



ASSEMBLY MINORITY WAYS & MEANS

EXECUTIVE BUDGET ANALYSIS

2023/24

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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

- General Fund (including transfers) enacted spending has increased 57.1% in the last 10 fiscal years (2013-14 to 2022-23).
- State Operating Funds enacted spending has increased 36% over the last 10 years (2013-14 to 2022-23).
- All Funds enacted spending has increased 64.8% in the last 10 fiscal years (2013-14 to 2022-23).
- According to the Comptroller:
 - ➔ Since 2018 the growth in State spending, 27.8%, has exceeded the rate of inflation, 12.1%.
 - ➔ In 2022, New York's spending was \$10,553 per person:
 - ❖ \$4,576 per person for Public Health purposes;
 - ❖ \$2,548 per person for Education purposes;
 - ❖ \$862 per person for General Government purposes;
 - ❖ \$605 per person for Transportation purposes;
 - ❖ \$754 per person for Public Welfare purposes;
 - ❖ \$337 per person for Public Safety purpose; and
 - ❖ \$871 per person for Other purposes.
 - ➔ Spending on public health and education represents 67.5% of the total State spending.

DISBURSEMENTS/SPENDING
EXECUTIVE BUDGET PROPOSED SPENDING (\$ MILLIONS)
FIGURE 1

FUND TYPE	2022-23 ADJUSTED	2023-24 PROPOSED	Adjusted \$ Change	Adjusted % Change
General Fund	\$94,491	\$106,933	\$12,442	13.2%
State Operating Funds*	\$122,703	\$125,184	\$2,481	2.0%
State Funds	\$135,560	\$143,071	\$7,511	5.5%
All Funds	\$221,564	\$226,991	\$5,427	2.4%

*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 FY24 Executive Budget does not address a cap on State Operating Fund spending but did keep the growth to 2%.

2023-24 PROPOSED SPENDING

Figure 1 compares the proposed FY 2023-24 Executive Budget spending with the FY 2022-23 adjusted spending levels.

- The **General Fund** category is the major operating fund of the State. It receives all State income not ear-marked 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 2023-24 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

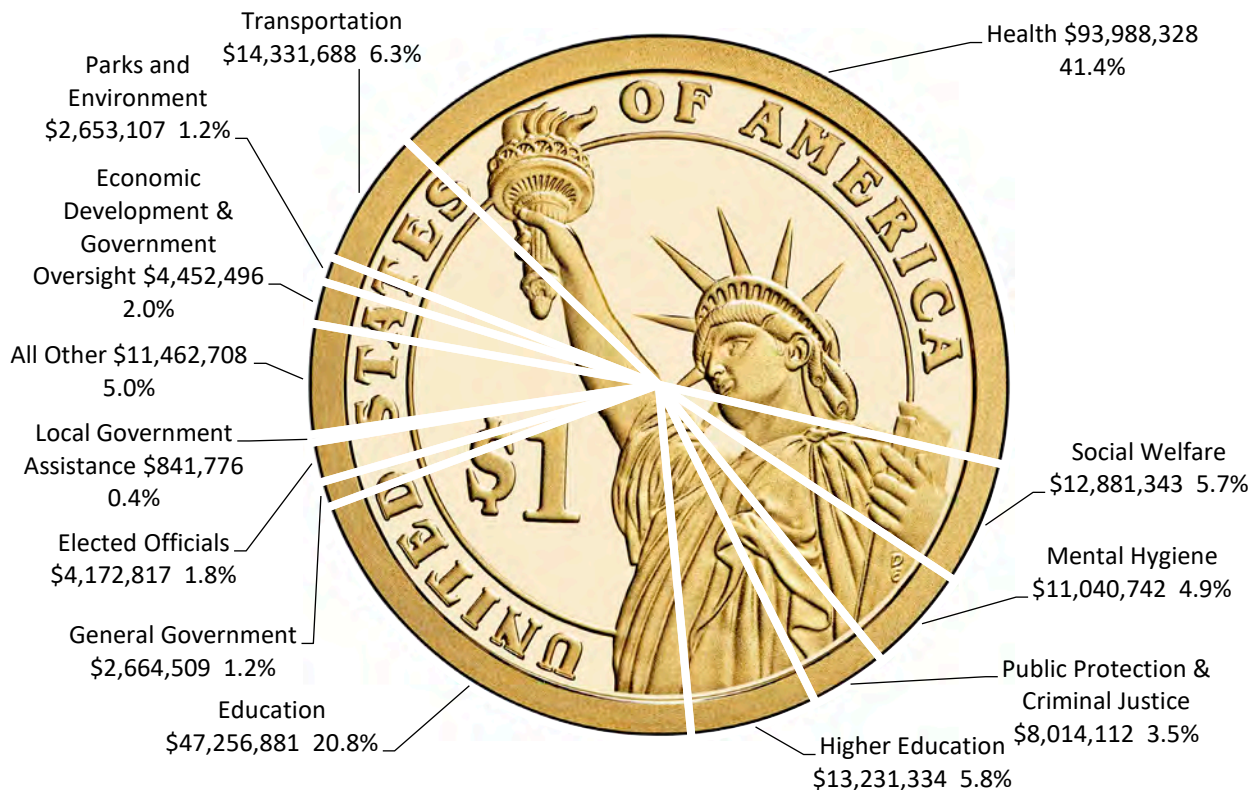
accounts for the payment of debt service on all tax-financed State long-term debt.

- ➔ State Operating Funds (SOF) proposed spending increased by 2%.
- ➔ The FY 2023-24 Executive Budget does not address or impose a 2% cap on spending.
- ➔ SOF spending increase of 2% is below projected inflation (CPI) of 3.2%.

- 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 2023-24 Executive Budget All Funds spending by program area.

**2023-24 EXECUTIVE BUDGET ALL FUNDS SPENDING
BY PROGRAM AREA: \$226.99 billion
FIGURE 2**



2023-24 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 FY23 Mid-Year Financial Plan budget gap estimates, the updated “base” surplus and gap estimates generated from changes that occurred between the FY23 Mid-Year Financial Plan Update release and the release of the FY24 Executive Budget and what the out-year budget gaps will be after adjusting for the Executive proposals.

FY 2023 CLOSE OUT

The Governor’s proposed budget assumes that for the current fiscal year, FY23, tax receipts have come in \$5.9 billion higher than the FY23 Mid-Year Financial Plan Update estimated. Combining the additional tax receipts and downward revisions in the spending plan, the State’s General Fund has a *\$8.7 billion surplus in FY23*. The Governor proposes to use the \$8.7 billion as follows:

- Accelerate deposits into the principal reserve funds: \$5.4 billion;
- Deposits to Retiree Health Trust Fund: \$600 million;
- Debt Reduction Reserve Fund: \$1 billion;
- Prepay Debt Service Payments: \$900 million; and
- Out-year Deficit Reductions: \$782 million.

BUDGET SURPLUS/(GAP) ON A GENERAL FUND BASIS (\$ MILLIONS)
FIGURE 3

STATE FISCAL YEAR	2022-23 Mid-Year Update Estimates	2023-24 Executive Budget Updated "Base" Estimates BEFORE Proposals	2023-24 Executive Budget Estimates AFTER Proposals
2022-23	\$0	\$8,700	\$0
2023-24	(\$148)	\$214	\$0
2024-25	(\$3,499)	(\$7,422)	(\$5,688)
2025-26	(\$3,311)	(\$7,829)	(\$9,008)
2026-27	(\$5,988)	(\$5,782)	(\$7,476)

RECEIPTS/REVENUE

RECEIPTS QUICK FACTS

- According to the Comptroller:
 - ➔ Over the past 5 years, Total Receipts (including Federal & Misc/Lottery) have increased by 47.5%.
 - ➔ Over the past 5 years, New York State tax collections have increased by 52.8%.
 - ❖ PIT and Consumption & Use Taxes accounted for 37% of 2022 receipts and have increased 32.5% since 2018.
 - ❖ PIT made up 58.4% of New York State's tax collection in FY22
 - ❖ Only Oregon and California have a heavier reliance on PIT than NYS.
 - ❖ Nationwide, over 1/3 of the states rely more heavily on sales and user taxes.
- The combined Federal, State and local tax burden in New York was \$372 per \$1,000 of personal income in FY21.
- At the local level, property tax revenues are the largest single tax source; 66% of all property taxes collected in New York is by school districts.
- NY received \$1.59 for every tax dollar sent to DC in Federal Fiscal Year 2020.
 - ➔ The National average was \$1.92.
 - ➔ This ranks NY 40th among other states.

TAX RECEIPTS

The Division of Budget (DOB) has downgraded its expectations for the economic outlook of the State twice since the Enacted Budget Financial Plan was released in May 2022; in the First Quarterly Update and in this Executive Budget Financial Plan.

Beginning in FY24, DOB expects tax collections to fall from decreased wage growth and bonus income.

DOB has reduced General Fund tax receipts, as compared to the FY23 Mid-Year Financial Plan Update, for a 4-year total reduction of \$11.6 billion.

- Total Tax Receipts:
 - ➔ All Funds: \$224.7; and
 - ➔ General Fund: \$104.5 billion.

FEDERAL AID

Total Federal Funds spending for FY24 is expected to be \$83.9 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

New York State has received a total of \$355 billion in Federal pandemic assistance from Federal legislation and it is projected that \$53.3 billion will flow through the State Financial Plan.

Of the total Federal Funds received for FY24, approximately \$11 billion is to assist with COVID-19.

RESERVE FUNDS

Last year, 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 Executive Financial Plan assumes the use of a portion of the FY23 surplus to accelerate the planned reserve deposits that would have occurred in FY24 and FY25. The 15% reserve goal will now be met by the end of the current fiscal year instead of FY25.

STATUTORY RESERVES

There are two rainy day reserve funds known as the Tax Stabilization Reserve Fund and the Rainy Day Reserve Fund; the total combined amount of these two funds is \$6.47 billion after planned deposits in FY23:

Tax Stabilization Reserve Fund: \$1.6 billion, an increase of \$197 million with the deposit being made in FY23.

- The *Tax Stabilization Reserve Fund* allows the State to transfer two-tenths of 1% of any excess General Fund revenue at the end of a fiscal year, not to exceed 2% of total General Fund spending. If utilized, this fund must be repaid in the same fiscal year. If it is used to cover an operating deficit at year end, these loans must be repaid within six years in no less than three annual installments.

Rainy Day Reserve Fund: \$4.8 billion, an increase of \$2.95 billion with the deposit being made in FY23.

- The *Rainy Day Reserve Fund* allows a maximum deposit is 3% of General Fund spending. The Fund has a maximum allowable balance of 15% of General Fund spending during the fiscal year immediately following the then-current fiscal year. Funds may be used in the case of an economic downturn or catastrophic events. An economic downturn is defined by 5 consecutive months of decline in the composite index of business cycle indicators. This index is calculated by the Commissioner of Labor. Further, all funds transferred from the Rainy Day Reserve Fund must be repaid within 3 years of the date of authorization for transfer.

The Executive Budget is proposing a change to the Rainy Day Reserve Fund allowable deposits, allowable balance and fund calculations contained in the following Article VII Budget Bill and corresponding part and section:

PUBLIC PROTECTION AND GENERAL GOVERNMENT BUDGET BILL, A.3005:

Part CC Sweeps & Transfers

§25 Rainy Day Reserve The Executive Budget proposes increasing the maximum allowable balance in the Rainy Day Reserve Fund from 15% to 20% and changes the calculation from General Fund spending to State Operating Fund spending. This Section also increases the allowable maximum deposit from 3% to 10% and changes the calculation from General Fund spending to State Operating Fund spending. Lastly, this Section clarifies that the spending should be based on the estimate in the Enacted Budget Financial Plan and not just the current fiscal year spending at the time the deposit is being made.

COMMUNITY PROJECTS FUND

Created to finance discretionary, usually local, projects (“member items”) sponsored by individual legislators and the Governor. The fund balance is \$18 million, \$3 million less than 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 the fund balance of \$21 million.

FUND BALANCES

Debt Management Reserve Fund: \$2.4 million, \$81 million more than last year.

Economic Uncertainties Fund: \$13.07 billion, an increase of \$7.4 billion with the deposit being made in FY23.

- 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” to help reach the reserve goal of 15% of State spending.
- This fund, unlike the other reserve funds, does not have any language on how/when the money may be accessed and does not have any pay back provisions.

Labor Settlements/Agency Operations: \$1.5 billion, \$1 billion more than last year.

FINANCIAL SETTLEMENTS

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

- The Executive Budget has identified a \$50 million settlement from Coinbase, Inc. for a civil penalty with the Department of Financial Services for violating New York Banking Law and virtual currency, money transmitter, transaction monitoring and cybersecurity regulations.

➔ These funds, when received, will be transferred to the Economic Uncertainties Fund.

- A total of \$8 billion of these settlement funds have been appropriated for capital projects, of which \$5.4 billion has been disbursed through December 31, 2022. No additional settlements funds have been appropriated for capital projects in this Executive Budget proposal.
- This Executive Budget is continuing the 2019-20 Enacted Budget practice of no longer distinctly identifying or classifying any settlement of less than \$25 million.

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

MISCELLANEOUS APPROPRIATIONS

STATE OPERATIONS BILL, A.3000:

- **Insurance and Securities Funds Reserve Guarantee:** \$1.6 billion, same as last year.
- **New York State Financial Control Board:** \$3.5 million, same as last year.
- **Reserve for Federal Audit Disallowances:** \$500 million, same as last year.
- **Special Emergency Appropriation:** \$2 billion, same as last year.
- **Special Federal Emergency Appropriation:** \$10 billion, same as last year.
- **Special Public Health Emergency Appropriation:** \$6 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, is continued;
- 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 which such credit is received regardless of the timing of the initial expenditure, is continued; and
- Authorizes the State to reduce local assistance payments to New York City in the amount equal to what the State spends on rent administration. This would eliminate the need to send a bill after incurring costs, is continued.

ARTICLE VII CONTINGENCY LANGUAGE

Public Protection and General Government Budget
Bill, A.3005:

Part CC Sweeps & Transfers

- **§2-3 Sweeps and Transfers** Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.
 - ➔ *Transfers to note:* \$8.25 billion from the ARPA-Fiscal Recovery Account to the General Fund to cover eligible costs incurred by the State.
- **§23 Federal Money Appropriation Transfer**
The Executive Budget proposes to make this transfer permanent, which allows the Governor to authorize a transfer of Special Emergency Appropriations to the General Fund, to a Capital Projects Fund, or to a fund established to account for revenue from the Federal Government only after approval from the Temporary President of the Senate or the Chair of the Senate Finance Committee and the Speaker of the Assembly or the Chair of the Assembly Ways and Means Committee. Provided, however, that if either the Senate or Assembly fails to affirmatively deny or approve such transfer within 10 days from the date of notification from the Governor, then the transfer will be deemed approved.



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

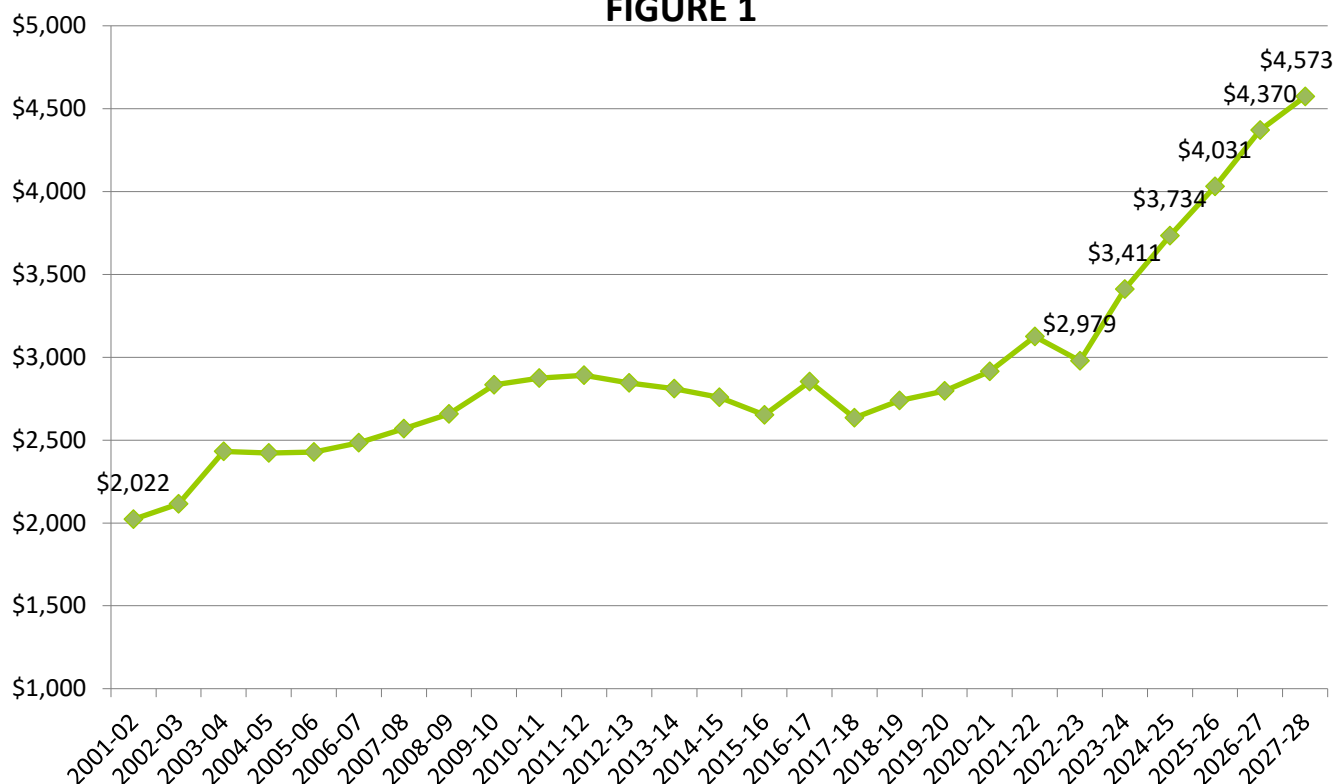
- Over the last 10 years the Executive Budget estimates 1.9% average annual growth in State-related debt, which is lower than the average annual growth in inflation of 2.5%, and growth in personal income of 3.9%.
- Over the last 10 years the Executive Budget estimates 0.3% average annual rate of growth in debt service, which is lower than the growth in inflation of 2.5%, and growth in the State All Funds Budget of 5%.
- The Executive Budget estimates that State-related debt per capita to be \$3,411 for FY24, an increase of \$432 or 14.5% from FY23. *Figure 1* shows historical and forecasted debt per capita.
 - ➔ New York is ranked 7th behind Connecticut (1), Massachusetts (2), Hawaii (3), New Jersey (4), Delaware (5), and Washington (6).
 - ➔ State-related debt per capita is projected to increase from \$2,811 in FY14 to \$4,573 in FY28, an annual average increase of 3.5%.
- The Executive Budget increases debt caps (authorization to issue debt up to a certain amount) by \$16.9 billion.
- According to the 2022 ALEC-LAFFER State Economic Competitiveness Index:
 - ➔ From 2011-2020, New York State is ranked 50th, last, in absolute Domestic Migration, with a cumulative loss of 1,563,117 people.
 - ➔ New York State is ranked 50th, last, in the Economic Outlook Rank; a forward-looking ranking based on State's standing in 15 important state policy variables.

DEBT & CAPITAL QUICK FACTS CONTINUED

- According to the Comptroller:
 - ➔ In 2021, New York was the second most indebted State behind California; and
 - ➔ For FY21, New York's debt as a percentage of personal income was 4.8%.
 - ➔ Standard & Poor's stated that New York's growing debt levels were a factor that would preclude a higher credit rating.
 - ➔ State-supported debt is projected to grow 42% to \$88 billion in FY27.
 - ❖ \$20 billion, 1/3 of State-supported debt, was excluded from the debt limits.
 - ➔ Total Public Authority Debt is \$329.1 billion.
 - ❖ \$198.3 billion was issued by State Authorities and \$130.8 billion was issued by Local Authorities.
 - ❖ 97% of State-funded debt was issued by public authorities, known as "back-door borrowing".

STATE-RELATED DEBT PER CAPITA 2001-02 THROUGH 2027-28

FIGURE 1



OUTSTANDING DEBT

- The projected State-related debt outstanding for FY24 is \$66.7 billion, which is an increase of \$8.2 billion or a 14% increase from FY23 levels.
 - ➔ This annual increase in debt outstanding includes \$1.1 billion for educational facilities, \$3.2 billion for transportation, \$736 million for health and mental hygiene, \$2.1 billion for economic development and housing, \$879 million for environmental facilities, and \$294 million for State facilities and equipment.
 - ➔ It is projected that State-related debt will increase from \$58.5 billion in FY23 to \$89 billion in FY28 (over the period of the Capital Plan) or an average increase of 8.8% annually.
 - ❖ This reflects the decision by the State, starting in FY21, to use State debt to fund the State's contribution to the MTA capital plans and refinance NYC STARC bonds.
 - ➔ Total General Obligation Bonds outstanding for FY24 is \$2.7 billion, an increase of \$436 million or 19.4% from FY23 levels.

DEBT ISSUANCE

- For FY24, debt issuances will total \$9.8 billion to finance new and existing capital project spending
 - ➔ The bond issuances will finance capital commitments for education, \$1.4 billion;

transportation, \$3.7 billion; economic development and housing, \$2.3 billion; health and mental hygiene, \$817 million; State facilities and equipment, \$558 million; and the environment, \$982 million.

- Over the period of the Capital Plan, new debt issuances are projected to total \$43.7 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 FY24:
 - ➔ \$6.4 billion or 66% through the AA+ rated PIT Revenue Bond Program.
 - ➔ \$2.7 billion or 26% through AA+ rated Sales Tax Revenue Bond Program.
 - ➔ \$599 million or 6% of AA+ rated State General Obligation Bonds.

DEBT RETIREMENTS

- Debt retirements total \$1.6 billion, approximately \$1.3 billion or 45% less than in FY23. The decrease is largely due to prior prepayments, which resulted in the early retirement of \$1.9 billion of bonds that had been scheduled to retire in FY24.
 - ➔ Additional retirements are possible through debt management actions, including the use of the Debt Reduction Reserve Fund.
- Debt retirements are projected to average \$2.6 billion annually over the Capital Plan period.
- In five years, the State will be able to retire 14% of existing debt.

DEBT SERVICE

- Total State-related debt service for FY24 is \$3.5 billion, a decrease of \$5 billion or 59% from FY23.
 - ➔ This decrease is attributable to \$7.6 billion of prepayments in FY22 of future year debt service payments and an additional \$2.9 billion of prepayments expected in FY23.
 - ➔ The vast majority, about \$3 billion, consists of debt service payments due on existing debt. The remainder, \$453 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 FY24.
- Over the five-year Capital Plan, debt service costs are expected to grow to \$8.5 billion in FY28, an average annual increase of 6.2%.

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 FY24, the available room under the debt cap is \$14.4 billion.
 - ➔ In FY28, the amount available to issue under the Debt Cap reaches a low of \$171 million.
 - ➔ Changes to the debt cap are reflected by personal income forecast adjustments, capital adds, capital re-estimates and bond sale adjustments.
 - ❖ The FY24 Capital Plan proposes new bond-financed capital commitments that will add \$4 billion in new debt over five years. The capital spending increases are partially offset that the State will issue bonds on a slower schedule and higher underspending on bond-financed capital projects than previously assumed.
 - ❖ As part of the FY24 Executive Budget, the State has set aside \$1 billion in a Debt Reduction Reserve Fund that can be used for debt management purposes.
- The FY21 & FY22 State-supported bond issuances are excluded from the cap as part of the State's response to the COVID-19 pandemic. The FY24 Executive Budget proposes the continuation of extending the maximum maturities longer than 30-years for MTA capital projects.

CAPITAL SPENDING BY FUNCTION AND FINANCING SOURCE CAPITAL PROGRAM AND FINANCING PLAN

Figure 2

Spending	2022-23 Current	2023-24 Proposed	Adjusted \$ Change	Adjusted % Change
Transportation and Transit	\$6,723	\$8,552	\$1,829	27.2%
Education	\$336	\$589	\$253	75.3%
Higher Education	\$1,467	\$1,989	\$522	35.6%
Economic Development	\$2,139	\$3,087	\$948	44.3%
Parks and Environment	\$1,848	\$2,038	\$190	10.3%
Mental Hygiene	\$584	\$972	\$388	66.4%
Health	\$663	\$1,227	\$564	85.1%
Social Welfare	\$1,535	\$1,830	\$295	\$0
Public Protection	\$529	\$677	\$148	28.0%
General Government	\$557	\$653	\$96	\$0
All Other	(\$429)	(\$185)	\$244	(56.9%)
Total Funding	\$15,952	\$21,430	\$5,478	34.3%
Off Budget Spending	(\$15)	(\$7)	\$8	
Financial Plan Capital Spending	\$15,937	\$21,423	\$5,486	34.4%
Financing Source				
Authority Bonds	\$7,609	\$10,292	\$2,683	35.3%
Federal Pay-as-you-go	\$3,284	\$3,700	\$416	12.7%
State Pay-as-you-go	\$4,837	\$6,971	\$2,134	44.1%
General Obligation Bonds	\$223	\$468	\$245	109.9%
Total	\$15,953	\$21,430	\$5,478	34.3%

THE FINANCING PLAN FOR FY24

The FY24 Executive Capital Plan estimates a total of \$21.4 billion in State capital project spending. The Capital Plan reflects a second year of spending from increased Federal authorizations:

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

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

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

Capital spending in FY24 is proposed to be financed with State-supported debt, \$10.8 billion or 50%; State cash resources, \$7 billion or 33%; and Federal aid, \$3.6 billion or 17%. Capital spending is projected to increase by 34% as compared to FY23. This increase is attributable to the new five-year capital plans for transportation and housing.

- A total of 97% 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 \$6 billion over five-years of cash resources for PAYGO capital spending. This was to avoid higher cost taxable debt issuances and to allow a larger DOT plan.

CAPITAL PROJECTS AND INITIATIVES

MAJOR INFRASTRUCTURE INVESTMENTS

NEW CAPITAL INITIATIVES IN THE 2023-24 EXECUTIVE BUDGET:

- **Five-Year DOT Capital Plan:** Includes the second year of the five-year, \$32.8 billion Department of Transportation (DOT) capital plan will leverage Federal funding made in the Infrastructure Investment and Jobs Act to support the final phases of major infrastructure projects. The Plan also provides funding for BRIDGE-NY program, adds new money for Operation Pave Our Potholes (POP) and continues commitments through CHIPS.
- **Five-Year Housing Plan:** The Executive Budget continues the \$25 billion housing plan to create and preserve affordable homes and to electrify and make homes electrification-ready. Funding includes \$5.7 billion in State capital resources and \$19 billion in funding from Federal, local and public authorities. Additionally, \$250 million is proposed in the FY24 Executive Budget

Infrastructure Support Fund as part of the New York Housing Compact.

- **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 as early as FY24.
- **Economic Development:** Provides \$845 million in new economic and community development funding for Round XIII of the Regional Economic Development Council programs, a 7th round of funding for Downtown Revitalization Initiative, NY Forward, New York Works Economic Development Fund, and funding for Olympic Regional Development Authority.
- **Expansion of Mental Health Capital Programs:** \$890 million in capital support for new residential beds, \$25 million to develop step-down units designed to serve formerly unhoused individuals who are transitioning from inpatient care, \$60 million for outpatient services for 12 Comprehensive Psychiatric Emergency Programs and \$18 million for 150 State-supported inpatient psychiatric beds.
- **Health Care:** Proposes a new \$1 billion capital program for the new Statewide Health Care Facility Transformation Program V.
- **Higher Education:** The Executive Budget proposes \$2 billion in new capital funding for SUNY and CUNY.
- **Metropolitan Transportation Authority (MTA) Capital Commitment:** The Capital Plan continues a \$3 billion appropriation for the State contribution to the 2020-24 MTA Capital Plan.
- **NYRA:** The Executive Budget includes \$455 million in capital to fund the redevelopment of Belmont Racetrack. NYRA is expected to repay the State for the entire cost of the project using funds dedicated to capital improvements.

- **Pennsylvania Station Area Civic and Land Use Improvement Project:** The State Capital Plan continues a \$1.3 billion capital reappropriation for the initial work on the project.
- **Public Safety:** Provides \$35 million for a new round of the Securing Communities Against Hate Crimes program and continues \$50 million to fund communities most impacted by gun violence. Additionally, the Executive Budget invests \$100 million for the purchase and renovation of a new forensic laboratory, \$80 million for a new State Emergency Operation Center and \$25 million to support the rehabilitation and renovation of the Lexington Avenue Armory.
- **Wadsworth Center:** The Executive Budget includes a \$1.7 billion investment to support the reconstruction effort. A portion of the funding, \$750 million, was appropriated in FY18.

THE 2023-24 EXECUTIVE CAPITAL PLAN ADDS AND/OR CONTINUES FUNDING FOR THE FOLLOWING:

- **Broadband and Digital Infrastructure:** The Executive Budget reappropriates \$1.6 billion to support the ConnectALL initiative to provide affordable broadband access to New Yorkers in rural and urban areas statewide.
- **Clean Water, Clean Air and Green Jobs Bond Act:** In November 2022 voters approved at the general election the \$4.2 billion bond act. New program funding is expected to begin in FY24.
- **Clean Water Infrastructure Act:** The Capital plan continues a \$5 billion commitment by including a new installment of \$500 million to support water initiatives.
- **Electrifying State Fleet:** Supports year two of the replacement of the State's diesel engine light-duty vehicles with zero emission vehicles; FY24 cost is estimated at \$17 million.

- **Environmental Protection Fund (EPF):** \$400 million for the EPF. The expanded EPF will provide funding for stewardships, agriculture programs, invasive species prevention and eradication, water quality improvement, municipal recycling and an environmental justice agenda. Further, this funding will establish new programs to help communities adapt to climate change and reduce greenhouse gas emissions outside of the power sector.
- **Modernize Aging & Inefficient Low-and-Moderate Income Homes:** The Executive Budget includes \$200 million for NYSEDA to launch EmPower Plus New York Program.
- **Parks:** Continue to make the State multi-year capital investment to fund capital rehabilitation and improvement of State parks and historic sites. This budget includes \$200 million in New York Works capital funding to the Office of Parks, Recreation & Historic Preservation (OPRHP).
- **Smart Schools Bond Act:** The Executive Budget continues the Smart Schools Bond Act of 2014, which provides funding to support enhanced education technologies.

CAPITAL AND DEBT MANAGEMENT

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

- **Continuing Ability to Use Design-build Procurement Method:** This will allow design and construction services to be contracted by a single entity, reducing potential cost increases due to misunderstandings between building designers and contractors.

Currently under the “Infrastructure Investment Act”, the NYSTA, DOT, OPRHP, NYCHA, DEC, DASNY, ESD, OGS, SUCE, ORDA, Battery Park City Authority, State Bridge Authority and specific projects (replacement of Rikers Island Jail Complex and reconstruction of the Brooklyn-Queens Expressway) are authorized to use design-build.

- **Continue State’s Policy of selling 50% of New Debt Issuances on a Competitive Basis:** The State has issued \$4.4 billion of bonds on a competitive basis to date and over the past five-years the State has issued 55% of its bonds competitively.
- **Debt Service Prepayments:** The Executive Budget executes \$2.9 billion of prepayments in FY23 of future year debt service payments.
- **Debt Service Set Aside:** Extends the authorization started in FY11 that allows the State to set aside moneys in reserve for debt service on General Obligation, lease purchase and service contract debt.
- **Extending Financing Tools:** The Executive Capital Plan proposes the extension of the authorization for the State to access \$5 billion in short-term liquidity options (\$3 billion in short-term notes or \$2 billion in lines of credit).
 - ➔ Refer to *Sweeps and Transfers Highlight* for more information.
- **Refinance NYPA Energy Efficiency Project Loans:** Includes an increase of \$275 million in the authorization to refinance with State PIT or Sales Tax bonds. Currently, NYPA offers loans to State agencies to finance energy-related capital projects, which are then serviced through agency budgets. The Executive legislation continues the goal of consolidating State debt into PIT or Sales Tax credits.

- **Transfer Language to the Debt Reduction Reserve Fund (DRRF):** Includes a \$500 million appropriation, no cash behind this. The DRRF could be used to reduce the State’s debt burden, maintain bond capacity under the State’s debt cap or meet other Financial Plan goals.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Consolidated Capital Projects Program:** \$265.1 million in reappropriations. This is a new capital project appropriation that is transferring and consolidating many old programs and undisbursed balances. These are typically member item pots. DOB has explained that these funds will be easier to track if they are combined into this single appropriation.
 - ➔ Funds to be combined:
 - ❖ **Community Enhancement Facilities Assistance Program:** \$2.6 million;
 - ❖ **Economic Development - Capital - Regional Economic Development Program:** \$126.6 million;
 - ❖ **Economic Development Program:** \$59.97 million;
 - ❖ **High Technology and Development Program:** \$57.8 million;
 - ❖ **Regional Economic Development Program:** \$6.4 million; and
 - ❖ **Strategic Investment Program:** \$11.7 million.
 - ➔ Funds must still meet the eligibility requirements of the original programs.
 - ➔ Qualifying projects may be nominated by the President Pro Temp of the Senate

in an aggregate amount not to exceed \$45.03 million and the Speaker of the Assembly in an aggregate amount not to exceed \$220.1 million.

- ❖ Funding under this appropriation must be pursuant to an agreed upon plan between the Director of the Budget, the Speaker of the Assembly and the President Pro Temp of the Senate.
- ❖ Individual grants issued will not be less than \$50,000.



REVENUE

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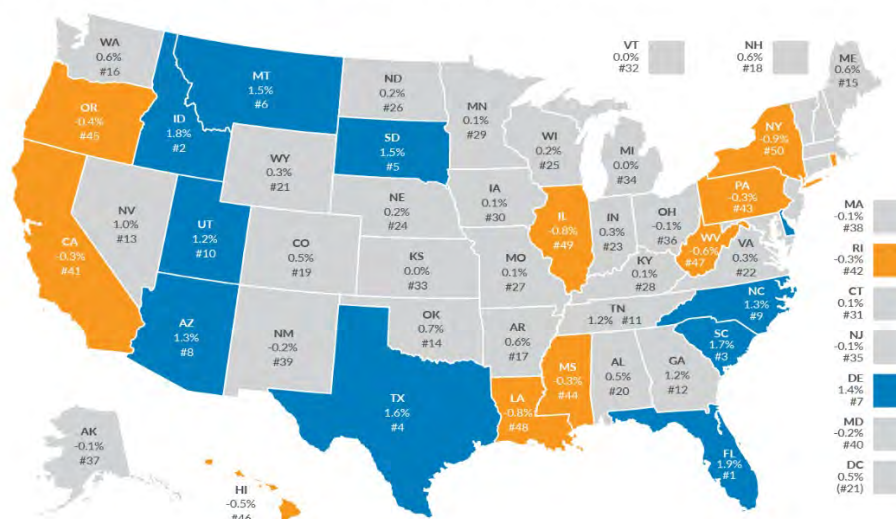
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The 2023-24 Executive Budget includes significant tax increase proposals that would impact the State's future revenues, as well as future revenues for the Metropolitan Transportation Authority. In addition to an extension of the Temporary Business Tax Rate and a Metropolitan Commuter Transportation Mobility Tax rate increase, the Governor is proposing several new tax credits, credit extensions, and proposals to reform and update the Tax Law. The following is a description of revenue actions in this year's Executive Budget proposal, as found in A.3005 (Public Protection and General Government Article VII Budget Bill), A.3007 (Health and Mental Hygiene Article VII Budget Bill), A.3008 (Transportation, Economic Development, and Environmental Conservation Article VII Budget Bill), and A.3009 (Revenue Article VII Budget Bill). Unless noted, all parts can be found in the Revenue Article VII Budget Bill (A.3009). A table of revenue actions can be found at the end of this highlight in *Figure 2*.

State Population Change in 2022

State Migration Patterns, from Most Inbound to Most Outbound, 2022

FIGURE 1



Note: D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would have ranked if included.
Source: U.S. Census Bureau. Source: Tax Foundation.

Top 10 States for Inbound Migration
Top 10 States for Outbound Migration

REVENUE QUICK FACTS

According to the Tax Foundation:

- New York's population shrunk by 0.9% between July 2021 and July 2022, ranking New York as the top state for outmigration.
- Of the states with the highest rates of outmigration, California, Hawaii, New Jersey, New York, and Oregon have double-digit Personal Income Tax rates.
- New York ranks 49th in the Tax Foundations State Business Tax Climate Index of 2023, the same as last year.
- The ranks of neighboring states are as follows: Pennsylvania, 33rd; Massachusetts, 34th; Vermont, 44th; Connecticut, 47th; and New Jersey, 50th.
- The bottom five states are: New Jersey, 50th; New York, 49th; District of Columbia, t-48th; California, t-48th; and Connecticut, 47th.

TAX INCREASES

Temporary Business Tax Rate Increase Extension for Three Years (Part I, Sub A) The Governor proposes a three-year extension on the temporary business tax rate increase, through 2026.

Currently, businesses with a business income base of more than \$5 million are subject to a 7.25% Corporate Franchise Tax. This rate was increased from 6.5% to 7.25% by Part HHH of Chapter 59 of the Laws of 2021 and was set to expire on December 31, 2023 and revert back to 6.5% beginning on January 1, 2024.

Additionally, this Part would also extend the current 0.1875% Capital Base Tax rate for three years, through Tax Year 2026. This rate would be extended for businesses other than manufacturers and cooperative housing corporations.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Increases State revenue by \$810 million in FY 2025, \$1.2 billion in FY 2026, and \$880 million in FY 2027.

Make Local Sales Tax Rate Authorizations Permanent (Part O) This Part would give all counties outside of New York City, and the cities that currently have an additional Sales Tax rate above the 3% base rate, permanent authority to impose an additional rate of 1% Sales Tax, for a total of 4%, or their currently authorized additional rate, whichever is higher. Any locality choosing to go above these set additional rates would need State authorization.

Currently, all counties and cities have the authority to impose Sales Tax at a base rate of 3%. Most counties and certain cities have the authority to impose an additional sales tax rate of 1%, and some have the authority to impose a higher rate. Any county or city must seek State legislation to renew those additional rates on a periodic basis.

The current counties and cities that have additional local Sales Tax rates above the 3% base rate that

traditionally would need State authorization to impose their additional local Sale Tax rate:

- **Counties:**

- ➔ 0.5%: Ontario.
- ➔ 0.75%: Dutchess and Orange.
- ➔ 1%: Albany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Onondaga, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, St. Lawrence, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Suffolk, Sullivan, Tioga, Tompkins, Ulster, Wayne, Westchester, Wyoming and Yates.
- ➔ 1.25%: Herkimer and Nassau.
- ➔ 1.5%: Allegany.
- ➔ 1.75%: Erie and Oneida.

- **Cities:**

- ➔ 1%: Mount Vernon, New Rochelle, Oswego and White Plains.
- ➔ 1.5%: Yonkers.

These counties and cities would be required to enact a local law, ordinance, or resolution to extend the additional rate and notify the Department of Taxation and Finance within the time frames established by law. Those counties and cities going above the 3% would be required to renew their local enactments extending such additional rates every two years using the traditional odd-year renewal cycle.

This Part would also allow the three counties (Saratoga, Warren, and Washington) that currently do not have the authority to impose additional rates, to enact a local law to impose an additional Sales Tax rate above the 3% should they choose to do so.

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

Increase the State Excise Tax on Cigarettes (Part S)

This Part would increase the State Excise Tax on cigarettes by \$1.00 for a total rate of \$5.35 for each pack of twenty cigarettes.

- If a pack has more than twenty cigarettes in it, an Excise Tax of \$1.33 ³/₄ will be imposed on every five cigarettes over twenty.

➔ This Part would require that any tax due on account of the proposed increase possessed for sale as of August 31, 2023, must be paid by November 20, 2023.

- ❖ **Effective Date:** September 1, 2023.
- ❖ **Fiscal Impact:** Reduces State revenue by \$13 million in FY 2024, \$25 million in FY 2025, \$24 million in FY 2026, and \$22 million in FY 2027.

TAX CUTS AND CREDITS**Modify the Investment Tax Credit for Farmers (Part C)**

The Governor proposes to make the Investment Tax Credit fully refundable for farmers for five years.

Farmers who are eligible may claim the Investment Tax Credit to help cover costs associated with the purchase of new equipment used in the production of goods by farming, such as machinery or other infrastructure.

The 2022-23 Enacted Budget increased amount of the Investment Tax Credit from 4% of the investment credit base under the Personal Income Tax and 5% of the first \$350 million under the Corporate Franchise Tax to 20% under both.

This Part would make the credit fully refundable for eligible farmers for five years, through December 31, 2027.

➔ According to the Governor, on average, a farm sees approximately \$15,000 in Investment Tax Credits go unutilized

each year as a result of this Credit not being fully refundable.

➔ Currently, the Investment Tax Credit is only fully refundable for new businesses.

- ❖ **Effective Date:** Immediately and would apply to Tax Years beginning on or after January 1, 2023.
- ❖ **Fiscal Impact:** Reduces State revenue by \$7 million in FY 2025, FY 2026, and FY 2027.

Film Tax Credit Increase and Five-Year Extension (Part D)

This Part would increase the annual allocation amount for the Empire State Film Tax Credit from \$420 million to \$700 million beginning in 2024 and would extend the credit for an additional five years, through 2034.

This Part includes additional changes to the Film Tax Credit, including:

- Increasing the Film Tax Credit amount for all qualified productions from 25% of qualified expenses to 30% of qualified expenses;
 - Increasing the Film Tax Credit from 25% to 35% of qualified expenses for eligible relocated talk or variety television series;
 - Increasing the Post Production Credit from 25% to 30% of qualified post production expenses in the Metropolitan Commuter Transportation District and 30% to 35% for all other areas in the State;
 - Codifying existing Empire State Development regulations defining an eligible relocated television series;
 - Reducing the number of seasons a relocated talk or variety show has filmed outside of New York to be eligible for the credit from five seasons to two seasons;
- ➔ Relocated shows would need to spend at least \$1 million per episode and have produced at least six episodes in another State to qualify for the additional 5%;

- Adding above-the-line salaries, up to \$500,000 per individual, to qualifying expenses. Above-the-line costs would be capped at no more than 40% of all other qualified expenses;
- Speeding the payment of credits for new productions once productions are completed. The accelerated payment of credits would only be available to new productions;
- Increasing the amount of the total credit allocation available for the Empire State Film Post-Production Tax Credit from \$25 million to \$45 million beginning in 2024.
 - ❖ **Effective Date:** Immediately.
 - ❖ **Fiscal Impact:** Reduces State revenue by \$115 million in FY 2026 and \$208 million in FY 2027. This is in addition to the \$420 million already allocated for this credit annually.

Application Deadline for COVID-19 Capital Costs Tax Credit Extension (Part F) This Part would extend the application deadline for the COVID-19 Capital Costs Tax Credit for six months, from March 31, 2023 to September 30, 2023.

The COVID-19 Capital Costs Tax Credit was established in the 2022-23 Enacted Budget as a \$250 million small business relief program designed to offset capital expenditures made to comply with public health or other emergency orders related to the COVID-19 pandemic.

Small businesses can claim a credit equal to 50% of qualifying costs, up to \$50,000. Qualifying capital expenditures include supplies to disinfect, the restocking of perishable goods, expansions for social distancing accommodations, HVAC equipment, outdoor space expansions, and equipment to facilitate contactless sales.

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

Child Care Creation and Expansion Tax Credit (Part G) The Governor proposes establishing a new Child

Care Creation and Expansion Tax Credit Program to be administered by the Office of Children and Family Services in consultation with the Department of Taxation and Finance.

This Program would offer a refundable tax credit available to businesses that create new childcare seats or expand to include additional childcare seats, either directly or through a third party, for the children of their employees.

The amount of credit available under this program would be capped at \$25 million, annually, for two years. The amount of credit available to each employer would be derived from a formula using the number of infant and/or toddler childcare seats made available, and “childcare rate,” provided that the available seats are filled.

- The “childcare rate” would be established by the 2022 Child Care Market Rate Survey Report published by the Office of Children and Family Services.

Once all applications for credit have been submitted to the Office of Children and Family Services, the Commissioner would review the total number of applications and allocate to each qualifying employer a portion of each year’s \$25 million credit amount. A qualifying employer receiving a certificate of credit would then submit the certificate with their tax filings to receive their credit.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$25 million in FY 2025 and FY 2026.

NYC Biotech Tax Credit (Part H) The Governor proposes to allow New York City to re-establish its Biotechnology Tax Credit. New York City was previously authorized to provide a Biotech Tax Credit, but the City’s authority to do so expired at the end of 2019.

The NYC Biotech Tax Credit allowed investors and owners of qualified emerging technology companies (QETCs) focused on biotechnology to claim a tax credit against the City’s General Corporation Tax

and Unincorporated Business Tax for amounts paid or incurred for certain facilities, operations, and employee training in New York City.

The amount of the credit is the sum of the following amounts:

- 18% of the cost or other basis of research and development property, and certain other costs and fees incurred in connection with emerging technology activities;
- 9% of qualified research expenses paid or incurred by the taxpayer; and
- 100% of high-technology training expenses paid or incurred by the taxpayer, limited to \$4,000 per employee per year.

The maximum credit allowable to a taxpayer would be \$250,000 per year.

This Part would re-authorize the City to provide this tax credit for an additional three years.

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

Rehabilitation of Historic Properties Tax Credit Extension for Five Years (Part I, Sub B) This Part would extend the Historic Properties Rehabilitation Tax Credit for an additional five years, through Tax Year 2029.

Under this credit, owners of historic properties certified by the New York State and National Registers of Historic Places are eligible for a credit covering 20% of qualified rehabilitation expenses, up to \$50,000 per year.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$94 million in FY 2027.

Empire State Commercial Production Tax Credit Extension for Five Years (Part I, Sub C) The Governor proposes extending the Empire State Commercial Production Tax Credit for an additional five years, through Tax Year 2028.

- Under this credit, qualified production companies that are principally engaged in

and control the production of qualified commercials are eligible for the Commercial Production Credit. The total amount allocated for this credit Statewide is \$7 million, with \$4 million made available for commercials produced downstate and \$3 million made available for commercials produced upstate.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$7 million in FY 2026 and \$7 million FY 2027.

Grade No. 6 Heating Oil Conversion Credit Extension for Six Months (Part I, Sub D) This Part would extend for six months, until January 1, 2024, the deadline to apply for the Grade No. 6 Heating Oil Conversion Credit.

- This credit was established in the 2022-23 Enacted Budget to help business entities with the conversion from heating systems utilizing Grade No. 6 heating oil to biodiesel fuel or geothermal heating systems. Chapter 591 of the Laws of 2021 prohibited the use of Grade No. 6 heating oil in any buildings or facilities in New York State after July 1, 2023.

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

NYC Musical and Theatrical Production Tax Credit Extension for Two Years (Part I, Sub E) The Governor proposes to extend the New York City Musical and Theatrical Production Tax Credit for an additional two years to include musical and theatrical productions whose first performance is on or after January 1, 2024.

This Part would also make several changes to the credit including:

- Extending the application deadline for two years, from June 30, 2023 to June 30, 2025;
- Increasing the aggregate credit cap by \$100 million to a new total of \$300 million;

- Ensuring that contributions to the New York State Council on the Arts Cultural Program continue until December 31, 2027;
 - ➔ Contributions to the Cultural Program support arts education programs, and arts and cultural programs for children and adults. Musical and theatrical productions that have seen a 200% revenue increase are required to deposit 50% of the amount received from this Credit to the Council on the Arts' Cultural Program to support the Educational and Workforce Development Grant; and
- Increasing the maximum credit amount for all productions to \$3 million.
 - ➔ The current credit allowed for two tiers of credit amounts for a qualifying production. Shows whose first performance was before January 1, 2023 were eligible to receive a maximum credit amount of \$3 million and shows whose first performance was after January 1, 2023 were eligible for a maximum credit amount of \$1.5 million.

This credit was previously extended by the 2022-23 Enacted Budget and allows qualified productions to receive a tax credit equal to 25% of qualifying production expenditures, up to \$3 million per production.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$50 million in FY 2026 and \$50 million FY 2027.

TAX REFORM AND OTHER ACTIONS

Provide Authority to Abate Interest for Personal Income Taxpayers Impacted by Declared Emergencies (Part A) This Part would authorize the Commissioner of Taxation and Finance to abate interest charges on the underpayment of tax for

taxpayers who are affected by a presidentially or gubernatorially declared disaster or emergency regardless of whether tax deadlines were extended.

Additionally, this Part would authorize the Commissioner to postpone certain tax deadlines up to 90 days, or longer, if necessary, to align with relief provided by the Internal Revenue Service.

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

Provide Authority to Abate Penalties for Underpayment of Estimated Tax by a Corporation (Part E) This Part would authorize the Commissioner of Taxation and Finance to abate interest penalties for the underpayment of Estimated Tax by a corporation by reason of casualty, disaster, or other unusual circumstance. This Part aligns with Part A of this bill to provide parity with the Commissioner's proposed authority to abate interest penalties under the Personal Income Tax.

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

Tax Law Technical Changes (Part J) The Governor proposes to make technical changes to several sections of the Tax Law, as follows:

- **Subpart A:** This Subpart would eliminate references to expired Federal regulations within the tax credit for companies that provide transportation to people with disabilities. This Subpart would also include new references for updated Federal regulations.
- **Subpart B:** This Subpart would make technical corrections to the Brownfield Redevelopment Tax Credit. Part LL of Chapter 58 of the Laws of 2022 extended the Brownfield Site Preparation and Groundwater Remediation Tax Credit from 5 years to 7 years for sites that were unable to complete work as a result of the COVID-19 pandemic.

- ➔ This Subpart would correct a drafting error to ensure that participants in the Brownfield Program were able to have the full seven years to claim the relevant credits.
- **Subpart C:** This Subpart would make several technical changes related to the Pass-Through Entity Tax. These include:
 - ➔ Correcting a circular calculation error within the Statewide Pass-Through Entity Tax and the New York City Pass-Through Entity Tax. The error required both city and State taxpayers opting into the Pass-Through Entity Tax (PTET) to know the amount of their PTET obligation before calculating the PTET obligation. This Subpart corrects this drafting error.
 - ➔ Including New York City resident trusts and estates within the NYC PTET where city resident trusts and/or estates are shareholders of S-corporations or are partners in a partnership. City resident trusts were inadvertently excluded from the NYC PTET when it was enacted.
 - ➔ Clarifying the date by which electing entities must make their election for the State PTET and the NYC PTET and the timeframe in which an election may be revoked.

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

Eliminate the Congestion Surcharge Registration Requirements (Part P) This Part would repeal the Congestion Surcharge Registration Fee under Section 1299-C of the Tax Law. The Congestion Surcharge Registration Fee is a \$1.50 registration payment paid to the Department of Taxation and Finance by taxpayers who would be responsible for the payment of the Congestion Surcharge for driving in Manhattan.

Part R of Chapter 59 of the Laws of 2021 required Technology Service Providers (TSPs) used by taxicab companies to report fare and surcharge data to the State. TSPs collect the “trip record” for taxicab trips, HAIL vehicle trips, and dispatch trips. This change was made to increase oversight to ensure the correct amount of fees and surcharges have been remitted to the State as part of the Congestion Pricing Program.

Continuing to require drivers to pay the registration fee was an additional compliance burden, and this Part would eliminate that requirement. The fee would continue to be paid by the TSPs.

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

Amend Motor Fuel Reporting Designation (Part Q) This Part would require motor fuel and diesel motor fuel distributors to charge the Motor Fuel Excise Tax, Sales Tax on motor fuel, and the Petroleum Business Tax on each gallon of fuel sold, including additional gallons realized due to temperature fluctuations.

Fuel volume shrinks in colder temperatures and expands in warmer temperatures. Due to this, the reporting of volumes sold can vary anywhere from 2% to 10%. When this happens, the distributor collects additional taxes on the fuel at the time of the sale but does not remit the additional tax to the Department of Taxation and Finance.

- This Part seeks to eliminate a windfall that distributors are currently realizing by requiring distributors to report and remit tax on every gallon sold, including those additional gallons realized due to shrinkage.

- ❖ **Effective Date:** September 1, 2023.
- ❖ **Fiscal Impact:** Increases State revenue by \$2 million in FY 2024, and \$4 million thereafter.

Extend and Limit the Vending Machine Sales Tax Exemption to Business Enterprise Program Vendors for One Year (Part R) 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, 2024.

- This Part would further limit the exemption to vending machines operated by participants in the business enterprise program.
- ➔ New York State Commission for the Blind (NYSCB)'s Business Enterprise Program (BEP) provides a BEP vendor training program that teaches NYSCB participants to successfully manage a deli, vending operation, newsstand, snack bar or cafeteria.

- ❖ **Effective Date:** June 1, 2023.
- ❖ **Fiscal Impact:** None to the State.

Revoke Cigarette and Tobacco Taxes Certificate of Registration for Inspection Refusal (Part T) This Part would establish penalties for retail cigarette dealers that refuse an inspection by the Department of Taxation and Finance. These penalties are as follows:

- If a retail cigarette dealer refuses on the first inspection, then such dealer shall have its registration to sell cigarettes and tobacco products revoked for one year. If a second refusal of an inspection occurs within three years of the first refusal, the certificate will be permanently revoked.
- If a retail cigarette dealer does not possess a valid certificate of registration at the time of refusal of inspection, the dealer would be subject to a fine of up to \$5,000 for a first refusal and can receive a fine of up to \$10,000 for a second refusal within three years.

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

Extend Reduced Transfer Tax Rates for Qualifying REITs for Three Years (Part U) The Governor proposes to extend the current reduced NYS Real

Estate Transfer Tax and the NYC Real Property Transfer Tax rates that are afforded to Real Estate Investment Trusts (REITs) for three years, until September 1, 2026.

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

Allow Department of Tax and Finance the Right to Appeal Tax Appeals Tribunal Decisions (Part V)

This Part would authorize the Commissioner of Taxation and Finance to petition for judicial review decisions made by the Division of Tax Appeals Tax Appeal Tribunal. The Tax Appeal Tribunal has the authority to cancel tax assessments, invalidate regulations, and reverse decisions made by the Commissioner.

Currently, only taxpayers who commence proceedings before the Tribunal are permitted to seek judicial review. Authorizing the Commissioner to petition for judicial review would allow the State to seek remedy for what the Department determines to be erroneous findings made by the Tribunal.

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

Technical Correction to the Deposit Timeframe (Part W)

The Governor proposes to make a technical amendment to clarify that monies deposited by the Department of Taxation and Finance must be deposited within three business days instead of three calendar days.

- According to the Governor, this Part is necessary to allow the Department of Taxation and Finance to redeploy staff to other priorities of the Department during peak filing periods, particularly when these filing dates fall near weekends and legal holidays.

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

Require S-Corporation Conformity with Federal Return (Part CC) This Part would make technical amendments to various provisions of the Tax Law to align the State treatment of subchapter S-

corporations with the Federal treatment of subchapter S-corporations. These changes are intended to simplify New York State corporation and shareholder tax filings and to conform the State's treatment of these entities with other states which would reduce the ability of these entities to avoid taxation by simply changing their residency to avoid New York State taxation on dividends.

- Currently, only Federal S-corporations with investment income making up more than 50% of its Federal Gross Income are treated as New York State S-corporations. This Part would require all Federal S-corporations to be treated as such at the State level.
- This Part preserves the option for qualified New York manufacturers to file as New York C-corporations because they are currently subject to a 0.0% Corporate Franchise Tax rate.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Increases State revenue by \$15 million annually beginning in FY 2025.

Extend the Lower Manhattan Sales and Use Tax Exemption (Part AA of A.3005) The Lower Manhattan Tax Cuts and Programs were designed to help boost the economy of Lower Manhattan after 9/11. This Part would extend the following NYC tax provisions and programs for an additional 5-years:

- Lower Manhattan Sales Tax Exemption for Office Equipment, which allows eligible new office spaces in Lower Manhattan to receive tax exemptions on furniture, fixtures, equipment, and other build-out expenses.
- Lower Manhattan Energy Costs Savings Program and NYC Energy Savings Program, which allows up to a 45% cost reduction for tenants' energy expenses in qualified buildings.
- Lower Manhattan Commercial Rent Tax Reduction Program, which provides reduced

commercial rent tax for tenants in certain areas of Lower Manhattan.

- Commercial Abatement Program (CAP), which provides real property tax abatements for eligible commercial and industrial buildings in certain areas of New York City.
- NYC Commercial Expansion Program, which is intended to increase tenant occupancy in commercial offices by providing tax abatements dependent upon the length of the tenant's lease.
- Lower Manhattan Commercial Revitalization Program, which is intended to encourage building owners to revitalize older buildings as a way to increase tenant occupancy.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Reduces State revenue by \$10 million in FY 2025 and \$15 million in FY 2026 and FY 2027.

REAL PROPERTY TAXES AND STAR

Simplify and Modernize the Senior Citizens Real Property Tax Exemption (Part K) This Part would simplify the Senior Citizens Real Property Tax exemption by aligning the income threshold for the exemption to the income threshold for the Enhanced STAR exemption.

- Under current law, in determining income eligibility, applicants for the Senior Citizens Real Property Tax exemption must provide a substantial list of income that is either included or excluded from their proof of income.
- This Part would make income eligibility under the Senior Citizens Real Property Tax Exemption to be based on a taxpayer's federally adjusted gross income minus the taxable portion of IRA distributions. Local governments would be able to exclude, by local option, any social security benefits that

were not included in the applicant's federal adjusted gross income.

- The Senior Citizens Real Property Tax exemption is available at local option and to qualify for the base exemption, which is up to 50% of the assessed value, the combined incomes of the owners for the applicable income tax year must not be greater than the maximum income eligibility level specified by local law. These maximum income levels may range from \$3,000 to \$50,000.

❖ **Effective Date:** October 1, 2023.

❖ **Fiscal Impact:** None to the State.

Return Foreclosure Excess to Property Owners

(Part M) This Part requires local governments to remit back to the owner any surplus revenue made from a tax foreclosure sale. Proceeds from the sale of the foreclosed property can only be paid back to the owner once all liens from third parties and any owed Real Property Taxes are paid back from the sale of such property.

❖ **Effective Date:** October 1, 2023.

❖ **Fiscal Impact:** None to the State.

Clarification of the Solar and Wind Valuation Model

(Part N) This Part would clarify that the Statewide solar and wind valuation model that is annually developed by the Department of Taxation and Finance is not subject to Article 2 of the State Administrative Procedure Act (SAPA).

- The standard methodology for appraising solar and wind projects over one megawatt in New York State was established in Part X of Chapter 59 of the Laws of 2021. In that Chapter, it specified that the Department of Taxation and Finance needed to adhere to the public comment periods. After doing this the Department was caught up in litigation for failing to comply with the SAPA.
- ➔ Article 2 of the SAPA regards a notice of proposed rulemaking, in this instance it was the standard methodology of appraising solar and wind. Prior to the

adoption of a rule, the Department of Taxation and Finance needs to submit a notice of proposed rulemaking to the secretary of state for publication in the state register and needs to afford the public an opportunity to submit comments on the proposed rule. Unless a different time is specified by statute, the notice of proposed rulemaking must appear in the state register at least 60 days prior to either the addition, amendment, or repeal of a rule for which statute does not require that a public hearing be held prior to adoption, or the first public hearing on a proposed rule for which such hearing is so required.

- This Part clarifies that going forward, the Department of Taxation and Finance does not need to comply with SAPA when determining the appraisal model and that the model developed for 2022 which went through the public comment period, will also be the model used by assessors in 2023.
- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State.

GAMING

Authorize a Franchised Corporation's Payment Structure to Fund the Belmont Redevelopment Project (Part X)

Authorizes the State to finance the cost of renovating the Belmont Park Racetrack (anticipated cost of \$455 million) pursuant to a repayment agreement with the New York Racing Association (NYRA). The financing of these improvements would occur by means of a capital loan from the State, although the State would be authorized to issue bonds for the project if needed. NYRA would repay the State \$25.8 million annually from its capital budget over a period of 20 years. In this regard, the bill does provide that NYRA shall use funds it receives from VLT revenues for capital purposes at Resorts World Aqueduct (4%) and from Nassau/Suffolk OTB (1.3%) to repay the State's capital loan on an annual basis. Upon the

substantial completion of the Belmont Park renovation project, NYRA would relinquish its leasehold interest in Aqueduct Racetrack (and, thus, cease racing operations which would be transferred to Belmont Park.) The real property at Aqueduct of 110 acres would then revert to the State.

The Belmont Park project, which involves the total reconstruction of the grandstand and clubhouse, and renovation of the tracks is strongly supported by the We Are Racing Coalition, comprised of NYRA, the NYS Thoroughbred Horsemen's Assn., the NYS Thoroughbred Breeders Assn., the Farm Bureau, the Business Council, the Long Island Assn. et al.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Establishes a funding mechanism for the Belmont Redevelopment Project.

Eliminate Quick Draw Restrictions (Part Y) Repeals the restriction limiting sales of Quick Draw lottery tickets to those licenses with premises larger than 2,500 square feet if they do not hold an on-premise license to sell alcoholic beverages. (This change would greatly increase the number of licenses able to sell Quick Draw tickets). The Executive proposal also repeals the 21 years of age requirement to purchase a Quick Draw ticket from a vendor that possesses an on-premises liquor licenses (instead, the general prohibition on selling lottery tickets to persons under age 18 would apply).

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Increase State revenue by \$11 million in FY2024 and \$22 million annually thereafter.

Relates to the Operation of Off-Track Betting Corporations (Part Z) Authorizes the termination of the Catskill Regional OTB Corporation upon the satisfaction of all outstanding debts and obligations. The State Gaming Commission would have to approve any plan for the payment of such debts and obligations. In order to do so, Catskill OTB would be authorized, as of April 1, 2023, to use any remaining funds in its capital reserve fund. No such

monies could be used to pay employee wages and benefits until all debts and obligations are satisfied. Any funds remaining thereafter would then be distributed to Catskill OTB's participating counties. Lastly, these counties would be authorized to enter into an agreement with another regional OTB Corporations (i.e., Capitol OTB) to provide pari-mutuel betting services. Catskill OTB has no operating retail branches.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Improves OTB Corporate management and increases operational efficiencies.

Extend Authorized Use of Capital Funds by a Certain Off-Track Betting Corporation for One Year (Part AA) Authorizes the Capital OTB Corporation to utilize their Capital Acquisition Funds (CAF) for an additional year through March 31, 2024 for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers. Specifically, this will allow Capital OTB to utilize 23% of its CAF, not to exceed \$440,000 for one year.

- ❖ **Effective Date:** Immediately and shall expire and be deemed repealed one year after such date.
- ❖ **Fiscal Impact:** None to the State.

Extend Pari-Mutuel Tax Rates and Simulcast Provisions for One Year (Part BB) Authorizes 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 extends for one year the current statutory distribution of revenue for on-track and off-track wagering at the NYRA tracks and continues until 2024 the authorization for the in-home simulcasting of races, binding arbitration for simulcasting disputes and telephone/internet betting accounts.

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

FEES AND OTHER ACTIONS

Extend the Oil and Gas Fee (Part L) This Part would extend the oil and gas fee authorization to March 31, 2027. These fees are charged to oil and gas producers to recover the cost of assessing oil and gas wells for Real Property Tax purposes.

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

Prohibit the Sale of All Flavored Tobacco Products (Part O of A.3007) This Part makes various changes to Public Health Law in relation to flavored tobacco and the definition of vapor products.

The definition of vapor products is amended to include the following language: “device that delivers vapor, which is inhaled, including any refill, cartridge, device or component thereof” that contains “or is intended to be used with” such noncombustible liquid or gel. Mentions of vapor products in Public Health Law. In addition, the Part removes the condition that such vapor products are “intended or reasonably expected to be used with or for the consumption of nicotine.” Conforming changes to replace “electronic cigarettes” with “vapor products” are also made.

The definition of “enforcement officer” in the Public Health Law is also updated to clarify that they can enforce local laws related to the sale of cigarettes, tobacco products, and vapor products to minors. Under this Part, it shall be a Public Health Law violation when a State or local health official is denied access to a retail store for the purpose of evaluating compliance.

Flavored tobacco is added to the prohibition on the sale of flavored products, which are defined to include the newly added term “cooling or numbing sensation imparted during consumption of a tobacco or vapor product.” The new language does not include any product approved by the United States Food and Drug Administration as a drug or medical device. Vapor products dealers, retail dealers, or tobacco or vapor sellers or their agents are prohibited from storing and distributing these

products if their location is adjacent to a place of business where tobacco or vapor products are sold.

Lastly, the language makes it clear that these provisions shall not be interpreted to punish those who buy, use, or possess tobacco or vapor goods, and only apply to tobacco or vapor sellers, retail dealers, or dealers in vapor products.

- ❖ **Effective Date:** September 1, 2023.
- ❖ **Fiscal Impact:** Reduces State revenue by \$116 million in FY 2024, \$222 million in FY 2025, \$214 million in FY 2026, and \$205 million in FY 2027.

Create the Extended Prosperity and Innovation Campus (EPIC) Initiative (Part CC of A.3008) The Executive Budget proposes to rename the SUNY Tax-free Areas to Revitalize and Transform Upstate New York (START-UP NY) program as the Extended Prosperity and Innovation Campuses (EPIC) program and make various enhancements to the program.

The EPIC program would make several enhancements to the START-UP NY program to establish the same requirements, benefits, and eligibility criteria for businesses upstate and downstate. EPIC would allow downstate colleges and universities to allocate off-campus land and space in the same manner as upstate schools and eliminate the requirement that downstate businesses must be high-tech, or formative stage to utilize the program. Participating businesses will operate tax-free for 10 years on or near an eligible university or college campus.

The Executive Budget proposes to extend the deadline for a business to submit an application to a campus, university, or college to be located in an EPIC zone until December 31, 2030. The current deadline to apply under the START-UP NY program was December 31, 2025. Lastly, this proposal would authorize the Commission of the Department of Economic Development (DED) to authority to act in lieu of the EPIC Approval Board if the EPIC Approval Board’s membership is not complete.

- ❖ **Effective Date:** 30 days after it shall have become a law.
- ❖ **Fiscal Impact:** Reduces State revenue by \$1 million in FY 2025.

MTA REVENUE ACTIONS

Clarification of the Treatment of Limited Partners for the MCTMT (Part B) The Governor proposes to codify a definition of “limited partner” used by the Department of Taxation and Finance as the term relates to the Metropolitan Commuter Transportation Mobility Tax (MCTMT).

Currently, limited partners of partnerships located in the MTA region are exempt from the obligation to pay the MCTMT. Under Internal Revenue Code (IRC), the term “limited partner” is undefined but generally refers to partners in a partnership who take no direct role in the control or management of the partnership.

The Department of Taxation and Finance uses a “facts and circumstances” test to determine whether a “limited partner” is truly a limited partner for the purposes of obligations related to the MCTMT.

This Part would codify what the Department uses to determine whether a “limited partner” is truly a limited partner. Under the Governor’s proposal, to be deemed a “limited partner,” one must not take any direct or indirect control of or participation in the management or operations of a partnership.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State. This Part would, however, increase revenue to the Metropolitan Transportation Authority by \$20 million, annually, beginning in FY 2024.

Increase the Top Metropolitan Commuter Transportation Mobility Tax Rate (Part Q of A.3008) The Governor proposes to increase the top Metropolitan Commuter Transportation Mobility Tax (MCTMT) rate from 0.34% to 0.50% for employers beginning on July 1, 2023.

This Part includes a gradual increase in the MCTMT rate for self-employed individuals, increasing from 0.34% to 0.42% for Tax Year 2023 and from 0.42% to 0.50% for Tax Years beginning on or after January 1, 2024.

Currently, the MCTMT is imposed on employers and self-employed individuals whose business operations are within the Metropolitan Commuter Transportation District.

- This District includes New York City, Long Island, and the counties of Dutchess, Orange, Putnam, Rockland, and Westchester.

The MCTMT applies to employers who are required to withhold New York State income tax from wages and whose payroll expenses exceed \$312,500, \$1.25 million annually, in any calendar quarter at the following rates:

- 0.11% for employers with a quarterly payroll expense of \$312,500 to \$375,000;
- 0.23% for employers with a quarterly payroll expense of \$375,000 to \$437,500; and
- 0.34% for employers with a quarterly payroll expense of more than \$437,500.

Certain employers are exempt from the MCTMT, including agencies or instrumentalities of the United States, the United Nations, interstate agencies or public corporations created pursuant to an agreement or compact with another state, Federally-chartered credit unions, household employers, and any eligible educational institution, such as public school districts, BOCES, public elementary or secondary schools, non-public elementary or secondary schools, and public library systems.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** None to the State. However, this Part would increase revenues for the Metropolitan Transportation Authority by \$800 million, annually.

**REVENUE ACTIONS
ALL FUNDS
(IN MILLIONS)**

Figure 2

TAX INCREASES

Part Description	Part	2023-24	2024-25
Temporary Business Tax Rate Increase Extension for Three Years	I (Sub A)	-	\$810
Make Local Sales Tax Rate Authorizations Permanent	O	-	-
Increase the State Excise Tax on Cigarettes	S	(\$13)	(\$25)
Total Tax Increases		(\$13)	\$785

TAX CUTS AND CREDITS

Part Description	Part	2023-24	2024-25
Modify the Investment Tax Credit for Farmers	C	-	(\$7)
Film Tax Credit Increase and Five-Year Extension	D	-	-
Application Deadline for COVID-19 Capital Costs Tax Credit Extension	F	-	-
Child Care Creation and Expansion Tax Credit	G	-	(\$25)
NYC Biotech Tax Credit	H	-	-
Rehabilitation of Historic Properties Tax Credit Extension for Five Years	I (Sub B)	-	-
Empire State Commercial Production Tax Credit Extension for Five Years	I (Sub C)	-	-
Grade No. 6 Heating Oil Conversion Credit Extension for Six Months	I (Sub D)	-	-
NYC Musical and Theatrical Production Tax Credit Extension for Two Years	I (Sub E)	-	-
Total Tax Cuts and Credits		\$0	(\$32)

TAX REFORM AND ENFORCEMENT

Part Description	Part	2023-24	2024-25
Provide Authority to Abate Interest for Personal Income Taxpayers Impacted by Declared Emergencies	A	-	-
Provide Authority to Abate Penalties for Underpayment of Estimated Tax by a Corporation	E	-	-
Tax Law Technical Changes	J	-	-
Eliminate the Congestion Surcharge Registration Requirements	P	-	-
Amend Motor Fuel Reporting Designation	Q	\$2	\$4
Extend and Limit the Vending Machine Sales Tax Exemption to Business Enterprise Program Vendors for One Year	R	-	-
Revoke Cigarette and Tobacco Taxes Certificates of Registration for Inspection Refusal	T	-	-
Extend Reduced Transfer Tax Rates for Qualifying REITs for Three Years	U	-	-
Allow Department of Tax and Finance the Right to Appeal Tax Appeals Tribunal Decisions	V	-	-
Technical Correction to the Deposit Timeframe	W	-	-
Require S-Corporation Conformity with Federal Return	CC	-	\$15
Extend the Lower Manhattan Sales and Use Tax Exemption	Part AA of A.3005	-	(\$10)
Total Tax Reform and Enforcement		\$2	\$9

REAL PROPERTY TAXES AND STAR

Part Description	Part	2023-24	2024-25
Simplify and Modernize the Senior Citizens Real Property Tax Exemption	K	-	-
Return Foreclosure Excess to Property Owners	M	-	-
Clarification of the Wind and Solar Valuation Model	N	-	-
Total Real Property Tax and STAR		\$0	\$0

GAMING INITIATIVES

Part Description	Part	2023-24	2024-25
Authorize a Franchised Corporation's Payment Structure to Fund the Belmont Redevelopment Project	X	-	-
Eliminate Quick Draw Restrictions	Y	\$11	\$22
Relates to the Operation of Off-Track Betting Corporations	Z	-	-
Extend Authorized Use of Capital Funds by a Certain Off-Track Betting Corporation for One Year	AA	-	-
Extend Pari-Mutuel Tax Rates and Simulcast Provisions for One Year	BB	-	-
Total Gaming Initiatives		\$11	\$22

FEES AND OTHER ACTIONS

Part Description	Part	2023-24	2024-25
Extend the Oil and Gas Fee	L	-	-
Prohibit the Sale of All Flavored Tobacco Products	Part O of A.3007	(\$116)	(\$222)
Create the Extended Prosperity and Innovation Campus (EPIC) Initiative	Part CC of A.3008	-	(\$1)
Total Fees and Other Actions		(\$116)	(\$223)

Total State Revenue Actions

(\$116) \$561

MTA REVENUE ACTIONS

Part Description	Part	2023-24	2024-25
Clarification of the Treatment of Limited Partners for the MCTMT	B	\$20	\$20
Increase the Top Metropolitan Commuter Transportation Mobility Tax Rate	Part Q of A.3008	\$800	\$800
Total MTA Revenue Actions		\$820	\$820

Source: Division of Budget

SWEEPS & TRANSFERS

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This Part will provide the statutory authorizations necessary for the administration of funds and accounts included in the 2023-24 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 CC SWEEPS AND TRANSFERS

THE FOLLOWING OUTLINES
TRADITIONAL TRANSFERS OF FUNDS:

§1-1a Temporary Loans Authorizes the Comptroller to identify specific funds and amounts (both State and Federal) to receive temporary loans for the 2023-24 State Fiscal Year.

§2-3 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

- \$100 million from the General Fund to the Environmental Protection Fund;
- \$500 million from the General Fund to the Debt Reduction Reserve Fund;
- \$905 million from the General Fund to the Housing Program Fund;
- \$1 billion from the General Fund to the Health Care Transformation Fund; and
- \$8.25 billion from the ARPA-Fiscal Recovery Account to the General Fund to cover eligible costs incurred by the State.

§4 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, 2024.

§5 **Dormitory Authority** Directs the Dormitory Authority to transfer \$22 million in revenues to the State University of New York for reimbursement of bondable equipment costs. These funds will then be transferred to the State's General Fund.

§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, 2024.

§9 **State University** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer \$1.3 billion from the General Fund to the State University Income Fund, State University General Revenue Offset Account from July 1, 2023 through June 30, 2024.

§10 **State University** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer up to \$62.3 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account from July 1, 2023 to June 30, 2024, to support Tuition Assistance Program payments.

§11 **State University** Authorizes the Comptroller, at the request of the Director of the Budget, to transfer up to \$20 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account from July 1, 2023 to June 30, 2024, to support operations in accordance with the maintenance of effort.

§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, 2024.

§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, 2024.

§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 \$100 million.

§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 \$700 million.

§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 \$20 million from the New York State Power Authority to the General Fund, to be utilized for energy-related State activities, after April 1, 2023.

§19 **NYSERDA** Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund, on or before March 31, 2024.

§20 **NYSERDA** Authorizes the transfer of up to \$5 million from NYSERDA proceeds collected from the auction or sale of carbon dioxide emission allowances, to the credit of the Environmental Protection Fund, on or before March 31, 2024.

§21 **STAR Deposits** Authorizes the Comptroller to make deposits in the School Tax Relief (STAR) Fund in fiscal year 2023-24, up to \$1.72 billion.

§22 **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:** \$1,478,000;
- **Litigation Settlement and Civil Recovery Account:** \$1,000,000;
- **New York City Veterans' Home Account:** \$456,000;
- **New York State Home for Veterans' and their Dependents at Oxford Account:** \$570,000;
- **New York State for Veterans in the Lower Hudson Valley Account:** \$323,000;

- **Patron Services Account:** \$2,550,000;
- **State University Dormitory Income Fund Account:** \$51,897,000;
- **State University General Income Reimbursable Account:** \$9,016,000;
- **State University Revenue Offset Account:** \$142,782,000; and
- **Western New York Veterans' Home Account:** \$170,000.

§23 **Federal Money Appropriation Transfer** The Executive Budget proposes to make this transfer permanent, which allows the Governor to authorize a transfer of Special Emergency Appropriations to the General Fund, to a Capital Projects Fund, or to a fund established to account for revenue from the Federal Government only after approval from the Temporary President of the Senate or the Chair of the Senate Finance Committee and the Speaker of the Assembly of the Chair of the Assembly Ways and Means Committee. Provided, however, that if either the Senate or Assembly fails to affirmatively deny or approve such transfer within 10 days from the date of notification from the Governor, then the transfer will be deemed approved.

§24 **Armory Rental Account** The Executive Budget proposes that the Armory Rental Account is the receiving fund of transfer of all moneys paid as rent and to cover expenses of heating and lighting.

§25 **Rainy Day Reserve** The Executive Budget proposes increasing the maximum allowable balance in the Rainy Day Reserve Fund from 15% to 20% and changes the calculation from General Fund spending to State Operating Fund spending. This Section also increases the allowable maximum deposit from 3% to 10% and changes the calculation from General Fund spending to State Operating Fund spending. Lastly, this Section clarifies that the spending should be based on the estimate in the Enacted Budget Financial Plan and not just the current fiscal year spending at the time the deposit is being made.

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

**THE EXECUTIVE BUDGET PROPOSES
INCREASING BOND CAPS BY
APPROXIMATELY \$16.9 BILLION**

THE FOLLOWING SECTIONS OUTLINE
EACH SPECIFIC BOND CAP INCREASE:

§27 **Correctional Facilities Bond Cap** Increases the bond cap for financing correctional facilities from \$9.5 billion to \$9.9 billion.

§28 **State Police Bond Cap** Increases the bond cap for State Police capital projects from \$426.1 million to \$538.1 million.

§29 **Environmental Facilities Bond Cap** Increases the bond cap for financing environmental infrastructure projects, including capital costs of clean water infrastructure projects, from \$8.2 billion to \$9.3 billion.

§30 **Homeland Security/State Facilities/Buildings Bond Cap** Increases the bond cap for Homeland Security and Training Facilities from \$383.5 million to \$476.5 million and the bond cap for improvements to State office buildings and facilities from \$1.61 billion to \$1.71 billion.

§31 **SUNY Educational Facilities Bond Cap** Increases the bond cap for SUNY educational facilities from \$16.6 billion to \$17.9 billion.

§32 **CUNY Senior & Community College Bond Cap** Increases the bond cap for CUNY senior & community colleges from \$10.3 billion to \$10.9 billion.

§33 **SUNY Community College Bond Cap** Increases the bond cap for SUNY community colleges from \$1.12 billion to \$1.23 billion.

§34 **Youth Facilities Bond Cap** Increases the bond cap for financing youth facilities from \$962.7 million to \$1.02 billion.

§35 **Mental Health Facilities Bond Cap** Increases the bond cap for financing mental health service facilities improvement from \$10.9 billion to \$12.41 billion.

§36 **Division of Military and Naval Affairs Bond Cap** Increases the bond cap for financing capital projects for public protection facilities from \$197 million to \$247 million.

§37 **State Equipment Bond Cap** Increases the bond cap for the purposes of funding costs for the acquisition of equipment, including but not limited to the creation or modernization of information technology systems and related research and development equipment, health and safety equipment, heavy equipment and machinery, the creation or improvement of security systems, and laboratory equipment from \$393 million to \$493 million.

§38 **Local Highway Bond Cap (CHIPS)** Increases the bond cap for financing local highway projects from \$13.1 billion to \$13.85 billion.

§39 **Library Bond Cap** Increases the bond cap for library facilities from \$333 million to \$347 million.

§40 **Economic Development Bond Cap** Increases the bond cap for financing economic development projects from \$14.97 billion to \$16.97 billion.

§41 **Transportation Capital Projects Bond Cap** Increases the bond cap for transportation initiatives from \$10.15 billion to \$12.31 billion.

§42 **Housing Program Bond Cap** Increases the bond cap for financing housing programs from \$13.1 billion to \$13.7 billion.

§43 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 \$301.7 million to \$321.8 million.

§44 Information Technology Bond Cap Increases the bond cap for the Office of Technology Services from \$1.15 billion to \$1.29 billion.

§45 Dedicated Highway and Bridge Trust Fund Bond Cap Increases the bond cap for special emergency highway and bridge trust fund bonds from \$19.8 billion to \$20.65 billion.

§46 Health Care Facility Transformation Bond Cap Increases the bond cap for the Health Care Facility Transformation Program and other health care capital project costs from \$4.7 billion to \$5.2 billion.

§47 Agriculture and Markets Food Laboratory Bond Cap Increases the bond cap for the Agriculture and Markets Food Laboratory costs from \$40.8 million to \$40.95 million.

THE FOLLOWING SECTIONS OUTLINE LIQUIDITY AND OTHER MEASURES:

§48 State Liquidity Financing Measures The Executive Budget proposes the continuation of the authorization to issue up to \$3 billion in short-term Personal Income Tax notes to help deal with shortfalls in the State's Financial Plan arising from adverse economic and fiscal events and risks, disasters and emergencies. The State would be able to issue short-term notes until December 31, 2023; with the notes having a final maturity no later than March 31, 2024. These notes cannot be renewed, extended or refunded. These notes will be exempt from the limitations on State-supported debt and will not constitute a debt of the State. Further, no capital work is necessary to issue this debt.

§49 State Liquidity Financing Measures The Executive Budget proposes the continuation of the authorization to enter into \$2 billion in Line of Credit Facilities to help deal with shortfalls in the State's Financial Plan arising from adverse economic and fiscal events and risks, disasters and emergencies. The State is authorized until March 31, 2024 to; (i) enter into commitments with financial institutions for the establishment of one or more line of credit facilities or other similar revolving financing arrangements, (ii) draw, at one or more times at the discretion of the Director of Budget to assist the State to temporarily finance its budgetary needs, and (iii) secure repayment of such draws, which payment obligations do not constitute a debt of the State. The maximum term of any line of credit will be one year from the date of incurrence; however, no draw will occur after March 31, 2024. If any line of credit extends beyond March 31, 2024, it must be supported by sufficient appropriation authority enacted by the Legislature. These lines of credit will be exempt from the limitations on State-supported debt and no capital work is necessary to make these draws. No later than seven days after a draw occurs on a line of credit facility, the Director of Budget must provide notification to the President Pro Tempore of the Senate and the Speaker of the Assembly.

§50 Gateway Project This section establishes the funding for the Hudson Tunnel project between New York and New Jersey, commonly known as the Gateway Project. The section establishes definitions and as proposed by the Executive Budget, increases the State's capital commitment from \$2.35 billion to \$2.85 billion plus any interest costs and related expenses. To provide payment for the State's capital commitment, the Director of Budget is authorized to enter into one or more service contracts or other agreements with the Gateway Development Commission, none of which will exceed the maximum duration of the Federal transportation loan. The service contracts or agreements will provide to the Commission, for each State fiscal year, a sum not to exceed the amount required for the payment of the State capital commitment for such fiscal year. These payments will not constitute

a debt of the State and are subject to annual appropriation by the Legislature. Any service contract or agreement and any payments may be pledged by the Commission as security for the repayment of the Federal transportation loan.

§51 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2024, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget increases these amounts as follows:

- \$15 million, an increase of \$8 million from last year, from the State University General Income Reimbursable Account;
- \$5 million, a decrease of \$2 million from last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, an increase of \$1 million from last year, from the City University Senior College Operating Fund.

§52 Bonding Authority to Refund Power Authority of the State of New York The Executive Budget amends this section to allow the Dormitory Authority of the State of New York, New York State Urban Development Corporation and the Thruway Authority to issue bonds up to \$475 million, an increase of \$275 million from last year, under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program. These bonds are for the purpose of refunding obligations of the Power Authority of the State of New York to fund energy efficiency projects at State agencies, including but not limited to SUNY, CUNY, Office of General Services, Office of Mental Health, State Education Department and Department of Agriculture and Markets. Bonds issued will not be a debt of the State, the State will not be liable thereon and they

will not be payable out of any funds other than those appropriated by the State under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program.

§53 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50-years until April 1, 2024.

§54 Debt Service Set-aside The Executive Budget proposes the permanent authorization for the quarterly set-aside of monies to pay State general obligation and other debt service. This authorization is set to expire June 30, 2023 and was last extended for three years.

§55 Effective Dates



AGENCY SUMMARY

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

BUDGETARY FUNDS

- **All Funds:** This is the broadest measure of spending; 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. (Example, Motor Fuel Excise Tax that is dedicated to highway and mass transit purposes).
- **Capital Projects Fund:** These funds finance capital construction costs.
- **Federal Funds:** Revenue received from the Federal government.
- **Internal Service Funds:** Funds used to account for the financing of goods and services supplied by one State agency to other State agencies or government units on a cost reimbursement basis.
- **Enterprise Funds:** Funds used to account for operations that operate similarly to private business enterprises.
- **Fiduciary Funds:** Funds used to account for money held by the State in a trust capacity whose principal and income may be spent for designated operations or whose principle must remain intact.

APPROPRIATION BILLS

- **Expenditure Budget Bills:** These bills provide appropriation and reappropriation amounts for each State agency. The appropriation authority is the total amount the agency may spend on that particular program or category.
 - ➔ **State Operating Budget Bill, A.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 payments on 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:** \$6.3 million, \$70,000 more than last year, reflecting increased personal service costs and General Salary Increases (GSIs).



AGING

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- Administration and Grants Program: \$12.8 million, same as last year.

- Naturally Occurring Retirement Communities (NORC): \$4 million, \$2 million more than last year, which has typically been added by the Legislature in the Enacted Budget.
- Neighborhood Naturally Occurring Retirement Communities (NNORC): \$4 million, \$2 million more than last year, which has typically been added by the Legislature in the Enacted Budget.
- Wellness In Nutrition (WIN): \$35.6 million, \$2.1 million more than last year.

AID TO LOCALITIES – A.3003

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- Community Services for the Elderly Program: \$37.7 million, \$4.1 million more than last year.
- Long-Term Care Ombudsman: \$3.7 million, \$2.5 million more than last year, for more funding for the program which is typically supported by legislative additions.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Expanded In-Home Services for the Elderly Program: \$67.5 million, same as last year.
- Health Insurance Information and Counseling: \$1 million, same as last year.
- Long-Term Care Ombudsman and Health Insurance Information Counseling Assistance Program: \$150,000 in new funds to expand the volunteer stipend.
- Model Adult Day Services: \$1.1 million, same as last year.
- Senior Community Service Employment Program: \$9 million, same as last year.

- **State Master Plan on Aging:** \$1 million, \$500,000 more than last year, to create an interagency plan to improve services for the elderly.
- **Transportation Costs for Elderly Services:** \$1.1 million, same as last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$11.6 million for 28 programs added by the Legislature have been eliminated.

HEALTH AND MENTAL HYGIENE – A.3007

Part G State Office for the Aging Private Pay This Part reduces the eligibility threshold for the private pay protocols within the State Office for the Aging (SOFA) from 400% of the Federal Poverty Level (FPL) to 250% of the FPL. This removes an unintentional exclusion of these individuals from the private pay protocols.

Part I Long-Term Care Program Reforms See Department of Health.

Part Z Aging Services and Long-Term Care See Department of Health.



AGRICULTURE & MARKETS

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STATE OPERATIONS - A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Agency Operations:** \$54.5 million, \$3 million more than last year, for the hiring of 26 new FTEs to support several efforts announced by the Governor in the 2023 State of the State, including:
 - ➔ Urban Farms and Community Gardens;
 - ➔ Farmer and Farm Worker Pipeline;
 - ➔ Bolstering Demand for NY Agricultural Products; and
 - ➔ School-based Scratch Kitchen Initiatives.
- **Animal Shelter Regulation:** \$2.14 million in new funding to support personal service costs associated with the regulation of animal shelters pursuant to Chapter 683 of the Laws of 2022. This Chapter requires municipal shelters, not-for-profit humane societies, Societies for the Prevention of Cruelty to Animals (SPCAs), and animal shelters, as well as not-for-profit animal rescues to apply annually for a license and requires annual inspections of facilities by the Department of Agriculture and Markets.
- **Farmland Protection:** \$790,000 in new funding to support personal service costs associated with the Farmland Viability Program pursuant to Chapter 652 of the Laws of 2022. This Chapter amended Section 94-c of the Executive Law to direct the Office of Renewable Energy Siting (ORES), in consultation with the Department of Agriculture and Markets, to require that solar developers who site solar electric generating facilities on viable agricultural land be assessed a fee as a result of such siting, payable into a dedicated Agricultural and Farmland Viability Protection Fund.
- **State Fair:** \$29.2 million, \$444,000 more than last year, reflecting increased personal service costs to support State Fair operations. Of this amount, up to \$320,000 may be transferred via local assistance programming to the Cornell Cooperative Extension of Cayuga County for State Fairgrounds milk bar operations.

AID TO LOCALITIES - A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$47.8 million, \$5.1 million less than last year, for agriculture local assistance programming. Of this amount, \$5.7 million is included through the Taste-NY program to promote agritourism, including:
 - ➔ City of Geneva: \$125,000;
 - ➔ Cornell Cooperative Extension of Broome County: \$350,000;
 - ➔ Cornell Cooperative Extension of Cayuga County: \$190,000;
 - ➔ Cornell Cooperative Extensions of Columbia and Greene Counties: \$450,000;
 - ➔ Cornell Cooperative Extension of Dutchess County: \$150,000.
 - ➔ Cornell Cooperative Extension of Erie County: \$475,000;
 - ➔ Cornell Cooperative Extension of Nassau County: \$485,000;
 - ➔ Cornell Cooperative Extension of Sullivan County: \$450,000;
 - ➔ Lake George Regional Chamber of Commerce: \$350,000;
 - ➔ Montgomery County Chapter of NYARC, Inc.: \$350,000;
 - ➔ NY Wine and Culinary Center: \$375,000; and
 - ➔ Thousand Islands Bridge Authority: \$850,000;

- Figure 1 provides information on proposed FY24 Agriculture Local Assistance funding compared to FY23 Enacted amounts.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Nourish NY:** \$50 million in State funding, the same as last year, to continue the

Nourish NY program within the Department of Health. This program allows New York's emergency food providers to purchase surplus products from New York farmers and dairy manufacturers and deliver it to New York families in need.

CAPITAL PROJECTS - A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Food Access Expansion Grants:** \$10 million in new funding to provide grants to support and establish food access infrastructure in underserved communities.
- **Scratch Kitchens:** \$10 million in new funding for services, expenses, and grants for the cost of construction, renovation, alteration, rehabilitation, improvements, installation, acquisition, repair or replacement of buildings, equipment, or permanent or temporary facilities to support the preparation and distribution of New York focused meals for regional school infrastructure, such as aggregation, storage hubs and/or commissary-type kitchens.

SIGNIFICANT DECREASES INCLUDE:

- **Humane Societies and Animal Shelters:** \$5 million, \$3 million less than last year, for humane shelter capital improvement grants.
- **Meat Processing Grants:** No new funding. However, \$5 million has been reappropriated from FY 2022-23, 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 will consist of a minimum of \$50,000 per recipient.

- **NY Works:** \$14.7 million, \$19 million less than last year, for various State Fair capital improvements, reflecting the completion of several infrastructure investments related to health and safety and stormwater management.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Agribusiness Child Development Centers:** \$3.2 million, the same as last year, for facility improvements at the 13 Agribusiness Child Development Centers in NY to allow for an expansion of education services, health services and nutrition services to children of migrant farm families.
- **State Fair:** \$3.7 million, the same as last year, for various State Fair capital improvements.

purchases of milk from licensed milk producers, regardless of the number of employees the processors employ.

This Part would allow certain local entities to purchase food products, grown, produced or harvested in New York, without a competitive process, so long as the amount is less than or equal to \$250,000, and would require reporting those purchases to the Department of Agriculture and Markets no later than March 31st for the previous calendar year. This Part is intended to enable New York's agricultural sector to be a larger beneficiary of funding already used by State and local governments for the purchasing of food.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION - A.3008

Part OO Bolstering Demand for New York

Agriculture This Part eliminates the restriction placed upon local governments and school districts on the purchase of farm food products from associations of more than 10 producers or growers and would remove the limitations on the amounts of eggs, livestock, fish, dairy products (excluding milk), juice, grains, and species of fresh fruit and vegetables that could be purchased directly from New York State producers or growers, or associations of New York State producers or growers. It also removes limitations on the direct



Figure 1: Agriculture Local Assistance Programming
2023-24 Executive Budget

Program	FY 2022-23 Enacted	FY 2023-24 Executive Funding	Change From Previous Year
Ag. and Domestic Arts (Local Fairs)	\$500,000	\$500,000	\$0
Agribusiness Child Dev. Program	\$10,300,000	\$10,300,000	\$0
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.	\$76,000	\$76,000	\$0
Cornell Agriculture in the Classroom	\$500,000	\$500,000	\$0
Cornell Animal Health Surveillance**	\$8,751,000	\$8,270,000	(\$481,000)
Cornell Association of Ag. Educators	\$500,000	\$500,000	\$0
Cornell Avian	\$0	\$0	\$0
Cornell Berry Research	\$263,000	\$263,000	\$0
Cornell Cattle Health Assurance	\$0	\$0	\$0
Cornell Concord Grape Research	\$252,000	\$202,000	(\$50,000)
Cornell Co-Op Ext. Upstate-Downstate	\$84,000	\$0	(\$84,000)
Cornell Equitable Farm Futures	\$500,000	\$500,000	\$0
Cornell Farm Family Assistance (FarmNet)	\$1,000,000	\$1,000,000	\$0
Cornell Farm Labor Specialist	\$401,000	\$202,000	(\$199,000)
Cornell Forensic Pathology	\$0	\$0	\$0
Cornell Future Farmers of America	\$1,000,000	\$1,000,000	\$0
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 John's Disease Research	\$0	\$0	\$0
Cornell Maple Research	\$151,000	\$76,000	(\$75,000)
Cornell Onion Research	\$71,000	\$51,000	(\$20,000)
Cornell Pro-Dairy Program	\$1,463,000	\$1,213,000	(\$250,000)
Cornell Quality Milk Promotion	\$0	\$0	\$0
Cornell Rabies Research	\$0	\$0	\$0
Cornell Salmonella Dublin Testing	\$0	\$0	\$0
Cornell Vegetable Research	\$126,000	\$51,000	(\$75,000)
Cornell Veterans to Farms	\$116,000	\$0	(\$116,000)
Center for Dairy Excellence (Profit Teams)	\$374,000	\$374,000	\$0
Craft Beverages Trail of the Catskills	\$0	\$0	\$0
Empire Sheep Producers	\$50,000	\$0	(\$50,000)
Farmers Market Federation of NY EBT	\$139,000	\$139,000	\$0
Farm-to-School Competitive Grants	\$1,508,000	\$1,508,000	\$0

Geneva Exp. Station - Hops Testing	\$353,000	\$303,000	(\$50,000)
Harvest New York	\$600,000	\$600,000	\$0
Hop Growers of NY	\$50,000	\$0	(\$50,000)
Maple Producers	\$227,000	\$152,000	(\$75,000)
Cornell University Small Farms Program*	\$0	\$500,000	\$500,000
Agricultural Fair Promotion & Economic Assessment*	\$0	\$2,000,000	\$2,000,000
New Generation Regional Navigator	\$0	\$0	\$0
AFT New Generation Research Center	\$500,000	\$0	(\$500,000)
New York State Apple Growers	\$762,000	\$483,000	(\$279,000)
New York State Turfgrass Assoc.	\$150,000	\$0	(\$150,000)
Northern NY Ag. Development	\$300,000	\$0	(\$300,000)
NY Farm Viability Institute	\$1,850,000	\$1,000,000	(\$850,000)
NYS Apple Research and Development	\$505,000	\$505,000	\$0
NYS Brewers Association	\$76,000	\$76,000	\$0
NYS Cider Association	\$76,000	\$76,000	\$0
NYS Distillers Guild	\$76,000	\$76,000	\$0
Pitney Meadows Community Farm	\$50,000	\$0	(\$50,000)
Red Hook Farms Initiative	\$0	\$0	\$0
Taste NY***	\$6,000,000	\$5,750,000	(\$250,000)
Teens for Food Justice	\$0	\$0	\$0
Tractor Rollover Prevention/On Farm H & S	\$250,000	\$250,000	\$0
Volunteers Improving Neighborhood Env.	\$75,000	\$0	(\$75,000)
Walkway Over The Hudson	\$0	\$0	\$0
Wine and Grape Foundation	\$1,075,000	\$1,075,000	\$0
Northeast Organic Farming Association of NY	\$150,000	\$0	(\$150,000)
Dutchess County CCE	\$100,000	\$0	(\$100,000)
Cornell Cooperative NYC	\$250,000	\$250,000	\$0
Cornell Hemp/Cannabinoid Research	\$1,000,000	\$1,000,000	\$0
Minorities in Agriculture	\$50,000	\$50,000	\$0
Farmer's Market Resiliency Grant Program	\$700,000	\$700,000	\$0
Black Farmers United of NYS	\$200,000	\$100,000	(\$100,000)
Urban Farmers and Community Gardens Grant Program	\$800,000	\$2,325,000	\$1,525,000
Elizabeth Haub School of Law-Pace University	\$225,000	\$225,000	\$0
Misc. Agricultural Grants- NYS Senate	\$250,000	\$0	(\$250,000)
NY Cannabis Growers & Producers Assn.	\$88,000	\$0	(\$88,000)
John May Farm Safety Fund	\$100,000	\$0	(\$100,000)
Beginning Farmers Grants	\$1,000,000	\$1,000,000	\$0
Disadvantaged Farmers Grants	\$4,000,000	\$0	(\$4,000,000)
Total	\$52,987,000	\$47,845,000	(\$5,142,000)

*=New 2023-24 Program

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

***= This funding was transferred last year to Agriculture and Markets from Economic Development.

ALCOHOLIC BEVERAGE CONTROL

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Cannabis Management Program:** \$62 million, \$16 million more than last year, for the Office of Cannabis Management (OCM). This Office regulates and controls the cultivation, processing, distribution and retail sale of cannabis, cannabis related products, medical cannabis and hemp within the State of New York. This funding supports 245 Full Time Employees (FTEs).

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **New York State Community Grants Reinvestment:** \$5 million in new funding is provided for expenses related to the NYS

Community Grant Reinvestment Fund.

Under current law, this Fund will be used by the State Cannabis Advisory Board and administered and disbursed by OCM to provide grants for qualified community-based nonprofit organizations and approved local government entities for the purpose of reinvesting in communities disproportionately affected by past Federal and State drug policies.

SIGNIFICANT ACTIONS INCLUDE:

- **Cannabis Social and Economic Equity Fund:** No new funding. \$50 million is reappropriated to support the State's share of a \$200 million public-private fund to provide direct capital and startup support to social equity applicants establishing adult-use cannabis retail businesses. This Fund is subject to a plan prepared and approved by the Dormitory Authority of the State of New York (DASNY) and the Office of Cannabis Management. These funds shall be available for, but not limited to, the acquisition of real property, leasing, purchasing, renovation, construction and installation of equipment to support these

social equity applicants. Social equity applicants include individuals from communities disproportionately impacted by the enforcement of cannabis prohibition; minority-owned businesses; women-owned businesses; distressed farmers and service-disabled veterans.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part K Review of Alcoholic Beverage Control Law Directs the State Liquor Authority (SLA) to review the Alcoholic Beverage Control (ABC) Law and recommend policy-neutral legislative changes. Such recommended changes shall focus on clearly and rationally delineating policies, procedures, criteria and legal standards that are in current law but not in an intelligible form. The SLA shall post these recommendations on its website for public review.

Part L Issuance of Temporary Wholesale Permits Authorizes the SLA to issue temporary permits to wholesalers while their applications for permanent wholesale licenses are reviewed. A temporary permit currently does not exist for wholesalers. In order to apply for a temporary permit the applicant must have a wholesale license application at the same premises pending before the SLA; the applicant has obtained all permits, licenses, and other documents necessary for the operation of the business; and any current license in effect at the same premises that may not operate concurrently has been surrendered prior to the application. The proposal would require the SLA to make a determination on the temporary wholesale permit within 45 days of receipt. A temporary permit would be subject to a \$125 fee and be in effect for 6 months or until the permanent license is approved for the applicant; whichever is sooner. The SLA could extend such permits for

subsequent three-month periods upon the payment of a \$50 fee. The SLA would also have the authority to cancel or suspend a temporary permit for good cause shown.

Part M Expedite SLA Review of Corporate Changes Requires the SLA to act on changes in membership or other corporate structure to a limited liability company (LLC) within 90 days of receipt of an application. If SLA takes no action on the application within 90 days, the application would be deemed approved. The proposal would also provide that the change would not be deemed approved if it would violate existing provisions of the Alcoholic Beverage Control Law (i.e., 3-tier system, felony and misdemeanor convictions or police interest).

Part N Expediate SLA Municipal Notification Process Allow individuals to apply for a license with the SLA without having to wait 30 days for the municipal notice period to lapse. Under current law, an applicant must give a municipality notice between 30 days and 270 days before filing an application for a license with the SLA, so that the municipality has time to voice any concerns to the SLA. This proposal would allow an applicant to submit their notice to the municipality and their application to the SLA on the same day. The SLA would be prohibited from acting on the application for at least 30 days from the date the municipality receives notice so that the municipality would still have time to raise its concerns.

Part O Issuance of Temporary Retail Permits Makes various changes to the Alcoholic Beverage Control Law to allow for more businesses to apply for temporary retail permits and allow those businesses to begin operations in a more expeditious manner. Current law prohibits the SLA from issuing a temporary permit to a new business unless an active retail license existed at the location within the past two years. This proposal would provide that any new business can receive a temporary permit, as long as, no former license at the proposed location has previously been canceled, suspended, or revoked. Current law allows the SLA to issue 30 day extensions of temporary permits while the business's application is pending. This proposal would increase

that timeframe to allow the SLA to issue 90 day extensions. Current law also requires those businesses operating with temporary permits to purchase product on a cash-on-delivery basis. This proposal would allow these businesses to operate in the same manner as a fully licensed business by purchasing product on a credit-basis. Finally, the Governor proposes to make permanent the ability of the SLA to issue temporary permits to new businesses.



ARTS

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$4.9 million, \$82,000 more than last year, due to an increase in personal service-related costs. This funding covers the cost of the Council on the Arts agency and the administration that oversees the grants provided to various arts organizations.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Arts Grants:** \$40.6 million. This funding is provided to various non-profit cultural organizations through a competitive grant process.
- **Capital Arts Grant Fund:** \$196,000.
- **Empire State Plaza Performing Arts Center:** \$220,000.
- **Federal Funding to Cultural Organizations:** \$1.4 million.
- **Gifts to the Arts:** \$300,000. This funding includes money that has been donated to the Arts Fund through Personal Income Tax checkoffs.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Arts and Cultural Organization Recovery Grant Program:** \$40 million. This program awarded competitive grants for arts and cultural nonprofit organizations statewide, for the general costs of operating arts and cultural nonprofit organizations in a COVID-19 compliant environment.

- **Regional Arts and Cultural Councils Outside of New York City:** \$10 million. This program provided funding for the recovery of the New York arts and cultural community outside of New York City. The schedule of funding for this program included:
 - ➔ \$1 million for ArtsWestchester;
 - ➔ \$1 million for Arts Center of the Capital Region;
 - ➔ \$1 million for Arts Mid-Hudson;
 - ➔ \$1 million for Arts Services Initiative of Western New York;
 - ➔ \$1 million for CNY Arts.
 - ➔ \$1 million for Genesee Valley Council on the Arts; and
 - ➔ \$1 million for Huntington Arts Council;
- **Stabilization Grants:** \$1 million. These grants provided up to \$50,000 to small and mid-sized arts organizations to fund operating expenses during the COVID-19 pandemic.
- **Senate Arts Grants:** \$750,000.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Regional Arts and Cultural Councils Program:** \$10 million. This program provided regional arts and cultural councils outside of New York City funding for construction and rehabilitation projects.
- **Arts and Cultural Facilities Improvement:** \$40 million. This funding was for competitive capital grants projects administered by the Council on the Arts. These grants covered the cost of projects that included renovations and retrofitting to comply with COVID-19 health regulations.



AUDIT & CONTROL

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Audit & Control Program:** \$160.9 million, \$7.7 million more than last year, for services and expenses related to the Audit and Control Program.
- **Chief Information Office Program:** \$90.2 million, \$29.2 million more than last year, to support ongoing IT maintenance and support costs related to recent upgrades to the Employee Retirement System (ERS).
- **Retirement Services Program:** \$264.3 million, \$60.6 million more than last year, for services and expenses related to the Retirement Services Program. This funding supports services and expenses related to operating the New York State Common Retirement Fund (CRF) as well as the Public Employees Group Life Insurance Plan.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **College Choice Tuition Savings Program:** \$1.5 million, the same as last year. This program funds the operation of New York State's 529 College Savings Program.
- **NY Environmental Protection and Spill Compensation Program:** \$1.1 million, the same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT ACTIONS INCLUDE:

- **State Operations Program:** \$32 million in funding eliminated. This funding was for state reimbursements to cities, towns, or villages for payments made for special accidental death benefits pursuant to section 208-f of the general municipal law. This appropriation has been moved to the General State Charges section of the budget.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT DECREASES INCLUDE:

- **IT Initiatives Program:** \$2.8 million, \$27.2 million less than last year, due to the transfer of funds to the Chief Information Office Program within State Operations.

PUBLIC PROTECTION & GENERAL GOVERNMENT – A.3005

Part W Contribution Stabilization Program This Part would revise the terms of participation in the New York State and Local Retirement Systems (NYSLRS) Contribution Stabilization Program (CSP). The CSP is an optional program that allows an employer to pay a portion of its annual pension contributions to the Common Retirement Fund when due and pay the remainder over time with interest.

- Currently, participating NYSLRS employers may enter the CSP to reduce volatility in average annual contribution rates. If employer billing rates rapidly increase, the CSP allows a portion of the increase to be amortized over 10 or 12 years. If billing rates rapidly decrease, the CSP requires employers to make an additional contribution, called a graded payment. This payment is deposited into an interest-bearing reserve fund within the NYSLRS for exclusive use by the employer to reduce future amortizations.

- This Part would revise the CSP by:

- ❖ Limiting the value of the reserve fund assets. The graded payments would cease when the employer's reserve fund assets exceed the employer's actuarial contribution in the prior fiscal year.
- ❖ Allowing employers to terminate their participation within the CSP, given all prior year amortizations are paid in full, including interest.
- ❖ Allowing employers to utilize their reserve fund assets to pay a portion of their annual bill when the employer's average actuarial contribution rate exceeds the employer's graded rate.

CHILDREN AND FAMILY SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Central Administration Program:** \$60.6 million, \$1.9 million more than last year. Of this amount, \$537,000 is allocated for the Head Start Program, which is \$9,000 more than last year.
- **Child Care Program:** \$67 million, \$582,000 more than last year, to aid municipalities in administering activities under the child care block grant.
- **Family and Children's Services Program:** \$108.4 million, \$615,000 more than last year, which funds programs to assist families with abuse, juvenile delinquency and early childhood development problems.
- **New York State Commission for the Blind Program:** \$49 million, \$168,000 more than last year, for vocational rehabilitation programs for the blind.
- **Training and Development Program:** \$59.3 million, \$83,000 more than last year, for training development programs for not-for-

- profit agencies that provide child welfare, public assistance, and medical assistance services that OCFS contracts with.
- **Youths Facilities Program:** \$168.5 million, \$5.5 million more than last year, for providing youth services including the New York Model Treatment Program for youth in the care of the Office of Children and Family Services in agency facilities and community residential program facilities.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Systems Support Program:** \$43.1 million, same as last year, to fund maintenance and development of the statewide automated child welfare information system.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Adoption Subsidy Program:** \$229.5 million, \$3.6 million more than last year. Subsidies are available for children with special needs, medical treatment, and hard to place children.
- **Child Welfare Services:** \$900 million, \$289.9 million more than last year, for child welfare and preventive services.
- **New York State Child Care Block Grant:** \$451.1 million, \$128 million more than last year, to provide child care subsidies to eligible families.
- **New York State Foster Care Block Grant:** \$395.5 million, \$4.8 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:** \$29.8 million, \$7 million more than last year, including services to keep children out of the foster care system or State guardianship after adoption.
- **Professional Development for Child Care Providers Offered by Labor Unions:** \$1.5 million, \$750,000 more than last year.
- **Quality Grant Programs for Child Care Providers Offered by Labor Unions:** \$2.5 million, \$1.25 million more than last year.
- **Runaway and Homeless Youth:** \$7.2 million, \$100,000 million more than last year, for counseling services for youth at risk of running away from home or being homeless.
- **Statewide Youth Sports Program:** \$5.6 million, \$600,000 more than last year, to provide statewide youth sports and education grant program for underserved youths under the age of 18. This funding is

provided by revenue from mobile sports betting.

SIGNIFICANT DECREASES INCLUDE:

- **Child Advocacy Centers:** \$5.2 million, \$2 million less than last year. This program funds multidisciplinary child abuse investigative teams.
- **Kinship Care Program:** \$338,750, \$1.9 million less than last year. This program is for not-for-profit and voluntary agencies providing support services to the caretaker relative of a minor child.
- **New York State Commission for the Blind:** \$350,000, \$65,000 less than last year. The \$65,000 was appropriated for the Helen Keller Services for the Blind.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Child Care Demonstration Projects in New York City:** \$28 million, same as last year.
- **Child Care Provider Training:** \$8 million, same as last year.
- **Child Care Scholarships and Ongoing Professional Development:** \$17.4 million, same as last year.
- **Community Preventive Services:** \$12.1 million, same as last year.
- **Foster Care Adoption Assistance Program:** \$869 million, same as last year, for foster care adoption assistance and kinship guardianship assistance programs.
- **Home Visiting Program:** \$26.2 million, same as last year, to provide services to pregnant women and new parents for risks that may lead to child abuse.
- **Professional Development for Child Care Providers Offered by NYSUT:** \$1.3 million, same as last year.
- **Quality Grant Programs for Child Care Providers Offered by NYSUT:** \$1 million, same as last year.

- **Secure and Non-Secure Detention Facilities:** \$76.2 million, same as last year.
- **Social Services Block Grant:** \$150 million, same as last year, to provide services to prevent, reduce, or eliminate dependency on social services programs.
- **Training and Development Program:** \$4.8 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Advantage After School Program:** \$28 million in new funding to provide after school activities to children for up to three hours after school hours.
- **Business Navigator Program:** \$1 million in new funding for a program to help businesses identify different child care supports for their employees. \$100,000 is allocated for each of the 10 Regional Economic Development Council regions.
- **Child Welfare and Adult Protective/Domestic Violence Bridge Appropriations:** \$900 million in new funding to account for the fiscal gap that would occur while aligning these programs to the State Fiscal Year from the Federal Fiscal Year.
- **Employer-Supported Child Care Pilot Program:** \$4.8 million in new funding for a pilot program to provide families between 85% and 100% of the State Median Income with child care services.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Various Legislative Additions:** \$47.3 million for 163 programs added by the Legislature is eliminated, including the 2-1-1 New York program, the Fresh Air Fund, Families of Long Island, and the New York State YMCA Foundation among others.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **Facilities Maintenance and Operations:** \$6.4 million, \$521,000 more than last year.
- **Maintenance and Improvement of Youth Facilities:** \$28.7 million, \$8 million more than last year.
- **Program Improvement or Program Change:** \$18 million, \$8 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Design and Construction Supervision:** \$7 million, same as last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Child Care Capitol Program:** \$50 million for payment to the Dormitory Authority of the State of New York for expenses relating to the design, construction, reconstruction, rehabilitation, improvement, furnishing or equipping of new and existing facilities for child care providers. The funding is re appropriated in FY24.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A. 3006

Part U Expand Child Care Assistance Program This Part allows families with income up to 85% of the State Median Income, or \$93,200 for a family of four, to qualify for child care assistance. This is the maximum amount allowed under Federal law. This Part also gives the Office of Children and Family

Services the authority to prioritize eligible families rather than the local social services district.

This Part also allows families in receipt of SNAP, HEAP, Medicaid, and WIC to use their receipt of these benefits as proof for their income eligibility for child care subsidies.

Further, the Part proposes to lower the State-wide co-payment cap for families receiving child care assistance to 1% from 10% of the family income above the poverty level.

Part V Continue the Current Financing Structure for Residential Placements of Children with Special Needs Outside of New York City This Part makes permanent the current structure of financing for the Committee on Special Education residential placements outside of New York City, by removing the sunset date of April 1, 2023.

Part W Permanently Authorize Close to Home This Part removes the expiration date and makes permanent the requirements of the Close to Home Initiative for New York City juvenile delinquents. This Initiative intends to keep these juvenile justice delinquents in the custody of the New York City Administration for Children Services and near their families. It is currently set to expire on March 31, 2023.

either directly or through a third party, for the children of their employees.

The amount of credit available under this program would be capped at \$25 million, annually, for two years. The amount of credit available to each employer would be derived from a formula using the number of infant and/or toddler childcare seats made available, and “childcare rate,” provided that the available seats are filled.

- The “childcare rate” would be established by the 2022 Child Care Market Rate Survey Report published by the Office of Children and Family Services.

Once all applications for credit have been submitted to the Office of Children and Family Services, the Commissioner would review the total number of applications and allocate to each qualifying employer a portion of each year’s \$25 million credit amount. A qualifying employer receiving a certificate of credit would then submit the certificate with their tax filings to receive their credit.

REVENUE – A.3009

Part G Child Care Creation and Expansion Tax Credit The Governor proposes establishing a new Child Care Creation and Expansion Tax Credit Program to be administered by the Office of Children and Family Services in consultation with the Department of Taxation and Finance.

This Program would offer a refundable tax credit available to businesses that create new childcare seats or expand to include additional childcare seats,



CITY UNIVERSITY OF NEW YORK

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **CUNY Fringe Benefits:** \$971.7 million, \$35.8 million more than last year.
- **Eliminating the TAP Gap:** \$62.6 million, \$3 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Child Care Centers:** \$1.4 million, \$3.6 million less than last year.
- **CUNY SEEK:** \$37 million, \$1.1 million less than last year.
- **Mental Health Services:** \$1 million, \$1 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

- **Additional Operating Support:** \$40 million in additional operating support for senior and community colleges, the same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Community College Base Aid:** \$218 million, \$816,000 more than last year. The Full-Time Equivalent (FTE) base rate is maintained at \$2,997.

SIGNIFICANT DECREASES INCLUDE:

- **Community College Child Care Centers:** \$1.7 million, \$1.2 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Metropolitan Commuter Transportation Mobility Tax:** \$6 million, the same as last year.
- **Community College Apprenticeship Program:** \$2 million, the same as last year.

- **Community College Contract Courses:** \$1.8 million, the same as last year.
- **CUNY Accelerated Study in Associates Program (ASAP):** \$2.5 million, the same as last year.
- **Next Generation NY Job Linkage Program:** \$2 million, the same as last year.
- **Rental Aid:** \$8.9 million, the same as last year.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **CUNY Capital Projects:** \$642.7 million, \$323.1 million less than last year.
 - ➔ **Community College General Maintenance and Improvements:** \$119.6 million, \$74.8 million more than last year.
 - ➔ **CUNY School of Labor and Urban Studies:** \$3 million is eliminated.
 - ➔ **Facilities Improvements:** \$100 million, \$435 million less than last year.
 - ➔ **General Maintenance and Improvements:** \$384.2 million, \$40 million more than last year.

EDUCATION, LABOR, AND FAMILY ASSISTANCE – A.3006

Part B Provide for Tuition Flexibility Throughout CUNY and SUNY This Part would authorize annual tuition increases for the City University of New York (CUNY) and the State University of New York (SUNY) to ensure that each university system can invest in their long-term futures. Tuition increases would be indexed to 3%, or the lesser of the Higher Education Price Index.

Students who are eligible for a full Tuition Assistance Program (TAP) award or an Excelsior Scholarship award with family incomes under \$125,000 and meeting other financial aid eligibility requirements would continue to pay no tuition.

Part C Abortion Access at Public College Campuses This Part requires all State University of New York (SUNY) and City University of New York (CUNY) campuses (including community colleges) to provide access to medication abortion prescription drugs for all enrolled students.

“Access to medication abortion prescription drugs” is defined as the following:

- Prescription and dispensing by a legally certified individual employed by or working on behalf of the campus; or
- Referral to a certified healthcare provider or pharmacy in the community to dispense the medication.

The Trustees of these institutions are required to adopt uniform policies for each university to ensure this access.

CIVIL SERVICE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration and Information Management Program:** \$13.7 million, \$3 million more than last year, for services and expenses related to the administration and information management program.
- **Office of Diversity and Inclusion Management Program:** \$3.5 million, \$1.9 million more than last year, for services and expenses related to the Office of Diversity and Inclusion Management Program. The Governor states that \$2.3 million of this funding will be used to create the Public Service Matters Campaign, which will be created and aired in multiple languages to reach a broader audience and strengthen outreach on difficult-to-fill and high need State titles.
- **Personnel Management Services Program:** \$35.1 million, \$10.1 million more than last year, for services and expenses related to the Personnel Management Services Program. Of this increase, \$2.2 million will be used to develop a job evaluation system that will review the statewide civil service structure for all job titles.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

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

PUBLIC PROTECTION & GENERAL GOVERNMENT – A.3005

Part S Expand Continuous Recruitment This Part would allow the Department of Civil Service (DCS) or a municipal commission to permit the use of a continuous recruitment testing process for open-competitive exams. Current law allows for DCS or a municipal commission to establish a continuing eligible list only when there aren't adequate numbers of qualified individuals available for recruitment. The Executive claims that this change would increase diversity in the State workforce by making exams more accessible.

Part T 55-B and 55-C Candidate Expansion & Transfers This Part would amend the State Civil Service Law to allow the transfer of non-competitive employees appointed through the State's 55-B and 55-C programs into the competitive class if they meet the requisite criteria. This Part would also increase the maximum number of positions designated for individuals with disabilities from 1,200 to 1,700. The State's 55-B program relates to the employment of persons with disabilities by the State, and 55-C relates to the employment of veterans with disabilities by the State.

Part V Extend the Income Cap for Retired Teachers and School Workers This Part would extend the waiver of earnings income limitation for public school employees for an additional year, to June 30, 2024. The waiver is set to expire on June 30, 2023. The Governor claims that continuing the waiver would give school districts the ability to continue to hire and retain retirees who fill vital positions and alleviate staff shortages.

Part X NYSHIP Interest for Premiums in Arrears This Part would permit the Department of Civil Service (DCS) to charge interest to New York State Health Insurance Program (NYSHIP) participating employers that do not pay NYSHIP premiums by the due date. The Governor claims that currently, many NYSHIP participating employers are past due on paying their premiums, resulting in liquidity issues for NYSHIP.

- If enacted, DCS would have the authority to apply an interest amount no greater than the interest incurred by the health insurance plan because of such late payment and at the discretion of the President of the Civil Service Commission.



CORRECTIONS & COMMUNITY SUPERVISION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Community Supervision Program:** \$150.3 million, \$8.6 million more than last year, for services and expenses related to the Community Supervision Program.
- **Correctional Industries Program:** \$77.1 million, \$1.5 million more than last year, for services and expenses related to the Correctional Industries Program.
- **Health Services Program:** \$416.9 million, \$14.6 million more than last year, for services and expenses related to the Health Services Program.
- **Program Services Program:** \$283.9 million, \$8.5 million more than last year, for services and expenses related to the Program Services Program.

- **Supervision of Incarcerated Individuals Program:** \$1.6 billion, \$25.5 million more than last year, for services and expenses related to the supervision of individuals in custody, and for services and expenses incurred by providing therapeutic and rehabilitative programs related to the Humane Alternatives to Long Term (H.A.L.T.) Solitary Confinement Act.
 - **Support Services Program:** \$330.6 million, \$1.4 million more than last year, for personal service costs related to rental of correctional facilities and services and expenses related to the food production center.
-

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Supervision Program:** \$17.1 million, the same as last year. Of this funding, \$7.1 million is used to continue the operation of the Transitional Housing Pilot Program. This program works to secure suitable residences for parolees who might otherwise have been released into the shelter system.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **Facilities Maintenance and Operations:** \$109 million, \$2.1 million more than last year, for various facilities.

Part D Correction Officer Hiring Age This Part would amend the Correction Law to lower the minimum hiring age of correction officers from 21 to 19 years of age to expand the pool of correction officer applicants.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part A Criminal Justice Program Extenders This Part extends for two years various criminal justice and public safety programs that would otherwise expire on March 31, 2023, or September 1, 2023. 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 C Body Scanner Technology This Part would allow the use of body scanning technology within both Department of Corrections and Community Supervision (DOCCS) and Office of Children and Family Services (OCFS) facilities. The Governor claims that this will help advance safety for staff and those who are detained or committed and reduce the need for more invasive physical searches by staff.



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 \$385 million in reappropriations.

CREST PROGRAM CRITERIA:

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

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

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:

- **Crime Prevention and Reduction Strategies Program:** \$78.5 million, \$3.1 million more than last year, for services and expenses related to the administration of the Crime Prevention and Reduction Strategies Program.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Crime Prevention and Reduction Strategies Local Assistance:** \$466 million, \$67.7 million more than last year, to provide funding for community-based crime prevention programs such as:
 - ➔ **Alternatives to Incarceration:** \$31.4 million, \$17.6 million more than last year, for payments to nonprofits and government operated programs providing alternatives to incarceration, community supervision and/or employment programs.

- ➔ **Civil or Criminal Legal Services:** \$4.2 million, \$2.8 million more than last year, for services, expenses or reimbursement of expenses incurred by local government agencies and/or nonprofit providers or their employees providing civil or criminal legal services, including legal services for victims of domestic violence.
- ➔ **Crime Analysis Centers:** \$17.9 million, \$3 million more than last year, for services and expenses related to the operation of crime analysis centers. Of the \$3 million increase, \$1 million will be used to support the establishment of a Crime Analysis Center in New York City. According to the Governor's proposal, this new partnership will be integrated with existing regional crime analysis capability and will be focused on disrupting the illegal narcotics trade and cycle of gun violence.
- ➔ **Gun Involved Violence Elimination (GIVE):** \$36.3 million, \$18.1 million more than last year, to provide local law enforcement agencies with funding for equipment, overtime, personnel, as well as focused training and technical assistance. GIVE supports 20 police departments, district attorneys' offices,

probation departments and sheriffs' departments in 17 counties.

- ➔ **Pretrial Services:** \$20 million, \$10 million more than last year, for payments to nonprofits and government operated programs providing pretrial services.
- ➔ **Recidivism Reduction:** \$11.5 million, \$7.6 million more than last year, for services and expenses of programs aimed at reducing the risk of re-offending.

SIGNIFICANT ACTIONS INCLUDE:

- **Prosecutorial Services and the Anti-Fentanyl Innovation Grant:** \$47 million in new funding. Of this funding, \$40 million will be used to hire new prosecutors across the State, and up to \$7 million will be made available for the creation of specialized units tasked with shutting down fentanyl supply chains and increasing prosecution in cases of overdose deaths.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Discovery Implementation:** \$80 million. This includes \$40 million in funding from the State's General Fund, and \$40 million in funding transferred from the Manhattan District Attorney's Office, to assist district attorneys in paying for digital evidence transmission technology, administrative support, computers, hardware and operating software, data connectivity, development of training materials, staff training, over-time costs, litigation readiness, and pretrial services.
- **SNUG:** \$20.9 million. SNUG seeks to engage high-risk youth in communities with high rates of crime to identify and address issues that may be causing them to engage in gun violence and other violent behaviors.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$24.2 million for 123 programs added by the legislature is eliminated.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Securing Communities Against Hate Crimes (SCAHC) Grant Program:** \$35 million, \$10 million more than last year, for at risk eligible nonprofit facilities with financial assistance for enhancing facilities' physical security systems and staff training. \$10 million of this funding must be made available to nonprofit reproductive health centers.

SIGNIFICANT ACTIONS INCLUDE:

- **Administration:** \$18 million in new funding for services and expenses related to the acquisition and development of technology, including but not limited to equipment, software, and services.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Capital Investment to Combat Gun Violence:** \$50 million for competitive grants to support capital investments related to innovative crime reduction strategies in communities affected by gun violence.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Discovery Implementation and Pretrial Services:** \$35 million eliminated. This funding was used to support capital investments related to a statewide discovery database and pretrial, alternative to incarceration services and reentry programs.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part B Bail Reform This Part would restore judicial discretion in securing order determinations for qualified offenses. Specifically, the proposal would remove the requirement that the court impose the least restrictive means necessary to ensure an individual's return to court. In making its determination, the court must consider available information about the individual, including:

- The individual's activities and history;
- If the individual is a defendant, the charges facing the individual;
- The individual's criminal conviction record, if any;
- The individual's record of previous adjudication as a juvenile delinquent, pending cases where fingerprints are retained, or a youthful offender;
- The individual's previous record with respect to flight to avoid criminal prosecution;
- If monetary bail is authorized, the individual's financial circumstances and ability to post bail without posing an undue hardship, as well as their ability to obtain a bond;
- Any violation by the individual of an order of protection issued by any court;
- The individual's history of use or possession of a firearm;
- Whether the charge is alleged to have caused serious harm to an individual or group of individuals; and
- If the individual is a defendant, in the case of an application for a securing order pending appeal, the merit or lack of merit of the appeal.

HEALTH AND MENTAL HYGIENE – A.3007

Part BB Banning Fentanyl Analogs This Part updates the State Schedule I and II list of Controlled Substances by including various fentanyl analogs. The definition for "imitation controlled substance" is updated to include "a controlled substance, which by dosage unit appearance, including color, shape and size and by a representation is represented to be a different controlled substance, as defined in the penal law." The list of evidence of representations for a controlled substance is also updated to include drugs that "having been prescribed or provided by a pharmacist or health care practitioner." This part also amends the Penal Law to add the following:

- Criminal possession of an imitation controlled substance in the fifth degree, a Class A misdemeanor;
- Criminal possession of an imitation controlled substance in the third degree, a class D felony;
- Criminal sale of an imitation controlled substance in the fifth degree, a class E felony;
- Criminal sale of an imitation controlled substance in the third degree, a Class C felony; and
- Criminal sale of an imitation controlled substance in the first degree, a class A-1 felony.



DEBT SERVICE

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STATE DEBT SERVICE – A.3002

SIGNIFICANT ACTIONS INCLUDE:

Debt Service Bill: Appropriates approximately \$15.6 billion for payments to principal, interest and related expenses towards the State's outstanding debt. This funding is necessary to make legally required payments related to the sale and servicing of debt by the State, as well as contractual debt agreements with public authorities and agencies.

- Specifically, these payments are going towards general obligation bonds, revenue bonds, lease purchase agreements and other special contractual obligations. Further, the appropriation provides reserve funds for market rate fluctuations and debt reduction needs.
- The FY24 Debt Service Bill does provide additional appropriation authority needed to pay debt service costs if the proposed fourth round of short-term liquidity financing totaling \$5 billion (\$3 billion in short-term notes and \$2 billion for Lines of Credit) of debt is adopted and then issued by the State. This is \$6 billion less than what was provided in short-term

liquidity authorizations in the 2020-21 Enacted Budget and the same amount authorized in the 2021-22 Enacted Budget and the 2022-23 Enacted Budget.

- ➔ 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 2023-24 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.
- For FY24, approximately 44% of debt service costs will go towards principal costs and 56% of debt service costs will cover the interest portion.
- State-related debt service is expected to grow by 6.2%, on an average annual basis, over the 5-year Capital Plan and is projected to be 3.7% of the All Funds budget.

FINANCIAL PLAN IMPLICATIONS

Projected State-related debt service costs for FY24 are \$3.5 billion (this cash spending figure is accounted for in the Executive Budget Financial & Capital Plans), a decrease of \$5 billion or 59% from FY23 costs. This decrease is attributable to prepayments being made in the current year, FY23, which reduces the debt service payment in FY24. The Executive Budget proposes an additional \$900 million in prepayments using funds from the FY23 General Fund surplus to cover FY24 debt service payments. This is on top of previously approved prepayments, for a total of \$2.9 billion.

- The breakdown of the \$3.5 billion is as follows:
 - ➔ Dedicated Highway Revenue Bond Cash Payment: \$45 million;
 - ➔ General Obligation Cash Payment (voter- approved debt): \$201 million;
 - ➔ Health Income Revenue Bond Cash Payment: \$22 million;
 - ➔ MBBA Prior Year School Aid Claims: \$0;
 - ➔ Personal Income Tax Notes: \$0;
 - ➔ Personal Income Tax Revenue Bond Cash Payment: \$2.5 billion;
 - ➔ Sales Tax Revenue Bond Cash Payment: \$663 million;
 - ➔ Service Contract Bonds: \$62 million; and
 - ➔ Service Contract Line of Credit: \$0.
- 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 CC Sweeps and Transfers

§2-3 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

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

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

§27-§47 Bond Caps These sections increase the traditional bond caps (debt authorization authority) by approximately \$16.9 billion to fulfill the proposed 2023-24 Executive Budget proposals.

§48 State Liquidity Financing Measures The Executive Budget proposes the continuation of the authorization to issue up to \$3 billion in short-term Personal Income Tax notes to help deal with shortfalls in the State's Financial Plan arising from adverse economic and fiscal events and risks, disasters and emergencies. The State would be able to issue short-term notes until December 31, 2023; with the notes having a final maturity no later than March 31, 2024. These notes cannot be renewed, extended or refunded. These notes will be exempt from the limitations on State-supported debt and

will not constitute a debt of the State. Further, no capital work is necessary to issue this debt.

§49 State Liquidity Financing Measures The Executive Budget proposes the continuation of the authorization to enter into \$2 billion in Line of Credit Facilities to help deal with shortfalls in the State's Financial Plan arising from adverse economic and fiscal events and risks, disasters and emergencies. The State is authorized until March 31, 2024 to; (i) enter into commitments with financial institutions for the establishment of one or more line of credit facilities or other similar revolving financing arrangements, (ii) draw, at one or more times at the discretion of the Director of Budget to assist the State to temporarily finance its budgetary needs, and (iii) secure repayment of such draws, which payment obligations do not constitute a debt of the State. The maximum term of any line of credit will be one year from the date of incurrence; however, no draw will occur after March 31, 2024. If any line of credit extends beyond March 31, 2024, it must be supported by sufficient appropriation authority enacted by the Legislature. These lines of credit will be exempt from the limitations on State-supported debt and no capital work is necessary to make these draws. No later than seven days after a draw occurs on a line of credit facility, the Director of Budget must provide notification to the President Pro Tempore of the Senate and the Speaker of the Assembly.

§51 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2024, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget increases these amounts as follows:

- \$15 million, an increase of \$8 million from last year, from the State University General Income Reimbursable Account;
- \$5 million, a decrease of \$2 million from last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, an increase of \$1 million from last year, from the City University Senior College Operating Fund.

§52 Bonding Authority to Refund Power Authority of the State of New York The Executive Budget amends this section to allow the Dormitory Authority of the State of New York, New York State Urban Development Corporation and the Thruway Authority to issue bonds up to \$475 million, an increase of \$275 million from last year, under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program. These bonds are for the purpose of refunding obligations of the Power Authority of the State of New York to fund energy efficiency projects at State agencies, including but not limited to SUNY, CUNY, Office of General Services, Office of Mental Health, State Education Department and Department of Agriculture and Markets. Bonds issued will not be a debt of the State, the State will not be liable thereon and they will not be payable out of any funds other than those appropriated by the State under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program.

§53 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50 years until April 1, 2024.

§54 Debt Service Set-aside The Executive Budget proposes the permanent authorization for the quarterly set-aside of monies to pay State general obligation and other debt service. This authorization is set to expire June 30, 2023 and was last extended for three years.

TRANSPORTATION, ECONOMIC
DEVELOPMENT AND
ENVIRONMENTAL
CONSERVATION – A.3008

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

Part Z Increases the Authorization for DASNY to Issue Hospital and Nursing Home Project Bonds and Notes This Part increases the Dormitory of the State of New York's (DASNY), as successor to the New York State Medical Care Facilities Finance Agency (MCFFA), authorization to issue bonds for construction projects related to healthcare facilities from \$17.4 billion to \$18.2 billion.

Part EE Increases Battery Park City Authority Bond Capacity This Part increases the Battery Park City Authority's renewable bonding capacity from a not to exceed amount of \$300 million to a not to exceed amount of \$500 million. Further, this Part increases the non-renewable bonding capacity from a not to exceed amount of \$500 million to a not to exceed amount of \$1.5 billion.



ECONOMIC DEVELOPMENT

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Empire State Entertainment Diversity Job Training:** \$2 million to support grants for job creation and training programs that recruit, hire, promote and train an inclusive workforce as production company employees in the motion picture and television industry.
- **I Love NY:** \$2.5 million.

SIGNIFICANT ACTIONS INCLUDE:

- **Minority and Women-owned Business Development and Lending:** No new funding. \$355,000 is reappropriated to support the Division of Minority and Women's Business Development.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **High Technology Matching Grants Program:** \$12 million, \$7 million more than last year. This increased funding would support two new matching grant programs, 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.
- **University of Rochester Laser Energetics Program:** \$1 million in new funding.

SIGNIFICANT DECREASES INCLUDE:

- **Centers for Advanced Technology (CAT):** \$13.6 million, \$1.4 million less than last year. These Centers support university-industry collaborative research and technology transfer in commercially relevant technologies.
- **Centers of Excellence (COE):** \$12 million, \$1.97 million less than last year. COE foster collaboration between the academic research community and the business sector to develop and commercialize new products and technologies. Funding for each COE shall include:

- ➔ Albany COE in Data Science in Atmospheric and Environmental Prediction and Innovation: \$800,000;
 - ➔ Albany COE in Nanoelectronics: \$895,455;
 - ➔ Binghamton COE in Small Scale Systems Integration and Packaging: \$895,455;
 - ➔ Buffalo COE in Bioinformatics and Life Science: \$895,455;
 - ➔ Buffalo COE in Materials Informatics: \$895,455;
 - ➔ Clarkson COE in Healthy Water Solutions: \$375,000;
 - ➔ Cornell University COE in Food and Agriculture Innovation: \$895,455;
 - ➔ New York Medical College COE in Precision Responses to Bioterrorism and Disaster: \$1 million;
 - ➔ Rochester COE in Data Science: \$895,455;
 - ➔ Rochester COE in Sustainable Manufacturing: \$895,455;
 - ➔ RPI / RIT / NYU COE in Digital Game Development: \$895,455;
 - ➔ Stony Brook COE in Advanced Energy Research: \$895,455;
 - ➔ Stony Brook COE in Wireless and Information Technology: \$895,455; and
 - ➔ Syracuse COE in Environmental and Energy Systems: \$895,455.
- **Local Tourism Matching Grants:** \$2.45 million, \$1 million less than last year. This program provides matching funds to local Tourism Promotion Agencies (TPAs) to market their destination to increase the number of visitors and tourism spending across the State.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Innovation Hot Spots:** \$5 million. This funding provides operating support for NYS

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

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



EDUCATION

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According to the US Census, in Fiscal Year 2020, New York State's public school per pupil spending was \$25,519. This continues to rank as the highest in the United States and is 89% above the national average of \$13,494, as shown in *Figure 1*.

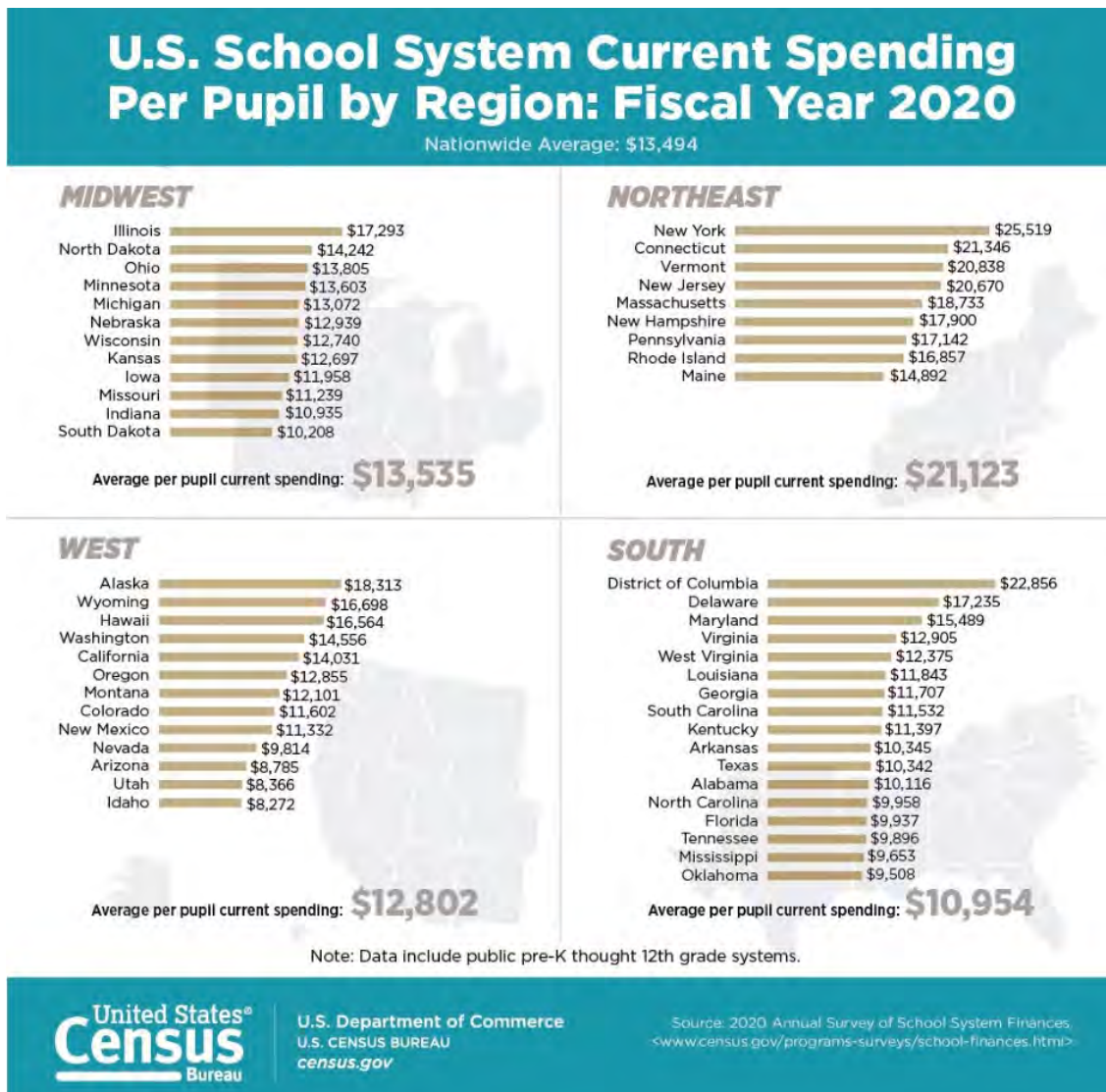


Figure 1

STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Adult Career and Continuing Education Services Program:** \$151 million, \$1.6 million more than last year, primarily due to an increase in funding for Federal vocational rehabilitation and supported employment programs.
- **Cultural Education Program:** \$73.2 million, \$877,000 more than last year, due to an increase in funding for the administration of various cultural education programs including the Library Services and Technology Act (LSTA).
- **Office of Higher Education and the Professions Program:** \$82.7 million, \$2.2 million more than last year, primarily due to an increase in funding for the Licensing and Disciplining Programs for the Professions and the Teacher Certification Office. The increased funding for the Teacher Certification Office will be used as part of a second-year effort to modernize the TEACH certification system, which aims to expedite processing times for the following application types:
 - ➔ **State-Approved Teacher Preparation Programs:** No more than four weeks;
 - ➔ **Reciprocity Applications:** No more than six weeks;
 - ➔ **Individual Evaluation of Credentials:** No more than eight weeks; and
 - ➔ **Certificate Progression:** No more than eight weeks.
- **Office of Management Services (Chief Financial Officer):** \$58.8 million, \$1.2 million more than last year. 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:** \$265.5 million, \$8.4 million more than last year. This net increase can be attributed to:
 - ➔ \$4.5 million more for costs associated with the administration of Federal grant programs including Title I-VII grant programs and the Individuals with Disabilities Education Act (IDEA);
 - ➔ \$2.5 million in new funding for the State Education Department to undertake a comprehensive study of alternative tuition rate-setting methodologies for approved preschool and school-age special education providers;
 - ❖ See Section 27 of A.3006 (Education, Labor, and Family Assistance Article VII) in this section for a comprehensive breakdown of requirements associated with this study.
 - ➔ \$1.2 million more for the administration of programs through the National School Lunch Act;
 - ➔ \$341,000 more for personal service costs incurred by the Office of Prekindergarten through Grade Twelve Education Program;
 - ➔ \$8,000 more for contractual service costs incurred by the Office of Family and Community Services;
 - ➔ \$4,000 more for contractual service costs incurred by the State Office of Religious and Independent Schools; less
 - ➔ \$150,000 elimination of the Fiscal Consultant for the Rochester City School District.

- **School for the Blind Program:** \$11.2 million, \$525,000 more than last year, for the administration of the School for the Blind in Batavia, New York.
- **School for the Deaf Program:** \$10 million, \$371,000 more than last year, for the administration of the School for the Deaf in Rome, New York.

AID TO LOCALITIES – A.3003

GENERAL SUPPORT FOR PUBLIC SCHOOLS (SCHOOL AID)

The Executive Budget provides \$33.9 billion in total State School Aid funding, an increase of \$3.1 billion, or 10%. (See *Figure 4* following the Capital Projects summary for a complete program-by-program breakdown of these School Aid changes).

SIGNIFICANT FORMULA-BASED AID INCREASES INCLUDE:

- **BOCES Aid:** \$1.2 billion, \$41.3 million more than last year. This aid is funded at present law levels.
- **Charter School Transition Aid:** \$51.8 million, \$4.6 million more than last year. This aid is funded at present law levels.
- **Computer Software Aid:** \$42.9 million, \$671,704 more than last year. This aid is funded at present law levels.
- **Foundation Aid:** \$24 billion, \$2.7 billion more than last year. This increase in funding reflects a combination of:

- ➔ The final year of the three-year full phase-in schedule;
- ➔ An inflation factor that is already accounted for within the current Foundation Aid formula that is designed to adjust Foundation Aid by the high levels of inflation that were experienced in calendar year 2022; and
- ➔ A wealth-adjusted minimum increase of 3% for districts that have already received their full allocation of Foundation Aid.

- **Hardware and Technology Aid:** \$34.7 million, \$573,465 more than last year. This aid is funded at present law levels.
- **Library Materials Aid:** \$17.9 million, \$780,023 more than last year. This aid is funded at present law levels.
- **Private Excess Cost (Special Education) Aid:** \$420.8 million, \$57.3 million more than last year. This aid is funded at present law levels.
- **Textbook Aid:** \$165.8 million, \$2.6 million more than last year. This aid is funded at present law levels.
- **Transportation Aid, including Summer Transportation Aid:** \$2.5 billion, \$176.7 million more than last year. This aid is funded at present law levels.
- **Universal Prekindergarten Aid:** \$1.2 billion, \$160.6 million more than last year. For the 2023-24 School Year, this funding is provided to school districts based on the sum of:
 - ➔ **Formula-based UPK Aid:** Provides funding to school districts based upon the maximum number of full-day four-year-old prekindergarten pupils a district was able to serve in the previous year; plus
 - ➔ **Statewide Universal Full-Day Prekindergarten Program (SUFDPK):** Incentivizes and funds certain universal

full-day prekindergarten programs based on an allocation list developed in the FY15 Enacted Budget; and

- ➔ **Full-Day Four-Year-Old Expansion Grants:** Supplants Federal funding that was originally authorized in the FY 2022 Enacted Budget for UPK for four-year-olds with State funds.

SIGNIFICANT DECREASES INCLUDE:

- **Building Aid:** \$3.3 billion, \$65.5 million less than last year. This aid is funded at present law levels.
- **Public Excess Cost (Special Education) Aid:** \$544.8 million, \$43.8 million less than last year. This aid is funded at present law levels.
- **Reorganization Incentive Building Aid:** \$14.6 million, \$1.7 million less than last year. This aid is funded at present law levels.
- **Reorganization Incentive Operating Aid:** \$3 million, \$591,294 less than last year. This aid is funded at present law levels.
- **Special Services Aid:** \$239.1 million, \$1.9 million less than last year. This aid is funded at present law levels.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

SIGNIFICANT ACTIONS INCLUDE:

- **Full Day-Kindergarten Conversion Aid:** There is no funding provided on the school aid run for Full Day-Kindergarten Conversion Aid. This funding is dependent on schools submitting a claim for expenses

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

FEDERAL STIMULUS FUNDING

SIGNIFICANT ELIMINATIONS INCLUDE:

- **American Rescue Plan Act (ARPA) Funding:** \$8.8 million. This funding included the following:
 - ➔ **Elementary and Secondary School Emergency Relief (ESSER) Fund:** \$6.5 million. These funds were fully disbursed in the Fiscal Year 2022-23 Enacted Budget.
 - ➔ **Emergency Assistance to Nonpublic Schools (EANS):** \$2.3 million. These funds were fully disbursed in the Fiscal Year 2022-23 Enacted Budget.

GRANT PROGRAMS AND OTHER AID CATEGORIES

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

SIGNIFICANT INCREASES INCLUDE:

- **Education of Students Located by the Office of Mental Health and the Office of People with Developmental Disabilities:** \$48.8 million, \$1 million more than last year.
- **Native American Education:** \$67.3 million, \$470,000 million more than last year.

- Nonpublic School Aid – STEM Programs: \$70 million, \$12 million more than last year.
- Summer School Special Education Programs: \$367.5 million, \$3 million more than last year.
- Universal Full-Day Prekindergarten Program: \$400 million, \$33.5 million more than last year. Total funding for prekindergarten can be attributed to the following schedule of competitive expansion grant programs:
 - ➔ Statewide Universal Full-Day Pre-Kindergarten (SUFDPK): \$340 million;
 - ➔ FY 2023 4-Year-Old Expansion Grants: \$25 million in new funding;
 - ➔ FY 2024 4-Year-Old Expansion Grants: \$25 million; and
 - ➔ State Takeover of Federal FY 2022 SUFDPK: \$10 million, 8.5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- Allowances to Private Schools for the Blind and the Deaf (4201 Schools): \$105.9 million, \$2 million less than last year.
- Consortium for Worker Education (CWE): \$11.5 million, \$1.5 million less than last year.
- Early College High School Programs: \$1 million, \$465,000 less than last year.
- Nonpublic School Aid – Comprehensive Attendance Policy: \$77.5 million, \$1.9 million less than last year. This funding is provided to cover the costs associated with the Comprehensive Attendance Policy requirement.
- School Tax Relief (STAR) Program: \$1.7 billion, \$114.1 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, \$12.8 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- 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.
- Center for Autism and Related Disabilities at SUNY Albany: \$1.2 million.
- Charter School Facilities Aid: \$100 million, This funding is provided explicitly to New York City who is required to provide new and expanding charter schools with co-located space or pay a portion of the rental costs for private facilities. This funding is provided to cover rental costs for the 2022-23 school year and prior years.
- 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 would 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.

- Homeless Pupil Grants: \$32.2 million.
- Incarcerated Youth Education: \$6 million.
- Just for Kids at SUNY Albany: \$235,000.
- Learning Technology Grants: \$3.3 million.
- Locally Sourced Food Reimbursement: \$10 million. This funding is to reimburse school lunch programs that have purchased at least 30% of their total food products from New York State farmers, growers, producers, and processors.
- Math and Science High Schools: \$1.4 million.
- Mentoring and Tutoring Program: \$490,000.
- Minimum Wage Increase Offset for 4201, 853, Special Act and 4410 Schools: \$17.2 million. This funding is provided to support the direct salary costs and fringe benefits associated with any minimum wage increase that takes effect this year for 4201, 853, Special Act and 4410 schools.
- My Brother's Keeper Initiative: \$18 million.
- New York State Center for School Safety: \$466,000.
- Nonpublic School Aid – Academic Intervention Services: \$922,000.
- Nonpublic School Aid – Mandated Services: \$115.7 million. Mandated Services Aid is provided to cover the costs associated with State mandates.
- Out of School Immigrant Youth and Young Adults: \$1 million.
- Postsecondary Aid to Native Americans: \$800,000.
- Preschool Special Education: \$1.04 billion. This funding is the State's 59.5% share of costs for preschool special education. The remaining 40.5% is paid for by the countries.
- Primary Mental Health Project at the Children's Institute: \$894,000.
- Reduced Price Meals: \$2.3 million to pay for the student cost of reduced-price meals.
- Roosevelt Union Free School District Academic Improvement Grants: \$12 million.
- School Bus Driver Training Grants: \$400,000.
- School Health Services for the Big Four City School Districts: \$13.8 million.
- School Lunch and Breakfast Program: \$36.7 million.
- Small Government Assistance to School Districts: \$1.9 million.
- Summer Lunch Program: \$3 million.
- Supplemental Charter School Tuition: \$185 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: \$8.6 million.

SIGNIFICANT ACTIONS INCLUDE:

- Early College High School (ECHS) and Pathways in Technology Early College High School (P-TECH): \$20 million for a new cohort of students enrolling in ECHS and P-TECH programs that are focused on computer science and/or computer hardware and software engineering. Such programs must also serve high rates of economically disadvantaged students.
- High School-College-Workforce Transformation Grants: \$10 million in new funding. This program would establish local collaboratives consisting of school districts or BOCES, local community colleges, and local industries to implement strategic workforce plans that promote job readiness

in their local economies. One award would be made available in each Regional Economic Development Council region in the State.

- Middle School Expanded Mathematics Access Programs: \$750,000 in new funding to be awarded to a qualified organization to provide additional math instruction using internet-accessible learning games to build basic math fluency for middle school students in grades six through eight.
- ➔ Of this amount, \$250,000 would be set-aside for a state-wide math tournament for students in grades 6 through 8.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Auburn Enlarged School District School Resource Officers (SRO): \$275,000.
- Bard High School Early College in Queens: \$461,000.
- BioBus: \$400,000.
- Bullet Aid (Member specific education grants): \$13.1 million.
- ➔ Senate Bullet Aid: \$6.8 million.
- ➔ Assembly Bullet Aid: \$6.3 million.
- Cleary School for the Deaf: \$500,000.
- Clinically Rich Intensive Teacher Institute Bilingual Extension: \$385,000.
- Consortium for Worker Education Credential Initiative: \$250,000.
- East Ramapo Central School District Monitor: \$225,000.
- Educators for Student Success: \$100,000.
- Executive Leadership Institute: \$475,000.
- Garrison Union Free School District Monitor: \$180,000.
- Hempstead Union Free School District Monitor: \$175,000.
- Henry Viscardi School: \$903,000.

- Long Island Latino Teachers Association: \$40,000.
- Long Island Pre-K Initiative (Nassau BOCES): \$500,000.
- Magellan Foundation, Inc.: \$475,000.
- Many Threads, One Fabric Implicit Bias Training: \$1.3 million.
- Mill Neck Manor School for the Deaf: \$500,000.
- Mind Builders Creative Arts Center: \$365,000.
- New York School for the Deaf: \$903,000.
- Nonpublic School Aid – State School Immunization Program (SSIP): \$1 million.
- NYC Kids Rise, Inc.: \$650,000.
- Positive School Climates Pilot Program: \$2 million.
- Promise Project: \$300,000.
- Queens College Townsend Harris High School: \$250,000.
- Recover from COVID-19 School Grant Program (RECOVS): \$100 million. This funding was for a two-year grant program to help schools and BOCES programs address student well-being and learning loss exacerbated by the COVID-19 pandemic. The Governor proposes to delay the implementation of this program until the 2023-24 School Year. As a result, \$100 million that was provided last year is reappropriated.
- Relief for Tax Certiorari and Taxable Property Valuation Change: \$4 million. This funding was allocated for school districts which face significant financial hardship due to extraordinary changes in taxable property valuations, or a significant shift in tax liability due to a tax certiorari settlement or judgement.
- Rochester City School District Monitor: \$175,000.

- School Health Services for Buffalo: \$1.2 million.
- School Health Services for Rochester: \$1.2 million.
- St. Francis de Sales School for the Deaf: \$150,000.
- Teacher Diversity Pipeline Pilot Program: \$500,000. This funding was for a pilot program operated by the State University College at Buffalo for the Buffalo City School District to assist teacher aides and teaching assistants in attaining the necessary educational and professional credentials to obtain teacher certification.
- United Community Schools: \$450,000.
- Universal Hip Hop Museum: \$150,000.
- Wyandanch Union Free School District Monitor: \$175,000.
- Yonkers City School District: \$12 million.

ADULT CREER AND CONTINUING EDUCATION SERVICES PROGRAM (ACCESS)

SIGNIFICANT DECREASES INCLUDE:

- Adult Literacy Education: \$7.8 million, \$1.5 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

CULTURAL EDUCATION PROGRAM

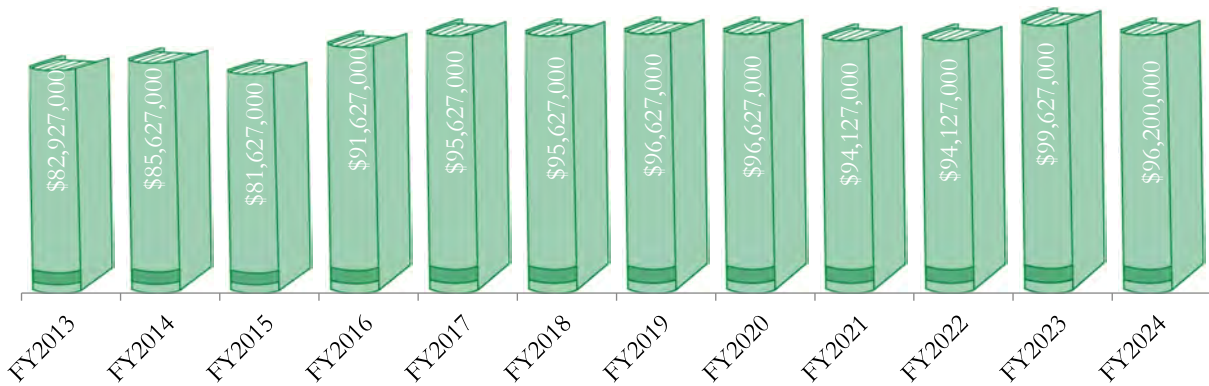
SIGNIFICANT DECREASES INCLUDE:

- Library Aid: \$96.2 million, \$3.5 million less than last year.
 - ➔ Please see *Figure 2* for Historical Library Aid.
- Public Educational Television and Radio: \$14 million, \$7.8 million less than last year. Funding for the following initiatives has been eliminated:
 - ➔ Instructional Content for Classroom and Remote Learning: \$3.4 million;
 - ➔ Digital Teaching and Learning Media Tools Focused on New York State: \$2 million;
 - ➔ Special Programming and Events on the Opioid Crisis in New York State: \$1.4 million;
 - ➔ Resources to Address Isolation Among Seniors: \$750,000; and
 - ➔ Teacher Professional Development Toolkit on Improving Student Mental Health: \$300,000.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Documentary Heritage Grants and Aid to Archives: \$461,000.
- Local Governments Records Management Grants: \$8.3 million.
- Statewide Summer Reading Program (Love Your Library): \$150,000.
 - ➔ This funding is provided from contributions made by taxpayers when completing their annual tax filings (commonly referred to as a voluntary tax-check off).

Figure 2
HISTORICAL STATE LIBRARY AID



SIGNIFICANT ELIMINATIONS INCLUDE:

- Langston Hughes Community Library and Cultural Center of the Queens Library: \$112,500.
- Schomburg Center for Research in Black Culture: \$375,000.

- Liberty Partnerships Program: \$24.2 million, \$738,000 million less than last year.
- Science and Technology Entry Program (STEP): \$20.9 million, \$636,000 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

OFFICE OF HIGHER EDUCATION & THE PROFESSIONS

SIGNIFICANT DECREASES INCLUDE:

- Collegiate Science and Technology Entry Program (C-STEP): \$15.8 million, \$482,000 less than last year.
- Foster Youth College Success Initiative: \$7.9 million, \$241,000 million less than last year.
- Higher Education Opportunity Program (HEOP): \$46.9 million, \$1.4 million less than last year.

- Enhanced Services for Students with Disabilities: \$2 million. This funding enhances supports and services for students with disabilities enrolled in New York State degree granting colleges and universities.
- High Needs Nursing Programs: \$941,000. This program provides financial assistance to expand High Needs Nursing Programs at private colleges and universities.
- Independent Colleges and Universities (Bundy Aid): \$35.1 million.
- 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.
- **Niagara University-First Responder Emergency Management Disability Awareness Training Program:** \$50,000.
- **On Point for College, Inc.:** \$200,000.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **New York State School for the Blind:** \$4.5 million, \$1.3 million more than last year. This funding is for renovations at the New York State School for the Blind.
- **New York State School for the Deaf:** \$3 million, \$1.2 million more than last year. This funding is for renovation projects at the New York State School for the Deaf.

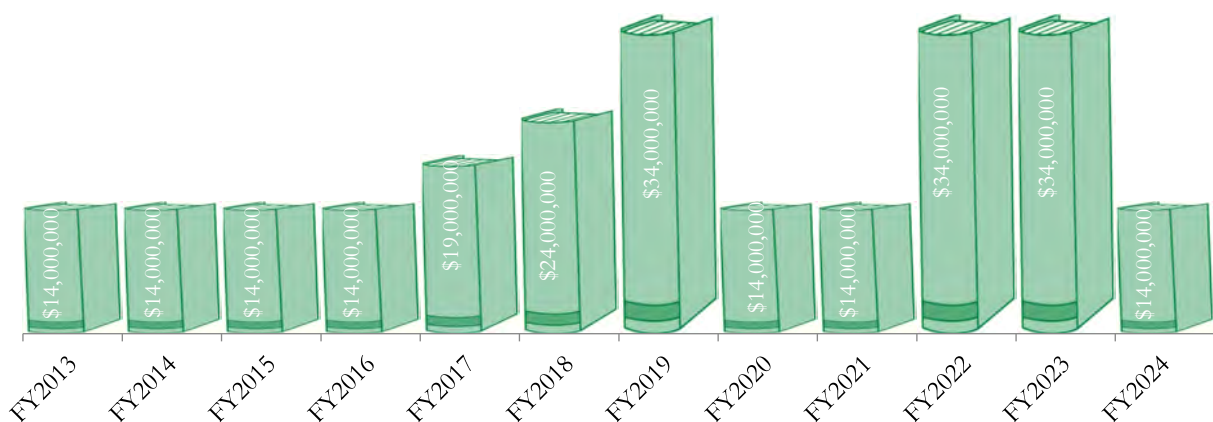
SIGNIFICANT DECREASES INCLUDE:

- **Library Construction Grants:** \$14 million, \$20 million less than last year. Library Construction Grants are available to public libraries for the acquisition, rehabilitation, renovation, or construction of buildings.
➔ Please see *Figure 3* for Historical Library Construction Aid.
- **Office of the Professions Electronic Licensing System:** \$5.2 million, \$2.6 million less than last year.
- **Schools for Native American Reservations:** \$20.1 million, \$15.6 million less than last year. The breakdown of this funding includes:
➔ **Onondaga Nation School:** \$11.2 million;
➔ **St. Regis Mohawk School:** \$2.3 million; and
➔ **Tuscarora Nation School:** \$6.6 million.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

Figure 3
Historical State Library Capital Construction Aid



2023-24 Executive School Aid Appropriations for the 2022-23 and 2023-24 School Years <i>Figure 4</i>				
I. Formula Based Aid	2022-23	2023-24	\$ CHANGE	% CHANGE
Foundation Aid	\$21,334,376,795	\$24,069,087,157	\$2,734,710,362	12.8%
Academic Enhancement Aid	\$28,271,832	\$28,271,832	\$0	0.0%
Charter School Transition Aid	\$47,192,542	\$51,784,445	\$4,591,903	9.7%
High Tax Aid	\$223,298,324	\$223,298,324	\$0	0.0%
Full Day-Kindergarten Conversion Aid	\$0	\$0	\$0	-
Reorganization Incentive Operating Aid	\$3,614,302	\$3,023,008	(\$591,294)	(16.4%)
Universal Prekindergarten Aid	\$1,003,072,590	\$1,163,628,245	\$160,555,655	16.0%
General Purpose Aid Subtotal	\$22,639,826,385	\$25,539,093,011	\$2,899,266,626	12.8%
Private Excess Cost Aid	\$363,497,959	\$420,816,699	\$57,318,740	15.8%
Public Excess Cost High Cost Aid	\$588,634,950	\$544,792,066	(\$43,842,884)	(7.4%)
Supplemental Public Excess Cost Aid	\$4,313,167	\$4,313,167	\$0	0.0%
Support for Pupils with Disabilities Subtotal	\$956,446,076	\$969,921,932	\$13,475,856	1.4%
BOCES Aid	\$1,134,712,451	\$1,176,001,986	\$41,289,535	3.6%
Non-BOCES Academic Improvement Aid	\$54,271,410	\$53,221,923	(\$1,049,487)	(1.9%)
Non-BOCES Career Education Aid	\$153,874,873	\$153,192,397	(\$682,476)	(0.4%)
Non-BOCES Computer Administration Aid	\$32,847,113	\$32,689,700	(\$157,413)	(0.5%)
BOCES/Career and Technical Ed. Subtotal	\$1,375,705,847	\$1,415,106,006	\$39,400,159	2.9%
Computer Software Aid	\$42,192,163	\$42,863,867	\$671,704	1.6%
Hardware and Technology Aid	\$34,147,536	\$34,721,001	\$573,465	1.7%
Library Material Aid	\$17,103,847	\$17,883,870	\$780,023	4.6%
Textbook Aid	\$163,166,507	\$165,754,828	\$2,588,321	1.6%
Instructional Materials Aid Subtotal	\$256,610,053	\$261,223,566	\$4,613,513	1.8%
Building Aid	\$3,327,936,788	\$3,262,433,886	(\$65,502,902)	(2.0%)
Reorganization Incentive Building Aid	\$16,274,535	\$14,625,926	(\$1,648,609)	(10.1%)
Transportation Aid	\$2,293,432,696	\$2,470,146,071	\$176,713,375	7.7%
Summer Transportation Aid	\$4,999,860	\$4,999,785	(\$75)	(0.0%)
Other Formula-Based Aid Subtotal	\$5,642,643,879	\$5,752,205,668	\$109,561,789	1.9%
Total Formula-Based Aid	\$30,871,232,240	\$33,937,550,183	\$3,066,317,943	9.9%
II. Grant Programs and Additional Aid Categories:				
Bilingual Education Grants	\$18,500,000	\$18,500,000	\$0	0.0%
BOCES Aid for Special Act Districts	\$700,000	\$700,000	\$0	0.0%
Bus Driver Safety Training Grants	\$400,000	\$400,000	\$0	0.0%
Chargebacks	(\$35,000,000)	(\$35,000,000)	\$0	0.0%
Edu. of OMH/OPWDD	\$47,800,000	\$48,800,000	\$1,000,000	2.1%
Employment Preparation Education Aid	\$96,000,000	\$96,000,000	\$0	0.0%
Homeless Pupils	\$32,230,000	\$32,230,000	\$0	0.0%
Incarcerated Youth	\$6,000,000	\$6,000,000	\$0	0.0%
Learning Technology Grants	\$3,290,000	\$3,290,000	\$0	0.0%
Native American Building Aid	\$5,000,000	\$5,000,000	\$0	0.0%
Native American Education	\$66,780,000	\$67,250,000	\$470,000	0.7%
Roosevelt	\$12,000,000	\$12,000,000	\$0	0.0%
Special Act School Districts	\$2,700,000	\$2,700,000	\$0	0.0%
School Health Services	\$13,840,000	\$13,840,000	\$0	0.0%
Teacher-Mentor Intern	\$2,000,000	\$2,000,000	\$0	0.0%
Teachers of Tomorrow	\$25,000,000	\$25,000,000	\$0	0.0%
Urban-Suburban Transfer	\$8,530,000	\$8,530,000	\$0	0.0%
Total Formula-Based and Grant Programs	\$305,770,000	\$307,240,000	\$1,470,000	0.5%
III. Competitive Grants				
Competitive Grants	\$176,360,000	\$197,110,000	\$20,750,000	11.8%
FY 2023 SUFPK Expansion - Round 2	\$0	\$13,310,000	\$13,310,000	100.0%
FY 2024 SUFPK Expansion	\$0	\$25,000,000	\$25,000,000	100.0%
Total Competitive Grants	\$176,360,000	\$235,420,000	\$59,060,000	33.5%
Total State School Aid	\$31,353,362,240	\$34,480,210,183	\$3,126,847,943	9.97%
Source: New York State Department of Education & The Division of Budget				

2023-24 Executive Budget
Other Public Elementary and Secondary Education Programs
FIGURE 5

Grant Program	2022-23	2023-24	\$ CHANGE	% CHANGE
Allowances to Private Schools for the Blind and the Deaf (4201 Schools)	\$107,900,000	\$105,900,000	(\$2,000,000)	(1.9%)
Auburn Enlarged School District School Resource Officers (SROs)	\$275,000	\$0	(\$275,000)	(100.0%)
Bard High School Early College	\$461,000	\$0	(\$461,000)	(100.0%)
BioBus	\$400,000	\$0	(\$400,000)	(100.0%)
Bullet Aid - Assembly	\$6,343,000	\$0	(\$6,343,000)	(100.0%)
Bullet Aid - Senate	\$6,750,000	\$0	(\$6,750,000)	(100.0%)
Center for Autism at SUNY Albany	\$1,240,000	\$1,240,000	\$0	0.0%
Charter Schools Facilities Aid	\$100,000,000	\$100,000,000	\$0	0.0%
Charter School Institute	\$4,837,000	\$4,837,000	\$0	0.0%
Cleary School for the Deaf	\$500,000	\$0	(\$500,000)	(100.0%)
Clinically Rich Intensive Teacher Institute	\$385,000	\$0	(\$385,000)	(100.0%)
Community School Regional Technical Assistance Centers	\$1,200,000	\$0	(\$1,200,000)	(100.0%)
Consortium for Worker Education (CWE)	\$13,000,000	\$11,500,000	(\$1,500,000)	(11.5%)
Consortium for Worker Education Credential Initiative	\$250,000	\$0	(\$250,000)	(100.0%)
County Vocational Education and Extension Boards (CVEEB)	\$932,000	\$932,000	\$0	0.0%
Out of School Immigrant Youth and Young Adults	\$1,000,000	\$1,000,000	\$0	0.0%
Early College High School Program	\$1,465,000	\$1,000,000	(\$465,000)	(31.7%)
East Ramapo CSD	\$225,000	\$0	(\$225,000)	(100.0%)
Education of Children of Migrant Workers	\$89,000	\$89,000	\$0	0.0%
Educators for Student Success	\$100,000	\$100,000	\$0	0.0%
Executive Leadership Institute	\$475,000	\$475,000	\$0	0.0%
Extended Day Grants	\$24,344,000	\$24,344,000	\$0	0.0%
Garrison Union Free School District Monitor	\$180,000	\$0	(\$180,000)	(100.0%)
Health Education Programs	\$691,000	\$691,000	\$0	0.0%
Hempstead UFSD	\$175,000	\$0	(\$175,000)	(100.0%)
Henry Viscardi School	\$903,000	\$0	(\$903,000)	(100.0%)
Locally Sourced Food Reimbursement	\$10,000,000	\$10,000,000	\$0	0.0%
Long Island Latino Teachers Association	\$40,000	\$0	(\$40,000)	(100.0%)
Long Island Pre-K (Nassau BOCES)	\$500,000	\$0	(\$500,000)	(100.0%)
Magellan Institute	\$475,000	\$0	(\$475,000)	(100.0%)
Many Threads, One Fabric Implicit Bias Training	\$1,250,000	\$0	(\$1,250,000)	(100.0%)
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%
Mill Neck Manor	\$500,000	\$0	(\$500,000)	(100.0%)
Mind Builders Creative Arts Center	\$365,000	\$0	(\$365,000)	(100.0%)
Minimum Wage Offset for 853, 4410, and 4201 Schools	\$17,180,000	\$17,180,000	\$0	0.0%
My Brother's Keeper	\$18,000,000	\$18,000,000	\$0	0.0%
New York School for the Deaf	\$903,000	\$0	(\$903,000)	(100.0%)
Nonpublic School Aid - Academic Intervention Services (AIS)	\$922,000	\$922,000	\$0	0.0%
Nonpublic School Aid - Comprehensive Attendance Policy	\$77,476,000	\$77,476,000	\$0	0.0%
Nonpublic School Aid - Comprehensive Attendance Policy (Additional)	\$1,900,000	\$1,900,000	\$0	100.0%
Nonpublic School Aid - Mandated Services Aid	\$115,652,000	\$115,652,000	\$0	0.0%
Nonpublic School Aid - State School Immunization Program (SSIP)	\$1,000,000	\$0	(\$1,000,000)	(100.0%)
Nonpublic School Aid - STEM Programs	\$58,000,000	\$70,000,000	\$12,000,000	20.7%
NYC Kids RISE, Inc.	\$650,000	\$0	(\$650,000)	(100.0%)
NYS Center for School Safety	\$466,000	\$466,000	\$0	0.0%
Positive School Climates Pilot Program	\$2,000,000	\$0	(\$2,000,000)	(100.0%)
Postsecondary Aid to Native Americans	\$800,000	\$800,000	\$0	0.0%
Preschool Special Education	\$1,035,000,000	\$1,035,000,000	\$0	0.0%
Primary Mental Health Project	\$894,000	\$894,000	\$0	0.0%
PromiseProject	\$300,000	\$0	(\$300,000)	(100.0%)
Queens College Townsend Harris High School	\$250,000	\$0	(\$250,000)	(100.0%)
Recover from COVID-19 School Grant Program (RECOVS):	\$100,000,000	\$0	(\$100,000,000)	(100.0%)
Reduced Price School Meals	\$2,300,000	\$2,300,000	\$0	0.0%
Relief for Tax Certiorari and Taxable Property Valuation Change	\$4,000,000	\$0	(\$4,000,000)	(100.0%)
Rochester CSD	\$175,000	\$0	(\$175,000)	(100.0%)
Say Yes to Education - Syracuse	\$350,000	\$350,000	\$0	0.0%
School Health Services for Buffalo CSD	\$1,200,000	\$0	(\$1,200,000)	(100.0%)
School Health Services for Rochester CSD	\$1,200,000	\$0	(\$1,200,000)	(100.0%)
School Lunch and Breakfast Program	\$34,400,000	\$34,400,000	\$0	0.0%
Small Government Assistance	\$1,868,000	\$1,868,000	\$0	0.0%
St. Francis de Sales School for the Deaf	\$150,000	\$0	(\$150,000)	(100.0%)
Summer Lunch Program	\$3,049,000	\$3,049,000	\$0	0.0%
Summer School Special Education Programs	\$364,500,000	\$367,500,000	\$3,000,000	0.8%
Supplemental Basic Charter Tuition	\$185,000,000	\$185,000,000	\$0	0.0%
Targeted Pre-K	\$1,303,000	\$1,303,000	\$0	0.0%
Teacher Diversity Pipeline	\$500,000	\$0	(\$500,000)	(100.0%)
Teacher Resource and Computer Training Centers	\$19,252,000	\$6,418,000	(\$12,834,000)	(66.7%)
United Community Schools, Inc.	\$450,000	\$0	(\$450,000)	(100.0%)
Universal Hip Hop Museum	\$150,000	\$0	(\$150,000)	(100.0%)
Universal Prekindergarten - Full Day Prekindergarten	\$340,000,000	\$340,000,000	\$0	0.0%
Universal Prekindergarten - FY 2023 4-Year-Old Expansion Grants	\$25,000,000	\$25,000,000	\$0	100.0%
Universal Prekindergarten - FY 2024 4-Year-Old Expansion Grants	\$0	\$25,000,000	\$25,000,000	100.0%
Universal Prekindergarten - State Takeover of Federal FY 2022 Full Day Prekindergarten	\$1,500,000	\$10,000,000	\$8,500,000	100.0%
Wyandanch UFSD	\$175,000	\$0	(\$175,000)	(100.0%)
Yonkers City School District	\$12,000,000	\$0	(\$12,000,000)	(100.0%)
Subtotal	\$2,719,037,000	\$2,604,458,000	(\$114,579,000)	(4.2%)

Source: New York State Division of Budget

PUBLIC PROTECTION & GENERAL GOVERNMENT – A.3005

Part V Extend the Income Cap for Retired Teachers and School Workers This Part would extend the waiver of earnings income limitation for public school employees for an additional year, to June 30, 2024. The waiver is set to expire on June 30, 2023. The Governor claims that continuing the waiver would give school districts the ability to continue to hire and retain retirees who fill vital positions and alleviate staff shortages.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A. 3006

PART A SCHOOL AID

§1 Contract for Excellence (C4E) This Section requires that all school districts currently in the Contracts for Excellence program, to remain in the program unless all school buildings in the district are reported as “In Good Standing.” School districts that remain would be required to maintain funding on C4E programs at the same level required for the 2022-23 School Year.

§2 Foundation Aid Full Phase-In Authorizes a Foundation Aid phase-in schedule for aid payable in the 2023-24 school year that will complete the State’s commitment to fully fund the Foundation Aid formula. Pursuant to this Section, school districts would receive a Foundation Aid payment

that is equal to the level of Foundation Aid they received in the 2022-23 school year plus their remaining fully-phased-in Foundation Amount, or the level of Foundation Aid they received in the 2022-23 school year plus a three percent increase, whichever is greater.

§3 High-Impact Tutoring Foundation Aid Set-Aside Requires school districts whose Foundation Aid increase is greater than 3% and is also greater than \$100,000 to set aside a certain percentage of their Foundation Aid increase for high-impact tutoring services for the 2023-24 School Year. Such services would be provided for mathematics and reading for students in grades three through eight who are designated as being at risk of falling below State standards. The services could be provided during the school day, before or after school, or on the weekend and would occur no less than twice per week for no less than 30 minutes. Students would remain in the tutoring program until the student is no longer designated as at risk.

The percentage that each school district subject to this set-aside is required to earmark for high-impact tutoring services would be equal to the greater of:

- \$100,000; or
- The difference of the school’s actual Foundation Aid allocation and what a 3% increase would have been, multiplied by 11.77%.

§4 Charter School Sub-Regional Cap Elimination and Zombie Charter Re-Issuance This Section eliminates the sub-regional cap for new charter issuances in New York City that was imposed in 2015 and avails them to any remaining charters available under the statewide cap.

Further, this Section allows the Board of Trustees of the State of New York or the Board of Regents to re-issue any charters that have been surrendered, revoked, or terminated after July 1, 2015 through a competitive process. These so-called “zombie charter” re-issuances would not be counted toward the statewide charter cap, which would remain at 460.

§5 Redefining “Actual Valuation” Redefines the term “Actual Valuation”, which is used in determining the State Sharing Ratio (SSR) for various School Aid formulas to include the phase-in of assessments of Class One properties in Nassau County.

The full value of Class One properties is currently being phased in over a five-year period as a result of a countywide reassessment in Nassau County. This Section would utilize the full value of these properties for school aid purposes as if the full valuation was fully phased-in.

§6 through 7 Redefining “Average Daily Attendance” and “Average Daily Membership” These Sections update the definition of “Average Daily Attendance” and “Average Daily Membership” to include remote instruction as defined in the regulations of the Commissioner. These definitions are used in various School Aid formulas, including Foundation Aid.

§8 Supplemental Public Excess Cost Allows school districts to permanently receive an annual appropriation of Supplemental Public Excess Cost Aid in the same amount that they received in the 2009-2010 school year.

§9 SAFE Act Building Aid Extender This Section permanently extends the State Education Department’s authorization to grant up to an additional 10% of a school district’s Building Aid allocation for certain school safety equipment including stationary metal detectors, security cameras, or other security devices that are approved by the Commissioner that increase the safety of students and school personnel.

§10 Academic Enhancement Aid Provides school districts with the same amount of Academic Enhancement Aid for the 2023-24 School Year.

§11 High Tax Aid Provides language to continue to fund High Tax Aid for the 2023-24 School Year at the same rate as the previous year.

§12 Prospective Prekindergarten Enrollment Reporting This Section requires school districts that receive a Universal Prekindergarten (UPK) allocation to annually report the following information to the Commissioner of Education:

- The number of four-year-old prekindergarten students the districts intends to serve in full-day and half-day slots in district-operated programs in the current year;
- The number of four-year-old prekindergarten students the districts intends to serve in full-day and half-day slots in programs operated by community-based organizations in the current year;
- The number of four-year-old prekindergarten students whose parent or guardian has applied for a seat for them in the current years, but has not been awarded a seat due to the lack of district capacity;
- The total number of four-year-old children residing in the district who are eligible to be served, including students whose parent or guardian did not apply;
- The total number of students who are eligible to enroll in four-year-old prekindergarten but are served in private settings or whose parent or guardian has chosen not to enroll in prekindergarten; and
- Any other information available to the district that is necessary to accurately estimate the unmet demand for four-year-old prekindergarten services within the district.

Such report is required to be submitted to the State Education Department no later than September 1st each year through an application to be developed by the Commissioner.

§13 Universal Prekindergarten Expansion Aid This Section facilitates Universal Prekindergarten Expansion Aid for the 2023-24 School Year in an

amount equal to the number of expansion slots allocated to the school district multiplied by the selected aid allocation per prekindergarten pupil.

Pursuant to this expansion plan, the number of expansion slots allocated to each school district is equal to the difference of 90% of the number of unserved four-year-old prekindergarten pupils and the number of four-year-old students served in full-time and part-time programs. Using these metrics, expansion slots would be allocated according to the following schedule:

- If the number derived is greater than 10 but less than 20: 20 slots;
- If the number derived is less than 10: 0 slots; and
- For New York City: 0 slots.

§14 through §15 Prekindergarten Teacher Certifications This Section would provide school districts with an extra month to apply for a waiver with the State Education Department and to collaborate with child care agencies with non-State Education Department certified teachers offering approved prekindergarten instruction. Specifically, this Section requires school districts to submit the credentials of these teachers by September 1st of the year in which the waiver is in effect, as opposed to the current date of August 1st.

The corresponding report submitted to the Legislature outlining the number of such waivers in effect for the current school year would also be delayed from September 1st to November 1st.

§16 Universal Prekindergarten Extender Extends until June 30, 2024, 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.

§17 Prior Year Claims Deadline Authorizes the State Education Department to make payments for prior year claims made up to the 2022-23 School Year for

a period of one-year following the conclusion of the 2022-23 School Year.

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

§19 Zero-Emission Bus Progress Reporting Beginning in the 2023-24 School Year, this Section requires all school districts eligible to receive Transportation Aid to annually submit to the Commissioner a progress report on the implementation of zero-emission buses that includes at least the following information:

- Sufficiency of the electric grid to support anticipated electrical needs;
- The availability and installation of charging stations and other components needed to maintain zero-emission buses;
- Progress of the training and workforce development needed to support, maintain, and service zero-emission buses;
- The number and proportion of zero-emission buses purchased, leased, or utilized by districts that are in use and the total anticipated number for the next two years; and
- The number and proportion of zero-emission buses purchased, leased, or utilized by contractors providing transportation services that are in use and the total anticipated number for the next two years.

These reports would be due no later than August 1st each year.

§20 through §22 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 2023-24 School Year and caps the number of contact hours at 1,168,699. 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.

The Consortium for Worker Education Work Force Education program is also extended for one year until June 30, 2024.

§23 School District Transparency Reports

Extension Extends until June 30, 2028 provisions related to requirements for school districts with at least four schools that receive at least 50% of total revenue from State resources to annually submit to the Commissioner of Education and the Division of Budget, and post on their website, a detailed statement of the total funding allocation for each school in upcoming school budget year prior to the first day of such school year.

§24 Conditional Appointments Permanently extends the ability for boards of education to conditionally employ school employees and allow for emergency conditional appointments.

§25 Rochester City School District Monitor

Extension Extends until June 30, 2025 the ability of the Commissioner of Education to appoint a monitor for the purpose of providing financial and academic oversight of the Rochester City School District.

§26 Discretionary Grants Extender Extends until June 30, 2028 the authority of the Commissioner of Education to exempt discretionary grants from the State procedures to award these grants.

§27 Tuition Rate-Setting Methodology Study Directs the Department of Education to conduct a comprehensive study of alternative tuition rate-setting methodologies for special education providers, including residential special education programs and special education preschools. At a minimum, the Department must include the following in the study:

- A comparative analysis of rate-setting methodologies utilized by the Office of Children and Family Services (OCFS) for private residential school programs;
- Options and recommendations for an alternative rate-setting methodology or methodologies;

- Cost estimates for such alternative methodologies; and
- An analysis of current provider tuition rates that would be established under such alternative methodologies.

Further, any recommended alternative methodology shall:

- In total, be cost neutral to the State, school districts, and counties;
- Substantially restrict or eliminate tuition rate appeals;
- Establish tuition rates that are calculated on standardized criteria and parameters, including staffing models, regional costs, and minimum required enrollment levels;
- Include a schedule to phase in the new tuition rates; and
- Ensure tuition rates for all programs can be calculated no later than the beginning of each school year.

The State Education Department shall submit its recommendations to the Division of Budget no later than July 1, 2025. Adoption of any proposed alternative methodology would be conditioned upon the approval of the Director of the Budget.

§28 Pro-Rating Aid claims for Nonpublic Schools

Stipulates that beginning in the 2023-24 School Year, and annually thereafter, the State's liability for reimbursement through the Nonpublic Mandated Services Aid (MSA) and Comprehensive Attendance Policy (CAP) would be limited to the annual amounts appropriated for such programs. If claims exceed the amount appropriated for a given fiscal year, each school's payment would be proportionally reduced so that the sum of payments to all schools fits within the total amount appropriated for the program. The State would not be liable to pay the difference in a future year.

§29 Special Apportionment for Salary Expenses

Provides a special apportionment for salary expenses for the 2023-24 School Year.

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

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

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

§33 Rochester School Aid Spin Up This Section continues an accelerated payment or ‘Spin-Up’ of \$20 million in School Aid for the Rochester City School District. Such payment would continue through the 2027-28 School Years and will be paid to the School District by June 30th of each year as opposed to September 1st.

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

§35 Effective Dates Sets the effective dates.

Part D Removal of Maximum Award Caps for Liberty Partnerships Program This Section would remove the current cap of \$300,000 for awards made through the Liberty Partnerships Program, which supports promising students identified as at high risk of dropping out of school.



ELECTIONS

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Public Campaign Finance Board:** \$14.5 million, \$4 million more than last year, to support additional Public Campaign Finance staff. The Public Campaign Finance Board is responsible for the administration and oversight of a small-donor public matching program for candidates campaigning for statewide and State Legislative office. The 2020-21 Enacted Budget, Part ZZZ of Chapter 58 of the Laws of 2020, authorized Public Campaign Financing to take effect on November 9, 2022 and to apply to the participants in the primary and General Elections to be held in 2024.
- **Help America Vote Act (HAVA):** \$7 million in new federal funding to support enhanced election technology and security.
- **Help America Vote Act (HAVA):** \$5 million in new funding for expenses related to the Help America Vote Act. This funding is a result of the interest generated from past HAVA funding sitting in accounts held by the State.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Public Campaign Finance Board:** \$25 million, \$15 million more than last year to support the payment of public matching funds to participating candidates.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Reimbursement Costs for Pre-paid Return Postage:** \$4 million for local boards of elections for reimbursement of costs related to providing pre-paid return postage on absentee ballots and applications.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Election Capital:** No new funding. \$24 million is reappropriated for State and local board of elections, including NYC Board of

Election, for software and technology upgrades and equipment.

- **Online Voter Registration System:** No new funding. \$15.2 million is reappropriated to support the development of an online voter registration system.
- **Poll Books:** No new funding. \$743,000 is reappropriated to support the technology costs of electronic poll books.



EMPIRE STATE DEVELOPMENT CORPORATION

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AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Buffalo Bills:** \$5.3 million, \$459,000 more than last year. This funding supports professional football in Western NY.

SIGNIFICANT DECREASES INCLUDE:

- **Legislative Additions:** \$7.46 million in various Legislative additions have been eliminated.
- **Minority and Women-owned Business Development and Lending Program:** \$635,000, \$1.4 million less than last year.
- **Office of Workforce and Economic Development:** \$180.4 million, \$169.6 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. This reduction is due to non-recurring funding for the Office of Workforce Development and two grant programs it administers. Funding provided

in 2022-23 was intended to support this Office and grant programs for 5 years. The following is a breakdown of the available funding:

- ➔ **Apprenticeships at SUNY and CUNY:** \$5 million;
- ➔ **Caregiver Flexibility for Direct Care Workers:** \$39 million;
- ➔ **Diversity in Medicine Program:** \$2.4 million, \$1.2 million more than last year;
- ➔ **Expanding Psychiatric Rehabilitation Services at Office of Mental Health:** \$5.3 million, \$2.5 million more than last year;
- ➔ **Expansion of Alternative Teacher Certifications:** \$10 million;
- ➔ **Expansion of SUNY Premedical Opportunities Program:** \$1 million;
- ➔ **Financial Burden Relief for Healthcare Workers:** \$47 million;
- ➔ **Internships at SUNY and CUNY:** \$10 million;
- ➔ **Office of Workforce and Economic Development:** No new funding. \$20.8 million is reappropriated;
- ➔ **Teacher Residency Program:** \$30 million;

- ➔ Training Programs at Office of People with Developmental Disabilities: \$160,000, \$2.5 million less than last year;
- ➔ Training Capacity Expansion for Statewide Institutions: \$22.5 million;
- ➔ Upskilling School Paraprofessionals: \$8 million;
- ➔ Workforce Development Grant Program: No new funding. \$115 million is reappropriated; and
- ➔ Workforce Development Capital Grant Program: No new funding. \$35 million is reappropriated.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Community Development Financial Institutions: \$1.5 million to support business loans in economically distressed areas.
- Economic Development Fund: \$26.2 million. This is Empire State Development's primary flexible financing program used to provide loans and grants to support business and infrastructure development and the creation and retention of jobs.
- Economic Development Initiatives and Marketing of New York: \$45 million to support tourism promotion services, the Governor's Open for Business initiative, Global NY, international and domestic trade missions as well as advertising for the Extended Prosperity and Innovation Campuses (EPIC) program. The Executive Budget proposes to replace the START-UP NY program with a new Extended Prosperity and Innovation Campuses (EPIC) program. No more than 60% of EPIC advertising funding may be used for promotion outside of New York. In addition, this funding may be used to support a marketing campaign on New York State's recovery from the COVID-19 pandemic and provides that this marketing campaign does not need Comptroller approval.

- Entrepreneurial Assistance Program: \$1.76 million to support 21 statewide centers that provide business services to minorities, women and veterans beginning new businesses.
- Market NY: \$7 million to support 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 for the Urban and Community Development program in economically distressed areas.

SIGNIFICANT ACTIONS INCLUDE:

- Federal Tourism Grants: No new funding. \$16 million is reappropriated to support Federal Tourism grants. This funding was part of the Federal American Rescue Plan to focus on accelerating the recovery of communities that rely on the travel, tourism and outdoor recreation sectors.
- Innovation Venture Competition Program: No new funding. \$75 million is reappropriated to support an Innovation Venture Competition. This centralized competition will allow ESD to oversee eight innovation competitions every year for 5 years. These competitions are designed to attract young companies to grow in New York.
- Small Business Pandemic Relief Program: No new funding. \$95.6 million is reappropriated for the COVID-19 Pandemic Small Business Seed Funding Grant Program. This funding supports viable New York state small businesses, micro-businesses, and for-profit independent arts and cultural organizations that can demonstrate economic hardship as a result of the COVID-19 pandemic. Grants awarded from this appropriation shall be

available to eligible entities that do not qualify for business assistance grant programs under the Federal American Rescue Plan Act of 2021 or any other available Federal COVID-19 economic recovery or business assistance grant programs, including loans forgiven under the Federal Paycheck Protection Program, or are unable to obtain sufficient business assistance from such Federal programs. Grant funds awarded to eligible COVID-19 impacted businesses are to be used for eligible costs incurred between September 1, 2018 and January 1, 2022.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Belmont Park:** \$455 million in new funding for costs related to the renovation of Belmont Park Racetrack. This funding would provide a capital loan to the New York Racing Association (NYRA) to support the redevelopment of Belmont Park. Prior to receiving any funds, NYRA must enter into a repayment agreement with the State. This agreement will provide that NYRA will pay the State \$25.8 million annually from its capital budget until the State is repaid in full. The cost of the entire project will be paid from the franchised corporation's capital funds. In addition to the repayment agreement, NYRA will relinquish its leasehold interest of the property at Aqueduct upon the completion of the Belmont Redevelopment Project allowing it to revert to the State. *Please see Revenue A.3009 Part X for more details.*

- **Buffalo Bills:** \$2.27 million, \$66,000 more than last year to support professional football in Western NY.
- **New York Works Economic Development Fund:** \$400 million, \$80 million more than last year. 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.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Market NY:** \$8 million to support winning tourism marketing plans that best demonstrate regional collaboration among counties to promote regional attractions. In addition, there is \$7 million in Aid to Localities funding to support this program (see above).
- **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.

SIGNIFICANT ACTIONS INCLUDE:

- **ConnectALL Initiative:** No new funding. \$1.45 billion in Federal and State funding is reappropriated for the ConnectALL Initiative. The ConnectALL Initiative will support investments in broadband infrastructure, rural broadband deployment, right-of-way access, last-mile and middle-mile support, cellular siting as well as connectivity planning and innovation. Funding will be pursuant to a program and spending plan developed by Empire State

Development Corporation and subject to the approval of the Director of the Budget.

- **Heavy Equipment:** The Executive budget proposes to amend the possible uses of a \$20 million reappropriation originally for the acquisition of heavy equipment utilized for snow and ice removal on State highways. The new language would allow this funding to be used for municipal use vehicles, and costs related to the preparation of plans, design, construction, reconstruction and preventive maintenance on State and locally controlled roads, bridges and railways.
- **Long Island Investment Fund:** No new funding. \$350 million is reappropriated for projects located within Nassau and Suffolk counties. Funds shall be available for services and expenses, loans, and grants for projects that support of manufacturing, agriculture, business parks, community anchor facilities, advanced technology, biotechnology and biomedical facilities, and main street revitalization.
- **New York State Regional Economic and Community Assistance Program:** No new funding. \$800 million is reappropriated to support commercial and workforce development, tourism and infrastructure improvement, community and urban revitalization, small business support and local community priority projects. Funds shall be available for, but not limited to, the acquisition of real property, preparation of plans, design, construction, renovation, purchase and installation of equipment and other costs associated with program implementation.
- **Offshore Wind:** No new funding. \$500 million is reappropriated to support the development of offshore wind ports, manufacturing, supply chain infrastructure and other expenses to advance the offshore wind industry.
- **Restore New York Communities Initiative:** No new funding. \$250 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.

- **Professional Football in Orchard Park:** No new funding. \$600 million is reappropriated for athletic facilities related to professional football in Orchard Park, New York. This funding shall be for, including but not limited to, the acquisition of real property, preparation of plans, design, construction, renovation, demolition of existing facilities provided however, that the release of such funds shall be subject to the terms of a memorandum of understanding and associated contractual agreements and any ancillary documents between the Erie County Stadium Corporation and the lessee of such athletic facilities, for no less than 30 years. This funding is composed of two separate appropriations of \$182 million and \$418 million. The latter funding is from the dedicated infrastructure investment account. The Governor has stated that she will use the State's portion of the Seneca Nation Tribal State Compact payment to offset this \$418 million in funding.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

Part E Public Accounting Firm Non-Certified Public Accountant Minority Ownership This Part would authorize public accounting firms to incorporate in New York State with minority ownership by individuals who are not Certified Public Accountants (CPAs), provided the words

“Certified Public Accountant” or the abbreviation “CPA” is excluded from the firm’s name.

Part L NYC and the Urban Development Corporation (UDC) to Set Floor Area Ratios

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

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part X Virtual Meeting Flexibility for Public Meetings Serving Individuals with Disabilities The Executive Budget proposal would exempt public bodies organized for the express purpose of performing a governmental function related to individuals with disabilities from the in-person participation requirements under the Open Meetings Law. The public shall have the ability to view or listen to such proceedings and such meetings shall be recorded and later transcribed. This proposal would take effect immediately with the underlying law scheduled to expire on July 1, 2024.

Part AA Authorizes DASNY to Provide Services for Entities awarded Downtown Revitalization Initiative (DRI) and NY Forward Grants or Loans This Part amends the definitions of the terms “dormitory” and “educational institutions” contained in Public Authorities Law to include any recipient of loans or grants awarded pursuant to the DRI and NY Forward designed and executed by the Department of State and/or the Division of Housing and Community Renewal. These communities may utilize the Dormitory of the State of New York (DASNY) for planning, design,

construction, reconstruction, improvement, renovation, development, expansion, furnishing and equipping of projects for which the recipient was awarded such grant or loan.

Part BB Extends the Authorization of DASNY to operate a PILOT program for Small and Minority and Women-owned Businesses Extends the authorization for DASNY to operate a pilot program to expand contracting opportunities for small businesses and minority and women-owned businesses from July 1, 2023 to July 1, 2027. The total value of contracts awarded shall not exceed the greater of \$20 million dollars or 5% of the value of all contracts awarded by the Authority in a given fiscal year.

Part CC Extended Prosperity and Innovation Campuses (EPIC) The Executive Budget proposes to rename the SUNY Tax-free Areas to Revitalize and Transform Upstate New York (START-UP NY) program as the Extended Prosperity and Innovation Campuses (EPIC) program and make various enhancements to the program.

The EPIC program would make several enhancements to the START-UP NY program to establish the same requirements, benefits, and eligibility criteria for businesses upstate and downstate. EPIC would allow downstate colleges and universities to allocate off-campus land and space in the same manner as upstate schools and eliminate the requirement that downstate businesses must be high-tech, or formative stage to utilize the program. Participating businesses will operate tax-free for 10 years on or near eligible universities or college campuses.

The Executive Budget proposes to extend the deadline for a business to submit an application to a campus, university, or college to be located in an EPIC zone until December 31, 2030. The current deadline to apply under the START-UP NY program was December 31, 2025. Lastly, this proposal would authorize the Commission of the Department of Economic Development (DED) to authority to act in lieu of the EPIC Approval Board

if the EPIC Approval Board's membership is not complete.

Part DD Innovation Matching Funds for Small Businesses The Executive proposes to establish a matching grants program to provide contingent matching funds to small businesses that have been awarded phase one or phase two grants under the Federal Small Business Innovation Research (SBIR) and Small Technology Transfer (STTR) programs. SBIR and STTR provide early-stage funding for start-ups and small businesses seeking to commercialize new technologies. Currently, 27 other states have a matching grant program for recipients of federal SBIR and STTR programs. Companies applying to the Federal programs shall have the opportunity to apply to Empire State Development Corporation (ESDC) for a commitment letter that may be included in their Federal application, therefore, increasing their likelihood of receiving Federal funding. These State grants shall be used to expedite commercialization, including but not limited to, patents and marketing studies in sales efforts. A small business may apply for multiple matching fund grants, but shall only receive one award through this program each calendar year. ESDC, in consultation with the Division for Small Business, shall establish guidelines for this grant program. Lastly, this Executive proposal would require an annual report beginning on June 1, 2024 to be submitted to the Governor, Temporary President of the Senate and the Speaker of the Assembly.

Part FF Excelsior Linked Deposit The Executive Budget proposes to increase the statutory cap on linked loans under the Excelsior Linked Deposit Program from \$2 million to \$6 million. The Excelsior Linked Deposit Program helps businesses obtain reduced-rate financing. Under this program New York places a deposit for the same amount as the loan at the bank and earns less interest on that deposit, allowing the lender to transfer the interest savings on to the borrower.

Part GG Loan Powers of Urban Development Corporation (UDC) Extends the general loan

powers of the Urban Development Corporation by 5 years, until July 1, 2028.

Part HH MWBE Certification Reciprocity This Executive Budget proposal would require the Director of the Division of Minority and Women's Business Development to establish a procedure for accepting New York municipal corporation certification for Minority and Women-owned Business Enterprise (MWBE) applicants in lieu of requiring the applicant to complete the State certification process. The Division and all municipal corporations that have a MWBE program shall enter a memorandum of understanding regarding such acceptance of certification verification. The Director shall develop all necessary rules and regulations to support this reciprocity agreement.

This Executive proposal increases the New York State discretionary procurement threshold for MWBEs and Service-Disabled Veteran Owned Businesses (SDVOBs) from \$500,000 to \$1.5 million and increases the New York City discretionary procurement threshold for MWBEs from \$1 million to \$1.5 Million. These discretionary procurement contracts do not require a formal competitive bidding process. The Executive proposal provides that the increased discretionary procurement thresholds shall take effect immediately, however, the procedures to implement a reciprocity agreement shall take effect one year after it shall have become law.

Part II Provide for Alternative Project Delivery Methods for NYC Authorizes the use of certain alternative project delivery methods under the New York City Public Works Investment Act. This proposal would amend the New York City Public Works Investment Act to create new definitions for the terms "alternative project delivery contract," "construction manager at risk," and "construction manager build," and to incorporate new capital project delivery methods. Alternative project delivery contracts would include construction manager build, and construction manager at risk contracts in addition to design build, which is already authorized.

Construction manager at risk means a project delivery method whereby a construction manager serves as part of a team with the owner during the design phase; acts as general contractor for agreed upon compensation; and assumes the risk of construction costs exceeding the amount specified in the risk agreement. Construction manager build means a project delivery method whereby a construction manager serves as part of a team with the owner during the design phase; acts as the single source of responsibility to bid, select and hold construction contracts on behalf of the owner during construction; and manages the construction on behalf of the owner.

Lastly, this proposal would also amend the definition of “best value”, clarifying that a joint venture may receive a Minority and Women-owned Business Enterprise (MWBE) point preference, provided that such joint venture includes at least one firm that is certified as an MWBE pursuant to Article 15-A of the Executive Law or local law.

Part JJ Extends the Empire State Economic Development Fund (EDF) Reauthorizes the EDF and extends the program by 1 year, until July 1, 2023.

Part KK Provide Provides for Exempting Certain Public Construction Projects from Certain Insurance Restrictions for NYC This Part would exempt the City of New York, the city school district of the City of New York, the New York City Industrial Development Agency, the New York City Health and Hospitals Corporation, or the New York City Housing Authority to the definition of terms of “public corporation” and “public authority” under Insurance Law. By exempting these entities, it would provide flexibility to obtain insurance for their construction projects and authorize the use of Owner-Controlled Insurance Programs and Contractor-Controlled Insurance Programs on their projects.

Part LL DASNY Design and Construction Services Extender for DEC and OPRHP This Part extends for five years, until April 1, 2028, the authorization for the Dormitory of the State of New York

(DASNY) to provide design and construction management services contracts with the Department of Environmental Conservation (DEC) and Office of Parks, Recreation and Historic Preservation (OPRHP). The current authorization would expire April 1, 2023 and was last extended for two years. Further, it continues the requirement that DASNY provide a report to the Governor, Temporary President of the Senate and Speaker of the Assembly with information regarding any project subject to a design and construction management agreement with the two entities listed. The report will include a description of the project, date of completion, status of project, total cost or projected cost and location of each project site or proposed site. DASNY must provide this report by March 1st of each year that the authority plans to enter into these agreements.

REVENUE – A.3009

Part X Redevelopment of Belmont Park Racetrack Authorizes the State to finance the cost of renovating the Belmont Park Racetrack (anticipated cost of \$455 million) pursuant to a repayment agreement with the New York Racing Association (NYRA). The financing of these improvements would occur by means of a capital loan from the State, although the State would be authorized to issue bonds for the project if needed. NYRA would repay the State \$25.8 million annually from its capital budget over a period of 20 years. In this regard, the bill does provide that NYRA shall use funds it receives from VLT revenues for capital purposes at Resorts World Aqueduct (4%) and from Nassau/Suffolk OTB (1.3%) to repay the State’s capital loan on an annual basis. Upon the substantial completion of the Belmont Park renovation project, NYRA would relinquish its leasehold interest in Aqueduct Racetrack (and, thus, cease racing operations which would be transferred

to Belmont Park.) The real property at Aqueduct of 110 acres would then revert to the State.

The Belmont Park project, which involves the total reconstruction of the grandstand and clubhouse, and renovation of the tracks is strongly supported by the We Are Racing Coalition, comprised of NYRA, the NYS Thoroughbred Horsemen's Assn., the NYS Thoroughbred Breeders Assn., the Farm Bureau, the Business Council, the Long Island Assn. et al.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Establishes a funding mechanism for the Belmont Redevelopment Project.



ENERGY RESEARCH & DEVELOPMENT AUTHORITY

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CAPITAL PROJECTS - A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Empower Plus Program:** \$200 million in new funding 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.
- **Western NY Nuclear Service Center:** \$25.8 million, \$2.2 million more than last year, for continued cleanup. This increase in the State appropriation reflects an increased Federal match for expenses of the cleanup. The Federal Department of Energy covers 90% of the annual costs of the cleanup, while the State pays for the remaining 10%.

SIGNIFICANT ACTIONS INCLUDE:

- **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 CC SWEEPS AND TRANSFERS

§2-3 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

§19 NYSERDA Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund, on or before March 31, 2024.

§20 NYSERDA Authorizes the transfer of up to \$5 million from NYSERDA proceeds collected from the auction or sale of carbon dioxide emission allowances, to the credit of the Environmental Protection Fund, on or before March 31, 2024.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION - A.3008

Part WW Sustainable Building Codes This Part brings State building codes and energy efficiency standards (including those applicable to New York City) into closer alignment with the emissions goals of the Climate Leadership and Community Protection Act (CLCPA); it is worth noting that, notwithstanding the provisions of this Part, this Part authorizes the State Fire and Building Code Council to adopt more stringent regulations if such adoption would align the Code more fully with the CLCPA and Climate Action Council (CAC) Scoping Plan guidelines and recommendations.

This proposal would prohibit the installation of fossil fuel equipment and building systems in any new single-family residential building of any height, or new multi-family residential building not more than 3 stories high, on or after December 31, 2025. Additionally, this proposal would prohibit such equipment in any new multi-family residential or commercial building more than 3 stories high on or after December 31, 2028. The same prohibitions apply to the installation of fossil fuel heating equipment in existing single-family and multi-family residential buildings no more than 3 stories high on or after December 31, 2030, and to existing multi-family or commercial buildings more than 3 stories high on or after January 1, 2035. There is no

prohibition on the use or maintenance of existing fossil fuel equipment and building systems (including fossil-fuel fired cooking equipment such as gas stoves) installed prior to any of these prohibition dates, and the State Building Code Council is allowed certain exemptions for public safety and reliability, including:

- Generation of emergency back-up power;
- In manufactured homes; or
- In a building or part of a building that is used as a manufacturing facility, commercial food establishment, laboratory, laundromat, hospital, other medical facility, critical infrastructure such as backup power for wastewater treatment facilities, or crematorium.

This Part requires that each exempt facility seek to minimize emissions wherever possible, and in such cases, fossil fuel systems and infrastructure shall be confined to the specific systems or areas of each building where full electrification is infeasible. It is worth noting that financial considerations are not considered a sufficient basis to determine physical or technical infeasibility. This Part further requires that, to the fullest extent feasible, each area of an exempt building where fossil fuel systems are installed be made all-electric ready. Any exemptions or waivers provided under this legislation shall be reviewed during each major Building Code update cycle to determine if they remain necessary. This proposal's definition of fossil fuel heating equipment and building systems does not include systems related to cooking. This language permits the continued use and maintenance of gas stoves and other equipment after 2035 as long as such equipment was installed prior to any of the above prohibition dates; however, it is presently unclear in the proposed language as currently written if existing gas stoves or other equipment could be required to be replaced after 2035.

This Part authorizes the New York State Energy Research and Development Authority (NYSERDA), in consultation with the Secretary of State, to establish energy efficiency performance

standards and promulgate related regulations, conduct investigations, refer results to the Attorney General, and comply with reporting requirements. Additionally, this Part requires, no later than May 1, 2025, and every year thereafter, building energy benchmarking data (including total energy use and water consumption) for the previous calendar year to be submitted to NYSERDA by property owners of certain buildings in the State, including:

- State buildings;
- Buildings over 25,000 square feet;
- 2 or more buildings on the same tax lot that together exceed 50,000 square feet; or
- 2 or more buildings held in the condominium form of ownership that is governed by the same board of managers and that together exceed 50,000 square feet.

Municipalities are not prohibited from adopting benchmarking standards more stringent than those adopted by NYSERDA and may be held exempt from NYSERDA requirements in such cases, although they would be required to make building benchmarking information available to NYSERDA no later than December 31, 2025, and by September 15th of each year thereafter. Additionally, owners of buildings covered under this Part may be exempted from compliance if NYSERDA determines that compliance would be infeasible, in cases of financial distress, if such buildings have an average of 50% occupancy or less throughout the calendar year, or if such buildings are undergoing a demolition. NYSERDA would be required to post a notice to property owners of their obligation to benchmark between September 1st and December 31st of each year, and to post lists of covered buildings online by December 1st of each year. Building owners would be required to maintain records of benchmarking data for a period of at least 3 years. NYSERDA would be required to begin publishing benchmarking information for covered buildings no later than December 31, 2025, and by September 15th of each year thereafter, for each previous calendar year; however, information from a

building's first year of compliance shall not be published. Additionally, NYSERDA would annually publish:

- Summary statistics and trend analyses regarding energy consumption for covered buildings derived from the aggregation of benchmarking information; and
- Information regarding how each covered building compares with comparable covered buildings in New York State, and how each covered building's performance has changed over time.

Finally, this Part expands the powers and duties of the President of NYSERDA to include the imposition of fines and fees for violations of the provisions of this Part, and to accept grants or funds for program administration. Failure to benchmark energy and water use for the prior calendar year may, at the discretion of NYSERDA, result in a penalty of \$500. Continued failure to benchmark may result in additional violations on a quarterly basis and an additional penalty of \$500 per violation. Failure to annually post energy grades for buildings may result in a penalty of \$1,250. Penalties collected would be deposited into a benchmarking administration account. This language remains somewhat subject to rules and regulations to be established by NYSERDA.

This Part would take effect immediately; while benchmarking notification and posting requirements would take effect January 1, 2024.

Part ZZ NYSERDA Finance Authorization This Part authorizes NYSERDA to finance research, development and demonstration, and policy and planning programs from an assessment on gas and electric corporations; this is not a new assessment and is reauthorized annually. NYSERDA may collect up to \$28.7 million from this assessment, \$5.8 million more than last year.

ENVIRONMENTAL CONSERVATION

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STATE OPERATIONS - A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$219.5 million, \$74 million more than last year, reflecting increased personal service costs and costs associated with the hiring of 231 FTEs to support the following:
 - ➔ 53 positions in support of Climate Leadership and Community Protection Act (CLCPA) efforts;
 - ➔ 19 positions to support various Federal programs;
 - ➔ 131 positions to support Environmental Bond Act activities; and
 - ➔ 28 positions in support of new initiatives proposed in this Budget and the State of the State, including 10 positions supporting the Governor's "Cap and Invest" proposal. See the Transportation, Economic Development and Environmental Conservation Article VII Budget Bill (A.3008) Part AAA for more information.

- **Special Revenue Funds:** \$258.4 million, \$6.7 million more than last year, reflecting increased personal service costs and other expenses. This amount includes \$5 million in new funding to support the Governor's proposed Waste Reduction and Recycling Infrastructure Act (A.3008 of 2023, Part PP), and \$2.8 million, \$506,000 more than last year, for hiring 9 positions for the Lake George Park Commission.

AID TO LOCALITIES - A.3003

SIGNIFICANT ACTIONS INCLUDE:

- **Local Assistance Programming:** \$1.9 million, \$700,000 more than last year. This amount reflects several additions as well as the removal of the following Legislative additions from the FY23 Enacted Budget
 - ➔ **Adirondack Lake Survey Corporation:** \$500,000 is eliminated;

- ➔ Miscellaneous Additional Grants-NYS Senate: \$500,000 is eliminated;
 - ➔ The Hope Program: \$140,000 is eliminated; and
 - ➔ Water Quality Monitoring- Setauket: \$20,000 is eliminated.
- **Transfers from the EPF:** The Governor proposes transferring the following items from the Environmental Protection Fund (EPF) to the Aid to Localities Budget, these programs are funded at the same level as last year:
 - ➔ Adirondack Diversity Initiative: \$300,000;
 - ➔ Delaware River Basin Commission: \$359,500;
 - ➔ Friends of the Upper Delaware River Basin: \$350,000;
 - ➔ Great Lakes Commission: \$60,000;
 - ➔ Interstate Environmental Commission: \$41,600;
 - ➔ Landfill Closures-Essex County: \$300,000;
 - ➔ Landfill Closures-Hamilton County: \$150,000;
 - ➔ New England Interstate Commission: \$38,000;
 - ➔ Ohio River Basin Commission: \$14,100; and
 - ➔ Susquehanna River Basin Commission: \$259,000.

CAPITAL PROJECTS - A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Infrastructure Investment and Jobs Act (IIJA):** \$70 million, \$20 million more than last year, for the expenditure of Federal funds provided for in the Infrastructure Investment and Jobs Act of 2022 (IIJA).
- **Endangered Species Mitigation:** \$5 million in new funding for expenses related to projects undertaken to facilitate net conservation benefits to endangered and threatened species potentially impacted by major renewable energy facilities.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Clean Water Infrastructure:** \$500 million, the same as last year. This brings New York State's total financial commitment for Clean Water Infrastructure (to date, since 2017) to \$5 billion.
- **Environmental Protection Fund (EPF):** \$400 million, the same as last year. Highlights include:
 - ➔ **Land Acquisition:** \$37 million, \$3 million less than last year, including funding for the following:
 - ❖ Lake Placid Rail Trail: \$300,000;
 - ➔ **Water Quality Improvement Program:** \$22 million, the same as last year, including funding for the following:
 - ❖ Chautauqua Lake Association: \$150,000; and
 - ❖ Chautauqua Lake Partnership: \$95,000.
- See the attached EPF Chart (Figure 1) at the end of this section for additional information.

- **NY Works:** \$90 million, the same as last year. This funding is for health and safety repairs to State infrastructure, including dams, wetland restoration, State lands, and fish hatcheries. This proposal includes \$20 million in funding for construction at the following dams:
 - ➔ Conklingville Dam, Hadley, Saratoga County;
 - ➔ Sixth Lake Dam, Inlet, Hamilton County; and
 - ➔ Old Forge Dam, Old Forge, Herkimer County.
- **Water Resources:** \$1.08 billion, \$96.5 million more than last year, for various water and shoreline infrastructure projects. This amount includes \$74 million in new funding to cover the State's share of an Army Corps of Engineers seawall construction project located on the South Shore of Staten Island. This appropriation also reflects the removal of funding for the following FY23 projects:
 - ➔ **Huntington Station Sewer Treatment Center:** \$22 million;
 - ➔ **North Tonawanda Wastewater Treatment Plant:** \$5 million; and
 - ➔ **Manhasset Sewer Installation Project, Great Neck:** \$5 million.
- **Facilities Rehabilitation:** \$73.7 million, \$47.2 million more than last year. Of this amount, \$41 million is included for facilities rehabilitation and \$2 million is included for various dam safety projects.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART CC SWEEPS AND TRANSFERS

§2-3 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.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION - A.3008

Part PP Extended Producer Responsibility This Part establishes the “Waste Reduction and Recycling Infrastructure Act.” This Part would require producers of packaging and paper products to develop extended producer responsibility plans for the materials they produce, sell or distribute within 3-years of the effective date of this legislation. These plans would include details on how they would be funded, a description of the role municipalities would play and how they would recoup costs if they decided to be utilized under the plan, a proposed minimum recovery rate, recycling rate and post-consumer recycled content rate, how stakeholders would be able to give input on the plan, and other relevant factors. This Part would also establish various targets and dates thereof concerning post-consumer recycled content and other regulations.

Covered materials and products include, but are not limited to, the following:

- Packaging or components, including paper, plastic, glass, or metal; and
- Paper products, including phone books, catalogs, paper fiber and cardboard.

Products not considered packaging and paper products under this legislation include the following:

- Materials or products that could become unsafe, unsanitary or environmentally hazardous to recycle by virtue of their anticipated use;
- Newspapers, magazines, and periodicals;
- Literary, text, and reference bound books;
- Beverage containers for which deposits are initiated;
- Packaging that is used exclusively in industrial or manufacturing processes;
- Medical devices and packaging, or paper used to contain and which are included with products regulated as a drug, medical device or dietary supplement;
- Animal biologics, including vaccines, bacterins, antisera, diagnostic kits, and other products of biological origin; and
- Packaging products used to contain environmentally hazardous substances such as paint, or packaging products intended to be used for long-term storage of a durable product for a period of at least 5 years.

This Part defines a “producer” as:

- A manufacturer of packaging or paper products who sells the packaging or paper product in the State under their own brand name;
- Importers of packaging or paper products, including owners or licensees under which the packaging or paper products are sold or distributed in the State; or

- A person or company that offers for sale, sells, or distributes the packaging or paper product in the State.

Producers would be exempt from the requirements of this legislation if those producers:

- Generate less than \$1 million in annual revenues;
- Generate less than one ton of covered materials or products supplied to New York state residents per year;
- Operate as a single point of retail sale and are not supplied or operated as part of a franchise;
- Are a person or company who produces, harvests and packages a raw agricultural commodity on the site where that commodity was grown or raised; or
- Are a municipality, local government planning unit, State or Federal government entity, or nonprofit organization.

Prior to the approval of any Producer Program Plan, and subject to appropriations, this Part requires a statewide needs assessment concerning extended producer responsibility for covered materials to be conducted either via DEC or via a third-party; this assessment would be updated every 5 years or as necessary. This Part also establishes an Advisory Committee by June 1, 2024 within DEC which would be responsible for issuing recommendations and other guidance concerning extended producer responsibility plans, as well as reviewing those plans submitted to DEC for approval.

This Part requires producers to register as such with the DEC by January 1, 2024; as part of this process each producer is required to provide the following information:

- The producer’s name, electronic and physical address, and telephone number;
- The name and title of an officer, director, or other individual designated as the producer's contact;

- A list identifying the producer's packaging and paper product brands;
- Estimated sales data; and
- Any other information as determined by the DEC.

Producers would also be required to pay an initial registration fee to the DEC according to the following fee structure:

- \$500 for producers with gross sales of less than \$5 million in the most recent calendar year;
- \$1,000 for producers with gross sales of greater than \$5 million but less than \$20 million in the most recent calendar year;
- \$10,000 for producers with gross sales of greater than \$20 million but less than \$50 million in the most recent calendar year; and
- \$25,000 for producers with gross sales of greater than \$50 million in the most recent calendar year.

Fees collected would be deposited into a Waste Reduction, Reuse and Recycling Fund established by this Part. Producers would be prohibited from selling or distributing any covered materials in New York State without an approved producer responsibility plan submitted to and approved by the Department of Environmental Conservation. Producers would be able to comply with this law individually or by joining a producer responsibility organization (PRO). Each PRO would also create a funding mechanism to cover the costs of the program or cover the costs to a municipality for partaking in the program, structured in a way that includes incentives to reward producers for product designs that reduce waste and/or increase the recyclability of a product.

Producers or PROs would be required to develop and submit a producer responsibility plan to the DEC no later than January 1, 2026; approved plans would have to be put into practice by producers or PROs within six months of DEC approval, but no later than January 1, 2027. DEC would be required

to approve or disapprove a plan within 90-days of that plan's submission. These plans would be valid for 5-years and shall be reviewed and updated, if necessary, every 5-years thereafter. DEC would consider the following information pursuant to approval:

- Whether or not the producer has undertaken satisfactory consultation with the Advisory Committee and has provided an opportunity for Advisory Committee input prior to submission of the plan;
- Whether or not the plan adequately provides for:
- The producer collecting and funding the costs of collecting and processing products covered by the plan or reimbursing a municipality;
- The funding mechanism to cover the entire cost of the program. Consumers could not be charged a fee at the point-of-sale or point-of-collection to recoup costs;
- Convenient and free consumer access to collection facilities or collection services; and
- An evaluation system for the fee structure, which shall be evaluated on an annual basis by the producer responsibility organization and the Advisory Committee and re-submitted to the DEC annually;
- Whether or not the plan takes into consideration a post-consumer content rate and recycling rate that will create or enhance markets for recycled materials and there is a plan to adjust the minimum rates on an annual basis. Such rates shall take into consideration current State and federal rates; and
- Whether or not the plan creates a convenient system for consumers to recycle that is as convenient as curbside collection or as convenient as the previous waste collection scheme in the jurisdiction.

DEC would have the discretion to require the plan to be reviewed or revised prior to the 5-year period

if the Department has cause to believe the plan isn't being followed or if warranted by a change in circumstances; an approved plan could be rescinded at any time.

Submitted plans shall include, but not be limited to:

- Contact information of the producer responsibility organization and the producer or producers covered under the plan;
- A description of how recommendations from the Advisory Committee were considered in the development of the plan;
- The covered materials for which the producer or producer responsibility organization is responsible;
- A funding mechanism that allocates the costs to the producers to meet the requirements of this title and is sufficient to cover the cost of registering, operating and updating the plan, and maintaining a financial reserve sufficient to operate the program in a fiscally prudent and responsible manner;
- A description of the process for municipalities to recoup costs from the producer responsibility organization for any administrative, sorting, collection, transportation, or processing costs, if the producer responsibility organization uses existing services through a municipality;
- A proposed minimum post-consumer recycled material content rate requirement and minimum recycling rate for materials, including paper products, glass, metal, and plastic;
- A description of a public outreach and education program;
- How the producers, or the producer responsibility organization, will work with existing waste haulers, material recovery facilities, recyclers, and municipalities to operate or expand current collection programs;
- A description of how a municipality will participate with collection and how existing infrastructure will be used;
- A description of how the producer, or producer responsibility organization, plans to meet the convenience requirements set forth in this legislation;
- A description of how the producer, or producer responsibility organization, will meet or exceed the minimum recycling rate for a product;
- A description of the process for end-of-life management;
- A description of how a producer responsibility organization will work with producers to reduce packaging through product design and program innovations;
- A process to address concerns and questions from customers and consumers; and
- Any other information as specified by the Department through regulations.

This Part allows the DEC to grant a waiver of no longer than 12-months to any municipality or private entity which can show that compliance with the provisions of this Part is not feasible for a given material.

15-months after a producer or PRO's first plan is approved, and annually thereafter, each producer or PRO shall submit a report to the DEC including, but not limited to, the following information:

- A detailed description of the methods used to collect, transport and process covered materials and products including detailing collection methods made available to consumers and an evaluation of the program's collection convenience;
- The overall weight of covered materials and products collected in the State;
- The weight and type of covered materials and products collected in the state by the method of disposition;

- The total cost of implementing the program, as determined by an independent financial audit;
- Information regarding the independently audited financial statements detailing all deposits received and refunds paid by the producers covered by the approved plan, and revenues and expenditures for any fees associated with the approved plan that may be charged separately and identified on the consumer receipt of sale;
- A copy of the independent audit;
- A detailed description of whether the program compensates municipalities, solid waste collection, sorting, and reprocessing companies, and other approved entities for their recycling efforts and other related services provided by the above entities;
- Samples of all educational materials provided to consumers or other entities; and
- A detailed list of efforts undertaken, and an evaluation of the methods used to disseminate such materials including recommendations, if any, for how the educational component of the program can be improved.

Any person or entity that violates any provision of this law or any rule or regulation promulgated from it would be subject to the following civil penalties:

- \$500 for each violation; and
- An additional \$500 for each day such a violation continues.

Any producer or Producer Responsibility Organization that violates any provision of this law or any rule or regulation promulgated from it would be subject to the following civil penalties:

- \$10,000 per violation, and
- An additional \$3,000 for each day such a violation continues.

Monies collected from these civil penalties would be deposited into the Waste Reduction, Reuse and

Recycling Fund established by this Part to support the operations of this program. Producers would have to comply with this Act regardless of whether or not they are located in New York, unless such producers are eligible for an exemption under the provisions of this Act. This Part would take effect January 1, 2024.

Part QQ Clean up “Forever Chemicals” This Part amends the Environmental Conservation Law (ECL) to expand the State’s Environmental Restoration Program (ERP) by permitting environmental restoration projects to the funded from within available State appropriations; this amendment would increase the available funding sources through which municipalities may investigate and remediate municipally-owned sites contaminated with per- and polyfluoroalkyl substances (PFAS), colloquially known as “forever chemicals.” This Part excludes municipalities found to have deliberately caused such contamination either through action or inaction, from program participation. Additionally, this Part would allow for settlement funds a municipality receives to be used as the local match concerning such projects, and broaden the eligibility criteria for projects under the ERP program to include:

- Benefits to public health;
- Real property located in “disadvantaged communities as defined by the Climate Leadership and Community Protection Act (CLCPA);
- The opportunity for other funding sources (exclusive of State or Federal funds already received or to be received by municipalities) to be used for investigation of contamination sites, not merely remediation efforts;
- Municipally-owned public water systems faced with contamination by emerging contaminants such as PFAS; and
- Any other criteria deemed appropriate by the DEC.

Part RR Deer Hunting Pilot Program This Part amends Part ZZ of Chapter 55 of the Laws of 2021 (A.3005-C of 2021), which established a Deer Hunting Pilot Program within the Department of Environmental Conservation (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 Executive’s proposal would make this Pilot Program permanent; currently, the program is scheduled to sunset on December 31, 2023.

Part SS Pesticide Registration Fees This Part removes the current sunset provisions for various pesticide registration fees. The new fee structure would be made permanent, and would be as follows:

- \$600 for each pesticide to be registered, provided that an applicant has submitted proof of gross annual sales over the previous year totaling \$3.5 million or less; and
- \$620 for all other pesticides to be registered.

The current fee structure is scheduled to sunset on July 1, 2023; this Part would take effect July 1, 2024.

Part TT Suffolk County Water Quality This Part amends County Law to give Suffolk County the authority to establish a wastewater management district. Currently, Suffolk County contains 27 separate sewer systems; this proposal would authorize the Suffolk County legislature to establish a single, consolidated county-wide wastewater management district. If approved by the County legislature, this district would be authorized to collect charges, rates, and taxes, and would establish a new county fund for these purposes, subject to local law and a mandatory referendum. Suffolk County would have the authority to create a District Board of Trustees to prepare and implement wastewater plans.

Part UU Lead Service Lines This Part amends the Local Finance Law to define “lead service lines” as water service lines made in whole or in part of lead, which connects a water main to a building inlet. A

lead service line may be owned by a water system, a property owner, or both. A lead gooseneck, pigtail, or connector shall be eligible for replacement regardless of the service line material to which such a component is attached. This Part defines a gooseneck, pigtail, or connector as a short section of piping, typically not exceeding 2 feet, which can be bent and used for connections between rigid service piping. A galvanized iron or steel service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material.

Additionally, this Part provides a defined “period of probable usefulness” of 30-years for lead service line replacement programs to inventory, design, and replace both publicly and privately owned lead service lines Statewide. This change would allow for these types of projects to be eligible for Bipartisan Infrastructure Law (BIL) financing, and make it easier for municipalities, school districts, and other entities receiving BIL funds to access low-cost financing through the Environmental Facilities Corporation (EFC).

Part AAA Cap and Invest Program This Part directs and authorizes the Department of Environmental Conservation (DEC) and the New York State Energy Research and Development Authority (NYSERDA) to design an economy-wide “cap and invest” program containing market-based declining annual emissions limits for sources of greenhouse gases or categories thereof; this program would set an overall cap on emissions from all regulated sources, economy-wide, per a currently unspecified compliance period to be determined by DEC and NYSERDA.

This Part amends the Climate Leadership and Community Protection Act (CLCPA) to clarify language concerning that law’s Climate Justice Working Group, and to broaden the definition of an “emissions allowance” from 1 ton of carbon dioxide equivalent to an unspecified, fixed amount of carbon dioxide equivalent determined at the discretion of the DEC. This Part would permit the Authority and the Department to create a certain, unspecified number of emissions allowances and

make these available to persons, companies, organizations, or other entities for sale by auction or by direct allocation, provided that the total number of allowances made available in a given compliance period shall not exceed the cap. This Part specifies that energy-intensive and trade-exposed facilities, as determined by the DEC via undetermined regulatory criteria, must receive an allocation of carbon emissions allowances at no cost.

This Part would also authorize transfers from a new Climate Action Fund to the General Fund to cover costs associated with implementing the cap-and-invest program. NYSERDA would be authorized to recover its costs associated with implementing the cap-and-invest program directly from auction proceeds. The remainder of the proceeds would be utilized by NYSERDA to support programs and services that have been identified within the Climate Action Council's scoping plan or other purposes which further CLCPA goals.

Finally, this Part establishes the "New York Climate Action Fund" within the Department of Taxation and Finance, consisting of 2 separate accounts, both funded via emissions auction proceeds transferred from NYSERDA as well as other sources pursuant to law:

- The Consumer Climate Action Account, which would receive at least 30% of emissions auction proceeds, the purpose of which is to provide a payment mechanism to help reduce potential increased costs to consumers that may result from the implementation of the Cap and Invest Program; and
- The Industrial Small Business Climate Action Account, which would receive up to 3% of emissions auction proceeds, the purpose of which is to help reduce potential increased costs to industrial small businesses that may result from the implementation of the Cap and Invest Program.



Figure 1: Environmental Protection Fund (In 000's)
FY 2023-2024 Executive Budget

Program Name	FY 2022-23 Enacted	FY 2023-24 Executive	Monetary Change
SOLID WASTE			
Landfill Closure/ Gas Management	\$750	\$300	(\$450)
Municipal Recycling	\$19,000	\$18,425	(\$575)
Pollution Prevention Institute	\$4,250	\$4,600	\$350
Secondary Marketing	\$650	\$650	\$0
Environmental Justice Grants	\$13,000	\$12,000	(\$1,000)
Environmental Health Centers	\$10,000	\$13,000	\$3,000
Natural Resources Damages	\$1,775	\$1,775	\$0
Pesticide Database	\$1,500	\$1,500	\$0
Brownfield Opportunity Areas	\$3,950	\$2,000	(\$1,950)
Total	\$54,875	\$54,250	(\$625)
PARKS AND RECREATION			
Waterfront Revitalization	\$16,500	\$16,500	\$0
Municipal Parks	\$26,000	\$25,000	(\$1,000)
Hudson River Park	\$4,800	\$3,700	(\$1,100)
Public Access and Stewardship	\$48,689.8	\$48,700	\$10.2
ZBGA	\$20,000	\$18,000	(\$2,000)
Navigation Law	\$2,000	\$2,300	\$300
Total	\$117,989.8	\$114,200	(\$3,789.8)
OPEN SPACE			
Land Acquisition	\$40,000	\$37,000	(\$3,000)
Farmland Protection	\$21,000	\$21,000	\$0
Agricultural Waste Management	\$1,500	\$1,500	\$0
Biodiversity Stewardship	\$1,750	\$1,975	\$225
Albany Pine Bush Commission	\$3,000	\$3,000	\$0
LI Pine Barrens Commissions	\$2,500	\$2,500	\$0
Environmental Commissions	\$1,085	\$0	(\$1,085)
Invasive Species	\$17,000	\$19,500	\$2,500
Oceans & Great Lakes Ecosystem	\$22,500	\$23,500	\$1,000
Water Quality Improvement Program	\$22,000	\$22,000	\$0
South Shore Estuary Reserve	\$1,000	\$1,550	\$550
Agricultural Non-Point Source Pollution Control	\$20,000	\$20,000	\$0
Non-Agricultural Non-Point Source Pollution Control	\$6,200	\$6,200	\$0
Soil & Water Conservation Districts	\$14,500	\$16,000	\$1,500
Delaware River Basin Restoration Program	\$300	\$0	(\$300)
Finger Lakes-Lake Ontario Watershed	\$2,500	\$2,500	\$0
Hudson River Estuary Plan	\$7,500	\$7,500	\$0
Lake Erie Watershed Protection Alliance	\$250	\$250	\$0

Lake George Park Commission*	\$0	\$900	\$900
Total	\$184,585.2	\$186,875.0	\$2,289.8
CLIMATE CHANGE MITIGATION AND ADAPTATION			
Greenhouse Gas Management	\$2,500	\$3,500	\$1,000
Local Climate Resiliency Plans and Adaptation Projects	\$5,300	\$7,925	\$2,625
Smart Growth	\$3,000	\$4,500	\$1,500
Climate Smart Community Projects	\$15,000	\$14,000	(\$1,000)
Clean Vehicle Projects	\$0	\$0	\$0
Climate Resilient Farms Program	\$16,750	\$14,750	(\$2,000)
Total	\$42,550	\$44,675	\$2,125
TOTAL EPF	\$400,000	\$400,000	\$0
*New 2023-24 Program			
For a Detailed Breakdown of Set-Asides within Each Program, Contact Daniel Green.			



ETHICS AND LOBBYING IN GOVERNMENT

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STATE OPERATIONS – A.3000

SIGNIFICANT DECREASES INCLUDE:

- **Independent State Ethics and Lobbying Program:** \$7.8 million, \$94,231 less than last year to support the Independent State Commission on Ethics and Lobbying Program. This is the entity that replaced the Joint Commission on Public Ethics (JCOPE) last year. Out of this funding, up to \$200,000 may be used to operate a phone hotline and website for the public to report violations of Public Officers Law, including allegations by State employees of sexual harassment.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part Z Commission on Ethics' Composition and Term Staggering This proposal would stagger the terms for each of the 11 initial Commissioners of the Commission on Ethics and Lobbying and Government. The Commission was constituted in July 2022, and the first 10 commissions have been appointed. The original language did not specify which Commissioners' terms would be staggered. This bill staggers the terms for these initial appointees as follows: the Governor's first appointee would serve an initial term of 4 years, their second appointee would serve an initial term of 2 years, and their third appointee would serve an initial term of 1 year; the Attorney General's appointee would serve an initial term of 4 years; the Comptroller's appointee would serve an initial term of 4 years; the Temporary President of the Senate's first appointee would serve an initial term of 4 years and their second appointee would serve a term of 2 years; the Minority Leader of the Senate's first appointee would serve an initial term of 4 years; the

Speaker of the Assembly's first appointee would serve initial terms of 4 years and their second appointee would serve a term of 2 years; and the Minority Leader of the Assembly's appointee would serve a term of 4 years. Subsequent appointees will continue to serve 4 year terms, under the existing law.



EXECUTIVE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$23.3 million, \$4.7 million more than last year, to support the addition of 32 new FTEs.



FINANCIAL SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$88.1 million, \$3.3 million more than last year.
- **Banking Program:** \$117.2 million, \$24.3 million more than last year.
- **Insurance Program:** \$241.9 million, \$22.6 million more than last year.

- ❖ This funding is for services and expenses of the Community Service Society of New York associated with operating this Program.

- ➔ **Lifespan of Greater Rochester, Inc.:** \$750,000 in funding is eliminated.

- ❖ This funding was for services and expenses of the Lifespan of Greater Rochester, Inc. for expanding bill payer programs for older adults in up to 10 counties.

- **Insurance Program:** \$70.3 million, \$9.3 million less than last year.

- ➔ **Commuter Van Stabilization Pilot Program:** \$11 million in funding is eliminated.

- ➔ **Education Debt Consumer Assistance Program:** \$250,000 in funding is eliminated.

- ➔ **Entertainment Industry Health Insurance Assistance Demonstration Program:** \$1 million, \$497,000 less than last year.

- ➔ **Family Planning Services:** \$27.4 million, same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Banking Program:** \$3 million, \$750,000 less than last year.
- ➔ **Education Debt Consumer Assistance Program:** \$3 million, same as last year.

- ➔ **Healthy NY Program:** \$18.8 million, \$1.5 million more than last year.
- ➔ **Immunization Program:** \$7.5 million, same as last year.
- ➔ **Lead Poisoning Prevention and Assistance Program:** \$14.6 million, same as last year.
- ➔ **New York City Fire Training Academy SFY 2023-24:** \$989,000, same as last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part E Expand MTA Owner Controlled Insurance Program The Governor proposes an expansion of the MTA's Owner Controlled Insurance Program (OCIP) to reduce the cost of, and provide substantial savings on, MTA capital projects. This proposal would authorize the MTA to expand OCIP to capital projects related to buses, bridges, and tunnels. Current law only authorizes insurance coverage through an OCIP for a limited set of projects including the construction and extension of railroads. The MTA values the savings from this proposal at approximately \$100 million.

An OCIP is an insurance policy held by a property owner during the construction or renovation of a capital project and is used to cover all liability and losses from the project or projects. The MTA would benefit from an OCIP expansion as each capital project would be covered under the same insurance policy or plan.

Part S Overdraft/Non-sufficient Funds Reform

This Part allows the Superintendent of the Department of Financial Services to prescribe by regulation:

- The way banking organizations process debit and credit transactions for consumer accounts maintained at such organizations. Currently, banks must process checks in the order they are received or from smallest to largest dollar amount for each business day's transactions;
- The charges that may be imposed in connection with a check drawn or other written order upon, or electronic transfer sought to be effectuated against, insufficient funds or uncollected balances in a consumer account and whether or not the banking organization pays such check, written order, or electronic transfer;
- The charges that may be imposed in connection with a check or other written order received for deposit or collection drawn against a consumer account and subsequently dishonored and returned for any reason by the drawee;
- Disclosures provided to consumers regarding the processing of transactions in a consumer account and the associated fees; and
- Alerts, notices and other disclosures relating to the imposition or possible imposition of a charge.

Lastly, the Superintendent can prescribe regulations regarding the manner in which banking organizations process debit or credit transactions, or the charges that may be imposed, will consider at a minimum the following factors:

- The cost incurred by the banking organization, in providing any services associated with such charges;
- The competitive position of the banking organization; and

- The maintenance of a safe and sound banking organization that protects the public interest.

Part U Year Extension for Displaced Workers This Part extends for one year, until July 1, 2024, the Entertainment Industry Subsidy Program that provides health insurance continuation assistance for displaced workers.

Part W Authorize the Use of Photo Inspection of Private Passenger Automobiles for Insurance Claims Under current law, to address problems of insurance fraud, second-hand motor vehicles are required to be inspected before insurance is issued. This Part would allow an insurer to waive the right to an inspection after filing a statement of operation with the Superintendent of the Department of Financial Services. This statement of operation may waive the right to inspect some or all automobiles for all insurance policies issued, renewed, altered or modified. These changes would be repealed October 1, 2027.



GAMING COMMISSION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Racing Study:** \$1 million in new funding to support a racing study.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

AID TO LOCALITIES – A.3003

SIGNIFICANT ACTIONS INCLUDE:

- **Tribal State Compact:** \$175 million, \$153 million less 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. This year-to-year decrease is due to local revenues owed by the Seneca Nation having been paid out to localities in FY23. Below please find a breakout of Tribal State Compact revenues by Nation:

- ➔ **Akwesasne Mohawk Casino Host Communities:** \$51 million, \$28 million more than last year. These funds support local host payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Akwesasne Mohawk Casino. This appropriation has a large increase due to the Mohawk Nation being behind in payments to the State, however, according to the Division of the Budget they intend on making up these payments this year.
- ➔ **Akwesasne Mohawk Casino Non-Host Communities:** \$10 million, same as last year. These funds are generated by the Akwesasne Mohawk casino to support non-host communities in the North County exclusivity zone.
- ➔ **Oneida Nation Casino Host Communities:** \$41 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:** \$13 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:** \$9 million, \$25 million less than last year. These funds support local host payments equal to 25% of the negotiated percentage of the net drop from electronic gaming devices the State receives from such devices at the Seneca Allegany Casino.
- ➔ **Seneca Allegany Casino Non-Host Communities:** \$4 million, \$17 million less 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:** \$15 million, \$37 million less 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:** \$6 million, \$19 million less 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:** \$18 million, \$54 million less 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:** \$8 million, \$37 million less than last year. These funds are generated by the Seneca Niagara casino to support non-host communities in the Western NY exclusivity zone.
- **Commercial Gaming Payment Reduction Offsets:** \$3.75 million, \$6.25 million less than last year, for payments to local governments related to commercial gaming. This funding will support local host communities that experienced commercial gaming tax rates being reduced as part of the 2021-22 Enacted Budget. According to the Division of the Budget, this appropriation should be closer to \$10 million and they

expect to see an adjustment in the Governor's 30-Day Amendments.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **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.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part R Financial Relief to the Metropolitan Transportation Authority from NYS Downstate Casinos Dedicates downstate casino revenue to the Metropolitan Transportation Authority (MTA). For a casino located in New York City, 100% of all gaming taxes and fees received by the State would be deposited into the MTA Finance Fund. For a casino located outside of NYC, 80% of all gaming taxes and fees received by the State would be deposited into such fund. The remaining portion would be distributed as follows:

- 10% to be split between the host county and host municipality; and
- 10% to be split among the non-host counties within the region on a per capita basis.

Lastly, this proposal provides that should a current video lottery gaming operator be selected for a downstate commercial casino license, such operator would make a payment to the State Lottery Fund before any payment to the MTA. This payment would be the greater of education aid deposits made in FY22 or FY23 by such operator. After such payment any remaining funds shall be transferred to the MTA.

- ❖ **Effective Date:** Immediately and shall expire and be deemed repealed in 10 years.
- ❖ **Fiscal Impact:** Establishes a funding mechanism for the MTA.

REVENUE – A.3009

Part X Redevelopment of Belmont Park Racetrack

Authorizes the State to finance the cost of renovating the Belmont Park Racetrack (anticipated cost of \$455 million) pursuant to a repayment agreement with the New York Racing Association (NYRA). The financing of these improvements would occur by means of a capital loan from the State, although the State would be authorized to issue bonds for the project if needed. NYRA would repay the State \$25.8 million annually from its capital budget over a period of 20 years. In this regard, the bill does provide that NYRA shall use funds it receives from VLT revenues for capital purposes at Resorts World Aqueduct (4%) and from Nassau/Suffolk OTB (1.3%) to repay the State's capital loan on an annual basis. Upon the substantial completion of the Belmont Park renovation project, NYRA would relinquish its leasehold interest in Aqueduct Racetrack (and, thus, cease racing operations which would be transferred to Belmont Park.) The real property at Aqueduct of 110 acres would then revert to the State.

The Belmont Park project, which involves the total reconstruction of the grandstand and clubhouse, and renovation of the tracks is strongly supported by the We Are Racing Coalition, comprised of NYRA, the NYS Thoroughbred Horsemen's Assn., the NYS Thoroughbred Breeders Assn., the Farm Bureau, the Business Council, the Long Island Assn. et al.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Establishes a funding mechanism for the Belmont Redevelopment Project.

Part Y Eliminate Quick Draw Restrictions Repeals the restriction limiting sales of Quick Draw lottery tickets to those licenses with premises larger than 2,500 square feet if they do not hold an on-premise license to sell alcoholic beverages. (This change would greatly increase the number of licenses able to sell Quick Draw tickets). The Executive proposal

also repeals the 21 years of age requirement to purchase a Quick Draw ticket from a vendor that possesses an on-premises liquor licenses (instead, the general prohibition on selling lottery tickets to persons under age 18 would apply).

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Increase State revenue by \$11 million in FY2024 and \$22 million annually thereafter.

Part Z Providing for the Closure of the Catskill Off Track Betting (OTB) Corporation

Authorizes the termination of the Catskill Regional OTB Corporation upon the satisfaction of all outstanding debts and obligations. The State Gaming Commission would have to approve any plan for the payment of such debts and obligations. In order to do so, Catskill OTB would be authorized, as of April 1, 2023, to use any remaining funds in its capital reserve fund. No such monies could be used to pay employee wages and benefits until all debts and obligations are satisfied. Any funds remaining thereafter would then be distributed to Catskill OTB's participating counties. Lastly, these counties would be authorized to enter into an agreement with another regional OTB Corporations (i.e., Capitol OTB) to provide pari-mutuel betting services. Catskill OTB has no operating retail branches.

- ❖ **Effective Date:** Immediately.
- ❖ **Fiscal Impact:** Improves OTB Corporate management and increases operational efficiencies.

Part AA Authorizes Off Track Betting Corporation Capital Acquisition Funds Authorizes the Capital OTB Corporation to utilize their Capital Acquisition Funds (CAF) for an additional year through March 31, 2024 for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers. Specifically, this will allow Capital OTB to utilize 23% of its CAF, not to exceed \$440,000 for one year.

- ❖ **Effective Date:** Immediately and shall expire and be deemed repealed one year after such date.
- ❖ **Fiscal Impact:** None to the State.

Part BB Extends Simulcasting of Out-of-State Thoroughbred and Harness Horse Races for One Year Authorizes 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 extends for one year the current statutory distribution of revenue for on-track and off-track wagering at the NYRA tracks and continues until 2024 the authorization for the in-home simulcasting of races, binding arbitration for simulcasting disputes and telephone/internet betting accounts.

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



GENERAL SERVICES

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CAPITAL PROJECTS – A.3004

SIGNIFICANT DECREASES INCLUDE:

- **Capital Projects:** \$259.2 million, \$184.6 million less than last year. This decrease reflects one-time funding for Empire State Plaza infrastructure projects, including repairs to the Capitol's Eastern Approach Staircase and renovations to the Legislative Library.

SIGNIFICANT ACTIONS INCLUDE:

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

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part Q Extension on the State Commission on the Restoration of the Capitol Extends the authority of the State Commission on the Restoration of the Capitol for an additional five years from April 1, 2023 to April 1, 2028. The Commission was extended in 1988, 1993, 1998, 2003, 2008, 2013, and 2018 for five-year periods.

Part R Electronic Bidding Allow State agencies to require electronic submission of documents, including the use of electronic signatures, for certain State procurement contracts. Agencies would be required to comply with the standards set forth in the Electronic Signatures and Records Act. Currently, at least 36 states use electronic procurement processes.

GENERAL STATE CHARGES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Healthcare Obligations:** \$5.2 billion, \$55 million more than last year, which reflects the State's contributions related to providing employees with health insurance.

SIGNIFICANT DECREASES INCLUDE:

- **Social Security:** \$1.1 billion, \$293.9 million less than last year, which reflects the State's contribution to Social Security Benefits.
- **Unemployment Insurance:** \$15 million, \$2.7 million less than last year, for reimbursement to the unemployment insurance fund for payments made to claimants formerly employed by New York State.

SIGNIFICANT ACTIONS INCLUDE:

- **Special Accidental Death Benefit:** \$32 million in funding transferred from the Audit & Control State Operations Budget for state reimbursements to New York City for payments made for special accidental death benefits. These payments are the annual cost of living allowance for widows

and widowers of deceased police officers and firefighters pursuant to section 208-f of the general municipal law.

- **Special Accidental Death Benefit for Counties:** \$2 million in new funding for state reimbursements to counties, cities, towns, or villages for payments made for special accidental death benefits. These payments are the annual cost of living allowance for widows and widowers of deceased police officers and firefighters made pursuant to section 208-f of the general municipal law.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Employees' Retirement:** \$2 billion 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.
- **Litigation:** \$45.1 million for the payment of private counsel defense and payments on behalf of State officers and employees in civil or judicial proceedings.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part Y Special Accidental Death Benefit This Part would add counties as payors of the special accidental death benefit under Section 208-f of the General Municipal Law. The purpose of this addition is to clarify that beneficiaries of the members of county sheriff departments are eligible for such benefits. This Part would also authorize moving the appropriation for this benefit from Audit and Control to the General State Charges budget.

- In the case of a deceased county member who died prior to the effective date of this Part, the payment of the benefit to the deceased member's beneficiaries will begin on the effective date. The benefit amount would be subject to annual increases and escalation from the date of such member's death.



HEALTH

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MEDICAID OVERVIEW

Medicaid Global Cap The Executive Budget proposal extends the Medicaid Global Cap until FY25, 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 through FY25.

Medicaid Spending Proposed Medicaid Spending in the FY24 Executive Budget is nearly double the total from FY11. This includes \$34.8 billion in State spending, \$59.3 billion in federal spending, and \$8.9 billion in spending by counties (local share), for a total of \$103 billion.

Local Medicaid Impacts The Executive Budget continues to take over the Local Share Medicaid growth, which is projected to be \$6.4 billion in FY24. This includes approximately \$3.4 billion for New York City and \$3 billion for the rest-of-State counties. However, the State expects to utilize the entirety of Affordable Care Act (ACA) Enhanced Federal Medical Assistance Percentage (eFMAP) savings to offset growth in Medicaid costs borne by the State rather than counties, totaling \$624 million.

Additional Medicaid funding information can be found below in *Figure 1 (Medicaid Scorecard)* and the associated Article VII parts included at the end of the Health section.

Medicaid Scorecard Figure 1				
State Share (Millions)	Implementation Date	Article VII/Admin	FY 2024	FY 2025
Global Cap Forecast (Surplus) / Deficit			\$1,225.7	\$1,390.8
2022 Signed Legislation			\$6	\$7
A.9542 Programs of All-Inclusive Care for the Elderly (PACE) Licensure	6/23/2023	Admin	\$0.3	\$0.5
A.299-B Applied Behavioral Analyst Expansion	10/1/2023	Admin	\$6.0	\$6.2
Enrollment Update			\$0	\$227
Forecasted Enrollment Projections	4/1/2023		\$547.0	\$139.6
Financial Plan adjustment for COVID Enrollment	4/1/2023		(\$547.0)	\$87.0
Global Cap Index Update	4/1/2023		\$756.7	\$930.1
Budget Actions			(\$937)	(\$1,345)
Hospital Actions			\$29	\$63
Additional SUNY Disproportionate Share Hospital (DSH) Support	4/1/2023	Admin	\$71.6	\$106.0
Voluntary Hospital Indigent Care Reduction	4/1/2023	Part E, A.3007	(\$42.7)	(\$42.7)
Nursing Home Action			\$29	\$63
Removal of Nursing Home Staffing Pool	4/1/2023	Admin	(\$93.5)	(\$93.5)
Increase Nursing Home reimbursement by 5%	4/1/2023	Part I, A.3007	\$157.5	\$157.5
Increase Assisted Living Program (ALPs) reimbursement by 5%	4/1/2023	Part I, A.3007	\$9.0	\$9.0
DOH Veterans Homes Investment	4/1/2023	Admin	(\$1.5)	(\$1.5)
Other Long-Term Care Actions			(\$67)	(\$249)
Increase Managed Long Term Care Partial (MLTCP) Medical Loss Ratio (MLR) to 89%	4/1/2024	Admin	\$0.0	(\$55.0)
Discontinue Managed Long Term Care (MLTC) Quality Pool Payments	4/1/2023	Admin	(\$518.8)	(\$51.8)
Discontinue Managed Long Term Care (MLTC) Distressed Plan Pool	4/1/2023	Admin	(\$15.0)	(\$15.0)
Managed Long-Term Care Plans (MLTCP) Reforms	10/1/2024	Part I, A.3007	\$0.0	(\$65.0)
Discontinue Consumer Direct Personal Assistance Program (CDPAP) Wage Parity	1/1/2025	Part I, A.3007	\$0.0	(\$123.8)
Ensure Consumer Direct Personal Assistance Program (CDPAP) Workers Have Comprehensive Health Insurance	1/1/2025	Part I, A.3007	\$0.0	\$61.9
Managed Care Actions			(\$266)	(\$205)
Increase Mainstream Managed Care (MMC) MLR to 89%	4/1/2024	Admin	\$0.0	(\$12.0)
Pay and Resolve	1/1/2024	Part J, A.3007	\$0.0	(\$12.0)
Discontinue Mainstream Managed Care (MMC) Quality Pool Payments	4/1/2023	Admin	(\$60.0)	(\$60.0)
Delay Implementation of Undocumented Coverage Expansion for 65+	1/1/2024	Part H, A.3007	(\$171.9)	\$0.0
Keep Pregnancy Coverage in Essential Plan	1/1/2024	Admin	(\$41.3)	(\$165.0)
Pharmacy Actions			(\$51)	(\$247)
Reduced Coverage for Over-The-Counters and Eliminate Co-Pays	10/1/2023	Part D, A.3007	(\$8.7)	(\$17.4)
Discontinue Prescriber Prevails	4/1/2024	Part D, A.3007	\$0.0	(\$49.5)
NYRx Transition	4/1/2023	Admin	(\$410.0)	(\$547.8)
Support for Ryan White Clinics (NYRx Reinvestment)	4/1/2023	Admin	\$30.0	\$30.0
Federally Qualified Health Centers(FQHC)/Diagnostic & Treatment Centers (DTC) Supplemental Payments (NYRx Supplemental Payments Reinvestment)	4/1/2023	Admin	\$125.0	\$125.0
Increase Hospital reimbursement by 5% (NYRx Reinvestment)	4/1/2023	Part E, A.3007	\$212.5	\$212.5

Continued

Other Actions			(\$654)	(\$779)
Utilize Available Federal Funding	4/1/2023	Admin	(\$624.1)	(\$709.0)
Recalibrate the Health Home Program to Improve Care Management for Vulnerable Populations	10/1/2023	Admin	(\$30.0)	(\$70.0)
State of the State (SOTS) Investments			\$180	\$415
Expand Medicaid Buy-In for those with Disabilities	\$45,658	Part N, A.3007	\$0	\$60
Expand Medicaid Coverage of Preventive Care			\$54	\$104
Expand nutritionist coverage to all populations	7/1/2023	Part R, A.3007	\$13.5	\$18.0
Improve access to smoking cessation medication	1/1/2024	Part W, A.3007	\$0.0	(\$1.1)
Increase in supportive housing funding	10/1/2023	Admin	\$15.0	\$30.0
Increase reimbursement rates for dental services to ensure access for all Medicaid members	7/1/2023	Admin	\$1.0	\$1.4
Increase Medicaid reimbursement for private practice dentists serving the IDD population	7/1/2023	Admin	\$0.3	\$0.4
Increase reimbursement for ambulatory surgery dental services for IDD population	7/1/2023	Admin	\$4.3	\$5.7
Establish Medicaid reimbursement for CDSMP (chronic disease self-management plan) for arthritis management	10/1/2023	Part R, A.3007	\$0.1	\$0.1
Establish Adverse Childhood Experience screening reimbursement	1/1/2024	Admin	\$4.8	\$19.2
Ensure Medicaid coverage of Preventive Mental Health Services	10/1/2023	Admin	\$6.0	\$12.0
Statewide Medicaid coverage and Higher Reimbursement for Doulas	1/1/2024	Admin	\$2.3	\$8.5
Medicaid coverage of spinal muscular atrophy screening	9/1/2023	Admin	\$3.7	\$6.4
Increased vaccine administration fees to expand access to children	7/1/2023	Admin	\$2.7	\$3.6
Improve Access to Primary Care			\$46	\$104
Benchmarking primary care reimbursement to 80% of Medicare	10/1/2023	Admin	\$17.7	\$35.3
Promote Telehealth through eVisits	10/1/2023	Admin	\$0.8	\$1.6
Ensuring coverage of primary and urgent care in shelter system	1/1/2024	Admin	\$0.0	(\$2.4)
Increase reimbursement for School Based Health Centers	4/1/2023	Admin	\$1.4	\$1.4
Establish Medicaid reimbursement for Community Health Workers for more populations (including high-risk populations, maternity, children under 21, etc.)	1/1/2024	Part Q, A.3007	\$8.7	\$34.7
Integrated Licensure Standards	10/1/2023	Admin	\$16.3	\$32.7
Eliminate Hepatitis C by Implementing Universal Hepatitis C (HCV) Screening	4/1/2023	Admin	\$1.0	\$1.0
Reimburse Screening for Congenital Syphilis during the 3rd Trimester	4/1/2023	Admin	\$0.2	\$0.2
Ensure Adequate Medicaid Reimbursement for Transportation Services by Increasing Reimbursement	\$45,108	Admin	\$14	\$18
Stabilize and Strengthen New York's Reproductive Health System	\$45,017	Admin	\$8	\$14
Mental Hygiene SOTS Medicaid Impacts			\$59	\$114
Expand the Comprehensive Psychiatric Emergency Program (CPEP)	10/1/2023	Part II, A.3007	\$12.0	\$24.0
Expand the Assertive Community Treatment (ACT) Program	10/1/2023	Part II, A.3007	\$4.6	\$9.2
Expand the Certified Community Behavioral Health Clinic (CCBHC) Program	4/1/2023	Part II, A.3007	\$3.5	\$16.2
Certified Community Behavioral Health Clinic (CCBHC) Indigent Care Program	4/1/2023	Part II, A.3007	\$11.3	\$22.5
Health Home Plus Expansion	4/1/2023	Part II, A.3007	\$2.5	\$2.5
Expand Article 31 Clinic Capacity	7/1/2023	Part II, A.3007	\$15.0	\$20.0
Increase reimbursement rates for School Based Mental Health Clinics	10/1/2023	Part II, A.3007	\$10.0	\$20.0
Total Global Cap (Surplus)/Deficit			\$0.0	\$0.0
Financial Plan Support of Minimum Wage Inflation Medicaid Impacts	4/1/2023		\$2.5	\$2.5
Total Financial Plan Support for Minimum Wage Increase (Outside the Global Cap)			\$2.5	\$12.6

STATE OPERATIONS – A.3000

ADMINISTRATION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Asian and Pacific-Islander Demographic Data:** \$7.3 million, \$6.3 million more than last year, to collect demographic data as required by Chapter 745 of the Laws of 2021 (A.6896-A).
- **General Administration Program:** \$200.2 million, \$16.6 million more than last year, due to increased personal service costs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Office of Gun Violence Prevention:** \$500,000, same as last year, for data collection on gun violence that will track emerging gun violence hotspots and deploy resources to areas most in need.

SIGNIFICANT ACTIONS INCLUDE:

- **Lead Testing Programs and Registry:** \$18.5 million in new funds for a lead testing reduction program and registry for areas outside of New York City due to Part T of the Health and Mental Hygiene Budget Bill (A.3007).
- **Modernized Data Systems:** \$8.3 million in new funding for implementation and development of modernized health care data systems.

CENTER FOR COMMUNITY HEALTH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Tobacco Control and Cancer Initiatives:** \$3.8 million, \$71,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Handicapped Infants and Toddlers Program:** \$27.2 million, same as last year.
- **Prevention, Diagnostic, Detection, and Treatment Services:** \$231.3 million, same as last year.
- **Women, Infants, and Children (WIC):** \$5 million, same as last year.

CENTER FOR ENVIRONMENTAL HEALTH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Radiological Health Protection:** \$4.7 million, \$7,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

CHILD HEALTH INSURANCE PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Health Care Reform Act Program (HCRA) Resources Fund:** \$17.7 million, \$1.1 million more than last year, due to increased contractual services.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

HEALTH CARE REFORM ACT (HCRA) PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Auditing and Auditing Contracts:** \$4.8 million, \$87,000 more than last year.
- **New York State Workforce Innovations Center:** \$10 million \$87,000 more than last year for initiatives to help increase the health workforce supply in the State.
- **Pool Administration:** \$2.7 million \$87,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Hospital Compliance Audits:** \$1.1 million, same as last year.

INSTITUTIONAL MANAGEMENT PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Helen Hayes Hospital:** \$69.2 million, \$2.8 million more than last year, due to increased personal and contractual services.
- **New York City Veterans' Home:** \$46.7 million, \$496,000 more than last year, due to increased personal service and fringe benefits costs.
- **Oxford Veterans' Home:** \$26.6 million, \$466,000 more than last year, due to increased personal service costs.
- **Lower Hudson Veterans' Home:** \$31.3 million, \$459,000 more than last year, due to increased personal service costs.
- **Western New York Veterans' Home:** \$16.8 million, \$222,000 more than last year, due to increased personal service costs.

SIGNIFICANT DECREASES INCLUDE:

- **Recruitment and Retention for Department of Health Veterans' Facilities:** \$200,000, \$300,000 less than last year.

MEDICAL ASSISTANCE ADMINISTRATION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Fund Administration Program:** \$795.2 million, \$217.2 million more than last year, due to increased personal and contractual services.
- **Federal Administration Program:** \$1.3 billion, \$278.3 million more than last year, due to increased Federal funding and personal service costs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Disproportionate Hospital Share Payments (DSH) Audits:** \$4.6 million, same as last year, for conducting audits of DSH hospital payments made by the State to general hospitals.
- **Electronic Medicaid Eligibility Verification:** \$404 million, same as last year, for an electronic Medicaid eligibility verification system.
- **Long-Term Care System Improvements:** \$4.3 million, same as last year, for expanding and promoting care coordination and level of care.
- **Medical Indemnity Fund Administration:** \$3.1 million, same as last year, to administer the Medical Indemnity Fund to provide assistance to plaintiffs in medical malpractice actions who have suffered birth defects.

OFFICE OF PRIMARY CARE AND HEALTH SYSTEMS MANAGEMENT

SIGNIFICANT INCREASES INCLUDE:

- **Certificate of Need Program:** \$9.1 million, \$1.1 million more than last year, for increased resources in the Certificate of Need Program due to Part M of the Health and Mental Hygiene Budget Bill (A.3007).
- **Emergency Medical Services (EMS) Administration and Training:** \$13.4 million, \$7.6 million more than last year due in part to changes under Part S of the Health and Mental Hygiene Budget Bill (A.3007).
- **Professional Medical Conduct Program:** \$22.1 million, \$279,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

WADSWORTH CENTER FOR LABORATORIES AND RESEARCH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Clinical and Laboratory:** \$16.1 million, \$90,000 more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Medical Marijuana Expenses:** \$2.1 million, same as last year, for operation and oversight.
- **Stem Cell Research Program:** \$3 million, same as last year.

OTHER STATE OPERATIONS

SIGNIFICANT INCREASES INCLUDE:

- **Essential Plan Program:** \$91.4 million, \$18 million more than last year due to changes under Part H of the Health and Mental Hygiene Budget Bill (A.3007).
- **New York State of Health Program:** \$44.2 million, \$285,000 more than last year, to provide a health insurance marketplace for New Yorkers based on their income.

MAINTAINS FUNDING FOR THE FOLLOWING:

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

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Healthcare and Mental Hygiene Worker Bonuses:** \$136 million in funding eliminated due to the program being intended for one-time funding.

AID TO LOCALITIES – A.3003

AIDS INSTITUTE PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Opioid Drug Addiction, Prevention and Treatment Program:** \$7.8 million, \$7.3 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **HIV Healthcare and Support Services:** \$25.2 million, \$12.9 million less than last year, due

to a separate \$12.9 million appropriation being created for the NYIII Supportive Housing Agreement (see below).

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Health and Social Services Sexuality Related Programs:** \$12 million, same as last year.
- **HIV, STD, and Hepatitis C Prevention:** \$31.1 million, same as last year.
- **Regional HIV STD, and Hepatitis C Prevention:** \$29 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **NYIII Supportive Housing Agreement:** \$12.9 million. This appropriation amount used to be included in the HIV Healthcare and Support Services, but is now being lined out separately.

CENTER FOR COMMUNITY HEALTH PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Health Prevention, Diagnostic, Detection, and Treatment Services:** \$94.6 million, \$47.8 million more than last year, due to increased Federal funds.
- **Local Health Departments and Laboratories:** \$230 million, \$40.8 million more than last year, for Article 6 core public health programs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Early Intervention:** \$205 million, same as last year, including funding through a Covered Lives Assessment.
- **Family Planning:** \$10.4 million, same as last year, for Family Planning grants under Article 2 of the Public Health Law.

- **Federal Food and Nutritional Services:** \$556.9 million, same as last year.
- **Lyme Disease and Other Tick-borne Illnesses:** \$69,400, same as last year, for research and prevention.
- **Nourish NY:** \$50 million, same as last year, to continue the Nourish NY program within the Department of Health. This program allows New York's emergency food providers to purchase surplus products from New York farmers and dairy manufacturers and deliver to New York families in need.
- **Rabies Program:** \$1.5 million, same as last year, for the Rabies Program including post-exposure vaccination and research studies in wildlife rabies control.
- **Regional Perinatal Centers:** \$4.5 million, same as last year, for regional perinatal centers.
- **Tobacco Use Prevention and Control:** \$33.1 million, same as last year, for tobacco use prevention and control and cancer research.

SIGNIFICANT ACTIONS INCLUDE:

- **State Grants for Abortion Providers:** \$25 million in new funding to expand capacity and ensure access for patients.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$57.2 million for 69 community health programs has been eliminated.

CHILD HEALTH INSURANCE PROGRAM (CHIP)

SIGNIFICANT INCREASES INCLUDE:

- **Health Care Reform Act (HCRA) Resources Fund:** \$969 million, \$180.5 million more than last year, due to Article VII changes under Part C of the Health and Mental Hygiene Budget Bill (A.3007).

MAINTAINS FUNDING FOR THE FOLLOWING:

- **General Child Health Insurance Program:** \$1.8 billion, same as last year, for Federal disbursements of the Children's Health Insurance Program that provides low-cost health coverage to children in families that earn too much to qualify for Medicaid.

HEALTH CARE REFORM ACT (HCRA) PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Nurse Loan Repayment Program:** \$3 million, \$500,000 more than last year, to provide a student loan repayment program for nurses.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AIDS Drug Assistance Program:** \$41.1 million, same as last year, for transfer to Health Research Incorporated (HRI).
- **Diagnostic and Treatment Centers:** \$54.4 million, same as last year, for centers under the Clinic Safety Net Program.
- **Diversity in Medicine Program:** \$1.2 million, same as last year, to support supplemental distributions to the Graduate Medical Education Pool.
- **Empire Clinical Research Investigators Program (ECRIP):** \$3.4 million, same as last year, to promote training of physicians in clinical research.
- **New York State Workforce Innovation Center:** \$10 million, same as last year, for initiatives to help increase the health workforce supply in the State.
- **Physician Loan Repayment Program:** \$15.9 million, same as last year, for student loan assistance to physicians.

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

SIGNIFICANT DECREASES INCLUDE:

- Excess Medical Malpractice Program: \$78.5 million, \$23.6 million less than last year, to assist physicians with purchasing excess medical malpractice insurance coverage.

MEDICAL ASSISTANCE PROGRAM

SIGNIFICANT ACTIONS INCLUDE:

- Medical Assistance (Medicaid): \$192.9 billion, \$8 billion more than last year. This is a two-year appropriation. This funding is broken out according to the following:
 - ➔ General Fund: \$55.4 billion, \$5.3 billion more than last year;
 - ➔ Federal Funds: \$126.1 billion, \$3.2 billion more than last year;
 - ➔ Health Care Reform Act (HCRA) Indigent Care Account: \$1.3 billion, \$170.8 million less than last year;
 - ➔ Health Care Reform Act (HCRA) Resources Fund: \$8.4 billion, \$382.5 million less than last year; and
 - ➔ Miscellaneous Special Revenue: \$1.8 billion, \$119 million more than last year.

OFFICE OF PRIMARY CARE AND HEALTH SYSTEMS MANAGEMENT PROGRAM

MAINTAINS FUNDING FOR THE FOLLOWING:

- Distressed Provider Assistance Account: \$150 million, same as last year, for grants to financially distressed hospitals.

- Emergency Medical Services (EMS) Administration: \$10.6 million, same as last year, for training, instructor development, and expenses of State EMS councils.

SIGNIFICANT ACTIONS INCLUDE:

- Home Care Teams for Low-Income Older Adults: \$2.1 million in new funding.
- Respite Care at Adult Care Facilities: \$7.2 million in new funding to provide relief to high-need family caregivers.

OTHER AID TO LOCALITIES

SIGNIFICANT INCREASES INCLUDE:

- Essential Plan Program: \$9 billion, \$2.5 billion more than last year, for the State's insurance marketplace for low-income individuals, partially due to eligibility expansion, under Part H of the Health and Mental Hygiene Budget Bill (A.3007).
- Medical Assistance (Medicaid) Administration: \$3 billion, \$115.6 million more than last year, due to increased contractual services.
- Wadsworth Laboratories and Research Program: \$11.6 million, \$397,000 more than last year.

SIGNIFICANT DECREASES INCLUDE:

- Office of Health Insurance Program: \$323.1 million, \$2 million less than last year, due to the elimination of legislative additions.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Elderly Pharmaceutical Insurance Coverage (EPIC) Program: \$93.2 million, same as last year, for pharmaceutical coverage for the elderly.

- **Center for Environmental Health:** \$22.3 million, same as last year, including \$5 million for the Water Supply Protection Program.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Statewide Health Information Network for New York (SHIN-NY):** \$32.5 million, \$2.5 million more than last year, to connect regional networks, allowing health care professionals to share patient medical information with the consent of the patient.
- **Water Resources:** \$362 million, \$17 million more than last year, due to a \$15 million increase in the State's match for the Safe Drinking Water Revolving Fund and \$2 million in new funds for laboratory testing for emerging contaminants in public drinking water.

SIGNIFICANT DECREASES INCLUDE:

- **Maintenance and Improvements of Existing Facilities:** \$58.9 million, \$6 million less than last year.
- **Healthcare Facility Transformation:** \$1 billion in new funding for the statewide Health Facility Transformation V program, additional information is found in Part P of the Health and Mental Hygiene Budget Bill (A.3007).

MAINTAINS FUNDING FOR THE FOLLOWING:

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

- **Facilities Maintenance and Operations:** \$12.3 million, same as last year.
- **IT Initiatives Program:** \$10 million, same as last year.
- **Laboratories and Research:** \$12 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Veterans' Affairs:** \$5.6 million in funding is eliminated due to the loss of Federal funding.
- **Wadsworth Laboratories:** \$967 million in new funding to consolidate the five Wadsworth Laboratory facilities in Albany into one new facility.
- **Health Care and Data Modernization:** \$31.5 million in new funding.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Veterans Affairs:** \$5.6 million eliminated for Federal grant support.

EDUCATION, LABOR, AND FAMILY ASSISTANCE – A.3006

Part C Abortion Access at Public College Campuses

This Part requires all State University of New York (SUNY) and City University of New York (CUNY) campuses (including community colleges) to provide access to medication abortion prescription drugs for all enrolled students.

“Access to medication abortion prescription drugs” is defined as the following:

- Prescription and dispensing by a legally certified individual employed by or working on behalf of the campus; or

- Referral to a certified healthcare provider or pharmacy in the community to dispense the medication.

The Trustees of these institutions are required to adopt uniform policies for each university to ensure this access.

HEALTH AND MENTAL HYGIENE – A.3007

Part A Medicaid Global Cap Extension This Part extends the Medicaid Global Cap until FY25, 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 through FY25.

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

- **Body Image Scans at Correctional Facilities by Unlicensed Employees:** Extended for six years through January 30, 2029;
- **Capital Improvement Financing:** Extended for two years through March 31, 2025;
- **Care at Home (CAH) I and II Waivers:** Extended for five years through March 31, 2028;
- **Certified Health Home Episodic Payment Periods:** Extended for four years through March 31, 2027;
- **Comprehensive Health Services Program:** Extended for three years through March 31, 2026;
- **Contract Termination Cool-Off Period:** Extended for two years through June 30, 2025;
- **Enriched Housing Programs:** Extended for four years through January 1, 2027;
- **Fully Integrated Duals Advantage Program Fair Hearings:** Extended for four years through January 1, 2027;
- **Health Facility Cash Assessment Program:** Extended for two years through March 31, 2025;
- **Home Care Medicare Maximization Program:** Extended for four years through February 1, 2027;
- **Long-Term Care Spousal Budgeting Waiver:** Extended for five years through March 31, 2028;
- **Medicaid Prescription Payment Limit:** Extended for three years through March 31, 2026;
- **Medicaid Prescription Supplemental Rebate Negotiation:** Extended for three years through March 31, 2026;
- **Medicaid Statewide Drug Formulary:** Extended for six years through March 31, 2029;
- **New York City Health and Hospitals Corporation Upper Payment Limit:** Extended for three years through March 31, 2026;
- **Nursing Home and Hospital Trend Factor Elimination:** Extended for two years through March 31, 2025;
- **Nursing Home Appeals Payment Limit:** Extended for four years through April 1, 2027;
- **Nursing Home Medicare Maximization Program:** Extended for four years through February 1, 2027;

- **Nursing Home Upper Payment Limit:** Extended for three years through March 31, 2026;
- **Office of Professional Medical Conduct funds for Patient Information and Quality Improvement Act:** Made permanent;
- **Physician Committee Immunity Liability:** Extended for 10 years through July 1, 2033;
- **Physician Treatment Referral Demonstration Period:** Extended for 10 years through July 1, 2033;
- **Professional Misconduct Hearings:** Extended for 10 years through July 1, 2033;
- **Public Health Law Penalties, Patient Safety Center Account, and Enriched Social Adult Day Services Demonstration Project:** Extended for three years through April 1, 2026;
- **State-operated Hospitals Contracting Flexibility:** Extended for five years through March 31, 2028;
- **Statewide Health Information Network and Statewide Planning and Research Cooperative System:** Made permanent; and
- **Young Adult Demonstration for Medically Fragile Children:** Extended for four years through July 30, 2027.

Part C Health Care Reform Act (HCRA) Three-Year Reauthorization This Part extends the Health Care Reform Act (HCRA) Program for three years through March 31, 2026. HCRA is a healthcare financing law that targets funding for multiple healthcare initiatives through surcharges and assessments of third-party payors and providers of healthcare services.

The following HCRA Programs are extended for three years through March 31, 2026:

- Clinic Bad Debt and Charity Care;
- Empire Clinical Research Investigator Program (ECRIP);
- GME Funding for the Diversity in Medicine Program (DMP);

- GME Funding for the Physician Workforce Study;
- Graduate Medical Education (GME) Funding for Doctors Across New York (DANY);
- Healthcare Initiatives Allocations;
- Home Care Workforce Recruitment and Retention Program;
- Hospital Billing Requirements;
- Personal Care Workforce Recruitment and Retention Program;
- Program Administration Dedicated Revenue;
- Surcharge Allocation for Various Pools; and
- Tobacco Initiatives.

The following HCRA Programs are extended for four years until December 31, 2026:

- Medicaid Inpatient Hospital Reimbursement Methodology and Surcharge and Assessment Collection;
- Early Intervention Covered Lives Assessment;
- Regional Professional Education Pool Covered Lives Assessment; and
- Covered Lives Assessment Reconciliation.

Part D Medicaid Pharmacy Provisions This Part eliminates “prescriber prevails” in Medicaid Fee-for-Service and Managed Care. “Prescriber prevails” refers to prescribers having the final say in prescribing a drug for a purpose that is not clinically supported. The Preferred Drug Program will make the decision after considering information and justification from the prescriber.

Additionally, this Part would allow the Department of Health (DOH) to modify the list of over-the-counter (OTC) drugs that are reimbursable by Medicaid. Currently, DOH is only authorized to add drugs to the list.

Part E Hospital Related Provisions This Part proposes various hospital related measures. The operating component of inpatient hospital Medicaid rates would be increased by 5% to offset provider impacts related to 340B.

The Part also extends the Indigent Care Pool for three years through 2025, and reduces the State Share contribution to the program by \$42.7 million.

Additionally, this Part authorizes the designation of Rural Emergency Hospitals as defined in federal law. A community forum would have to be held at least 30 days prior to applying for such designation, and the Office of Mental Health (OMH) and Office of Addiction Services and Supports (OASAS) would have to be notified if there are related inpatient programs at the hospital.

Lastly, Vital Access Provider Assurance Program (VAPAP) eligibility would also be extended to former Delivery System Reform Incentive Payment (DSRIP) providers who collaborated with an independent practice association that received “VBP Innovator” status by the Department of Health.

Part F Excess Medical Malpractice Program Extension This Part extends the Physician’s Excess Medical Malpractice Program for one year through June 30, 2024.

Part G State Office for the Aging Private Pay This Part reduces the eligibility threshold for the private pay protocols within the State Office for the Aging (SOFA) from 400% of the Federal Poverty Level (FPL) to 250% of the FPL. This would require anyone over 250% of the FPL to access SOFA programs through private pay.

Part H Essential Plan Program Changes This Part allows for the Essential Plan to operate and make changes under the 1332 State Innovation Waiver (named after Section 1332 of the Affordable Care Act) and creates the 1332 State Innovation Program. This allows for the State to continue with Essential Plan eligibility expansions that are not authorized under the current program. Included in these expansions are initiatives from FY23 that increase the income eligibility to 250% of the Federal

Poverty Level (FPL), as well as allowing pregnant women and newborns to receive coverage for one-year post-partum regardless of any income change.

Additionally, section 5 of Part AAA of A.9006-C of 2022 is amended to delay the implementation of expanding Medicaid eligibility of undocumented immigrants 65 years of age and older for one year until January 1, 2024.

Part I Long-Term Care Program Reforms This Part proposes various changes to long-term care programs.

RATE INCREASE

Provides a 5% uniform Medicaid rate increase for the operating component of nursing homes and Assisted Living Programs (ALPs).

MLTC LONG-TERM CARE EXTENDER

Extends provisions that keep recipients in need of more than 120 days of community-based long-term care enrolled in a Managed Long-Term Care (MLTC) plan for an additional four years.

MLTC MORATORIUM AND COMPETITIVE BID PROCESS

The moratorium on the processing and approval of certificates of authority for new MLTC plans is extended for four years through March 31, 2027. However, this moratorium shall not apply to procurement through competitive bidding due to an MLTC plan failing to meet performance standards set forth in the bill. These performance standards include the following:

- Commitment to contracting with the minimum number of Licensed Home Care Service Agencies (LHCSAs) needed to provide necessary personal care services to the greatest practicable number of enrollees, and with the minimum number of fiscal intermediaries;

- Readiness to timely implement and adhere to maximum wait time criteria for key categories of service;
- Implementation of a community reinvestment plan that has been approved by the Department and commits a percentage of the MLTC plan's surplus to health related social needs and advancing health equity;
- Commitment to quality improvement;
- Accessibility and geographic distribution of network providers;
- Demonstrated cultural and language competencies specific to the population of participants;
- Breadth of service area across multiple regions;
- Ability to serve enrollees across the continuum of care, as demonstrated by the type and number of products the managed long term care operates or has applied to operate;
- Value based care readiness and experience; and
- Such other criteria as deemed appropriate by the Commissioner.

Competitive bids could, due to failure to meet performance standards, happen no sooner than October 1, 2024. These bids would include applications from MLTC plans who were considered to not have met the appropriate performance standards. Proposals for the competitive bid process shall include the following information to be considered:

- The criteria set forth in the aforementioned performance standards;
- The type and number of products the bidder proposes to operate, including those providing integrated care to individuals dually eligible for services and benefits with an affiliated Medicare Dual Eligible Special Needs Plan;

- The bidder's commitment to offering plans in multiple regions, as such regions are defined by the department, and in every county of each region for which they are submitting a bid;
- The corporate organization and status of the bidder as a charitable corporation;
- For current or previously authorized managed care providers, past performance in meeting managed care contract or Federal or State requirements; and
- Any other criteria deemed appropriate by the Commissioner.

MLTCs that were previously operating must submit their proposal within 60 days of a Request for Proposal (RFP) for new plans being issued. If the Commissioner determines that a competitive bid process is not necessary, the Commissioner shall require plans not meeting performance standards to implement a performance improvement plan.

HOME CARE WORKER WAGE PARITY ELIMINATION

Eliminates requirements for Home Care Worker Wage Parity in Nassau County, Suffolk County, Westchester County, and New York City. These requirements required that Home Care Workers in these areas be paid both a base wage and a supplemental benefit to satisfy a minimum rate of total compensation.

CONSUMER DIRECTED PERSONAL ASSISTANCE PROGRAM (CDPAP) PREMIUM ASSISTANCE

Creates a health insurance premium assistance program for CDPAP workers. Individuals must attest on the New York State of Health (NYSOH) Marketplace that they are employed through CDPAP, be eligible for Federal premium tax credits, not be eligible for Medicaid, and enrolled in a qualified NYSOH health plan. The premium assistance for full-time workers shall be equal to the contribution benchmark for the Silver Qualified Health Plan, with part-time workers receiving half

that amount. The credits will be paid directly to the health plan.

Newly eligible individuals shall be eligible for a special enrollment period through NYSOH. The Commissioner shall submit applications for Federal Financial Participation. Fiscal Intermediaries and personal assistants shall be required to submit information necessary for information as determined by DOH.

The CDPAP Supplemental Premium Assistance Fund is also created in State Finance Law to effectuate these provisions.

Part J Pay and Resolve This Part establishes the criteria, processes, and time frames for a health plan's review of claims from a hospital for emergency services or inpatient admissions resulting from emergency services. When a health plan's obligation to pay a hospital claim is clear and the claim is for emergency services or an admission following an emergency visit, the plan must pay the claim and then may request desired documentation for a retrospective medical necessity review within 30 days. The hospital shall provide the clinical documentation within 45 days of the request. Failure to provide the documentation within 60 days of the request shall result in a not medically necessary determination.

Within 90 days of receipt of the clinical documentation, an insurer may submit a claim to a joint committee of clinicians from the hospital and insurer to make a joint determination as to the medical necessity of the services. The committee must meet at least quarterly but cannot be required to meet more frequently than every 30 days.

If a decision cannot be agreed upon within the 90 day period, the insurer and hospital can submit the claim to a mutually agreed upon third-party review agent, with the review agent's decision being binding. Insurers and hospitals must identify a third-party review agent in their participating provider agreement. If an agreement cannot be reached, the insurer may choose an external appeal agent certified by the Department of Financial Services.

If the third-party review agent determines that the services were not medically necessary, the insurer may recoup, offset, or require a refund for overpayment. Any copayments or deductibles shall be pended until there is a final determination and insureds must be held harmless by the hospital for services determined too not be medically necessary. These provisions shall not limit the ability of insurers to require preauthorization for care that is not emergency services, and this shall not preclude insurers and hospitals from agreeing to other dispute resolution mechanisms. The definition of medical necessity for the purposes of these reviews come from the participating provider agreement between the insurer and the hospital.

Insurers cannot use claims audits to reverse determinations related to the processes. Additionally, nothing in these provisions shall limit the authority of the Medicaid Inspector General, the Department of Health, or the State in oversight activities or audits.

Part K Medicaid Waiver Eligibility Expansion This Part makes conforming changes to align current law with pending Federal waivers in the Medicaid program that are expected to be approved this year. These provisions would expand Medicaid services to incarcerated adults and adults in Institutions of Mental Disease (IMD) prior to release to better prepare them for release.

Part L Site of Service Review This Part establishes reviews by a health plan of whether a procedure is medically necessary when it was performed at a hospital-based outpatient clinic rather than a free-standing ambulatory surgical center constitutes a utilization review.

These reviews must prioritize patient health and safety, the patient's choice of provider, and decision cannot be made solely on cost. Health plans must have adequate free-standing ambulatory surgical center providers to meet the health needs of members to provide an appropriate choice of providers to render covered services.

Beginning January 1, 2024, health plans shall provide a notice explaining the site of service to:

- Policyholders;
- Participation providers; and
- The Superintendent of Financial Services.

Beginning January 1, 2024, at a minimum, health plans shall approve a service covered under the policy or contract and requested to be performed by a network provider at a hospital-based outpatient clinic in the following situations:

- The procedure cannot be safely performed in a free-standing ambulatory surgical center due to the insured's health condition;
- There is not sufficient free-standing ambulatory surgical center capacity in the insured's geographic area; or
- The provision of health care services at a free-standing ambulatory surgical center would result in undue delay.

Beginning January 1, 2024, a plan's site of service clinic review criteria shall also take into consideration the following:

- The insured's in-network treating physician recommends that the service be provided at a hospital-based outpatient clinic;
- The insured's in-network treating physician is not credentialed or does not have privileges at a free-standing ambulatory surgical center; or
- The insured has an established relationship with an in-network treating physician who performs the requested service in a hospital-based outpatient clinic.

Part M Certificate of Need and Transaction Approval Reforms This Part would make various changes to Public Health Law in regard to operators of hospitals, nursing homes, and other health facilities.

“Member” and “principal member” are added to the list of individuals whose character and competence the Public Health and Health Planning Council (PHHPC) must approve as part of a Certificate of Incorporation or establishment application. This also clarifies the types of healthcare affiliations an applicant must disclose and revises the review period of healthcare affiliations from the previous 10 years to the previous seven years.

This Part also clarifies the types of transfers and other dispositions that do not require approval by the PHHPC including stockholders or voting rights of less than 10% if the PHHPC is given notice of the transaction 90 days prior and responds to additional information requests. This applies to hospitals, home care agencies, and hospices.

The construction fee for Certificate of Need applications for hospitals, nursing homes, and diagnostic and treatment centers is increased from 0.55% to 0.6% of the total capital value of the application.

Stockholders or members of certain entities that exercise no control of Licensed Home Care Agencies (LHCAs) shall not be considered controlling persons subject to review for Certificate of Need applications provided there is an affidavit stating they do not exercise such control.

This Part also allows certain core public health services to be provided in the home, such as immunizations, tuberculosis (TB) testing, TB self-directed therapy, verbal assessment, and referrals. These services may be eligible for Medicaid reimbursement provided Federal and State requirements are met.

A new Article 45-A is added to the Public Health Law entitled Review and Oversight of Material Transactions.

Healthcare entities shall not consummate a material transaction without obtaining approval from the Department of Health (DOH). Material transactions include mergers, acquisitions, contracts, and partnership formations.

A notice for the transaction must be submitted to DOH with supporting documentation at least 30 days before the desired closing date. Documentation is not subject to disclosure under the Freedom of Information Law. The notice must include the following:

- The names of the parties to the proposed material transaction and their current addresses;
- Copies of any definitive agreements governing the terms of the material transaction, including pre- and post-closing conditions;
- Identification of all locations where health care services are currently provided by each party and the revenue generated in the State from such locations;
- Any plans to reduce or eliminate services and/or participation in specific plan networks;
- The desired closing date of the proposed material transaction;
- A brief description of the nature and purpose of the proposed material transaction, which will be used to inform the review under section forty-five hundred fifty-four of this article, including:
 - ➔ The anticipated impact of the material transaction on cost, quality, access, health equity, and competition in the impacted markets, which may be supported by data and a formal market impact analysis; and
 - ➔ Any commitments by the healthcare entity to address anticipated impacts; and
- A non-refundable application fee.

DOH may consider the following when reviewing an application:

- Whether the parties to the transaction can demonstrate that the potential positive impacts of the material transaction outweigh the potential negative impacts related to factors such as:
 - ➔ Patient costs;
 - ➔ Access to services;
 - ➔ Health equity; and
 - ➔ Health outcomes.
- Whether there is a substantial likelihood of anticompetitive effects from the transaction that outweigh the benefits of the transaction including increasing or maintaining services to underserved populations or stabilizing the operations of the existing delivery system;
- The financial condition of the parties to the transaction;
- The character and competence of the parties or any officers or directors thereof;
- The source of the funds or assets for the transaction;
- The fairness of any exchange of shares, assets, cash, or other consideration for the shares or assets to be received; and
- Any other relevant information necessary to determine the impact of the material transaction.

Applications that are not acted upon by DOH within 30 days are deemed approved. During the 30 day period, DOH shall post public notice and comment to inform whether the Department takes further action. The public notice shall include:

- A summary of the proposed transaction;
- An explanation of the groups or individuals likely to be impacted by the transaction;
- Information about services currently provided by the health care entity, commitments by the health care entity to continue such services and any services that will be reduced or eliminated; and

- Details about how to submit comments, in a format that is easy to find and easy to read.

The Department must notify the parties to the transaction that it is withholding approval within 30 days to complete an analysis of the transaction. The Department may request additional information, retain actuaries and accountants for the review, and take additional actions to seek public input. Entities shall not refuse to provide document and information requests.

If DOH disapproves of a material transaction, the Department may notify the Attorney General of the findings so the Attorney General may investigate if the entities have engaged in anticompetitive behavior. Penalties for noncompliance may be imposed as a civil penalty of up to \$10,000 per day. Any penalties shall be paid to the Healthcare Transformation Fund. The Attorney General may apply to the Supreme Court within the proper judicial district for violation of an order enjoining or restraining commission or continuance of the acts thereof.

Part N Expansion of Medicaid Buy-In for Working People With Disabilities This Part expands the Medicaid Buy-In for working people with developmental disabilities. Eligibility requirements are as follows:

- Must be a disabled individual, defined as having a medically determinable impairment of sufficient severity and duration;
- Be at least 16 years of age;
- Be otherwise eligible for Medicaid, but for earnings and resources in excess of the allowable limit;
- Have net available income, that does not exceed 2,250% of the applicable Federal Poverty Line (FPL);
- Have resources other than retirement accounts, that do not exceed \$100,000;
- Contribute to the cost of Medicaid premiums; and

- Meet such other criteria as may be established by the Commissioner.

An employed individual age 16 or above who is determined to no longer be disabled under the Social Security Act may still be eligible for this program if they continue to have a severe medically determinable impairment. Individuals are considered employed if they are working for at least minimum wage for at least 40 hours per month. Income and resources of responsible relatives shall not be deemed available for determining eligibility.

Premiums under the program shall be according to the following:

- Under 250% of FPL, no premium shall be required;
- Between 250% and 300% of FPL, the premium shall be \$347;
- Between 300% and 400% of FPL, the premium shall be \$518;
- Between 400% and 500% of FPL, the premium shall be \$797; and
- Greater than 500% of FPL, the premium shall be \$1,448.

Part O Flavored Tobacco Prohibition and Other Reforms This Part makes various changes to Public Health Law in relation to flavored tobacco and the definition of vapor products.

The definition of vapor products is amended to include the following language: “device that delivers vapor, which is inhaled, including any refill, cartridge, device or component thereof” that contains “or is intended to be used with” such noncombustible liquid or gel. Mentions of vapor products in Public Health Law. In addition, the Part removes the condition that such vapor products are “intended or reasonably expected to be used with or for the consumption of nicotine.”

Conforming changes to replace “electronic cigarettes” with “vapor products” are also made.

The definition of “enforcement officer” in the Public Health Law is also updated to clarify that they can enforce local laws related to the sale of cigarettes, tobacco products, and vapor products to minors. Under this Part, it shall be a Public Health Law violation when a State or local health official is denied access to a retail store for the purpose of evaluating compliance.

Flavored tobacco is added to the prohibition on the sale of flavored products, which are defined to include the newly added term “cooling or numbing sensation imparted during consumption of a tobacco or vapor product.” The new language does not include any product approved by the United States Food and Drug Administration as a drug or medical device. Vapor products dealers, retail dealers, or tobacco or vapor sellers or their agents are prohibited from storing and distributing these products if their location is adjacent to a place of business where tobacco or vapor products are sold.

Lastly, the language makes it clear that these provisions shall not be interpreted to punish those who buy, use, or possess tobacco or vapor goods, and only apply to tobacco or vapor sellers, retail dealers, or dealers in vapor products.

Part P Statewide Healthcare Facility Transformation

V This Part sets forth provisions to create the Statewide V Healthcare Facility Transformation Program (Statewide V). This proposal would allow the Commissioner of Health to enter into an agreement with the Dormitory Authority of New York State (DASNY), subject to the approval of the Director of Budget, to administer, award, and distribute grants to healthcare providers to transform, redesign, and strengthen quality care.

These funds would be for capital projects and are not subject to competitive bidding and include the following:

- Up to \$500 million of these funds would be awarded to build innovative, patient-centered models of care, increase access to care, improve the quality of care, and ensure the financial sustainability of healthcare providers.

- Up to \$500 million of these funds would be awarded for technological and telehealth transformation projects.

The Department of Health shall report quarterly to Chairs of the Senate Finance, Assembly Ways and Means, and Senate and Assembly Health Committees.

Part Q Expand Access to Primary Care This Part establishes Medicaid reimbursement for Community Health Workers providing services to high-risk populations when recommended by a physician or other authorized healthcare practitioner.

Additionally, Licensed Mental Health Counselors would be reimbursable by Medicaid in addition to Social Workers, without being restricted to individuals under or pregnant individuals. This is subject to Federal Financial Participation (FFP).

This Part has an associated cost of \$8.7 million in FY24 and \$34.7 million in FY25.

Part R Expanding Medicaid Coverage of Preventive Services

This Part establishes Medicaid reimbursement for services provided by certified dietitians and nutritionists. This has an associated cost of \$13.5 million in FY24 and \$18 million in FY25.

Additionally, arthritis self-management training for osteoarthritis ordered by a physician or other qualified healthcare provider would also be reimbursable by Medicaid. This has an associated cost of \$100,000 in both FY24 and FY25.

These provisions are subject to Federal Financial Participation (FFP).

Part S Regional Emergency Medical Services Council (REMSCO) and State Emergency Medical Services Council (SEMSCO) Reforms This Part changes the definition of “emergency medical services” (EMS) to “a coordinated system of healthcare delivery that responds to the needs of sick and injured adults and children, by providing: essential care at the scene of an emergency, non-emergency, specialty need or public event; community education and prevention programs; mobile integrated healthcare programs; ground and air ambulance services; centralized access and emergency medical dispatch; training for emergency medical services practitioners; medical first response; mobile trauma care systems; mass casualty management; medical direction; or quality control and system evaluation procedures.”

Each Regional Emergency Medical Services Council (REMSCO) shall advise the State Emergency Medical Services Council (SEMSCO) on issues related to emergency medical service, specialty care, designated facility care, and disaster medical care as outlined by the SEMSCO. The SEMSCO shall meet at least three times per year.

The SEMSCO shall also create EMS performance standards. These standards shall include:

- safety initiatives,
- emergency vehicle operations,
- operational competencies,
- planning, training,
- onboarding,
- workforce development and engagement,
- survey responses, and
- leadership and other standards and metrics as determined by the SEMSCO.

EMS agencies receiving EMS resources will be required to perform regular and periodic review of the performance standards and may be subject to enforcement actions if they do not meet the performance standards.

This Part also creates the Statewide Comprehensive Emergency Medical System Plan. The Department of Health in consultation with the State Emergency Medical Advisory Committee shall develop and maintain a plan that shall provide for a coordinated emergency medical system plan in New York State. This includes but is not limited to the following:

- Establishing a comprehensive statewide emergency medical system, incorporating facilities, transportation, workforce, and communications, to improve the delivery of emergency medical service to decrease morbidity, hospitalization, disability, and mortality;
- Improving the accessibility of high-quality emergency medical service;
- Coordinating professional medical organizations, hospitals, and other public and private agencies in developing approaches so that those who are using the existing emergency department for routine, non-urgent, primary medical care will be served appropriately and economically; and
- Conducting, promoting, and encouraging programs of education and training designed to upgrade the knowledge and skills of EMS practitioners training throughout New York State with emphasis on regions underserved by EMS.

Each REMSCO and County shall develop and maintain a Comprehensive Regional Emergency Medical System Plan that will be reviewed by State Emergency Medical Advisory Committee and subject to approval by the Department.

This Part also establishes the Emergency Medical Systems Training Program. The SEMSCO shall establish minimum standards for all EMS educational institutions. No person or institution shall claim to profess EMS training without meeting these requirements. DOH is authorized to provide or contract training services. DOH may visit and inspect any EMS training program to ensure

compliance. Non-compliance may be subject to enforcement actions.

The Commissioner of Health shall establish and fund a public service campaign to recruit additional EMS personnel and an EMS Mental Health and Wellness Program. The Department, with approval by the SEMSCO, may create additional standards for specialized EMS credentials.

Mobile Integrated Healthcare (MIH) is also created in the Public Health Law. MIH means the provision of patient-centered mobile resources which includes a well-organized system of services to address healthcare gaps and decrease demand on portions of the healthcare system identified by a community needs assessment, integrated into the local healthcare system working in a collaborative manner as a patient care team that may include, but not limited to, physicians, mid-level practitioners, nurses, home care agencies, emergency medical services practitioners, emergency medical services agencies and other community health team colleagues, to meet the needs of the community.

EMS agencies may establish MIH programs if they meet standards established by DOH and the SEMSCO and doing so would not decrease the agency's ability to respond to requests for emergency assistance.

EMS practitioners licensed under these provisions are authorized to administer immunizations and buprenorphine.

Ten Regional Emergency Medical Service Districts are created in the economic development regions of the State. A group of five EMS providers in each region shall act as a Council for each region. An EMS practitioner shall be nominated by each region and appointed by the Commissioner for administrative purposes. At least one member of the District Council shall be a licensed physician certified in emergency medicine. The Council shall nominate, and the Commissioner appoint, a physician to be the Medical Director of the region.

An EMS task force is also created. The task force shall be made of non-government and government agencies that are licensed to provide EMS services, DOH shall allocate funds for the delivery of services, and the task force shall have the authority to operate through the State or outside of the State with permission from the Commissioner.

DOH, in consultation with the regional councils, may allow demonstration projects related to the emergency medical system. The Commissioner with the approval of the SEMSCO may also set standards and criteria for basic life support first response agencies, emergency medical dispatch, and special event services.

Nurse practitioners and physicians would also be authorized to prescribe and order a non-patient specific regimen to an emergency medical services practitioner.

Part T Lead Testing Registry and Remediation Requirements This Part creates a lead inspection registry for residential dwellings outside of New York City. This would apply to communities of concern identified by the Department of Health, if they meet the following criteria:

- Residential dwelling of two or more units;
- Built prior to 1980; and
- Eligible for rental, lease, or hiring out by virtue of municipal zoning designations.

Qualifying residential dwelling must be certified free of lead paint hazards based on tri-annual inspections which are done at the cost of the title holder. Inspection certifications must be submitted to the Local Health Department (LHD) for recording in the registry. DOH shall promulgate fines for non-compliance. Requirements for inspection shall be based on regulations and guidance from DOH and may include visual inspections for deteriorated paint and outdoor soil conditions, as well as the collection of dust wipe samples obtained in accordance with United States Environmental Protection Agency protocols for such procedures. Remediation of lead-

based paint hazards must follow municipal and regulatory requirements.

Documentation of compliance with the regulations put forth in this Part will be a condition for the issuance of a certificate of occupancy or certificate of compliance.

There two associated appropriations with these provisions: \$18.5 million is included in the Department of Health State Operations (A.3000) budget for maintenance of the registry and to assist landlords with the cost of inspections; and \$20 million is included in Housing and Community Renewal Capital Projects (A.3004) budget for lead abatement through the Housing Trust Fund Corporation.

Part U Abortion Access Data Protections This Part creates data privacy protections for individuals seeking reproductive healthcare services. Any person or entity headquartered or incorporated in New York that provides electronic communications services to the general public shall not produce information to reveal the identities of individuals seeking reproductive health services when served a warrant by out-of-State law enforcement. The only exception is when the warrant is accompanied with an attestation that the evidence sought is not related to an investigation into, or enforcement of such information. The Attorney General may commence a civil action to compel corporations to comply.

Additionally, this Part prevents any person, corporation, partnership, or association from delivering digital advertisements through the use of geofencing technology to individuals at healthcare facilities.

Part V Over the Counter Contraception Access This Part would allow pharmacists to prescribe self-administered contraceptives and emergency contraceptive drug therapy after completing a related continuing education training of at least one hour.

The patient shall use an approved self-screening tool to identify patient risk factors for use. Upon administration of the hormonal contraceptive, or in

the case of a hormonal contraceptive not being recommended, the pharmacist must then refer the patient to their primary care provider. Upon each contraceptive initiated due to these provisions, the pharmacist shall provide the recipient with a standardized fact sheet that includes the indications and contraindications for use of the drug, the appropriate method for using the drug, the need for medical follow-up, and other appropriate information.

Pharmacists may charge an administrative fee of up to \$10. Patients who have insurance coverage that cover the prescription will not be required to pay the fee but would be responsible for any copayments required by their coverage. This shall not apply to dedicated emergency contraceptive drugs classified as over-the-counter products by the federal Food and Drug Administration.

Upon an oral, telephonic, electronic, or written request from a patient, a pharmacist or pharmacist's employee shall disclose the total retail price that a consumer would pay for self-administered hormonal contraceptives, which would include any administrative fee.

Part W Healthcare Provider Scope of Practice Expansion This Part makes various scope of practice changes for healthcare providers. These include the following:

- Allow physicians and nurse practitioners (NPs) to issue a non-patient specific standing order for HIV-preventive medication, commonly called PrEP;
- Allow pharmacists to execute a non-patient specific standing order for PrEP under certain conditions;
- Allow licensed pharmacists to order and administer any tests waived under the Clinical Laboratory Improvement Amendments-waived test, including tests for COVID-19, influenza and others such as HIV, sexually transmitted infections, and pregnancy;

- Authorize pharmacists to be qualified health care professionals for purposes of directing limited-service laboratories and performing COVID-19 and influenza tests and make permanent provisions authorizing physicians and certified nurse practitioners to order non-patient specific regimens to registered professional nurses for tests to determine the presence of COVID-19 or its antibodies or influenza virus;
- Authorize licensed pharmacists to prescribe and order medications to treat nicotine dependence approved by the Federal Food and Drug Administration for smoking cessation;
- Authorize licensed pharmacists to prescribe and order opioid antagonists, limited to naloxone and other medications approved by the Department of Health (DOH) for such purpose;
- Permit nurse practitioners or facilities to enter into collaborative agreements with pharmacists by which drug therapies would be reviewed, evaluated and managed;
- Authorize collaborative drug therapy management (CDTM) to occur in all hospitals and other Article 28 facilities, such as nursing homes and clinics, and any other entities that provide direct patient care under the auspices of a medical director;
- Permit the State Education Department, in consultation with DOH, to include up to 15 community practice sites as authorized locations for the provision of CDTM;
- Allow the practice of dentistry to include the offering of an HIV or hepatitis C screening test or diagnostic tests;
- Authorize certified nurse practitioners and licensed physicians to issue non-patient specific standing regimen, to be executed by registered professional nurses, for:
 - ➔ The ordering of asthma self-management education and home-based asthma services;
 - ➔ The urgent or emergency treatment of asthma;
 - ➔ The providing stool tests to screen for the presence of colorectal cancer; and
 - ➔ The ordering of diabetes self-management education and support;
- Allow pharmacists to order diabetes and asthma self-management education and support services and home-based asthma services for patients;
- Expand standard Medicaid coverage to include medically necessary diabetes self-management training services when referred by licensed pharmacists;
- Expand standard Medicaid coverage to include medically necessary asthma self-management training services when referred by licensed pharmacists or by registered professional nurses acting under the authority of a non-patient specific standing regimen;
- allow licensed pharmacists order and administer vaccinations, medications, self-management education and home-based services within their scope of practice;
- Allow certain experienced physician assistants to practice without supervision of a physician;
- Allow the Board of Education, and the trustee or board of trustees of each school district, to employ a physician assistant;
- Require records of prescriptions to include the prescriber's name, rather than the doctor's;
- Add physician assistant to the definition of practitioner for the purposes of prescribing controlled substances;
- Extend authorization for advanced home health aides for another six years and amend the supervision requirements for advanced tasks performed by advanced home health aides; and

- Authorize certified medication aides to administer routine and prefilled medications in residential health care facilities for a duration of two years (a temporary pilot program).

Additionally, this Part would enter New York into the Interstate Medical Licensure Compact and the Nurse Licensure Compact. These compacts allow for doctors and nurses to relocate to New York and use their existing licenses to practice in the State. The Interstate Medical Licensure Compact currently has 37 member states and the Nurse Licensure Compact currently has 39 member states.

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

Part X Nurse Agency Staffing Registration This Part establishes registration requirements for temporary health care agencies. Each separate location shall have a separate registration. Registration forms must include the following at a minimum:

- The names and addresses of the temporary health care services agency controlling person or persons;
- The names and addresses of health care entities where the controlling person or persons or their family members:
 - ➔ Have an ownership relationship; or
 - ➔ Direct the management or policies of such healthcare entities.
- A demonstration that the applicant is of good moral character and able to comply with all applicable state laws and regulations;
- Registration and registration annual renewal fees of one thousand dollars that may only be used for the purpose of operating this registry;
- The State of incorporation of the agency; and

- Any additional information that the Commissioner determines is necessary.

As a condition of registration, temporary staffing agencies:

- Shall document that each temporary employee provided to healthcare entities currently meets the minimum licensing, training, and continuing education standards for the position in which the employee will be working;
- Shall comply with all pertinent requirements and qualifications for personnel employed in health care entities;
- Shall not restrict in any manner the employment opportunities of its employees;
- Shall maintain insurance coverage for workers' compensation and disability coverage for all health care personnel provided or procured by the agency;
- Shall not require the payment of liquidated damages, employment fees, or other compensation should the employee be hired as a permanent employee of a health care entity in any contract with any employee or health care entity or otherwise;
- Shall document that each temporary employee provided to health care entities is jointly employed by the agency and the entity and is not an independent contractor;
- Shall retain all records of employment for six calendar years and make them available to the Department upon request;
- Shall comply with any requests made by the Department to examine the books and records of the agency, subpoena witnesses and documents and make such other investigation as is necessary in the event that the Department has reason to believe that the books or records do not accurately reflect the financial condition or financial transactions of the agency; and

- Shall comply with any additional requirements the Department may deem necessary.

Registrations are effective for one year unless revoked, suspended, or ownership interest of more than 10% is sold or transferred. In the case of sale or transfer, registration may be transferred to the new owner for 30 days. The registration list of temporary staffing agencies shall be made available on the Department's website, and the Department shall publish a quarterly report with aggregated data. Additionally, the Department in consultation with the Department of Labor shall provide a report to the Governor and Legislature on or before March 31, 2024 summarizing key data collected.

Temporary staffing agencies shall also be required to meet minimum standards, including each agency location having its own administrator. These also include the following:

- Developing written employment policies and procedures and informing employees of them annually and upon hire;
- Maintain hours of operation at each location to meet obligations under written agreements with healthcare entities;
- Maintain a written agreement or contract with healthcare entities, which shall at a minimum include:
 - ➔ The required minimum licensing, training, and continuing education requirements for each assigned health care personnel;
 - ➔ Any requirement for minimum advance notice in order to ensure prompt arrival of assigned health care personnel;
 - ➔ The maximum rates that can be billed or charged by the temporary health care services agency;
 - ➔ The rates to be charged by the temporary health care services agency;
 - ➔ Procedures for the investigation and resolution of complaints about the

performance of temporary health care services agency personnel;

- ➔ Procedures for notice from healthcare entities of failure of medical personnel to report to assignments and for back-up staff in such instances;
- ➔ Procedures for notice of actual or suspected abuse, theft, tampering or other diversion of controlled substances by medical personnel; and
- ➔ The types and qualifications of health care personnel available for assignment through the temporary health care services agency.

The Commissioner establish additional standards in regulations, including pricing, fee, administrative costs, and business practices. The Commissioner may waive these requirements during a declared State or Federal Public Health Emergency.

Temporary staffing agencies shall report all of their rates quarterly to the Department, including:

- Hourly regular pay rate, shift differential, weekend differential, hazard pay, charge nurse add-on, overtime, holiday pay, travel or mileage pay, and any health or other fringe benefits provided;
- The percentage of health care entity dollars that the agency expended on temporary personnel wages and benefits compared to the temporary health care services agency's profits and other administrative costs;
- A list of the states and zip codes of their employees' primary residences;
- The names of all healthcare entities they have contracted within New York State;
- The number of employees of the temporary health care services agency working at each entity; and
- Any other information prescribed by the Commissioner.

Part Y Medical Debt Provisions This Part creates several provisions related to medical debt and burdensome medical costs.

SUBPART A

This Subpart adds medical debt to the Consumer Credit Fairness Act and increases the burden of proof of medical debt and affidavit requirements for hospitals and healthcare providers. This includes requiring:

- An affidavit by the hospital or health care professional of the facts constituting the medical debt, the default in payment, the sale or assignment of the medical debt, and the amount due at the time of sale or assignment;
- For each subsequent assignment or sale of the medical debt to another entity, an affidavit of sale of the medical debt by the debt seller, completed by the seller or assignor; and
- An affidavit of a witness of the plaintiff, which includes a chain of title of the medical debt, completed by the plaintiff or plaintiff's witness.

SUBPART B

This Subpart creates a new Article in Insurance Law known as Prescription Drug Price and Supply Chain Transparency Act. This includes requiring manufacturers or wholesalers to report a drug price increase in wholesale acquisition cost, average wholesale price, or any other metric. The report of the drug price increase shall include the following:

- The name or names of the drug;
- The national drug code for the drug;
- The price of the drug prior to the increase;
- The price of the drug following the increase;
- The effective date of the increase;

- The date on which the decision was made to increase the price; and
- The reason and justification for the increase.

Beginning May 1, 2025, the Department of Financial Services (DFS) shall post any reported drug price increase in a publicly accessible online database within 15 days of receiving the reports. The reports shall remain online for 180 days. The fee to file such report shall be on a scale that increases proportionally to the amount of the increase and the amount of time until the increase takes effect. If the report is made after the increase goes into effect, the fee shall be \$100,000 plus \$10,000 for each day between the effective date and the report date. After notice and hearing the Superintendent may impose a fine of up to \$1 million for increasing a drug price without reporting.

Manufacturers of name brand drugs will also be required to provide a notice of any agreements they enter with another manufacturer that has the purpose or effect of delaying or preventing such other manufacturer from introducing a generic substitute for such drug into the marketplace. Each notice will require a \$100 filing fee. Within 30 days, the Superintendent shall provide the filing to the Drug Accountability Board (DAB), the Drug Utilization Review Board (DURB), and Medicaid Managed Care Plans, health plans, and pharmacy benefit managers. Beginning June 1, 2024, the Superintendent shall post these notices on the Department's website within 30 days. The Superintendent may fine manufacturers a minimum of \$5,000 a day for each day there is a failure to notify for a first violation, and \$10,000 a day for subsequent violations.

Pharmacy Services Administrative Organizations (PSAO) would also be required to register with the Department. The registration would require the following information:

- The legal name of the entity;
- Any trade or other names used by the entity;
- The organizational structure of the entity;

- The pharmacies located within this state with which the entity provides services;
- The persons who exercise control of the entity;
- A primary point of contact for the entity;
- An agent for service of process;
- A set of audited financials for the prior fiscal year; and
- Such other information as the Superintendent shall require.

Annual fees for registration will be \$5,000, including renewals. Any changes to the registration must be reported to the Department within 20 days, and will require a \$50 fee. PSAOs shall disclose to the Department the extent of any ownership or control of the PSAO or by the PSAO of any parent company, subsidiary, or affiliate that:

- Provides pharmacy services;
- Provides prescription drug or device services; or
- Manufacture, sells, or distributes prescription drugs, biologicals, or medical devices.

Such disclosure must be provided by the PSAO to pharmacies with which they have a contract. The Department shall publish these disclosures online beginning April 1, 2025. A PSAO that owns, is owned by, in whole or in part, or controls any entity that manufactures, sells, or distributes prescription drugs, biologicals, or medical devices shall not, as a condition of entering a contract with a pharmacy, require that the pharmacy purchase any drugs or medical devices from an entity with which the PSAO has a financial interest, or an entity with an ownership interest in the PSAO.

PSAOs shall provide that all remittances for claims submitted by a pharmacy benefit manager or third-party payer on behalf of a pharmacy to the PSAO shall be passed through by the PSAO to the pharmacy within a reasonable amount of time. PSAOs that provide, accept, or process a discount,

concession, or product voucher, to reduce, directly or indirectly, a covered individual's out-of-pocket expense shall annually report to their contracting pharmacies the following:

- An aggregated total of all such transactions, by the pharmacy; and
- An aggregated total of any payments received by the PSAO itself for providing, processing, or accepting any discount, concession, or product voucher on behalf of a pharmacy.

Pharmacy Switch Companies shall also be required to register with the Department beginning June 30, 2024. The registration shall include the following:

- The legal name of the entity;
- Any trade or other names used by the entity;
- The organizational structure of the entity;
- The pharmacies located within this state and the pharmacy benefit managers licensed in this State with which the entity provides services;
- The persons who exercise control of the entity;
- A primary point of contact for the entity;
- An agent for service of process;
- A set of audited financials for the prior fiscal year; and
- Such other information or documents as the Superintendent shall require.

The annual registration fee shall be \$1,000. Any changes to the registration must be reported to the Department within 21 days, and will require a \$50 fee. These companies shall also make the following annual disclosures:

- A list of services the switch company provides and the industries to which they are provided;

- Information on electronic voucher services provided by the switch company, including:
 - ➔ A list of manufacturers that the switch company has contracts with or for which it transmits electronic vouchers;
 - ➔ A list of medications and the National Drug Codes (NDCs) for which the switch company may apply electronic vouchers; and
 - ➔ The total amount of money collected from manufacturers related to the transmission of electronic vouchers; and
- The number of transactions processed in this state and the total amount of revenue attributable to those transactions.

Rebate Aggregators will also be required to register with the Department beginning September 30, 2024. The registration shall include the following:

- The legal name of the entity;
- Any trade or other names used by the entity;
- The organizational structure of the entity;
- The health plans and the pharmacy benefit managers licensed in this state for which the entity provides services;
- The persons who exercise control of the entity;
- A primary point of contact for the entity;
- An agent for service of process;
- A set of audited financials for the prior fiscal year; and
- Such other information or documents as the Superintendent shall require.

The annual registration fee shall be \$1,000. Any changes to the registration must be reported to the Department within 21 days, and will require a \$50 fee. These companies shall also make the following annual disclosures to health plans:

- Fee structure provisions of any contract or arrangement between the rebate aggregator and pharmacy benefit manager or drug manufacturer, including:
 - ➔ Fee collected for aggregating rebates due to the health plan; and
 - ➔ Such other information as the superintendent may require by regulation; and
- Quantification of inflationary payments, credits, grants, reimbursements, other financial or other reimbursements, incentives, inducements, refunds or other benefits received by the rebate aggregator from the drug manufacturer and retained by the rebate aggregator, whether referred to as a rebate, a discount, or otherwise.

Rebate aggregators shall also annually report the following to the Department:

- Any payments made to a rebate aggregator by a drug manufacturer relating to a drug's utilization, including inflationary payments, credits, grants, reimbursements, other financial or other reimbursements, incentives, inducements, refunds or other benefits received by the rebate aggregator, whether referred to as a rebate, a discount, or otherwise;
- Any payments made and subsequently retained by a rebate aggregator;
- Any fees charged by the rebate aggregator to the pharmacy benefit manager or drug manufacturer relating to a drug's utilization;
- Any payments made to a rebate aggregator from a program administered by a drug manufacturer for the purpose of assisting patients with the cost of prescription drugs,

including copayment assistance programs, discount cards, and coupons; and

- The terms and conditions of any contract or arrangement between the rebate aggregator and a pharmacy benefit manager or drug manufacturer.

Any penalties and fees for rebate aggregators shall be deposited into the Pharmacy Benefit Manager Regulatory Fund.

SUBPART C

This Subpart requires that hospitals must utilize a uniform financial assistance form developed and provided by DOH to participate in the distribution of funds from the Indigent Care Pool.

SUBPART D

This Subpart provides guaranty fund coverage for insurers writing health insurance under the Life and Health Insurance Company Guaranty Corporation of New York. This excludes public programs such as Medicare Parts C and D, Medicaid, and Child Health Insurance Programs. Municipal Cooperative Health Benefit Plans shall not be considered “member insurers.” Long-Term Care Insurance is included as a member insurer.

If members of the Corporation do not make appropriate payments, they shall forfeit a penalty of 5% of the amount due plus 1% for every additional month of delay. No provider of health care services or any representative of such provider would be able to collect or attempt to collect from the insured sums owed by such insurance company, and no provider or representative of such provider may maintain any action at law against an insured to collect sums owed to such provider by such insurance company.

Part Z Aging Services and Long-Term Care This Part creates quality improvement standards for Assisted Living Residences. Beginning January 1, 2024, all these residences must report annually on

quality measures to the Department of Health (DOH). These residences must also post the monthly service rate, staffing complement, approved admission or residency agreement, and a consumer-friendly summary of all service fees in a conspicuous place on the facility's website and in a public space within the facility. Additionally, this will be required to be reported to the Department beginning January 1, 2024. DOH shall score all the required reporting and grant advanced standing classification to top scoring facilities. Advanced standing residences shall be surveyed every 12 to 18 months, with all other residences being surveyed no less than annually. DOH may post the reporting results on the DOH website.

This Part also allows Adult Care Facilities (ACFs) to seek accreditation by one or more nationally recognized accrediting agencies determined by the Commissioner. The accreditation agencies shall report data to DOH pertaining to whether or not ACFs have received accreditation. ACFs that have achieved accreditation may be exempt from department inspection for the duration they maintain their accreditation in good standing. Any ACF that loses accreditation shall report such loss to the department within 10 business days.

Part AA End Preventable Epidemics This Part includes provisions related to Hepatitis C Virus (HCV) and syphilis testing. Provisions that require an HCV screening to be offered to individuals who receive inpatient or outpatient service in Article 28 Facilities (hospitals) are permanently extended. Healthcare providers are also required to offer HCV testing to all individuals over the age of 18 as part of routine care, and if an HCV screening is reactive diagnostic test must be performed to confirm the diagnosis. The provider must then either offer HCV treatment or a referral.

Additionally, HCV screening would be required during pregnancy and syphilis testing would be required in the third trimester.

Part BB Banning Certain Fentanyl Analogs This Part updates the State Schedule I and II list of Controlled Substances by including various fentanyl

analogs. The definition for “imitation controlled substance” is updated to include “a controlled substance, which by dosage unit appearance, including color, shape and size and by a representation is represented to be a different controlled substance, as defined in the penal law.” The list of evidence of representations for a controlled substance is also updated to include drugs that “having been prescribed or provided by a pharmacist or health care practitioner.” This Part also amends the Penal Law to add the following:

- Criminal possession of an imitation controlled substance in the fifth degree, a Class A misdemeanor;
- Criminal possession of an imitation controlled substance in the third degree, a class D felony;
- Criminal sale of an imitation controlled substance in the fifth degree, a class E felony;
- Criminal sale of an imitation controlled substance in the third degree, a Class C felony; and
- Criminal sale of an imitation controlled substance in the first degree, a class A-1 felony.

Part CC Transfer of Oversight for Licensed Healthcare Professions This Part transfers oversight of licensed healthcare professionals from the Department of Education and Education Law to the Commissioner of Health and Public Health Law. All records must be transferred, and all unfinished business shall be completed by the Department of Health. This would apply to the following professions:

- Acupuncture;
- Applied Behavior Analysis;
- Athletic Trainers;
- Chiropractic;
- Clinical Laboratory Technology Practice;
- Dentistry, Dental Hygiene, and Registered Dental Assisting;

- Dietetics and Nutrition;
- Licensed Pathologists’ Assistants.
- Licensed Perfusionists;
- Massage Therapy;
- Medical Physics Practice;
- Mental Health Practitioners;
- Nursing;
- Occupational Therapy;
- Ophthalmic Dispensing;
- Optometry;
- Pharmacy;
- Physical Therapy and Physical Therapist Assistants;
- Physician Assistants;
- Physicians;
- Podiatry;
- Professional Midwifery Practice;
- Psychology;
- Registered Pharmacy Technicians;
- Respiratory Therapists and Respiratory Therapy Technicians;
- Social Work;
- Specialist Assistants; and
- Speech-Language Pathologists and Audiologists.

Part II Insurance Reforms to Improve Access to Behavioral Health Services This Part makes various changes to Insurance Law to ensure required behavioral health services are covered. This includes clarifying that mobile crisis intervention services, medically monitored residential treatment, and certain critical time intervention services for individuals following a psychiatric inpatient admission or emergency room visit. Mobile Crisis intervention services would be required without prior authorization or specific provider network status. Insurers would be required to reimburse for school-based mental health clinic services at negotiated rates or, if there is no negotiated rate, at no less than the Medicaid rate in effect, regardless of

network participation status. Insureds would be held harmless to their in-network cost-sharing.

Current best practices for utilization would be codified which would prohibit insurers from performing preauthorization or concurrent reviews for the first 30 days of mental health treatment for adults at in-network inpatient hospitals or crisis residences. Additionally, utilization reviews for mental health conditions would be required to use criteria designated or approved by the Office of Mental Health (OMH).

Telehealth payment parity is required without regard to physical location for services provided by OMH, the Office of Addiction Services and Supports (OASAS), and the Office for People With Developmental Disabilities (OPWDD).

Individuals would be allowed to bring legal action for violations of behavioral health parity laws.

Clarifications are made in current Insurance Law that state pre-authorization cannot be required for substance use disorder medications such as opioid antagonists and devices. This includes naloxone and buprenorphine.

The Department of Financial Services and Department of Health shall promulgate regulations regarding provider network access standards for behavioral health, including:

- Requirements that ensure that insureds have timely and proximate access to treatment for mental health conditions and substance use disorders;
- Appointment availability standards that include timeframes for initial provider visits, follow-up provider visits, and provider visits following discharge from a hospital;
- Time and distance standards that take into consideration reasonable proximity to the insured's residence, established service delivery patterns for the area, the geographic area, and the availability of telehealth services; and

- Responsibilities of an insurer to provide an out-of-network referral at the in-network cost-sharing when there is no participating provider able to provide the requested health care service within the timely and proximate access standards.

Part JJ Increased Penalties for Mental Hygiene Law Violations See Office of Mental Health.

TRANSPORTATION, ECONOMIC DEVELOPMENT, AND ENVIRONMENTAL CONSERVATION – A.3008

Part U Year Extension for Displaced Workers This Part extends for one year, until July 1, 2024, the Entertainment Industry Subsidy Program that provides health insurance continuation assistance for displaced workers.

Part Z Increases the Authorization for DASNY to Issue Hospital and Nursing Home Project Bonds and Notes This Part increases the Dormitory of the State of New York's (DASNY), as successor to the New York State Medical Care Facilities Finance Agency (MCFFA), authorization to issue bonds for construction projects related to healthcare facilities from \$17.4 billion to \$18.2 billion.

HIGHER EDUCATION SERVICES CORPORATION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP):** \$8.6 million, \$8.3 million more than last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Patricia K. McGee Nursing Scholarship:** \$3.9 million, \$2 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Excelsior Scholarship:** \$161.8 million, the same as last year.

- **Tuition Assistance Program:** \$896.5 million, the same as last year. This appropriation fluctuates based on expected enrollment.
- **Child Welfare Worker Incentive Scholarship:** \$50,000, the same as last year.
- **Child Welfare Worker Loan Forgiveness Incentive Program:** \$50,000, the same as last year.
- **Enhanced Tuition Award:** \$7.7 million, the same as last year.
- **New York Young Farmers Loan Forgiveness Award:** \$150,000, the same as last year.
- **Part-Time Scholarship Award Program:** \$3.1 million, the same as last year.
- **Part-Time Tuition Assistance Program:** \$14.3 million, the same as last year.
- **Regents Licensed Social Worker Loan Forgiveness Program:** \$1.7 million, the same as last year.

HOMELAND SECURITY

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$31.3 million, \$3.8 million more than last year, for services and expenses related to the administration of the Division's programs.
- **Cyber Incident Response Program:** \$6.6 million, \$2.1 million more than last year, for cyber security support to non-executive agencies, local governments, and public authorities.

SIGNIFICANT ACTIONS INCLUDE:

- **Counter Terrorism Grants Program:** \$35 million in funding transferred from the Aid to Localities Budget to accurately reflect services and expenses of homeland security grant programs to support emergency preparedness and combat terrorism and weapons of mass destruction.
- **Domestic Terrorism Prevention Unit:** \$5.9 million in new funding for services and expenses related to the domestic terrorism prevention unit within the Counter Terrorism Program.

- **Volunteer Firefighter Training Stipend Program:** \$3.5 million in new funding to support the Governor's proposal to directly pay volunteer firefighters for the completion of certain training.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Federal Disaster Assistance:** \$8 billion, \$4 billion more than last year, to reimburse costs related to natural and man-made disasters and reimburse municipalities throughout the State for COVID related expenses. This appropriation will allow the State to reimburse municipalities based on funding received from the federal government.

SIGNIFICANT DECREASES INCLUDE:

- **Counter Terrorism Grants Program:** \$565 million, \$35 million less than last year, due to the transfer of funds to the State Operations Budget.

SIGNIFICANT ACTIONS INCLUDE:

- **Domestic Terrorism Threat Assessment:** \$10 million in new funding for grants to counties and New York City for service and expenses associated with domestic terrorism threat assessment teams.
- **Hazard Mitigation Revolving Loan Fund:** \$15 million in new funding to establish and administer the Hazard Mitigation Revolving Loan program. This program would provide loans to local governments for eligible hazard mitigation activities. Of the \$15 million, \$13.5 is from the federal government with a state match of \$1.5 million.
- **Public Safety Answering Points:** \$20 million in new funding to assist 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.
- **Volunteer Firefighter Training Stipend Program:** \$6.5 million in new funding to support the Governor's legislative proposal to directly pay volunteer firefighters for the completion of certain training.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Emergency Services Revolving Loan Fund:** \$3.7 million. The Emergency Services Revolving Loan Fund provides loans to municipalities and not-for-profit fire and ambulance corporations to support the purchase of equipment and the construction or maintenance of facilities.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **Design and Construction Supervision:** \$90 million, \$62 million more than last year, \$80 million for the construction of a new centralized State Emergency Operations Center (EOC) and \$10 million for the construction of a new Field Evolutions Building at the State Academy of Fire Science.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part G Hazard Mitigation Revolving Loan Fund

This Part establishes the Hazard Mitigation Revolving Loan Fund, which would provide low interest loans to local governments for eligible hazard mitigation activities that would reduce disaster risks for homeowners, businesses, nonprofits, and communities. This program was created by the Federal Safeguarding Tomorrow through Ongoing Risk Mitigation Act of 2020, which requires the establishment of a dedicated fund in state law for New York to receive and administer loans via capitalization grants from the Federal Emergency Management Agency (FEMA).

Part H Volunteer Firefighter Payments This Part would provide governing boards of cities, towns, villages, and fire districts with the ability to pay nominal fees to volunteer firefighters for responding to calls and completing specific training. Fees paid to volunteer firefighters would not constitute remuneration and would not impact their current benefits related to their volunteer status. Nominal fee amounts would be determined by local entities that choose to pay volunteers, and training stipends would be paid by the state for completion of basic and interior training.

HOUSING & COMMUNITY RENEWAL

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Community Development Program:** \$9.1 million, \$127,000 more than last year.
- **Low Income Weatherization Program:** \$44.7 million, \$40 million more than last year.
- **Housing Program:** \$22 million, \$49,000 more than last year.
- **Rent Administration:** \$85.8 million, \$601,000 more than last year. This is related to the Division of Housing and Community Renewal's administration and enforcement of New York's system of rent regulation.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Administration Program:** \$13.5 million, same as last year.
- **Community Renewal Program:** \$327,000, same as last year.

SIGNIFICANT ACTION INCLUDES:

- **Home Stabilization fund:** \$120,00 in new funding.
- **Housing Review Board:** \$1.2 million in new funding for services and expenses for the new Housing Review Board proposed in the New York Housing Compact.
- **Housing Planning:** \$4 million in new funding for services and expenses for the new Housing Planning Office proposed in the New York Housing Compact.
- **Lead Abatement:** \$268,000 in new funding for services and expenses for the new Lead Abatement program proposed in the New York Housing Compact.
- **Office of Resilient Home and Community:** \$500,000 in new funding for services and expenses for the new Office of Resilient Home and Communities that was created in October 2022.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Low Income Weatherization Program:** \$32.5 million, \$250 million less than last year. This returns the appropriation to its FY22 Enacted Budget level. The \$250 million was a part of the Governor's \$25 billion, 5-year Affordable Housing and Homelessness Initiative from the FY23 Enacted Budget.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Controlled Affordable Housing:** \$1 million, same as last year, for the services and expenses of a community controlled affordable housing program.
- **Housing Development Fund Program:** \$15 million, same as last year, for a revolving loan fund program that provides interest-free interim loans to non-profit organizations to develop low-income housing projects.
- **Fair Chance Housing:** \$250,000, same as last year, to improve access to housing for people with prior arrests or conviction records.
- **Fair Housing Testing:** \$2 million, same as last year, to provide fair housing testing and education throughout the State.
- **Rural Rental Assistance Programs:** See Education, Labor and Family Assistance A.3007 (Part Q) under the State of New York, Mortgage Agency section of this publication.
- **Small Cities Community Development Block Grant Program:** \$40 million, same as last year, to support activities that create job opportunities for low- and moderate-income persons; prevent or eliminate blight; provide affordable housing; or address issues that threaten the community's health or welfare.

SIGNIFICANT ACTIONS INCLUDE:

- **Planning Assistance Fund:** \$20 million in new funding for a program to assist in the implementation of rezoning and permitting to increase housing production across the State as part of the Governor's New York Housing Compact proposal.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Governor's Office of Storm Recovery:** \$32 million in funding. There is funding for this program provided in the Executive Budget Capital Projects Bill, A.3004.
- **Homeowner Protection Program:** \$35 million in funding, is eliminated for a program that provided homeowners with mortgage relief assistance, assistance with applying for loan modifications or other types of loss mitigation, direct representation in court proceedings and settlement conferences and homeownership counseling.
- **Hurricane Ida Relief Program:** \$41 million in funding is eliminated that provided relief to those impacted by Hurricane Ida.
- **Legal Representation for Eviction:** \$35 million in funding that supported legal services and representation for eviction cases outside of New York City. This appropriation has been transferred to the Office of Temporary and Disability Assistance.
- **Periodic Subsidies:** \$3 million that was for periodic subsidies to cities, towns, villages, and housing authorities.
- **Land Banks:** \$50 million for a one-time program for services and expenses of land banks is eliminated.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Affordable Housing Corporation Fund:** \$40.5 million, \$4.5 million more than last year, to assist low- and moderate-income individuals purchase homes to reduce urban blight.

SIGNIFICANT DECREASES INCLUDE:

- **Governor's Office of Storm Recovery:** \$28 million, \$49 million less than last year.
- **Housing Opportunities for the Elderly:** \$1.4 million, \$2 million less than last year, to administer emergency home repairs programs which provide a threat to the life, health or safety of a low income elderly homeowner. This returns the funding to the State Fiscal Year 2022 level.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Access to Home:** \$1 million, same as last year, to provide financial assistance to eligible applicants for housing costs.
- **Homes for Working Families Program:** \$14, same as last year, million for maximizing the State's usage of federal low income tax credits.
- **Low Income Housing Trust Fund:** \$44.2 million, same as last year for deposit in the housing trust fund account to offset housing trust fund corporation costs of providing affordable housing to low income individuals.
- **Main Street Program:** \$4.2 million, same as last year, for a contract with not-for-profit corporations and municipalities to provide assistance to administer main street or downtown revitalization projects for communities with sustained physical deterioration, decay, neglect, or

disinvestment; has a number of substandard buildings or vacant residential or commercial units; and in which more than 50% of the residents are persons of low income.

- **Manufactured Home Advantage Program:** \$5 million, same as last year, to fund loans and grants for the acquisition, demolition, or replacement or repair of mobile or manufactured homes.
- **Public Housing Modernization Program:** \$6.4 million, same as last year, for services and expenses of a public housing modernization program. \$400,000 of this program may be allocated towards article XII of the Public Housing Law.

SIGNIFICANT ACTIONS INCLUDE:

- **Homeowner Stabilization Fund:** \$50 million in new funding for services and expenses of the new Homeowner Stabilization Fund as part of the Governor's New York Housing Compact proposal.
- **Infrastructure Support Fund:** \$250 million in new funding to support localities undertaking zoning changes to increase housing supply as part of the Governor's New York Housing Compact proposal.
- **Lead Abatement Program:** \$20 million in new funding for lead abatement treatment outside of New York City. This is part of the Governor's New York Housing Compact proposal.
- **Statewide Data Collection Program:** \$15 million in new funding for the implementation of a new statewide data collection program.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Affordable Housing and Homelessness Initiative:** \$4.5 billion in funding that would have supported a new \$25 billion, 5-year housing program created in FY23. The \$4.5 billion for this program is reappropriated in FY24.

- **Housing our Neighbors with Dignity Program:** \$100 million that was for acquiring vacant commercial properties and distressed hotels to convert them into permanent affordable rental housing.
- **Mitchell-Lama:** \$100 million that preserved and improved Mitchell-Lama properties.
- **Public Housing Assistance Program:** \$400 million, of which \$350 million was for the New York City Housing Authority and \$50 million was for public housing throughout the remainder of the State.
- **Small Rental Housing Development Initiative:** \$7 million that was for capital developments of rental housing with less than 20 units.

New housing that is income restricted to any agreement with a federal, state, or local government shall count as two units towards the three-year growth target. Previously abandoned property that has become suitable for occupancy shall be counted as one and a half units towards the three-year growth cycle.

Dwelling units that have had more than a 12-month lapse between the authorization granting permission and the commencement of construction and units that have had more than a 24-month lapse between the authorization granting permission and the issuance of a certificate of occupancy shall not be counted towards the three-year growth cycle.

This proposal further creates Safe Harbors. Safe Harbors are localities that are not subject to the zoning appeal process as determined by the Division of Housing and Community Renewal (HCR). To become a Safe Harbor, a locality must reach its three-year cycle growth targets and enact at least two preferred actions from the following within its prior three-year cycle:

- ➔ Accessory Dwelling Units;
- ➔ Lot splits;
- ➔ Removal of exclusionary measures;
- ➔ Smart growth rezoning; and
- ➔ Adaptive reuse rezoning.

This proposal disallows a planning board from rejecting an application for a qualifying project due to failure to comply with the land use requirements on the site. Proposed qualifying projects are exempt from review requirements of Article 8 of the Environmental Conservation Law (Environmental Quality Review). Further, review will be limited to only the following:

- ➔ Capacity of local infrastructure to provide adequate drinking water and wastewater services;
- ➔ Capacity of local infrastructure to provide adequate utility services; and
- ➔ Aesthetics of the proposed project only if there are existing published objective standards.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

Part F New Homes Targets and Fast Track Approval New York Housing Compact This Part would create a three-year cycle new homes growth target and a fast-track approval process to construct new homes that will override local governments zoning powers and mandates certain housing construction despite existing zoning laws. This Part also creates an appeals process through the Housing Review Board and through Land Use Judges and creates the Land Use Advisory Council.

Localities in the Metropolitan Transportation Commuter District (MTDC) must construct at least 3% of the existing residential dwelling units within the three-year cycle, in new residential housing units. For all localities located outside the MTDC, they must construct at least 1% of their existing residential units within the three-year cycle, in new residential housing units.

Beginning January 1, 2027, when an applicant is denied, the applicant may file an appeal with the Housing Review Board within 60-days of denial. The Housing Review Board shall have the power to conduct hearings, take oaths, issues orders, and performs any necessary functions outlined below:

- ➔ If the community is a Safe Harbor, the appeal shall be denied.
- ➔ If no determination regarding Safe Harbor status has been made, the Housing Review Board shall determine a threshold issue of whether the locality is a Safe Harbor.

If a locality is not a Safe Harbor, the Housing Review Board shall determine if the application was properly denied by the lead agency equivalent and may:

- ➔ Remand the planning board to issue a permit or approval for the project;
- ➔ Deny the appeal; and
- ➔ Remand the lead agency to consider an amended application that addresses any legitimate concerns.

Judges will be designated as land use judges by the Chief Administrator of the Courts from a list provided by the Land Use Advisory Council shall hear land use appeals. These judges may hear these appeals regardless of what county they normally serve in. This proposal also creates the Land Use Advisory Council, who shall publish the list of supreme court judges who are qualified to hear land use appeals. Beginning January 1, 2027, any applicant whose project was denied by a planning board may bring an appeal to such judges.

- ➔ If the locality is a Safe Harbor, the appeal shall be denied.

If the locality is not a Safe Harbor, such judge shall issue a determination:

- ➔ The judge may remand the planning board to issue a permit or approval for the project;
- ➔ Deny the appeal; and

- ➔ Remand the planning board to consider an amended application that addresses any legitimate concerns.

Localities are required to report housing production information to the HCR, see Part H Housing Production Reporting below. Localities that fail to submit this information will be deemed ineligible for Safe Harbor status.

Part G Encourage Transit-Oriented Development

This Part would mandate transit-oriented development (TOD) near transit stations. This proposal creates a 4-tier system of transit-oriented development zones and a transit-oriented development review process. This proposal would override local governments zoning powers and mandates certain housing construction despite existing zoning laws.

This four-tier system includes all rail stations and subway stations within New York State that are owned and operated by Metro North Railroad, The Long Island Railroad, the Port Authority of New York and New Jersey, the New Jersey Transit Corporation, the New York City Transit Authority, or the Metropolitan Transportation Authority with the following designations:

- ➔ **Tier 1:** a station located in New York City or within 15 miles of the border of New York City;
- ➔ **Tier 2:** a station located between 15 to 30 miles from the border of New York City;
- ➔ **Tier 3:** a station located 30 to 50 miles from the border of New York City; and
- ➔ **Tier 4:** a station located more than 50 miles from the border of New York City.

However, the bill text, specifies that any town or village with a population greater than one million people, would be treated as New York City is in regards to this proposal.

- Transit-oriented development zones are land within a half-mile of the above rail stations

and subway stations. Each of the four tiers have different required minimum aggregate density requirement, they are:

- ➔ Tier 1: 50 residential dwellings per acre;
- ➔ Tier 2: 30 residential dwellings per acre;
- ➔ Tier 3: 20 residential dwellings per acre; and
- ➔ Tier 4: 15 residential dwellings per acre.

The transit-oriented development review process will be where all projects in a transit-oriented development zone shall be reviewed. All proposed projects are exempt from review requirements of Article 8 of the Environmental Conservation Law (Environmental Quality Review) and similar local laws, rules, and regulations. The review process includes the following:

- Capacity of local infrastructure to provide adequate drinking water and wastewater services;
- The capacity of local infrastructure to provide adequate utility services;
- The aesthetics of the proposed project only if there are existing published objective standards; and
- Must be completed with approval or denial to the applicant within 120-days of submission.

This Part requires that local land use tools (which are the written comprehensive plans, zoning ordinances, local laws, resolutions, regulations, special use permits, policies, and procedures related to zoning) be amended to meet or exceed the aggregate density requirement for each respective tier within 3-years of the effective date.

The Attorney General is empowered to enforce these requirements through court actions if necessary. A party denied permission by a planning board may commence a special proceeding against the subject locality or the planning board and its officers in the supreme court within the judicial districts of the locality. The locality or planning board must set forth the reasons for the denial of

the application and must demonstrate with clear and convincing evidence that the reason for denial was due to a health and safety concern.

Part H Housing Production Reporting This part creates housing production reporting requirements that local boards must submit annually to the Commissioner of the Division of Housing and Community Renewal (HCR) regarding new construction, conversion, alteration, demolition, or consolidation of a housing site. This includes:

- The address of such housing sites;
- The block and/or lot number of such housing site;
- The total number of dwelling units in such housing site;
- The building type, and any relevant dates of approval, permits, and completions;
- Any associated governmental subsidies or program funds that were allocated to the housing site;
- The specific details of such construction, conversion, alteration, demolition, or consolidation of the housing site;
- Any permits requested to build dwelling units and their status; and
- The total number of dwelling units within the jurisdiction of the local planning board.

Further, local planning boards must submit annually to the Commissioner, a digital file of a zoning map or maps of the local board's jurisdiction that contain the following:

- The geographic extents of areas where residential housing, commercial, industrial, or other developments are or are not permitted;
- Areas zoned for residential buildings where 2, 3, 4 or more dwelling units are allowed per lot;
- Any minimum lot size requirements;
- And minimum size requirements for dwelling units;

- Any parking requirements for residential buildings;
- Any setback or lot coverage requirements for residential buildings;
- Designation of whether each zoning approval granted was as-of-right or discretionary;
- The geographic bounds of any areas which have been amended since the previous reports to the Commissioner;
- Any floor area ratio restrictions for residential buildings;
- The reason why residential development is not permitted where it currently is not; and
- And other information deemed relevant by the Commissioner.

Part I Housing Production Reporting Update Law that Enables Localities to Reclaim Certain Vacant and Abandoned Homes This Part expands the ability of municipalities to claim vacant property to include property that has had a zoning, building, or property maintenance code violation with the potential to injure, endanger or unreasonably annoy the health and safety of others that has not been remedied for at least one year.

Part J Convert Office Spaces to Residential Housing This Part allows commercial buildings in New York City built before December 31, 1990, to be converted into residential units if such occupancy is in compliance with section 277 of the Multiple Dwelling Law. However, this Part will not require such converted units to be joint living-work quarters for artists.

Part K Legalize Pre-Existing Basement Dwelling Units in New York City This Part allows New York City, through local law, to establish a program to legalize existing basement dwelling units. Any such law, shall not be subject to environmental review, including Article 8 of the Environmental Conservation Law. This Part further removes the possibility of civil or administrative liability, citations, fines, penalties, judgments, or other determinations of or prosecutions for civil violations

for the owner of a basement dwelling unit. This Part shall further provide relief to owners of a basement dwelling unit from outstanding civil judgments.

The program authorized by any local law shall require an application to make alterations to legalize a basement dwelling unit be accompanied by a certification indicating that such unit was rented to a tenant on the effective date of this Part. Any tenant residing in a basement dwelling who is evicted or removed from the unit so necessary alternations can be made to it shall have the right of first refusal to return to such unit.

Part L Authorizes New York City to set Floor Area Ratio This Part authorizes New York City, in conjunction with the New York State Urban Development Corporation, to change its Floor Area Ratio requirements and allow it to be greater than 12 to 1 ratio, the size of the building to the size of the building lot.

Real Property Tax Incentives that Impact Housing The following Parts can be referenced in the Local Government section of the Green Book.

- Part M Property Rehabilitation Real Property Tax Abatement
- Part N Multiple Dwelling Rental Real Property Tax Exemption
- Part O Accessory Dwelling Unit Real Property Tax Exemption
- Part P Affordable Housing from Commercial Conversions Tax Incentive
- Part R Extend the Completion Deadline for 421-a Vested Projects

HEALTH & MENTAL HYGIENE – A.3007

Part T Lead Testing Registry and Remediation

Requirements This Part creates a lead inspection registry for residential dwellings outside of New York City. This would apply to communities of concern identified by the Department of Health, if they meet the following criteria:

- Residential dwelling of two or more units;
- Built prior to 1980; and
- Eligible for rental, lease, or hiring out by virtue of municipal zoning designations.

Qualifying residential dwellings must be certified free of lead paint hazards based on tri-annual inspections which are done at the cost of the title holder. Inspection certifications must be submitted to the Local Health Department (LHD) for recording in the registry. DOH shall promulgate fines for non-compliance. Requirements for inspection shall be based on regulations and guidance from DOH and may include visual inspections for deteriorated paint and outdoor soil conditions, as well as the collection of dust wipe samples obtained in accordance with United States Environmental Protection Agency protocols for such procedures. Remediation of lead-based paint hazards must follow municipal and regulatory requirements.

Documentation of compliance with the regulations put forth in this Part will be a condition for the issuance of a certificate of occupancy or certificate of compliance.

There two associated appropriations with these provisions: \$18.5 million is included in the Department of Health State Operations Budget (A.3000), for maintenance of the registry and to assist landlords with the cost of inspections; and \$20 million is included in Housing and Community Renewal Capital Projects Budget (A.3004), for lead

abatement through the Housing Trust Fund Corporation.



HUMAN RIGHTS

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$25.4 million, \$4.7 million more than last year, to pay for the creation and maintenance of a hate and bias prevention unit.

SIGNIFICANT ACTIONS INCLUDE:

- **Hate and Bias Prevention:** \$3.5 million in new funding for services and expenses related to training, educational materials, outreach and conferences.



INDIGENT LEGAL SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Indigent Legal Services Program:** \$4.29 million, \$143,000 more than last year.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Article 18-B Family Court Representation:** \$4.5 million, same as last year, to improve the quality of representation provided to persons entitled to counsel in Family Court matters and Surrogates Court.
- **Hurrell-Harring Statewide Implementation:** \$250 million, same as last year, to provide legal services to the indigent.

PUBLIC PROTECTION & GENERAL GOVERNMENT – A.3005

Part P 18-b Assigned Counsel Rate of Pay Increase

This Part raises the hourly pay rate for lawyers assigned to children and the indigent in legal proceedings, to \$158 per hour downstate and to \$119 per hour upstate. Previously the rate of pay ranged from \$60 to \$90 per hour. This will be the first increase to their salary since 2003. The Downstate counties include those of New York City, Westchester, Rockland, Putnam, Dutchess, Ulster, Sullivan, Nassau, and Suffolk. This Part further raises the maximum compensation for representation to \$10,000 downstate and \$7,000 upstate. The previous cap for both was \$4,000.

INFORMATION TECHNOLOGY SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Office of Information Technology Services Program:** \$863 million, \$36 million more than last year, for services and expenses related to central administrative activities and cybersecurity projects that will further strengthen State and local defense.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **IT Initiative Program:** \$130 million, \$15 million more than last year, to fund enterprise technology projects and to support the development of an e-procurement system.



JUDICIAL CONDUCT

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Judicial Conduct Program:** \$8.1 million, \$939,000 more than last year, to support general salary increases, 6 new FTEs and increase equipment and lease costs. The Commission on Judicial Conduct evaluates and investigates complaints of misconduct against State judges and local justices. The Commission has disciplinary powers and may render determinations to admonish, censure or remove judges and justices from office for misconduct, or to retire judges for disability, subject to review by the Court of Appeals. There are 11 members of the Commission, who serve part-time and without compensation. Each serves a renewable four-year term and is appointed by the Governor, the Chief Judge and the Legislature.



LABOR

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Employment and Training Program:** \$94.3, \$5 million more than last year. This program administers employment and training programs that are funded by grants allocated by the United States Department of Labor under the Workforce Innovation and Opportunity Act.

SIGNIFICANT DECREASES INCLUDE:

- **Administration Program:** \$546.1 million, \$116.2 million less than last year, in Federal grants for administering the Unemployment Insurance program during the pandemic.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Labor Standards Program:** \$43.9 million, same as last year.
- **Occupational Safety and Health Program:** \$49.6 million, same as last year.
- **Unemployment Insurance Interest Assessment Surcharge Fund:** \$250 million, same as last year, for repayment on interest

that has accrued on the State's Federal Title XII advance that was requested to supplement the State Unemployment Insurance Trust Fund (State UITF) Account.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASE INCLUDE:

- **Dislocated Worker Employment Program:** \$198.4 million, \$7.8 million more than last year, to assist those laid off or terminated and don't qualify for unemployment insurance or are having a hard time reentering the workforce.
- **Local Workforce Development Act:** \$3.7 million, \$180,000 more than last year, for training for qualified enrollees of the Self-Employment Assistance Program.

SIGNIFICANT DECREASES INCLUDE:

- **Unemployment Insurance Benefit Fund:** \$6 billion, \$4 billion less than last year, due to a decrease in claims for unemployment insurance benefits.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Miscellaneous Funding for the Workforce Investment Act:** \$20 million, same as last year, to assist the unemployed to access employment training programs, and education and support services to develop job skills.
- **Occupational Safety and Health Program:** \$419,000, same as last year, to aid local governments for hazard abatement.
- **Unemployment Insurance Occupational Training Fund:** \$26.5 million, same as last year, to provide services to the unemployed in approved Federal training programs.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Various Legislative Adds: \$20.4 million for 35 programs added by the Legislature is eliminated.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

Part S Index the Minimum Wage to Inflation The Governor is proposing to index the minimum wage to the Consumer Price Index for Urban Wage Earners and Clerical Workers for the Northeast Region (CPI-W). The proposal also includes a cap and limited exceptions.

The minimum wage rate will continue to be divided into three regions (New York City; Long Island and

Westchester; and Remainder of the State). The minimum wage for each region shall be the lesser of either:

- Increasing the region's current year's minimum wage rate by 3%; and
- The rate of change in the average between August 1st to July 31st of the preceding year as published by the United States Department of Labor's non-seasonally adjusted Consumer Price Index for the CPI-W rate.

The remainder of the State will not be indexed by the above methods until after it reaches \$15 per hour as determined by the current law. For NYC, Long Island and Westchester the new calculation of minimum wage could begin on or after December 31, 2023.

There will be no increase in the minimum wage if one of the following occurs:

- The rate of change in the average between August 1st to July 31st of the preceding year is negative;
- The three-month moving average of the seasonally adjusted New York State unemployment rate as determined by the total unemployed as part of the civilian labor force rises by one-half percentage or more relative to its low during the previous 12-months; or
- The seasonally adjusted, total non-farm employment for New York State in July, as calculated by the United States Department of Labor, decreased from the April employment number and the January employment number.

The Commissioner shall publish the adjusted minimum wage rate by October 1st of each year and to take effect on December 31st of that year.

The minimum wage for home care workers on December 31, 2023, shall be the greater of either:

- The rate established by this Part for the minimum wage for each region of the State; or
- The rate established by the existing minimum wage law.

However, the minimum wage for home care workers shall not be higher than \$18 per hour until the minimum wage rate for that region of the State is higher than \$18 per hour.

Part T Community Hiring and Workforce Development in New York City This Part requires the Mayor of New York to create the Office of Community Hiring and Workforce Development. This Office shall encourage the hiring of economically disadvantaged region candidates for building service work.

These candidates are individuals from zip codes where at least 15% of its residents are below the Federal Poverty Threshold. The Director shall publish at least once each year an updated list of all economically disadvantaged regions within 100 miles of New York City. Nothing shall preclude an individual who resides in an economically disadvantaged region that is not included on such list from qualifying as an economically disadvantaged region candidate. On a biannual basis, the Director shall review and promulgate rules increasing or decreasing the value of the employment goals.

This Office may be assigned to any department which has its head official appointed by the Mayor. The Office shall be led by a Director appointed by the Mayor.

The Director shall adopt rules regarding employment goals on a procurement contract, including:

- Requiring contractors and subcontractors to agree to publicly disclose employees' opportunities;
- Establishing certification procedures for economically disadvantaged candidates, and

economically disadvantaged region candidates;

- Establishing a procedure for the Director to approve referral sources for candidates, including:
 - ➔ Publicly releasing a referral source solicitation that includes a description of functions, the manner in which responses are submitted, and the criteria by which entities will be approved;
 - ➔ Authorize an agency in writing to function as a referral source;
 - ➔ Authorize in writing an entity engaged in an agreement with an agency from employment recruitment services or other workforce development services; or
 - ➔ Identify and deem union referral systems with affiliated apprentice programs as approved referral systems.
- Establish a procedure to provide information regarding referral sources to contractors, subcontractors, prospective contractors, and prospective subcontractors;
- Establish a procedure to monitor and criteria to evaluate the performance of a referral source;
- Requiring contractors to agree to make best efforts to interview, and employ qualified economically disadvantaged region candidates to meet employment goals relating to building service work based on:
 - ➔ The percentage of building service opportunities; or
 - ➔ The percentage of build service opportunity labor hours performed by economically disadvantaged region candidates.
- Requiring contractors to agree to make best efforts to employ qualified economically disadvantaged candidates to perform no less than 30% of the construction labor hours

and have apprentices work no less than 9% of construction labor hours;

- Requiring contractors to agree to make best efforts to interview and employ qualified economically disadvantaged candidates on work that doesn't involve construction;
- Establishing a schedule of civil penalties;
- Designating paper or electronic formats for documents; and
- Authorizing the Director to establish factors by which these goals for hiring and hours worked based on:
 - ➔ The scope of the transaction;
 - ➔ The availability of qualified economically disadvantaged candidates and economically disadvantaged region candidates;
 - ➔ The nature of any employment opportunities;
 - ➔ The potential impact of these goals on contractors, MWBE's, not-for-profits, or small business; and
 - ➔ Any other similar factors.



LAW

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Counsel for the State Program:** \$90 million, \$3.8 million more than last year, for services and expenses related to the Council for the State Program.
- **Economic Justice Program:** \$40.3 million, \$3.5 million more than last year, for services and expenses related to the Economic Justice Program.
- **Medicaid Fraud Control Program:** \$66.9 million, \$6.5 million more than last year, for services and expenses related to grants for the investigation and prosecution of Medicaid fraud.
- **Regional Offices Program:** \$25.4 million, \$6.9 million more than last year, for services and expenses related to the Regional Offices Program.
- **Social Justice Program:** \$47.8 million, \$9.5 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:

- **Administration Program:** \$23.5 million, \$3 million less than last year, for services and expenses related to the Administration Program.

SIGNIFICANT ACTIONS INCLUDE:

- **Cannabis Management Program:** \$2.7 million in new funding for services and expenses related to the Cannabis Management Program.

CAPITAL PROJECTS – A.3004

SIGNIFICANT DECREASES INCLUDE:

- **Information Technology Initiative Program:** \$2.75 million, \$3.75 less than last year, for services and expenses related to the acquisition and development of technology.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part U 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

➔ General State Charges: \$836.4 million,
\$8.3 million more than last year.

- **LEGISLATURE:** \$273.9 million for the Legislature, \$9.8 million more than last year. This represents a 3.7% increase over last year.
 - ➔ **Commission on Long Island Power Authority:** \$2 million, same as last year.
 - ➔ **Independent Redistricting Commission:** \$4 million, \$2 million more than last year.
- The Legislative Budget, not including the Independent Redistricting Commission, increased by \$7.8 million or 3% over last year.
- **JUDICIARY:** \$3.4 billion for the Judiciary, \$121.9 million more than last year. This represents a 3.7% increase over last year. This funding includes:
 - ➔ **State Operating Funds:** \$2.5 billion, \$110.6 million more than last year;
 - ➔ **Capital Projects:** \$28 million, \$3 million more than last year;
 - ➔ **Federal Funds:** \$19 million, same as last year; and



LOCAL COMMUNITY ASSISTANCE

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CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Local Community Assistance Program (LCAP):** No new funding, \$185 million in reappropriations available.

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 equipment and other capital assets with a useful life of not less than 10 years purchased for installation or use in infrastructure that is owned or controlled by the grant recipient or appurtenant thereto.

- Eligible purposes will include, but not limited to, projects that support community development or redevelopment, revitalization, economic development, economic sustainability, arts and cultural development, housing, public security and safety and local infrastructure improvement or enhancement.

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

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Aid and Incentives for Municipalities:** \$715.1 million. The Aid and Incentives for Municipalities (AIM) program provides unrestricted municipal aid to cities, towns, and villages in one flat grant program.

- For the Governor's AIM runs, please go to the following links:

➔ **Cities:** <https://www.budget.ny.gov/pubs/archive/fy24/ex/local/aim/fy24aim-cities.pdf>

➔ **Towns:** <https://www.budget.ny.gov/pubs/archive/fy24/ex/local/aim/fy24aim-towns.pdf>

➔ **Villages:** <https://www.budget.ny.gov/pubs/archive/fy24/ex/local/aim/fy24aim-villages.pdf>

➔ **City Payment Schedule:** <https://www.budget.ny.gov/pubs/archive/fy24/ex/local/aim/fy24aim-paysched.pdf>

- **Citizens Re-Organization Empowerment Grants and Citizens Tax Credit:** \$35 million.
- **City of Albany:** \$15 million.
- **Local Government Efficiency Grant (LGEG):** \$4 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, same as last year. The following counties receive such funding:
 - ➔ Essex County: \$124,000;
 - ➔ Franklin County: \$72,000;
 - ➔ Hamilton County: \$21,300.
- **Video Lottery Terminal (VLT) Aid:** \$28.9 million, same as last year. Of this funding,

\$19.6 million is provided to the City of Yonkers. The remaining \$9.3 million is distributed to the other municipalities that have a VLT gaming facility.

- ➔ See *Figure 1* for Local Government Aid to municipalities with VLT facilities.

SIGNIFICANT ACTIONS INCLUDE:

- **County-Wide Shared Services Initiative (CWSSI):** \$189.2 million in reappropriated funding for the one-time matched savings reimbursement to local governments that submitted shared services proposals as part of the County-Wide Shared Service Property Tax Savings Plan.

LOCAL GOVERNMENT AID TO MUNICIPALITIES WITH VLT FACILITIES FIGURE 1			
VLT Facility	Municipality	2022-23 Enacted Aid	2023-24 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
Saratoga	City of Saratoga Springs	\$2,325,592	\$2,325,592
	Saratoga County	\$775,198	\$775,198
Vernon Downs	Village of Vernon	\$137,103	\$137,103
	Town of Vernon	\$231,788	\$231,788
	Oneida County	\$256,796	\$256,796
Yonkers	City of Yonkers	\$19,600,000	\$19,600,000
TOTAL		\$28,885,313	\$28,885,313

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Onondaga County:** \$1.2 million. This funding was provided for a school district discipline project with the Syracuse City School District.
- **Various Miscellaneous Financial Assistance:** \$20.5 million in unrestricted aid to various municipalities. These municipalities included:
 - ➔ **Albany County:** \$300,000.
 - ➔ **City of Buffalo:** \$300,000.
 - ➔ **City of Rome:** \$50,000.
 - ➔ **City of Troy:** \$70,000.
 - ➔ **City of Utica:** \$50,000.
 - ➔ **Monroe County:** \$600,000.
 - ➔ **Suffolk County:** \$3.5 million.
 - ➔ **Town of North Hempstead:** \$250,000.
 - ➔ **Town of North Tonawanda:** \$200,000.
 - ➔ **Village of Depew:** \$120,000
 - ➔ **Village of Endicott:** \$50,000.
 - ➔ **Village of Green Island:** \$25,000.

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.

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 new funding earmarked for the NY Forward Program.
- ➔ **DRI Program:** The DRI program provides \$10 million to 10 communities over five years through a competitive grant process. Communities must apply to the Regional Economic Council, who will review the applications and

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part Y Special Accidental Death Benefit This Part would add counties as payors of the special accidental death benefit under Section 208-f of the General Municipal Law. The purpose of this addition is to clarify that beneficiaries of the members of county sheriff departments are eligible for such benefits. This Part would also authorize moving the appropriation for this benefit from Audit and Control to the General State Charges budget.

- In the case of a deceased county member who died prior to the effective date of this Part, the payment of the benefit to the deceased member's beneficiaries will begin on the effective date. The benefit amount would be subject to annual increases and escalation from the date of such member's death.

Part AA Lower Manhattan Tax Cut and Program Extensions The Lower Manhattan Tax Cuts and Programs were designed to help boost the economy of Lower Manhattan after 9/11. This Part would extend the following NYC tax provisions and programs for an additional 5-years:

- Lower Manhattan Sales Tax Exemption for Office Equipment, which allows eligible new office spaces in Lower Manhattan to receive tax exemptions on furniture, fixtures, equipment, and other build-out expenses.
- Lower Manhattan Energy Costs Savings Program and NYC Energy Savings Program, which allows up to a 45% cost reduction for tenants' energy expenses in qualified buildings.
- Lower Manhattan Commercial Rent Tax Reduction Program, which provides reduced commercial rent tax for tenants in certain areas of Lower Manhattan.
- Commercial Abatement Program (CAP), which provides real property tax abatements for eligible commercial and industrial buildings in certain areas of New York City.
- NYC Commercial Expansion Program, which is intended to increase tenant occupancy in commercial offices by providing tax abatements dependent upon the length of the tenant's lease.
- Lower Manhattan Commercial Revitalization Program, which is intended to encourage building owners to revitalize older buildings to increase tenant occupancy.

Part BB Repeal Unrelated County-Wide Shared Services Initiative Payment This Part would eliminate a \$1 million annual payment that is directed from the County-Wide Shared Services Program to the North Shore Water Authority.

- Chapter 577 of the Laws of 2021 (A.7654), established the North Shore Water Authority. In this Chapter, the Authority was given authorization to receive \$1 million

from the County-Wide Shared Services Initiative.

- The Governor claims this annual payment to be unrelated to the County-Wide Shared Services Initiative.

EDUCATION, LABOR, AND FAMILY ASSISTANCE – A.3006

Housing Proposals that Impact Local Government

The following housing parts will have a significant impact on local governments. For a detailed explanation of these parts, please refer to Housing and Community Renewal section of the Green Book:

- Part F New Homes Targets and Fast Track Approval New York Housing Compact
- Part G Encourage Transit-Oriented Development
- Part H Housing Production Reporting
- Part I Housing Production Reporting Update Law that Enables Localities to Reclaim Certain Vacant and Abandoned Homes

Part M Establish a NYC Property Rehabilitation

Real Property Tax Abatement This Part would establish a new Real Property Tax abatement program in New York City. This proposal is set to replace the recently expired J-51 Real Property Tax Abatement which also incentivized rehabilitation of housing with tax incentives. This Abatement will only apply to the buildings which are being renovated, not the land on which they sit which would still be subject to Real Property Taxes.

- Under this proposal, New York City has until June 13, 2025 to adopt a local law offering this 20-year rehabilitation abatement.

ABATEMENT

- The total abatement for any eligible project cannot exceed 70% of the reasonable cost of the construction.
 - ➔ The reasonable cost of construction will be determined by the New York City Department of Housing Preservation and Development.
- The proposed abatement cannot exceed 50% of the amount of Real Property Taxes payable in a 12-month period.
- Once the total abatement is determined, the annual abatement provided for each project cannot exceed 8 1/3% of the total maximum dollar limit of the improvements specified by the New York City Department of Housing Preservation and Development.

ELIGIBILITY

Types of rehabilitated buildings which can qualify for this abatement must have a completion date that is after June 29, 2022 and before June 13, 2026. Buildings that are eligible for the exemption are as follows:

- A multiple dwelling residence that is operated as a condominium or cooperative and an average assessed valuation of less than \$45,000 per unit;
- A multiple dwelling unit that is owned or operated by a mutual company whose shareholders or families make up at least 80% of the occupied units;
- Multiple dwelling rental units which contain no less than 50% of affordable rental units, affordability will be established by the New York City Department of Housing Preservation and Development (HPD).
- Multiple dwelling rental units that are operated by limited-profit housing companies; and

- Multiple rental dwellings that are recipients of grants or loans from any federal, state, or local government for development of affordable housing approved by the New York City Department of Housing Preservation and Development (HPD).

APPLICATION PROCESS

Any local law passed by New York City must require an application for a certificate of eligibility for the abatement. Applications must be submitted either four months from the effective date of the local law or four months from the completion date of the project, whichever is later. The HPD is also required to issue a non-refundable filing fee for applications, this fee is set at \$1,000, plus \$75 for each dwelling unit more than six units.

RENT STABILIZATION

All units would remain subject to Rent Stabilization for fifteen years after receiving an approved application which is known as the restriction period.

Part N Establish a Real Property Tax Exemption for the Creation of Multiple Dwelling Rentals This Part would allow local governments, at local option, to offer a Real Property Tax exemption for newly constructed multiple dwelling rental buildings for local governments other than New York City.

The rental dwellings must consist of 20 or more units which are all rented for residential purposes with at least 20% during the established restriction period allocated for affordable housing as outlined in the local law.

For the duration of construction and no longer than three years, the property will be 100% exempt from Real Property Taxes.

Following completion, the property will then be exempt from Real Property Taxes for 25 years,

starting at 96%, the exemption will decrease by 4% each year thereafter.

➔ No other exemption will be granted concurrent with the proposed exemption, and construction must take place on vacant or underutilized land.

- If the newly constructed property is used partially for residential purposes and partially for commercial purposes, at least 50% of the square footage of the structure must be dedicated to residential use to obtain the exemption.

Part O Establish a Real Property Tax Exemption for the Creation of Accessory Dwelling Units This Part would allow local governments, at local option, to offer a Real Property Tax exemption from the increase in assessed value for the creation of accessory dwelling units (ADUs) on homeowners' properties. These ADUs must be on residential parcels of land that can house no more than two families.

After a public hearing, local governments may adopt a local law permitting such exemption.

The exemption will last 10 years in total, to be phased out over such period. Specifically, for the first 5 years, the increase in assessed value will be 100% exempt from Real Property taxes. For the remaining 5 years, the exemption will be decreased by 25% for the first 3 years and decreased by 10% for the remainder of the exemption period.

➔ Local governments may reduce the percentage of the exemption and set eligibility requirements in their respective local laws.

The exemption will be limited to \$200,000 in increased market value of the property as a result of the creation of an accessory dwelling unit. The improvements to the property must exceed \$3,000 and create one or more residential dwelling units on the same preexisting residential building.

- If the level of assessment changes by 15% or more on the final assessment roll in any year during the exemption, the new exemption base will be multiplied by a fraction. This fraction will consist of the numerator being the assessment listed on the final assessment roll and the denominator will be the total assessed value immediately proceeding the final assessment roll. The result of this formula will be the new assessment base for the exemption.

Part P Establishment of the NYC Affordable Housing from Commercial Conversion Tax Incentive

This Part establishes a new Real Property Tax exemption in New York City called the Affordable Housing from Commercial Conversions Tax Incentive (AHCC).

Under the AHCC Tax Incentive program, housing developers may be eligible for a 19-year Real Property Tax Exemption if they convert commercial space into residential housing that can hold three or more families and such housing meets certain affordability requirements.

ELIGIBILITY

To qualify, the following requirements must be sustained in perpetuity.

- No less than 25% of the units can have less than one bedroom, and all units must share a common entrance to the building.
- All units receiving the AHCC exemption will be subject to rent stabilization and cannot be converted into a cooperative or condominium.
- No less than 20% of the dwelling units must be affordable within the applicable affordability limits. These include:
 - ➔ The weighted average of area median income in all available units must not exceed 70% of the area median income (AMI).

- ➔ No less than 5% of the units available must be affordable to those with a household income that does not exceed 40% of the AMI.
- ➔ No income for affordable housing can exceed 100% of the area median income, adjusted for family size.

EXEMPTION

The proposal provides for two different Real Property exemptions based on the location of the projects. These include: one within Manhattan and one outside of Manhattan.

- **Manhattan South of 96th St. (Manhattan Prime Development Area):** A 20-year exemption that is phased out over the length of the exemption based on the following:
 - ➔ For the duration of construction, the property will be 100% exempt from Real Property Taxes.
 - ➔ Following construction, for the first 15 years the exemption is 50% of the Real Property Taxes owed.
 - ➔ Starting in the 16th year, the exemption is phased out by 10% until the 20th year is hit.
- **Outside of the Prime Development Area:**
 - ➔ For the duration of construction, the property will be 100% exempt from Real Property Taxes.
 - ➔ Following construction, for the first 15 years the exemption is 35% of the Real Property Taxes owed.
 - ➔ Starting in the 16th year, the exemption is phased out by 7% until the 20th year is hit.
- If the total floor area of commercial, community facility, and accessory use exceeds 12% of the multiple dwelling

building, the exemption will be reduced by a percentage equal to the excess.

BUILDING SERVICE EMPLOYEES

Projects eligible for this exemption are required to provide prevailing wage to building service employees.

- Prevailing wage is the pay rate set by law for work on public work projects. This applies to all laborers, workers or mechanics employed under a public work contract.

APPLICATION PROCESS

Applications for the AHCC exemption must be filed with the New York City Department of Housing Preservation and Development (HPD) no earlier than the completion date of the conversion and no later than one year after the conversion is complete. Accompanying the application, a filing fee of no less than \$3,000 must be submitted.

- The filing fee may be reduced if the conversion is carried out with substantial government assistance.

Part R Extend the Completion Deadline for Projects Vested in the 421-a Real Property Tax Abatement This Part extends the completion deadline for projects that are vested in the recently expired 421-a Real Property Tax abatement program.

The current deadline for project completion is June 15, 2026, this proposal would extend that deadline by four years making the new completion date June 15, 2030.

- The 421-a Real Property Tax Abatement existed in New York City and offered a 35-year abatement of Real Property Taxes owed on the construction of new residential dwellings.

- A full abatement lasted for 3-years of construction and the first 25-years after construction. Tax benefits for the last 10-years would then be tied to the number of affordable units created.
- Since this program's expiration, permits for the creation of new housing in New York City have declined considerably.

Documentation of compliance with the regulations put forth in this Part will be a condition for the issuance of a certificate of occupancy or certificate of compliance.

There two associated appropriations with these provisions: \$18.5 million is included in the Department of Health State Operations (A.3000) budget for maintenance of the registry and to assist landlords with the cost of inspections; and \$20 million is included in Housing and Community Renewal Capital Projects (A.3004) budget for lead abatement through the Housing Trust Fund Corporation.

HEALTH AND MENTAL HYGIENE – A.3007

Part T Lead Testing Registry and Remediation Requirements This Part creates a lead inspection registry for residential dwellings outside of New York City. This would apply to communities of concern identified by the Department of Health, if they meet the following criteria:

- Residential dwelling of two or more units;
- Built prior to 1980; and
- Eligible for rental, lease, or hiring out by virtue of municipal zoning designations.

Qualifying residential dwelling must be certified free of lead paint hazards based on tri-annual inspections which are done at the cost of the title holder.

Inspection certifications must be submitted to the Local Health Department (LHD) for recording in the registry. DOH shall promulgate fines for non-compliance. Requirements for inspection shall be based on regulations and guidance from DOH and may include visual inspections for deteriorated paint and outdoor soil conditions, as well as the collection of dust wipe samples obtained in accordance with United States Environmental Protection Agency protocols for such procedures. Remediation of lead-based paint hazards must follow municipal and regulatory requirements.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part C MTA Tax Increment Financing and Procurement Extender The Governor proposes making permanent provisions that would authorize municipalities to create “mass transportation capital districts” to facilitate Tax Increment Financing for Metropolitan Transportation Authority (MTA) capital projects. This would allow 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 bill would also make permanent specific MTA procurement provisions and eliminate the dormant provisions that they will replace. This will take effect immediately upon the expiration date of April 1st, 2023 and will extend the expiration date to April 1st, 2024.

Part D Increase NYC's Contribution to the MTA This Part would increase funding to the MTA, allowing it to help close its' deficit in three ways:

First, by requiring NYC to fund all net operating expenses, 100%, for paratransit services currently paid by the MTA. NYC currently provides 50% of MTA paratransit funding. Second, by requiring NYC to fund the MTA's net fare losses through reduced fare MetroCards to students in grades K-12, estimated at over \$100 million. Third, by enlisting NYC to help offset lost tax receipts from Payroll Mobility Tax (PMT) exemptions. NYC would be required to match 47% of the State's contribution of a total of \$244 million to offset forgone PMT payments, currently estimated at \$115 million for the NYC share. These three proposals are estimated to cost NYC \$500 million in revenue that would be dedicated to the MTA.

Part K Allow New York City (NYC) To Lower Its Speed Limit This Part allows NYC to enact speed limits as low as 20 miles per hour, and 10 miles per hour in school or traffic calming zones, to improve the effects of traffic on road operations.

Part M County Clerk Retention The Governor proposes changing the shares of revenue retained by county clerk offices that provide services on behalf of the Department of Motor Vehicles (DMV). This proposal would allow county clerk offices to retain 10.75% of revenue collected from the DMV transactions they perform, whether the transaction occurred in-office or online. Under current law, county clerk offices acting as DMV agents retain 12.7% and 3.25% of revenues collected from transactions performed in-office and online, respectively. This is estimated to generate an additional \$13 million annually statewide for county clerk offices acting as an agent of the DMV.

Part N NYC Parking Reform The Executive proposes increasing the fines for parking overweight vehicles overnight in NYC's residential neighborhoods. The maximum fines would increase to \$400 for a first offense, and \$525 for subsequent offenses committed within six months of the first. The current fines are \$250 for a first offense, and up to \$525 for subsequent offenses within a six-month period. This would also close loopholes within the VTL to guarantee that penalties apply to drivers who park illegally with missing or invalid license

plates, prolong the statute of limitations for summonses dismissed as the result of fraud, and amend the parking violation appeal process.

Part R Financial Relief to the Metropolitan Transportation Authority from NYS Downstate Casinos Dedicates downstate casino revenue to the Metropolitan Transportation Authority (MTA). For a casino located in New York City, 100% of all gaming taxes and fees received by the State would be deposited into the MTA Finance Fund. For a casino located outside of NYC, 80% of all gaming taxes and fees received by the State would be deposited into such fund. The remaining portion would be distributed as follows:

- 10% to be split between the host county and host municipality; and
- 10% to be split among the non-host counties within the region on a per capita basis.

Lastly, this proposal provides that should a current video lottery gaming operator be selected for a downstate commercial casino license, such operator would make a payment to the State Lottery Fund before any payment to the MTA. This payment would be the greater of education aid deposits made in FY22 or FY23 by such operator. After such payment any remaining funds shall be transferred to the MTA.

Part OO Bolstering Demand for New York Agriculture This Part eliminates the restriction placed upon local governments and school districts on the purchase of farm food products from associations of more than 10 producers or growers and would remove the limitations on the amounts of eggs, livestock, fish, dairy products (excluding milk), juice, grains, and species of fresh fruit and vegetables that could be purchased directly from New York State producers or growers, or associations of New York State producers or growers. It also removes limitations on the direct purchases of milk from licensed milk producers, regardless of the number of employees the processors employ.

This Part would allow certain local entities to purchase food products, grown, produced or harvested in New York, without a competitive process, so long as the amount is less than or equal to \$250,000, and would require reporting those purchases to the Department of Agriculture and Markets no later than March 31st for the previous calendar year. This Part is intended to enable New York's agricultural sector to be a larger beneficiary of funding already used by State and local governments for the purchasing of food.

Part UU Lead Service Lines This Part defines "lead service lines" as water service lines made in whole or in part of lead, which connects a water main to a building inlet. A lead service line may be owned by a water system, a property owner, or both. A lead gooseneck, pigtail, or connector shall be eligible for replacement regardless of the service line material to which such a component is attached. This Part defines a gooseneck, pigtail, or connector as a short section of piping, typically not exceeding 2 feet, which can be bent and used for connections between rigid service piping. A galvanized iron or steel service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material.

Additionally, this Part provides a defined "period of probable usefulness" of 30-years for lead service line replacement programs to inventory, design, and replace both publicly and privately owned lead service lines Statewide. This change would allow for these types of projects to be eligible for Bipartisan Infrastructure Law (BIL) financing, and make it easier for municipalities, school districts, and other entities receiving BIL funds to access low-cost financing through the Environmental Facilities Corporation (EFC).

REVENUE – A.3009

Simplify and Modernize the Senior Citizens Real Property Tax Exemption (Part K) This Part would simplify the Senior Citizens Real Property Tax exemption by aligning the income threshold for the exemption to the income threshold for the Enhanced STAR exemption.

- Under current law, in determining income eligibility, applicants for the Senior Citizens Real Property Tax exemption must provide a substantial list of income that is either included or excluded from their proof of income.
- This Part would make income eligibility under the Senior Citizens Real Property Tax Exemption to be based on a taxpayer's federally adjusted gross income minus the taxable portion of IRA distributions. Local governments would be able to exclude, by local option, any social security benefits that were not included in the applicant's federal adjusted gross income.
- The Senior Citizens Real Property Tax exemption is available at local option and to qualify for the base exemption, which is up to 50% of the assessed value, the combined incomes of the owners for the applicable income tax year must not be greater than the maximum income eligibility level specified by local law. These maximum income levels may range from \$3,000 to \$50,000.

Return Foreclosure Excess to Property Owners (Part M) This Part requires local governments to remit back to the owner any surplus revenue made from a tax foreclosure sale. Proceeds from the sale of the foreclosed property can only be paid back to the owner once all liens from third parties and any owed Real Property Taxes are paid back from the sale of such property.

Clarification of the Solar and Wind Valuation Model (Part N) This Part would clarify that the Statewide solar and wind valuation model that is annually developed by the Department of Taxation and Finance is not subject to Article 2 of the State Administrative Procedure Act (SAPA).

- The standard methodology for appraising solar and wind projects over one megawatt in New York State was established in Part X of Chapter 59 of the Laws of 2021. In that Chapter, it specified that the Department of Taxation and Finance needed to adhere to the public comment periods. After doing this the Department was caught up in litigation for failing to comply with the SAPA.
- ➔ Article 2 of the SAPA regards a notice of proposed rulemaking, in this instance it was the standard methodology of appraising solar and wind. Prior to the adoption of a rule, the Department of Taxation and Finance needs to submit a notice of proposed rulemaking to the secretary of state for publication in the state register and needs to afford the public an opportunity to submit comments on the proposed rule. Unless a different time is specified by statute, the notice of proposed rulemaking must appear in the state register at least 60 days prior to either the addition, amendment, or repeal of a rule for which statute does not require that a public hearing be held prior to adoption, or the first public hearing on a proposed rule for which such hearing is so required.
- This Part clarifies that going forward, the Department of Taxation and Finance does not need to comply with SAPA when determining the appraisal model and that the model developed for 2022 which went through the public comment period, will also be the model used by assessors in 2023.

Make Local Sales Tax Rate Authorizations

Permanent (Part O) This Part would give all counties outside of New York City, and the cities that currently have an additional Sales Tax rate above the 3% base rate, permanent authority to impose an additional rate of 1% Sales Tax, for a total of 4%, or their currently authorized additional rate, whichever is higher. Any locality choosing to go above these set additional rates would need State authorization.

Currently, all counties and cities have the authority to impose Sales Tax at a base rate of 3%. Most counties and certain cities have the authority to impose an additional sales tax rate of 1%, and some have the authority to impose a higher rate. Any county or city must seek State legislation to renew those additional rates on a periodic basis.

The current counties and cities that have additional local Sales Tax rates above the 3% base rate that traditionally would need State authorization to impose their additional local Sale Tax rate:

- Counties:
 - ➔ 0.5%: Ontario.
 - ➔ 0.75%: Dutchess and Orange.
 - ➔ 1%: Albany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Onondaga, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, St. Lawrence, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Suffolk, Sullivan, Tioga, Tompkins, Ulster, Wayne, Westchester, Wyoming and Yates.
 - ➔ 1.25%: Herkimer and Nassau.
 - ➔ 1.5%: Allegany.
 - ➔ 1.75%: Erie and Oneida.

- Cities:
 - ➔ 1%: Mount Vernon, New Rochelle, Oswego and White Plains.
 - ➔ 1.5%: Yonkers.

These counties and cities would be required to enact a local law, ordinance, or resolution to extend the additional rate and notify the Department of Taxation and Finance within the time frames established by law. Those counties and cities going above the 3% would be required to renew their local enactments extending such additional rates every two years using the traditional odd-year renewal cycle.

This Part would also allow the three counties (Saratoga, Warren, and Washington) that currently do not have the authority to impose additional rates, to enact a local law to impose an additional Sales Tax rate above the 3% should they choose to do so.

Part Z Providing for the Closure of the Catskill Off Track Betting (OTB) Corporation Authorizes the termination of the Catskill Regional OTB Corporation upon the satisfaction of all outstanding debts and obligations. The State Gaming Commission would have to approve any plan for the payment of such debts and obligations. In order to do so, Catskill OTB would be authorized, as of April 1, 2023, to use any remaining funds in its capital reserve fund. No such monies could be used to pay employee wages and benefits until all debts and obligations are satisfied. Any funds remaining thereafter would then be distributed to Catskill OTB's participating counties. Lastly, these counties would be authorized to enter into an agreement with another regional OTB Corporations (i.e., Capitol OTB) to provide pari-mutuel betting services. Catskill OTB has no operating retail branches.



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 per year. 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 nonprofit service providing agencies, with about 80% of services provided by private nonprofits and 20% provided by State-run services.

COST OF LIVING ADJUSTMENT (COLA)

The Executive Budget includes a 2.5% Cost of Living Adjustment (COLA) for staff of various programs within the Office of Addiction Services and Supports (OASAS), Office for the Aging (SOFA), Office of Children and Family Services (OCFS), Office of Mental Health (OMH), and the Office for People with Developmental Disabilities (OPWDD). For historical salary increases and Cost of Living Adjustments please see *Figure 1* below.

MINIMUM WAGE

Over the past several years New York State has increased funding to the Department of Mental Hygiene agencies for adjustments related to increased minimum wage costs Statewide. For historical Minimum Wage increases please see *Figure 2* below.

Salary Increases and Cost of Living Adjustments (Millions)

Figure 1

Agency	OASAS	OMH	OPWDD	Yearly Total
2016-2017	\$1.0	\$1.7	\$11.3	\$14.0
2017-2018	\$10.4	\$31.6	\$90.0	\$132.0
2018-2019	\$11.1	\$32.8	\$99.4	\$143.3
2019-2020	\$20.7	\$55.1	\$174.1	\$249.9
2020-2021	\$9.6	\$22.3	\$74.7	\$106.6
2021-2022	\$4.3	\$15.0	\$26.9	\$46.2
2022-2023	\$33.7	\$95.0	\$149.1	\$277.8
2022-2024	\$13.3	\$50.6	\$74.5	\$969.8
Total	\$104.1	\$304.1	\$700.0	\$1,108.2

Minimum Wage Funding for Mental Hygiene Agencies (Millions)

Figure 2

Fiscal Year	OASAS	OMH	OPWDD	All Agency Total
2016-2017	\$0.8	\$0.6	\$4.1	\$5.5
2017-2018	\$4.6	\$3.5	\$14.9	\$23.0
2018-2019	\$7.0	\$6.6	\$29.9	\$43.5
2019-2020	\$6.7	\$8.4	\$47.4	\$62.5
2020-2021	\$1.4	\$4.0	\$23.7	\$29.1
2021-2022	\$1.8	\$5.1	\$31.6	\$38.5
2022-2023	\$2.0	\$5.4	\$33.3	\$40.7
2023-2024	\$2.7	\$6.5	\$30.1	\$242.8
Total	\$27.0	\$40.1	\$215.0	\$282.1

ADDICTION SERVICES AND SUPPORTS

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STATE OPERATIONS – A.3000

EXECUTIVE DIRECTION PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Executive Direction Program:** \$65.8 million, \$595,000 million more than last year, due to increased personal service costs.
- **Opioid Settlement Fund Administration:** \$6.5 million, \$6.4 million more than last year, for continued administration of the Opioid Settlement Fund.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Chemical Dependence Treatment and Prevention:** \$6.5 million, same as last year.
- **Problem Gambling Services:** \$1 million, same as last year, for the New York State Commercial Gaming Fund Problem Gambling Services Account.
- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$14 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **NYS Drug Treatment and Education Fund:** \$1.8 million in new funding to support services and expenses of substance abuse focused on cannabis.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Opioid Stewardship Fund Administration:** \$100,000 in funding removed due to the Opioid Stewardship Fund being one-time retroactive funding.

INSTITUTIONAL SERVICES

SIGNIFICANT INCREASES INCLUDE:

- **General Institutional Services:** \$77.6 million, \$1.4 million more than last year, due to increased personal service costs.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$1.2 million, same as last year, for prevention and treatment services.

AID TO LOCALITIES – A.3003

COMMUNITY TREATMENT SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Crisis Services:** \$12.8 million, \$2.1 million more than last year.
- **Jail-Based Substance Use Disorder Treatment and Transition Services:** \$8.9 million, \$55,000 more than last year.
- **Residential Services:** \$130.8 million, \$5.9 million more than last year.
- **Substance Use Disorder and Mental Health Ombudsman:** \$8.5 million, \$3.5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- **Problem Gambling, Chemical Dependence Outpatient, and Treatment Support Services:** \$149.1 million, \$17.4 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Managed Care Transition Savings:** \$37 million, same as last year, as a result of savings from recovered premiums related to the Medicaid Fee-for-Service to Managed Care transition.
- **Substance Abuse Prevention and Treatment (SAPT) Block Grant:** \$31.8 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Additional Federal Grants:** \$50 million in new funds for a dry appropriation for Federal funds yet to be awarded.

- **Cost of Living Adjustment Salary Increases:** \$13.3 million in funding for a 2.5% Cost of Living Adjustment for Human Services workers.
- **Minimum Wage:** \$2.7 million for minimum wage increases.
- **Opioid Settlement Funds:** \$123.6 million in new funding as a result of settlements the Attorney General reached with various opioid manufacturers.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Opioid Stewardship Fund:** \$200 million in funds eliminated due to the Opioid Stewardship payments being one-time retroactive payments.

PREVENTION AND PROGRAM SUPPORT

SIGNIFICANT INCREASES INCLUDE:

- **General Prevention and Program Support:** \$75.2 million, \$2.6 million more than last year.
- **Medical Cannabis Addiction Fund:** \$2 million, \$1.9 million more than last year due to increased deposits into the fund.
- **State Funded Recovery Services:** \$47.5 million, \$10.9 million more than last year, for recovery services, including housing.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Community Chemical Dependence Treatment, Prevention, and Recovery Services:** \$7.3 million, same as last year.
- **Federally Funded Recovery Services:** \$23 million, same as last year.
- **Problem Gambling Education, Prevention, Recovery, and Treatment Services:** \$9.6 million, same as last year.

- Substance Abuse Prevention and Treatment (SAPT) Block Grant: \$48.7 million, same as last year.
- Substance Use Education, Prevention, Recovery, and Treatment Services: \$100,000, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- NYS Drug Treatment and Education Fund: \$4 million in new funding to support services and expenses of substance abuse focused on cannabis.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- Institutional Services Program: \$17 million, \$5 million more than last year.

SIGNIFICANT DECREASES INCLUDE:

- Alterations and Improvements: \$35 million, \$5 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Acquisition, Design, Construction, and Rehabilitation: \$24 million, same as last year.
- Community Facilities Alterations and Improvements: \$5.5 million, same as last year.
- Design and Construction Supervision: \$6 million, same as last year.
- Facilities Maintenance and Operations: \$3.5 million, same as last year.
- Non-Bondable Projects: \$1 million, same as last year.

SIGNIFICANT ELIMINATIONS INCLUDE:

- Opioid Settlement Capital: \$10 million in funds eliminated due to the removal of a dry appropriation for the Opioid Settlement Fund.

HEALTH AND MENTAL HYGIENE – A.3007

Part BB Banning Certain Fentanyl Analogs See Department of Health.

Part DD Human Services Cost-of-Living Adjustment This Part provides a 2.5% COLA for various Human Services Programs. This includes \$13.3 million within the OASAS Aid to Localities budget.

Part HH Community Behavioral Health Clinics Joint OASAS and OMH Licensure and Indigent Care Pool This Part creates a process for joint licensure with OASAS and OMH for Community Behavioral Health Clinics beginning July 1, 2023. This would include giving both Offices the ability to share received Division of Criminal Justice background information for the purpose of criminal background checks.

Prior to licensure, each proposed certified community behavioral health clinic shall submit a plan to be approved by the Commissioners prior to issuance of an operating certificate. The plan shall include the following:

- A description of the clinic's character and competency to provide certified community behavioral health clinic services across the lifespan, including how the clinic will ensure access to crisis services at all times and accept all patients regardless of ability to pay;

- A description of the clinic's catchment area;
- A statement indicating that the clinic has been included in an approved local services plan developed for each local government located within the clinic's catchment area;
- Where executed, agreements establishing formal relationships with designated collaborating organizations to provide certain certified community behavioral health clinic services;
- A staffing plan driven by local needs assessment, licensing, and training to support service delivery;
- A description of the clinic's data-driven approach to quality improvement;
- A description of how consumers are represented in the governance of the clinic;
- Financial information in the form and format required by the Office of Mental Health and the Office of Addiction Services and Supports; and
- Any other information or agreements required by the Commissioners.

Additionally, this Part creates a Certified Community Behavioral Health Clinics Indigent Care Program. This program would require distributions to clinics based on the amount of services that are provided to individuals who are uninsured. To be eligible, clinics must demonstrate that a minimum of 3% of total visits were such cases. Total distributions from the pool will be distributed according to the following:

- For the period of July 1, 2023 through June 30, 2024, up to \$22.5 million;
- For the period of July 1, 2024 through June 30, 2025, up to \$41.5 million; and

- For the period of July 1, 2025 through June 30, 2026, up to \$45 million.

If Federal Financial Participation is not available, available funds shall be limited to the non-Federal share amount. Clinics receiving these funds shall not be eligible for Comprehensive Diagnostic and Treatment Centers Indigent Care Program funding.

Part II Insurance reforms to Improve Access to Behavioral Health Services See Department of Health.



MENTAL HEALTH

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Forensic Services Program:** \$329.3 million, \$7.3 million more than last year, due to increased personal service costs.
- **General Administration and Finance Program:** \$87.4 million, \$3.4 million more than last year, due to increased personal service costs.
- **General Adult Services Program:** \$1.4 billion, \$53.3 million more than last year, due to increased costs associated with reopening of State-operated inpatient psych beds.
- **General Children and Youth Services Program:** \$241.4 million, \$6.6 million more than last year, due to increased personal service costs.
- **Research in Mental Illness Program:** \$93.2 million, \$930,000 more than last year, due to increased personal service costs.
- **Secure Treatment Program:** \$81.5 million, \$1.4 million more than last year, due to increased personal service costs.

AID TO LOCALITIES – A.3003

ADULT SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **9-8-8 Crisis Hotline:** \$60 million, \$25 million more than last year, to implement a statewide mental health crisis hotline.
- **Adult Homes:** \$64.5 million, \$4 million more than last year, for mentally ill residents of adult homes.
- **Adult Mental Health Services:** \$62.6 million, \$7.3 million more than last year, due to increased Federal funding.
- **Community Mental Health Residential Programs:** \$914.7 million, \$106.9 million more than last year.
- **Joseph P. Dwyer Program:** \$7.7 million, \$15,000 more than last year. To see the breakdown by county please see *Figure 1* on the following page.

Joseph P. Dwyer
Figure 1

County	FY 24 Amount
Albany County	\$105,000
Allegany County	\$100,000
Broome County	\$185,000
Cattaraugus County	\$185,000
Cayuga County	\$100,000
Chautauqua County	\$185,000
Chemung County	\$100,000
Chenango County	\$100,000
Clinton County	\$52,500
Columbia County	\$100,000
Cortland County	\$100,000
Delaware County	\$100,000
Dutchess County	\$185,000
Erie County	\$185,000
Essex County	\$100,000
Franklin County	\$52,500
Fulton County	\$100,000
Genesee County	\$80,000
Greene County	\$100,000
Hamilton County	\$100,000
Herkimer County	\$100,000
Jefferson County	\$185,000
Lewis County	\$100,000
Livingston County	\$100,000
Madison County	\$100,000
Monroe County	\$185,000
Montgomery County	\$100,000
Nassau County	\$185,000
Niagara County	\$185,000
Oneida County	\$105,000
Onondaga County	\$185,000
Ontario County	\$100,000
Orange County	\$185,000
Orleans County	\$52,500
Oswego County	\$100,000
Otsego County	\$100,000
Putnam County	\$185,000
Rensselaer County	\$185,000
Rockland County	\$185,000
Saratoga County	\$185,000
Schenectady County	\$105,000
Schoharie County	\$100,000
Schuyler County	\$100,000
Seneca County	\$100,000
St. Lawrence	\$100,000
Steuben County	\$100,000
Suffolk County	\$185,000
Sullivan County	\$185,000
Tioga County	\$100,000
Tompkins County	\$100,000
Ulster County	\$185,000
Warren and Washington Counties	\$185,000
Wayne County	\$100,000
Westchester County	\$185,000
Wyoming County	\$52,500
Yates County	\$100,000
University at Albany Social School of Welfare	\$210,000
New York City	\$400,000
Total	\$7,715,000

- **Non-Residential Services:** \$423 million, \$18.1 million more than last year, for community services that provide nonresidential services.
- **Psychiatric Emergency Programs:** \$49.3 million, \$31 million more than last year, for emergency mental health programs operated by local governments.
- **Psychiatric Recruitment:** \$14 million, \$5 million more than last year, for recruitment of psychiatric professionals.
- **State Share of Medical Assistance for Community Mental Health Services:** \$338.9 million, \$14.1 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Assisted Outpatient Treatment:** \$7.6 million, same as last year, for those receiving services from hospital outpatient clinics.
- **Managed Care Transition Savings:** \$74 million, same as last year, as a result of savings from recovered premiums related to the Medicaid Fee-for-Service to Managed Care transition.
- **Programs to Assist and Transition from Homelessness:** \$6.4 million, same as last year.
- **Suicide Prevention for Veterans, First Responders, Law Enforcement, and Corrections Officers:** \$1 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Cost of Living Adjustment Salary Increases:** \$50.6 million in funding for a 2.5% Cost of Living Adjustment for Human Services workers.
- **Eating Disorder Treatment Access:** \$2 million in new funding to expand access to eating disorder treatment.

- **Eating Disorder Treatment Centers:** \$1.2 million in new funds for the Comprehensive Care Centers for Eating Disorders Program.
- **Individual Placement and Supports:** \$3.3 million in new funds for the Individual Placement and Support Program (ISP).
- **Intensive and Sustained Engagement Treatment:** \$2.8 million in new funds for the Intensive and Sustained Engagement Treatment (INSET).
- **Minimum Wage:** \$6.5 million for minimum wage increases.

CHILDREN AND YOUTH SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Community Programs:** \$46.6 million, \$13.7 million more than last year, for community mental health emergency programs.
- **Community Residences:** \$13.9 million, \$600,000 more than last year, for community residences including making rental and mortgage payments of community residential facilities for the mentally ill.
- **Federal Block Grant:** \$14.5 million, \$1.7 million more than last year, due to increased Federal funding for the Community Mental Health Services Block Grant.
- **Non-Residential Services:** \$166.9 million, \$15.1 million, for programs provided by local governments.

SIGNIFICANT DECREASES INCLUDE:

- **Children and Family Community Mental Health Services:** \$128.4 million, \$2.2 million less than last year.

SIGNIFICANT ACTIONS INCLUDE:

- **High Fidelity Wrap Around Services for Children:** \$5 million in new funds for wrap around services for children.
- **Youth Suicide Prevention:** \$10 million in new funds for youth suicide prevention.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Community Mental Health Facilities:** \$1 billion, \$965 million more than last year, for municipalities and not-for-profit agencies for increased support and expansion of intensive crisis stabilization centers, intensive mobile treatment, low barrier housing, supportive and reentry transitional housing and inpatient alternatives to detention and treatment.
- **State Mental Health Facilities:** \$403.8 million, \$42 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Non-Bondable Projects:** \$1 million, same as last year.

HEALTH AND MENTAL HYGIENE – A.3007

Part DD Human Services Cost-of-Living

Adjustment (COLA) This Part provides a 2.5% COLA for various Human Services Programs. This includes \$50.6 million in OMH Aid to Localities Budget, A.3003.

Part GG Qualified Mental Health Associate

Credentialing This Part establishes a credential for a Qualified Mental Health Associate (QMHA). The Office, directly, or through contract, shall establish procedures for these credentials including establishing fees and a credential board. Approved courses of study or job experience shall include the following:

- Providing trauma-informed, patient-centered care;
- Referring individuals to appropriate treatments for co-occurring disorders;
- Implicit bias training; and
- Best practice approaches to serving marginalized and minority populations.

Part HH Community Behavioral Health Clinics

Joint OASAS and OMH Licensure and Indigent Care Pool This Part creates a process for joint licensure with OASAS and OMH for Community Behavioral Health Clinics beginning July 1, 2023. This would include giving both Offices the ability to share received Division of Criminal Justice background information for the purpose of criminal background checks.

Prior to licensure, each proposed certified community behavioral health clinic shall submit a plan to be approved by the Commissioners prior to issuance of an operating certificate. The plan shall include the following:

- A description of the clinic's character and competency to provide certified community behavioral health clinic services across the lifespan, including how the clinic will ensure access to crisis services at all times and accept all patients regardless of ability to pay;
- A description of the clinic's catchment area;
- A statement indicating that the clinic has been included in an approved local services plan developed for each local government located within the clinic's catchment area;
- Where executed, agreements establishing formal relationships with designated collaborating organizations to provide certain certified community behavioral health clinic services;
- A staffing plan driven by local needs assessment, licensing, and training to support service delivery;
- A description of the clinic's data-driven approach to quality improvement;
- A description of how consumers are represented in the governance of the clinic;
- Financial information in the form and format required by the office of mental health and the office of addiction services and supports; and
- Any other information or agreements required by the Commissioners.

Additionally, This Part creates a Certified Community Behavioral Health Clinics Indigent Care Program. This program would require distributions to clinics based on the amount of services that are provided to individuals who are uninsured. To be eligible, clinics must demonstrate that a minimum of 3% of total visits were such cases. Total distributions from the pool will be distributed according to the following:

- For the period of July 1, 2023 through June 30, 2024, up to \$22.5 million;
- For the period of July 1, 2024 through June 30, 2025, up to \$41.5 million; and
- For the period of July 1, 2025 through June 30, 2026, up to \$45 million.

In the event that Federal Financial Participation is not available, available funds shall be limited to the non-Federal share amount. Clinics receiving these funds shall not be eligible for Comprehensive Diagnostic and Treatment Centers Indigent Care Program funding.

Part II Insurance reforms to Improve Access to Behavioral Health Services See Department of Health.

Part JJ Increased Penalties for Mental Hygiene Law Violations This Part increases the allowable fine for violations of Mental Hygiene Law relating to inpatient mental health beds from \$1,000 per day per violation to \$2,000. The Commissioner of Mental Health is authorized to develop a schedule for the purpose of imposing such sanctions. Penalties may be considered at the individual bed level for beds closed without authorization at inpatient settings.



PEOPLE WITH DEVELOPMENTAL DISABILITIES

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STATE OPERATIONS – A.3000

CENTRAL COORDINATION AND SUPPORT PROGRAM

SIGNIFICANT DECREASES INCLUDE:

- General Central Coordination and Support Program: \$138.1 million, \$3.1 million less than last year, due to a decrease in contractual services.

SIGNIFICANT ACTIONS INCLUDE:

- Intellectual and Developmental Disability Ombudsman: \$2 million in new funds for a new Intellectual and Developmental Disability Ombudsman Program.

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- General Community Services Program: \$1.7 billion, \$52.3 million more than last year, due to increased personal service costs.

DEVELOPMENTAL DISABILITIES PLANNING COUNCIL

MAINTAINS FUNDING FOR THE FOLLOWING:

- Developmental Disabilities Planning Council: \$4.8 million, same as last year.

JUSTICE CENTER FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

SIGNIFICANT INCREASES INCLUDE:

- Justice Center for People With Developmental Disabilities: \$60.6 million, \$537,000 more than last year.

INSTITUTIONAL SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- General Institutional Services Program: \$475.6 million, \$5.4 million more than last year, due to increased personal service costs.

RESEARCH IN DEVELOPMENTAL DISABILITIES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **General Research in Developmental Disabilities Program:** \$29.6 million, \$770,000 more than last year.

AID TO LOCALITIES – A.3003

COMMUNITY SERVICES PROGRAM

SIGNIFICANT INCREASES INCLUDE:

- **Day Program Services:** \$79.5 million, \$10 million more than last year, for day program services for people with developmental disabilities.
- **Residential Services:** \$347.6 million, \$38.7 million more than last year, for increases in housing subsidies and room and board supplements.
- **State Share of Medical Assistance (Medicaid) for Community Services:** \$4.2 billion, \$290.6 million more than last year, due to increased Federal funding and funding from the Mental Hygiene Stabilization Fund.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **ACCES-VR:** \$56 million, same as last year, for workshop, day training, and employment services to people with developmental disabilities.
- **Family Support Services:** \$97 million, same as last year, for family support services for people with developmental disabilities.

- **Hepatitis B, Care at Home Waiver, Epilepsy Services, Special Olympics New York, Inc., and Voluntary Fingerprinting:** \$13.2 million, same as last year.

SIGNIFICANT ACTIONS INCLUDE:

- **Cost of Living Adjustment Salary Increases:** \$74.8 million in funding for a 2.5% Cost of Living Adjustment for Human Services workers.
- **Minimum Wage:** \$30.1 million for minimum wage increases.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Legislative Additions:** \$1 million for 9 programs added by the legislature.
- **Workforce Bonuses:** \$136.3 million for workforce bonuses eliminated due to the bonuses being one-time funding.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Community and Institutional Services Program:** \$62.5 million, \$5.9 million more than last year, for rehabilitation, health and safety, and fire safety projects.
- **Facilities Maintenance and Operations:** \$44 million, \$1 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Design and Construction Supervision:** \$13 million, same as last year.

HEALTH AND MENTAL HYGIENE – A.3007

Part DD Human Services Cost-of-Living

Adjustment This Part provides a 2.5% COLA for various Human Services Programs. This includes \$74.8 million in the OPWDD Aid to Localities Budget Bill, A.3003.

Part EE Managed Care Statute Extender This Part extends OPWDD Managed Care authorization for five years through September 30, 2028.

Part FF Nursing Staff Flexibility This Part allows direct support staff in OPWDD facilities to perform similar tasks that align with the Consumer Directed Personal Assistance Program (CDPAP), as long as a registered nurse determines the recipient, family, or household member is capable of providing such instruction. Individuals would not be able to hold themselves out as one who accepts employment solely for performing such care.



METROPOLITAN TRANSPORTATION AUTHORITY

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CAPITAL PROJECTS – A.3004

SIGNIFICANT ACTIONS INCLUDE:

- **Metropolitan Transportation Authority (MTA):** This will be the fourth year of the MTA's \$55 billion 2020-2024 Capital Program.

MTA to have maturities up to 50 years until April 1, 2024.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART CC SWEEPS AND TRANSFERS

§53 **Metropolitan Transportation Authority (MTA) Bond Cap** Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part A Expand Camera Enforcement for MTA Bus Operations The Governor proposes amending the Vehicle and Traffic Law (VTL) to permanently authorize NYC's Automatic Bus Lane Enforcement (ABLE) program. This program permits NYC and the Metropolitan Transportation Authority (MTA) to employ camera technology to enforce traffic violations that obstruct a dedicated bus lane. This proposal would also authorize a new demonstration program to use the same technology to enforce traffic laws prohibiting drivers from blocking no stopping and no standing zones, bus stops, and

bicycle lanes. Fines for violations include \$50 for first offenses, \$100 for second offenses, and \$150 for third offenses. This proposal would require NYC to adopt and enforce measures to protect the privacy of drivers, passengers, pedestrians, and cyclists whose identities may be captured by such photo devices. Lastly, NYC and the MTA shall submit a bi-annual report starting April 1st, one year after the start of the program, to the Governor, the Temporary President of the Senate and the Speaker of the Assembly on the locations of the cameras, violations recorded, fines issued and paid and a total cost to NYC and MTA.

Part B Triborough Bridge and Tunnel Authority Speed Cameras This proposal authorizes the MTA and Triborough Bridge and Tunnel Authority (TBTA) to establish a demonstration program to enforce speed limits in and around bridges and tunnels, and their adjacent approaches, entrances, and exits, using camera technology enabled speed violation monitoring systems. This proposal would also establish requirements for the demonstration program relating to enforcement, data privacy, and adjudication procedures. Fines for violations include \$50 for a first offense, \$75 for a second offense when committed within 18 months, and \$100 for third and subsequent offenses. Lastly, this proposal requires the TBTA to conduct a study and submit a report on or before May 1, 2026 on the results of the demonstration program.

Part C MTA Tax Increment Financing and Procurement Extender The Governor proposes making permanent provisions that would authorize municipalities to create “mass transportation capital districts” to facilitate Tax Increment Financing for Metropolitan Transportation Authority (MTA) capital projects. This would allow 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 bill would also make permanent specific MTA procurement provisions and eliminate the dormant provisions that they will replace. This will take effect immediately upon the expiration date of April 1,

2023 and will extend the expiration date to April 1, 2024.

Part D Increase NYC’s Contributions to the MTA This proposal would require NYC to fund 100% of the net paratransit operating expenses of the MTA. Paratransit provides transportation for people with disabilities who are unable to use the regular, fixed route transit service that serves their region. This proposal also establishes maximum paratransit funding contributions for each year. Currently, NYC pays 50% of the cost, totaling \$300 million. In 2023, the anticipated net cost to NYC is \$502 million.

This proposal would require NYC to fund 100% of the MTA’s net fare revenue differential resulting from reduced student fare programs for students in grades K through 12 for travel within NYC. NYC shall also fund all MTA administrative costs for such programs. This would cost NYC an additional \$100 million annually.

This proposal would also require NYC to match 47% of the State’s contribution for the purpose of foregone revenues of the MTA resulting from employers exempted from the Payroll Mobility Tax (PMT), representing an additional \$115 million in revenue to the MTA. Lastly, this proposal would sunset NYC’s current net paratransit operating expense cap on June 30, 2023, instead of June 30, 2024.

- ❖ **Effective Date:** July 1, 2023.
- ❖ **Fiscal Impact:** These changes would provide approximately \$500 million in new revenue to the MTA.

Part E Expand MTA Owner Controlled Insurance Program The Governor proposes an expansion of the MTA’s Owner Controlled Insurance Program (OCIP) to reduce the cost of, and provide substantial savings on, MTA capital projects. This proposal would authorize the MTA to expand OCIP to capital projects related to buses, bridges, and tunnels. Current law only authorizes insurance coverage through an OCIP for a limited set of projects including the construction and extension of

railroads. The MTA values the savings from this proposal at approximately \$100 million.

An OCIP is an insurance policy held by a property owner during the construction or renovation of a capital project and is used to cover all liability and losses from the project or projects. The MTA would benefit from an OCIP expansion as each capital project would be covered under the same insurance policy or plan.

Part G MTA Compulsory Arbitration Two-Year Extender This proposal extends the sunset provision for compulsory arbitration to resolve impasses in collective bargaining negotiations between the MTA and its' labor representatives by two years, from July 1, 2023, to July 1, 2025.

Part I Strengthen MTA Transit Bans This Part proposes improving public safety by expanding the authority of judges to ban individuals who are convicted of assaults on other riders from the MTA system as an element of sentencing.

The current law allows judges to ban individuals from the MTA system if convicted of unlawful sexual conduct against passengers, customers, or MTA employees, or assault against MTA employees, this would amend the Penal Law to also include individuals who *assault* other passengers, customers, or MTA contractors.

Part Q Increase the Top Metropolitan Commuter Transportation Mobility Tax Rate The Governor proposes to increase the top Metropolitan Commuter Transportation Mobility Tax (MCTMT) rate from 0.34% to 0.50% for employers beginning on July 1, 2023.

This Part includes a gradual increase in the MCTMT rate for self-employed individuals, increasing from 0.34% to 0.42% for Tax Year 2023 and from 0.42% to 0.50% for Tax Years beginning on or after January 1, 2024.

Currently, the MCTMT is imposed on employers and self-employed individuals whose business operations are within the Metropolitan Commuter Transportation District.

- This District includes New York City, Long Island, and the counties of Dutchess, Orange, Putnam, Rockland, and Westchester.

The MCTMT applies to employers who are required to withhold New York State income tax from wages and whose payroll expenses exceed \$312,500, \$1.25 million annually, in any calendar quarter at the following rates:

- 0.11% for employers with a quarterly payroll expense of \$312,500 to \$375,000;
- 0.23% for employers with a quarterly payroll expense of \$375,000 to \$437,500; and
- 0.34% for employers with a quarterly payroll expense of more than \$437,500.

Certain employers are exempt from the MCTMT, including agencies or instrumentalities of the United States, the United Nations, interstate agencies or public corporations created pursuant to an agreement or compact with another state, Federally-chartered credit unions, household employers, and any eligible educational institution, such as public school districts, BOCES, public elementary or secondary schools, non-public elementary or secondary schools, and public library systems.

Part R Financial Relief to the Metropolitan Transportation Authority from NYS Downstate Casinos Dedicates downstate casino revenue to the Metropolitan Transportation Authority (MTA). For a casino located in New York City, 100% of all gaming taxes and fees received by the State would be deposited into the MTA Finance Fund. For a casino located outside of NYC, 80% of all gaming taxes and fees received by the State would be deposited into such fund. The remaining portion would be distributed as follows:

- 10% to be split between the host county and host municipality; and
- 10% to be split among the non-host counties within the region on a per capita basis.

Lastly, this proposal provides that should a current video lottery gaming operator be selected for a downstate commercial casino license, such operator would make a payment to the State Lottery Fund before any payment to the MTA. This payment would be the greater of education aid deposits made in FY22 or FY23 by such operator. After such payment, any remaining funds shall be transferred to the MTA.

- ❖ **Effective Date:** Immediately and shall expire and be deemed repealed in 10 years.
- ❖ **Fiscal Impact:** Establishes a funding mechanism for the MTA.

Continuing to require drivers to pay the registration fee was an additional compliance burden, and this Part would eliminate that requirement. The fee would continue to be paid by the TSPs.

REVENUE – A.3009

Part P Eliminate the Congestion Surcharge

Registration Requirements This Part would repeal the Congestion Surcharge Registration Fee under Section 1299-C of the Tax Law. The Congestion Surcharge Registration Fee is a \$1.50 registration payment paid to the Department of Taxation and Finance by taxpayers who would be responsible for the payment of the Congestion Surcharge for driving in Manhattan.

Part R of Chapter 59 of the Laws of 2021 required Technology Service Providers (TSPs) used by taxicab companies to report fare and surcharge data to the State. TSPs collect the “trip record” for taxicab trips, HAIL vehicle trips, and dispatch trips. This change was made to increase oversight to ensure the correct amount of fees and surcharges have been remitted to the State as part of the Congestion Pricing Program.



MILITARY & NAVAL AFFAIRS

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$8.2 million, \$4.3 million more than last year, for services and expenses related to the administration of the agency.
- **Military Readiness Program:** \$60 million, \$4.1 million more than last year, for services and expenses related to the Military Readiness Program.

SIGNIFICANT ACTIONS INCLUDE:

- **World Trade Center Death & Disability Benefits:** \$4 million in new funding to support the Governor's proposal to expand eligibility for World Trade Center (WTC) death and disability benefits to servicemembers on State Active Duty (SAD) that participated in WTC site rescue, recovery, or cleanup operations.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Task Force Empire Shield:** \$65.6 million, the same as last year, for services and expenses related to Task Force Empire Shield.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Military Readiness Program:** \$1.5 million, \$500,000 more than last year, for reimbursements to certain organized militia members for group life insurance premium costs incurred during periods of military service.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **Facilities Maintenance and Operations:** \$14.9 million, \$3.9 million more than last year, for the maintenance and operations of various facilities and systems.
- **Maintenance and Improvements:** \$151 million, \$100 million more than last year, to support a new multi-year renovation and rehabilitation project at the Lexington Avenue Armory.

PUBLIC PROTECTION AND
GENERAL GOVERNMENT –
A.3005

**Part J World Trade Center Death and Disability
Benefit Expansion** This Part would expand eligibility
for World Trade Center (WTC) death and disability
benefits to servicemembers on State Active Duty
(SAD) that participated in WTC site rescue,
recovery, or cleanup operations, who are determined
to have incurred a qualifying condition and are
otherwise ineligible to receive benefits due to their
SAD status.



MOTOR VEHICLES

WAYS & MEANS CONTACT:

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- Governor's Traffic Safety Committee: \$25.6 million, \$713,000 more than last year.
- Operating Support for the Department of Motor Vehicles: \$118.9 million, \$2.3 million more than last year.
- ➔ Administrative Adjudication Program: \$48.7 million, \$1.1 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Accident Prevention Course Program: \$425,000, the same as last year.
- Compulsory Insurance Program: \$11.5 million, the same as last year.
- DMV Seized Assets Program: \$400,000, the same as last year.
- Motorcycle Safety Program: \$1.6 million, the same as last year.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- Governor's Traffic Safety Committee: \$24.8 million, the same as last year.

CAPITAL PROJECTS – A.3004

SIGNIFICANT DECREASES INCLUDE:

- Dedicated Highway and Bridge Trust Fund Support for the DMV: \$333.9 million, \$96.5 million less than last year.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part F Toll Violation Enforcement The Executive budget proposes to create a new violation for purposeful obstruction of a license plate in order to evade tolling collection on New York State roadways. The violation will be punished with a fine between \$100 and \$500. This would allow any tolling authority to coordinate with the DMV to impose a Vehicle ID block, to prevent owners that have unpaid tolls and fees from reregistering a car or transferring the registration to avoid paying unpaid tolls. Further, it allows police to confiscate materials used to cover license plates, commonly used to obscure the plate to avoid cashless tolling cameras. Finally, it allows for the suspension of registration if an owner fails to comply.

Part J Autonomous Vehicle Technology Extender This Part would extend the DMV's authority to approve demonstrations and tests of motor vehicles equipped with autonomous vehicle technology from April 1, 2023, to April 1, 2024, to allow for more time to gather relevant data to consider the impacts of this technology.

Part M County Clerk Retention The Governor proposes changing the shares of revenue retained by county clerk offices that provide services on behalf of the Department of Motor Vehicles (DMV). This proposal would allow county clerk offices to retain 10.75% of revenue collected from the DMV transactions they perform, whether the transaction occurred in-office or online. Under current law, county clerk offices acting as DMV agents retain 12.7% and 3.25% of revenues collected from transactions performed in-office and online, respectively. The DMV estimates since a growing number of transactions are online, this proposal will

result in local-run DMVs retaining an additional \$13 million.



NEW YORK POWER AUTHORITY

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CAPITAL PROJECTS - A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Canal Development Program:** \$7.5 million in new appropriation authority for the maintenance, construction, reconstruction, development, or promotion of the New York State Canal System.

§18 NYPA Authorizes the transfer of up to \$20 million from the New York State Power Authority to the General Fund, to be utilized for energy-related State activities, after April 1, 2023.

§51 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2024, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget increases these amounts as follows:

- \$15 million, an increase of \$8 million from last year, from the State University General Income Reimbursable Account;
- \$5 million, a decrease of \$2 million from last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, an increase of \$1 million from last year, from the City University Senior College Operating Fund.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART CC SWEEPS AND TRANSFERS

§2-3 Sweeps and Transfers Authorizes the Comptroller to transfer unencumbered balances to various funds and accounts.

Transfers to note:

§52 Bonding Authority to Refund Power Authority of the State of New York The Executive Budget amends this section to allow the Dormitory Authority of the State of New York, New York State Urban Development Corporation, and the Thruway Authority to issue bonds up to \$475 million, an increase of \$275 million from last year, under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program. These bonds are for the purpose of refunding obligations of the Power Authority of the State of New York to fund energy efficiency projects at State agencies, including but not limited to SUNY, CUNY, Office of General Services, Office of Mental Health, State Education Department and Department of Agriculture and Markets. Bonds issued will not be a debt of the State, the State will not be liable thereon and they will not be payable out of any funds other than those appropriated by the State under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program.

- The provision and maintenance of an adequate and reliable supply of electric power in the State;
- Assistance to local governments in achieving local energy and environmental goals; and
- The advancement of other important State energy and social policies.

The acquisition or lease of renewable energy generating projects may be done through a competitive selection process, a non-competitive selection process, or by negotiation.

This Part would authorize NYPA to partner and consult with the New York State Energy Research and Development Authority (NYSERDA), the Office of Renewable Energy Siting (ORES), the Department of Public Service (DPS) and other agencies concerning the State's progress in achieving CLCPA emissions targets. NYPA is encouraged to use public/private partnerships depending on potential benefits or financial risks.

This Part also authorizes NYPA to sell power to any of the following:

- NYSERDA;
- New York Independent System Operators (NYISO) electricity markets;
- Any load-serving entity in the State, including the Long Island Power Authority (LIPA), including for the purpose of providing bill credits to disadvantaged communities;
- Manufacturers of "green" hydrogen and other technologies designed to displace fossil fuel use in the State;
- Any public entities or NYPA customers;
- Community-distributed generation projects, including those located in disadvantaged communities; and
- Community Choice Aggregation (CCA) communities, defined as 1 or more municipal corporations located within the

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION - A.3008

PART XX NYPA Renewable Energy Expansion

This Part expands the renewable energy portfolio of the New York Power Authority (NYPA) by authorizing the Authority to plan, design, develop, finance, construct, own, operate, maintain, and improve, either alone or jointly with other entities, renewable energy generating projects in the State in support of:

- Climate Leadership and Community Protection Act (CLCPA) goals;

State that have provided for the purchase of power, energy, or renewable energy credits or other attributes under a CCA program.

This Part requires NYPA to submit a report to the Governor and Legislative leadership by January 31, 2025, and annually thereafter, containing at minimum the following information:

- A description of the renewable energy projects NYPA has planned, designed, developed, financed, or constructed and that it owns, operates, maintains or improves, alone or jointly;
- A description of the acquisition, lease or other disposition of interests in renewable energy generating projects by NYPA;
- A listing of all power, energy, ancillary services and related credits and attributes sold or purchased by NYPA from such projects;
- A listing of the entities to which NYPA has supplied, allocated or sold any power, energy, ancillary services or related credits or attributes from such projects; and
- A listing and description of all subsidiaries and special purpose entities that NYPA formed, or in which NYPA acquired or transferred interests.

This Part authorizes NYPA to establish the “Renewable Energy Access and Community Help Program,” (REACH), which is intended to provide electricity bill credits from NYPA renewable generation to customers in disadvantaged communities (including net-metered and CCA customers, unless those customers opt out). Renewable energy systems from which REACH credits can be received include:

- Facilities sized up to and including 5 megawatts within the service territories of the electric utility that serves the end-use consumers that receive bill credits; or
- Facilities sized above 5 megawatts interconnected to the transmission system at

one or more points anywhere within the State.

NYPA is authorized to undertake all actions previously described herein in order to support and implement REACH. Additionally, no later than 18 months following this Part’s effective date, the Public Service Commission (PSC) is required to commence all necessary proceedings to enable NYPA to set up and carry out the provisions of REACH. On or before January 31, 2025, and annually thereafter, NYPA would be required to submit a report to the Governor, the Speaker of the Assembly, the Senate Majority Leader, and the Minority Leaders of both the Senate and Assembly including, but not limited to, the following information:

- Contracts entered into by NYPA for the development, construction and/or operation of renewable energy systems that are intended to support REACH, and the planned location of such projects;
- Renewable energy systems that are being planned and developed, or that have been developed by or for NYPA that are intended to support REACH, and the location of such projects;
- An estimate of the aggregate amount of bill credits provided to electricity consumers in disadvantaged communities under REACH; and
- An estimate of:
 - ➔ The total amount of revenues generated from the sale of renewable capacity, energy, renewable credits or attributes, related ancillary services that are used to fund bill credits; and
 - ➔ Any other authority funds NYPA has contributed for the purpose of funding bill credits under REACH.

Additionally, this Part would direct NYPA, within two years of its effective date, to propose a plan in consultation with NYISO, NYSEDA, DPS and area utilities to phase out small natural gas “peaker”

power plants by December 31, 2035, unless these plants support emergency services or reliability. Specifically, this Part highlights 7 small natural gas power plants owned and operated by the Authority that are targeted for phase-out; 6 plants spread across the Bronx, Brooklyn, Queens and Staten Island and 1 plant in Brentwood, Suffolk County, NY. NYPA would still be able to use these facilities after 2035, as long as, such facilities are used for purposes not involving fossil-fuel combustion, including but not limited to providing system voltage support, energy storage, interconnection of existing or new renewable generation, or the use of generator step up transformers and substations for transmission or distribution purposes.

This Part would also give NYPA the authority to spend up to \$25 million in existing funds to support training programs to help prepare workers for employment in the renewable energy field and would ensure that NYPA would be authorized to provide bill credits funded via NYPA renewable energy generation facilities to electricity consumers in disadvantaged communities as defined by the CLCPA, unless consumers opt out.

This Part repeals, on December 31, 2029, language in the Public Authorities Law governing residential consumer energy discount programs and streamlines language governing agricultural consumer electricity cost discount programs. The new language would authorize NYPA to use revenues from the sale of hydroelectric power and other sources to fund monthly payments for eligible farmers beginning September 1, 2024. Total annual payments shall not exceed \$5 million. This new language would take effect January 1, 2024.

This Part would take effect immediately.

Part YY NYPA Power Procurement This Part extends, for 20 years, from June 30, 2024 to June 30, 2044, authorization for the New York Power Authority (NYPA) to plan, finance, construct, acquire, operate, improve and maintain renewable energy transmission projects in the State, including the sale of market power and the procurement and sale of power, energy, and related products from renewable energy sources.



NON-PROFIT INFRASTRUCTURE CAPITAL INVESTMENT

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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 \$87.6 million is available in reappropriations.

EXECUTIVE BUDGET LANGUAGE CHANGES:

- **Chapter 54 of the Laws of 2022, \$50 million Reappropriation:** The Executive Budget is proposing changing the criteria language to include renovations or expansions of non-publicly owned space owned by or leased to the eligible non-profit human services organization pursuant to a lease. Further, eligible non-profit human services organizations are now to be prequalified in a manner prescribed by the State for such grants. Lastly, funding will now be made on a rolling pass-fail process outlined in the

Request for Grant Applications that will include guidelines for the Program as determined by representatives from certain State agencies.

- **Chapter 54 of the Laws of 2017 and Chapter 55 of the Laws of 2016, \$37.6 million Reappropriation:** The Executive Budget is proposing that any funding that has been awarded under these reappropriations but not claimed by an eligible applicant, may be made available by the Dormitory Authority for future grant awards to eligible applicants.

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.

- The Dormitory Authority will administer the Program, with debt issuance through the Dormitory Authority and the Urban Development Corporation.

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 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.



OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

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STATE OPERATIONS - A.3000

MAINTAINS THE FOLLOWING:

- **Olympic Facilities Operations Program:** \$14.09 million, the same as last year.

➔ The 2023 World University games, which were projected to cost \$83 million, were held in Lake Placid, Essex County, NY from January 12th to 22nd, 2023, and involved over 1,400 collegiate athletes from 46 countries competing in 85 events across 12 sports.

AID TO LOCALITIES – A.3003

SIGNIFICANT ACTIONS INCLUDE:

- **World University Games:** \$50.7 million in re-appropriated funding for State agencies, public authorities and non-profits for services and expenses related to the 2023 World University Games. All World University Games expenses incurred prior to April 1, 2022, shall be eligible for reimbursement. ORDA, in collaboration with other agencies, is required to report World University Games revenues and expenditures to the Division of Budget and the Legislature each December 31st until this appropriation is fully accounted for.

CAPITAL PROJECTS - A.3004

SIGNIFICANT DECREASES INCLUDE:

- **Ski Facility Upgrades:** \$90 million, \$12.5 million less than last year, for services and expenses related to the maintenance, upgrade, renovation, and modernization of Olympic, ski, and other facilities owned and operated by the Olympic Regional Development Authority, including Whiteface Mountain, Gore Mountain, and Belleayre Mountain Ski Resort. \$2.5 million in NY Works funding is also provided to ORDA from the Office of Parks, Recreation & Historic Preservation, for a total figure of \$92.5 million.

PARKS, RECREATION & HISTORIC PRESERVATION

WAYS AND MEANS CONTACT:

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STATE OPERATIONS - A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration:** \$353.7 million, \$68.1 million more than last year. This increase reflects General Salary Increases (GSIs) and increased personal service costs due to the hiring of 287 FTEs to support Parks operations, including:
 - ➔ 89 positions to support Environmental Bond Act efforts; and
 - ➔ 50 positions reflecting expected numbers of personnel from the incoming 2023 Park Police class.
- **Enterprise Funds:** \$41.7 million, \$15.8 million more than last year, in anticipation of the upcoming 2025 Ryder Cup to be held at Bethpage State Park, Farmingdale, Nassau County, New York.
- **Special Revenue Funds-Other:** \$131.2 million, \$16.2 million more than last year, reflecting increased personal service costs.

Of this amount, \$3.9 million is appropriated to address various regional needs across the Statewide Parks system, and \$300,000 is included for various expenses related to the upcoming commemoration of the 250th Anniversary of the United States.

AID TO LOCALITIES-A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Snowmobile Trail Maintenance:** \$8.1 million, \$2 million more than last year, reflecting the projected increase in revenues from proposed snowmobile registration fee increases. See the Transportation, Economic Development and Environmental Conservation Article VII Budget Bill (A.3008) Part MM for more information.

SIGNIFICANT DECREASES INCLUDE:

- **Local Assistance Programming:** \$300,000, \$3.07 million less than last year, reflecting the transfer of funding for ArtPark and Company, Inc. from the State Operations Budget to the Aid to Localities Budget, as well as the elimination of the following Legislative additions from the FY23 Enacted Budget:
 - ➔ **Misc. State Parks & Historic Sites Grants- NYS Assembly:** \$3 million;
 - ➔ **Hudson River Museum-Collection Digitization:** \$150,000;
 - ➔ **Riverside Park Conservancy:** \$125,000; and
 - ➔ **Hudson River Museum-Community and Partnership Gallery:** \$100,000.

MAINTAINS THE FOLLOWING:

- **Historic Preservation Program:** \$1.12 million, the same as last year, for the acquisition, development and administration of historic properties.

CAPITAL PROJECTS-A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Parks Infrastructure:** \$101.4 million, \$30 million more than last year. This increased appropriation authority is in anticipation of private donations in support of the Hudson Highlands State Park for various improvements.
- **Facilities Preservation:** \$33.6 million, \$6.1 million more than last year, reflecting the consolidation of the following 3 accounts into the Facilities Preservation

appropriation, which are funded at the same level as last year:

- ➔ **Health and Safety:** \$4.7 million;
- ➔ **Energy Conservation:** \$700,000; and
- ➔ **Facilities for the Physically Disabled:** \$700,000.

SIGNIFICANT DECREASES INCLUDE:

- **NY Works:** \$202.5 million, \$50 million less than last year, reflecting a re-estimate of necessary program funding.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION-A.3008

Part MM Snowmobile Registration Fee Increase

This Part amends the Vehicle and Traffic Law and the Parks, Recreation and Historic Preservation Law to adjust the fee structure for snowmobile registrations in relation to funding snowmobile trail development and maintenance. This proposal establishes a new registration fee structure for snowmobile registration by both residents and nonresidents, as follows:

- State residents that do not belong to an organized snowmobile club: \$125 annually, a \$35 increase;
- Non-residents that do not belong to an organized snowmobile club: \$125 annually, a \$35 increase;
- State residents belonging to a snowmobile club: \$55 annually, a \$20 increase; and
- Non-residents belonging to a snowmobile club: \$55 annually, a \$20 increase.

Additionally, this Part repeals the current September 1st deadline by which a city, town, or village must submit estimates of yearly expenditures when applying for a snowmobile trail maintenance grant. It is worth noting that this proposal and similar legislation has had the support of the New York State Snowmobile Association in the recent past.

Part NN Vessel Equipment Standards This Part amends the Navigation Law to align State law with recently adopted Federal standards concerning boating safety equipment. These new standards now require all vessels, including rowboats, canoes, and kayaks, to have a whistle on board for use in an emergency, and update the types of fire extinguishers that powered vessels 26 feet or longer in length are required to carry on board, according to class. Additionally, this Part further amends the Navigation Law to state that disposable fire extinguishers are to be considered expired 12 years after their date of manufacture and that expired or previously used fire extinguishers cannot be considered compliant with safety regulations.

Finally, this Part would require operators of vessels under 26 feet in length that are equipped with engine cut-off switches to use such cut-off switches when such vessels are operating on plane or above displacement speed, except when the operator is in a fully enclosed cabin. This Part would take effect on January 1, 2024.



PREVENTION OF DOMESTIC VIOLENCE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$5.1 million, \$851,000 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 for the Family Violence and Women's Rights Clinic at SUNY Buffalo.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Domestic Violence and Gender-Based Violence Hotline:** \$1.2 million, same as last year.
- **Rape Crisis Center:** \$4.5 million, same as last year, to operate rape crisis centers around the State.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Sexual Harassment and Gender Based Violence:** This program received \$150,000 in funding as a legislative addition for a harassment and violence awareness program last year.

PUBLIC PROTECTION & GENERAL GOVERNMENT – A.3005

Part I Modernize Gender-Based Violence Policies and Procedures This Part creates a task force to develop a model domestic and gender-based violence policy for counties. The task force shall consist of State and county officials and relevant community based organizations. None of the members of the task force are appointed by any of the Legislative Leaders. This Part also extends that policy to the State. This model is to be a survivor-center, culturally responsive, and trauma-informed response to victims of domestic and gender-based violence. This model will set to create a uniform response across social service districts, hospitals and medical providers, among others, as well as a uniform investigation across police agencies and criminal justice agencies. Further, the policy will develop training and appropriate measures for periodic evaluation of community efforts between the office and other State agencies having oversight over any local systems.

The task force shall convene a public hearing for input on the model policy being developed and shall draft a policy which will be made public by December 1, 2024. Once the policy is developed it will be made available to every county and executive state agency in the State. Within six months, the Office of Prevention of Domestic Violence (OPDV) will review and adopt all local policies and every county and executive state agency will submit a certification to OPDV. The governing body of the county or locality can designate a local advisory committee to implement the model domestic violence policy. OPDV shall have the authority to oversee compliance with the model developed by the task force, survey county governments every five years and determine level of compliance and any additional steps needed to implement the policy.



PUBLIC AUTHORITIES

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PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART CC SWEEPS AND TRANSFERS

§18 NYPA Authorizes the transfer of up to \$20 million from the New York State Power Authority to the General Fund, to be utilized for energy-related State activities, after April 1, 2023.

§19 NYSERDA Authorizes the transfer of up to \$913,000 from NYSERDA proceeds to the credit of the General Fund, on or before March 31, 2024.

§20 NYSERDA Authorizes the transfer of up to \$5 million from NYSERDA proceeds collected from the auction or sale of carbon dioxide emission allowances to the credit of the Environmental Protection Fund, on or before March 31, 2024.

§27-§47 Bond Caps These sections increase the traditional bond caps (debt authorization authority) by approximately \$16.9 billion to fulfill the proposed 2023-24 Executive Budget proposals.

§48 State Liquidity Financing Measures The Executive Budget proposes the continuation of the authorization to issue up to \$3 billion in short-term Personal Income Tax notes to help deal with shortfalls in the State's Financial Plan arising from adverse economic and fiscal events and risks, disasters and emergencies. The State would be able to issue short-term notes until December 31, 2023; with the notes having a final maturity no later than March 31, 2024. These notes cannot be renewed, extended or refunded. These notes will be exempt from the limitations on State-supported debt and will not constitute a debt of the State. Further, no capital work is necessary to issue this debt.

§49 State Liquidity Financing Measures The Executive Budget proposes the continuation of the authorization to enter into \$2 billion in Line of Credit Facilities to help deal with shortfalls in the State's Financial Plan arising from adverse economic and fiscal events and risks, disasters and emergencies. The State is authorized until March 31, 2024 to; (i) enter into commitments with financial institutions for the establishment of one or more line of credit facilities or other similar revolving financing arrangements, (ii) draw, at one or more times at the discretion of the Director of Budget to assist the State to temporarily finance its budgetary needs, and (iii) secure repayment of such draws,

which payment obligations do not constitute a debt of the State. The maximum term of any line of credit will be one year from the date of incurrence; however, no draw will occur after March 31, 2024. If any line of credit extends beyond March 31, 2024, it must be supported by sufficient appropriation authority enacted by the Legislature. These lines of credit will be exempt from the limitations on State-supported debt and no capital work is necessary to make these draws. No later than seven days after a draw occurs on a line of credit facility, the Director of Budget must provide notification to the President Pro Tempore of the Senate and the Speaker of the Assembly.

§51 Power Authority of the State of New York Transfers Allows the Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2024, the following amounts from the special revenue accounts to the General Fund. These funds would be used to offset the principal and interest costs incurred by the State, provided that the annual amount of the transfer will be no more than the principal and interest that would have otherwise been due to the Power Authority of the State of New York, from any State agency in a given fiscal year. The Executive Budget increases these amounts as follows:

- \$15 million, an increase of \$8 million from last year, from the State University General Income Reimbursable Account;
- \$5 million, a decrease of \$2 million from last year, from the State Dormitory Income Reimbursable Account; and
- \$5 million, an increase of \$1 million from last year, from the City University Senior College Operating Fund.

§52 Bonding Authority to Refund Power Authority of the State of New York The Executive Budget amends this section to allow the Dormitory Authority of the State of New York, New York State Urban Development Corporation and the Thruway Authority to issue bonds up to \$475 million, an increase of \$275 million from last year, under the Revenue Bond Financing Program or the

Sales Tax Revenue Bond Program. These bonds are for the purpose of refunding obligations of the Power Authority of the State of New York to fund energy efficiency projects at State agencies, including but not limited to SUNY, CUNY, Office of General Services, Office of Mental Health, State Education Department and Department of Agriculture and Markets. Bonds issued will not be a debt of the State, the State will not be liable thereon and they will not be payable out of any funds other than those appropriated by the State under the Revenue Bond Financing Program or the Sales Tax Revenue Bond Program.

§53 Metropolitan Transportation Authority (MTA) Bond Cap Does not increase the bond cap, but the Executive Budget proposes the extension of the authorization of any bonds issued on behalf of the MTA to have maturities up to 50 years until April 1, 2024.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part Z Increases the Authorization for DASNY to Issue Hospital and Nursing Home Project Bonds and Notes This Part increases the Dormitory of the State of New York's (DASNY), as successor to the New York State Medical Care Facilities Finance Agency (MCFFA), authorization to issue bonds for construction projects related to healthcare facilities from \$17.4 billion to \$18.2 billion.

Part AA Authorizes DASNY to Provide Services for Entities awarded DRI and NY Forward Grants or Loans This Part amends the definitions of the terms “dormitory” and “educational institutions” contained in Public Authorities Law to include any recipient of loans or grants awarded pursuant to the

Downtown Revitalization Program (DRI) and NY Forward designed and executed by the Department of State and/or the Division of Housing and Community Renewal. These communities may utilize the Dormitory of the State of New York (DASNY) for planning, design, construction, reconstruction, improvement, renovation, development, expansion, furnishing and equipping of projects for which the recipient was awarded such grant or loan.

Part BB Extends the Authorization of DASNY to operate a PILOT program for Small and Minority and Women-owned Businesses Extends the authorization for DASNY to operate a pilot program to expand contracting opportunities for small businesses and minority and women-owned businesses from July 1, 2023 to July 1, 2027. The total value of contracts awarded shall not exceed the greater of \$20 million dollars or 5% of the value of all contracts awarded by the Authority in a given fiscal year.

Part EE Increases Battery Park City Authority Bond Capacity This Part increases the Battery Park City Authority's renewable bonding capacity from a not to exceed amount of \$300 million to a not to exceed amount of \$500 million. Further, this Part increases the non-renewable bonding capacity from a not to exceed amount of \$500 million to a not to exceed amount of \$1.5 billion.

Part II Provide for Alternative Project Delivery Methods for NYC Authorizes the use of certain alternative project delivery methods under the New York City Public Works Investment Act. This proposal would amend the New York City Public Works Investment Act to create new definitions for the terms "alternative project delivery contract," "construction manager at risk," and "construction manager build," and to incorporate new capital project delivery methods. Alternative project delivery contracts would include construction manager build, and construction manager at risk contracts in addition to design build, which is already authorized.

Construction manager at risk means a project delivery method whereby a construction manager serves as part of a team with the owner during the design phase; acts as general contractor for agreed upon compensation; and assumes the risk of construction costs exceeding the amount specified in the risk agreement. Construction manager build means a project delivery method whereby a construction manager serves as part of a team with the owner during the design phase; acts as the single source of responsibility to bid, select and hold construction contracts on behalf of the owner during construction; and manages the construction on behalf of the owner.

Lastly, this proposal would also amend the definition of "best value", clarifying that a joint venture may receive a Minority and Women-owned Business Enterprise (MWBE) point preference, provided that such joint venture includes at least one firm that is certified as an MWBE pursuant to Article 15-A of the Executive Law or local law.

Part KK Provides for Exempting Certain Public Construction Projects from Certain Insurance Restrictions for NYC This Part would exempt the City of New York, the city school district of the City of New York, the New York City Industrial Development Agency, the New York City Health and Hospitals Corporation, or the New York City Housing Authority to the definition of terms of "public corporation" and "public authority" under Insurance Law. By exempting these entities, it would provide flexibility to obtain insurance for their construction projects and authorize the use of Owner-Controlled Insurance Programs and Contractor-Controlled Insurance Programs on their projects.

Part LL DASNY Design and Construction Services Extender for DEC and OPRHP This Part extends for five years, until April 1, 2028, the authorization for the Dormitory of the State of New York (DASNY) to provide design and construction management services contracts with the Department of Environmental Conservation (DEC) and Office of Parks, Recreation and Historic Preservation (OPRHP). The current authorization would expire

April 1, 2023 and was last extended for two years. Further, it continues the requirement that DASY provide a report to the Governor, Temporary President of the Senate and Speaker of the Assembly with information regarding any project subject to a design and construction management agreement with the two entities listed. The report will include a description of the project, date of completion, status of project, total cost or projected cost and location of each project site or proposed site. DASY must provide this report by March 1st of each year that the authority plans to enter into these agreements.



PUBLIC EMPLOYMENT RELATIONS BOARD

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$4.9 million, \$636,000 more than last year, to support staffing efforts to fill roles in support of the Office of Private Employment Practices and Representation's expanding purview and to ensure the agency can represent public and private employees in a timely manner.

CAPITAL PROJECTS – A.3004

SIGNIFICANT ELIMINATIONS INCLUDE:

- **New Facilities:** \$2.5 million in funding is proposed to be eliminated for system modernizations for the Public Employment Relations Board regarding electronic mail and registration systems. All \$2.5 million is reappropriated in this Executive Budget.

PUBLIC SERVICE

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AID TO LOCALITIES - A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Energy Affordability Program:** \$200 million in new funding for utility bill relief for residential customers that do not currently qualify for the Department of Public Service's current energy affordability policy program, but whose income is below the State median income. Residential customers of electric corporations regulated by the Public Service Commission (PSC) and the Long Island Power Authority, and its service provider Public Service Enterprise Group-Long Island (PSEG-LI) are eligible to participate in the program.
- ➔ The Department of Public Service is directed to provide an energy affordability guarantee to residential customers participating in home electrification efforts through the New York State Energy Research and Development Authority (NYSERDA)'s EmPower Plus Program; DPS is

directed to establish a cap on such customers' energy usage applicable to the guarantee.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION - A.3008

Part VV Cable TV & Utility Assessments This Part authorizes the Public Service Commission (PSC) to transfer revenue from cable television assessments to the Department of Health (DOH) to absorb costs incurred from the Department's Public Service Education Program. This is not a new assessment and is normally reauthorized annually. This Part also seeks to make the authorization for these assessments permanent. This Part authorizes the PSC to transfer revenue from a utility assessment to the Office of Parks, Recreation and Historic Preservation, the Department of Agriculture and Markets, the Department of Environmental Conservation, and the Department of State to pay for utility oversight related expenses.

RAISE THE AGE

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AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Raise the Age Program:** \$250 million, same as last year, for continued services and expenses related to raising the age of juvenile jurisdiction.
- ➔ Counties and the City of New York shall be eligible for appropriated funds, provided the county or city submits a comprehensive plan on or after April 1, 2023, in the form and manner prescribed by the Office of Children and Family Services and the Division of Criminal Justice Services, and the plan is approved by the Director of the Budget. Eligible services and expenses may include:
 - ❖ Adolescent offender facilities;
 - ❖ Aftercare services;
 - ❖ Costs of local governments;
 - ❖ Court operational expenses and services;
 - ❖ Detention and specialized secure detention services;

- ❖ Juvenile delinquency detention;
- ❖ Juvenile delinquency prevention services;
- ❖ Law enforcement services;
- ❖ Local presentment agency costs;
- ❖ Probation services;
- ❖ Placement services;
- ❖ Program oversight and monitoring services;
- ❖ Specialized housing services; and
- ❖ Transportation services including transportation provided by sheriffs.

SETTLEMENT MONEY

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SETTLEMENT MONEY

2023-24 EXECUTIVE BUDGET

Since State Fiscal Year 2014-15, the State has received approximately **\$13.6 billion in Extraordinary Monetary Settlements** for violations of State laws by major financial and other institutions.

The Executive Budget has identified a \$50 million settlement from Coinbase, Inc. for a civil penalty with the Department of Financial Services for violating New York Banking Law and virtual currency, money transmitter, transaction monitoring and cybersecurity regulations.

- These funds, when received, will be transferred to the Economic Uncertainties Fund.

A total of \$8 billion of these settlement funds have been appropriated for capital projects, of which \$5.4 billion has been disbursed through December 31, 2022.

- No additional settlement funds have been appropriated for capital projects in this Executive Budget proposal.

As a reminder, effective April 1, 2019, the Financial Plan no longer distinctly identifies or classifies any settlement of less than \$25 million as an Extraordinary Monetary Settlement. These settlements will be collected as a Miscellaneous Receipt and be used for General Fund purposes.

ECONOMIC UNCERTAINTIES FUND

Beginning in the 2019-20 Enacted Budget, a new reserve fund was created for the purposes of holding settlement funds; this fund is known as the reserve for “Economic Uncertainties”.

- If a settlement is more than \$25 million, the Division of Budget (DOB) has determined that such funds will be placed in this reserve fund for recessionary purposes and not one-shot or reoccurring programmatic needs.
- Adopted in the 2022-23 Enacted Budget, this fund is being used as one of the State’s “principal reserve funds” to help reach the reserve goal of 15% of State spending.
 - ➔ This fund, unlike the other reserve funds, does not have any language on how/when the money may be accessed and does not have any pay back provisions.
- **Economic Uncertainties Fund:** \$13.07 billion.
 - ➔ \$1.75 billion in settlement funds being transferred; and
 - ➔ \$11.32 billion in General Fund surplus funds being transferred to this fund.

SETTLEMENT MONEY USES

The State has used these one-time cash payments in a variety of ways. *Figure 1* and the following list goes into more detail of how each year spent these settlement funds:

- **CSX Litigation Payment:** \$76 million to pay for an eminent domain case the State lost to CSX Transportation Inc. The Federal government must pay \$24 million, for a total State and Federal payment of \$100 million.

- **Department of Law:** \$180 million to the Department of Law for litigation services (\$10 million in 2015-16, \$63 million in 2016-17, \$27 million in 2017-18 and \$80 million in 2018-19).
- **Financial Plan Operations:** \$1.807 billion to help balance the Financial Plan and help prevent gaps or deficits in the plan (\$275 million in 2014-15, \$250 million in 2015-16, \$102 million in 2016-17, \$461 million in 2017-18, and \$719 million in 2018-19).
- **2015-16 Enacted Budget:** \$5.405 billion designated for the following:
 - ➔ \$150 million was for Emergency Response;
 - ➔ \$355 million for Grants to Essential Health Care Providers;
 - ➔ \$15.5 million for Roswell Park;
 - ➔ \$19.5 million for Community Health Facility Revolving Loan Fund;
 - ➔ \$10 million for Infrastructure costs of Behavioral Health Services in the Medicaid Managed Care Benefit Package;
 - ➔ \$115 million for Infrastructure improvements, \$150 million for Municipal Restructuring;
 - ➔ \$500 million for New NY Broadband;
 - ➔ \$250 million for Penn Station Access;
 - ➔ \$50 million for Southern Tier/Hudson Valley Agriculture Programs;
 - ➔ \$1.285 billion for Thruway Stabilization Program;
 - ➔ \$150 million for Transformative Economic Development Projects;
 - ➔ \$1.5 billion for Upstate Revitalization Fund; and
 - ➔ \$850 million for OPWDD Federal Reimbursement needs.

- **2016-17 Enacted Budget:** \$1.96 billion designated for the following:
 - ➔ \$700 million was for Thruway Stabilization Program;
 - ➔ \$200 million for DOT Capital Plan;
 - ➔ \$170 million for Upstate Revitalization Fund;
 - ➔ \$85 million Economic Development;
 - ➔ \$1 billion for Jacob Javits Convention Center (which must be paid back);
 - ➔ \$25 million Empire State Poverty Reduction Initiative;
 - ➔ \$640 million for the Comprehensive Statewide Multi-year Housing Program; and
 - ➔ \$20 million for Municipal Consolidation.
 - ➔ There was also a \$120 million transfer to the Environmental Protection Fund.
- **2017-18 Enacted Budget:** \$1.37 billion designated for the following:
 - ➔ \$100 million was for Downtown Revitalization;
 - ➔ \$100 million for Counter-terrorism measures;
 - ➔ \$400 million for Buffalo Billion Phase II;
 - ➔ \$65 million for MTA Capital Projects;
 - ➔ \$20 million for Non-MTA Capital projects;
 - ➔ \$10 million for Non-MTA Operating Funds;
 - ➔ \$320 million for Life Sciences; and
 - ➔ \$155 million for Potential Labor settlements.
- **2018-19 Enacted Budget:** \$319 million designated for the following:
 - ➔ \$194 million for MTA Subsidy for operations; and
 - ➔ \$125 million for Health Care Capital Grants.
- **2019-20 Enacted Budget:** \$738 million designated for the following:
 - ➔ \$250 million for the Clean Water Infrastructure initiative; and
 - ➔ \$488 million for Rainy Day Reserve Deposits.
 - ➔ Further, \$890 million to be held in the reserve for “Economic Uncertainties”.
 - ➔ Retained by Attorney General: \$6 million.
- **2020-21 Enacted Budget:** \$600 million to be held in the reserve for “Economic Uncertainties”.
- **2021-22 Enacted Budget:** \$1.3 billion of bonded capital designated for the Empire Station Complex project to flow through the NYS Special Infrastructure Account/Economic Development purposes.
 - ➔ \$68 million to be held in the reserve for “Economic Uncertainties”.
- **2022-23 Enacted Budget:** No planned capital projects using settlement funds.
 - ➔ \$163 million to be held in the reserve for “Economic Uncertainties”.
- **2023-24 Executive Budget:** No planned capital projects using settlement funds.
 - ➔ \$34 million to be held in the reserve for “Economic Uncertainties”.
- **Reserve for “Economic Uncertainties”:**
 - ➔ \$1.75 billion after settlement funds are deposited; and
 - ➔ The total amount available in this reserve fund after State surplus deposits from FY23 is \$13.07 billion.

CAPITAL PROJECTS – A.3004

Settlement money can either be appropriated through the NYS Special Infrastructure Account, directly through an Agency's specific budget or through the Financial Plan. *Opioid Settlements will not be accounted for with the other settlements the State receives and will be held in their own reserve fund pursuant to previously passed legislation.*

- **NYS Special Infrastructure Account:** No new settlement funds are identified to flow through the NYS Special Infrastructure Account.
- **Financial Plan/Agency Budgets:** No new settlement funds are identified for programmatic or General Fund needs in the 2023-24 Executive Budget.
 - ➔ \$50 million will be transferred to the Economic Uncertainties Fund when the funds are received.

EXTRAORDINARY MONETARY SETTLEMENTS (\$ IN MILLIONS) FIGURE 1	
Uses of Settlement \$ Appropriated	\$13,615 Offset by:
Settlements Budgeted in 2014-15 Financial Plan	(275)
Settlements Budgeted in 2015-16 Financial Plan	(250)
Settlements Budgeted in 2016-17 Financial Plan	(102)
Settlements Budgeted in 2017-18 Financial Plan	(461)
Settlements Budgeted in 2018-19 Financial Plan	(719)
Support to OASAS Chemical Dependence Program 2015-16	(5)
Federal Audit Disallowance 2015-16	(850)
Department of Law- Litigation Services Operations 2015-16	(10)
Enacted Budget Initiatives 2015-16	(4,550)
Department of Law- Litigation Services Operations 2016-17	(63)
Enacted Budget Initiatives 2016-17	(1,960)
Department of Law- Litigation Services Operations 2017-18	(27)
Enacted Budget Initiatives 2017-18	(1,370)
CSX Litigation Payment 2017-18	(76)
Department of Law- Litigation Services Operations 2018-19	(80)
Enacted Budget Initiatives 2018-19	(319)
Enacted Budget Initiatives 2019-20	(738)
Retained by Attorney General	(6)
Enacted Budget Initiatives 2020-21	0
Enacted Budget Initiatives 2021-22	0
Enacted Budget Initiatives 2022-23	0
Executive Budget Initiatives 2023-24	0
Settlement Money Available in the Financial Plan	\$1,754
Settlement \$ Portion in the Reserve for "Economic Uncertainties"	(\$1,754)
Unallocated Settlement Money	0

Figure 2 indicates the specific amounts, fiscal year and institution that paid the State settlement funds. This chart is a snapshot in time and may be adjusted with each Financial Plan update.

EXTRAORDINARY MONETARY SETTLEMENTS (\$ AMOUNT IN MILLIONS)					
Figure 2					
	FYs				
	2015-2021	FY 2022	FY 2023	FY 2024	Total
Total Settlement Money Received by the State	\$13,350	\$68	\$163	\$34	\$13,615
BNP Paribas	3,941	0	0	0	3,941
Deutsche Bank	1,599	0	0	0	1,599
Credit Suisse AG	880	0	0	0	880
Commerzbank	692	0	0	0	692
Barclays	685	0	0	0	685
Credit Agricole	459	0	0	0	459
Bank of Tokyo Mitsubishi	315	0	0	0	315
Bank of America	300	0	0	0	300
Standard Chartered Bank	662	0	0	0	662
Bank Leumi	130	0	0	0	130
Ocwen Financial	100	0	0	0	100
Citigroup (State share)	92	0	0	0	92
Goldman Sachs	445	0	0	0	445
MetLife Parties	70	0	0	0	70
American International Group, Inc.	35	0	0	0	35
PricewaterhouseCoopers LLP	25	0	0	0	25
AXA Equitable Life Insurance Company	20	0	0	0	20
Promontory	15	0	0	0	15
New Day	1	0	0	0	1
Morgan Stanley	150	0	0	0	150
Volkswagen	65	0	0	0	65
Mega Bank	180	0	0	0	180
Agricultural Bank of China	215	0	0	0	215
PHH Mortgage	28	0	0	0	28
Intesa SanPaolo	235	0	0	0	235
Habib Bank	225	0	0	0	225
Cigna	2	0	0	0	2
Western Union	60	0	0	0	60
Aetna Insurance Company	2	0	0	0	2
Athene Life Insurance	60	0	0	0	60
Bank of America Merrill Lynch	42	0	0	0	42
Chubb	1	0	0	0	1
Conduent Education Services	1	0	0	0	1
Lockton Affinity	7	0	0	0	7
Mashreqbank	40	33	33	34	140
Nationstar Mortgage	5	0	0	0	5
Oscar Insurance Company	1	0	0	0	1
RBS Financial Products Inc.	100	0	0	0	100
Societe Generale SA	498	0	0	0	498
UBS	41	0	0	0	41
Wells Fargo	65	0	0	0	65
William Penn	6	0	0	0	6
Google/YouTube	34	0	0	0	34
FedEx	26	0	0	0	26
MUFG Bank	33	0	0	0	33
Unicredit	506	0	0	0	506
Bank Hapoalim	220	0	0	0	220
Bank of Korea	35	0	0	0	35
Robinhood Crypto	0	0	30	0	30
Coinbase	0	0	50	0	50
Bank of Pakistan	0	35	0	0	35
Grand River Enterprises Six Nations	0	0	50	0	50
Other	1	0	0	0	1

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 \$3.17 billion, of which approximately \$2.1 billion is still available in reappropriations.

PROGRAM CRITERIA:

- Funds capital costs of construction, improvement, rehabilitation or reconstruction of facilities, acquisition of capital facilities and assets, including fixed assets, acquisition by an eligible entity of capital assets including, but not limited to: heavy duty road maintenance and construction vehicles, pavers, snow plows, street sweepers and heavy duty fire, emergency response and law enforcement vehicles and economic development projects.
- Authorizes the acquisition, by eligible entities, of equipment and other capital assets including vehicles in support of health, safety, technology or innovation as eligible uses.
- Eligible entities are: the State, municipal corporations, water and sewer districts, MTA, a college or university, an independent not-for-profit institution of higher education, public school districts, public housing authorities, public libraries and library systems chartered by the Regents of NYS or established by an act of the Legislature, public park conservancies or not-for-profit corporations organized for the purpose of investing in parks owned by the State or municipal corporations and not for profit fire districts, fire commissions fire companies, fire departments, volunteer rescue and ambulance squads, special act schools districts, schools for the blind and deaf and 4201 and 853 schools, sanitation districts, special districts, Metropolitan Commuter Transportation Authority, Niagara Frontier Transportation Authority, Rochester- Genesee Regional Transportation Authority, Capital District Transportation Authority, Central New York Regional Transportation Authority

and/or New York City Health & Hospitals Corporation.

- The Governor and/or with the approval of the Director of the Budget, have complete discretion over the distribution of these capital funds, through the Dormitory Authority and the Urban Development Corporation.
- This is bonded capital.

SAM AUTHORIZATIONS INCLUDED IN 2019-20 APPROPRIATION BUDGET CLEAN-UP (A.8434):

- Authorized \$385 million in new funding, for a total of \$2.8 billion.
 - ➔ Funds from this appropriation are available to all previous purposes, as well as for the Lake Ontario resiliency and economic development projects and purposes, including services and expenses, loans, grants and costs of program administration related to hardening infrastructure along the Lake Ontario waterfront and strengthening the local economy within the region. The money can also be used for projects or priorities recommended by the Lake Ontario Resiliency and Economic Development Initiative Commission.
 - ➔ Further, the 2017 SAM reappropriation was amended to now include any purpose, individual, or entity authorized under the Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program for any damages sustained as a result of severe storms and flooding which occurred between January 1, 2019 and December 31, 2019, without limits.

SAM AUTHORIZATIONS IN THE 2019-20 ENACTED BUDGET:

- Authorized up to \$13 million for any purpose, individual or entity authorized under the Southern Tier-Finger Lakes Recovery Program, as administered by the Housing Trust Fund Corporation, for damages sustained as a result of a severe storm and flooding which occurred between August 13, 2018 and August 15, 2018.

SAM AUTHORIZATIONS IN THE 2018-19 ENACTED BUDGET:

- Of the \$475 million in new funding enacted in the 2018-19 Budget:
 - ➔ \$385 million can be used by all previous and new eligible entities, as well as any other not-for-profit corporation or other not-for-profit entity.
 - ➔ The remaining \$90 million can be used by all previous and new eligible entities, with \$40 million being specifically dedicated for payment of liabilities incurred or payments made prior to April 1, 2018 for any purpose, individual, or entity authorized under the Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program. The \$40 million will be subject to the approval of the Director of Budget.

SAM AUTHORIZATIONS INCLUDED IN 2017-18 EXTRAORDINARY SESSION- A.40001 (HEASTIE), PART K:

- Authorized for any purpose, individual, or entity authorized under the Lake Ontario-St. Lawrence Seaway Flood Relief and Recovery Grant Program.
 - ➔ Funds should be available, including the payment of liabilities incurred or

payments made prior to April 1, 2017, subject to approval of the Director of the Budget.

- Authorized payment for the costs of other storm recovery and mitigation projects, not to exceed \$10 million in the aggregate to municipalities and special districts:
 - ➔ In an amount no less than \$6.8 million for Chautauqua, Cattaraugus and Allegany counties for damages sustained as a result of a severe storm and flooding that occurred July 14th and 15th, 2015; and
 - ➔ In an amount not to exceed \$2 million to Monroe County for damages resulting from a severe storm, which occurred March 8, 2017.



STATE OF NEW YORK MORTGAGE AGENCY

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE
FOLLOWING:

- **Homeowner Mortgagee Revenue Reimbursement Program:** \$61.8 million, same as last year.
- **Mortgage Insurance Fund Reimbursement Program:** \$15 million, same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Mortgage Insurance Fund Reimbursement Program:** \$207 million, \$51.7 million more 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 Q Mortgage Insurance Fund (MIF) Utilization

The MIF is a fund of the State of New York Mortgage Agency (SONYMA), to insure mortgage loans for projects that would not otherwise be able to obtain mortgage insurance. The SONYMA statute requires excess revenues from the MIF, after expenses and required reserves, to be returned to the State following SONYMA Board approval, if it does not negatively impact the MIF's credit rating. The Executive Budget proposes the utilization of \$90.7 million in revenues as follows:

- **Neighborhood Preservation Programs:** \$12.83 million, \$100,000 less than last year.
- **Rural Preservation Programs:** \$5.36 million, 100,000 less than last year.
- **Rural Rental Assistance Programs:** \$21.7 million, \$80,000 more than last year.
- **New York State Supportive Housing Program/the Solutions to End Homelessness Program/the Operational Support for AIDS Housing Program:** \$50.78 million in new funding.

STATE POLICE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$29.1 million, \$9.3 million more than last year, for services and expenses related to the Administration Program.
- **Criminal Investigation Activities Program:** \$250 million, \$22.2 million more than last year, for services and expenses related to the Criminal Investigation Activities Program.
- **Patrol Activities Program:** \$651 million, \$75 million more than last year. A portion of these funds will be used to support two additional academy classes in the upcoming fiscal year.
- **Technical Police Services Program:** \$135.9 million, \$40.3 million more than last year, for services and expenses of the Technical Police Services Program.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **New Facilities:** \$112 million, \$106 million more than last year. \$12 million will support the construction and outfitting of new zone headquarters and \$100 million will support the purchase of a forensic laboratory to accommodate the increased workforce within the Division of State Police.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

Part E Statewide Repository of Criminal Shooting Incidents This Part directs the Division of State Police to establish and maintain a centralized repository of all criminal shooting incidents that involve the discharge of a firearm, shotgun, or rifle. Data required to be entered into the repository would include:

- Type, serial number, caliber and model of the weapon;
- Location of the incident;
- The extent of injuries as a result of the incident;
- Whether the firearm was recovered by law enforcement; and
- Whether an arrest was made and the crimes that were charged.

Data that is acquired by law enforcement agencies must be sent to the repository no later than 72 hours after a determination is made that the firearm discharge occurred in connection with the criminal offense.

Part F Amendments to the Concealed Carry

Improvement Act This Part makes amendments to the Concealed Carry Improvement Act (CCIA) to more accurately reflect the intent of the law.

- **Subpart A Sensitive Location Definition and Exemptions** This Subpart amends the Concealed Carry Improvement Act (CCIA) to update the definition of sensitive location to include that persons responsible for security in places of worship may carry firearms and that holding an active license to sell alcohol would designate an establishment as a sensitive location, as opposed to an establishment with an expired license. This Subpart also clarifies and provides for additional exemptions for those who can carry a firearm in a sensitive location, including:
 - ➔ Qualified law enforcement officers pursuant to 18 U.S.C. 926B, or qualified retired law enforcement officers pursuant to 18 U.S.C. 926C;
 - ➔ Persons while lawfully engaged in taking of wildlife or attempts to take wildlife pursuant to a hunting license, permit or license issued by the Department of Environmental Conservation;
 - ➔ Persons while engaged in hunter education training, marksmanship

practice, marksmanship competition or training, or training in the safe handling and use of firearms;

- ➔ Persons, while acting in the scope of their official duties, who are employed as revenue control and security departments of the Metropolitan Transportation Authority (MTA), or the New York City Transit Authority or an affiliate or subsidiary who's authorized to carry a firearm as part of their employment;
 - ➔ Persons while engaged in historical reenactments or motion picture or theatrical productions;
 - ➔ Persons, while acting within the scope of their official duties, responsible for the storage or display of antique firearms, rifles or shotguns at museums and historic sites;
 - ➔ Persons while participating in military ceremonies, funerals, and honor guards; or
 - ➔ Persons while lawfully engaging in learning, practicing, training for, competing in, or travelling into or within the state to learn, practice, train for, or compete in, the sport of biathlon.
- This Subpart also removes both Adirondack and Catskill Parks from the definition of sensitive location.
 - Further, this Subpart clarifies and adds exceptions to those who can carry a weapon in a restricted location including:
 - ➔ Qualified law enforcement officers and retired law enforcement officers pursuant to 18 U.S.C 926B and 926C;
 - ➔ Persons while lawfully engaged in taking of wildlife or attempts to take wildlife pursuant to a hunting license, permit or license issued by the Department of Environmental Conservation; and

- ➔ Persons, while acting in the scope of their official duties, who are employed as revenue control and security departments of the Metropolitan Transportation Authority (MTA), or the New York City Transit Authority or an affiliate or subsidiary who's authorized to carry a firearm as part of their employment.
- This Subpart also exempts police officers as defined in State law, qualified law enforcement officers as defined in federal law, and persons in the military service of the United States or State of New York when acting in the course of their duties from section 265.45 of the Penal Law which relates to the safe storage of rifles, shotguns, and firearms.
- Finally, this Subpart separates the crimes of unlawful purchase of body armor, defining the first offense as a class A misdemeanor, and each such subsequent offense as a class E felony. Similarly, this Subpart does the same for the crime of unlawful sale of body armor in the second and first degree. Police officers, certain peace officers, members of the military, and other eligible professions would be exempt from this section.
- **Subpart B Criminal Purchase and Sale of a Semiautomatic Rifle** This Subpart separates the crime of criminal purchase of a semiautomatic rifle by defining the criminal purchase of a semiautomatic rifle in the second degree as a class A misdemeanor and criminal purchase of a semiautomatic rifle in the first degree as a class E felony. Police officers, certain peace officers, and members of the military would be exempt from this section. This Subpart also exempts police officers, certain peace officers, and members of the military from the crime of criminal sale of a semiautomatic rifle.



STATE UNIVERSITY OF NEW YORK

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Direct Operating Support:** \$11.6 billion, \$976.4 million more than last year.
- **Eliminating the TAP Gap:** \$62.3 million, \$13.5 million more than last year.
- **SUNY Employee Fringe Benefits:** \$1.9 billion, \$84.1 million more than last year.
- **Reimbursable Hospital Income:** \$3.9 billion, \$328.4 million more than last year.
- **State Match for Endowment Contributions:** \$500 million in State operating support is proposed for a new program to match contributions to endowments of the four SUNY university centers at Albany, Binghamton, Buffalo, and Stony Brook. Matching contributions shall provide one dollar of State matching funds for every two dollars of new private donations. A report on the allocation of state matching contributions and an accounting of private donations to the university center foundations shall be performed annually.

- Such matching contributions will be used to support the employment of faculty members, student financial aid, grants for research and development, or for any other program or function that will support university center operations.

SIGNIFICANT DECREASES INCLUDE:

- **Child Care Centers:** \$1.5 million, \$5.4 million less than last year. This reduction is due to a Legislative add for the establishment of child care centers at additional campuses.
- **Educational Opportunity Program (EOP):** \$42.4 million, \$1.3 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 million, the same as last year.
- **Educational Opportunity Centers:** \$72.6 million, the same as last year.

- **Hiring New Full-Time Faculty:** \$53 million, the same as last year.
- **Long Island Veterans' Home:** \$56.5 million, the same as last year.
- **New York State Veterinary College at Cornell:** \$500,000, the same as last year.
- **Small Business Development Centers:** \$2.6 million, the same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Community College Base Aid:** \$416.6 million, \$252,000 more than last year. The Full-Time Equivalent (FTE) base rate is maintained at \$2,997.

SIGNIFICANT DECREASES INCLUDE:

- **Child Care Centers at Community Colleges:** \$2.1 million, \$5.4 million less than last year.
- **Cornell Cooperative Extension:** \$4.4 million, \$1.7 million less than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Bundy Aid for Private Colleges:** \$35.1 million, the same as last year.
- **Community College Apprenticeship Program:** \$3 million, the same as last year.
- **Community College Contract Courses:** \$1.8 million, the same as last year.
- **Community Colleges with Low Enrollment:** \$940,000, the same as last year.
- **Next Generation NY Job Linkage Program:** \$3 million, the same as last year.
- **Rental Aid:** \$11.5 million, the same as last year.

CAPITAL PROJECTS – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **SUNY Digital Transformation Initiative:** \$200 million in new funding. This initiative aims to assist SUNY in acquiring and implementing digital equipment, software, hardware, and services.

SIGNIFICANT DECREASES INCLUDE:

- **SUNY Capital Projects:** \$1.7 billion, \$7.2 million less than last year.
- ➔ **Community College General Maintenance and Improvements:** \$103.9 million, \$47 million more than last year.
- ➔ **General Maintenance and Improvements:** \$1.3 billion, \$60 million less than last year.
- ➔ **SUNY Hospital Capital Subsidy:** \$150 million, the same as last year.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

Part B Provide for Tuition Flexibility Throughout CUNY and SUNY This Part would authorize annual tuition increases for the City University of New York (CUNY) and the State University of New York (SUNY). Tuition increases would be indexed to 3%, or the lesser of the Higher Education Price Index.

Further, SUNY's university centers at Albany, Binghamton, Buffalo, and Stony Brook are authorized to increase tuition an additional 6% above the 3% increase annually for the next five

years, capped at 30% above the base rate for in-state students. The proposal also allows SUNY university centers to increase non-resident tuition up to 10%.

Students who are eligible for a full Tuition Assistance Program (TAP) award or an Excelsior Scholarship award with family incomes under \$125,000 and meeting other financial aid eligibility requirements would continue to pay no tuition.

Part C Abortion Access at Public College Campuses

This Part requires all State University of New York (SUNY) and City University of New York (CUNY) campuses (including community colleges) to provide access to medication abortion prescription drugs for all enrolled students.

“Access to medication abortion prescription drugs” is defined as the following:

- Prescription and dispensing by a legally certified individual employed by or working on behalf of the campus; or
- Referral to a certified healthcare provider or pharmacy in the community to dispense the medication.

The Trustees of these institutions are required to adopt uniform policies for each university to ensure this access.



STATE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$8.2 million, \$5.2 million more than last year, resulting from increased contractual services.
- **Business and Licensing Services Program:** \$69 million, \$12 million more than last year.
- **Code Enforcement Program:** \$2.3 million, \$162,000 more than last year.
- **Consumer Protection Program:** \$31.9 million, \$1.3 million more than last year.
- **Local Government and Community Services Program:** \$21.1 million, \$397,000 more than last year, for the administration of the Appalachian Regional Grants Program.
- **Office for New Americans:** \$2.5 million, \$2 million more than last year, for administration of the Office for New Americans.
- **Tug Hill Commission Program:** \$1.2 million, \$71,000 more than last year.

MAINTAINS THE FOLLOWING INCLUDES:

- **Authorities Budget Office Program:** \$2.9 million, same as last year, to perform reviews

of operations, finances, and records of public authorities.

- **State of New York Commission on Uniform State Laws:** \$155,000, same as last year.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Local Government Federal Programs:** \$4 million, \$2 million more than last year, for local government programs funded by the Federal government.
- **Office for New Americans:** \$44.5 million. \$3 million more than last year, the proposal includes:
 - ➔ \$43 million for programs to assist non-citizens with services including: English as a second language; job training and placement assistance; legal services; case management; and retraining programs for immigrant engineers.
 - ➔ \$1.5 million for donated gifts and bequests.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **AmeriCorps Program:** \$2.5 million, same as last year, to support volunteers who help in communities with educational, environmental, health and public protection problems.
- **Coastal Zone Management Program:** \$2.2 million, same as last year, to promote the beneficial use of coastal resources.
- **Community Services Block Grant:** \$125 million, same as last year, for not-for-profit organizations to help low income and poor families combat poverty.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Asian American Pacific Islander:** \$10 million is eliminated for crisis intervention.
- **Biased Crimes:** \$10 million.
- **Hurricane Ida Assistance Program for Undocumented New Yorkers:** \$25 million.
- **Various Legislative Additions:** \$4.97 million for eight programs added by the Legislature.

SIGNIFICANT ACTIONS INCLUDE:

- **Appalachian Technical Assistance:** \$1 million in new funding, for Appalachian Regional Grants Program.

CAPITAL PROJECTS – A.3004

MAINTAINS THE FUNDING FOR THE FOLLOWING:

- **Downtown Revitalization Initiative:** \$200 million, same as last year.
- ➔ \$100 million from this appropriation is for communities nominated by the

State's 10 Regional Economic Development Councils (REDCs) for a 7th 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 2nd round of the NY Forward Program to revitalize villages and hamlets.

- **Maintenance and Repair:** \$2 million, same as last year, for regulation of cemetery corporations and maintenance of abandoned cemetery property.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part T Paperwork Reduction for Condominium Declarations This Part removes the requirement of a condominium board of managers to submit their condominium declaration to the appropriate county and requires that the condominium declaration only be filed with the Department of State. The board of managers for each condominium will designate the Secretary of State as agent of the board of managers upon whom process against may be served. The certificate of designation will be accompanied by a fee of \$60. Any amendment to a certificate will also be accompanied by a \$60 fee.

Part V Authorization to Perform Natural Organic Reduction This Part authorizes a cemetery corporation to dispose of a person's remains

through natural organic reduction, or the accelerated conversion of remains into soil. Any person, who is not a cemetery corporation, and wishes to operate a natural organic reduction facility must submit an application to the Department of State that includes:

- Their name and address;
- The name and address of any partnership or corporation engaging in this practice;
- A certified survey of the site and location of their facility;
- A business plan;
- A description of the impact of the proposed facility on the surrounding community;
- Plans, designs, and costs of any structure to be built or used for the facility; and
- A description of any approval or permits required by State or local law.

The Department of State shall periodically inspect all facilities and shall have the power to appoint an adequate number of employees, investigate facilities, conduct financial audits, issue subpoenas, and provide information and records to the Department of Health of any violation.

This Part further sets the requirements for the handling, organic reduction, and disposition of human remains, as well as having a written plan to assure the accurate identification of the remains. This Part also requires that all bodies delivered to a facility must be accompanied by a statement from a physician, coroner, or medical examiner certifying that the body does not contain a battery, power cell, radiological implant, or radiological device, and is not infected with Ebola, tuberculosis, or transmissible spongiform encephalopathies. The State will charge a fee of \$3.00 per organic reduction to be paid March 30th annually. The first time a person operates a reduction facility without a license or suspended license, employs an unapproved person to operate a facility, or violates any other provision shall be guilty of a misdemeanor and fined no more than \$1,000 or imprisoned for one year. A subsequent offense will carry a penalty of Class E felony.

Part Y Reducing Barriers to Occupational Learning

This Part would allow cosmetologist trainees to use other methods of evidence when applying for a license in their cosmetologist field. In existing law, an applicant must show satisfactory evidence of having passed an appropriate exam and show evidence of successful completion of a course of study for their field.

This Part now allows a cosmetologist trainee to replace the requirement to show evidence of successful completion of a course of study with evidence that they have engaged in two years of traineeship. A nail specialty trainee may also show evidence that they have engaged in one year of traineeship with completion of an appropriate course of study.

This Part further increases to four years from one year, the period a trainee may be registered as such. A trainee may also renew this for an additional four years.



STATEWIDE FINANCIAL SYSTEM

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Statewide Financial System Program:** \$32 million, \$65,000 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 Statewide Financial System (SFS) to be utilized by agencies, the Division of the Budget and the Office of the State Comptroller.
 - ➔ This supports 146 FTE.



TAXATION & FINANCE

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STATE OPERATIONS – A.3000

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax Program:** \$404.4 million for services and expenses related to the Revenue Analysis, Collection, Enforcement, and Real Property Tax Program.
- **New York Secure Choice Savings Program:** \$3 million for personnel and program support for the NYS Secure Choice Savings Program.
- **Cigarette Strike Task Force Account:** \$4.1 million for the investigation and prosecution of criminal activity associated with the sale and trafficking of illegal cigarettes.
- **Highway Use Tax Administration Account:** \$500,000 for the administration of the Highway Use Tax.
- **Industrial and Utility Services Account:** \$3 million for services and expenses related to the preparation of appraisals on special franchise, unit of production values of oil and gas rights, and assessment ceilings on railroad properties.

AID TO LOCALITIES – A.3004

SIGNIFICANT INCREASES INCLUDE:

- **Medical Cannabis Program:** \$7 million, \$1 million more than last year. This increase is attributable to a \$500,000 increase in aid to New York State counties where medical cannabis is manufactured and a \$500,000 increase in aid to counties where medical cannabis is distributed.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax Program:** \$926,000. This funding is for local reimbursements to assessors and county directors of Real Property Tax Services for training and financial assistance to assessing units that conduct reassessments.

REVENUE – A.3009

Part A Provide Authority to Abate Interest for Personal Income Taxpayers Impacted by Declared Emergencies This Part would authorize the Commissioner of Taxation and Finance to abate interest charges on the underpayment of tax for taxpayers who are affected by a presidentially or gubernatorially declared disaster or emergency regardless of whether tax deadlines were extended.

Additionally, this Part would authorize the Commissioner to postpone certain tax deadlines up to 90 days, or longer, if necessary, to align with relief provided by the Internal Revenue Service.

Part E Provide Authority to Abate Penalties for Underpayment of Estimated Tax by a Corporation This Part would authorize the Commissioner of Taxation and Finance to abate interest penalties for the underpayment of Estimated Tax by a corporation by reason of casualty, disaster, or other unusual circumstance. This Part aligns with Part A of this bill to provide parity with the Commissioner's proposed authority to abate interest penalties under the Personal Income Tax.

Part N Clarification of the Solar and Wind Valuation Model This Part would clarify that the Statewide solar and wind valuation model that is annually developed by the Department of Taxation and Finance is not subject to Article 2 of the State Administrative Procedure Act (SAPA).

- The standard methodology for appraising solar and wind projects over one megawatt in New York State was established in Part X of Chapter 59 of the Laws of 2021. In that Chapter, it specified that the Department of Taxation and Finance needed to adhere to the public comment periods. After doing this the Department was caught up in litigation for failing to comply with the SAPA.
- ➔ Article 2 of the SAPA regards a notice of proposed rulemaking, in this instance it was the standard methodology of

appraising solar and wind. Prior to the adoption of a rule, the Department of Taxation and Finance needs to submit a notice of proposed rulemaking to the secretary of state for publication in the state register and needs to afford the public an opportunity to submit comments on the proposed rule. Unless a different time is specified by statute, the notice of proposed rulemaking must appear in the state register at least sixty days prior to either the addition, amendment, or repeal of a rule for which statute does not require that a public hearing be held prior to adoption, or the first public hearing on a proposed rule for which such hearing is so required.

- This Part clarifies that going forward, the Department of Taxation and Finance does not need to comply with SAPA when determining the appraisal model and that the model developed for 2022 which went through the public comment period, will also be the model used by assessors in 2023.

Part P Eliminate the Congestion Surcharge Registration Requirements This Part would repeal the Congestion Surcharge Registration Fee under Section 1299-C of the Tax Law. The Congestion Surcharge Registration Fee is a \$1.50 registration payment paid to the Department of Taxation and Finance by taxpayers who would be responsible for the payment of the Congestion Surcharge for driving in Manhattan.

Part R of Chapter 59 of the Laws of 2021 required Technology Service Providers (TSPs) used by taxicab companies to report fare and surcharge data to the State. TSPs collect the "trip record" for taxicab trips, HAIL vehicle trips, and dispatch trips. This change was made to increase oversight to ensure the correct amount of fees and surcharges have been remitted to the State as part of the Congestion Pricing Program.

Continuing to require drivers to pay the registration fee was an additional compliance burden, and this Part would eliminate that requirement. The fee would continue to be paid by the TSPs.

Part T Revoke Cigarette and Tobacco Taxes Certificate of Registration for Inspection Refusal

This Part would establish penalties for retail cigarette dealers that refuse an inspection by the Department of Taxation and Finance. These penalties are as follows:

- If a retail cigarette dealer refuses on the first inspection, then such dealer shall have its registration to sell cigarettes and tobacco products revoked for one year. If a second refusal of an inspection occurs within three years of the first refusal, the certificate will be permanently revoked.
- If a retail cigarette dealer does not possess a valid certificate of registration at the time of refusal of inspection, the dealer would be subject to a fine of up to \$5,000 for a first refusal and can receive a fine of up to \$10,000 for a second refusal within three years.

Part V Allow Department of Tax and Finance the Right to Appeal Tax Appeals Tribunal Decisions

This Part would authorize the Commissioner of Taxation and Finance to petition for judicial review decisions made by the Division of Tax Appeals Tax Appeal Tribunal. The Tax Appeal Tribunal has the authority to cancel tax assessments, invalidate regulations, and reverse decisions made by the Commissioner.

- Currently, only taxpayers who commence proceedings before the Tribunal are permitted to seek judicial review. Authorizing the Commissioner to petition for judicial review would allow the State to seek remedy for what the Department determines to be erroneous findings made by the Tribunal.

Part W Technical Correction to the Deposit

Timeframe The Governor proposes to make a technical amendment to clarify that monies deposited by the Department of Taxation and Finance must be deposited within three business days instead of three calendar days.

- According to the Governor, this Part is necessary to allow the Department of Taxation and Finance to redeploy staff to other priorities of the Department during peak filing periods, particularly when these filing dates fall near weekends and legal holidays.



TEMPORARY & DISABILITY ASSISTANCE

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASE FOR:

- **Administration Program:** \$55.7 million, \$736,000 more than last year, for agency costs for administering agency social services programs.
- **Administrative Hearing Program:** \$30.6 million, \$164,000 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.
- **Child Support Services Program:** \$47.9 million, \$38,000 more than last year, for child support enforcement and the administration of interstate bank match services, a paternity media campaign and other programs to ensure payment of child support.
- **Disability Determinations Program:** \$196 million, \$1.5 million more than last year, to provide services to help individuals

determine which public assistance programs they are eligible for.

- **Employment and Income Support Program:** \$100 million, \$231,000 more than last year, for the administration of programs that promote employment search activities; including:
 - ➔ **Home Energy Assistance Program (HEAP):** \$17 million, same as last year, for the administration of the Low Income Home Energy Assistance Program for those qualifying individuals who have difficulty paying their energy bills.
 - ➔ **Program Services and Expenses:** \$48.9 million.
 - ➔ **Supplemental Nutrition Assistance Program (SNAP):** \$34.1 million, same as last year, for the operation of the statewide electronic benefit transfer system, the common benefit identification card and an integrated eligibility system to provide SNAP benefits.

- **Specialized Services Program:** \$22.1 million, \$633,000 more than last year, for administration services related to refugee resettlement and homeless housing.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Information Technology Program:** \$13.4 million for the design, operation, and maintenance of the welfare to work management system, the child support management system and other OCFS computer management systems.

AID TO LOCALITIES – A.3003

SIGNIFICANT INCREASES INCLUDE:

- **Empire State Supportive Housing Initiative Program:** \$210 million, \$100 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.
- **Emergency Rental Assistance Program (ERAP) from CARES Act:** \$250 million, \$100 million more than last year, in Federal funding for the Emergency Rental Assistance Program (ERAP). ERAP provides up to 12 months of rental and utility arrears for eligible applicants and up to 3 months of prospective rent for eligible applicants that are rent burdened.
- **Code Blue Program:** \$20 million, \$7 million more than last year. This program funds

local social services districts when implementing emergency measures for homeless during inclement winter weather.

- **Home Energy Assistance Program (HEAP):** \$600 million, \$100 million more than last year, due to an increase in Federal funding to help low-income families pay the cost of heating and cooling their homes.
- **Legal Representation for Individuals Denied Federal Disability Benefits:** \$6.3 million, \$1 million more than last year. This program provides legal representation to individuals whose Federal disability benefits have been denied or discontinued.
- **Solutions to End Homelessness Program (STEHP)/New York State Supportive Housing Program (NYSSHP)/Operational Support for AIDS Housing (OSAH):** \$50.8 million, \$2.8 million more than last year. STEHP provides assistance for individuals and families to remain in or obtain permanent housing while experiencing homelessness or eviction. NYSSHP provides supportive services to young adults to achieve as much self-sufficiency as possible. OSAH provides funding to Homeless Housing and Assistance Program projects that house homeless singles and families with HIV/AIDS.
- **Summer Youth Employment Program:** \$47.1 million, \$1 million more than last year, due to the increase in the minimum wage.

SIGNIFICANT DECREASES INCLUDE:

- **Nutrition Outreach and Education Program (NOEP):** \$3.3 million, \$920,000 less than last year, to assist food insecure individuals apply for Supplemental Nutrition Assistance Program (SNAP) benefits.
- **Refugee Economic Self-Sufficiency:** \$2 million, \$4 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:

- **Adult Shelter Cap:** \$2 million, same as last year, for services and expenses incurred by local social services districts in relation to the Adult Shelter Cap.
- **Child Support Services Program:** \$140 million, same as last year. This program provides assistance to custodial parents for obtaining support and medical insurance coverage for their children by locating parents, and other services.
- **Family Assistance and Emergency Assistance to Families Program:** \$1.5 billion, same as last year, to fund shelter supplements, Family Assistance (TANF), Emergency Assistance to Families programs and assist households at local option, to prevent eviction and address homelessness.
- **HIV Employment Program:** \$1.2 million, same as last year, for on-the-job training and employment programs for individuals with HIV.
- **Homeless Housing Account:** \$9.5 million, same as last year due.
- **Local Shelter Allowances:** \$100 million, same as last year, to provide shelter supplements to individuals and families who are experiencing homelessness or are facing an imminent loss of housing, including individuals and families without children.
- **Reimbursement for New York City Adult Homeless Shelters:** \$69 million, same as last year, to reimburse 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.
- **Reimbursement for Adult Homeless Shelters outside of New York City:** \$5 million, same as last year, to reimburse local social services districts outside New York City for adult homeless shelters expenditures.

- **Safety Net Assistance Program:** \$625 million, same as last year. This program provides cash assistance to eligible individuals and families who are not eligible for Federal Family Assistance Program
- **State Payments for Social Security Disability Insurance:** \$700 million, same as last year, to fund State payments for eligible aged, blind and disabled persons.
- **Supplemental Nutrition Assistance Program (SNAP):** \$500 million, same as last year. SNAP provides low-income people with benefits to purchase food.

SIGNIFICANT ACTIONS INCLUDE:

- **Legal Representation for Eviction:** \$35 million in funding for support legal services and representation for eviction cases outside of New York City. This program will be transferred from the Division of Housing and Community Renewal and was appropriated \$35 million last year.
- **Support for Migrant Services and Assistance:** \$1 billion in new funding to provide reimbursement to New York City for migrant services. The Governor believes this is one-third of the cost and that the Federal Government and the City of New York will both contribute to one-third the total cost.
- **Refugee Basic Needs Assistance:** \$5 million in new funding to assist refugees with food, clothing, and shelter assistance, and other services determined by OTDA. Funds are to be given to voluntary refugee resettlement agencies and be allocated proportionally to the geographic distribution of the population in the State.
- **Youth Employment:** \$18 million in new funding for a youth employment program to operate in localities that receive GIVE funding.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Advantage After School Program:** \$33 million for a program which provided after school activities to children for up to 3 hours after school hours. The Program has been transferred to the Office of Children and Family Services, for a total of \$28 million, \$5 million less than last year.
- **Career Pathways Program:** \$1.4 million for a program which funded programs to link education and occupational training.
- **Landlord Rental Assistance Program (LRAP):** \$125 million for property owners with 20 or fewer units who were unable to receive funding for rental arrears through ERAP.
- **State-funded Emergency Rental Assistance Program (ERAP):** \$800 million in State funding for the Emergency Rental Assistance Program.
- **Various Legislative Additions:** \$4.7 million, for 12 programs.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Supported Housing Program:** \$128 million, same as last year. \$5 million will be used to develop permanent, emergency, and traditional housing for veterans and \$5 million will also be used to develop permanent, emergency, and traditional housing for people with HIV/AIDS.

EDUCATION, LABOR AND FAMILY ASSISTANCE – A.3006

Part X Increase Access to Education for Public Assistance Recipients This Part disregards all earned income of a recipient of Public Assistance (PA) that is derived from participation in a qualified work program or training program when determining PA eligibility. Further, all the earned income of a recipient will be disregarded following job entry for no more than six consecutive months from the initial date of employment if their total income is not more than 200% of the Federal Poverty Level. This Part also removes the requirement that any enrollment in post-secondary education beyond a 12-month period must be combined with no less than 20-hours of weekly work to remain eligible for PA.

Part Y Provide Reimbursement to Victims of Public Assistance Fraud This Part allows victims of Public Assistance (PA) fraud, such as card skimming, cloning, or third-party misrepresentation, to be reimbursed with replacement assistance. The local social services district shall replace the stolen PA within 5-business days of notification of such fraud and shall be the lesser of:

- The amount of PA that was stolen; or
- The amount of PA provided during the two most recent months prior to such fraud.

Any replacement for stolen PA shall only be given twice in a Federal Fiscal Year on or before October 1, 2022 through September 30, 2024, and no more than once starting after October 1, 2024.

Part Z Authorize the Pass-Through of any Federal Supplemental Security Income Cost of Living Adjustment This Part authorizes the 2024 Federal COLA pass-through. This Part sets the amount for Personal Needs Allowance (PNA) and the standard payment and eligibility amount for those individuals receiving supplemental security income and residing in residential care or family care facilities.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)
FUNDING COMMITMENTS (THOUSANDS)
FIGURE 1

TANF BASE BENEFIT PROGRAMS	2022-23 UPDATED	2023-24 EXECUTIVE	\$ Difference
Public Assistance (PA) Benefits	\$1,111,946	\$1,322,585	\$210,639
Emergency Assistance to Needy Families (EAF)	\$115,585	\$115,585	\$0
NYC EAF Share Change	(\$14,904)	(\$14,904)	\$0
NYC Family Assistance (FA) Share Change	(\$132,402)	(\$155,190)	(\$22,788)
PA Benefits Cliff Changes	\$6,257	\$6,257	\$0
Caseload/EAF Contingency	\$200,000	\$174,000	\$0
TANF BASE BENEFITS TOTAL	\$1,286,482	\$1,448,333	\$187,851
TANF INITIATIVE PROGRAMS	2022-23 UPDATED	2023-24 EXECUTIVE	\$ Difference
ACCESS - Welfare to Careers	\$800	\$0	(\$800)
Advanced Technology Training (ATTAIN)	\$4,000	\$0	(\$4,000)
Advantage After Schools	\$33,041	\$0	(\$33,041)
Career Pathways	\$1,425	\$0	(\$1,425)
Centro of Oneida	\$25	\$0	(\$25)
Child Care CUNY	\$141	\$0	(\$141)
Child Care Demonstration Projects	\$8,488	\$0	(\$8,488)
Child Care Subsidies	\$260,076	\$244,400	(\$15,676)
Child Care SUNY	\$193	\$0	(\$193)
Flexible Fund for Family Services	\$964,000	\$964,000	\$0
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	\$46,100	\$47,100	\$1,000
Youth Opportunities Program	\$0	\$18,000	\$18,000
Wage Subsidy Program	\$475	\$0	(\$475)
Wheels for Work	\$144	\$0	(\$144)
TANF INITIATIVE TOTAL	\$1,323,175	\$1,276,500	(\$46,675)
TOTAL TANF COMMITMENT	\$2,609,657	\$2,724,833	\$115,176

TRANSPORTATION

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- Operating Support for the Department of Transportation (DOT): \$494.4 million, \$50.7 million more than last year, which includes:
 - ➔ Motor Carrier Safety Program: \$8.2 million, \$792,000 more than last year.
 - ➔ Office of Passenger and Freight Transportation Program: \$55 million, \$1.8 million more than last year.
 - ➔ Operations Program: \$420.7 million, \$48 million more than last year.

AID TO LOCALITIES – A.3003

TRANSIT OPERATING AID

SIGNIFICANT ACTIONS INCLUDE:

- Transit Mobility Pilot Program: A new \$10 million program for expenses incurred over five years to assist riders facing barriers to traditional public transit. Eligible expenses include:
 - ➔ Those which serve as a 20% match for federal funds, trip request and fare payment application technology, the purchase of small transit vehicles, and other transit service costs that suit local needs including locations without transit services.
 - ➔ The Capital District Transportation Authority (CDTA), Central New York Regional Transportation Authority, Rochester-Genesee Regional Transportation Authority, Niagara Frontier Transportation Authority, and the counties of Nassau, Suffolk, and Westchester are eligible for up to \$1 million each from this appropriation.

- ➔ \$3 million shall be available for other transit services which are eligible to receive operating expenses through a competitive process.

DOWNSTATE

- Operating Aid for the Metropolitan Transportation Authority (MTA): \$4.1 billion, \$233.1 million more than last year.
- ➔ Additional Mass Transportation Assistance Program for the Metropolitan Transportation Authority (MTA): \$300 million for a one-time payment to fund a portion of impacts resulting from the COVID-19 pandemic.
- Gateway Development Operating Program: \$24 million to the Gateway Development Commission for the State share of annual operating expenses.
- Operating Aid for Downstate, Non-MTA Transit Systems: \$522.3 million, \$40.1 million more than last year.
- ➔ Lower Hudson Transit Link: \$11 million, the same as last year.
- ➔ Nassau County/Long Island Bus: \$112 million, \$8.8 million more than last year.
- ➔ New York City Department of Transportation: \$147.6 million, \$11.5 million more than last year.
- ➔ Rockland County: \$5.6 million, \$444.6 thousand more than last year.
- ➔ Staten Island Ferry: \$55.2 million, \$4.3 million more than last year.
- ➔ Suffolk County: \$43.6 million, \$3.4 million more than last year.
- ➔ Suffolk Shuttle: \$500,000, the same as last year.
- ➔ Unspecified Formula Driven Aid: \$53.5 million, \$4.2 million more than last year.
- ➔ Westchester County: \$92.7 million, \$7.2 million more than last year.

MAINTAINS FUNDING FOR THE FOLLOWING:

- Verrazzano Narrows Commercial Toll Relief: \$3.5 million, the same as last year.
- Verrazzano Narrows Bridge Resident Toll Relief: \$15.5 million, the same as last year. This funding offers a percentage rebate for Staten Island residents crossing the Verrazzano Narrows Bridge.

UPSTATE

- Operating Aid for Upstate Transit Systems: \$286.6 million, \$19 million more than last year.
- ➔ Capital District Transportation Authority: \$55.3 million, \$3.6 million more than last year.
- ➔ Central New York Regional Transportation Authority: \$46.2 million, \$3.1 million more than last year.
- ➔ Niagara Frontier Transportation Authority: \$73 million, \$4.8 million more than last year.
- ➔ Rochester-Genesee Regional Transportation Authority: \$56.2 million, \$3.7 million more than last year.
- ➔ Unspecified Formula Driven Aid: \$55.8 million, \$3.6 million more than last year.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- Airport Capital: \$36.5 million, the same as last year.

- **BRIDGE-NY:** \$200 million, the same as last year.
- **Consolidated Local Street and Highway Improvement Program (CHIPS):** \$538 million, the same as last year.
- **Extreme Winter Recovery:** \$100 million, the same as last year.
- **Marchiselli Program:** \$39.7 million, the same as last year.
- **Niagara Frontier Transportation Authority Capital:** \$20 million, the same as last year.
- **Non-MTA Bus:** \$50.4 million, the same as last year.
- **Non-MTA Electric Bus Capital Assistance:** \$20 million, the same as last year. This is the fourth year of a \$100 million 5-year program to aid non-MTA transit systems in the transition to electric buses.
- **PAVE-NY:** \$150 million, the same as last year.
- **Pave Our Potholes (POP):** \$100 million, the same as last year.
- **State Touring Routes:** \$100 million, the same as last year.
- **Upstate Transit Capital Funding:** \$20 million, the same as last year. This includes:
 - ➔ **Capital District Transportation Authority:** \$3.5 million, the same as last year.
 - ➔ **Central New York Regional Transportation Authority:** \$3.2 million, the same as last year.
 - ➔ **Niagara Frontier Transportation Authority:** \$5.1 million, the same as last year.
 - ➔ **Rochester-Genesee Regional Transportation Authority:** \$3.9 million, the same as last year.
 - ➔ **Unspecified Formula Driven Capital Aid:** \$3.9 million, the same as last year.

PUBLIC PROTECTION AND GENERAL GOVERNMENT – A.3005

PART CC SWEEPS AND TRANSFERS

§50 Gateway Project This section establishes the funding for the Hudson Tunnel project between New York and New Jersey, commonly known as the Gateway Project. The section establishes definitions and as proposed by the Executive Budget, increases the State's capital commitment from \$2.35 billion to \$2.85 billion plus any interest costs and related expenses. To provide payment for the State's capital commitment, the Director of Budget is authorized to enter into one or more service contracts or other agreements with the Gateway Development Commission, none of which will exceed the maximum duration of the Federal transportation loan. The service contracts or agreements will provide to the Commission, for each State fiscal year, a sum not to exceed the amount required for the payment of the State capital commitment for such fiscal year. These payments will not constitute a debt of the State and are subject to annual appropriation by the Legislature. Any service contract or agreement and any payments may be pledged by the Commission as security for the repayment of the Federal transportation loan.

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION – A.3008

Part F Toll Violation Enforcement The Executive budget proposes to create a new violation for

purposeful obstruction of a license plate in order to evade tolling collection on New York State roadways. The violation will be punished with a fine between \$100 and \$500. This would allow any tolling authority to coordinate with the DMV to impose a Vehicle ID block, to prevent owners that have unpaid tolls and fees from reregistering a car or transferring the registration to avoid paying unpaid tolls. Further, it allows police to confiscate materials used to cover license plates, commonly used to obscure the plate in order to avoid cashless tolling cameras. Finally, it allows for the suspension of a registration if an owner fails to comply.

Part H Transportation Worker Assault Prevention

This proposal would add additional titles to Penal Law which make it a Class D felony, assault in the second degree, to attack or physically injure transportation workers while they are performing their duties.

This protection is extended to the following titles: traffic checker, motor vehicle license examiner, motor vehicle representative, highway worker, motor carrier investigator, and motor vehicle inspector.

Part K Allow New York City (NYC) To Lower Its Speed Limit

This proposal would allow NYC to enact speed limits as low as 20 miles per hour (currently 25), and 10 miles per hour (currently 15) in school or traffic calming zones, to improve the effects of traffic on road operations.

Part L Close the DWI Loophole This Part proposes adding certain driving while intoxicated, vehicular assault, and vehicular homicide offenses to the list of dangerous driving offenses. An individual will not be issued a driver's license if convicted twice of these dangerous driving offenses.

This adds driving while intoxicated "per se", aggravated driving while intoxicated, vehicular assault in the first or second degree, aggravated vehicular assault, vehicular manslaughter in the first or second degree, and aggravated vehicular homicide to the list of DWI offenses. It also clarifies

that DWI violations can be any combination of the listed offenses.

Part N NYC Parking Reform The Executive proposes increasing the fines for parking overweight vehicles overnight in NYC's residential neighborhoods. The maximum fines would increase from \$250 to \$400 for a first offense, and from \$500 to \$525 for subsequent offenses committed within six months of the first. The current fines are \$250 for a first offense, and up to \$525 for subsequent offenses within a six-month period. This would also close loopholes to guarantee that penalties apply to drivers who park illegally with missing or invalid license plates, prolong the statute of limitations for summonses dismissed as the result of fraud, and amend the parking violation appeal process.

Part O Empower the DOT to Seize Dangerous Vehicles

This Part allows the Department of Transportation (DOT) to seize license plates of large passenger carrying vehicles and impound or immobilize such vehicles when they have failed an inspection and are placed out of service.

The current law only allows for the immediate suspension, seizure, and impoundment of "stretch limousines," despite stretch limousines only representing a small fraction of large passenger carrying vehicles in the State.

This would enable the DOT to suspend, impound or immobilize other large passenger carrying vehicles such as vans, ambulettes, motor coaches, buses, and party buses, in addition to stretch limousines.

Part P Stop Secondary Crashes This Part would clarify motorists' responsibility to move vehicles from travel lanes and the flow of traffic in a timely manner in the event of minor vehicle accidents involving no personal injury or death, provided that the vehicle is operable. This Proposal provides that this requirement shall not be construed to imply that no injury has occurred, nor shall the driver be considered liable or at fault regarding the cause of the incident solely by moving the vehicle. This is anticipated to reduce instances of secondary crashes

resulting from obstructions, and to reduce traffic congestion caused by minor accidents.

Part W Authorize the Use of Photo Inspection of Private Passenger Automobiles for Insurance Claims

Under current law, to address problems of insurance fraud, second-hand motor vehicles are required to be inspected before insurance is issued. This Part would allow an insurer to waive the right to an inspection after filing a statement of operation with the Superintendent of the Department of Financial Services. This statement of operation may waive the right to inspect some or all automobiles for all insurance policies issued, renewed, altered or modified. These changes would be repealed October 1, 2027.



VETERANS' SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$2.8 million, \$1.4 million more than last year. This includes \$500,000 for the Veterans' Memorial Registry to create a searchable database of veteran memorials across the State.
- **Veterans' Benefits Advising Program:** \$8.1 million, \$431,000 more than last year, to administer the various programs available to veterans. This includes \$300,000 for establishing the three Mobile Veterans' Benefits Advisor Clinics.
- **Veterans' Education Program:** \$2.2 million, \$36,000 more than last year, to administer Veterans' Tuition Awards, Military Deferment and other education related programs.

AID TO LOCALITIES – A.3003

SIGNIFICANT DECREASES INCLUDE:

- **Veterans' Benefits Advising Program:** \$5.6 million, \$1.5 million less than last year to administer the various programs available to veterans. (See *Figure 1* for a breakdown of program funding.)

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Blind Veterans Annuity Assistance Program:** \$6.4 million, same as last year, to provide annuities to blind veterans and eligible surviving spouses.
- **Burial Benefits:** \$400,000, same as last year, for burial costs not covered by the Federal government.
- **Gold Star Annuity Benefits:** \$599,000, same as last year, paid to parents of service members who died on active duty.

CAPITAL PROJECTS – A.3004

MAINTAINS FUNDING FOR THE FOLLOWING:

- **State Veterans' Cemetery:** \$4 million same as last year, for the State's Veteran's Cemetery. The State Veterans' Cemetery will be located at Sampson Veterans Memorial Cemetery in Romulus, Seneca County. \$2 million would come from Federal funds.

SIGNIFICANT ELIMINATIONS INCLUDE:

- **Veterans' Services Organizations:** \$5 million, is eliminated, for construction, reconstruction, rehabilitation, improvement, or equipping of new and existing Veterans Services Organization. However, the \$5 million is entirely reappropriated in this year's Executive Budget.



Veterans Benefits Advising Program FIGURE 1			
Program Name	2022-23 Enacted	2023-24 Executive	Total Proposed Change
City and County Veterans Services Agencies	\$2,380,000	\$2,380,000	\$0
American Legion Post #1642	\$100,000	\$0	(\$100,000)
Burial Services for Veterans	\$100,000	\$100,000	\$0
Clear Path for Veterans	\$325,000	\$0	(\$325,000)
Helmets-to-Hardhats	\$200,000	\$0	(\$200,000)
Homeless Veterans Housing	\$0	\$1,100,000	\$1,100,000
John Venditti War Veterans Post 1	\$10,000	\$0	(\$10,000)
Justice for Heroes Initiative	\$250,000	\$250,000	\$0
Legal Services of NYC Veterans Justice Project	\$200,000	\$0	(\$200,000)
Legal Services of the Hudson Valley Veterans and Military Family Advocacy Project	\$405,000	\$0	(\$405,000)
New York State Defenders Association Veterans Defense Program	\$500,000	\$0	(\$500,000)
New York State Defenders Association Veterans Defense Program - Long Island	\$220,000	\$0	(\$220,000)
North Country Veterans Association	\$125,000	\$0	(\$125,000)
NYS Veterans of Foreign Wars of United States Inc.	\$125,000	\$0	(\$125,000)
Outdoor RX Program	\$150,000	\$0	(\$150,000)
Rome Veterans' Park	\$10,000	\$0	(\$10,000)
Sage Veterans' Project	\$150,000	\$0	(\$150,000)
Veterans-to-Veterans Support Services	\$1,000,000	\$1,000,000	\$0
Veterans Outreach and Counseling	\$500,000	\$500,000	\$0
Veterans Outreach Center (Monroe County)	\$250,000	\$250,000	\$0
Vietnam Veterans of America - New York State Council	\$100,000	\$0	(\$100,000)
TOTAL	\$7,100,000	\$5,580,000	(\$1,520,000)

VICTIM SERVICES

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STATE OPERATIONS – A.3000

SIGNIFICANT INCREASES INCLUDE:

- **Administration Program:** \$15.1 million, \$640,000 more than last year, for services and expenses related to the administration of programs within the agency.

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Sexual Offense Evidence Collection Kits:** \$2.5 million, same as last year, for operating expenses related to the storage of sexual offense evidence collection kits.

AID TO LOCALITIES – A.3003

MAINTAINS FUNDING FOR THE FOLLOWING:

- **Payments to Victims Program:** \$35.6 million. This program provides financial support in the form of medical and counseling expenses, burial costs, lost wages, transportation, and other expenses incurred after criminal acts.
- **Victim and Witness Assistance Program:** \$163 million for programs that provide victim and witness assistance.

CAPITAL PROJECTS – A. 3004

SIGNIFICANT INCREASES INCLUDE:

- **Sexual Offense Evidence Collections Kits (SOECK) Storage Facility:** \$1.5 million, \$300,000 more than last year, for the construction and maintenance of the storage facility containing sexual offense evidence collection kits.