$2,063.00)	(\$1,650.00)
MCO Tax Revenue	1/1/2025	A.3007, Part F	(\$2,063.00)	(\$1,650.00)

STATE OPERATIONS – A.3000

ADMINISTRATION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Administration Program:** \$237.5 million, \$24.5 million more than last year, due to increased personal and contractual service costs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Asian and Pacific-Islander Demographic Data:** \$7.3 million. Funding is provided to collect demographic data as required by Section 170-E of the Executive Law.
- **Modernized Data Systems:** \$12 million. For the implementation and development of modernized health care data systems.
- **Office of Gun Violence Prevention:** \$3 million. For data collection on gun violence that will track emerging gun violence hotspots and deploy resources to areas most in need.
- **Rental Unit Lead Testing Registration:** \$1.7 million. Funding maintains a lead testing registry for certain rental units.

SIGNIFICANT ACTIONS INCLUDE:

- **Federal Gun Violence Prevention:** \$1.5 million in new Federal funds for gun violence prevention.

CENTER FOR COMMUNITY HEALTH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Food and Nutritional Services:** \$11.8 million, \$750,000 more than last year, due to an increase in Federal funds.

- **Prevention, Diagnostic, Detection, and Treatment Services:** \$91.3 million, \$1.4 million more than last year, due to an increase in Federal funds.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

CENTER FOR ENVIRONMENTAL HEALTH PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

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

CHILD HEALTH INSURANCE PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Aid Payments:** \$137.4 million.
- **Health Care Reform Act Program (HCRA) Resources Fund:** \$18.5 million.
- **Poison Control Center:** \$1.1 million.

ESSENTIAL PLAN PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Essential Plan Administration: \$95.3 million.
- Essential Plan Funding: \$695.3 million.
 - ➔ 1332 State Innovation Waiver Administration: \$95.3 million in federal funding. This account was created with funds from the Essential Plan Trust Fund. No new funds.
 - ➔ Essential Plan Trust Fund: \$600 million in federal funding. No new funds for administration of the Essential Plan Trust Fund.

HEALTH CARE REFORM ACT (HCRA) PROGRAM

SIGNIFICANT DECREASES INCLUDE:

- Hospital Compliance Audits: \$250,000, \$475,000 less than last year, due to a proposal to move audits off-site

MAINTAINS FUNDING FOR THE FOLLOWING:

- Auditing and Auditing Contracts: \$4.9 million.
- New York State Workforce Innovations Center: \$10.2 million.
- Pool Administration: \$2.8 million.

INSTITUTIONAL MANAGEMENT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING

- Helen Hayes Hospital: \$70.6 million.
- Lower Hudson Veterans’ Home: \$33.7 million.

- New York City Veterans’ Home: \$39.7 million.
- Oxford Veterans’ Home: \$28.6 million.
- Recruitment and Retention for Department of Health Veterans’ Facilities: \$200,000.
- Western New York Veterans’ Home: \$18.1 million.

MEDICAL ASSISTANCE (MEDICAID) PROGRAM ADMINISTRATION

This Program was changed from a two-year appropriation to a one-year appropriation in FY25. Funding for the program is broken out according to the following sources:

- Federal Funds: \$860.6 million, \$4.6 million more than last year;
- General Fund: \$385.2 million, \$10.7 million less than last year; and
- Special Revenue Funds: \$1.5 million, same as last year, for the administration of the Medical Indemnity Fund.

OFFICE OF PRIMARY CARE AND HEALTH SYSTEMS MANAGEMENT

SIGNIFICANT INCREASES INCLUDE:

- Certificate of Need Program: \$8.3 million, \$84,000 more than last year, for increased resources in the Certificate of Need Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Emergency Medical Services (EMS) Administration and Training: \$25.9 million.
- Professional Medical Conduct Program: \$22.1 million.

- Social Security Title XVIII Survey and Certification: \$25 million. Funding is provided for Medicare survey and certification.

WADSWORTH CENTER FOR LABORATORIES AND RESEARCH PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Clinical and Laboratory: \$16.1 million.
- Medical Marijuana Expenses: \$2.1 million. Funding is provided for operation and oversight.

OTHER STATE OPERATIONS

SIGNIFICANT INCREASES INCLUDE:

- Medicaid Inspector General: \$59.2 million, \$1.7 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- AIDS Institute: \$600,000.
- Elderly Pharmaceutical Insurance Coverage (EPIC) Coverage: \$13.3 million. Funding is for administration to assist seniors with out-of-pocket drug costs.
- Office of Health Insurance Program: \$610 million. Funding is for the Clinical Laboratory Reference and Accreditation Program.

SIGNIFICANT DECREASES INCLUDE:

- New York State of Health Program: \$32.3 million, \$16.4 million less than last year due to a decrease in contractual services.

AID TO LOCALITIES – A.3003

ADMINISTRATION PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Office of Minority Health Grants: \$266,000.

SIGNIFICANT ACTIONS INCLUDE:

- Federal Gun Violence Prevention: \$1.5 million in new Federal funds for gun violence prevention.

AIDS INSTITUTE PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Health and Social Services Sexuality Related Programs: \$12 million.
- Hepatitis C Programs: \$3 million.
- HIV Healthcare and Support Services: \$29.2 million.
- NYHHS Supportive Housing Agreement: \$12.9 million.
- Opioid Drug Addiction, Prevention and Treatment Program: \$7.8 million.
- Regional HIV STD, and Hepatitis C Prevention: \$29 million.
- TGNCNBI Workforce Development: \$1 million. Funding is for workforce development for transgender, gender non-conforming, non-binary, and intersex people within the State.

SIGNIFICANT DECREASES INCLUDE:

- HIV, STD, and Hepatitis C Prevention: \$30.6 million, \$494,200 less than last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$2.8 million for six programs added by the Legislature.

CENTER FOR COMMUNITY HEALTH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Housing and Healthcare for Children with Asthma:** \$2.2 million, \$10,000 more than last year.
- **Native American Dental Care:** \$4.5 million, \$2 million more than last year.
- **Reducing Infant Mortality:** \$690,000, \$370,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Children With Special Needs:** \$3 million.
- **Early Intervention:** \$205 million. This total includes funding through a Covered Lives Assessment.
- **Evidence-Based Cancer Services:** \$19.8 million, same as last year.
- **Family Planning:** \$10.4 million. Funding is for Family Planning grants under Article 2 of the Public Health Law.
- **Federal Food and Nutritional Services:** \$556.9 million.
- **Health Prevention, Diagnostic, Detection, and Treatment Services:** \$94.6 million.
- **Hunger Prevention and Nutrition Assistance Program:** \$34.5 million.
- **Indian Health Program:** \$36.7 million.
- **Nourish NY:** \$50 million. 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.

- **Perinatal Quality:** \$700,000. Funding increases perinatal quality within the State.
- **Regional Perinatal Centers:** \$4.5 million. Funding is for regional perinatal centers.
- **Reproductive Freedom and Equity Grant Program:** \$25 million. Funding expands capacity and ensure access for patients.
- **Respite Services:** \$1.8 million. Funding reimburses municipalities for 50% of the costs for respite services approved by an Early Intervention official.
- **School-Based Health Centers:** \$11.3 million.
- **Tobacco Use Prevention and Control:** \$33.1 million. Funds are provided for tobacco use prevention and control and cancer research.

SIGNIFICANT ACTIONS INCLUDE:

- **Abortion Medication Assistance:** \$20 million in new funding to assist providers with costs including abortion medications.
- **Additional Hunger Prevention and Nutrition Assistance Program (HPNAP) Expenses:** \$23.3 million in new funding.
- **Additional Nourish NY Expenses:** \$5 million in new funding.
- **County-Based Emergency Medical Services (EMS) Mapping:** \$4.8 million in new funds to support EMS proposal in Part R of A.3007 Health and Mental Hygiene, Part H.
- **Swimming Lessons for Children Under Four:** \$5 million in new funds.
- **Tax Check-Offs:** \$762,000 in new funds for newly utilized tax check-offs according to the following:
 - ➔ **Leukemia, lymphoma, and myeloma research education and prevention:** \$343,000;
 - ➔ **Lupus Research:** \$366,000;
 - ➔ **Lyme and Tick Education, Research, and Prevention:** \$25,000; and
 - ➔ **School-Based Health Centers:** \$28,000.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Health Promotion Initiatives:** \$430,000.
- **Legislative Additions:** \$67 million. Funding for 44 various legislative additions.
- **Lyme Disease and Other Tick-borne Illnesses:** \$69,400. This funding is eliminated associated with discontinuation authorized in A.3007 Health and Mental Hygiene, Part H.

CENTER FOR ENVIRONMENTAL HEALTH

SIGNIFICANT INCREASES INCLUDE:

- **Health Prevention, Diagnostic, Detection and Treatment Services:** \$5.8 million, \$1.3 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Environmental Projects:** \$85.4 million.
- **Health Neighborhood Program:** \$1.5 million.
- **Occupational Health Clinics:** \$9.6 million.
- **Water Supply Protection Program:** \$5 million.

SIGNIFICANT ACTIONS INCLUDE:

- **Lead Exposure in Rental Properties:** \$16.8 million in funding transferred from the Center for Community Health.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$5 million. Funding was for a legislative addition for occupational health clinics.

CHILD HEALTH INSURANCE PROGRAM (CHIP)

SIGNIFICANT INCREASES INCLUDE:

- **General Child Health Insurance Program (Federal):** \$1.6 billion, \$12.3 million more 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) Resources Fund:** \$1.3 billion, \$205.6 million more than last year.

HEALTH CARE REFORM ACT (HCRA) PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AIDS Drug Assistance Program:** \$41.1 million. For transfer to Health Research Incorporated (HRI).
- **Diagnostic and Treatment Centers:** \$54.4 million. For centers under the Clinic Safety Net Program.
- **Diversity in Medicine Program:** \$1.2 million. Funding supports supplemental distributions to the Graduate Medical Education Pool.
- **New York State Workforce Innovations Center:** \$10 million. For initiatives to help increase the health workforce supply in the State.
- **Nurse Loan Repayment Program:** \$3 million. Provide a student loan repayment program for nurses.
- **Physician Loan Repayment Program:** \$15.9 million. Funding for student loan assistance to physicians.
- **Roswell Park Cancer Institute:** \$55.5 million.
- **Rural Healthcare Access and Network Development:** \$9.4 million.

SIGNIFICANT DECREASES INCLUDE:

- **Excess Medical Malpractice Program:** \$39.3 million, \$39.3 million less than last year, due to payment timing changes authorized under A.3007 Health and Mental Hygiene, Part G.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Empire Clinical Research Investigators Program (ECRIP):** \$3.4 million. Funding is eliminated associated with discontinuation authorized in A.8807 Health and Mental Hygiene, Part L.
- **Legislative Additions:** \$2.9 million. Funding is eliminated for four various legislative additions.

MEDICAL ASSISTANCE (MEDICAID) ADMINISTRATION PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Contractual Services:** \$132.8 million.
- **Local Administrative Expenses (Federal):** \$630.7 million.
- **Local Administrative Expenses (State):** \$545.1 million.
- **Medical Necessity and Quality of Care Reviews:** \$3.7 million.
- **Mental Hygiene Administrative Expenses (Federal):** \$90 million.
- **Mental Hygiene Administrative Expenses (State):** \$90 million.

SIGNIFICANT ACTIONS INCLUDE:

- **Global Hospital Budgeting Initiative (Federal):** \$275 million in new funds for Safety Net Hospitals in Bronx, Kings, Queens and Westchester County from 1115 Waiver Amendment funds.

- **Global Hospital Budgeting Initiative (State):** \$275 million in new funds for Safety Net Hospitals in Bronx, Kings, Queens and Westchester County from 1115 Waiver Amendment funds.

MEDICAL ASSISTANCE (MEDICAID) PROGRAM

SIGNIFICANT ACTIONS INCLUDE:

Medical Assistance Program (Medicaid): \$107.9 billion. For additional Medicaid spending details, please see *Figure 1* Medicaid Scorecard under the Medicaid Overview portion of this section.

The funding sources for this program are broken out according to the following:

- **Federal Funds:** \$68.1 billion;
- **General Fund:** \$30.5 billion;
- **Health Care Reform Act (HCRA) Indigent Care Account:** \$631 million;
- **Health Care Reform Act (HCRA) Resources Fund:** \$5.6 billion;
- **Healthcare Stability Fund (MCO Tax):** \$2.3 billion; and
- **Miscellaneous Special Revenue:** \$1.1 billion.

OFFICE OF PRIMARY CARE AND HEALTH SYSTEMS MANAGEMENT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Care Teams for At-Home Low-Income Older Adults:** \$6.3 million.
- **Distressed Provider Assistance Account:** \$150 million. For grants to financially distressed hospitals.

- **Emergency Medical Services (EMS) Administration:** \$10.6 million. Funding is for training, instructor development, and expenses of State EMS councils.
- **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.
- **Enriched Housing Program Support:** \$380,000. Funding is eliminated associated with discontinuation authorized in A.3007 Health and Mental Hygiene, Part H.
- **Legislative Additions:** \$2.6 million. Funding is to be eliminated for seven various legislative additions including Donate Life and Alliance for Donation.
- **Long-Term Care Community Coalition:** \$26,000 in funding eliminated.
- **Enhancing the Quality of Adult Living (EQUAL) Program:** \$3.3 million. Funding is eliminated, as authorized in A.3007 Health and Mental Hygiene, Part H.

OTHER AID TO LOCALITIES

SIGNIFICANT INCREASES INCLUDE:

- **Essential Plan Program:** \$13.1 billion, \$1.5 billion more than last year, for the State’s insurance marketplace for low-income individuals.

SIGNIFICANT DECREASES INCLUDE:

- **Office of Health Insurance Program:** \$323.1 million, \$9.2 million less than last year, due to the elimination of 8 legislative additions.
- **Wadsworth Laboratories and Research Program:** \$16.6 million, \$40,000 than last year, due to the removal of a legislative addition.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Elderly Pharmaceutical Insurance Coverage (EPIC) Program:** \$93.2 million. Funding is for pharmaceutical coverage for the elderly.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Maintenance and Improvements of Existing Facilities:** \$63.9 million, \$1 million more than last year.

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 the proposal in A.3007 Health and Mental Hygiene, Part H.
- **Laboratories and Research:** \$10 million, \$2 million less than last year.
- **Water Resources:** \$354.5 million, \$7.5 million less than last year, for the drinking water revolving fund and laboratory testing for public drinking water.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **All Payers Claims Database:** \$10 million. The database aggregates all medical claims paid by public and private insurance payers.
- **IT Initiatives Program:** \$10 million.
- **Statewide Health Information Network for New York (SHIN-NY):** \$35 million. Funding connects regional networks, allowing healthcare professionals to share patient medical information with the consent of the patient.

SIGNIFICANT ACTIONS INCLUDE:

- Healthcare Safety Net Transformation: \$1 billion in new funding.
- Reproductive Health Care Improvement Program: \$15 million in new funding.

SIGNIFICANT ELIMINATIONS INCLUDE:

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

HEALTH AND MENTAL
HYGIENE – A.3007

**PART A – MEDICAID GLOBAL CAP
EXTENSION**

This Part extends the Medicaid Global Cap through FY27, 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.

The Executive Budget Financial Plan projects that the Medicaid program will remain under the cap in FY26, and exceed the Medicaid Global Cap in FY27 through FY29.

**PART B – VARIOUS PUBLIC
HEALTH, EDUCATION, AND
SOCIAL SERVICES LAW
EXTENDERS**

This Part extends various parts of the Public Health and Social Services Laws:

- Nursing Home Health Care Refinancing Shared Savings Program: Extended until March 31, 2030.
- Foster Family Care Demonstration Programs: Extended until December 31, 2027.
- Deadline to determine the Assisted Living Program Need Methodology: Extended until April 1, 2026.
- Provisions related to Statewide Patient Centered Medical Homes: Extended until April 1, 2028.
- Authority of the Department to make DSH/IGT payments to hospitals outside of NYC: Extended until March 31, 2028.
- Community-Based Paramedicine Demonstration Program: Extended for two years.
- Authority for Limited Licensed Home Care Services Agencies: Extended until June 30, 2027.
- Authority to redeploy Excessive Reserves of Certain Not for Profit Managed Care Organizations: Extended until August 1, 2027.
- Two-month cooling off period after termination of a contract between an Article 44 health plan and a hospital: Extended until June 30, 2027.
- Limit on payment of Nursing Home Appeals of eighty million dollars annually: Made permanent.
- Authorization of episodic payment per sixty-day period of Care for Certified Home Health Agencies: Made permanent.

- Authority to hire contract staff to administer fair hearings for appeals under fully integrated programs for dual eligible individuals: Extended until January 1, 2028.
- Bad Debt and Charity Care allowances for Certified Home Health Agencies: Made permanent.
- Authority to limit reimbursement of Certified Home Health Agencies and Long-Term Home Health Care Program administrative and general costs not to exceed a Statewide average: Made permanent.
- Elimination of the Medicaid trend factor for certain services provided by general hospitals, nursing homes and other providers for various programs: Made permanent.
- Authorization of the financing of certain Health Care Capital improvements: Made permanent.
- Nursing Home Cash Assessment Program: Extended until March 31, 2029.
- Young Adult Demonstration for Medically Fragile Children: Extended for two additional years.
- Home Based Primary Care for the Elderly Demonstration Program: Extended until January 1, 2031.
- Maintaining the elimination of payment for prescription drugs by Medicaid managed care plans: Made permanent.
- Authority for the Basic Health Program to offer certain long-term services and supports: Extended until December 31, 2030.
- Statewide Independent Assessor Services: Extended until September 30, 2026.

PART C – 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.

- ❖ **Fiscal Impact:** This Part saves \$12.4 million in the Medicaid budget in FY26, and \$49.5 million thereafter.

PART D – NEW YORK CITY HEALTH AND HOSPITALS UPPER PAYMENT LIMIT AND INDIGENT CARE POOL REVISIONS

This Part eliminates additional inpatient hospital payments up to the aggregate voluntary Upper Payment Limit (UPL) and discontinues Indigent Care Pool (ICP) payments for public hospitals in New York City beginning in calendar year 2025.

These provisions make New York City Health and Hospitals compliant with Federal Disproportionate Share (DSH) requirements and will have no adverse impacts on providers.

- ❖ **Fiscal Impact:** This Part will result in a \$56.7 million State share savings in the Medicaid budget.

PART E – MANAGED CARE PROVISIONS

Exclude Medicaid Managed Care (MMC) from Independent Dispute Resolution (IDR)

This Part excludes MMC 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. The Executive’s rationale for this proposal is that Medicaid cannot send surprise bills.

- ❖ **Fiscal Impact:** This Part will result in a Medicaid savings of \$7.5 million a year.

Shift Long-Term Nursing Home Stays to Fee-for-Service (FFS)

This Part also transitions nursing home stays of three consecutive months or more from MMC to Medicaid Fee-for-Service. This aligns with the current process for the Managed Long-Term Care (MLTC) Partial Capitation Program.

- ❖ **Fiscal Impact:** This Part will have a \$7.6 million savings in the Medicaid program in FY26 and \$15.2 million in savings in each fiscal year thereafter.

Authorize Penalties for Managed Care

Additionally, this Part 1 authorizes the Commissioner of Health to impose penalties on care providers for failure to meet the contractual obligations and performance standards. The penalty shall be from \$250 to \$25,000 per violation, depending on the severity of the violation. The Commissioner may assess penalties by offsetting payments to the managed care provider, and the cost may not be passed on to providers.

No penalties may be assessed without the opportunity for a formal hearing, and these provisions shall not prohibit other punitive actions related to waste, fraud, and abuse.

- ❖ **Fiscal Impact:** This Part will have a \$5 million annual savings in the Medicaid program.

PART F – MANAGED CARE ORGANIZATION (MCO) TAX

Tax Rates

The MCO Tax was enacted in the FY25 Enacted Budget, with Federal approval in December of 2024. This Part requires the tax to be remitted by health plans to the Commissioner or their designee quarterly. Health Plans will also submit reports to disclose information required to implement the Tax. Failure to file a timely report can result in a \$10,000 civil penalty. The Commissioner may audit the submitted reports for up to six years. In the case of mergers, the resultant entity is responsible for the Tax. All Funds revenue from the Tax, as well as any associated interest or penalties, are to be deposited in the Healthcare Stability Fund. Any monies will be paid out of the Fund on the audit and warrant of the Comptroller on vouchers certified or approved by the Commissioner of Health.

Rates for the Tax are based on the type of health plan that is being taxed, and the number of members per month for that health plan. Please see *Figure 3* for a breakdown of how the taxes affect each plan type.

Managed Care Organization (MCO) Tax Rates <i>Figure 3</i>		
Insurance type	Enrollment (Member Months)	Tax Rate (Per Member Month)
Medicaid	Up to 250,000	\$126.0
	250,000-500,000	\$88.0
	Over 500,000	\$25.0
Essential Plan	Up to 250,000	\$13.0
	Over 250,000	\$7.0
Commercial	Up to 250,000	\$2.0
	Over 250,000	\$1.5

MCO Tax Disbursements

The Financial Plan includes the following disbursements from the Healthcare Stability Fund in FY26:

- Clinics: \$10 million;
- Global Cap Deficit Offset: \$500 million;
- Hospitals: \$300 million;
- Nursing Homes: \$200 million;
- Physician Fee Schedule: \$50 million;
- Quality Pools: \$50 million;
- Safety Net Transformation: \$300 million;
- and
- State Share Tax Offsets: \$1.2 billion.

PART G – PHYSICIAN’S EXCESS MEDICAL MALPRACTICE INSURANCE RESTRUCTURE

This Part makes various changes to the Excess Medical Malpractice Insurance Program.

For coverage purchased in the July 1, 2024 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, 2025, 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.

PART H – PUBLIC HEALTH ELIMINATIONS

This Part proposes eliminating or discontinuing the following public health-related programs that the Executive claims are not core programs:

- Empire Clinical Research Investigation Program (ECRIP);
- Enhancing the Quality of Adult Living (EQUAL) Program;
- Enriched Housing Program; and
- Tick-Borne Disease Program.

❖ **Fiscal Impact:** These actions result in State savings of \$8.8 million in FY26 and \$11 million in FY27.

PART I – REMOVE THE ELECTRONIC DEATH REGISTRATION (EDRS) SYSTEM FEE

This Part removes the \$20 fee for burial or removal permits for funeral directors and undertakers. This fee was initially created to create the EDRS.

❖ **Fiscal Impact:** This Part would lead to an annual revenue loss to the State of \$969,000.

PART J – AMEND DUE DATES FOR THE STATEWIDE HEALTHCARE FACILITY TRANSFORMATION III AND IV PROGRAM

This Part amends the due date for final awards under the Statewide Healthcare Facility Transformation Program from December 31, 2022, to February 28, 2023, to award projects that were delayed due to COVID-19.



PART K – TEMPORARY OPERATOR STATUTE UPDATE

This Part makes various changes to the Temporary Operator (TO) statute, which authorizes the Commissioner of Health to appoint a TO if a healthcare facility faces serious financial instability, or if conditions at the facility endanger the life, health, or safety of its residents or patients.

The statute is updated by including Public Benefit Corporations in the list of facilities that may have a TO appointed. An appointed TO would be required to submit a work plan within 30 days of their appointment. The authority of a TO is updated to include the following:

- Hiring or firing of the facility administrator and other key management employees;
- Maintenance and control of the books and records;
- Authority over the disposition of assets and the incurring of liabilities on behalf of the facility; and
- The adoption and enforcement of policies regarding the operation of the facility.

The two additional terms a TO may be appointed to after the initial 180-day term are lengthened from 90 days to 180 days. The due date for the report from the TO prior to the termination of their term is lengthened from 14 days prior to the termination to between 30 and 60 days prior to termination.

The requirements of the report are also updated to include review and approval by the Commissioner. The established operator must implement the recommendations according to the final report. An established operator shall be afforded an opportunity for an administrative hearing no later than 30 days from the date the TO is appointed.

PART L – UPDATE MEDICAL DEBT CONSENT LAW

This Part makes changes to medical payment consent. The requirement that payment consent shall not be given prior to the patient receiving services is removed, and it is clarified that the consent provisions only apply to non-emergency healthcare services.

PART M – COMMUNITY BENEFIT SPENDING REPORTING

This Part sets requirements for hospitals to file a community benefit spending report to be posted on the Department of Health’s website. The report must be filed within 180 days of the end of the hospital’s fiscal year and must include the following:

- Financial assistance at cost, which shall include any free or discounted services for those who cannot afford to pay and meet the hospital's financial assistance criteria;
- Unreimbursed costs from Medicaid;
- Unreimbursed costs from the Children's Health Insurance Program (CHIP) or other means-tested government programs;
- Community health improvement services and community benefit operations, excluding activities or programs if they are provided primarily for marketing purposes,
- Health professions education programs that result in a degree or certificate or training necessary for residents or interns to be certified;
- Subsidized health services, including services with a negative margin, services that meet an identifiable community need, and services that, if no longer offered, would be unavailable or fall to the responsibility of another nonprofit or government agency;
- Research that produces generalizable knowledge and is funded by tax-exempt sources;

- Cash and in-kind contributions for community benefit, including the indirect cost of space donated to community groups and the direct cost of donated food or supplies; and
- How such community benefit expenses support the priorities of New York State including but not limited to the New York State Prevention Agenda.

PART N – EXPAND THE SCOPE OF THE SPINAL CORD INJURY RESEARCH PROGRAM

This Part expands the scope of the Spinal Cord Injury Research Program to include health-related quality of life improvements and injuries, and their effects. The current Program is mostly limited to neurological research.

PART O – OPIOID RELATED PROPOSALS

This Part updates the State-controlled substance schedules to align with the schedules of the Federal Drug Enforcement Administration (DEA).

Additionally, this Part aligns the State with recently revised DEA regulations by permitting practitioners to distribute a limited supply of narcotics, such as buprenorphine, for maintenance or detoxification treatment while arrangements are being made for a referral.

PART P – MATERNAL AND REPRODUCTIVE HEALTH

Emergency Abortion Care

This Part includes provisions requiring hospitals to terminate a pregnancy if needed to stabilize an individual with an emergency medical condition, with the individual’s consent. If consent is not given, offering the treatment satisfies this requirement. Hospitals with limited high-risk maternity care must develop criteria and protocols for triage, treatment, and transfer of the patient. Patients shall be transferred only when:

- The patient's condition is stable or being managed;
- The attending practitioner has authorized the transfer; and
- The receiving hospital is informed, can provide the necessary resources to care for the patient, and has accepted the patient.

Prescriber Confidentiality

Further, this Part proposes to allow a healthcare prescriber to request that when prescribing abortion medications, the prescription label shall include the healthcare facility name or address rather than that of the practitioner. The prescriber shall inform the patient of such request.

- This Part is similar to A.2145-A of 2025 which passed the Assembly 95-42.

PART Q – EXPAND ACCESS TO INFERTILITY TREATMENTS

Subject to Federal Financial Participation (FFP), the Executive proposes adding Medicaid coverage for standard fertility preservation and the cost of storage of oocytes or sperm for individuals with iatrogenic infertility. The Commissioner of Health will establish a program to provide grants to health care providers for the purpose of improving access to and expanding health care services related to the range of care for infertility. At least one provider will be located in NYC and one in an upstate region.

- ❖ **Fiscal Impact:** This Part has an associated cost in the Medicaid program of \$2.3 million in FY26, and an annual cost of \$4.6 million thereafter.



PART R – ENSURE ACCESS TO EMERGENCY MEDICAL SERVICES (EMS)

EMS as an Essential Service

This Part allows general ambulance services to be deemed an essential service, requiring every county, city, town, and village to act individually, jointly, or in conjunction with a Special District to ensure EMS services are provided. This excludes the City of New York.

Establishing a Special District

This Part authorizes municipalities to establish Special Districts to finance and implement EMS service expansions. Such Special Districts would be established similar to how Fire Districts are established. No Special District may overlap with a pre-existing municipal district unless merged. No pre-existing municipal district may be dissolved without approval from the county to assume the responsibility for the EMS services previously provided by the municipal district. Approval and consent of these Special Districts shall be adopted by a resolution of the county legislative body and filed with the Department of State. Municipal districts may not reduce ambulance funding without those changes being incorporated into the comprehensive county EMS plan.

Emergency Medical Community Assessment Program (EMCAP)

This Part establishes the EMCAP to assess the capabilities and performance of EMS agencies and the service they provide to the communities they serve. The Department of Health (DOH) and State Emergency Medical Services Council (SEMSCO) shall establish a scoring matrix to evaluate EMS systems, and the results of assessments using the matrix shall be publicly accessible and integrated into county EMS plans.

DOH shall publish an EMCAP report at least every five years. All jurisdictions, excluding New York City, shall participate and provide accurate and timely information. The Commissioner is authorized

to allocate funding to assist counties in implementing the EMCAP.

Statewide Comprehensive Emergency Medical System Plan

The SEMSCO shall develop and maintain this new Statewide Plan, which shall include, but not be limited to, the following:

- Establishing a comprehensive statewide emergency medical system, consisting of facilities, transportation, workforce, communications, and other components to improve the delivery, access and utilization of EMS and thereby decrease morbidity, hospitalization, disability, and mortality;
- Improving the accessibility of high-quality emergency medical services;
- Coordinating professional medical organizations, hospitals, and other public and private agencies in developing alternative delivery models for persons who are presently using emergency departments for routine, nonurgent and primary medical care to be served appropriately and economically; excluding New York City; and
- Developing, conducting, promoting, and encouraging programs of initial and advanced education and training designed to enhance and recognize the knowledge and skills of EMS practitioners throughout the State with emphasis on regions underserved by or with limited access to emergency medical services.

This Statewide Plan shall be reviewed, updated if necessary, and published every five years on the DOH website. Each county’s office of EMS services shall develop its own EMS Plan to provide essential EMS for all residents within the county. The EMS plan requires review and approval by DOH. Any permanent modifications to the EMS Plan must be submitted to DOH within 180 days of the EMS Plan’s effective date for review and approval.

Counties must designate a primary EMS agency or agencies responsible for responding to requests or services for each part of the county. No EMS agency may refuse to respond to requests within their primary response area with limited exceptions for capacity limitations. All ambulance services in the county shall be included on the operating certificate issued by DOH. Counties may not remove or reassign existing EMS agencies that have agreed to participate in the EMS Plan and are legally and regulatorily compliant.

County EMS Plans shall incorporate findings from the EMCAP. Additionally, these plans shall include findings which demonstrate a public need for additional EMS and submit these findings to the Regional Emergency Medical Services Council (REMSCO) and SEMSCO.

Emergency Medical Services (EMS) Demonstration Programs

The Commissioner of Health is authorized to approve EMS demonstration programs, provide financial support for demonstration programs, and grant narrowly tailored waivers. Detailed plans for the demonstration programs shall be submitted to the Department of Health for review and undergo periodic evaluation. These may not overlap with the current Community-Based Paramedicine Demonstration Program.

Emergency Medical Services (EMS) Licensing

The Department of Health and SEMSCO shall establish licensure standards for EMS practitioners. The licensing standards shall align with existing requirements for certification and shall not impose additional burdens beyond necessary competence and public safety requirements. The term “licensed: shall replace the term “certified.”

- ❖ **Fiscal Impact:** This Part has an associated cost of \$5.6 million in FY26.

PART S – REPORTING REQUIREMENTS FOR HEALTH CARE TRANSACTIONS

This Part makes various changes to current law regarding the required notice of material transactions for healthcare entities. The timeframe in which the entity shall submit notice to the Department of Health (DOH) is extended from 30 days before the closing date of the transaction to 60 days before the closing of the transaction. The requirements for the notice are also updated to include a statement as to whether a party to the transaction has closed operations in the last three years and a statement as to whether any sale-leaseback, mortgage, or lease payments are a component of the proposed transaction.

DOH shall conduct a preliminary review of all proposed transactions that may consist of a full cost and market impact review. DOH may require parties to delay the proposed transaction closing up to 180 days from the preliminary review until such cost and market impact review is completed. Parties shall submit information for these reviews within 21 days of request. DOH may assess the parties to a material transaction for costs incurred in reviewing and evaluating the notice. Such fees shall be payable within 14 days of notice.

DOH shall keep all nonpublic information and documents obtained confidential. Any data reported to DOH and any review finds may be used as evidence in investigations, reviews, or other actions by the Department or the Office of the Attorney General.

Annually, for a five-year period after the closing of a transaction, parties to a material transaction shall notify DOH of factors and metrics to assess the impacts of the transaction on cost, quality, access, health equity, and competition.

PART T – REQUIRE HOSPITALS TO HAVE SEXUAL ASSAULT FORENSIC EXAMINERS (SAFE) AVAILABLE

This Part requires hospitals to have at least one sexual violence response coordinator and sufficient sexual assault forensic examiners. Sexual assault forensic examiners shall:

- Be a registered professional nurse (RN), certified nurse practitioner (NP), licensed physician assistant (PA), or licensed physician acting within their lawful scope of practice and specially trained in forensic examination of sexual offense victims and the preservation of forensic evidence in such cases and certified as qualified to provide such services; and
- Have successfully completed a didactic and clinical training course and post-course preceptorship as appropriate to scope of practice.

Hospitals must have sexual assault forensic examiners on call 24/7, and the sexual assault forensic examiners must maintain their competency in providing sexual assault examinations.

PART U – DIGITIZE GENEALOGICAL RECORDS

This Part makes the following changes to digitize genealogical records:

- Repeals the requirement that the Department of Health (DOH) maintain physical indices of birth and death certificates; and
- Allows the Commissioner to determine methods by which applicants receive the following:
 - ➔ A birth record on file for over 125 years;
 - ➔ A death record on file for at least 75 years; and
 - ➔ A marriage record on file for at least 100 years.

The following fees for records are also updated:

- The birth and death certificate fees are increased from \$30 to \$45;
- Priority handling for certified copies is increased from \$15 to \$30; and
- A new fee of \$50 per hour is created for each hour devoted to search or retrieval of records.

PART V – SCOPE OF PRACTICE CHANGES

This Part makes various scope of practice changes for certified nurse aids, medical assistants, pharmacists, and pharmacy techs.

Subpart A

This Subpart 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.

CMA's are prohibited from holding themselves out or accepting employment as a person licensed to practice nursing as a CMA. CMA's are not permitted or required to assess the medication or medical needs of an individual. CMA's 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 CMA's under this program and shall not be subject to coercion, retaliation, or the threat of retaliation.

Subpart B

This Subpart would allow medical assistants to administer immunizations in an outpatient office under the supervision of a registered physician or physician's assistant.

Subpart C

This Subpart would allow pharmacists to administer COVID-19 immunizations to patients over the age of 2. Additionally, certified pharmacy technicians would be authorized to administer immunizations under the supervision of a pharmacist. No pharmacy technician will administer immunizing agents without receiving training to the Commissioner of Health and Education.

Subpart D

This Subpart allows a licensed pharmacist to prescribe Federal Food and Drug Administration (FDA) approved medications for smoking cessation to treat nicotine dependence.

Subpart E

This Subpart transfers authority to define, license, and oversee the professions of medicine, physicians, physician assistants, and specialist assistants from the Department of Education to the Department of Health.

Subpart F

This Subpart 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.

PART W – JOIN INTERSTATE COMPACTS

This Part would enter New York into the Nurse Licensure Compact. This compact allows for nurses to relocate to New York and use their existing licenses to practice in the State. 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 X – ADVANCE ACCESS TO DENTAL CARE

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 one 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.

Additionally, there are various expansions of scope for dental hygienists. Dental hygienists would be able to obtain a block anesthesia certificate to administer and/or monitor block anesthesia while under the personal supervision of a dentist. Dental hygienists would also be authorized 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 Y – HOSPITAL CARE AT HOME

Hospitals and Federally-Qualified Health Centers (FQHCs) would be permitted to provide off-site acute care medical services, if Federal financial participation is available, according to the following:

- The services are not home care services;
- The services are 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;
- The medical professional has determined it is appropriate to receive acute medical services at their residence;
- The general hospital has appropriate discharge planning in place to coordinate discharge to a home care agency where medically necessary and consented to by the patient; and

- The services are 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.

TRANSPORTATION, ECONOMIC DEVELOPMENT, AND ENVIRONMENTAL CONSERVATION – A.3008

PART Z – PHARMACY BENEFIT MANAGER (PBM) REBATE TRANSPARENCY

This Part requires PBMs to publish a report, no later than July 1st of each year, containing rebate contract information from the prior calendar year on its website, and file this report with the Department of Financial Services (DFS). This information shall include the following:

- The aggregated dollar amount of rebates, fees, price protection payments and any other payments the PBM received from drug manufacturers through a rebate contract;
- The portions of the amounts of such rebates which were:
 - ➔ Passed on to health plans; or
 - ➔ Retained by the pharmacy benefit manager; and

- For each rebate contract in effect during the reporting period:
 - ➔ The names of the contracting parties;
 - ➔ The execution date and the term of the contract, including extensions;
 - ➔ The name of the drugs and the associated national drug codes covered by the rebate contract, and for each drug:
 - ❖ A summary of the contract terms regarding formulary placement, formulary exclusion, or prior authorization requirements or step edits, of any drugs considered to compete with each drug;
 - ❖ A summary of all terms requiring or incentivizing volume or market share for each drug, including base rebate amounts, bundled rebates and incremental rebates, stated separately, and price concession, stated separately for each drug; and
 - ❖ The total number of prescriptions filled and units dispensed for which a rebate, discount, price concession or other consideration was received by the PBM for each drug;
 - ➔ The rebate percentage and dollar amount retained by the PBM for every rebate, discount, price concession or other consideration under each rebate contract; and
 - ➔ The dollar amount of any other compensation paid by a drug manufacturer to a PBM for services including distribution management services, data or data services, marketing or promotional services, research programs, or other ancillary services, under each rebate contract.



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AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Get a Shot to Make Your Future Vaccine Incentive and Vaccinate, Educate, Graduate Vaccine Incentive Programs:** \$2.5 million in new funding for payments to colleges and universities to cover the cost of reimbursement for aid awarded through these programs in 2020.
- **Part-Time Financial Aid:** \$55.1 million, \$1.8 million more than last year. This funding includes various scholarships in addition to streamlined funding for Part-Time Scholarship Awards and Aid for Part-time Study Awards. The Executive Budget proposed to combine these financial aid programs into one. Please see Part D of A.3006 for more information.
- **Tuition Assistance Program:** \$850.5 million, \$16 million more than last year. This appropriation fluctuates based on expected enrollment.

SIGNIFICANT DECREASES INCLUDE:

- **Child Welfare Worker Incentive Scholarship:** \$50,000, \$100,000 less than last year.
- **Excelsior Scholarship:** \$112.4 million, \$9 million less than last year.
- **New York Young Farmers Loan Forgiveness Program:** \$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 Program:** \$7.5 million has been eliminated.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Welfare Worker Loan Forgiveness Incentive Program:** \$50,000.
- **Enhanced Tuition Award:** \$3.8 million.
- **Regents Licensed Social Worker Loan Forgiveness Program:** \$1.7 million.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART D – STREAMLINE PART-TIME FINANCIAL AID PROGRAMS

This Part consolidates the State’s Aid for Part-Time Study (APTS) and Part-Time Scholarship (PTS) under the Part-Time Tuition Assistance Program (PT-TAP). Under this Part, the APTS and PTS programs are eliminated, and PT-TAP eligibility requirements are expanded to streamline the administration of such eliminated part-time financial aid programs to students. This Part redefines a part-time student under PT-TAP as any student who is enrolled in at least three but less than twelve credits per semester. The proposal would also repeal the current provision that limits the awards to those first attending college after 2006.

Currently, part-time students must be enrolled in at least six but less than twelve credits per semester to receive part-time financial aid.

PART E – STREAMLINE EXCELSIOR SCHOLARSHIP PAYMENTS

This Part combines the Excelsior Scholarship award and Excelsior Tuition Credit payments to SUNY and CUNY colleges to simplify the administration of the Excelsior Scholarship for the Higher Education Services Corporation (HESC) and for students. Under this Part, the maximum award amount from HESC would be made equal to resident undergraduate tuition at a SUNY campus, and eliminate the provision that SUNY and CUNY institutions provide tuition credits to students to cover excess tuition liability.

Currently, students who receive the Excelsior Scholarship can receive a maximum award of \$5,500 per academic year, which is less than the \$7,070 four-year tuition at a SUNY institution. Students receiving Excelsior awards who rely on the award to cover the full cost of tuition have the difference between their tuition and award credited to their

student account as a separate aid payment borne by SUNY or CUNY, and the State then reimburses the university systems for these credits.

Under this Part, Excelsior Scholarship awards going to a SUNY or CUNY institution through HESC to cover student costs would be simplified into one payment instead of a two-step calculation.

PART F – NEW YORK OPPORTUNITY PROMISE SCHOLARSHIP FOR COMMUNITY COLLEGE

This Part creates a new scholarship for SUNY and CUNY community college students that provides grants for tuition, fees, books, and supplies for students between the ages of 25 and 55 who have applied for a New York State Tuition Assistance Program (TAP) award, complete at least six credit hours per semester, and pursue an associate’s degree in high-demand subjects. High-demand subjects include, but are not limited to:

- ➔ Artificial Intelligence;
 - ➔ Advanced Manufacturing;
 - ➔ Cybersecurity;
 - ➔ Engineering;
 - ➔ Green and Renewable Energy;
 - ➔ Nursing and Allied Health Professions;
 - ➔ Pathways to Teaching in Shortage Areas; and
 - ➔ Technology.
- ❖ Such fields may be updated annually by the Department of Labor no later than 180 days before the start date of the fall term of such community colleges.
 - ❖ Students shall not be eligible to receive an award under this program if they have already obtained any postsecondary degree.
 - ❖ Students shall not be eligible to receive awards for greater than ten semesters in total.

This Part would also require the SUNY and CUNY Chancellors to submit a report on the program to the Governor, Speaker of the Assembly, and Temporary President of the Senate that includes, but is not limited to:

- ➔ Full-time and Part-time enrollment data;
- ➔ Full-time and Part-time retention and completion rates;
- ➔ Barriers to student participation;
- ➔ Student demographic data;
- ➔ Average prior learning and transfer credit awarded;
- ➔ The total amount of funds awarded;
- ➔ The average award per student; and
- ➔ Post-completion outcomes including transfer, employment, and wages, as applicable.

HOMELAND SECURITY & EMERGENCY SERVICES

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Counter Terrorism Grants Program:** \$46.3 million, \$2.4 million more than last year, for services related to the domestic terrorism prevention unit.
- **Fire Prevention and Control:** \$14.6 million, \$250,000 more than last year, for staffing assistance with teams focused on community fire risk assessment and reduction.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$34 million.
- **Cyber Incident Response Program:** \$6.6 million.
- **Disaster Assistance Program:** \$23.1 million.
- **Emergency Management Program:** \$37.3 million.
- **Interoperable Communications Program:** \$3.4 million.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Counter Terrorism Grants Program:** \$565 million. Federal funding for state agency and local expenditures associated with the implementation of a comprehensive statewide antiterrorism program.
- **Disaster Assistance:** \$8.2 billion. This funding reimburses municipalities for costs related to natural and man-made disasters. This funding includes:
 - ➔ **Federal:** \$8 billion.
 - ➔ **State:** \$150 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.
- **Emergency Management Performance Grants – Federal:** \$15.4 million.

- **Emergency Services Revolving Loan Fund:** \$3.8 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.
- **Grants For Local Fire Investigation:** \$3.3 million. Funding provides competitive grants to local governments to support local fire investigations.
- **Hazard Mitigation Revolving Loan Fund:** \$44 million. 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.
 - ➔ **State:** \$4 million.
- **Public Safety Answering Points:** \$10 million. 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.
- **Public Safety Communications Systems:** \$65 million. Funding provides grants to counties to support their public safety communications systems.
- **Public Safety Dispatch Centers:** \$10 million. Funding provides grants to counties to support public safety dispatch centers.
- **Radiological Emergency Preparedness:** \$3 million.
- **Red Cross Emergency Response Preparedness:** \$3.3 million.
- **Volunteer Firefighter Recruitment and Retention Fund:** \$300,000.
- **Volunteer Firefighters Training Stipend Program:** \$6.5 million.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Volunteer Fire Infrastructure & Response Equipment Grant Program:** \$25 million in new funding for another round of grants to volunteer fire departments for both infrastructure and equipment upgrades.

SIGNIFICANT DECREASES INCLUDE:

- **Preservation of Facilities:** \$3 million, \$3 million less than last year, for the preservation and maintenance of facilities.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Emergency Flood Protection Equipment for Municipalities:** \$15 million in funding for the purchase and distribution of emergency flood protection equipment to municipalities. The Governor does, however, propose to reappropriate the funding for the original program.
-

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART K – REPORTING OF LOCAL GOVERNMENT CYBER INCIDENTS

This Part standardizes municipal cybersecurity incident reporting, requiring notification to the Division of Homeland Security and Emergency Services within 72 hours of occurrence, or within 24 hours if a ransom payment has been made by the municipality. The Commissioner would collaborate with relevant State and Federal agencies to compile reports on these incidents, aiming to improve preparedness for future cybersecurity threats. All reports concerning cybersecurity incidents under this section would be exempt from Freedom of Information Act.

HOUSING & COMMUNITY RENEWAL

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$16.2 million, \$1.6 million more than last year.
- **Community Development Program:** \$12.3 million, \$3.3 million more than last year.
- **Community Renewal Program:** \$927,000, \$600,000 more than last year.
- **Housing Program:** \$23.6 million, \$1.6 million more than last year.
- **Office of Resilient Homes and Communities:** \$744,000, \$244,000 more than last year.
- **Rent Administration:** \$92.5 million, \$700,000 more than last year. This funding is related to the Division of Housing and Community Renewal’s administration and enforcement of New York’s system of rent regulation.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Home Stabilization Fund:** \$120,000.
- **Lead Abatement:** \$268,000.
- **Low Income Weatherization Program:** \$4.7 million.

AID TO LOCALITIES – A. 3003

SIGNIFICANT DECREASES INCLUDE:

- **Fair Housing Testing:** \$2 million, \$2 million less than last year, to provide fair housing testing and education throughout the State.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Blue Buffers Voluntary Buyout Program:** \$8.8 million. Funding helps to buy houses in flood-prone areas from voluntary sellers and turn the houses into “blue buffers.”

- **Community Controlled Affordable Housing:** \$1 million. Funding covers expenses of a community-controlled affordable housing program.
- **Housing Development Fund Program:** \$15 million. Funding is 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. Funding improves access to housing for people with prior arrests or conviction records.
- **Low Income Weatherization Program:** \$32.5 million.
- **Rural Rental Assistance, Rural Preservation and Neighborhood Preservation Programs:** See Education, Labor and Family Assistance A.3006 (Part N) under the State of New York, Mortgage Agency section of this publication.
- **Small Cities Community Development Block Grant Program:** \$40 million. Funding supports 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:

- **First Time Homeowners:** \$50 million in new funding is to assist low- and moderate-income first-time homeowners with closing costs and down payments. The FY24 Enacted Budget had included \$25 million for First Time Homeowners and eliminated this in the FY25 Enacted Budget.
- **Homeowner Protection Program (HOPP):** \$40 million in new funding to provide 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. This Program is

returned to the Division of Homes and Community Renewal from the Interest On Lawyer Account where \$40 million was provided in the FY25 Enacted Budget.

- **New York City Community Land Trusts:** \$1.5 million in new funding.
- **Pro-Housing Supply Fund:** \$10.5 million in new funding for technical assistance grants to assist Pro-Housing certified municipalities.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Land Banks:** \$10 million for services and expenses of land banks.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **Housing Program:** \$427.1 million in new funding to backfill appropriation through temporary bond financing for projects that are typically funded through the Housing Finance Agency (HFA). This will help support the FY23 Enacted Budget Affordable Housing and Homelessness Initiative to continue existing projects planned by HFA.
- ➔ This funding will contribute to the following:
 - ❖ Preserving and constructing supportive housing units;
 - ❖ New construction or adaptive reuse of affordable rental housing;
 - ❖ Rehabilitation of multi-family rental housing;
 - ❖ Promoting homeownership among families of low- and moderate-income;

- ❖ Developing or rehabilitating senior rental affordable housing;
 - ❖ Weatherization and electrification of existing housing stock;
 - ❖ Rehabilitation or demolition and replacement of housing authority properties outside of New York City;
 - ❖ Preservation and improvements of Mitchell-Lama developments;
 - ❖ Construction, adaptive reuse, or reconstruction of rental housing for households between 60%-130% area median income (AMI);
 - ❖ Creation of Accessory Dwelling Units (ADUs);
 - ❖ Mixed-use affordable housing developments for the Rural and Urban Community Investment Fund;
 - ❖ Rehabilitation or demolition and replacement of buildings with 5-50 units; and
 - ❖ Mobile and manufactured home replacement program.
- **Resilient and Ready Program:** \$50 million, \$10 million more than last year, for emergency home repairs and permanent retrofits, particularly those in flood-prone areas.

SIGNIFICANT DECREASES INCLUDE:

- **Access to Home:** \$1 million, \$3 million less than last year, to provide financial assistance to eligible applicants for housing costs.
- **Mitchell-Lama:** \$50 million, \$30 million less than last year, to preserve and improve Mitchell-Lama properties.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Affordable Housing Corporation Fund:** \$26 million. Funding assists low- and moderate-income individuals purchase homes to reduce urban blight.

- **Homes for Working Families Program:** \$14 million. Funding maximizes the State’s usage of Federal low-income tax credits.
- **Housing Opportunities for the Elderly (RESTORE):** \$1.4 million. Funding administers emergency home repairs programs which pose a threat to the life, health, or safety of a low-income elderly homeowner.
- **Lead Abatement Program:** \$20 million. Funds are for lead abatement treatment outside of New York City.
- **Low Income Housing Trust Fund:** \$44.2 million. Funds are deposited 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. This funding covers 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. This program funds loans and grants for the acquisition, demolition, or replacement or repair of mobile or manufactured homes.
- **Public Housing Modernization Program:** \$6.4 million. This funding covers the 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:

- **City of Yes:** \$1.03 billion in new funding to support New York City’s City of Yes Housing Opportunity Program which was passed by the New York City Council last year.
 - ➔ \$1 billion will go to the development, stabilization, and preservation of affordable housing in New York City. This would include capital subsidies for rental housing construction, rehabilitation of multi-family rental housing, and improvements to Mitchell-Lama properties; and
 - ➔ \$25 million will be used to rehabilitate vacant NYCHA units.
- **Farmworker Housing Program:** \$5 million in new funding for the Farmworker Housing Program.
- **Mixed-Income Rental Revolving Loan Fund:** \$50 million for a new mixed-income rental revolving loan fund program to provide low-cost second mortgages to construct mixed-income housing developments outside of New York City.
- **Modular and Starter Homes:** \$50 million in new funding to develop starter and modular homes.
- **Pro-Housing Supply Fund:** \$100 million in new funding to support housing related infrastructure that supports housing development in Pro-Housing certified municipalities.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Housing Program:** \$20 million to support capital and operating subsidies for the development of 6,000 or more supportive housing units over the next five years.
- **Infill Housing “Block by Block” Program:** \$40 million for a program to construct, preserve or rehabilitate infill housing in

Albany, Binghamton, Buffalo, Rochester, and Syracuse.

- **Land Banks:** \$40 million for services and expenses of land banks.
- **Mitchell-Lama Preservation Program:** \$80 million to help preserve or improve Mitchell-Lama properties.
- **New York City Housing Authority (NYCHA) Program:** \$140 million in funding for capital projects at NYCHA housing developments.
- **New York Housing for the Future Rental Program:** \$75 million for developing permanent rental units for households at or under 130% Area Median Income.
- **New York Housing for the Future Co-Op Program:** \$75 million for developing permanently affordable limited equity cooperative housing for households at or under 130% Area Median Income.
- **Public Housing Program:** \$75 million for funding to rehabilitate and demolition and replacement of multi-family housing outside of New York City.
- **Rest of the State Vacant Apartment Repair and Rehabilitation Program:** \$40 million for grants up to \$75,000 for vacant apartment repairs outside of New York City.
- **Small Rental Housing Development Initiative:** \$7 million for capital developments of rental housing with less than 20 units.
- **USDA 515 Rental Properties Preservation Program:** \$10 million for preserving USDA 515 rental properties. USDA 515 rental properties are housing units authorized by the Federal Housing Act of 1949 and built under the United States Department of Agriculture 515 program.



EDUCATION, LABOR AND FAMILY ASSISTANCE – A. 3006

PART G – COMBAT HOME APPRAISAL DISCRIMINATION

This Part prohibits the discriminatory practice regarding real estate appraisal, estimate, or opinion of value against an individual who is a prospective or present owner or occupant of real property, or the present owners or occupants in the vicinity of the property.

Characteristics considered for unlawful discriminatory practice include race, creed, color, national origin, citizenship or immigration status, sexual orientation, gender identity or expression, military status, sex, age, disability, marital status, status as a victim of domestic violence, lawful source of income, or familial status.

This Part also authorizes the Department of State (DOS) to impose fines against certified real estate appraisers or licensed real estate appraisers as an alternative or additional punishment to license or certificate suspension or revocation for such discriminatory practice. Such fine shall not exceed \$2,000.

Further, 50% of all moneys received by the Department of State from such fines shall be payable to the Anti-Discrimination in Housing Fund. This Part clarifies that moneys in the fund shall go to programs assisting with fair housing compliance, which include, but is not limited to:

- Fair housing testing;
- Outreach and education on fair housing protections;
- Addressing and investigating fair housing allegations and complaints; and
- Addressing discrimination in appraisals, including new appraisals and appraisal review.

PART H – PROHIBIT ALGORITHM- ENABLED RENT PRICE FIXING

This Part would prohibit residential rental property owners or managers from using an “algorithmic device” to coordinate or adjust rental prices, lease renewal terms, occupancy levels, or other lease terms and conditions in one or more residential rental properties. This Part would consider such action as a monopoly and such practices as “price fixing.”

An “algorithmic device” is defined as any machine, device, computer program or computer software that, on its own or with human assistance, performs a “coordinating function.” “Coordinating function” is defined as a subfunction which does the following:

- Collect historical or contemporaneous prices, supply levels, or lease or rental contract termination and renewal dates of residential dwelling units from two or more residential rental property owners or managers;
- Analyzing or processing the above information using a system, software, or process that uses computation; and
- Recommending rental prices, lease renewal terms, ideal occupancy levels, or other lease terms and conditions to a residential rental property owner or manager.

This Part further forbids a “coordinator”, or a person or entity that operates or licenses software or data analytics services, to facilitate an agreement among two or more residential rental property owners or managers to not compete with residential rental dwelling units by performing a “coordination function” on their behalf.

PART I – GRANT RENT-REGULATED TENANTS SECURITY DEPOSIT PROTECTIONS

This Part extends security deposit protections afforded to tenants of market-rate rental units to tenants of dwelling units subject to the New York City Rent Stabilization Law of 1969 and the Emergency Tenant Protection Act of 1974. The following protections were codified for tenants of privately owned rental residential units in the Housing Stability and Protection Act of 2019-Chapter 36 of the Laws of 2019 (Part M of A.8281).

These protections shall include that no security deposit or advance required from the rent stabilized tenant shall exceed one month's rent. The entire amount shall be refundable to the tenant upon their vacating the premises except for an amount lawfully retained for reasonable and itemized costs due to non-payment of rent, damages caused beyond normal wear and tears, non-payment of utility charges, and moving and storage of tenant's belongings.

The landlord shall offer the prospective tenant the opportunity to inspect the premises with the landlord or the landlord's agent after signing the lease but before the tenant begins occupancy. If the tenant requests such inspection, the tenant and landlord shall execute a written agreement before occupancy attesting to the condition of the property.

A tenant who provides at least two weeks' notice of termination may request an inspection before vacating and be present for it. The landlord must notify the tenant in writing and schedule the inspection between two weeks and one week before the tenancy ends, providing at least 48 hours' written notice. The tenant may address any issues that could lead to security deposit deductions before moving out.

The landlord is required to provide an itemized statement indicating the basis for the amount of the deposit retained and shall return the remaining portion to the tenant within 14 days of the tenant vacating the premises.

This Part also requires any new purchaser of a rent-regulated apartment to return the security deposit in the same manner. This Part deems that they are presumed to have knowledge of any security deposit which is deposited in the 6 months prior to the closing or transfer of the title. If there is no record of a security deposit, then the new purchaser shall notify the tenant within 30 days of closing or transfer of the title. The tenant shall then have 30 days to provide proof of such security deposit.

PART L – REDUCE MITCHELL-LAMA RESIDENTS SHELTER RENT TAXES

This Part would reduce shelter rent taxes for Mitchell-Lama developments in New York City from 10% to a maximum of 5% of annual shelter rent – the total rents received from occupants minus the cost of providing utilities.

Municipalities outside of New York City shall have the option to opt-in to allow Mitchell-Lama developments to reduce the annual shelter rent tax to 5%.

These reduced shelter rent taxes shall expire after ten years unless renewed. Upon expiration and without renewal, the rate of taxation will revert to the level established before the consent was granted

HOUSING TAX BENEFITS

Real Property Exemptions

The following Parts can be referenced in the Local Governments section of the Green Book:

- Affordable Homebuyer Tax Exemption (A.3006, Part K); and
- Expand Availability of Redevelopment Inhibited Properties Exemption (A.3006, Part M).

Tax Credit

The following Part can be referenced in the Revenue section of the Green Book:

- Extend and Double the Low-Income Housing Credits (A.3009, Part D).

HUDSON RIVER PARK TRUST

WAYS AND MEANS CONTACT:

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CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Pier 76 Renovation:** \$85 million in new funding for the rehabilitation and development of Pier 76, a former tow pound which became part of the Hudson River Park in 2021. This transfer was accomplished via Part WW of Chapter 56 of the Laws of 2020 (A.9506-B, Education, Labor and Family Assistance Budget Bill), which required New York City to vacate the Pier 76 tow pound and transfer that property to the Hudson River Park Trust.

HUMAN RIGHTS

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$33.8 million, \$10.1 million more than last year.
- **Fair Housing Assistance Program:** \$2.5 million, \$908,000 more than last year, for services and expenses related to the Fair Housing Assistance Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Hate and Bias Prevention:** \$3.5 million. Funding covers expenses related to training, educational materials, outreach, and conferences.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART Z – HUMAN RIGHTS COMPLAINT PROCESS REFORM

This Part gives the Division of Human Rights (DHR) the authority to designate a required form and procedures for making, signing, and filing discriminatory complaints. It also allows DHR to render administrative complaint dismissals in non-responsive housing discrimination cases.

This Part further creates the Discrimination Complaints Escrow Fund which shall consist of conciliation funds, settlement funds, and any other monetary awards that DHR receives from discrimination complaint respondents, that is used to compensate such discrimination complaints claimants.

The Commissioner of the Division of Human Rights shall only expend funding from the Discrimination Complaints Escrow Fund for compensating a complaint whose conciliation, settlement, or award monies were deposited into such fund.

INDEPENDENT COLLEGES

WAYS & MEANS CONTACT:

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AID TO LOCALITIES – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Part-Time Financial Aid:** \$55.1 million, \$1.8 million more than last year. This funding includes various scholarships in addition to streamlined funding for Part-Time Scholarship Awards and Aid for Part-time Study Awards. The Executive Budget proposed to combine these financial aid programs into one. Please see Part D of A.3006 for more information.
- **Tuition Assistance Program:** \$850.5 million, \$16 million more than last year. This appropriation fluctuates based on expected enrollment.

SIGNIFICANT DECREASES INCLUDE:

- **Bundy Aid:** \$16.3 million, \$6 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Enhanced Tuition Award:** \$3.8 million.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Higher Education Facilities Capital Matching Grants Program (HeCAP):** No new funding, \$189 million is reappropriated. Last year, HeCAP was funded at \$40 million. Competitive round 7 awards are expected to be announced no earlier than May 30, 2025. HeCAP grants have supported over 340 projects at independent institutions of higher education.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

Part D Streamline Part Time Financial Aid

Programs This Part consolidates the State's Aid for Part-Time Study (APTS) and Part-Time Scholarship (PTS) under the Part-Time Tuition Assistance Program (PT-TAP). Under this Part, the APTS and PTS programs are eliminated, and PT-TAP eligibility requirements are expanded to streamline the administration of such eliminated part-time financial aid programs to students. This Part redefines a part-time student under PT-TAP as any student who is enrolled in at least three but less than twelve credits per semester. This Part would also repeal the current provision that limits the awards to those first attending college after 2006.

Currently, part-time students must be enrolled in at least six but less than twelve credits per semester to receive part-time financial aid.

INDIGENT LEGAL SERVICES

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Indigent Legal Services Program:** \$8.5 million, \$3.7 million more than last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Hurrell-Harring Settlement Statewide Implementation:** \$1.6 million.
- **Hurrell-Harring Settlement:** \$1.5 million.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Hurrell-Harring Statewide Implementation:** \$274 million, \$24 million more than last year, to provide legal services to the indigent.
- **Indigent Legal Services Program:** \$90.9 million, \$9.9 million more than 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 more than 24 months.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Hurrell-Harring Settlement Program:** \$24 million.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Assigned Counsel Program:** \$92 million. Funding reimburses counties and New York City for 50% of the expenditures related to the increased hourly rate for 18-B attorneys.
- **Article 18-B Family Court Representation:** \$19.5 million. Funding is provided to improve the quality of representation provided to persons entitled to counsel in Family Court matters and Surrogates Court.

INFLATION REDUCTION ACT ELECTIVE PAY PROGRAM

WAYS AND MEANS CONTACT:

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CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Inflation Reduction Act (IRA) Elective Pay:**
\$10 million in new funding for the expenditure of Federal tax credit refunds including but not limited to those funds provided under the Inflation Reduction Act (IRA) for environmental protection capital projects. This is intended to provide a mechanism (as yet undefined) for the disbursement of such credits, recipients of which are subject to a plan to be developed by the Director of the Budget.

INFORMATION TECHNOLOGY SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Central Administration Activities:** \$26.1 million, \$4.2 million more than last year.
- **Cybersecurity and Vulnerability Detection:** \$198 million, \$70.2 million more than last year, for cyber security services personal and shared services to local municipalities.
- **Maintaining State Computer Applications:** \$190.4 million, \$4.3 million more than last year, for maintaining state computer applications.
- **Modernization of IT Legacy Systems:** \$19.5 million, \$9.5 million more than last year, for the modernization of IT legacy systems for the Department of Taxation and Finance.
- **State Data Center Account:** \$61.2 million, \$50 million more than last year, for upgrades to equipment in State data centers.
- **State Data Centers:** \$238.4 million, \$36 million more than last year, for the expansion of state data centers and the growth of Empire AI.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Centralized Technology Services Account:** \$125.3 million.
- **Digitization of Government Services:** \$10 million.
- **End Users Support:** \$107.5 million.
- **IT Training:** \$1.7 million. Funding is provided to train employees of the State to obtain information technology certifications.
- **Network Services:** \$72.1 million.
- **Technology Financing Account:** \$30 million.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **IT Initiative Program:** \$130.7 million for technology equipment and software.

PUBLIC PROTECT AND
GENERAL GOVERNMENT –
A.3005

**PART X – CYBERSECURITY
TRAINING**

This Part would require that any individual employed by the State or a local municipality who uses technology as part of their official duties must undertake annual cybersecurity awareness trainings starting January 1, 2026. The State would provide this training at no cost to municipalities.

INTEREST ON LAWYER ACCOUNT

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **New York Interest on Lawyer Account:** \$3.4 million, \$444,000 more than last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Interest on Lawyer Account:** \$77.5 million, \$15.5 million more than last year, for not-for-profit civil legal services pursuant to Section 97-V of the State Finance Law. This fund assists those underserved by legal services, such as the poor, the elderly, and the disabled.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Homeowner Protection Program (HOPP):** \$40 million. Funding provided homeowners with mortgage relief assistance, assistance with loan modifications or other types of loss mitigation, and direct representation in court proceedings including settlement conferences and housing counseling.
 - ➔ This Program is proposed to be transferred back to the Division of Housing and Community Renewal and appropriated at \$40 million.
- **Legal Representation for Eviction:** \$15 million. Funding supported legal services and representation for eviction cases.
 - ➔ \$35 million is appropriated for Legal Representation for Evictions through the Office Temporary and Disability Assistance.

LABOR

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$591.1 million, \$36.4 million more than last year, in Federal grants for administering the Unemployment Insurance Program during the pandemic.
- **Employment and Training Program:** \$104.4 million, \$6.4 million more than last year, to administer employment and training programs by grants allocated by the United States Department of Labor under the Workforce Innovation and Opportunity Act.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Labor Standards Program:** \$43.9 million.
- **Occupational Safety and Health Program:** \$49.6 million.
- **Unemployment Insurance Interest Assessment Surcharge Fund:** \$250 million. Funding is for repayment on interest accrued on the State's Federal Title XII advance requested to supplement the State Unemployment Insurance Trust Fund (State UTF) Account.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Dislocated Worker Employment Program:** \$185.3 million, \$5.7 million less than last year, to assist those laid off or terminated who do not qualify for unemployment insurance or are having a hard time reentering the workforce.
- **Local Workforce Development Act:** \$3.4 million, \$141,000 less than last year, for training for qualified enrollees of the Self-Employment Assistance Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$15 million.
- **Miscellaneous Funding for the Workforce Investment Act:** \$20 million. Funding will assist the unemployed to access employment training programs, and education and support services to develop job skills.
- **Occupational Safety and Health Program:** \$419,000. Funding provides aid to local governments with hazard abatement.

- **Office of Just Transition:** \$22.5 million. Funding is for the services and expenses of this Office.
- **Unemployment Insurance Occupational Training Fund:** \$26.5 million. Funding provides services to the unemployed in approved Federal training programs.
- **Unemployment Insurance Benefit Fund:** \$6 billion.

SIGNIFICANT ACTIONS INCLUDE:

- **American Sign Language Fellowship:** \$400,000 in new funding for the creation of the American Sign Language Fellowship.
- **High Demand Occupation Apprenticeships:** \$10 million in new funding to cover partial apprentice wages, training costs, and wraparound services for underrepresented groups in registered apprenticeships and pre-apprenticeships.
- **High Demand Occupations New Training Pathways:** \$8 million in new funding for employer-led training for summer work in high-demand occupations for high school students. The Department of Labor (DOL) will collaborate with school districts and businesses to recruit these students.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Various Legislative Adds:** \$26.2 million. Funding is eliminated for 48 programs added by the Legislature.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART T – AMEND THE HEALTHY TERMINALS ACT

This Part amends Chapter 88 of the Laws of 2021 (A.3020-A) which, as a Chapter Amendment to Chapter 387 of the Laws of 2020 (A.8142-E), established minimum wage requirements for certain “covered airport workers” at John F. Kennedy International Airport (JFK) and LaGuardia Airport (LaGuardia). These workers worked at least 30 hours per week.

The changes found in this Part include the explicit requirement that the “applicable standard rate”, or the wage and benefits rates designated by the Commissioner of Labor based on determinations made by the General Services Administration pursuant to the federal McNamara-O’Hara Service Contract Act of 1965, beginning January 1, 2025, be no less than the following:

- Any otherwise applicable minimum wage rate established through regulation of the Port Authority of New York and New Jersey (PANYNJ);
- An amount of supplemental wages or a supplemental healthcare contribution equal to the rate for health and welfare for all occupations; and
- Paid leave equal to the paid leave requirements designed by the Commissioner of Labor immediately preceding January 1st.

This Part makes several clarifications concerning who is considered a “covered airport worker.” This includes those workers who at any location are preparing or delivering food for consumption on airplanes departing from JFK and LaGuardia. This specifically does not include those employed in an executive, administrative, or professional capacity as defined by the Fair Labor Standards Act of 1938 or are persons employed by PANYNJ.



PART U – 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 no less frequently 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.

Employers found to be in violation shall be subject to damages as follows:

- For the first violation, no more than 100% of the lost interest due for delayed payment of wages;
- For second-time violations 300% of the lost interest found to be due for the delayed payment of wages; and
- For the third and subsequent violations the liquidated damages equal to 100% of the total amount of wages found to be due.

PART V – EXPAND RECOVERY TOOLS FOR STOLEN WAGES

This Part expands 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 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 W – INCREASED CHILD LABOR PENALTIES

This Part would increase penalties for violations of the Child Labor Law.

Any person who knowingly violates the Child Labor Law is subject to a felony (raised from a misdemeanor) and shall be punished by a fine of not more than \$1,000 or imprisonment for no more than 1 year or by both. Any second known violation shall be punished by a fine of not more than \$10,000 or imprisonment for no more than 2 years or both.

This Part creates two new crimes:

- **Crime of Criminally Negligent Homicide of a Child Worker:** This is defined as an employer, with criminal negligence, causes the death of a child under the age of 18 in the course of their employment;
- ➔ This is considered a Class D Felony; and

- **Crime of Endangering the Welfare of a Child Worker:** Which is defined as any person knowingly employs a child in violation of the Child Labor Law and that child suffers physical injury, serious physical injury, or death

➔ This is considered a Class E Felony.

Civil penalties for violations of the Child Labor Law are as follows:

- Not more than \$10,000 for first violation;
- At least \$2,000 but no more than \$30,000 for a second violation;
- At least \$10,000 but no more than \$75,000 for a third or subsequent violation.

Violations of the Child Labor Law that result in a minor being seriously injured or killed are as follows:

- At least \$3,000 but no more than \$30,000 for the first violation;
- At least \$6,000 but no more than \$90,000 for a second violation;
- At least \$30,000 but no more than \$225,000 for a third or subsequent violation.

The Department of Labor (DOL) may, at the discretion of the Commissioner, reduce the penalty for a violation when the violation does not risk the safety or health of the employed minor if the employer agrees to:

- Make immediate payment of reduced penalty;
- Have management complete a child labor compliance training prepared by DOL;
- Provide its employees with child labor resources and information as specified and directed by DOL;
- Submit a certified statement that the employer will only hire, employ or otherwise permit minors to work in positions as permitted by law, rule or regulation;

- Develop and submit a plan to prevent future child labor law violations; and
- Submit records over a subsequent twelve month period as required by DOL to properly demonstrate that no additional violations have occurred.

PART X – DIGITIZE YOUTH WORKING PAPERS

This Part would require the Department of Labor (DOL), in consultation with the Department of Education (SED), to create a database for employment of minors, employee registration, and minor employment certificates.

The database would include the following information on every employer that hires, employs, or otherwise permits any minor under 18 years of age to work for the employer:

- Name of the employer;
- Email address of the employer;
- Any location of the employer’s business operations within New York state, including any location where a minor will be working;
- The number and names of minors who are hired, employed, or otherwise permitted to work for the employer;
- A certified statement from the employer that the employer is hiring, employing, or otherwise permitting minors to work only in positions for the employer as permitted by law, rule, or regulations; and
- Any other information deemed appropriate by the Commissioner of Labor.

This Part also requires employers to file at the location of the minor’s employment the minor employee’s employment certificate or permit and that it may be readily accessible. Electronic access to the employment certificate or permit in the database shall meet this requirement.

Any minors under the age of 18 that will be employed will be required to complete a registration in the database for an employment certificate or

permit and all information pertaining to the minor shall be confidential and not accessible by the public. If the minor changes jobs or works multiple jobs, they must update their registration.

Any employment certificate or permit will be issued electronically within the database. Any application for an employment certificate or permit that is made by a minor must be on a form prescribed by the Commissioner of Education and approved by DOL.



LAW

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$24.5 million, \$910,000 more than last year, for staffing support within the administration program.
- **Appeals and Opinions Program:** \$11.8 million, \$95,000 more than last year, for handling appellate litigation in both State and Federal courts.
- **Cannabis Management Program:** \$2.8 million, \$57,000 more than last year, for travel and supplies associated with the Cannabis Management Program.
- **Counsel for the State Program:** \$108.8 million, \$10.7 million more than last year, for services and expenses related to the Council for the State Program.
- **Criminal Investigations Program:** \$18.9 million, \$2 million more than last year, for services and expenses related to the Criminal Investigations Program.
- **Criminal Justice Program:** \$23.7 million, \$801,000 more than last year, for expenses related to investigating and prosecuting criminal cases.

- **Deed Theft Intervention Program:** \$2.2 million, \$154,000 more than last year, for personal service related to the Deed Theft Intervention Program.
- **Economic Justice Program:** \$46.9 million, \$3.7 million more than last year, for services and expenses related to the Economic Justice Program.
- **Medicaid Fraud Control Program:** \$70.5 million, \$1.5 million more than last year, for services and expenses related to grants to investigate and prosecute Medicaid fraud.
- **Social Justice Program:** \$53.4 million, \$2.1 million more than last year, related to the Social Justice Program, the Law Enforcement Misconduct Investigative Office, and the Fair Housing Testing Program.

SIGNIFICANT DECREASES INCLUDE:

- **Regional Offices Program:** \$28.5 million, \$52,000 less than last year, for services and expenses related to the Regional Offices Program.

CAPITAL PROJECTS – A.3004

SIGNIFICANT DECREASES INCLUDE:

Information Technology Initiative Program: No new funding is appropriated for the Information Technology Initiative Program. However, the Governor proposes to reappropriate last year's \$8.4 million for services and expenses related to the acquisition and development of technology.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART T – 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%.



LEGISLATURE & JUDICIARY

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LEGISLATURE AND JUDICIARY – A.3001

- **LEGISLATURE:** \$298.6 million for the Legislature, \$5.7 million more than last year. This represents a 2% increase over last year. Highlights include:

- ➔ **Independent Redistricting Commission:** \$1.1 million, \$2.95 million less than last year.
- ➔ The Legislative Budget, not including the funding for the Independent Redistricting Commission, increased by 3% over last year.

- **JUDICIARY:** \$4.1 billion for the Judiciary, \$336 million more than last year. This represents an 8.9% increase over last year. This funding includes:

- ➔ **Capital Projects:** \$50 million, same as last year;
- ➔ **Federal Funds:** \$19 million, same as last year;
- ➔ **General State Charges:** \$1 billion, \$72.1 million more than last year; and

- ➔ **State Operating Funds:** \$2.98 billion, \$263.9 million more than last year. This increase will support the following:

- ❖ Annualization of 43 new judgeships authorized by Chapter 749 of the Laws of 2023 and Chapter 204 of the Laws of 2024;
- ❖ Contractual raises and benefits for nonjudicial staff;
- ❖ Technology infrastructure and services necessary to meet efficiency, security, and accessibility needs; and
- ❖ Funding to support a request for 10 new NYC Criminal Court Judges, increasing Juror per diem rates and increasing their non-judicial employees by 1,000 for a total of 17,000.

LOCAL COMMUNITY ASSISTANCE

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CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- Local Community Assistance Program (LCAP): No new funding. This Program has a cumulative total of \$285 million, of which \$278.7 million is available in reappropriations.

LCAP CRITERIA CHANGES PROPOSED IN THE 2025-26 EXECUTIVE BUDGET

- Makes changes within existing reappropriations to make the eligible grant language say that grants may be used for the acquisition of vehicles, as well as grants for the acquisition of bond-eligible equipment.

LCAP CRITERIA

- This Program provides funds for grants for the payment of capital costs of acquisition, design, construction, reconstruction, demolition, rehabilitation, and improvement of an existing or proposed facility or other property real and personal, and other appurtenances.

- Funds may be used for the acquisition of bond-eligible equipment and other bond-eligible 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 are 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.

CREST Criteria Changes Included in Previous Budgets

- The 2024-25 Enacted Budget made changes to the eligible grant language to say that grants may be used for the acquisition of bond-eligible equipment and other bond-eligible capital assets and removed useful life of bonds and health and safety purposes of the grant.

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 & OTHER IMPACTS

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STATE OPERATIONS – A.3000

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.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **City of Albany:** \$20 million, \$5 million more than last year.
- **Monroe County:** \$15 million.
 - ➔ This funding is earmarked for a healthcare initiative still being developed by the County.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Aid and Incentives for Municipalities:** \$765.2 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/fy26/ex/local/aim/fy26aim-cities.pdf>
 - ➔ **Towns:**<https://www.budget.ny.gov/pubs/archive/fy26/ex/local/aim/fy26aim-towns.pdf>
 - ➔ **Villages:**<https://www.budget.ny.gov/pubs/archive/fy26/ex/local/aim/fy26aim-villages.pdf>
 - ➔ **Temporary Assistance:**
<https://www.budget.ny.gov/pubs/archive/fy26/ex/local/aim/fy26tma.pdf>
 - ➔ **City Payment Schedule:**
<https://www.budget.ny.gov/pubs/archive/fy26/ex/local/aim/fy26aim-paysched.pdf>

- Citizens Re-Organization Empowerment Grants and Citizens Tax Credit: \$35 million.
- Local Government Efficiency Grant (LGEG): \$8 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.
- Video Lottery Terminal (VLT) Aid: \$30.1 million. Of this funding, \$19.6 is provided to the City of Yonkers. The remaining \$10.5 million is distributed to the other municipalities that have a VLT gaming facility.
 - ➔ See *Figure 1* for a breakdown of this funding.

**LOCAL GOVERNMENT AID TO
MUNICIPALITIES WITH VLT FACILITIES**
FIGURE 1

VLT Facility	Municipality	2024-25 Enacted Aid	2025-26 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	\$780,109	\$780,109
	Orange County	\$454,173	\$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		\$30,119,594	\$30,119,594

SIGNIFICANT ACTIONS INCLUDE:

- **Local Assistance Resource Program:** No new funding. \$95 million in reappropriated funding is available for services and expenses of local assistance projects, programs, and other purposes.
 - ➔ Of this reappropriated funding, \$60 million is available for the aforementioned projects, including the payment if liabilities incurred prior to April 1, 2024.
 - ➔ \$35 million is available for those same local assistance projects, including the payment if liabilities incurred prior to April 1, 2023.
 - ❖ Plans must be approved by the Director of the Division of the Budget (DOB).

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Miscellaneous Financial Assistance:** \$2.6 million in unrestricted aid to various municipalities. These municipalities included:
 - ➔ Broome County: \$115,000.
 - ➔ City of Auburn: \$200,000.
 - ➔ New York City Department of Sanitation: \$300,000.
 - ➔ Onondaga County: \$1.2 million.
 - ➔ Village of East Hills: \$75,000.
 - ➔ Village of Flower Hill: \$90,000.
 - ➔ Village of New Paltz: \$300,000.
 - ➔ Village of Washingtonville: \$309,000.

CAPITAL PROJECTS – A.3004

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 \$100 million disbursed 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.3005**

**PART R – NEW YORK CITY
TRANSITIONAL FINANCE
AUTHORITY (TFA) BOND LIMIT
INCREASE**

This Part increases the bonding capacity for the NYC TFA to help the City support its capital initiatives. Beginning July 1, 2025, the bonding capacity will increase from \$27.5 billion to \$30.5 billion.

**PART S – AMEND THE NEW YORK
CITY INDUSTRIAL AND
COMMERCIAL ABATEMENT
PROGRAM**

This Part would amend the New York City Industrial and Commercial Abatement Program, commonly referred to as ICAP.

- ICAP is a tax incentive program designed to encourage commercial and industrial development in New York City by offering Real Property Tax abatements. These abatements last up to 25 years, depending on the location and type of project being implemented.

The Governor’s proposed changes to ICAP include no longer awarding benefits to projects that plan to construct parking facilities. This would include any parking garages or parking lots which require a license for operation issued by the Consumer and Worker Protection Agency of New York City.

This Part would also no longer award ICAP benefits to projects seeking to create a self-storage facility.

- Self-storage facilities are generally facilities which can be rented out to individuals for the storage of their personal property.

Commencing January 1, 2026, this Part would add Governor’s Island to the list of locations that New York City can designate as a special commercial abatement area. Special commercial abatement areas may receive an enhanced benefit under ICAP to encourage development.

- Locations that are considered special commercial abatement areas are designated as such due to high unemployment, economic distress, or unusually large numbers of vacant structures.

The Governor’s final proposed change to ICAP would be to extend the date by which projects can apply for the benefit until March 1, 2030.

- ➔ Projects known as “peaking units,” which provide electricity during times of high demand, can still apply for ICAP benefits until March 1, 2029.

**EDUCATION, LABOR, AND
FAMILY ASSISTANCE – A.3006**

**PART J – EQUIP COMMUNITIES TO
ACQUIRE ABANDONED
PROPERTIES**

This Part would expand the list of conditions under which a vacant property can be certified as abandoned.

- Currently, for a vacant property to be classified as abandoned, it must either be unsealed or continuously guarded or be sealed and continuously guarded by someone other than the owner, along with the presence of one of the following conditions:
 - ➔ A vacate order has been issued by a governmental agency.
 - ➔ The tax due on the premises has gone unpaid for at least one year.

This Part would also expand this list to include that the property have a zoning, building, or property maintenance code violation which has the potential to jeopardize the health and safety of others.

For a property to be considered abandoned, a qualifying violation must go continuously unremedied for a period of one year from the date on which the original notice of violation was served to the property owner.

PART K – THE AFFORDABLE HOMEBUYER TAX EXEMPTION

This Part would establish a new Real Property Tax exemption, at the local option, for residential property that is either leased or purchased by a low-income household.

Eligibility

Under this proposed benefit, residential real property that is subject to a contractual obligation with a governmental entity, not-for-profit housing organization, or land bank that is either leased or sold to a low-income household would be exempt from Real Property Taxes.

- Low-income households are those with a household income of less than 80% of the Area Median Income (AMI).
- ➔ The AMI is annually determined by the United States Department of Housing and Urban Development.

The entity selling or leasing the property will determine the household’s eligibility by examining such household’s income and assets.

Exemption

The amount of the Real Property Tax exemption would be determined by local law and may not be less than 25% nor more than 50% of the assessed value of the property.

Such exemption would last in perpetuity as long as the property remained owned or leased by an eligible low-income household.

A copy of the local law authorizing the exemption granted under this proposal must be filed with the local assessor.

Revocation

The exemption would be discontinued if any of the following conditions occur:

- The property ceases to be used primarily for residential purposes.
- The property ceases to be a primary residence of a low-income household.
- The property is transferred to another person other than the heirs of the owner who meet the low-income qualifications at the time of transfer.

Assessor

If the local assessor determines the property eligible for this proposed exemption, they will mail a notice to the owner stating so.

This exemption would only be granted if the property owner seeking the exemption files an application with the local assessor.

PART M – EXPANDING AVAILABILITY FOR REDEVELOPMENT OF INHIBITED PROPERTIES

This Part would expand the Real Property Tax exemption currently available in the City of Batavia for rehabilitating vacant or underutilized properties by extending the option to any municipality across the State.

Eligibility

After a public hearing and the adoption of a local law, any municipality or school district would be authorized to declare a property as a redevelopment-inhibited property and seek to offer the exemption for rehabilitation if one of the following conditions are met:

- The municipality has acquired the title to the property after it has been deemed abandoned;
- The property has been continuously vacant for a period of at least three years;
- The county or local municipality has acquired the property through foreclosure for unpaid taxes; or
- The property has outstanding zoning, housing, or uniform code violations and the cost of remedying such violations exceeds the property's value.

This exemption may only be offered to buildings consisting of one to four units and occupied as the owner's or tenant's primary residence.

Exemption

The exemption currently offered by the City of Batavia, and proposed to be extended statewide under this initiative, provides a 25-year Real Property Tax exemption on the increased assessed value resulting from the redevelopment of blighted buildings.

- The exemption would be phased-out over the last eight years of the benefit period at a rate of 12.5% per year.

Assessor

This exemption would only be granted if the owner rehabilitating the inhibited property applies for such exemption with the local assessor. This form must be completed before the taxable status date in the municipality (March 1st in most cases).

The application must also be filed with the assessor within three years of the date of completing the demolition, alteration, rehabilitation, or remediation of the property.

HEALTH AND MENTAL
HYGIENE – A.3007

**PART R – ENSURE ACCESS TO
EMERGENCY MEDICAL SERVICES
(EMS)**

EMS as an Essential Service

This Part allows general ambulance services to be deemed to be an essential service, requiring every county, city, town, and village to act individually, jointly, or in conjunction with a Special District to ensure EMS services are provided. This excludes the City of New York.

Establishing a Special District

This Part authorizes municipalities to establish Special Districts to finance and implement EMS service expansions. Such Special Districts would be established similar to how Fire Districts are established. No Special District may overlap with a pre-existing municipal district unless they are merged. No pre-existing municipal district may be dissolved without approval from the county to assume the responsibility for the EMS services previously provided by the municipal district. Approval and consent of these Special Districts shall be adopted by a resolution of the county legislative body and filed with the Department of State. Municipal districts may not reduce ambulance funding without those changes being incorporated into the comprehensive county EMS plan.

Emergency Medical Community Assessment Program
(EMCAP)

This Part establishes the EMCAP to assess the capabilities and performance of EMS agencies and the service they provide to the communities they serve. The Department of Health (DOH) and State Emergency Medical Services Council (SEMSCO) shall establish a scoring matrix to evaluate EMS systems and results of assessments using the matrix shall be publicly accessible and integrated into county EMS plans.

DOH shall publish an EMCAP report at least every five years. All jurisdictions, excluding New York City, shall participate and provide accurate and timely information. The Commissioner is authorized to allocate funding to assist counties in implementing the EMCAP.

Statewide Comprehensive Emergency Medical System Plan

The SEMSCO shall develop and maintain this new Statewide Plan, which shall include, but not be limited to the following:

- Establishing a comprehensive statewide emergency medical system, consisting of facilities, transportation, workforce, communications, and other components to improve the delivery, access and utilization of EMS and thereby decrease morbidity, hospitalization, disability, and mortality;
- Improving the accessibility of high-quality emergency medical services;
- Coordinating professional medical organizations, hospitals, and other public and private agencies in developing alternative delivery models for persons who are presently using emergency departments for routine, nonurgent and primary medical care to be served appropriately and economically; excluding New York City;
- Developing, conducting, promoting, and encouraging programs of initial and advanced education and training designed to enhance and recognize the knowledge and skills of EMS practitioners throughout the State with emphasis on regions underserved by or with limited access to emergency medical services.

This Statewide Plan shall be reviewed, updated if necessary, and published every five years on the DOH website. Each county’s office of EMS services shall develop its own EMS Plan to provide essential EMS for all residents within the county. The EMS plan requires review and approval by DOH. Any permanent modifications to the EMS Plan must be submitted to DOH within 180 days of

the EMS Plan’s effective date for review and approval.

Counties must designate a primary EMS agency or agencies responsible for responding to requests or services for each part of the county. No EMS agency may refuse to respond to requests within their primary response area with limited exceptions for capacity limitations. All ambulance services in the county shall be included on the operating certificate issued by DOH. Counties may not remove or reassign existing EMS agencies that have agreed to participate in the EMS Plan and are legally and regulatorily compliant.

County EMS Plans shall incorporate findings from the EMCAP. Additionally, these plans shall include findings which demonstrate a public need for additional EMS and submit these findings to the Regional Emergency Medical Services Council (REMSCO) and SEMSCO.

Emergency Medical Services (EMS) Demonstration Programs

The Commissioner of Health is authorized to approve EMS demonstration programs, provide financial support for demonstration programs, and grant narrowly tailored waivers. Detailed plans for the demonstration programs shall be submitted to the Department of Health for review and undergo periodic evaluation. These may not overlap with the current Community-Based Paramedicine Demonstration Program.

Emergency Medical Services (EMS) Licensing

The Department of Health and SEMSCO shall establish licensure standards for EMS practitioners. The licensing standards shall align with existing requirements for certification and shall not impose additional burdens beyond necessary competence and public safety requirements. The term “licensed” shall replace the term “certified.”

- ❖ **Fiscal Impact:** This part has a associated cost to the State of \$5.6 million in FY26.

TRANSPORTATION, ECONOMIC
DEVELOPMENT AND
ENVIRONMENTAL
CONSERVATION – A.3008

**PART JJ – DASNY SERVICES FOR
LOCALITIES**

This Part authorizes the Dormitory Authority of the State of New York (DASNY) to extend its planning, design, procurement, and construction management services to local governments, including counties, cities, towns, and villages. Any alternative delivery authorized is not applicable to projects under the Infrastructure Investment Act. Nothing should result in the:

- Displacement of any currently employed worker or loss of position, or result in the impairment of existing collective bargaining agreements; and
- Transfer of existing duties and functions currently performed by existing public employees for a public employer that becomes eligible to utilize DASNY pursuant to this proposal.

Additionally, it authorizes DASNY to provide grant administration services to the Department of Environmental Conservation.



MENTAL HYGIENE OVERVIEW

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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.

TARGETED INFLATION INCREASE

The Executive Budget includes a 2.1% Targeted Inflation Increase for 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 Targeted Inflation Increase spending numbers, please see *Figure 1* below.

FY 2026 Executive Budget 2.1% Targeted Inflationary Increase (\$ millions) <i>Figure 1</i>			
Agency	State Share	Federal Share	Total
OPWDD	\$115.9	\$105.8	\$221.7
OMH	\$67.1	\$25.9	\$93.0
OASAS	\$12.5	\$1.2	\$13.6
Mental Hygiene Subtotal	\$195.4	\$132.9	\$328.3
SOFA	\$4.7	\$0.0	\$4.7
OCFS	\$11.8	\$0.0	\$11.8
OTDA	\$0.1	\$0.0	\$0.1
Other State Agency Subtotal	\$16.6	\$0.0	\$16.6
Total	\$212.0	\$132.9	\$345.0

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 proposed appropriated Minimum Wage increases, please see *Figure 2* below.

Mental Hygiene Minimum Wage (\$ millions) <i>Figure 2</i>	
Agency	Amount
OASAS	\$6.4
OMH	\$8.4
OPWDD	\$38.1
Total	\$52.9

ADDICTION SERVICES & SUPPORTS

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

EXECUTIVE DIRECTION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Executive Direction Program:** \$83.7 million, \$17.9 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Opioid Settlement Fund Administration:** \$3.3 million, \$1.2 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.
- **NYS Drug Treatment and Education Fund:** \$1.8 million. Funding supports services and expenses of substance abuse focused on cannabis.

- **Problem Gambling Services:** \$1 million.
- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$14 million.

INSTITUTIONAL SERVICES

SIGNIFICANT INCREASES INCLUDE:

- **General Institutional Services:** \$78.3 million, \$612,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$1.2 million. Funding is for prevention and treatment services.



AID TO LOCALITIES – A.3003

COMMUNITY TREATMENT SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- Jail-Based Substance Use Disorder Treatment and Transition Services: \$9.1 million, \$177,000 more than last year.
- Local Government Unit (LGU) Services: \$4.1 million, \$34,000 more than last year.
- Medicaid Payments for Outpatient: \$31.2 million, \$1.1 million more than last year.
- Problem Gambling, Chemical Dependence Outpatient, and Treatment Support Services: \$171.6 million, \$23 million more than last year.
- Residential Services: \$135.8 million, \$2.3 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Additional Federal Grants: \$50 million. This is a dry appropriation for Federal funds yet to be awarded.
- Crisis Services: \$14 million.
- Managed Care Transition Savings: \$37 million. This funding is a result of savings from recovered premiums related to the Medicaid Fee-for-Service to Managed Care transition.
- Substance Abuse Prevention and Treatment (SAPT) Block Grant: \$31.8 million.
- Substance Use Disorder and Mental Health Ombudsman: \$8.5 million.

SIGNIFICANT ACTIONS INCLUDE:

- Minimum Wage: \$6.4 million for minimum wage increases.
- Opioid Settlement Funds: \$63 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:
 - ➔ Co-Occurring Disorders and Special Populations: \$4 million;
 - ➔ Data and Outcomes: \$2.6 million;
 - ➔ Grassroots Organizations Working with Populations Disproportionately Affected: \$5.8 million;
 - ➔ Harm Reduction: \$12.2 million;
 - ➔ Health-Related Social Needs: \$3.2 million;
 - ➔ Prevention: \$2.7 million;
 - ➔ Recovery: \$3.4 million;
 - ➔ Reserved for Municipalities: \$19.4 million;
 - ➔ Treatment: \$5.2 million; and
 - ➔ Workforce, Diversity, Inclusion, Equity, and Belonging: \$4.4 million.
- Safe Options Support Teams: \$3 million in new funds to support street outreach activities and working with addiction professionals and utilizing harm reduction approaches to support crisis periods when transitioning from homelessness to housing.
- Targeted Inflationary Increase: \$12.1 million in funding for a 2.1% increase for various human services agencies.

SIGNIFICANT ELIMINATIONS INCLUDE:

Legislative Additions: \$8.1 million for 20 programs was eliminated.

PREVENTION AND PROGRAM SUPPORT

SIGNIFICANT INCREASES INCLUDE:

- General Prevention and Program Support: \$81.4 million, \$3.1 million more than last year.
- State Funded Recovery Services: \$56.5 million, \$2.7 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.
- Federally Funded Recovery Services: \$23 million.
- Medical Cannabis Addiction Services: \$2 million.
- NYS Drug Treatment and Education Fund: \$4 million. Funding supports services and expenses of substance abuse focused on cannabis.
- Problem Gambling Education, Prevention, Recovery, and Treatment Services: \$9.6 million.
- Substance Abuse Prevention and Treatment (SAPT) Block Grant: \$48.7 million.
- Substance Use Education, Prevention, Recovery, and Treatment Services: \$100,000.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- Non-Bondable Projects: \$2 million, \$1 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Acquisition, Design, Construction, and Rehabilitation: \$24 million.
- Alterations and Improvements: \$34 million.
- Community Facilities Alterations and Improvements: \$5.5 million.
- Design and Construction Supervision: \$7 million.
- Facilities Maintenance and Operations: \$3.5 million.
- Institutional Services Program: \$17 million.

SIGNIFICANT ACTIONS INCLUDE:

- Mobile Medication Units: \$1.3 million in new funding.



HEALTH AND MENTAL
HYGIENE – A.3007

**PART O – OPIOID RELATED
PROPOSALS**

See the Department of Health section of this publication.

**PART BB – MAKE FLEXIBILITIES
FOR DEMONSTRATION
PROGRAMS PERMANENT**

This Part permanently extends the authority of the Mental Hygiene agencies to utilize flexibilities to develop new service methods through demonstration projects.

**PART DD – AUTHORIZE
HOMELESS YOUTH TO CONSENT
TO BEHAVIORAL HEALTH
TREATMENT**

This Part allows runaway and homeless youth who receive services from approved programs to be able to consent to behavioral health treatment without parental consent. Currently, these youth are allowed to consent to their own medical treatment.

- ❖ **Fiscal Impact:** This Part has an associated appropriation increase of \$3.5 million in the Office of Children and Family Services (OCFS) Aid to Localities.

**PART FF – HUMAN SERVICES COST
OF LIVING ADJUSTMENT**

This Part provides a 2.1% Targeted Inflationary Increase for 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 \$212 million across all State agencies.

- ❖ **Fiscal Impact:** Please see the Mental Hygiene Overview for a full breakdown of this funding by agency.



MENTAL HEALTH

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Forensic Services Program:** \$385 million, \$43.8 million more than last year, due to increased personal service costs.
- **General Administration and Finance Program:** \$111.3 million, \$8.5 million more than last year, due to increased personal service costs.
- **General Adult Services Program:** \$1.5 billion, \$32.7 million more than last year.
- **Research in Mental Illness Program:** \$95.3 million, \$1.1 million more than last year, due to increased personal service costs.
- **Secure Treatment Program:** \$82.4 million, \$366,000 more than last year, due to increased personal service costs.

SIGNIFICANT DECREASES INCLUDE:

- **General Children and Youth Services Program:** \$247.9 million, \$4.3 million less last year, due to increased personal service costs.

AID TO LOCALITIES – A.3003

ADULT SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Community Mental Health Residential Programs:** \$1.1 billion, \$108.1 million more than last year.
- **Non-Residential Services:** \$480.9 million, \$31.8 million more than last year, for community services that provide nonresidential services.
- **Psychiatric Emergency Programs:** \$82.2 million, \$9 million more than last year, for emergency mental health programs operated by local governments.
- **State Share of Medical Assistance for Community Mental Health Services:** \$476.7 million, \$94.5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Public Safety by Addressing Mental Illness:** \$31.1 million, \$2 million less than last year, due to loss of one-time shower bus funding.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **9-8-8 Crisis Hotline:** \$60 million. Funding is for a statewide mental health crisis hotline.
- **Adult Homes:** \$67.9 million. Funding is for mentally ill residents of adult homes.
- **Adult Mental Health Services:** \$62.6 million. This is due to flat Federal funding.
- **Assisted Outpatient Treatment:** \$7.6 million. Funding is for those receiving services from hospital outpatient clinics.
- **Eating Disorder Treatment Access:** \$2 million. Funding is to expand access to eating disorder treatment.
- **Eating Disorder Treatment Centers:** \$1.2 million. Funding is for the Comprehensive Care Centers for Eating Disorders Program.
- **Individual Placement and Supports:** \$12 million. Funding is for the Individual Placement and Support Program (ISP).
- **Intensive and Sustained Engagement Treatment:** \$2.8 million. Funding is for the Intensive and Sustained Engagement Treatment (INSET).
- **Joseph P. Dwyer Program:** \$8 million. To see the breakdown by county, please see *Figure 1* in the following column.
- **Managed Care Transition Savings:** \$74 million. This funding is 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.

Joseph P. Dwyer <i>Figure 1</i>	
County	FY 26 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 Recruitment:** \$14 million. Funding is for recruitment of psychiatric professionals.
- **Suicide Prevention, Peer-to-Peer, and Mental Health Services:** \$2 million. Funding is for veterans, first responders, and disaster response workers.
- **Suicide Prevention for Veterans, First Responders, Law Enforcement, and Corrections Officers:** \$1 million.

SIGNIFICANT ACTIONS INCLUDE:

- **Targeted Inflationary Increase:** \$67.1 million in funding for a 2.1% increase for various human services agencies.
- **Minimum Wage:** \$8.4 million for minimum wage increases.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$13.1 million in funding eliminated for 34 various programs added by the Legislature.

CHILDREN AND YOUTH SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Children and Family Community Mental Health Services:** \$175.6 million, \$34.8 million more than last year.
- **Non-Residential Services:** \$195.2 million, \$14.9 million more than last year, for programs provided by local governments.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Programs:** \$53.3 million. Funding is for community mental health emergency programs.
- **Community Residences:** \$14.8 million. Funding is for community residences including making rental and mortgage

payments of community residential facilities for the mentally ill.

- **Federal Block Grant:** \$14.5 million. This funding is due to flat Federal funding for the Community Mental Health Services Block Grant.
- **High Fidelity Wrap Around Services for Children:** \$10 million. Funding is for wrap-around services for children.
- **Youth Suicide Prevention:** \$10 million. This funding is for youth suicide prevention.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **State Mental Health Facilities:** \$531.8 million, \$33 million more than last year, for expansion of inpatient capacity.

SIGNIFICANT DECREASES INCLUDE:

- **Community Mental Health Facilities:** \$71.7 billion, \$25 million less than last year, due to the loss of acquisition and construction funding.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Non-Bondable Projects:** \$1 million.



HEALTH AND MENTAL
HYGIENE – A.3007

**PART AA – MAKE FLEXIBILITIES
FOR DEMONSTRATION
PROGRAMS PERMANENT**

This Part permanently extends the authority of the Mental Hygiene agencies to utilize flexibility to develop new service methods through demonstration projects.

**PART BB – EXTEND THE
AUTHORITY OF OMH AND OPWDD
TO APPOINT TEMPORARY
OPERATORS**

This Part permanently extends the authority of the Office of Mental Health and Office for People with Developmental Disabilities to appoint temporary operators.

**PART DD – AUTHORIZE
HOMELESS YOUTH TO CONSENT
TO BEHAVIORAL HEALTH
TREATMENT**

This Part allows runaway and homeless youth who receive services from approved programs to be able to consent to behavioral health treatment without parental consent. Currently, these youth are allowed to consent to their own medical treatment.

- ❖ **Fiscal Impact:** This Part has an associated appropriation increase of \$3.5 million in the Office of Children and Family Services (OCFS) Aid to Localities.

**PART EE – INVOLUNTARY
COMMITMENTS AND KENDRA’S
LAW**

INVOLUNTARY COMMITMENTS

This Part makes various changes to involuntary commitments for individuals with mental illness. Specifically, the criteria for “likelihood to result in serious harm” is updated to include “a substantial risk of physical harm to the person due to an inability or refusal, as a result of their mental illness, to provide for their own essential needs such as food, clothing, medical care, safety, or shelter.”

Clinical determinations for likelihood to result in serious harm are also updated to require reviews of the following:

- Medical records available to the evaluating clinician;
- All credible reports of the person's recent behavior;
- Any credible, known information related to the person's medical and behavioral history; and
- Any other available relevant information.

Additionally, psychiatric nurse practitioners will be qualified practitioners for the purposes of completing a certificate of examination for involuntary care and treatment. Domestic partners and cohabitants of the person’s residential unit are also added to the list of individuals who can report an individual as having a mental illness that is likely to result in serious harm to themselves or others.

Upon admission and discharge from an inpatient facility, such facilities will now be required to notify case managers for the admitted or discharged individual.

**ASSISTED OUTPATIENT TREATMENT
(AOT, ALSO KNOWN AS KENDRA’S LAW)**

This Part makes further changes to the criteria for a new AOT order when an AOT order has expired within the last six months. The new criteria includes

when individuals experience a substantial increase in symptoms of mental illness that substantially interferes with or limits the person's ability to maintain their health or safety; or the person, due to a lack of compliance with recommended treatment, has received emergency treatment or inpatient care or has been incarcerated.

Additionally, domestic partners will be able to petition for AOT.

- ❖ **Fiscal Impact:** The Executive Budget includes \$16.5 million for counties to improve assisted outpatient treatment programs; and
- ❖ \$2 million for OMH to increase staffing related to reporting, monitoring, and training.

PART FF – HUMAN SERVICES COST OF LIVING ADJUSTMENT

This Part provides a 2.1% Targeted Inflationary Increase for 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 \$212 million across all State agencies.

- ❖ **Fiscal Impact:** Please see the Mental Hygiene Overview section for a full breakdown of this funding by agency.

PEOPLE WITH DEVELOPMENTAL DISABILITIES

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STATE OPERATIONS – A.3000

CENTRAL COORDINATION AND SUPPORT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- General Central Coordination and Support Program: \$138.3 million.
- Intellectual and Developmental Disability Ombudsman: \$2 million. Funding is for an Intellectual and Developmental Disability Ombudsman Program.

COMMUNITY SERVICES PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Community Services Program: \$1.7 billion.

COUNCIL ON DEVELOPMENTAL DISABILITIES

SIGNIFICANT INCREASES INCLUDE:

- Developmental Disabilities Planning Council: \$6.3 million, \$1.5 million in additional State funds, for administration to ensure all Federal funds are used for implementation.

JUSTICE CENTER FOR THE PROTECTION OF PEOPLE WITH SPECIAL NEEDS

SIGNIFICANT INCREASES INCLUDE:

- Justice Center for the Protection of People With Special Needs: \$62.3 million, \$70,000 more than last year.

INSTITUTIONAL SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Institutional Services Program:** \$487.3 million, \$7.8 million more than last year, due to increased personal service costs.

RESEARCH IN DEVELOPMENTAL DISABILITIES PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Research in Developmental Disabilities Program:** \$29.9 million.

AID TO LOCALITIES – A.3003

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **State Share of Medical Assistance (Medicaid) for Community Services:** \$6.7 billion, \$2.3 million more than last year, due to a cost shift from the Department of Health to move Medicaid spending outside of the Global Cap.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **ACCES-VR:** \$56 million. This funding provides workshop, day training, and employment services to people with developmental disabilities.
- **Day Program Services:** \$86.2 million. This funding is for day program services for people with developmental disabilities.

- **Family Support Services:** \$97 million.
- **Hepatitis B, Care at Home Waiver, Epilepsy Services, Special Olympics New York, Inc., and Voluntary Fingerprinting:** \$14.2 million.
- **Residential Services:** \$351.6 million.

SIGNIFICANT ACTIONS INCLUDE:

- **Minimum Wage:** \$38.1 million for minimum wage increases.
- **Targeted Inflationary Increase:** \$27 million in funding for a 2.1% increase for various human services agencies.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$1.9 million for 8 programs added by the legislature.

JUSTICE CENTER FOR THE PROTECTION OF PEOPLE WITH SPECIAL NEEDS

SIGNIFICANT INCREASES INCLUDE:

- **Justice Center for the Protection of People With Special Needs:** \$1 million, \$208,000 more than last year for Surrogate-Decision Making Committee (SDMC) increases.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Community and Institutional Services Program:** \$200.7 million, \$126.3 million more than last year, including:
 - ➔ \$75 million in new funds for Institute for Basic Research campus modernization; and
 - ➔ \$25 million in new funds for regional disability clinics.

- Facilities Maintenance and Operations: \$53 million, \$1 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Design and Construction Supervision: \$13 million.

HEALTH AND MENTAL HYGIENE – A.3007

PART Z – MAKE PREFERRED SOURCE PROGRAM CHANGES PERMANENT

This Part permanently extends changes recently made to the Preferred Source Program. This includes requiring that preferred sources perform at least 50% of the work on purchases through the Program and increasing the contract review threshold to \$100,000.

PART AA – MAKE FLEXIBILITIES FOR DEMONSTRATION PROGRAMS PERMANENT

This Part permanently extends the authority of the Mental Hygiene agencies to utilize flexibility to develop new service methods through demonstration projects.

PART BB – EXTEND THE AUTHORITY OF OMH AND OPWDD TO APPOINT TEMPORARY OPERATORS

This Part permanently extends the authority of the Office of Mental Health and Office for People with Developmental Disabilities to appoint temporary operators.

PART CC – OPWDD MANAGED CARE STATUTE EXTENDER

This Part extends provisions to continue current managed care demonstration programs for two years through December 2027.

PART FF – HUMAN SERVICES COST OF LIVING ADJUSTMENT

The Executive Budget provides a 2.1% Targeted Inflationary Increase for 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 \$212 million across all State agencies.

- ❖ **Fiscal Impact:** Please see the Mental Hygiene Overview for a full breakdown of this funding by agency.

METROPOLITAN TRANSPORTATION AUTHORITY

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CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Metropolitan Transportation Authority (MTA) 2025-2029 Capital Plan:** \$3 billion in new funding for costs of the MTA’s 2025-2029 Capital Plan. These funds are to be matched 100% by New York City for a total contribution of \$6 billion to the Capital Plan.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART I – EXTEND THE METROPOLITAN TRANSPORTATION AUTHORITY’S TAX INCREMENT FINANCING

This Part extends the MTA’s tax increment financing authority for 10 years, until April 1, 2035. This authority allows municipalities to create “mass transportation capital districts” to facilitate Tax Increment Financing for MTA capital projects.

This 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 section was amended in the 2024-25 Enacted Budget and would sunset on April 1, 2025.

PART J – EXTEND THE METROPOLITAN TRANSPORTATION AUTHORITY’S USE OF COMPULSORY ARBITRATION

This Part extends the MTA’s authority for compulsory arbitration to resolve impasses in collective bargaining negotiations between the MTA and its’ labor representatives by two years, from July 1, 2025, to July 1, 2027.

PART K – EXTEND THE METROPOLITAN TRANSPORTATION AUTHORITY’S PROPERTY VALUATION AGREEMENT

This Part would extend provisions that expedite the transfer of interests in real property from New York City to the MTA to process capital projects by five years, from December 31, 2025, to December 31, 2030.

PART L – MAKE PERMANENT THE METROPOLITAN TRANSPORTATION AUTHORITY’S CURRENT PARATRANSIT REIMBURSEMENT

This Part makes permanent New York City’s current funding contribution to the MTA for paratransit operating expenses. This would permanently extend the City’s 80% funding contribution to paratransit services of the MTA. This paratransit reimbursement obligation for New York City was expanded from 50% of net costs to 80% of the net operating expenses or 50% of net paratransit costs plus \$165 million in 2023 and is currently scheduled to expire on June 30, 2030.

PART M – STATE AND CITY FUNDING FOR THE METROPOLITAN TRANSPORTATION AUTHORITY 2025-2029 CAPITAL PLAN

This Part provides for the allocation of the State and New York City’s contribution to the MTA’s 2025-2029 Capital Plan. Specifically, under this Part, both the State and the City will each contribute \$3 billion, for a total of \$6 billion, to the MTA’s 2025-2029 Capital Plan on a schedule determined by the Director of the Division of the Budget. This Part also includes language requiring NYC’s funds to be intercepted if the City does not contribute its share.

PART N – OVERWEIGHT VEHICLE ENFORCEMENT USING WEIGH-IN-MOTION TECHNOLOGY

This Part expands the use of vehicle weigh-in-motion (WIM) technology that has been implemented by the New York City Department of Transportation (NYCDOT) as authorized by Chapter 253 of 2023.

This Part would authorize various Agencies and Authorities to implement WIM technology on agency or authority facilities including roadways, bridges, and highways. Each Agency and Authority authorized to use WIM may promulgate its’ own rules and regulations to use the technology to automatically enforce vehicle weight limits on its’ facilities. Agencies and Authorities would also be authorized to enter into reciprocal agreements for the purpose of implementing a WIM program.

Agencies and Authorities authorized to implement WIM technology under this Part include:

- The Department of Transportation (DOT);
- The Triborough Bridge and Tunnel Authority (TBTA);
- The New York State Bridge Authority (NYSBA),
- The Port Authority of New York and New Jersey;

- The New York City Department of Transportation (NYCDOT); and
- The New York State Thruway Authority.

Each WIM system may only be used if it has undergone a self-test each day and has undergone an annual calibration check. Annual calibration checks shall be performed by an independent calibration laboratory, which shall issue a certificate of calibration to any covered Agency or Authority.

Violations of the WIM program would be set by covered Agencies and Authorities and would include a maximum fine of \$3,750 for each violation. Notices of liability for violations under this Part shall be sent to vehicle owners within 14 business days if the owner is a State resident, and within 45 business days if the owner is a non-resident. Covered Agencies and Authorities are also responsible for preparing and mailing notices of liability, as well as adjudicating any liability imposed upon a vehicle owner.

Covered Agencies and Authorities are required to implement a public awareness campaign related to an organization's implementation of WIM technology programs during the first 60-day period of operation of the program, and violators would receive only written warnings during this period.

PART O – AUTOMATED CAMERA ENFORCEMENT FOR “BLOCKING THE BOX”

This Part authorizes New York City and the Metropolitan Transportation Authority (MTA) to use stationary or mobile photo devices to enforce traffic violations related to obstructing traffic at an intersection. Such stationary or mobile photo devices include those implemented under the MTA's Automated Camera Enforcement (ACE) program, which captures bus lane and parking violations.

PART Q – MAKE PERMANENT AND EXPAND THE WORKZONE SPEED CAMERA PROGRAM

This Part makes permanent the New York State Thruway and Department of Transportation's Automated Work Zone Speed Enforcement (AWZSE) programs.

In addition, this Part amends the Vehicle and Traffic Law to authorize the Triborough Bridge and Tunnel Authority (TBTA) and the New York State Bridge Authority (NYSBA) to establish AWZSE programs.

This Part also increases the maximum penalties for violations of the AWZSE Program to \$50 for a first violation, \$125 for a second violation, and \$175 for a third violation within an 18-month period. An additional \$25 late fee may be imposed for failure to respond to a violation. Of the total amount collected, 80% of such fines are to be paid to the State general fund. The remaining 20% shall be paid to the municipality in which the violation occurred or to the Work Zone Speed Camera Administration Fund when collected by a hearing officer appointed by the Commissioner of Motor Vehicles.

Adjudication of liability and appeals for violations under this Part would fall under the purview of a hearing officer designated by the Commissioner of Motor Vehicles, unless New York City has established an administrative tribunal for the purposes of adjudication.

The Commissioner of Motor Vehicles is directed to submit a report on or before May 1, 2026, on the results of the expansion of the AWZSE Program to the Governor, Temporary President of the Senate, and Speaker of the Assembly.

MILITARY & NAVAL AFFAIRS

WAYS & MEANS CONTACT:

Andrew Reinhart, Budget Analyst

(518) 455-4131

reinharta@nyassembly.gov

STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Special Services Program:** \$122.6 million, \$45 million more than last year, for the expansion of the Divisions Empire Shield mission to continue to deter and prevent terrorist activity in New York City transit and commuter hubs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$8.6 million. Funding covers expenses related to the administration of the agency.
- **Military Readiness Program:** \$60 million. Funding covers expenses related to the State's military readiness.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Military Readiness Program:** \$1.5 million. Funding provides reimbursements to certain organized militia members for group life insurance premium costs incurred during periods of military service.
- **Special Services Program:** \$4 million. Funding covers expenses related to the WTC death and disability benefits reimbursements.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Facilities and Maintenance Operations:** \$19.6 million, \$4.7 million more than last year, for personal costs related to the maintenance of various facilities.
- **Maintenance and Improvements:** \$216 million, \$151 million more than last year. This increase can be attributed to:

- ➔ **Preservation of Facilities:** This funding is used for alterations and improvements for the preservation of facilities. There is a Federal and State component of this funding which includes:
 - ❖ **Federal:** \$26 million, same last year.
 - ❖ **State:** \$60 million, \$25 million more than last year.

- ➔ **Capital Projects Fund:** This capital projects funds will be used for the construction of a new headquarters for the 2nd Infantry of the New York State Army National Guard. There is a Federal and State component of this funding which includes:
 - ❖ **Federal:** \$90 million, \$75 million more than last year.
 - ❖ **State:** \$40 million, \$25 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Design and Construction Supervision:** \$13.8 million. Funding is used for the improvement and preservation of facilities.

MOTOR VEHICLES

WAYS & MEANS CONTACT:

Andrew Coleman, Budget Analyst

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- Operating Support for the Department of Motor Vehicles (DMV): \$133.6 million, \$8.4 million more than last year.
- ➔ Governor's Traffic Safety Committee: \$36.8 million, \$5.9 million more than last year. This funding is to support the hiring and training of drug recognition experts.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Accident Prevention Course Program: \$425,000.
- Compulsory Insurance Program: \$11.6 million.
- DMV Seized Assets Program: \$400,000.
- Motorcycle Safety Program: \$1.6 million.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- Governor's Traffic Safety Committee: \$24.9 million.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- Dedicated Highway and Bridge Trust Fund Support: \$336.5 million.

SIGNIFICANT ACTIONS INCLUDE:

- **DMV Transformation:** No new funding. \$173.5 million is reappropriated to support the upgrade and replacement of the DMV legacy technology systems.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART C – EXTEND THE AUTHORITY FOR THE DEPARTMENT OF MOTOR VEHICLES’ (DMV) ONLINE PRE-LICENSING COURSE

This Part would extend the Department of Motor Vehicles’ (DMV) Online Pre-Licensing Course from June 30, 2025, to June 30, 2030. The program includes five hours of instruction, and new drivers must complete the course before applying for a license and taking a DMV road test.

PART D – ABANDONED VEHICLES

This Part would reduce the amount of time, from six hours to three hours, that a vehicle without license plates may be left on a highway or public place before being declared abandoned. This Part would also raise the wholesale value from \$1,250 to \$3,500, at which the ownership of an abandoned vehicle with no plates would be vested in the local authority.

PART E – STRENGTHEN DRUGGED DRIVING LAWS

This Part would expand the circumstances under which a motorist could be compelled to take a chemical test to determine impairment or intoxication and authorize penalties for a motorist’s refusal to submit to a breath or oral/bodily fluids test conducted by a drug recognition expert.

- ➔ This Part defines impairment as when a motorist has consumed or ingested a substance that impairs, to any extent, the physical and/or mental abilities expected for a motorist to reasonably operate a vehicle;

- ➔ This Part defines intoxication as “a greater degree of impairment” which is reached when a motorist has consumed or ingested a substance to the extent that the motorist is incapable, to a substantial extent, of employing the physical and/or mental abilities expected for a motorist to reasonably operate a vehicle;
- ➔ This Part defines “Reasonable Cause” as the totality of circumstances which indicate that a motorist was impaired or intoxicated, and includes the existence of an open container containing an alcoholic beverage *or a drug or drugs*, and the odor of cannabis or burnt cannabis as implying impairment or intoxication;
- ➔ Under this Part, police officers are authorized to administer a breath or oral/bodily fluids test when the officer has reasonable cause to believe that a motorist is impaired or intoxicated. If such test indicates that a motorist has consumed alcohol or a drug, the officer may request the motorist submit to a chemical test and evaluation conducted by a drug recognition expert.
 - ❖ Refusal of a motorist to submit to a breath or oral/bodily fluids test shall result in the immediate suspension or revocation of the motorist’s driver’s license or motor vehicle registration. Such refusal by a motorist shall result in a test not being administered, and a written report detailing the refusal of testing shall be included in the officer’s incident report.
 - ❖ Refusal of a motorist to submit to a chemical test or an evaluation conducted by a certified drug recognition expert shall be admissible in any trial, proceeding, or hearing, regardless of the time of the refusal.

- ❖ Upon refusal of a motorist to submit to a chemical or oral/bodily fluids test, a police officer or district attorney may only compel a motorist to submit to such test upon the receipt of a court order or authorization.
- ❖ Under this Part, a Court shall suspend a motorist’s driver’s license if such motorist had made an admission to driving while intoxicated by alcohol or while impaired by a drug or drugs.

PART G – RECLASSIFY ULTRA-HEAVY CLASS 3 E-BIKES AS MOPEDS

This Part would reclassify Class 3 E-Bikes weighing over 100 pounds as limited use motorcycles (mopeds), by requiring a driver’s license and motor vehicle registration to operate.

PART R – ENHANCED TRANSPORTATION WORKER PROTECTIONS

This Part would expand the categories to transportation workers who qualify for enhanced assault protections under the Penal Law while workers are directly or indirectly performing duties related to the responsibilities of their position. This Part would add construction to the list of applicable duties and add any roadway, walkway, tunnel, bridge, tolling facility or systems, and transportation buildings or structures to the list of applicable facilities.

- Titles that enhanced assault protections would be expanded to include:
 - ➔ Motor Vehicle License Examiner;
 - ➔ Motor Vehicle Representative;
 - ➔ Highway Worker or Flagperson;
 - ❖ Any person employed by or on behalf of the State, a County, City, Town, Village, Public Authority,

Local Authority, Public Utility Company, or an agent or contractor of any such entity.

- ➔ Motor Carrier Investigator; and
 - ❖ Any person employed by the Department of Transportation (DOT) who has been assigned to perform investigations of any motor carriers.
- ➔ Motor Vehicle Inspector.
 - ❖ Any person employed by the Department of Transportation (DOT) who has been assigned to perform inspections of any motor vehicles.



NEW YORK POWER AUTHORITY

WAYS AND MEANS CONTACT:

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CAPITAL PROJECTS – A.3004

SIGNIFICANT DECREASES INCLUDE:

- **Watershed Modeling:** No new funding. \$1.5 million is reappropriated for watershed modeling of the Mohawk and Oswego River basins, for the purpose of modeling and tracking floods and flood conditions.

MAINTAINS THE FOLLOWING:

- **Canal Development Program:** \$2.5 million. Funding is for the maintenance, construction, reconstruction, development, or promotion of the New York State Canal System.
- **Canal Infrastructure Investments:** \$50 million. Funding is 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.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART EE- SWEEPS AND TRANSFERS

§3-4 Sweeps and Transfers

Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

THE FOLLOWING OUTLINES TRADITIONAL TRANSFERS OF FUNDS:

§18 NYPA

Authorizes the transfer of up to \$10 million from the New York State Power Authority to the General Fund to be utilized for energy-related State activities after April 1, 2025.

§19 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, 2025, 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.

NON-PROFIT INFRASTRUCTURE CAPITAL INVESTMENT

WAYS & MEANS CONTACT:

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CAPITAL PROJECTS – A.3004

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 \$74.4 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.

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 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.

the grant is not used for building or property maintenance or improvements, structural maintenance or improvements, or building systems maintenance or improvements.

- **2017 and 2016 Reappropriations:** 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.

2023-24 Enacted Budget Criteria Changes

- **2022 Reappropriations:** Update 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.
 - ➔ Eligible non-profit human services organizations are now to be prequalified in a manner prescribed by the State for such grants.
 - ➔ 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



OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

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STATE OPERATIONS – A.3000

MAINTAINS THE FOLLOWING:

- **Olympic Facilities Operations Program:** \$14.1 million.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Ski Facility Upgrades:** \$110 million, \$27.5 million more than last year, for capital projects that support the maintenance, upgrade, renovation, and modernization of Olympic, ski, and other facilities owned and operated by the Olympic Regional Development Authority. This includes Whiteface Mountain, Gore Mountain, and Belleayre Mountain Ski Resort.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART T – ORDA INDEMNIFICATION AUTHORIZATION

This Part authorizes the Olympic Regional Development Authority (ORDA) to enter into contracts or agreements to join reciprocal ski pass programs with other ski areas. Under these agreements, members may be defended or indemnified against claims arising from participation, with a fiscal limit of \$250,000 per claim or cause of action.

PARKS, RECREATION & HISTORIC PRESERVATION

WAYS AND MEANS CONTACT:

Daniel Green, Senior Budget Analyst

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$397.1 million, \$10.7 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 16 FTEs to support Parks operations, including:
 - ➔ **Barcelona Lighthouse:** 2 positions; and
 - ➔ **Parks Support-Statewide:** 14 positions.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$300,000, \$2.2 million less than last year. Changes to Local Assistance Programming include:
 - ➔ **Assembly State Park/Historic Sites Grants:** \$2 million is eliminated; and
 - ➔ **ArtPark and Company, Inc.:** \$300,000, the same as last year;
 - ➔ **Queens Botanical Garden Society:** \$200,000 is eliminated.

MAINTAINS THE FOLLOWING:

- **Snowmobile Trail Maintenance:** \$8.1 million. Funding is for Snowmobile Trail Maintenance Grants.
- **Historic Preservation Program:** \$1.12 million. Funding is provided for the acquisition, development and administration of historic properties.

CAPITAL PROJECTS – A.3004

SIGNIFICANT DECREASES INCLUDE:

- **NY Works:** \$417.5 million, \$32.5 million less than last year. This appropriation is broken out into the following categories:
 - ➔ **NY Works Parks Infrastructure:** \$200 million, the same as last year, for State parks and historic sites, including publicly accessible electric vehicle charging stations and improvements of the Empire State Trail. This amount also includes:
 - ❖ **Saratoga Performing Arts Center (SPAC):** \$2 million in new funding for Spa Little Theater renovations.
 - ➔ **New York Building Recreational Infrastructure for Communities, Kids, and Seniors (NY-BRICKS):** \$100 million in new funding to provide grant programs for municipalities or non-profits for the renovation, expansion, or construction of public community centers.
 - ❖ Of this amount, \$50 million is earmarked for grants to municipalities in underserved communities.
 - ➔ **New York Places for Learning, Activity and Youth Socialization (NY-PLAYS):** \$67.5 million in new funding to invest in grants to municipalities or non-profits for the renovation, expansion, or construction of public playgrounds.
 - ❖ Of this amount, \$35 million is earmarked for grants to municipalities in underserved communities.

➔ **New York Statewide Investment in More Swimming (NY-SWIMS):** \$50 million, \$100 million less than last year, 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 pools, and the provision of pop-up pools.

❖ Of this amount, \$25 million is earmarked for grants to municipalities in underserved communities.

- **Zoos, Botanical Gardens and Aquaria (ZBGA):** No new funding. \$20 million in reappropriations, including \$10 million reappropriated for the capital costs of projects to be allocated by the Commissioner on a non-competitive basis and \$10 million reappropriated for services and expenses of the New York Botanical Gardens.

MAINTAINS THE FOLLOWING:

- **Parks Infrastructure:** \$116.4 million. Funding is for alterations, rehabilitation and improvements of various park facilities and historic sites.



PREVENTION OF DOMESTIC VIOLENCE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$7 million, \$975,000 more than last year, for the administration of various programs.

AID TO LOCALITIES – A.3003

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 legal services and programs that prevent domestic and gender-based violence.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Domestic Violence and Gender-Based Violence Hotline:** \$1.2 million.
- **Rape Crisis Center:** \$4.5 million. Funding is provided to operate rape crisis centers around the State.
- **Financial Assistance to Victims and Survivors of Domestic Violence:** \$5 million. Funding supports 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 PROTECTION AND
GENERAL GOVERNMENT –
A.3005**

**PART I – PUBLIC ASSISTANCE
ACCESS FOR SURVIVORS OF
GENDER-BASED VIOLENCE**

Please see the Temporary and Disability Assistance section for more information.

**PART J – CREATE SAFER
WORKPLACES FOR SURVIVORS OF
GENDER-BASED VIOLENCE**

Model Gender-based Violence and the Workplace Policy

This Part requires the Office for the Prevention of Domestic Violence (OPDV) to create and publish a model gender-based violence and workplace policy. This model policy may be utilized by employers, and OPDV shall publish this model policy for executive agencies to utilize.

This model policy shall be created in consultation with the Division of Human Rights (DHR), the Department of Labor (DOL), an organization designated by the federal Department of Health and Human Services (HHS) to coordinate statewide improvements within local communities, social services systems, and programming regarding the prevention and intervention of domestic violence in New York State, and an organization designated by the federal Department of Justice (DOJ) to provide direct support to member rape and crisis centers in New York State through funding, training and technical assistance, public awareness, and public policy advocacy to create and publish a model gender-based violence and the workplace policy.

This Part further requires each State agency to develop and issue a gender-based violence and workplace policy. Each State agency shall refer to the model gender-based violence and the workplace violence policy distributed by OPDV.

Such policy developed by each agency shall include:

- The importance of increasing awareness of gender-based violence and informing employees of available resources for assistance;
- Clearly specifying how to reach the domestic violence agency liaison;
- Ensuring that personnel policies and procedures are fair to domestic and gender-based violence victims and survivors;
- Developing workplace safety response plans;
- Complying with State and Federal law including restrictions of possession of firearms by a person convicted of a domestic violence related crime;
- Encouraging and promoting gender-based violence education and training for employees; and
- Holding accountable employees who misuse State resources or authority or violate their job duties in committing an act of gender-based violence.

Each agency shall be required to designate at least one domestic violence agency liaison who shall ensure agency compliance with the policy. Every covered employee will participate in gender-based violence and workplace training developed by OPDV annually.

Competitive Bidding

This Part also requires that every bid made to the State or any public department or agency thereof, where competitive bidding is required, for work or services or goods sold or to be sold, shall contain gender-based violence and the workplace statement subscribed by the bidder and affirmed by the bidder as true. No bid shall be considered for award, nor any award made to a bidder who has not complied with providing gender-based violence and the workplace statement.

PUBLIC AUTHORITIES

WAYS & MEANS CONTACT:

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**PUBLIC PROTECTION AND
 GENERAL GOVERNMENT –
 A.3005**

**PART R – NEW YORK CITY
 TRANSITIONAL FINANCE
 AUTHORITY (TFA) BOND LIMIT
 INCREASE**

This Part increases the bonding capacity for the NYC TFA to help the City support its capital initiatives. Beginning July 1, 2025, the bonding capacity will increase from \$27.5 billion to \$30.5 billion.

**PART EE – SWEEPS AND
 TRANSFERS**

§18 NYPA

Authorizes the transfer of up to \$10 million from the New York State Power Authority to the General Fund to be utilized for energy-related State activities after April 1, 2024.

§19 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.

§20 NYSERDA

Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund on or before March 31, 2026.

§21 NYSERDA

Authorizes the transfer of \$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, 2026.

§31 NYPA Decarbonization Transfers

Authorizes the Comptroller to transfer, upon the request of the Director of the Budget, on or before March 31, 2026, the following amounts from the following special revenue accounts or enterprise funds to the General Fund, for the purpose of offsetting principal and interest costs, provided that the annual amount of the transfer shall 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 State fiscal year:

- Miscellaneous Special Revenue Fund, State University General Income Reimbursable Account: \$15 million;
- State University Dormitory Income Fund: \$5 million; and
- Enterprise Fund, City University Senior College Operating Fund: \$5 million.

§32 Comptroller Bond Redemption

Authorizes the Comptroller, on or before March 31, 2026, to transfer up to \$25 million from various State bond funds to the General Debt Service Fund, for the purpose of redeeming or defeasing outstanding State bonds to offset debt service costs.

§33-§55 Bond Caps

These Sections increase the traditional bond caps (debt authorization authority) by approximately \$19.8 billion to fulfill the 2025-26 Executive Budget initiatives.

§56-57 DOH Defeasance

These Sections would remove the Roswell Park Cancer Institute (RPCI) revenues from the Health Income Fund, following the expected defeasance of DASNY Department of Health (DOH) Revenue Bonds in FY 2026. The defeasance will be funded with reserve funds on hand and will free up RPCI revenues, allowing RPCI to issue non-State bonds for capital needs.

§58 State Liquidity Financing Measures

This Section is proposing to make permanent the authorization to issue up to \$3 billion of short-term borrowing in the form of Personal Income Tax (PIT) Revenue Notes in a fiscal year, 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 the same amount as proposed in FY25. The maturity of these bonds can be no later than March 31st of the State Fiscal Year in which such notes are issued. The notes are not considered a debt of the State and cannot be renewed, extended or refunded.

§59 PIT Issuer Flexibility

This Section makes permanent the authorization for any authorized issuer of Personal Income Tax (PIT) bonds to issue PIT bonds for State capital works and purposes that would otherwise be restricted to a single issuer. Further, this section expands the authorized PIT bond issuers to include the New York State Housing Finance Agency and the New York State Environmental Facilities Corporation to issue bonds for any authorized purpose and makes this authorization permanent.

§60 Bond Redemption Price

This Section allows the Comptroller to redeem bonds above 3% par value. According to the Division of Budget, this section eliminates an outdated restriction which prevents the State from fully taking advantage of market conditions to call General Obligation bonds back for savings when those bonds are above a certain price. This is similar to a change made last year for Personal Income Tax (PIT) and Sales Tax bonds.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART GG – DASNY DESIGN AND CONSTRUCTION MANAGEMENT EXTENDER

This Part extends the authorization for the Dormitory Authority (DASNY) to enter into design and construction management agreements with the Department of Environmental Conservation (DEC) and the Office of Parks, Recreation and Historic Preservation (OPRHP) for an additional two years, until April 1, 2027. DASNY must provide a report

by March 1st of each year providing information regarding any project under a design and construction management agreement with DEC or OPRHP to the Governor, Temporary President of the Senate, and Speaker of the Assembly. DASNY was initially authorized to engage in these agreements in 2012, with the current authorization set to expire on April 1, 2025.

PART II – DASNY PUBLIC LIBRARIES AUTHORIZATION

This proposal seeks to expand the Dormitory Authority's (DASNY) ability to assist public libraries, enabling it to provide financing and construction assistance to public, association or free libraries chartered by the Board of Regents, created by an Act of the Legislature or incorporated under the not-for-profit corporation law. Currently, DASNY's ability to offer these services is limited to libraries that have received special legislative designation. By increasing this authority, more libraries can access financing and construction management expertise through DASNY.

PART JJ – DASNY SERVICES FOR LOCALITIES

This Part authorizes the Dormitory Authority of the State of New York (DASNY) to extend its services in planning, design, procurement, and construction management to local governments, including counties, cities, towns, and villages. Any alternative delivery authorization is not applicable to projects under the Infrastructure Investment Act. Nothing should result in the:

- Displacement of any currently employed worker or loss of position, or result in the impairment of existing collective bargaining agreements; and
- Transfer of existing duties and functions currently performed by existing public employees for a public employer that becomes eligible to utilize DASNY pursuant to this proposal.

Additionally, it authorizes DASNY to provide grant administration services to the Department of Environmental Conservation.

PART NN – CAPTIVE INSURANCE FOR PUBLIC BENEFIT CORPORATIONS

This Part expands the ability of certain public authorities and public benefit corporations to form pure or captive insurance companies. Captive insurance companies are insurance entities created and wholly owned by one or more entities to insure their own risks.

Specifically, this Part allows the Battery Park City Authority, New York Convention Center Operating Corporation, New York State Energy Research and Development Authority, New York State Olympic Regional Development Authority, and the Roosevelt Island Operating Corporation, individually or in some combination with each other, to establish either a pure or group captive insurance company. A written notice of such filing must be provided to the Governor, Temporary President of the Senate and Speaker of the Assembly.

The Part also exempts these particular public authorities that may form captive insurance companies from certain taxes, including State and local taxes, fees, or assessments, and gross premium taxes, that would otherwise apply to captive insurance companies.



PUBLIC FACILITIES SUSTAINABILITY PROGRAM

WAYS AND MEANS CONTACT:

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CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **Public Facilities Sustainability Program:** \$50 million. Funding supports 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 (DED);
 - ➔ 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).

PUBLIC SERVICE

WAYS AND MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Special Revenue Funds-Other:** \$143.4 million, \$7.1 million more than last year, reflecting increased personal service costs. Of this amount, \$6.5 million reflects the hiring of 50 FTEs, including:
 - ➔ **Office of Renewable Energy Siting (ORES):** 6 FTEs;
 - ➔ **Regulation of Utilities:** 41 FTEs; and
 - ➔ **Administrative Support:** 3 FTEs.

AID TO LOCALITIES – A.3003

SIGNIFICANT ACTIONS INCLUDE:

- **Energy Affordability Guarantee:** No new funding. \$50 million is reappropriated to support this initiative. This initiative provides 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, which remains with the residence and is transferable between tenants or owners so long as new tenants or owners are eligible for the Program. Funds are disbursed to utilities to cover costs incurred by eligible ratepayers.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART WW – ESCO REVENUE RETURN

This Part would require Energy Service Companies (ESCOs) to remit unclaimed customer deposits or refunds to the Abandoned Property Fund. ESCOs are entities that sell energy services to end-user customers using the transmission or distribution system of a utility. Unlike other utility service providers, ESCOs are not required to remit to the Office of the State Comptroller any utility customer refunds or deposits that meet the definition of “abandoned property” under the law.

Currently, any utility customer deposits, or refunds are abandoned if unclaimed for 2 years. Utility companies must attempt to contact the rightful owner. Any funds that remain unclaimed after these efforts must be remitted to the State Comptroller. This Part would make ESCOs subject to the same requirements.

➔ This proposal is similar to A.10221 of 2024 which was a Department of Public Service Departmental Bill.

❖ The bill passed unanimously 145-0.

PART XX – CABLE TV AND 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; however, this Part extends PSC’s assessment authorization for 5-years, until April 1, 2030. 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.

PART YY – PROTECTION OF UNDERGROUND FACILITIES

This Part increases the civil penalties to excavators and operators for failure to comply with the Department of Public Service’s (DPS) rules and regulations for the protection of underground gas and electric infrastructure as follows:

- \$5,000 for a first violation, a \$2,500 increase; and
- \$20,000 for each successive violation within a 12-month period, a \$10,000 increase.

Additionally, this Part redirects any monies collected via these penalties from the General Fund into the Environmental Protection Fund (EPF). The current Protection of Underground Utilities Fund is set to expire in October 2025. The expiration of this fund will not affect the future collection of such fines, due to the proposed redirection described above.

➔ Division of Budget estimates that \$2.5 million per year would be redirected to the EPF should this Part be enacted.

RAISE THE AGE

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AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Raise the Age Program:** \$250 million. Funding is 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, 2024, 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.

STATE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$9.3 million, \$1.1 million more than last year, resulting from decreased personal service costs.
- **Authorities Budget Office Program:** \$3.8 million, \$173,000 more than last year, to perform reviews of operations, finances, and records of public authorities.
- **Business and Licensing Services Program:** \$87.7 million, \$11.7 million more than last year.
- **Code Enforcement Program:** \$4 million, \$43,000 more than last year.
- **Consumer Protection Program:** \$6.2 million, \$75,000 more than last year.
- **Local Government and Community Services Program:** \$100.9 million, \$183,000 more than last year.
- **New York State Asian American and Pacific Islander Commission:** \$1.4 million, \$15,000 more than last year, for the 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, \$16,000 more than last year, 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 for New Americans:** \$2.6 million, \$47,000 more than last year, for administration of the Office for New Americans.
- **Office of Faith and Non-Profit Development Services:** \$1.5 million, \$30,000 more than last year, for the services and expenses of the Office. The Office assists faith-based community organizations find and provide assistance for grant opportunities.
- **Tug Hill Commission Program:** \$1.5 million, \$110,000 more than last year.
- **Village Incorporation Program:** \$408,000, \$8,000 more than last year, for the Village Incorporation Commission which determines the feasibility of village incorporation and determines if a village incorporation should go forward. This

Commission was created by Chapter 773 of the Laws of 2023 (A.7761).

MAINTAINS THE FOLLOWING INCLUDES:

- **State of New York Commission on Uniform State Laws:** \$155,000.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Office for New Americans:** \$45.7 million, \$50 million less than last year. The proposal includes:
 - ➔ \$44.2 million, \$20 million less than last year, 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
 - ➔ \$30 million is eliminated for the Asian American Pacific Islander Crisis Intervention Initiatives and community-based programs biased crimes
 - ➔ \$1.5 million, same as last year, for donated gifts and bequests

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AmeriCorps Program:** \$2.5 million. Funding supports volunteers who help in communities with educational, environmental, health and public protection problems.
- **Appalachian Technical Assistance:** \$1 million. Funding is for Appalachian Regional Grants Program.

- **Coastal Zone Management Program:** \$87.2 million.
- **Community Services Block Grant:** \$125 million. Funds are for not-for-profit organizations to help low-income and poor families combat poverty.
- **Local Government Federal Programs:** \$4 million. Funding is for local government programs funded by the Federal government.
- **Office of Faith and Non-Profit Development Services:** \$3.5 million. Funding is for services and expenses related to grants awarded by the Office.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **New York State Commission on African American History:** \$5 million. Funding was for the Department of State for the services and expenses, loans, grants, and administration costs of the 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.
- **New York State Commission on Reparations Remedies:** \$5 million. This Commission was created by Chapter 729 of the Laws of 2023 (A.7691).
 - ➔ The Executive Budget proposes a new \$5 million allocation that is included in the Office of General Services' (OGS) Executive Direction Program.
- **NY SWIMS Municipality Reimbursement for Lifeguard Costs:** \$5 million. This funding was for the New York Statewide Investment in More Swimming Initiative.
- **Various Legislative Additions:** \$11.4 million. This funding was for 10 programs added by the Legislature in the 2024-25 Enacted Budget.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Downtown Revitalization Initiative:** \$200 million. Receipt of funding through the Main Street Program will require municipalities to have a “Pro-Housing” Certification from the Division.
 - ➔ \$100 million from this appropriation is for communities nominated by the State’s 10 Regional Economic Development Councils (REDCs) for a 9th 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 4th round of the NY Forward Program to revitalize villages and hamlets.
- **Maintenance and Repair:** \$2 million. This funding is for regulation of cemetery corporations and maintenance of abandoned cemetery property.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **New York State Commission on African American History:** \$10 million. Funding was for the services and expenses, loans, grants, and administration costs of the 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.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART U – REQUIRE ADDITIONAL SAFETY FEATURES FOR AI-COMPANION TECHNOLOGY

This Part would prohibit any Artificial Intelligence (AI) companion operator from operating or providing such AI companion to a user unless the AI companion contains a protocol to refer any user with possible suicidal ideation or self-harm expression to crisis service providers, including a suicide hotline, crisis text line, or other appropriate crisis services.

This Part would further require an AI companion operator to provide notification at the beginning of any AI companion interaction and then at least every three hours, which states the following in all capitalized letters of at least sixteen-point type: “The AI companion (or name of the AI companion) is a computer program and not a human being. It is unable to feel human emotion.”

Any person aggrieved by a violation of this may bring an action in a court of competent jurisdiction for damages, equitable relief, and such other remedies as the court may deem appropriate.

PART V – STANDARDIZE RETURNS AND REFUNDS

This Part would set minimum standards for refund policies and disclosure by retail sellers who are comprised of 500 or more employees statewide or have annual gross revenues from sales in New York State of \$500,000 or more and are engaged in retail sale of goods, wares, or merchandise to the public. This would not include a platform or business that facilitates transactions between independent sellers or businesses and consumers.

Every retail seller would be required to offer full cash or credit refunds, equal exchanges, or store credit at the discretion of the seller for at least 30 days following purchase of the goods.

Every retail seller would be required to include its refund policy on the receipt or proof of purchase. Every retail seller would be required to conspicuously post its refund policy on a sign or notice attached to or near the item itself, a display of the item or a description of the item, on a sign affixed to or clearly visible from each cash register or point of sale. Any retailer that violates will be liable to the buyer for a cash for credit refund for the total amount of the original purchase, if the buyer can verify the date of purchase.

This does not apply to food, plants, flowers, perishable goods, goods marked "as is," "no returns accepted," "all sales final," or with similar language, goods used or damaged after purchase, customized goods received as ordered, goods not returned with their original package, and goods which cannot be resold due to health considerations.

PART W – STRENGTHEN SUBSCRIPTION CANCELLATION AND RENEWAL PROTECTIONS

This Part makes cancellation and renewal options for automatic renewal and continuous services clearer and more conspicuous. This includes requiring businesses that utilize automatic renewal or continuous services to:

- Disclose through the same means which the original communication is presented;
- Have visual disclosure stand out in size, location, length of time it appears, and other characteristics from accompanying text and visual elements;
- Have audible disclosure be delivered in a volume, speed, and cadence that is easily heard and understood;
- In communication using the internet, mobile application, or software, the disclosure must be unavoidable;

- Ensure that the disclosure use diction and syntax understandable to ordinary consumers and appear in each language in which the representation that requires the disclosure appears;
- That the disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications;
- That the disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication; and
- When the representation or sales practices target a specific audience, such as children, older adults, or the terminally ill, “ordinary consumers” include members of that group.

It will be unlawful for businesses making an automatic renewal or continuous service offer to:

- Fail to present to the consumer, in a clear and conspicuous manner, the material terms of such offers including, but not limited to, the amount of the costs that will be charged, the frequency of charges, and the deadline by date or frequency by which the consumer must act to prevent or stop further charges;
- To charge the consumer’s credit or debit card or account with a third party for an automatic renewal continuous service for any previously undisclosed increased price;
- Fail to provide an acknowledgment of the terms of the automatic renewal or continuous service offer, or increased price that includes a clear and conspicuous disclosure of the mechanism by which the automatic renewal or continuous service offer may be canceled and contact information for the business;
- Fail to provide the consumer with the option to cancel at any time through the same medium in which they accepted the automatic renewal or continuous service, or any price increase;

- Impose unreasonable or unlawful conditions upon, refuse to acknowledge, or delay cancellation requests;
- Fail to notify consumers of an automatic renewal or continuous service offer with an initial paid term of one year or longer; or
- Fail to provide a consumer who has accepted an automatic renewal or continuous service offer with clear and conspicuous notice of any changes to the terms at least five days prior to the date of the change.

PART X – PERSONALIZED PRICING TRANSPARENCY AND ANTI- DISCRIMINATION

This Part would prohibit the use of dynamic pricing, or the use of an algorithm to fluctuate the price of goods, which advertises, promotes, labels or publishes a statement, display, image, offer or announcement using consumer data specific to a particular individual without a clear and conspicuous disclosure that states in all capitalized letters: “This price was set by an algorithm using your personal data.”

Any aggrieved person may file an action with the Division of Human Rights against an alleged violator of this provision.



STATE & MUNICIPAL FACILITIES

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CAPITAL PROJECTS – A.3004

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 \$1.8 billion is still available in reappropriations.

PROGRAM CRITERIA

- The SAM Program provides funding for capital costs related to the construction, improvement, rehabilitation, or reconstruction of facilities. It also supports the acquisition of capital facilities and fixed assets by eligible entities including but not limited to heavy-duty road maintenance and construction vehicles, pavers, snowplows, street sweepers and heavy-duty fire, emergency response, and law enforcement vehicles. Additionally, the program funds economic development projects.
- The program also supports the acquisition of equipment and other capital assets, including vehicles, to enhance health, safety, technology, or innovation.
- 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 PREVIOUS BUDGET RELATED BILLS

2019-20 Appropriation Clean-up Bill - A.8434

- Authorized \$385 million in new funding to be made available 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.

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.

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 to 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.

2017-18 Extraordinary Session- A.40001, 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 on March 8, 2017.

STATE OF NEW YORK MORTGAGE AGENCY

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- Homeowner Mortgage Revenue Reimbursement Program: \$61.8 million.
- Mortgage Insurance Fund Reimbursement Program: \$15 million.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- Mortgage Insurance Fund Reimbursement Program: \$110.8 million, \$10.9 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.3006

PART N – MORTGAGE INSURANCE FUND (MIF) UTILIZATION

The MIF is a fund of the State of New York Mortgage Agency (SONYMA) that insures 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, provided that the return of such fund do not negatively impact the MIF's credit rating.

The Executive Budget utilizes \$98 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: \$23.5 million, \$275,000 million more than last year.

- New York State Supportive Housing Program/the Solutions to End Homelessness Program/the Operational Support for AIDS Housing Program: \$56.4 million, \$2.8 million more than last year.



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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Criminal Investigation Activities Program:** \$272.2 million, \$9.8 million more than last year. This increase includes \$8 million to strengthen State Police's enforcement efforts at the northern border.
- **Technical Police Services Program:** \$143.9 million, \$405,000 more than last year, for services and expenses of the Technical Police Services Program.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$29.5 million.

SIGNIFICANT DECREASES INCLUDE:

- **Patrol Activities Program:** \$657 million, \$405,000 less than last year, for decreased costs associated with personal services.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Alterations and Improvements for Health and Safety:** \$2 million.
- **Alterations and Improvements for the Preservation of Facilities:** \$60.9 million.
- **Design Construction and Outfitting of New Stations and Zone Headquarters:** \$12 million.
- **Justice Department Federal Equitable Sharing Agreement:** \$60 million.
- **Maintenance and Operation of Various Facilities:** \$10 million.

PUBLIC PROTECTION AND
GENERAL GOVERNMENT –
A.3005

**PART C – CORRECTIONS & STATE
POLICE OFFICER RECRUITMENT
AND RETENTION**

This Part removes the residency requirement for all State Corrections Officers, allowing for the hiring of non-residents as Corrections Officers in State run correctional facilities.

Additionally, this Part would remove the 35-year age cap for new State police officer recruits and has proposed increasing the mandatory retirement age for State police officers from 60 to 63 years old.

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Additional Operating Support:** \$391 million, \$114 million more than last year.
- **Advancing Completion Through Engagement (ACE) and Advancing Success in Associate Pathways (ASAP) Programs:** \$12 million in new funding.
- **Direct Operating Support:** \$12.7 billion, \$923.4 million more than last year.
- **Eliminating the TAP Gap:** \$55.8 million, \$1.1 million more than last year.
- **Firearm Violence Research Institute:** \$100,000 in new funding.
- **First Responder Counseling Scholarship Program:** \$750,000 in new funding.
- **Long Island Veterans' Home:** \$63 million, \$2.4 million more than last year.
- **Regional Gun Violence Research Consortium:** \$1 million in new funding.
- **Reimbursable Hospital Income:** \$5.3 billion, \$785.1 million more than last year.

- **SUNY Natural Language Processing Artificial Intelligence Program:** \$10 million in new funding.

SIGNIFICANT DECREASES INCLUDE:

- **Educational Opportunity Program (EOP):** \$42.5 million, \$1.9 million less than last year.
- **High-Need Nursing Program:** \$1.7 million, \$1 million less than last year.
- **Maritime Appointments Scholarship:** \$239,600, \$2 million less than last year.
- **Mental Health Services:** \$1 million, \$1 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **ATTAIN Lab Program:** \$6.1 million.
- **Child Care Centers:** \$1.6 million.
- **Educational Opportunity Centers:** \$72.6 million.
- **Empire AI Consortium:** \$2.5 million.
- **Empire State Service Corps Program:** \$2.75 million to provide paid work opportunities to college students.
- **Hiring New Full-Time Faculty:** \$53 million.

- New York State Veterinary College at Cornell: \$500,000.
- Small Business Development Centers: \$2.7 million.
- State Weather Risk Communication Center at SUNY Albany: \$1.5 million.
- SUNY Downstate: \$100 million. Last year, this funding was new to support fringe benefits and other operating expenses, pursuant to a plan approved by the Director of the Budget.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Asian American Native Hawaiian Pacific Islander Leadership Institute: \$350,000.
- Immigrant Integration Research and Policy Institute at the Rockefeller Institute: \$433,000.
- NY-SWIMS: \$2 million.
- Rockefeller Institute Foundation Aid Study: \$2 million in one-time funding for expenses of the Institute to conduct a study on the Foundation Aid formula.
- SUNY Buffalo Regional Institute: \$200,000.
- SUNY Buffalo School of Law Public Interest State Law Program: \$500,000.
- SUNY New Paltz Science of Reading Fundamentals Microcredential Program: \$1 million.
- SUNY Stabilization: \$15 million to support services and expenses at various campuses.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- Community College Base Aid: \$424.7 million, \$2.1 million more than last year. The Full-Time Equivalent (FTE) rate is maintained at \$2,997.
 - ❖ Base aid funds university system operating costs for community colleges. The formula for institutions to receive aid is typically based on full-time equivalent (FTE) rates, but since FY23, the funding floor has been based on 100% of the funding received for the previous year. While there is no FTE rate increase, the increase in funding is to support the funding floor.

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.
- Community College Apprenticeship Program: \$3 million.
- Community College Contract Courses: \$1.9 million.
- Community Colleges with Low Enrollment: \$940,000.
- Next Generation NY Job Linkage Program: \$3 million.
- Rental Aid: \$11.6 million.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Dutchess Community College Initiative: \$300,000 to alleviate housing and food



insecurity for students attending Dutchess Community College.

- **Schenectady Community College Inclusive Entrepreneurship and Employment Pilot Program:** \$200,000 for an entrepreneurship and employment program for individuals with disabilities.

SIGNIFICANT ACTIONS INCLUDE:

- **New York Opportunity Promise Scholarship:** \$21.2 million in new funding for a program which provides a full-ride scholarship to community college students aged 25 to 55 seeking an associate’s degree in a high-demand field or subject.

energy efficiency and climate change mitigation projects.

SIGNIFICANT DECREASES INCLUDE:

- **Community College General Maintenance and Improvements:** \$130.5 million, \$7.7 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **SUNY Hospital Capital Subsidy:** \$150 million.

SIGNIFICANT ACTIONS INCLUDE:

- **SUNY Capital Projects Fund:** \$100 million is reappropriated for university-wide projects for new facilities.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **General Maintenance and Improvements:** \$1.6 billion, \$695 million more than last year. Highlights of this funding includes:
 - ➔ **SUNY Downstate Modernization and Revitalization:** \$450 million in new funding for alterations and improvements to SUNY Downstate University Hospital.
 - ➔ **SUNY Research Facility Maintenance and Improvements:** \$200 million in new funding.
 - ➔ **SUNY Upstate Modernization and Revitalization:** \$200 million in new funding for alterations and improvements to SUNY Upstate University Hospital.
- **Green Energy Loan Fund:** \$25 million in new funding for SUNY to fund loans for alterations and improvements to facilities for

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART D – STREAMLINE PART-TIME FINANCIAL AID PROGRAMS

This Part consolidates the State’s Aid for Part-Time Study (APTS) and Part-Time Scholarship (PTS) under the Part-Time Tuition Assistance Program (PT-TAP). Under this Part, the APTS and PTS programs are eliminated, and PT-TAP eligibility requirements are expanded to streamline the administration of such eliminated part-time financial aid programs to students. This Part redefines a part-time student under PT-TAP as any student who is enrolled in at least three but less than twelve credits per semester. Additionally, the proposal would also repeal the current provision that limits the awards to those first attending college after 2006.

Currently, part-time students must be enrolled in at least six but less than twelve credits per semester to receive part-time financial aid.

PART E – STREAMLINE EXCELSIOR SCHOLARSHIP PAYMENTS

This Part combines the Excelsior Scholarship award and Excelsior Tuition Credit payments to SUNY and CUNY colleges to simplify the administration of the Excelsior Scholarship for the Higher Education Services Corporation (HESC) and for students. Under this proposal, the maximum award amount from HESC would be made equal to resident undergraduate tuition at a SUNY campus and eliminate the provision that SUNY and CUNY institutions provide tuition credits to students to cover excess tuition liability.

Currently, students who receive the Excelsior Scholarship can receive a maximum award of \$5,500 per academic year, which is less than the \$7,070 four-year tuition at a SUNY institution. Students receiving Excelsior awards who rely on the award to cover the full cost of tuition have the difference between their tuition and award credited to their student account as a separate aid payment borne by SUNY or CUNY, and the State then reimburses the university systems for these credits.

Under this proposal, Excelsior Scholarship awards going to a SUNY or CUNY institution through HESC to cover student costs would be simplified into one payment instead of a two-step calculation.

PART F – NEW YORK OPPORTUNITY PROMISE SCHOLARSHIP FOR COMMUNITY COLLEGE

This Part creates a new scholarship for SUNY and CUNY community college students that provides grants for tuition, fees, books, and supplies for students between the ages of 25 and 55 who have applied for a New York State Tuition Assistance Program (TAP) award, complete at least six credit hours per semester, and pursue an associate’s degree

in high-demand subjects. High-demand subjects include, but are not limited to:

- ➔ Artificial Intelligence;
 - ➔ Advanced Manufacturing;
 - ➔ Cybersecurity;
 - ➔ Engineering;
 - ➔ Green and Renewable Energy;
 - ➔ Nursing and Allied Health Professions;
 - ➔ Pathways to Teaching in Shortage Areas; and
 - ➔ Technology.
- ❖ Such fields may be updated annually by the Department of Labor no later than 180 days before the start date of the fall term of such community colleges.
 - ❖ Students shall not be eligible to receive an award under this program if they have already obtained any postsecondary degree.
 - ❖ Students shall not be eligible to receive awards for more than ten semesters in total.

This Part would also require the SUNY and CUNY Chancellors to submit a report on the program to the Governor, Speaker of the Assembly, and Temporary President of the Senate that includes, but is not limited to:

- ➔ Full-time and Part-time enrollment data;
- ➔ Full-time and Part-time retention and completion rates;
- ➔ Barriers to student participation;
- ➔ Student demographic data;
- ➔ Average prior learning and transfer credit awarded;
- ➔ The total amount of funds awarded;
- ➔ The average award per student; and
- ➔ Post-completion outcomes, including transfer, employment, and wages, as applicable.

STATEWIDE FINANCIAL SYSTEM

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Statewide Financial System Program:** \$35.3 million, \$3.3 million more than 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 a Statewide Financial System (SFS) to be utilized by agencies, the Division of the Budget and the Office of the State Comptroller.

SUSTAINABLE FUTURE PROGRAM

WAYS AND MEANS CONTACT:

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CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Sustainable Future Program:** \$1 billion in new funding for various climate mitigation and adaptation projects. Funding is to be directed in a manner consistent with the intent of NYS Climate Action Council's Final Scoping Plan and the broader Climate Leadership and Community Protection Act (CLCPA). These projects include, but are not limited to:
 - ➔ Reducing greenhouse gas emissions and pollution;
 - ➔ Decarbonizing and retrofitting buildings;
 - ➔ Creating and utilizing renewable energy;
 - ➔ Clean transportation initiatives;
 - ➔ Building, repairing, and maintaining thermal energy networks; and
 - ➔ The design, construction, repair, or improvement of green infrastructure.

TAX APPEALS

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$4.1 million, \$108,000 more than last year, for the services and expenses relating to the Administration Program.

TAXATION & FINANCE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration and Operations Program:** \$67.5 million, \$9.8 million more than last year, for services and expenses related to the Department's Administration and Operations Program.
- **Conciliation and Mediation Program:** \$3.3 million, \$91,000 more than last year, for services and expenses related to the Conciliation and Mediation Program.
- **Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax Program:** \$438.2 million, \$8.1 million more than last year. \$6.9 million of this increase is related to personal services. Other major changes to the program include:
 - ➔ **Highway Use Tax Administration Account:** \$524,000, \$6,000 more than last year for the administration of the Highway Use Tax related services and expenses.
 - ➔ **Cigarette Strike Task Force Account:** \$4.5 million, \$75,000 more than last year, for investigation and prosecution of criminal activity associated with the sale and trafficking of illegal cigarettes.
 - ➔ **Industrial and Utility Service Account:** \$3.4 million, \$58,000 more from 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.
 - ➔ **Local Services Account:** \$1.3 million, \$23,000 more than last year, for services and expenses related to the revenue analysis, collection, enforcement, processing, and real property tax program.
 - ➔ **Banking Services Account:** \$25.7 million, \$93,300 more than last year, for services and expenses in connection with the purchase of banking services, as well as for tax return processing and processing support within the Department of Taxation and Finance.

- ➔ **Tax Contact Center Account:** \$54.4 million, \$937,400 more than last year, for payments related to the planning, development, and establishment of a new 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.
- **Treasury Management Program:** \$4.7 million, \$64,000 more than last year, for services and expenses related to the performance of certain fiduciary responsibilities on behalf of certain agencies, public benefit corporations and public authorities.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Medical Cannabis Program:** \$7 million. Funding is for the payment of aid to counties in which the medical cannabis was manufactured and dispensed.
- **Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax Program:** \$926,000. Funding is for financial assistance payable to unfunded assessing units conducting reappraisals and reimbursement training of assessors and county directors of real property tax services.

REVENUE – A.3009

PART M – CLARIFY TAXPAYER NOTIFICATION AND PROTEST RIGHTS

This Part would clarify that the protest rights afforded to taxpayers are the same whether the taxpayer is informed via electronic communications or mailed communications.

A recent court decision held that the Department of Taxation and Finance’s use of the Online Services System (OLS) to deliver notices of outstanding balances conferred onto taxpayers protested rights before the Division of Tax Appeals. This decision expanded the authority of the Division of Tax Appeals to hear challenges that were not intended by the Tax Law. The effect of this has inhibited the ability of the Department to begin tax debt collection activities by allowing taxpayers to extend a challenge period simply by accessing their OLS account.

This Part would clarify that protest rights for electronic notices are the same as mailed notices and are only conferred upon receipt of a statutory notice for which the Tax Law specifically confers protest rights.

PART N – IMPROVE THE TAX WARRANT PROCESS

This Part would establish the State’s tax lien priority when the Department of Taxation and Finance files a tax warrant and warrant-related records with the Department of State.

Currently, the Department is required to file tax warrants and related records with the Department of State and with the county clerk where the tax debtor owns real, personal, or other property. However, processing delays with counties can prejudice the State’s lien priority.

Under this proposal, the State’s lien priority could be established despite any processing delays with

counties. The Department of State maintains a publicly searchable database of tax warrants and warrant-related records on its website through which public access to such records is maintained.

PART O – SIMPLIFY STAR INCOME DEFINITION

The Part would enact various reforms to the STAR exemption and credit programs. These reforms are as follows:

Enhanced STAR

This would require that only one owner who resides primarily on the property must be 65 years of age or older to receive the Enhanced STAR benefit. Furthermore, the Enhanced STAR benefit will remain in effect even if the property owner passes away and their spouse is under 65 years of age, as long as they continue to reside at the property.

- Currently, all owners of the property need to be 65 years of age or older in order for the property to obtain the Enhanced STAR benefit.

The Governor also proposes to only consider the income of those who primarily reside at the property for Enhanced STAR eligibility.

- The income limit for Enhanced STAR is \$107,300 for the 2025-26 school year.

Redundant Filing

This Part would allow property owners who are not required to file Personal Income Tax returns to stop filing income statements with the Department of Taxation and Finance if such property owner has met the income requirements for three consecutive years.

- The Commissioner of Taxation and Finance would continue to be authorized to request an income statement at the Commissioner’s discretion.

Commissioner Determination

Under this Part, the Commissioner of Taxation and Finance would retain the authority to determine eligibility for the Basic and Enhanced STAR programs, in consultation with local assessors as necessary.

- To make this determination, the Commissioner uses information obtained from local tax rolls, Personal Income Tax returns, the STAR registration program, and other data available to the Department.

In instances where the Commissioner finds a property owner receiving the Basic STAR exemption to be eligible for the Enhanced STAR exemption, the property owner would no longer need to fill out a separate application.

In such instances, the Commissioner would notify the local assessor, who would then be authorized to grant the enhanced STAR exemption without requesting a new application from the property owner.

To determine income for an eligible property, the Commissioner would use the Federal adjusted gross income of all individuals who primarily resided at the property as of July 1st of the prior year. This calculation would also include the income of any spouses of those individuals who primarily resided on the property as of that date.

- Currently, the date used to verify income is December 31st of the taxable year. The current date does not give the Department enough time to see if a property is, in fact, eligible by the time school tax bills are sent out in September.

Technical Changes

This Part would also make various technical changes to the law to make it easier for taxpayers and assessors to understand. These technical changes align and consolidate the following practices under similar sections of Real Property Tax Law:

- If the Commissioner determines that the property is not eligible for any STAR benefit, they will provide the property owner with a notice and an opportunity to demonstrate that the property is, in fact, eligible for a STAR benefit.
 - ➔ If the owner fails to respond to the notice within 45 days, the exemption will be denied for that year.
- The local assessor or the board of assessment review would still not have the authority to consider an objection to the removal or denial by an applicant for the STAR program. Such determinations would only be challengeable before the Department.
 - ➔ If the taxpayer is denied a STAR benefit by the Department, they would be able to challenge such determination with an appeal to the State Board of Real Property Tax Services.

PART P – ELIMINATE DUPLICATIVE IDA SALES TAX REPORTING

Currently, agents and project operators appointed by Industrial Development Agencies (IDAs) are required to report the total value of Sales Tax exempted during the calendar year for the various economic development projects they oversee.

- These Sales Tax exemptions are typically granted by IDAs to companies undertaking approved economic development projects, such as building new facilities, expanding existing ones, or investing in infrastructure improvements.

The IDA appointees must report these exemptions to the Department of Taxation and Finance. The Department then creates a Tax Expenditure Report to estimate the cost of the IDA benefits annually.

The IDA appointees must also separately report this same information to the Authorities Budget Office

(ABO) and the State Comptroller through the Public Authorities Reporting Information System (PARIS).

- The Department of Taxation and Finance can access the data it needs to create the Tax Expenditure report directly through PARIS, so the need for IDA appointees to report Sales Tax exemptions to all parties is duplicative.

This Part would eliminate the redundant reporting of exemptions to the Department, simply requiring the total value of Sales Tax exemptions to be reported annually to ABO and PARIS. The Tax Department can then access the information it needs to generate the Tax Expenditure Report without this unnecessary burden on the IDAs.

PART V – FEDERAL PARTNERSHIP ADJUSTMENT REPORTS

This Part would bring New York’s compliance requirements for partnerships and partners in line with Federal audit reforms, as well as, streamline reporting processes, and clarify enforcement mechanisms. Specifically, this Part would:

- **Expand Reporting Requirements for Federal Adjustments:** Require partnerships to report Federal audit adjustments, administrative adjustment requests, or renegotiated contract terms within 90 days of a final determination. These reporting requirements would include adjustments that impact a partnership’s or partner’s New York taxable income, even if no Federal income tax is owed.
 - ➔ Partnerships would be required to detail distributive shares for direct and indirect partners and apply New York’s apportionment rules for corporate partners and allocation rules for non-residents and residents.

- ➔ Tiered partnerships would be required to report adjustments through ownership chains and default to 100% New York allocation if indirect partner data is not available.
- **Centralized Partnership-Level Audits and Payment:** This Part would also establish a New York partnership representative who would have the sole authority to act on audit resolutions.
- **Compliance Enforcement and Penalties:** This Part would implement penalties for a failure to report adjustments of up to \$50 per month per partner for up to 5 months. The statute of limitations for this component would extend to two years after reporting adjustments but would remain indefinite for non-compliant partnerships.
- **Tiered Partnerships and Indirect Partner Rules:** Indirect partners would be required to report adjustments resulting in overpayments. Partnerships that lack data on independent partners must either:
 - ➔ Allocate 100% of corporate partners' adjustments to New York, or
 - ➔ Treat individual/trust partners as residents subject to full State taxation.
- **Retroactive Application and Transition Rules:** Adjustments finalized before the effective date must be reported within one year of enactment. Interest on overpayments would be suspended for reports that are filed late.

This Part would align the State with Federal centralized partnership audit rules as established by the Federal Bipartisan Budget Act of 2015 for the purpose of reducing administrative burdens on the Department of Taxation and Finance while allowing the State to continue to tax enforcement directly against partners whose partnership fails to comply with reporting requirements.

TEMPORARY & DISABILITY ASSISTANCE

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administrative Hearing Program:** \$39.4 million, \$8.8 million more than last year, to provide impartial hearings to applicants for and recipients of social services benefits administered by OTDA and other Executive branch agencies.
- **Administration Program:** \$57.7 million, \$2 million more than last year, for agency costs for administering agency social services programs.
 - ➔ **New York Coalition for Child Care:** \$1 million in new funding to identify how to bring sustainable universal child care to New York State.
- **Employment and Income Support Program:** \$135.2 million, \$8.5 million more than last year, for the administration of programs that promote employment search activities and provide income assistance, including:
 - ➔ **Home Energy Assistance Program (HEAP):** \$17 million, same as last year, for the administration of Federal funds for the Low-Income Home Energy Assistance Program for those qualifying individuals who have difficulty paying their energy bills.
 - ➔ **Program Services and Expenses:** \$69.2 million, \$8.5 million more than last year, for the services and expenses of the Employment and Income Support Program.
 - ❖ This will include \$100,000 in new funding for a data-matching process to identify SNAP or WIC participants who are enrolled in only one of these programs and are eligible for the other.
 - ➔ **State Supplemental Program (SSP):** \$1.2 million, same as last year, for the administration of and making State Supplemental Program (SSP) blindness and disability determinations. SSP is the State supplement to the Federal Supplemental Security Income (SSI).

➔ **Supplemental Nutrition Assistance Program (SNAP):** \$47.8 million, same as last year in Federal funds, for the operation of the statewide electronic benefit transfer system, the common benefit identification card, and an integrated eligibility system to provide SNAP benefits.

- **Specialized Services Program:** \$16.7 million, \$1 million more than last year, for administration services related to refugee resettlement and homeless housing.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Support Services Program:** \$47.9 million. Funding is 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.
- **Disability Determinations Program:** \$216 million. Funding is to provide services to help individuals determine which public assistance programs they are eligible for.
- **Information Technology Program:** \$13.4 million. Funding is for the design, operation, and maintenance of the welfare to work management system, the child support management system and other OCFS computer management systems.
- **Shelter Oversight and Compliance:** \$6.4 million. Funding is for the Division of Shelter Oversight and Compliance Program, which provides case management, access to healthcare and child care, and assistance with finding permanent housing. This funding has previously been included under the Specialized Services Program.

AID TO LOCALITIES – A.3003

EMPLOYMENT AND INCOME SUPPORT PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Safety Net Assistance Program:** \$950 million, \$150 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):** \$3.6 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) Initiatives:** \$1.6 billion, \$76.7 million less than last year. The programs below are included in TANF Initiatives. Please see *Figure 1* for a further breakdown of all TANF funds.

➔ *Existing Programs Include:*

- ❖ **Summer Youth Employment Program:** \$51.5 million, \$3.5 million less than last year, to operate youth employment programs in localities that receive GIVE funding.
- ❖ **Youth Opportunities Program (Youth Employment Program):** \$40.6 million, \$1.8 million more than last year, to operate youth

employment programs in localities that receive GIVE funding.

➔ *Eliminated Programs Include:*

- ❖ **Career Pathways Programs:** \$1.4 million. Funding was provided for programs to link education and occupational training.
- ❖ **Rochester, Buffalo, Syracuse Anti-Poverty:** \$50 million. These three upstate cities received funding to provide services, assistance, and support to households with children under 18 years of age that are below the Federal poverty level. \$25 million was allocated for Rochester, \$12.25 million was allocated for Buffalo, and \$12.25 million was allocated for Syracuse.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Adult Shelter Cap:** \$2 million. For services and expenses incurred by local social services districts in relation to the Adult Shelter Cap.
- **Family Assistance and Emergency Assistance to Families Program:** \$1.5 billion. To fund shelter supplements, Family Assistance (TANF), Emergency Assistance to Families programs, and assist households, at local option, to prevent eviction and address homelessness.
- **HIV Employment Program:** \$1.2 million. For on-the-job training and employment programs for individuals with HIV.
- **Home Energy Assistance Program (HEAP):** \$600 million. Federal funding to help low-income families pay the cost of heating and cooling their homes.
- **State Payments for Social Security Disability Insurance:** \$700 million. To fund State payments for eligible aged, blind and disabled persons.

- **Summer Electronic Benefit Transfer (Summer EBT) Program:** \$300 million. Federal funding to provide food to over 2 million children during the summer months.
- **Supplemental Nutrition Assistance Program (SNAP):** \$500 million. SNAP provides low-income people with benefits for purchasing food.

SIGNIFICANT ACTIONS INCLUDE:

- **Baby2Baby:** \$9.5 million in new funding to partner with the Baby2Baby not-for-profit to distribute postpartum boxes and diapers. This will be broken down as follows:
 - ❖ **Postpartum Boxes:** \$8 million; and
 - ❖ **Diapers for 10 million Families:** \$1.5 million.
- **Monroe County Demonstration Work Incentive Project:** \$3 million for a new demonstration project in Monroe County to address any possible benefit cliffs with work incentive payments.
- **New York City Homeless Welcome Centers:** \$18.5 million for a new program to expand New York City Department of Homeless Services Welcome Centers near public transportation.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **New York City Rent Arrears:** \$10 million. This funding was for rent arrears to eligible individuals seeking emergency public assistance for up to 6 months of rent payments.
- **Various Legislative Additions:** \$7.7 million. This funding was for 24 programs added by the Legislature.



SPECIALIZED SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Reimbursement for Local Social Services Districts Adult Homeless Shelters outside New York City:** \$5.5 million, \$500,000 more than 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.
- **Solutions to End Homelessness Program (STEHP)/New York State Supportive Housing Program (NYSSHP)/Operational Support for AIDS Housing (OSAH):** \$71.4 million, \$17.8 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. Funding was 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. This program funds local social services districts when implementing emergency measures for the homeless during inclement winter weather.
- **Homeless Housing Account:** \$11 million. This funding is related to federal homeless grants.
- **Local Shelter Allowances:** \$100 million. Funding provides shelter supplements to individuals and families experiencing homelessness or facing an imminent loss of housing, including individuals and families without children.
- **Refugee Basic Needs Assistance:** \$5 million. Funding assists refugees with food, clothing, 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.
- **Refugee and Immigrant Student Welcome Grants:** \$1.5 million. Funding 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. This Program provides expanded community school activities, school supplies, staff training opportunities on trauma and cultural sensitivity, counselor employment, and family engagement.
- **Refugee Resettlement:** \$180 million. Federal funding for refugee resettlement programs 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.
- **Reimbursement for New York City Adult Homeless Shelters:** \$69 million. Funding reimburses 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.

- **New York City Homeless and Homeless at Risk Emergency Needs:** \$1 million. 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. For a Program providing services for victims of human trafficking through non-government organizations.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Support for Migrant Services and Assistance:** \$2.4 billion. This funding reimburses New York City for humanitarian aid costs related to migrant services, including short-term shelter stays, National Guard costs, services for migrants, case management and legal services, resettlement, and immunization for communicable diseases.
 - ➔ The State plans on continuing the \$4.3 billion commitment to NYC as provided in the FY24 and FY25 Enacted Budgets.
- **Additional Migrant and Asylum Seeker funding includes:**
 - ➔ \$122 million. For the prior costs of operating a migrant shelter at Floyd Bennett Field.
 - ➔ \$25 million. For the resettlement of migrants.

OTHER AID TO LOCALITIES

SIGNIFICANT INCREASES INCLUDE:

- **Empire State Supportive Housing Initiative Program:** \$240 million, \$30 million more than 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.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Support Services Program:** \$140 million. This Program provides assistance to custodial parents with obtaining support and medical insurance coverage for their children by locating parents, and other services.
- **Legal Representation for Eviction:** \$35 million. Funding supports legal services and representation for eviction cases outside of New York City.
 - ➔ However, a separate \$15 million appropriation which was transferred to the Interest on Lawyer Account Fund in the FY25 Enacted Budget is eliminated.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Supported Housing Program:** \$153 million, \$25 million more than last year, for assisting not-for-profits, charitable and religious organizations, municipalities, and public corporations to provide housing for the homeless.
 - ➔ \$141 million for payments for 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.

This Part also defines a domestic violence advocacy group as an organization designated by the federal Department of Health and Human Services to coordinate statewide improvements within local communities, social services systems, and programming regarding the prevention and intervention of domestic violence in New York State.

PUBLIC PROTECTION AND
GENERAL GOVERNMENT –
A.3005

**PART I – PUBLIC ASSISTANCE
ACCESS FOR SURVIVORS OF
GENDER-BASED VIOLENCE**

This Part would allow victims of domestic violence gender-based violence to self-attest their status as a victim of gender-based violence to qualify for Public Assistance (PA) and remove the credibility assessment for PA applicants who self-attest to being victims of domestic violence or gender-based violence.

Currently, when a presumed victim of gender-based violence or domestic violence goes to a local social services district (LSSD), the domestic violence liaison will assess the credibility of the claims of domestic violence and, if finding the claim credible is allowed to waive PA or employment requirements if the domestic violence is a barrier to obtaining PA. These requirements which may be waived include, but are not limited to, residency requirements, child support cooperation requirements and employment and training requirements.

EDUCATION, LABOR AND
FAMILY ASSISTANCE – A.3006

**PART Q – ESTABLISH THE BIRTH
ALLOWANCE FOR BEGINNING
YEAR (BABY) BENEFIT**

This Part creates a one-time Birth Allowance for Beginning Year (BABY) Benefit to Public Assistance (PA) recipients at the birth of a new child. Such one-time benefit will be set by regulation. This Part further removes the limit in current law that monthly allowances to pregnant women can only begin during the 4th month of pregnancy.

The FY26 Executive Budget Briefing Books says that the BABY Benefit will be \$100 per month throughout pregnancy and a \$1,200 payment at birth.



PART R – AUTHORIZES THE PASS-THROUGH OF ANY FEDERAL SUPPLEMENTAL SECURITY INCOME COST OF LIVING ADJUSTMENT

This Part authorizes the 2025 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 S – EXTEND TEMPORARY OPERATOR AUTHORIZATION FOR SHELTERS

This Part extends the authority of the Office of Temporary and Disability Assistance (OTDA) and the Office of Children and Family Services (OCFS) to appoint a temporary shelter operator for emergency shelters until March 31, 2026. The provision had been scheduled to sunset on March 31, 2025. This will continue to allow OTDA and OCFS to appoint temporary operators whenever the Commissioner of either agency has determined that an emergency shelter has failed to comply with State or local laws or regulations.



**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FUNDING COMMITMENTS
(THOUSANDS)**

FIGURE 1

TANF BASE BENEFIT PROGRAMS	2024-25 UPDATED	2025-26 EXECUTIVE	\$ Difference
Public Assistance (PA) Benefits	\$1,112,501	\$1,126,041	\$13,540
Emergency Assistance to Needy Families (EAF)	\$288,639	\$288,639	\$0
NYC EAF Share Change	(\$38,102)	(\$38,102)	\$0
NYC Family Assistance (FA) Share Change	(\$130,015)	(\$131,380)	(\$1,365)
BABY Benefit	\$0	\$3,600	\$3,600
TANF BASE BENEFITS TOTAL	\$1,233,023	\$1,248,798	\$15,775
TANF INITIATIVE PROGRAMS	2024-25 UPDATED	2025-26 EXECUTIVE	\$ Difference
ACCESS - Welfare to Careers	\$800	\$0	(\$800)
Advanced Technology Training (ATTAIN)	\$4,100	\$0	(\$4,100)
Career Pathways	\$1,425	\$0	(\$1,425)
Centro of Oneida	\$25	\$0	(\$25)
Child Care CUNY	\$141	\$0	(\$141)
Child Care Subsidies	\$463,630	\$497,200	\$33,570
Child Care SUNY	\$193	\$0	(\$193)
Flexible Fund for Family Services	\$1,014,000	\$964,000	(\$50,000)
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	\$50,000	\$51,500	\$1,500
Additional Summer Youth Employment Program	\$5,000	\$0	(\$5,000)
Youth Opportunities Program (Youth Employment Program)	\$38,800	\$40,600	\$1,800
Local District Case Management Support	\$17,200	\$17,200	\$0
Rochester, Buffalo, Syracuse Anti-Poverty	\$50,000	\$0	(\$50,000)
Wage Subsidy Program	\$475	\$0	(\$475)
Wheels for Work	\$144	\$0	(\$144)
TANF INITIATIVE TOTAL	\$1,650,200	\$1,573,500	(\$76,700)
TOTAL TANF COMMITMENT	\$2,883,223	\$2,822,298	(\$60,925)

TRANSPORTATION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- Operating Support for the Department of Transportation (DOT): \$512.7 million, \$11.8 million more than last year. This includes:
 - ➔ Bus Safety Program: \$8.7 million, same as last year.
 - ➔ Motor Carrier Safety Program: \$8.3 million, same as last year.
 - ➔ Office of Passenger and Freight Transportation Program: \$54.6 million, \$921,000 less than last year.
 - ➔ Operations Program: \$439.3 million, \$12.7 million more than last year.
 - ➔ Rail Safety Program: \$1.8 million, same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- West Hudson Valley Transit Study: \$1 million in new funding for a study of transit services in the Hudson Valley, including west of Hudson River destinations.

TRANSIT OPERATING AID

Downstate

SIGNIFICANT INCREASES INCLUDE:

- Operating Aid for the Metropolitan Transportation Authority (MTA): \$4.4 billion, \$138.5 million more than last year.
- Operating Aid for Downstate, Non-MTA Transit Systems: \$588.4 million, \$37.2 million more than last year. This represents an overall increase of 6.7% over last year. This funding includes:
 - ➔ Lower Hudson Transit Link: \$11 million, same as last year.
 - ➔ Nassau County / Long Island Bus: \$126.7 million, \$8.3 million more than last year.

- ➔ New York City Department of Transportation: \$166.8 million, \$10.9 million more than last year.
- ➔ Rockland County: \$6.4 million, \$417,300 more than last year.
- ➔ Staten Island Ferry: \$62.4 million, \$4.1 million more than last year.
- ➔ Suffolk County: \$49.3 million, \$3.2 million more than last year.
- ➔ Suffolk Shuttle: \$500,000, \$250,000 less than last year.
- ➔ Unspecified Formula-Driven Aid: \$60.5 million, \$3.9 million more than last year.
- ➔ Westchester County: \$104.8 million, \$6.8 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- Gateway Development Operating Program: \$20 million, \$4.3 million less than last year, to support the State’s share of annual operating expenses.

Upstate

SIGNIFICANT INCREASES INCLUDE:

- Operating Aid for Upstate Transit Systems: \$344.4 million, \$11.2 million more than last year. This represents an overall increase of 3.3% over last year. This funding includes:
 - ➔ Capital District Transportation Authority: \$68.2 million, \$2.2 million more than last year.
 - ➔ Central New York Regional Transportation Authority: \$56.4 million, \$2.5 million more than last year.
 - ➔ Niagara Frontier Transportation Authority: \$87.7 million, \$2.9 million more than last year.
 - ➔ Rochester-Genesee Regional Transportation Authority: \$67.5 million, \$2.2 million more than last year.
 - ➔ Unspecified Formula Driven Aid: \$64.6 million, \$1.4 million more than last year.

Other Transportation Funding

SIGNIFICANT DECREASES INCLUDE:

- Ogdensburg Bridge and Port Authority: \$2.5 million, \$600,000 less than last year.

SIGNIFICANT ACTIONS INCLUDE:

- Columbia County Shuttle Bus Service: No new funding. \$200,000 is reappropriated for shuttle services between the City of Hudson and the Village of Chatham.
- Middletown Fare Free Bus: No new funding. \$200,000 is reappropriated for fare free bus services for the City of Middletown.

TOLL AND FARE RELIEF

MAINTAINS FUNDING FOR THE FOLLOWING:

- Student Fare for School Children Program: \$25.25 million.
- Verrazzano Narrows Bridge Resident Toll Relief: \$22.5 million. This funding offers a percentage rebate for Staten Island residents crossing the Verrazzano Narrows Bridge.
- Verrazzano Narrows Commercial Toll Relief: \$3.5 million.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- Hudson Valley Rail Improvements: \$25 million in new funding for planning and design improvements to Hudson Valley rail services between New York City and Poughkeepsie.

- Restore DOT Purchasing Power: \$800 million in new funding for the core DOT Capital Program to assist in restoring purchasing power.

SIGNIFICANT ACTIONS INCLUDE:

- Gateway Development Commission Hudson Yards Concrete Casing: No new funding. \$69.3 million is reappropriated to support the State’s share of the Hudson Yards concrete casing.
- Louise M. Slaughter Station: No new funding. \$18 million is reappropriated to support the second phase of a bus terminal at the Rochester Intermodal Station.
- Niagara Frontier Transportation Authority (NFTA) Capital: No new funding. \$26 million is reappropriated to support renovations of the NFTA’s light rail system.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Airport Capital: \$36.5 million.
- BRIDGE-NY: \$200 million.
- Consolidated Local Street and Highway Improvement Program (CHIPS): \$598 million.
- Extreme Winter Recovery: \$100 million.
- Marchiselli Program: \$39.7 million.
- Non-MTA Bus: \$50.4 million.
- Non-MTA Electric Bus Capital Assistance: \$20 million. Last year was 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.
- Pave Our Potholes (POP): \$100 million.
- State Touring Routes: \$140 million.
- Upstate Transit Capital Funding: \$20 million. This includes:
 - ➔ Capital District Transportation Authority: \$3.6 million.

- ➔ Central New York Regional Transportation Authority: \$3.3 million.
- ➔ Niagara Frontier Transportation Authority: \$5.2 million.
- ➔ Rochester-Genesee Regional Transportation Authority: \$4 million.
- ➔ Unspecified Formula Driven Capital Aid: \$3.9 million.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART B – CORTLAND COUNTY CONTRIBUTION TO THE CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY (CNYRTA)

This Part would require Cortland County to contribute 1.17% of matching payments for services of the CNYRTA and amend the contribution percentages for other participating Counties. Cortland County’s contribution has been calculated so that its’ contribution is proportionate to other Counties’ contributions to the Authority, and each other participating Count will pay a reduced share, offset by the Cortland County contribution.

PART D – ABANDONED VEHICLES

This Part would reduce the amount of time, from six hours to three hours, that a vehicle without license plates may be left on a highway or public place before being declared abandoned. This Part would also raise the wholesale value from \$1,250 to \$3,500, at which the ownership of an abandoned

vehicle with no plates would be vested in the local authority.

PART E – STRENGTHEN DRUGGED DRIVING LAWS

This Part would expand the circumstances under which a motorist could be compelled to take a chemical test to determine impairment or intoxication and authorizes penalties for a motorist’s refusal to submit to a breath or oral/bodily fluids test conducted by a drug recognition expert.

- ➔ This Part defines impairment as when a motorist has consumed or ingested a substance that impairs, to any extent, the physical and/or mental abilities expected for a motorist to reasonably operate a vehicle;
- ➔ This Part defines intoxication as “a greater degree of impairment” which is reached when a motorist has consumed or ingested a substance to the extent that the motorist is incapable, of a substantial extent, of employing the physical and/or mental abilities expected for a motorist to reasonable operate a vehicle;
- ➔ This Part defines “Reasonable Cause” as the totality of circumstances which indicate that a motorist was impaired or intoxicated, and includes the existence of an open container containing an alcoholic beverage *or a drug or drugs*, and the odor of cannabis or burnt cannabis as implying impairment or intoxication;
- ➔ Under this Part, police officers are authorized to administer a breath or oral/bodily fluids test when the officer has reasonable cause to believe that a motorist is impaired or intoxicated. If such test indicates that a motorist has consumed alcohol or a drug, the officer may request the motorist submit to a chemical test and evaluation conducted by a drug recognition expert.

- ❖ Refusal of a motorist to submit to a breath or oral/bodily fluids test shall result in the immediate suspension or revocation of the motorist’s driver’s license or motor vehicle registration. Such refusal by a motorist shall result in a test not being administered, and a written report detailing the refusal of testing shall be included in the officer’s incident report.
- ❖ Refusal of a motorist to submit to a chemical test or an evaluation conducted by a certified drug recognition expert shall be admissible in any trial, proceeding, or hearing, regardless of the time of the refusal.
- ❖ Upon refusal of a motorist to submit to a chemical or oral/bodily fluids test, a police officer or district attorney may only compel a motorist to submit to such test upon the receipt of a court order or authorization.
- ❖ Under this Part, a Court shall suspend a motorist’s driver’s license if such motorist had made an admission to driving while intoxicated by alcohol or while impaired by a drug or drugs.

PART F – IMPROVE SAFETY AT NYC’S ELEMENTARY SCHOOL INTERSECTIONS

This Part prohibits parking, standing, and stopping of vehicles within twenty feet of a crosswalk that is within one thousand feet of a public, nonpublic, or charter elementary school in New York City.



PART G – RECLASSIFY ULTRA-HEAVY CLASS 3 E-BIKES AS MOPEDS

This Part would reclassify Class 3 E-Bikes weighing over 100 pounds as limited use motorcycles (mopeds), which would require a driver’s license and motor vehicle registration to operate.

PART H – ALLOW NEW YORK CITY TO LOWER SPEED LIMITS IN BICYCLE LANES

This Part would authorize New York City to establish a speed limit for bicycles, E-Bikes, E-Scooters, and other devices authorized or required to use bicycle lanes or paths, provided the speed limit does not exceed the limit established for vehicles using the same highway or roadway outside or adjacent to the bicycle lane.

Such speed limits may be applicable throughout the City, within specified designated areas, or on designated bicycle lanes or paths.

PART N – OVERWEIGHT VEHICLE ENFORCEMENT USING WEIGH-IN-MOTION TECHNOLOGY

This Part expands the use of vehicle weigh-in-motion (WIM) technology that has been implemented by the New York City Department of Transportation (NYCDOT) as authorized by Chapter 253 of 2023.

This Part would authorize various Agencies and Authorities to implement WIM technology on agency or authority facilities, including roadways, bridges, and highways. Each Agency and Authority authorized to use WIM may promulgate its’ own rules and regulations to use the technology to automatically enforce vehicle weight limits on its facilities. Agencies and Authorities would also be authorized to enter into reciprocal agreements to implement a WIM program.

Agencies and Authorities authorized to implement WIM technology under this Part include:

- The Department of Transportation (DOT);
- The Triborough Bridge and Tunnel Authority (TBTA);
- The New York State Bridge Authority (NYSBA),
- The Port Authority of New York and New Jersey;
- The New York City Department of Transportation (NYCDOT); and
- The New York State Thruway Authority.

Each WIM system may only be used if it has undergone a self-test each day and has undergone an annual calibration check. Annual calibration checks shall be performed by an independent calibration laboratory, which shall issue a certificate of calibration to any covered Agency or Authority.

Violations of the WIM program would be set by covered Agencies and Authorities and would include a maximum fine of \$3,750 for each violation. Notices of liability for violations under this Part shall be sent to vehicle owners within 14 business days if the owner is a State resident, and within 45 business days if the owner is a non-resident. Covered Agencies and Authorities are also responsible for preparing and mailing notices of liability, as well as adjudicating any liability imposed upon a vehicle owner.

Covered Agencies and Authorities are required to implement a public awareness campaign related to an organization’s implementation of WIM technology programs during the first 60-day period of operation of the program, and violators would receive only written warnings during this period.

PART O – AUTOMATED CAMERA ENFORCEMENT FOR “BLOCKING THE BOX”

This Part authorizes New York City and the Metropolitan Transportation Authority (MTA) to use stationary or mobile photo devices to enforce traffic violations related to obstructing traffic at an intersection. Such stationary or mobile photo devices include those implemented under the

MTA’s Automated Camera Enforcement (ACE) program which capture bus lane and parking violations.

PART P – CONSTRUCTION PERMIT REFORM

This Part would authorize a new surcharge on the issuance of permits related to the obstruction or closure of streets, sidewalks, or pedestrian plazas for the purpose of construction in New York City. The rate for such surcharge would be based on the geographic zone in which the permit is issued and would be set by local law. The State, federal government, and housing projects involving at least 50% affordable housing would all be exempt from the surcharge.

PART Q – MAKE PERMANENT AND EXPAND THE WORKZONE SPEED CAMERA PROGRAM

This Part makes permanent the New York State Thruway and Department of Transportation’s Automated Work Zone Speed Enforcement (AWZSE) programs.

In addition, this Part amends the Vehicle and Traffic Law to authorize the Triborough Bridge and Tunnel Authority (TBTA) and the New York State Bridge Authority (NYSBA) to establish AWZSE programs.

This Part also increases the maximum penalties for violations of the AWZSE Program to \$50 for a first violation, \$125 for a second violation, and \$175 for a third violation within an 18-month period. An additional \$25 late fee may be imposed for failure to respond to a violation. 80% of such fines are to be paid to the State general fund. The remaining 20% shall be paid to the municipality in which the violation occurred or to the Work Zone Speed Camera Administration Fund when collected by a hearing officer appointed by the Commissioner of Motor Vehicles.

Adjudication of liability and appeals for violations under this Part would fall under the purview of a hearing officer designated by the Commissioner of Motor Vehicles, unless a city with a population of

one million or more has established an administrative tribunal for the purposes of adjudication.

The Commissioner of Motor Vehicles is directed to submit a report on or before May 1, 2026, on the results of the expansion of the AWZSE Program to the Governor, Temporary President of the Senate, and Speaker of the Assembly.

PART R – ENHANCED TRANSPORTATION WORKER PROTECTIONS

This Part would expand the categories to transportation workers who qualify for enhanced assault protections under the Penal Law while workers are directly or indirectly performing duties related to the responsibilities of their position. This Part would add construction to the list of applicable duties and add any roadway, walkway, tunnel, bridge, tolling facility or systems, and transportation buildings or structures to the list of applicable facilities.

Titles that enhanced assault protections would be expanded to include:

- Motor Vehicle License Examiner;
- Motor Vehicle Representative;
- Highway Worker or Flagperson;
 - ❖ Any person employed by or on behalf of the State, a County, City, Town, Village, Public Authority, Local Authority, Public Utility Company, or an agent or contractor of any such entity.
- Motor Carrier Investigator; and
 - ❖ Any person employed by the Department of Transportation (DOT) who has been assigned to perform investigations of any motor carriers.
- Motor Vehicle Inspector.
 - ❖ Any person employed by the DOT who has been assigned to perform inspections of any motor vehicles.

VETERANS' SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$2.1 million, \$157,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Veterans' Benefits Advising Program:** \$9.9 million. Funding helps administer various programs available to veterans.
- **Veterans' Education Program:** \$2.2 million. Funds will help administer Veterans' Tuition Awards, Military Deferment and other education-related programs.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Gold Star Annuity Benefits:** \$699,000, \$100,000 more than last year, paid to parents of service members who died on active duty.

SIGNIFICANT DECREASES INCLUDE:

- **Veterans' Benefits Advising Program:** \$6.9 million, \$1.6 million less than last year, to administer the various programs available to veterans. This net decrease includes:
 - ➔ \$3.5 million is eliminated for 16 programs added by the Legislature;
 - ➔ \$1.9 million in new funding for three new programs including:
 - ❖ Alex R. Jimenez New York State Military Immigrant Legacy Program;
 - ❖ Military Family Relief Fund; and
 - ❖ Veterans' Suicide Prevention Initiatives;
 - ➔ See *Figure 1* for a breakdown of program funding.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Blind Veterans Annuity Assistance Program:** \$6.4 million. Funding to provide annuities to blind veterans and eligible surviving spouses.
- **Burial Benefits:** \$400,000. Funding is for burial costs not covered by the Federal government.

parent of a veteran who has died. The Governor has also proposed to increase the Gold Star Annuity Benefits funding found in the Aid to Localities bill (A.3003) to \$699,000, an increase of \$100,000 from last year, to account for this expansion of eligible applicants.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **State Veterans' Cemetery:** \$4 million. Funding is for the State's Veteran's Cemetery. The State Veterans' Cemetery is located at Sampson Veterans Memorial Cemetery in Romulus, Seneca County.
➔ \$2 million comes from Federal funds.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

PART Y – EXPAND ELIGIBILITY FOR GOLD STAR ANNUITIES

This Part would expand eligible applicants for the Gold Star Annuity Program to include a spouse or minor child, including a minor child that is a biological, step, or adopted child of a service member who died while on active duty. Currently, the Gold Star Annuity Program pays out \$500 to the



Veterans Benefits Advising Program FIGURE 1			
Program Name	2024-25 Enacted	2025-26 Executive	Total Proposed Change
City and County Veterans Services Agencies	\$2,380,000	\$2,380,000	\$0
African American Veterans Monument Inc.	\$500,000	\$0	(\$500,000)
Alex R. Jimenez New York State Military Immigrant Legacy Program	\$0	\$525,000	\$525,000
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)
Enlisted for Life	\$100,000	\$0	(\$100,000)
Helmets-to-Hardhats	\$300,000	\$0	(\$300,000)
Homeless Veterans Housing	\$500,000	\$500,000	\$0
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)
Military Family Relief Fund	\$0	\$350,000	\$350,000
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)
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)
The POINT Community Development Corporation (Hunts Point WW Veteran Monument)	\$15,000	\$0	(\$15,000)
Touro University Law Center Veterans' Rights Clinic	\$80,000	\$0	(\$80,000)
Utica Center for Development	\$100,000	\$0	(\$100,000)
Veterans-to-Veterans Support Services	\$1,000,000	\$1,000,000	\$0
Veterans Counseling and Outreach	\$500,000	\$500,000	\$0
Veterans Outreach Center (Monroe County)	\$350,000	\$250,000	(\$100,000)
Veterans Suicide Prevention Initiatives	\$0	\$1,000,000	\$1,000,000
Vietnam Veterans of America - New York State Council	\$100,000	\$0	(\$100,000)
TOTAL	\$8,500,000	\$6,855,000	(\$1,645,000)

VICTIM SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$23 million, \$300,000 more than last year, for services and expenses related to:
 - ➔ **Storage of Sexual Offense Evidence Collection Kits:** \$2.5 million;
 - ➔ **Crime Victims Assistance:** \$4.8 million;
 - ➔ **Federal Operational Grants for Crime Victims Assistance:** \$771,000; and
 - ➔ **Criminal Justice Improvement Account:** \$13.8 million, \$300,000 more than last year, for assistance in responding to mass violence events.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Victim and Witness Assistance Program** \$3.3 million. Funding is for victim and witness assistance in accordance with the Federal Crime Control Act of 1984.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Payments to Victims Program:** \$60.8 million, \$7.1 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:** \$49.3 million, \$7.1 million more than last year, see Parts G and H for more information; and
 - ➔ **Federal Share:** \$11.5 million, same as last year.
 - ➔ **Mass Violence Event Response:** \$2 million in new funding for coordinated support to survivors and their communities, addressing immediate needs in the aftermath of mass violence.

SIGNIFICANT DECREASES INCLUDE:

- **Victims of Crime Act Funding (VOCA):** \$100 million, \$20 million less than last year for services and expenses of programs providing victim and witness assistance.
 - ➔ This funding has been appropriated through 2028 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.

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 from the Criminal Justice Improvement Account.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Sexual Offense Evidence Collections Kits (SOECK) Storage Facility:** No new funding has been provided for the construction and maintenance of storage facilities containing sexual offense evidence collection kits. This funding has been reappropriated from last year’s \$4.1 million for this purpose.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART F – STATUTE OF LIMITATIONS FOR SEX TRAFFICKING CASES

This Part would eliminate the time limit for filing criminal and civil sex trafficking cases, which is currently five years, aligning it with the time limits set for other sex crimes.

PART G – EXPAND VICTIM SUPPORT SERVICES

This Part would enhance the support offered by the Office of Victim Services, with initiatives such as:

- Allowing those who paid for the crime scene cleanup to be reimbursed for the cost of such cleanup.
 - ➔ Currently only individuals who live with the victim are eligible to be reimbursed for these costs.
- Increasing the award amount for funeral expenses from \$6,000 to \$12,000 in most cases with an increase from \$3,000 to \$6,000 in emergency cases.
- Introducing a mechanism to provide up to \$2,500 in compensation for cash losses resulting from larceny for a series of acts by the same perpetrator, provided proper documentation is submitted.
- Directing the Office of Victim Services to not consider whether the actions of the victim contributed to their injury, which would have resulted in a benefits reduction.
- Updating the definition of a “Disabled Victim” to clarify that a physical, mental, or medical impairment at the time of the crime will be based on medical evidence.

- ❖ **Fiscal Impact:** The Fiscal Year 2026 Executive Budget proposes \$3.8 million to support these expanded services.

PART H – EXPANDED SERVICES FOR VICTIMS OF SEXUAL ASSAULT

This Part would remove age-based distinctions for access to the full HIV post-exposure prophylaxis regimen for all survivors of sexual assault. Additionally, this proposal would increase the maximum reimbursement rates for forensic rape examinations and courses of anti-HIV drug treatment.

- ❖ **Fiscal Impact:** The Fiscal Year 2026 Executive Budget proposes \$3.3 million to support these expanded services.

PART M – TRAFFICKING PROTECTIONS FOR THOSE WITH INTELLECTUAL DISABILITIES

This Part includes the patronization of a mentally disabled individual within the definition of the crime of Sex Trafficking, a Class B felony.



WATERFRONT COMMISSION

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Forfeiture Program:** \$42,000. This federal funding is 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. This funding is for expenses related to the Operation of the New York Waterfront Commission.
- **Waterfront Employees Assessment Program:** \$1.6 million. This funding is for the New York Waterfront Commission's assessment on waterfront employers and related services in the Port of New York.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

PART A – LONGSHORE WORKERS REGISTER SUSPENSION

This Part would provide that the crime charged against an individual would no longer need to be a felony to allow the Commission to temporarily suspend the permittee or licensee from the Waterfront Commission's longshore workers' register until further order of the Commission, or a final disposition of the underlying case.

WORKERS' COMPENSATION BOARD

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Workers' Compensation Program:** \$232 million, \$4.7 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Workers' Compensation Reserve:** \$9.6 million.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART AA – AUTHORIZES MEDICAL AND SURGICAL RESIDENTS AND FELLOWS TO TREAT WORKERS' COMPENSATION PATIENTS

This Part would allow medical and surgical residents or fellows to render medical care which treats patients covered by workers' compensation as long the residents or fellows have met their supervisory requirements. This Part would also allow for such residents and fellows to bill for clinical services they render to patients covered by workers' compensation.

PART – BB WORKERS' COMPENSATION UNIVERSAL AUTHORIZATION

This Part authorizes any licensed medical provider to treat patients covered by workers' compensation. Such medical providers include any licensed

acupuncturist, chiropractor, nurse practitioner, occupational therapist, physical therapist, physician assistant, podiatrist, psychologist, or social worker unless such provider is on an exclusion list prohibiting them from rendering medical care. Current law only allows for physicians to treat patients covered by workers' compensation.

PART – CC PAYMENT OF WORKERS' COMPENSATION MEDICAL BILLS WITHOUT ACCEPTING LIABILITY

This Part would allow employers to initiate workers' compensation payments for medical treatment and care without accepting or admitting liability for the injury or illness which resulted in the workers' compensation claim for up to one year. This would allow patients to receive care through workers' compensation while still allowing employers the ability to dispute the claim. This would not apply to medical bills.

PART – DD CODIFY WORKERS' COMPENSATION TREATMENT OPINION

This Part would require a health insurance carrier to cover medical or hospital services when the workers' compensation insurance claim is controverted, and the health insurance provider has received from the medical or hospital services provider a written notice from the worker's compensation insurer or employer that the employer denied payment for the medical or hospital services. The health insurance carrier shall be entitled to reimbursement for their payments by the workers' compensation insurer or the employer through the Health Insurance Matching Program if it is determined that the coverage provided should have been covered by the workers' compensation insurer.

This Part would codify the Department of Financial Services Opinion No. 06-12-09.