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ALBANY

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January 22, 2024

Dear Colleagues:

I am pleased to provide you with this year's edition of *Yellow Book*, which represents a review and analysis of the Executive Budget proposal for State Fiscal Year (SFY) 2024-25. This document is intended to provide the Members of the Committee, Members of the Assembly, and the general public with an overview of the fiscal and policy proposals that comprise the Executive Budget, as expressed in legislation submitted by the Governor on January 16, 2024. This publication is accessible on our website: www.assembly.state.ny.us/Reports/WAM/2024yellow/.

Yellow Book is the Assembly's preliminary analysis of the Executive Budget, as required by Section 53 of the Legislative Law. This document is an informational resource for Members as we participate in public, joint legislative fiscal committee hearings on the budget—our next step in the budget process.

Speaker Heastie and I know that you share our goal of enacting an on-time budget premised on a principle of fairness to all New Yorkers. At the same time, we will continue to reinforce our commitment to the education of our children, to protecting our communities and to providing necessary support to the most vulnerable among us.

As the Legislature begins its work on the State Fiscal Year 2024-25 Budget, I would like to express my gratitude to all of my Assembly colleagues for the time and commitment you will dedicate to creating and enacting this year's budget. I would also like to thank the public for their participation as well. Finally, I would like to thank the staff of the Ways and Means Committee for their outstanding efforts to produce this document, and for their support to our conference throughout the year.

Sincerely,

A handwritten signature in cursive script that reads "Helene E. Weinstein".

HELENE E. WEINSTEIN

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**A REVIEW AND ANALYSIS
OF THE
2024-25 EXECUTIVE BUDGET**

YELLOW BOOK

January 2024

**Helene E. Weinstein
Chair
Assembly Ways and Means Committee**

Prepared by the
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of the
2024-25 Executive Budget**

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BUDGET HIGHLIGHTS: FINANCIAL PLAN



- **All Funds Spending:** The Executive Budget estimates All Funds spending for State Fiscal Year (SFY) 2024-25 at \$232.7 billion, an annual growth of 0.5 percent.
- **State Operating Funds Spending:** The Executive estimates total unadjusted State Operating Funds disbursements of \$129.3 billion in SFY 2024-25, reflecting annual growth of 2.1 percent.
- **General Fund Spending:** The Executive estimates General Fund disbursements in SFY 2024-25 of \$107.6 billion, for an annual growth of 4.0 percent or \$4.1 billion.
- **Current General Fund Budget Surplus:** The Executive proposal projects a budget surplus of \$2.2 billion in SFY 2023-24, partially due to an upward revision in tax receipts. Of the SFY 2023-24 surplus, \$1.7 billion will be used to prepay SFY 2024-25 expenses to reduce the subsequent year's budget year gap, and \$500 million to offset one-time costs related to assisting asylum seekers.
- **Out-year Budget Gaps:** The Executive estimates budget gaps of \$5.0 billion in SFY 2025-26, \$5.2 billion in SFY 2026-27, and \$9.9 billion in SFY 2027-28.
- **General Fund Closing Balance:** The Executive estimates the SFY 2024-25 General Fund closing balance will be \$43.9 billion, a decrease of \$1.1 billion from the current fiscal year.

BUDGET REVIEW AND ANALYSIS: FINANCIAL PLAN



State Finance Law requires the Executive to provide a detailed multi-year financial plan to the Legislature upon submission of the Executive Budget. The Financial Plan must meet certain requirements, including a requirement that the General Fund be balanced on a cash basis of accounting for the upcoming fiscal year.

The State uses a Governmental Funds System of Accounting which includes the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Funds. The Executive presents the proposed budget in two other classifications: State Operating Funds (consisting of the General Fund, Debt Service Funds, and State Special Revenue Funds); and State Funds (consisting of all the components in State Operating Funds plus Capital Funds).

Table 1

Size of Budget (\$ in Millions)				
	SFY 2023-24	SFY 2024-25	Difference	Percent
General Fund	103,489	107,586	4,097	4.0
State Operating Funds	126,610	129,268	2,658	2.1
State Funds	138,844	144,414	5,570	4.0
All Funds	231,604	232,652	1,048	0.5

Source: NYS Division of Budget SFY 2024-25 Executive Budget Financial Plan.

The Executive proposes an All Funds budget of \$232.7 billion for SFY 2024-25, representing a growth of \$1.1 billion, or 0.5 percent over SFY 2023-24. All Funds growth includes \$3.1 billion for capital projects spending and \$3.0 billion for Medicaid, which is offset by a \$4.7 billion decrease in Federal funding for COVID-19 pandemic related recovery and assistance.

The State Operating Funds Adjusted Budget is estimated to be \$136.2 billion, which represents growth of \$5.9 billion or 4.5 percent over SFY 2023-24. With the use of budget management tools such as the implementation of pension debt service prepayments and change in the timing of some transactions and reimbursements, the State Operating Funds Budget is estimated at \$129.3 billion, an increase of \$2.7 billion or 2.1 percent, compared to SFY 2023-24. The growth is mostly driven by the increase in Medicaid spending of \$3.0 billion, School Aid of \$921 million, and State operation costs of \$1.4 billion.

Table 2

Executive Budget Spending Estimates (\$ in Millions)

	SFY 2023-24 Updated	SFY 2024-25 Projected	\$ Change	% Change
State Operating Funds (Adjusted)	130,248	136,172	5,924	4.5
School Aid School Year Basis*	34,385	35,306	921	2.7
Medicaid	27,442	30,431	2,989	10.9
All Other Assistance and Grants	30,382	30,135	(247)	(0.8)
Agency Operations	31,727	33,583	1,856	5.8
Debt Service	6,312	6,717	405	6.4
Resource Management/Timing:				
Planned Pension Prepayment	1,709	(1,709)	(3,418)	
Medicaid DPT Recoupment	1,100	(1,100)	(2,200)	
Temporary eFMAP	(1,692)	0	1,692	
FEMA Reimbursement	(1,050)	(400)	650	
Prior Year Debt Service Prepayments	(3,705)	(3,695)	10	
State Operating Funds	126,610	129,268	2,658	2.1
Federal Operating	89,324	84,586	(4,738)	(5.3)
Capital Projects	15,670	18,798	3,128	20.0
All Funds	231,604	232,652	1,048	0.5

*The Financial Plan Includes a \$921 million (2.7 percent) increase for School Aid in SFY 2024-25, inclusive of the State's full takeover of funding prekindergarten expansion grants previously supported with Federal ARP Act funds. Excluding the State funds needed to support this takeover, the School Aid increase for SFY 2024-25 totals \$825 million (2.4 percent).

Source: NYS Division of Budget SFY 2024-25 Executive Budget Financial Plan.

General Fund spending is projected by the Executive to total at \$107.6 billion for SFY 2024-25, an increase of \$4.1 billion or 4 percent over SFY 2023-24. General Fund growth reflects funding increases of \$3.6 billion in Medicaid, \$972 million in School Aid, and continued funding to support asylum seekers in the city of New York.

State Funds spending is projected at \$144.4 billion or 4.0 percent over SFY 2023-24.



Sources and Uses of Funds

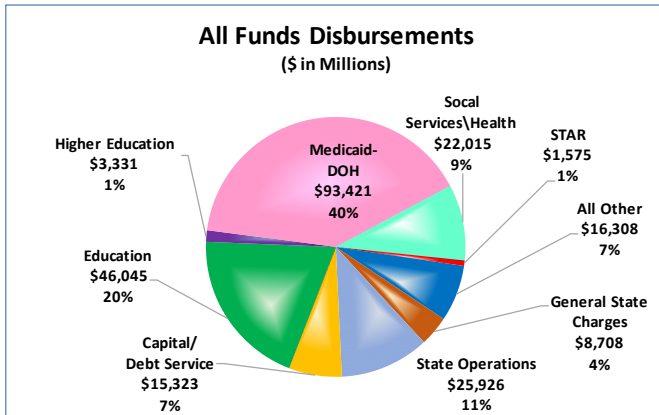


Figure 1

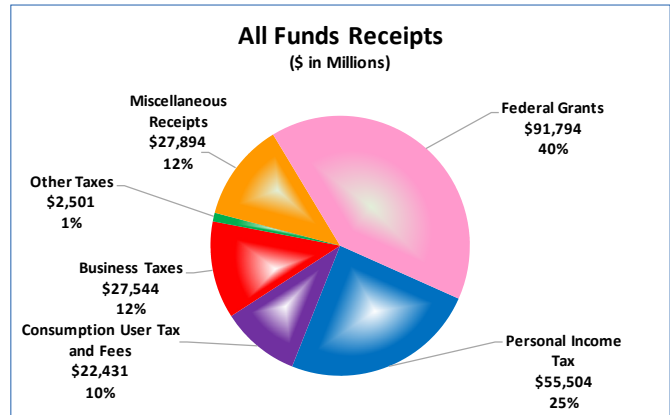


Figure 2

Federal grants and Personal Income Tax (PIT) receipts make up the largest sources of state revenue at 40 percent and nearly 25 percent, respectively. Medicaid and Education are the most significant categories of state spending. Together, they account for 60 percent of the All Funds Budget.

Federal Aid

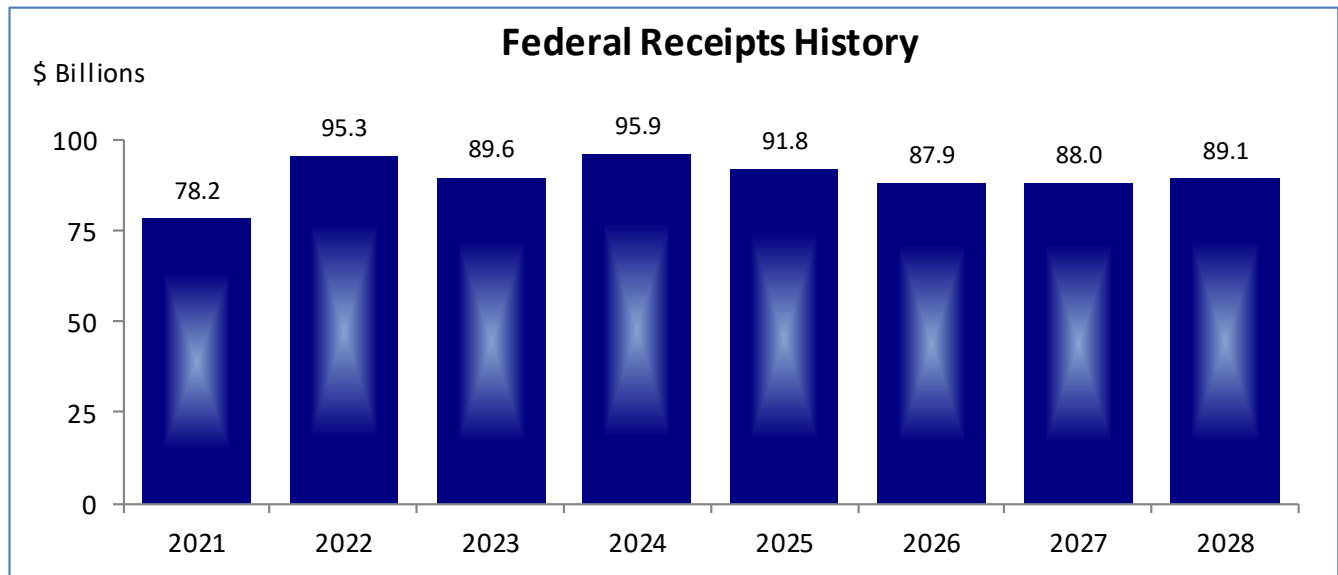


Figure 3

The Executive Proposal assumes Federal aid of \$91.8 billion in SFY 2024-25, a decrease of \$4.1 billion from SFY 2023-24. This decrease primarily reflects the projected decrease in Federal spending related to pandemic assistance.

Federal Funds Projected Disbursements by Program Area

Federal Funds spending is expected to total \$88.2 billion in SFY 2024-25, including \$6.5 billion in spending related to pandemic assistance. Federal Funds spending is estimated to decrease by \$4.5 billion compared to SFY 2023-24, driven primarily by decreased pandemic assistance spending.

Table 3

FEDERAL FUNDS DISBURSEMENTS (\$ in Millions)							
	SFY 2022-23	SFY 2023-24	SFY 2024-25	SFY 2025-26	SFY 2026-27	SFY 2027-28	5-Year Total
	Actuals	Projected	Projected	Projected	Projected	Projected	Projected
DISBURSEMENTS							
Medicaid	48,136	51,175	51,889	52,565	54,028	54,086	263,743
Health	8,960	12,641	14,642	15,557	15,915	16,609	75,364
Social Welfare	4,931	4,645	5,166	5,119	5,103	5,105	25,138
Education	4,640	4,428	4,428	4,357	4,357	4,357	21,927
Public Protection	1,484	1,301	1,320	1,337	1,303	1,301	6,562
Transportation	1,782	2,495	2,697	2,845	2,888	2,890	13,815
All Other ¹	1,182	1,636	1,628	1,629	1,652	1,720	8,265
Pandemic Assistance*	13,794	14,438	6,467	1,414	69	0	22,388
Child Care Funds	348	761	294	0	0	0	1,055
Education ARP Funds	2,148	2,922	3,730	0	0	0	6,652
FFCRA/COVID eFMAP, including local passthrough	4,441	2,061	0	0	0	0	2,061
ARP HCBS eFMAP	589	1,710	138	0	0	0	1,848
Education Supplemental Appropriations Act	1,809	1,641	100	0	0	0	1,741
Emergency Rental Assistance Program (ERAP)	726	325	0	0	0	0	325
Education CARES Act Funds	239	14	0	0	0	0	14
FEMA Reimbursement of Eligible Pandemic Expenses	0	1,050	400	200	0	0	1,650
FEMA Local Pass-Through Funding	1,853	3,350	1,500	1,100	0	0	5,950
Homeowner Assistance Program	414	54	0	0	0	0	54
Home Energy Assistance Program	250	21	0	0	0	0	21
Coronavirus Capital Projects Fund	69	69	69	69	69	0	276
State Small Business Credit Initiative	174	310	87	0	0	0	397
FHWA Surface Transportation Block Grant	69	150	150	45	0	0	345
Total Disbursements	84,908	92,760	88,238	84,824	85,315	86,069	437,202
¹ All Other includes housing and homeless services, economic development, mental hygiene, parks, environment, higher education and general government areas. [*] Pandemic Assistance excludes \$12.75 billion in State aid provided through the American Rescue Plan Act. This fund is reflected as a receipt to Federal Funds and transfer to the General Fund.							
Source: DOB SGY 2024-25 Executive Financial Plan.							



Out-Year Budget Gaps

Table 4

SFY 2024-25 EXECUTIVE BUDGET FINANCIAL PLAN				
GENERAL FUND REVISIONS				
SAVINGS/(COSTS)				
(\$ in Millions)				
	SFY 2024-25	SFY 2025-26	SFY 2026-27	SFY 2027-28
	Proposed	Projected	Projected	Projected
MID-YEAR UPDATE SURPLUS/(GAP) ESTIMATE	(4,326)	(9,526)	(7,722)	(16,475)
Receipts	3,228	1,987	(893)	289
Tax Receipts	<u>2,734</u>	<u>1,776</u>	<u>(816)</u>	<u>648</u>
Tax Receipts (excluding PTET)	1,145	2,218	1,724	948
PTET/PIT Receipts (Financial Plan Neutral)	1,589	(442)	(2,540)	(300)
Debt Service	346	(22)	(78)	(112)
Other Receipts/Transfers	148	233	1	(247)
Transfers from Other Funds				
Disbursements	2,686	173	959	2,957
Assistance and Grants	<u>747</u>	<u>(62)</u>	<u>1,119</u>	<u>2,488</u>
School Aid	<u>692</u>	<u>825</u>	<u>1,339</u>	<u>1,870</u>
SY 2025 Foundation Aid Adjustment	294	431	448	465
School Aid Growth Based on CPI	0	355	865	1,380
Lottery/Gaming/Recoveries Resources	438	79	79	79
All Other	(40)	(40)	(53)	(54)
Medicaid	<u>241</u>	<u>(574)</u>	<u>(391)</u>	<u>(211)</u>
Revised Forecast/Enrollment	(993)	(2,396)	(2,341)	(2,252)
1115 Waiver	(451)	(474)	(501)	(385)
Savings Proposals	1,230	1,809	1,959	1,959
HCRA Resources/All Other	455	487	492	467
Mental Hygiene	(30)	(64)	(106)	(106)
Public Health/Aging	(3)	14	13	13
Social Services/Housing	351	217	(50)	(73)
Higher Education	62	55	49	47
Public Safety	(166)	(146)	(146)	(146)
All Other	(399)	(388)	410	1,095
Agency Operations, including GSCs	<u>1,703</u>	<u>232</u>	<u>(222)</u>	<u>140</u>
Agency Operations	45	339	62	420
Legislature/Judiciary (incl. fringe benefits)	(284)	(284)	(284)	(284)
Other Elected Officials	(15)	(15)	(15)	(15)
Fringe Benefits/Fixed Costs	1,957	192	15	19
Transfers to Other Funds	<u>236</u>	<u>3</u>	<u>62</u>	<u>329</u>
Capital Projects	297	68	114	359
SUNY Operating	(8)	(8)	(7)	(7)
All Other	(53)	(57)	(45)	(23)
Use of/(Deposit to) Reserves	(1,588)	2,392	2,427	3,286
Timing of PTET/PIT Credits (Financial Plan Neutral)	(1,589)	442	2,540	298
Extraordinary Monetary Settlements	1	(1)	(14)	(10)
Prior Year Resources	0	501	(1,549)	1,548
Labor Settlements/Agency Operations	0	1,450	1,450	1,450
EXECUTIVE BUDGET SURPLUS/(GAP) ESTIMATE		(4,974)	(5,229)	(9,943)

Prior to the recommendations included in the Executive Budget, the forecast for out-year budget gaps in the Mid-Year Financial Plan update were estimated at a cumulative \$38.0 billion from SFY 2024-25 through SFY 2027-28.

Since the Mid-Year Update, the Executive estimates a General Fund surplus of \$2.2 billion in SFY 2023-24. The gap for SFY 2024-25 has been revised downward to a balanced budget, and the outyear gaps have been revised downward to \$5.0 billion in SFY 2025-26, \$5.2 billion in SFY 2026-27, and \$9.9 billion in SFY 2027-28. The balanced budget and lower gaps are the results of upward revisions in projected tax receipts, increased revenue projections in various other areas outside of taxes, and from prepayments of future year expenses and lower spending estimates in several program areas.

Use of SFY 2023-24 Surplus

The Executive Budget Financial Plan projects a budget surplus of \$2.2 billion in SFY 2023-24, as a result of combined continued growth in tax receipts, revisions to estimated disbursements and the use of the transaction risk reserve. The Executive plans to use the surplus as follows:

- \$1.7 billion for pension expenses prepayments; and
- \$500 million to offset future costs for asylum seekers assistance.

Spending Revisions

The Executive Budget includes a total of \$2.7 billion in savings proposals or spending reduction actions in local assistance grants to close the SFY 2024-25 budget gap. The gap closing plan includes savings of:

- \$692 million in school aid (including \$294 million in foundation aid adjustments and \$498 million in lottery and gaming revenue);
- \$241 million in Medicaid. The Executive Budget includes Medicaid proposals and savings assumptions of \$1.2 billion. The savings in Medicaid is offset by an increase of \$402 million for a revised Medicaid enrollment forecast as well as \$451 million in costs related to the Medicaid waivers and \$591 million in utilization price increase; and
- \$351 million in Social Services/Housing.

In addition, the Executive Budget assumes savings of \$1.7 billion in SFY 2024-25, from pension costs prepayments made in SFY 2023-24.



Revenue Revisions

The Executive estimates higher tax receipts of \$2.2 billion over SFY 2023-24 and SFY 2024-25 and has increased tax receipts by about \$4.9 billion from SFY 2025-26 to 2027-28. The Executive Budget also increases revenue projections in various other areas outside tax receipts such as Lottery and gaming revenue, offset school aid in the General Fund, HCRA providers assessments, Mental Hygiene Federal resources, and the use of TANF resources.

Receipts

SFY 2024-25 Tax Actions: The Executive proposes to permanently extend and increase several existing taxes and proposes new tax actions, including the extension of the itemized deduction limit on high income earners, the imposition of sales taxes on the vacation rental industry, and various other tax actions.

Disbursements

The General Fund spending growth in the Executive Financial Plan primarily supports Medicaid, School Aid, Children and Families, and support for asylum seekers.

Local Assistance:

- **Education/School Aid:** DOB estimates that School Aid will grow to \$35.3 billion in school year 2025, representing an increase of \$921 million or 2.7%. This growth primarily reflects the State's commitment to fully fund the Foundation Aid with an increase of \$507 million in Foundation Aid.
- **Healthcare/Medicaid:** The Executive projects Medicaid will grow by \$3.6 billion in SFY 2024-25. This growth is mostly driven by allowing an additional \$1.6 billion spending under the Medicaid cap to support the growth in enrollment as well as Managed Long Term Care (MLTC) growth and \$1.3 billion in prior investments for home health and personal care workers.
- **Other Assistance and Grants:** The Executive Budget projects an increase in social services spending to support planned childcare investments and victims of crime assistance, additional child welfare services, and increased operating support to SUNY and CUNY senior colleges.
- **Asylum Seekers Services and Assistance:** The Executive Budget provides support to asylum seekers in New York City (an additional \$2.4 billion over SFY 2024-25 and SFY 2025-26, and \$1.9 billion already allocated in the SFY 2023-24).



Agency Operations: The Executive Budget assumes a decrease of \$890 million in agency operations from SFY 2023-24 levels. This is mainly related to the prepayment of the SFY 2024-25 pension costs in SFY 2023-24 and partially offset by an increase in health insurance costs, a growth in Judicial staffing and operational increases and a decrease in FEMA reimbursements for eligible expenses incurred during the pandemic.

Transfers to Other Funds: The Executive Budget reflects the transfer of up to \$8.8 billion to other funds, an increase of \$1.6 billion from SFY 2023-24, primarily for capital projects funding. The Executive Budget also transfers \$1.7 billion for SUNY University Operations.

General Fund Reserves

Excluding the reserve for the timing of PTET/PIT credit and the reserve for monetary settlements, the Executive Budget projects \$28.9 billion in reserves at the end of SFY 2024-25, representing a \$1 billion decrease from SFY 2023-24. This decrease is attributable to the planned use of \$1.9 billion in prior year resources from undesignated fund balance to reduce future budget gaps and the use of \$576 million from the reserve for debt management. This is offset by an increase of \$1.5 billion in deposit for labor settlements and agency operations.

Table 5

Estimated General Fund Closing Balance			
(\$ in Millions)			
	SFY 2023-24	SFY 2024-25	Annual Change
Statutory Reserves	6,300	6,300	0
Tax Stabilization Reserve Fund	1,618	1,618	0
Statutory Rainy Day Reserve Fund	4,638	4,638	0
Contingency Reserve Fund	21	21	0
Community Projects	23	23	0
Restricted Reserves	4,201	5,075	874
Reserved for Debt Management	2,436	1,860	(576)
Reserved for Labor Settlements/Agency Operations	1,765	3,215	1,450
Unrestricted Reserves	19,476	17,557	(1,919)
Undesignated Fund Balance	5,694	3,775	(1,919)
Reserved for Economic Uncertainties	13,782	13,782	0
			0
General Fund Total (Excluding Monetary Settlements and PTET/PIT Credits)	29,977	28,932	(1,045)
Reserved for Timing of PTET/PIT Credits	13,873	14,329	456
Extraordinary Monetary Settlements	1,118	601	(517)
Total General Fund Balance	44,968	43,862	(1,106)



Budget Uncertainties and Managing Risk

The state receives a substantial amount of federal aid for health care, education, transportation, and other purposes as well as extraordinary funding for storm and disaster-related response and recovery, all of which is subject to federal policy changes. The Federal government may enact budgetary or other policy changes which may adversely affect the State's Financial Plan. The Executive's current projections rely mostly on tax revenues from high income earners and an influx of pandemic-era Federal aid which is expected to decline over time. Long term risks to the financial plan include loss in tax revenue as the result of population loss, tax migration, slow population growth and remote work.

To prepare for future uncertainties, the state has gradually increased the statutory and other reserves from less than \$5 billion in SFY 2019-20 to nearly \$29 billion in SFY 2024-25, including \$17.6 billion in unrestricted reserves (see Figure 4).

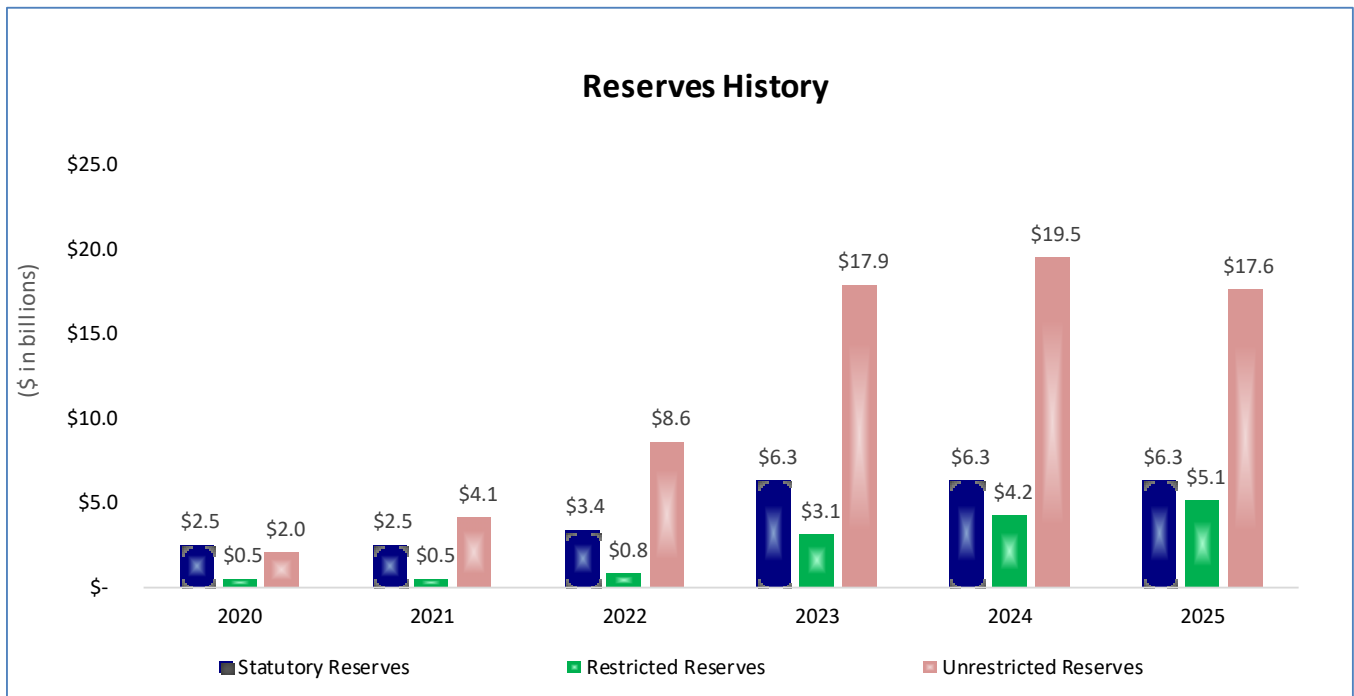


Figure 4

Table 6

Executive Budget Financial Plan
SFY 2024-25
(\$ in Millions)

	Executive General Fund	Executive State Operating Funds	Executive All Funds
OPENING BALANCE	44,968	53,988	65,966
RECEIPTS:			
Personal Income Tax	26,177	55,504	55,504
User Taxes and Fees	10,094	21,810	22,431
Business Taxes	17,061	26,936	27,544
Other Taxes	1,347	2,244	2,501
Total Taxes	<u>54,679</u>	<u>106,494</u>	<u>107,980</u>
Abandoned Property	450	450	450
ABC License Fees	72	72	72
HCRA		6,427	6,427
Investment Income	1,750	1,750	1,750
Licences, Fees, Etc.	630	630	630
Lottery		3,471	3,471
Medicaid		1,010	1,010
Motor Vehicle Fees	233	434	434
Reimbursements	66	66	66
State University Income		5,525	5,525
Extraordinary Settlements	0	0	0
Other Transactions	333	(768)	8,059
Total Miscellaneous Receipts	<u>3,534</u>	<u>19,067</u>	<u>27,894</u>
Federal Grants	3,645	3,690	91,794
Total Transfers from Other Funds	<u>44,622</u>	<u>—</u>	<u>—</u>
TOTAL RECEIPTS	106,480	129,251	227,668
DISBURSEMENTS:			
School Aid	29,852	34,857	42,293
Higher Education	3,331	3,331	3,331
All Other Education	2,737	2,750	3,752
STAR		1,575	1,575
Medicaid - DOH	24,133	30,431	93,421
Public Health	801	2,303	5,480
Mental Hygiene	4,263	4,464	4,989
Children and Families	2,893	2,897	4,209
Temporary & Disability Assistance	3,412	3,412	7,337
Transportation	247	5,138	7,440
Unrestricted Aid	795	795	795
All Other	4,961	2,819	8,073
Total Local Assistance Grants	<u>77,425</u>	<u>94,772</u>	<u>182,695</u>
Personal Service	11,163	16,673	17,373
Non-Personal Service	3,151	6,486	8,553
Total State Operations	<u>14,314</u>	<u>23,159</u>	<u>25,926</u>
General State Charges	7,059	8,315	8,708
Debt Service	263	3,022	3,022
Capital Projects	5,033	0	12,301
SUNY Operations	1,709		
Other Purposes	1,783	—	—
Total Transfers to Other Funds	<u>8,788</u>	<u>—</u>	<u>—</u>
TOTAL DISBURSEMENTS	107,586	129,268	232,652
Other Financing Sources (uses):			
Transfers from Other Funds	—	50,044	55,480
Transfers to Other Funds	—	(52,764)	(55,732)
Bonds and Note proceeds	—	0	359
Net Financing Sources	—	(2,720)	107
Excess/(Deficiency) of Receipts over Disbursements	<u>(1,106)</u>	<u>(2,737)</u>	<u>(4,877)</u>
CLOSING BALANCE	43,862	51,251	61,089



Table 7

	CASH DISBURSEMENTS		APPROPRIATIONS	
	BY FUNCTION		BY FUNCTION	
	ALL GOVERNMENTAL FUNDS		ALL GOVERNMENTAL FUNDS	
	(\$ in Thousands)		(\$)	
	SFY 2023-24 Projected	SFY 2024-25 Projected	SFY 2023-24 Available	SFY 2024-25 Recommended
ECONOMIC DEVELOPMENT AND GOVERNMENT OVERSIGHT	<u>3,066,247</u>	<u>3,578,411</u>	<u>3,264,850,765</u>	<u>3,735,593,325</u>
Agriculture and Markets, Department of	146,817	177,411	308,154,597	324,551,000
Alcoholic Beverage Control, Division of	87,531	70,954	83,211,000	84,663,000
Economic Development Capital	8,000	8,000		
Economic Development, Department of	401,650	169,324	108,011,768	100,387,325
Empire State Development Corporation	1,498,778	2,307,455	1,583,908,000	2,258,238,000
Energy Research and Development Authority, New York State	129,758	128,715	225,800,000	25,800,000
Financial Services, Department of	411,765	428,515	526,665,400	593,947,000
Lake Ontario Resiliency/Economic Development	10,250	10,250	0	0
Olympic Regional Development Authority	66,354	74,854	104,090,000	96,590,000
Power Authority, New York	10,500	56,700	7,500,000	54,000,000
Public Service Department	292,549	143,938	317,510,000	197,417,000
Regional Economic Development Program	295	295	0	0
Strategic Capital Resource Assistance Program				
Strategic Investment Program	2,000	2,000		
PARKS AND THE ENVIRONMENT	<u>2,396,580</u>	<u>2,819,128</u>	<u>3,326,451,478</u>	<u>3,257,797,200</u>
Adirondack Park Agency	7,866	15,338	6,566,278	6,638,000
Environmental Conservation, Department of	1,868,044	2,188,784	2,587,575,947	2,215,772,200
Hudson River Park Trust	21,000	10,000	0	0
Parks, Recreation and Historic Preservation, Office of	499,670	605,006	732,309,253	1,035,387,000
TRANSPORTATION	<u>13,053,289</u>	<u>13,684,882</u>	<u>16,004,877,250</u>	<u>16,787,775,402</u>
Metropolitan Transportation Authority	271,621	733,000	892,175,000	941,077,000
Motor Vehicles, Department of	491,328	520,215	481,031,000	665,042,000
Transportation, Department of	12,288,765	12,427,062	14,629,671,250	15,176,683,402
Waterfront Commission	1,575	4,605	2,000,000	4,973,000
HEALTH	<u>99,147,407</u>	<u>101,490,202</u>	<u>218,946,945,649</u>	<u>120,639,362,539</u>
Aging, Office for the	305,545	292,748	324,269,733	368,323,224
Health, Department of	98,792,189	101,147,647	218,565,206,916	120,213,570,315
Medicaid Inspector General, Office of the	49,673	49,807	57,469,000	57,469,000
SOCIAL WELFARE	<u>13,325,495</u>	<u>14,794,149</u>	<u>23,031,057,308</u>	<u>23,408,886,200</u>
Children and Family Services, Office of	4,030,850	4,717,967	5,930,086,224	5,537,445,300
Housing and Community Renewal, Division of	1,419,155	1,678,951	776,559,000	419,254,000
Human Rights, Division of	21,395	25,404	28,888,000	28,888,000
Labor, Department of	689,824	668,702	7,271,788,000	7,277,231,000
National and Community Service	18,077	18,480	30,908,900	31,029,900
Nonprofit Infrastructure Capital Investment Program	32,660	10,000	0	0
Temporary and Disability Assistance, Office of	7,113,534	7,674,645	8,992,827,184	10,115,038,000
MENTAL HYGIENE	<u>12,210,811</u>	<u>9,078,273</u>	<u>15,331,839,493</u>	<u>14,710,036,000</u>
Addiction Services and Supports, Office of	997,680	1,005,420	1,340,867,000	1,161,467,000
Developmental Disabilities Planning Council	4,200	4,200	4,760,000	4,760,000
Justice Center	52,013	49,384	64,209,631	63,064,000
Mental Health, Office of	4,254,071	4,823,908	6,452,485,862	5,849,520,000
People with Developmental Disabilities, Office for	6,902,847	3,195,361	7,469,517,000	7,631,225,000
PUBLIC PROTECTION/CRIMINAL JUSTICE	<u>10,069,850</u>	<u>8,438,564</u>	<u>15,941,590,732</u>	<u>15,832,621,000</u>
Correctional Commission of	3,405	3,567	4,072,574	4,101,000
Corrections and Community Supervision, Department of	3,044,180	2,963,880	3,566,926,671	3,589,942,000
Criminal Justice Services, Division of	534,487	611,101	874,320,500	787,855,000
Homeland Security and Emergency Services, Division of	4,628,476	2,811,660	9,129,472,258	9,073,216,000
Indigent Legal Services, Office of	301,906	312,675	468,915,463	459,465,000
Judicial Conduct, Commission on	8,128	8,128	8,128,000	8,312,000
Judicial Nomination, Commission on	30	30	30,000	30,000
Judicial Screening Committees, New York State	38	38	38,000	38,000
Military and Naval Affairs, Division of	306,955	278,764	331,382,287	271,413,000
Prosecutorial Conduct, Commission on	250	1,750	1,750,000	1,750,000
State Police, Division of	1,063,863	1,117,145	1,305,878,940	1,237,643,000
Statewide Financial System	32,155	32,182	32,009,000	32,009,000
Victim Services, Office of	145,977	297,644	218,667,039	366,847,000
HIGHER EDUCATION	<u>13,218,678</u>	<u>13,930,188</u>	<u>21,686,101,825</u>	<u>20,088,284,975</u>
City University of New York	2,503,453	2,673,908	6,329,085,425	5,800,376,675
Higher Education Facilities Capital Matching Grants Program	31,150	33,650	40,000,000	0
Higher Education Services Corporation, New York State	674,525	681,152	1,209,587,000	1,024,363,000
State University Construction Fund	0	0	14,107,429,400	13,263,545,300
State University of New York	10,009,550	10,541,478		
EDUCATION	<u>47,335,599</u>	<u>48,315,099</u>	<u>44,417,675,822</u>	<u>45,823,596,350</u>
Arts, Council on the	114,436	48,637	105,026,000	49,999,000
Education, Department of	47,221,163	48,266,462	44,312,649,822	45,773,597,350

Table 8

	CASH DISBURSEMENTS BY FUNCTION ALL GOVERNMENTAL FUNDS (\$ in Thousands)		APPROPRIATIONS BY FUNCTION ALL GOVERNMENTAL FUNDS (\$)	
	SFY 2023-24 Projected	SFY 2024-25 Projected	SFY 2023-24 Available	SFY 2024-25 Recommended
	GENERAL GOVERNMENT	<u>2,594,165</u>	<u>2,687,238</u>	<u>4,332,454,850</u>
Budget, Division of the	66,019	51,721	50,721,000	50,184,000
Civil Service, Department of	32,966	46,948	89,192,104	99,811,000
Deferred Compensation Board	870	888	998,411	1,005,000
Elections, State Board of	60,279	117,905	82,797,000	158,431,000
Employee Relations, Office of	8,250	12,909	12,455,202	15,978,000
Ethics and Lobbying, Independent Commission on	7,731	7,731	7,787,000	8,066,000
Gaming Commission, New York State	206,938	214,302	344,826,000	373,362,000
General Services, Office of	364,742	379,880	1,346,114,508	1,376,261,000
Information Technology Services, Office of	890,297	865,186	1,010,921,857	1,046,527,000
Inspector General, Office of the	9,938	10,691	9,845,000	11,138,000
Labor Management Committees	37,355	41,300	38,143,599	48,768,000
Prevention of Domestic Violence, Office for	13,474	14,266	16,882,930	17,888,000
Public Employment Relations Board	6,801	5,094	4,974,000	5,937,000
State, Department of	270,687	293,124	580,862,699	683,168,000
Tax Appeals, Division of	3,306	3,882	3,378,400	4,048,000
Taxation and Finance, Department of	371,378	374,139	479,823,700	507,056,300
Veterans' Services, Department of	27,528	21,571	33,273,440	30,441,000
Welfare Inspector General, Office of	794	808	1,336,000	1,389,000
Workers' Compensation Board	214,812	224,893	218,122,000	227,286,000
ELECTED OFFICIALS	<u>4,230,171</u>	<u>4,591,247</u>	<u>4,636,980,523</u>	<u>4,998,522,171</u>
Audit and Control, Department of	183,817	203,658	557,564,000	563,483,000
Executive Chamber	23,303	23,303	23,303,000	23,303,000
Judiciary	3,376,549	3,729,601	3,417,414,242	3,749,221,929
Law, Department of	361,071	345,444	352,118,730	372,124,000
Legislature	284,685	288,320	285,834,551	289,469,242
Lieutenant Governor, Office of the	746	921	746,000	921,000
LOCAL GOVERNMENT ASSISTANCE	<u>789,941</u>	<u>794,939</u>	<u>839,689,826</u>	<u>809,759,107</u>
Aid and Incentives for Municipalities	729,923	736,852		
County-Wide Shared Services Initiative	7,000	9,000		
Miscellaneous Financial Assistance	23,915	18,750		
Municipalities with VLT Facilities	28,885	30,119		
Small Government Assistance	218	218		
ALL OTHER CATEGORIES	<u>10,165,607</u>	<u>8,449,624</u>	<u>23,051,336,000</u>	<u>21,351,598,000</u>
Arts and Cultural Facilities Improvement	66,935	20,000	20,000,000	50,000,000
Community Resiliency, Economic Sustainability and Technology	5,000	20,000	385,000,000	0
General State Charges	8,577,840	6,129,080	7,077,836,000	7,843,598,000
Local Community Assistance Program	5,000	10,000	0	0
Long-Term Debt Service	2,653,827	3,071,070	15,568,500,000	13,458,000,000
Miscellaneous	(1,331,399)	(1,031,407)		
Special Infrastructure Account	188,404	230,881	0	0
TOTAL ALL GOVERNMENTAL FUNDS SPENDING	231,603,840	232,651,944	394,811,851,521	296,110,576,569
Miscellaneous - All State Departments and Agencies			<u>5,062,955,633</u>	<u>4,421,208,281</u>
Insurance and Securities Funds Reserve Guarantee			1,605,000,000	1,605,000,000
Health Insurance Contingency Reserve			773,854,000	773,854,000
Mental Hygiene, Department of			600,000,000	600,000,000
Public Security and Emergency Response			500,000,000	500,000,000
Health Insurance Reserve Receipts Fund			292,400,000	292,400,000
Raise the Age			250,000,000	250,000,000
Mortgage Agency, State of New York			283,815,300	198,454,281
State Equipment Finance Program			100,000,000	100,000,000
World University Games				
Interest on Lawyer Account			54,224,000	64,916,000
Data Analytics			0	0
Commercial Gaming Payment Reduction Offsets			17,000,000	17,000,000
Workers' Compensation Reserve			9,590,000	9,590,000
Green Thumb Program			5,250,000	5,736,000
Financial Control Board, New York State			3,497,000	3,497,000
Hudson River Valley Greenway Communities Council			495,000	495,000
Greenway Heritage Conservancy for the Hudson River Valley			250,000	266,000
Special Pay Bill			567,580,333	0
Federal and Other Appropriations			<u>11,500,000,000</u>	<u>9,500,000,000</u>
Special Federal Emergency Appropriation			7,000,000,000	7,000,000,000
Special Public Health Emergency Appropriation			3,000,000,000	0
Special Emergency Appropriation			1,000,000,000	2,000,000,000
Reserve for Federal Audit Disallowances			500,000,000	500,000,000



BUDGET HIGHLIGHTS: EDUCATION



- **General Support for Public Schools (GSPS):** The Executive proposes \$35.3 billion in total School Aid for the 2024-25 School Year (SY), an increase of \$825 million or 2.4 percent over SY 2023-24, which includes a \$218 million increase in Expense-Based Aids.
- **Foundation Aid:** The Executive proposal provides a total of \$24.5 billion for Foundation Aid, a \$507 million increase over SY 2023-24. The proposal would remove Foundation Aid's hold harmless provision, no longer guaranteeing a district will receive at a minimum the amount of Foundation Aid they had received in the prior year. The Executive includes a \$207 million transition adjustment to moderate the impact of this elimination.
- **Reading Instruction:** The Executive provides \$10 million to support training for 20,000 elementary school teachers and teaching assistants across the state as part of a proposed shift in reading instruction.
- **Special Education:** The Executive provides an additional \$1.4 million for a study by the State Education Department to design a new special education tuition rate-setting methodology, for a total of \$3.9 million and extends the redesign deadline from 2025 to 2027.
- **Nonpublic Schools:** The Executive provides \$239 million in aid to reimburse nonpublic schools for state-mandated costs, a \$44 million increase.
- **Mayoral Control:** The Executive proposes a four-year extension of mayoral control of the New York City School District.



BUDGET REVIEW AND ANALYSIS: EDUCATION



The State Education Department (SED) is the administrative agency of the Board of Regents. The Department administers School Aid, regulates school operations, maintains a performance-based accountability system, certifies teachers, licenses over one million practitioners in more than 50 professions, and administers a host of other educational programs. These programs include special education services, cultural education, higher and professional education, vocational rehabilitation, as well as adult career and continuing education services. SED's primary mission is to raise the knowledge, skills and opportunities of all the people in New York State.

New York State has approximately 2.6 million students enrolled in prekindergarten through 12th grade, including approximately 2.2 million children in public school districts and approximately 370,000 children in nonpublic schools. New York State currently provides more than \$34.4 billion in General Support for Public Schools (GSPS) for instructional and operational purposes, which allows school districts to provide educational services to children statewide.

Table 9

Agency	Appropriations			
	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
State Education Department	44,312.7	45,773.6	1,461.0	3.3

State Education Department

The Executive proposes All Funds appropriations of \$45.8 billion, an increase of \$1.5 billion or 3.3 percent above the State Fiscal Year (SFY) 2023-24 level. The Executive recommends support for 2,900 full-time equivalent (FTE) positions, which is an increase of 24 FTEs compared to SFY 2023-24.

General Support for Public Schools (GSPS): Formula Based Aids

Under the Executive proposal, state funding for school aid would increase by \$825 million, a 2.4 percent increase over the 2023-24 School Year (SY). Total GSPS, which includes various other education grant programs, would total \$35.3 billion in school aid for SY 2024-2025.



Table 10

Support for Public School Districts (\$ in Millions)

	SY 2023-24	SY 2024-25 Exec. Proposal	Change
Foundation Aid	23,998.9	24,506.0	507.1
Excess Cost-High Cost	574.7	649.8	75.1
Excess Cost-Private	438.1	455.6	17.4
Reorganization-Operating Aid	3.0	2.4	(0.7)
Textbooks (Incl. Lottery)	161.6	161.6	(0.1)
Computer Hardware	33.8	34.3	0.5
Computer Software	41.7	41.8	0.1
Library Materials	17.1	17.5	0.3
BOCES	1,257.3	1,275.3	17.9
Special Services	221.8	224.0	2.2
Transportation (Incl. Summer)	2,395.0	2,543.5	148.4
High Tax	223.3	223.3	0.0
Universal Pre-Kindergarten	1,077.6	1,176.9	99.4
Academic Achievement Grant	1.2	1.2	0.0
Supplemental Education Improvement Grant	17.5	17.5	0.0
Charter School Transitional Aid	53.1	58.1	5.0
Full-Day Kindergarten Conversion Aid	0.0	0.0	0.0
Academic Enhancement Aid	9.6	9.6	0.0
Supplemental Public Excess Cost	4.3	4.3	0.0
Building Aid/Reorganization Building	3,397.0	3,349.0	(48.0)
Total School Aid	33,926.7	34,751.5	824.7
Categorical Grants	308.9	309.3	0.3
Competitive Grants	195.6	195.6	0.0
FY 2024 SUFPK Expansion	50.0	50.0	0.0
Total GSPS	34,481.3	35,306.3	825.0

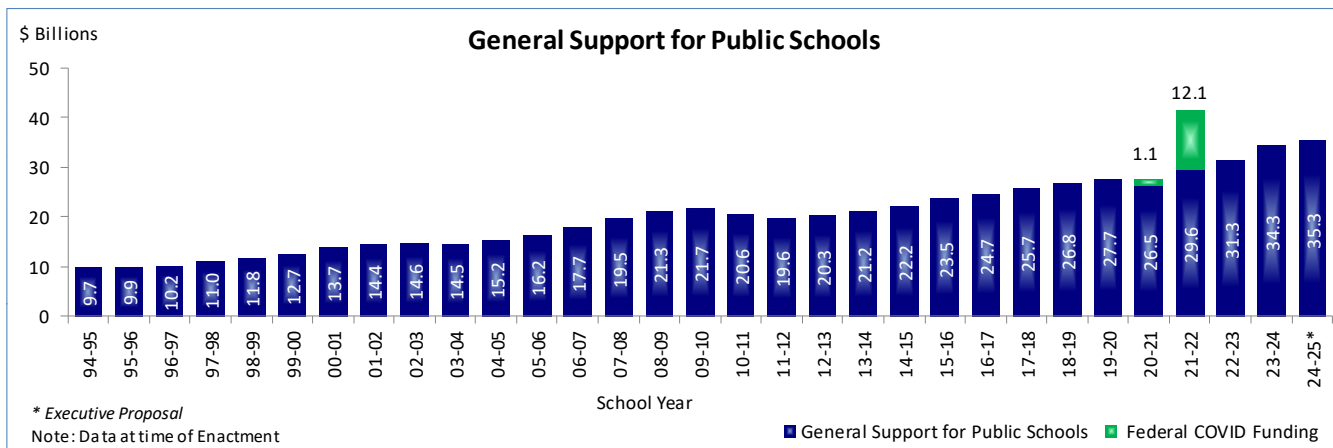


Figure 5

Foundation Aid: The Executive proposes to increase Foundation Aid by \$507 million, or 2.1 percent, for a total of \$24.5 billion, which would be \$420 million under present law level. The Executive:

- modifies Foundation Aid by removing the hold harmless provision, which would cause some school districts to receive lower levels of funding than SY 2023-24. To moderate the impact of this change, the Executive proposal uses \$207 million in Foundation Aid funding for a “Transition Adjustment”, which would decrease the total amount of these losses for school districts;
- modifies the current inflation factor from the one year change in the Consumer Price Index (CPI) to the average annual change in CPI over the last 10 year calendar years, excluding the highest and lowest years; and
- modifies the State Sharing Ratio to the benefit a small subset of high need districts.

Community Schools: Community schools provide support to both children and parents with services both before and after school, such as summer learning programs, health, mental health and dental care. The Executive Budget maintains \$250 million for community schools as a set-aside within Foundation Aid. In addition, the Executive continues \$1.2 million in funding for Community Schools Regional Technical Assistance Centers.

Expense Based Aid: The Executive fully funds the current statutory formulas that reimburse a portion of certain school district expenses, which would provide an increase of \$218 million. The Executive would also allow for funds from the Environmental Bond Act to be used for zero emission school bus transition costs without affecting school districts transportation aid.

Table 11

Proposed School Aid Increase (\$ in Millions)	
	SY 2024-25 Exec. Proposal
Foundation Aid	507.0
Expense-Based Aids	218.0
Prekindergarten	100.0
Subtotal: Formula Based Aids	825.0
Grant Programs and Additional Aid Changes	
Major Grant Programs	
Supplemental Assistance Grants	100.0
Subtotal: Major Grant Programs	100.0
Year to Year School Aid Increase	925.0

Prekindergarten Programs (\$1.2 billion): The Executive Budget provides \$1.2 billion for Universal Pre-Kindergarten (UPK), which includes an additional \$100 million that remains available for districts to expand their prekindergarten programs from a prior year.

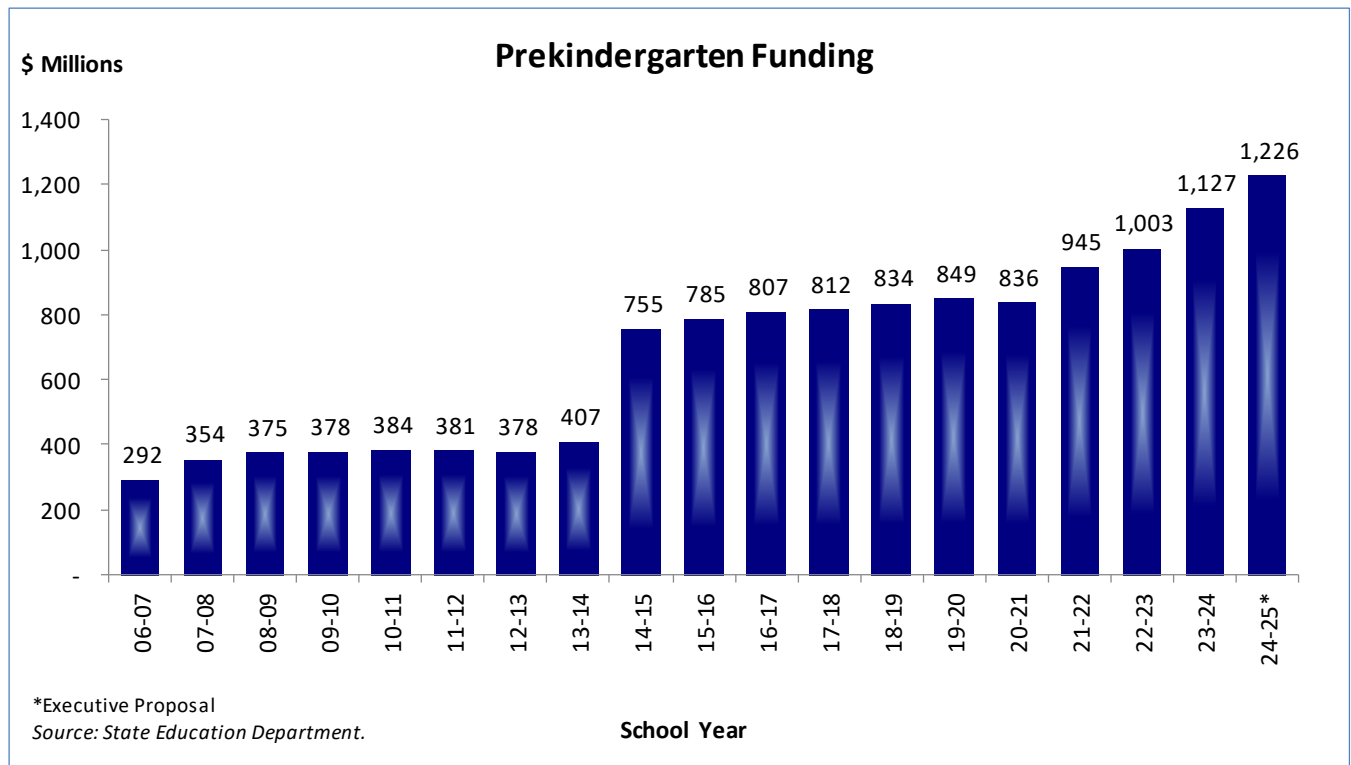


Figure 6



Other Education Programs

Strategic Workforce Funding: The Executive proposal eliminates \$10 million for the High-School-College Workforce Transformation Pipeline.

Reading Instruction: The Executive provides \$10 million to promote and support training of the best practices through the New York State United Teachers (NYSUT) Education and Learning Trust for 20,000 elementary school teachers and teaching assistants across the state.

Supplemental Assistance Grants: The Executive proposal includes \$100 million of Supplemental Assistance Grants to provide additional aid to school districts for SY 2024-25.

School Lunch Community Eligibility Provision: The Executive proposal increases funding for state reimbursements for school lunch and breakfast programs by \$11 million, for a total of \$180 million, providing additional reimbursement for schools participating in the federal Community Eligibility Provision (CEP).

My Brother's Keeper: The Executive maintains funding of \$18 million for grant initiatives under the My Brother's Keeper program and \$835,000 for the Office of Family and Community Engagement within SED.

Nonpublic Schools: The Executive provides \$239.2 million in funding for SFY 2024-25 Nonpublic School Aid, a \$44.2 million increase from SFY 2023-24. Additionally, the Executive maintains:

- \$73 million for Science, Technology, Engineering, and Math (STEM) instruction;
- \$45 million in capital funding for nonpublic school health and safety projects; and
- \$922,000 for Academic Intervention for Nonpublic Schools.

The Executive maintains funding for the Office of Religious and Independent Schools at \$1.5 million.

The Executive eliminates a \$1.0 million appropriation to reimburse nonpublic schools for the State Schools Immunization Program.

Charter Schools

Supplemental Tuition Payments: The Executive maintains \$185 million in funding to school districts for reimbursement of supplemental basic tuition for charter schools. Composed of \$35 million of federal American Rescue Plan (ARP) Act funds and \$150 million in General Fund support.



New York City Charter Facilities Aid: The Executive proposal increases funding for charter school facilities aid by \$20 million, for a total of \$120 million.

Teacher Training Programs

Teacher Workforce Programs: The Executive Budget maintains \$30 million for a Teacher Residency Program, \$10 million for the Expansion of Alternative Teacher Certifications, and \$8 million to upskill school paraprofessionals funded through the Urban Development Corporation (UDC).

The Executive eliminates \$21.4 million for Teacher Resource and Computer Training Centers.

The Executive maintains funding for the Professional Teaching Standards Certification Grant Program at \$368,000.

Special Education

The Executive maintains funding of \$1.0 billion for Preschool Special Education Programs (referred to as 4410 schools).

The Executive proposal increases funding for summer programs for students with disabilities by \$36.5 million, for a total of \$404 million.

The Executive proposal maintains funding for Schools for the Blind and Deaf (referred to as 4201 schools) at \$111.9 million but eliminates \$3.1 million in funding for six individual Schools for the Blind and Deaf.

Adult Career and Continuing Education Services Program

The Executive proposal maintains funding for Independent Living Centers at \$16 million, Adult Literacy Education at \$9.3 million, Case Services at \$54 million, Supported Employment at \$15.2 million, Adult Basic Education at \$1.8 million, and College Readers Aid at \$1.0 million.

The Executive shifts \$2.1 million in funding for the Vocational and Educational Services for Individuals with Disabilities (VESID) Social Security Account funds from Aid to Localities to State Operations.



Cultural Education Program

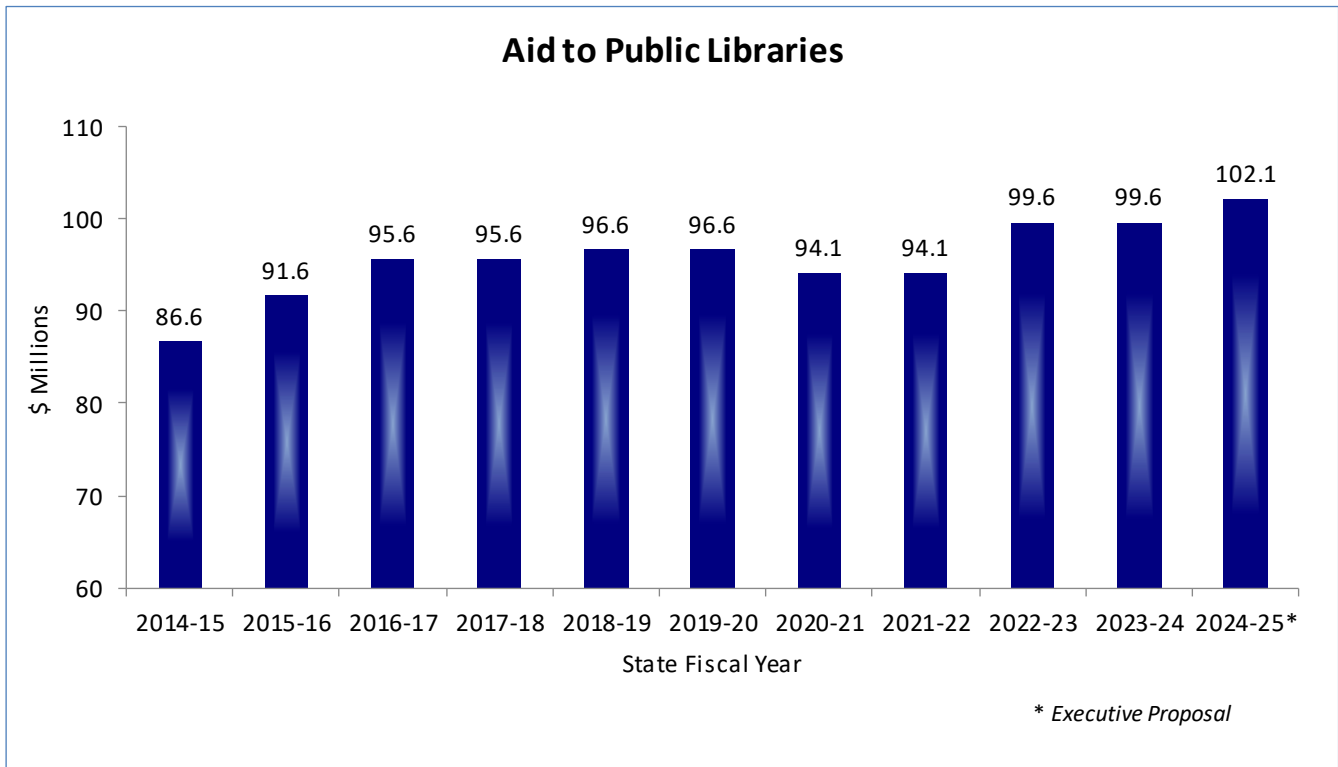


Figure 7

Libraries: The Executive proposal increases funding for Aid to Public Libraries by \$2.5 million, providing a total of \$102.1 million.

The Executive continues funding for Library Construction, for a total of \$34 million.

The Executive maintains funding of \$375,000 for the Schomburg Center for Research in Black Culture and \$112,500 for the Langston Hughes Community Library.

The Executive proposes to continue to fund Aid to Educational Television and Radio, for a total of \$14.0 million.

The Executive reduces an appropriation for the Statewide Summer Reading Program from \$176,000 to \$100,000 from revenues collected from the sale of Love Your Library license plates. This change also eliminates the \$6,000 per library minimum allocation for the Summer Reading Program.

The Executive reduces funding for Summer School for the Arts by \$1.0 million, for a total of \$1.5 million.

Other Programmatic Support

Consortium for Worker Education (CWE) Funding: The Executive proposes \$11.5 million in funding for CWE, a \$1.5 million decrease from SFY 2023-24.

Prior Year Claims: The Executive proposal does not include any funding for prior year claims or the New York City fiscal stabilization grant.

The Executive Budget eliminates funding for school monitors in East Ramapo, Hempstead, Rochester, and Wyandanch (\$750,000) and further eliminates an additional \$28.2 million in various legislative adds.



Table 12

Other Public Elementary and Secondary Education Programs

	SFY 2023-24	SFY 2024-25	\$ Change (\$ in Millions)	% Change
	Enacted	Exec. Request		
	(\$ in Millions)	(\$ in Millions)		
Buffalo School Health Services Grants	1.2	0.0	(1.2)	(100.0)
Rochester School Health Services Grants	1.2	0.0	(1.2)	(100.0)
Yonkers City School District	12.0	0.0	(12.0)	(100.0)
Hempstead Monitors	0.2	0.0	(0.2)	(100.0)
Wyandanch Monitors	0.2	0.0	(0.2)	(100.0)
Rochester Monitors	0.2	0.0	(0.2)	(100.0)
Rochester Fiscal Consultant	0.2	0.0	(0.2)	(100.0)
East Ramapo Monitors	0.2	0.0	(0.2)	(100.0)
Supplemental Basic Charter School Tuition Payments*	185.0	150.0	(35.0)	(18.9)
Charter Schools Facilities Aid	100.0	120.0	20.0	20.0
Competitive Grants**	197.1	195.6	(1.5)	(0.8)
Supplemental Assistance Grants	0.0	100.0	100.0	-
High School-College-Workforce Transformation	10.0	0.0	(10.0)	(100.0)
Community Schools Regional Technical Assistance Centers	1.2	1.2	0.0	0.0
My Brother's Keeper Initiative	18.0	18.0	0.0	0.0
Teacher Resource Centers	21.4	6.4	(15.0)	(70.0)
Education and Learning Trust (NYSUT)	0.0	10.0	10.0	-
Targeted Prekindergarten	1.3	1.3	0.0	0.0
Children of Migrant Workers	0.1	0.1	0.0	0.0
School Lunch and Breakfast Program	169.0	180.0	11.0	6.5
Locally Sourced Food Reimbursement	10.0	10.0	0.0	0.0
Nonpublic School Aid (MSA and CAP)	195.0	239.2	44.2	22.7
Academic Intervention Services for Nonpublic Schools	0.9	0.9	0.0	0.0
Nonpublic STEM	73.0	73.0	0.0	0.0
Nonpublic Immunization	1.0	0.0	(1.0)	(100.0)
Teen Health Education Account	0.1	0.1	0.0	0.0
Private Schools for the Blind & Deaf (General Fund)	111.9	111.9	0.0	0.0
Private Schools for the Blind & Deaf (Lottery)	0.0	0.0	0.0	0.0
Henry Viscardi School	0.9	0.0	(0.9)	(100.0)
New York School for the Deaf	0.9	0.0	(0.9)	(100.0)
Mill Neck Manor School for the Deaf	0.5	0.0	(0.5)	(100.0)
Cleary School for the Deaf	0.5	0.0	(0.5)	(100.0)
St. Francis de Sales School for the Deaf	0.2	0.0	(0.2)	(100.0)
St. Mary's School for the Deaf	0.2	0.0	(0.2)	(100.0)
Summer School Special Education	367.5	404.0	36.5	9.9
Preschool Special Education	1035.0	1035.0	0.0	0.0
Costs Associated with Section 652 of the Labor Law	17.2	17.2	0.0	0.0
Prior Year Claims/Fiscal Stabilization Grants	0.0	0.0	0.0	-
New York State Center for School Safety	0.5	0.5	0.0	0.0
Health Education Program	0.7	0.7	0.0	0.0
Extended School Day/School Violence Prevention	24.3	24.3	0.0	0.0
County Vocational Education and Extension Boards	0.9	0.9	0.0	0.0
Primary Mental Health Project	0.9	0.9	0.0	0.0
Math and Science High Schools	1.4	1.4	0.0	0.0
Say Yes to Education Program	0.4	0.4	0.0	0.0

*This reflects a \$35 million offset backfilled by federal American Rescue Plan funds

**\$1.5 million for the Refugee and Immigrant Student Welcome Grants Program is shifted from the SED budget to OTDA

Table 13

Other Public Elementary and Secondary Education Programs (Continued)

	SFY 2023-24	SFY 2024-25	\$ Change (\$ in Millions)	% Change
	Enacted (\$ in Millions)	Exec. Request (\$ in Millions)		
Center for Autism and Related Disabilities - SUNY Albany	1.7	1.2	(0.5)	(28.7)
Postsecondary Aid to Native Americans	0.8	0.8	0.0	0.0
Summer Food Program	3.0	3.0	0.0	0.0
Consortium for Worker Education	13.0	11.5	(1.5)	(11.5)
Charter School Start Up Grants	4.8	4.8	0.0	0.0
Smart Scholars Early College High School Program	1.0	1.0	0.0	0.0
Student Mentoring and Tutoring Program	0.5	0.5	0.0	0.0
Small Government Assistance to School Districts	1.9	1.9	0.0	0.0
Just for Kids - SUNY Albany	0.2	0.2	0.0	0.0
Deferred Action for Childhood Arrivals	1.0	1.0	0.0	0.0
Less: Consortium for Worker Education Offset	(13.0)	(11.5)	1.5	(11.5)
Total	2,577.3	2,717.6	140.3	5.4

State Operations

The Executive proposal includes \$688.5 million in State Operations funding for SED. This is an increase of \$34.7 million over SFY 2023-24, which includes the following:

- \$19.2 million due to collectively bargained contracts;
- \$3 million to ensure continued access to the New York Online Virtual Electronic Library (NOVELny);
- \$1.4 million in additional funding for the special education rate setting methodology study, bringing the total multi-year funding to \$3.9 million;
- \$900,000 to modernize the TEACH system; and
- \$275,000 for the implementation of the Unmarked Burial Site Protection Act.

This increase also includes \$2.5 million for the addition of 24 new FTEs, which includes:

- \$1.6 million in support for 16 new FTEs in the Office of Management Services; and
- \$847,000 in support of eight new FTEs for the Office of Pre-kindergarten Through Grade 12 Education.

The Executive proposal discontinues funding for the following:

- \$150,000 for a fiscal consultant for the Rochester City School District.



Capital

The Executive proposal includes \$114.2 million in new capital appropriations including:

- \$20.1 million in funding for Schools for Native American Reservations;
- \$4.5 million in funding for the Batavia School for the Blind;
- \$3.4 million in funding for SED rehabilitation projects; and
- \$3.0 million in funding for the Rome School for the Deaf.

Article VII

The Executive recommends Article VII legislation that would:

- continue the Contract for Excellence program by requiring all school districts that submitted a contract for the 2023-24 school year to submit a contract that maintains at least the same amount of funding for the 2024-25 school year unless all the schools in the district are in good academic standing;
- remove the Smart Schools Review Board from the law, and require the Commissioner of Education to carry out the responsibilities of such board;
- extend mayoral control for the New York City School District for an additional four years, until June 30, 2028;
- extend the deadline for the State Education Department to present its recommendations and analysis from the special education tuition rate-setting methodology study from July 1, 2025 to July 1, 2027;
- require the Commissioner of Education to promulgate and periodically update instructional best practices for the teaching of reading instruction for students in prekindergarten through grade three by July 1, 2024. By September 1, 2025 and annually thereafter, school districts must certify to the Commissioner that their reading curriculum, instructional strategies and professional development align with all of the elements of such best practices;
- require every school district to collect documentation that each high school senior's parent or guardian has completed and submitted a Free Application for Federal Student Aid (FAFSA) application, DREAM Act application or waiver form developed by SED showing that a student knows what the FAFSA is and is choosing not to file an application. On and after July 1, 2025,



each school district must annually report to SED the number of students who have submitted a FAFSA, DREAM Act application, waiver form and the total number of seniors enrolled. School districts must provide notice, no less than four times each school year, to each high school senior of the state-sponsored scholarships, financial aid and assistance available to students attending college or post-secondary education, as well as provide access or referrals to complete the FAFSA;

- allow the sharing of student data with the Higher Education Services Corporation (HESC), State University of New York (SUNY), or the City University of New York (CUNY) for educational purposes pursuant to the federal Family and Educational Rights Act and for the purpose of evaluating financial aid programs; and
- extend various provisions of law.



BUDGET HIGHLIGHTS: HEALTH



- **Medicaid Global Cap:** The Executive proposes \$24.8 billion for the Global Cap Medicaid spending, an increase of \$1.6 billion or 6.7 percent over State Fiscal Year (SFY) 2023-24. The Executive proposal reflects the revised Medicaid Global Cap metric enacted in the SFY 2022-23 budget which indexes spending growth to the five-year rolling average of the Centers for Medicare and Medicaid Services (CMS) spending annual growth rate.
- **1115 Waiver:** The Executive proposal includes \$7.5 billion in funding over the next three years through an amendment to New York's Medicaid Section 1115 Demonstration Program to support a series of actions to advance health equity, reduce health disparities, and improve access to primary and behavioral health care across the state.
- **Medicaid Enrollment:** The Executive projects Medicaid enrollment to decrease from 7.6 million to 6.8 million enrollees by March 2025, due to eligibility redeterminations following the unwinding of COVID-19 public health emergency declarations.
- **Safety Net Hospital Transformation Program:** The Executive proposes to utilize up to \$500 million in existing funding from Statewide IV and V to support transformation plans submitted by safety net hospitals that focus on system sustainability.
- **Unallocated Savings Targets:** The Executive proposes to save \$400 million by convening industry stakeholders to identify ways to achieve \$200 million in savings in both long-term care and mainstream Medicaid sectors.
- **Health Plan Surplus:** The Executive proposes to save \$204 million by eliminating the 1.0 percent premium increase originally implemented to aid plans with the administration of the Medicaid pharmacy benefit.
- **Managed Long Term Care:** The Executive proposes to discontinue wage parity for the Consumer Directed Personal Assistance Program (CDPAP) resulting in \$200 million in savings in SFY 2024-25, growing to \$401 million in SFY 2025-26.

BUDGET REVIEW AND ANALYSIS: HEALTH



The Department of Health’s (DOH) mission is to provide quality health services to all New Yorkers, including comprehensive health care and long-term care coverage for low and middle income individuals and families through Medicaid, Child Health Plus (CHP), Essential Plan, and Elderly Pharmaceutical Insurance Coverage (EPIC) programs. In addition to its health insurance programs, DOH promotes and supervises public health activities throughout the state, pursues efforts to reduce infectious diseases, directs a variety of emergency preparedness initiatives, and oversees all health care facilities in the state.

The Office of the Medicaid Inspector General (OMIG) works to preserve the integrity of the Medicaid program by conducting and coordinating fraud, waste, and abuse control activities for all state agencies responsible for services funded by Medicaid.

The State Office for the Aging (SOFA) provides programs and services for New Yorkers 60 years of age and older. SOFA provides leadership and direction to 59 area agencies on aging, as well as numerous other local programs and providers that comprise the network of services to older adults.

Table 14

Agency	Appropriations			
	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Department of Health*	218,565.2	120,213.6	(98,351.6)	(45.0)
State Office for the Aging	324.3	368.3	44.1	13.6
Office of Medicaid Inspector General	57.5	57.5	0.0	0.0

Note: *The amounts above include a 1-year Medical Assistance (Medicaid) appropriation; years prior to 2024-2025 included a 2-year Medical Assistance (Medicaid) appropriation.

Department of Health

The Executive proposes an All Funds appropriation of \$120.2 billion, a decrease of \$98.4 billion or 45 percent from SFY 2023-24. This reduction is reflective of a change from two-year Medicaid appropriations in SFY 2023-24 to one-year appropriations in the Executive Budget. The Executive recommends funding support for 6,209 full-time equivalent (FTE) positions, an increase of 152 FTEs,

predominantly due to staff positions associated with the newly established Emergency Medical Services (EMS) statewide taskforce to create five “EMS zones.”

Table 15

All State Agency Medicaid Expenditure Projections				
(\$ in Millions)				
	SFY 2023-24	SFY 2024-25	Year-to-Year Change	
			Amount	Percent
State Share	36,154	35,451	(703)	(1.9)
Federal Share	64,948	63,627	(1,321)	(2.0)
Local Share	8,505	8,638	133	1.6
MSA Payment	362	362	0	0.0
All Funds	109,969	108,078	(1,891)	(1.7)

Medicaid and Health Care Reform Act

Medicaid Program: The Executive proposal includes total Medicaid spending of \$108.1 billion, a decrease of \$1.9 billion or 1.7 percent from SFY 2023-24. The Executive proposes a state share decrease of \$703 million or 1.9 percent, for a total of \$35.5 billion. Decreased Medicaid expenditure is primarily driven by the timing of recoupments for Medicaid Direct Payment Template (DPT) payment advances (\$1.1 billion) and Mental Hygiene Global Cap adjustments (\$1.1 billion).

Health Care Reform Act (HCRA) Financing: In SFY 2024-25, HCRA disbursements are projected to total \$7.0 billion, a decrease of \$258 million from SFY 2023-24.

Medicaid Enrollment: The Executive projects Medicaid enrollment to decrease from 7.6 million to 6.8 million enrollees by March of 2025 due to eligibility redeterminations following the unwind of the COVID-19 Public Health Emergency declaration. Though the redetermination process will be completed by June of 2024, uncertainty around enrollment decreases continues to provide risk to Medicaid spending in future fiscal years.

Medicaid Global Cap: The Executive proposal reflects the revised Medicaid Global Cap metric enacted in the SFY 2022-23 budget which indexes spending growth to the five-year rolling average of the CMS Medicaid Spending Annual Growth rate. The Executive proposes a \$1.6 billion, or 6.7 percent, increase to Global Cap Medicaid Spending in SFY 2024-25. Even with increased Global Cap spending allowance, the proposed budget actions would close a \$735 million deficit in SFY 2024-25 and partially close a \$2.3 billion deficit in SFY 2025-26, leaving a remaining deficit of \$1.0 billion. Additionally, Medicaid spending is projected to exceed the Global Cap by \$945 million in SFY 2026-27 and \$850 million in SFY 2027-28.



Table 16

Medicaid Global Cap Spending (\$ in Millions)					
	SFY 2023-24	SFY 2024-25	SFY 2025-26	SFY 2026-27	SFY 2027-28
Medicaid Global Cap	23,265	24,832	27,253	28,461	29,498
Annual Change (\$)	1,503	1,567	2,421	1,208	1,037
Annual Change (%)	6.9%	6.7%	9.7%	4.4%	3.6%
Global Cap Deficit	0	0	1,002	945	850

Temporary Enhanced Federal Medical Assistance Percentage (eFMAP): With the expiration of the Federal Public Health Emergency (PHE) declaration on May 11, 2023, the State's eFMAP benefit was gradually phased down from 6.2 percent to 1.5 percent through December of 2023. For SFY 2023-24 this eFMAP benefit provided \$1.6 billion in State-share Medicaid savings to offset increased costs associated with elevated COVID-19 enrollment due to Maintenance of Effort (MOE) requirements in place during the PHE. In SFY 2024-25, the State will now have to assume the full cost of increased COVID-19 enrollment while the eligibility redetermination process begins to decrease overall Medicaid enrollment through June of 2024.

State Assumption of Local Medicaid Expenditure Growth: Effective January 1, 2015, the state fully assumed the growth in local Medicaid expenditures which, when combined with existing limits on local Medicaid spending, would provide counties with nearly \$7.4 billion in savings in SFY 2024-25. The Executive proposal continues to utilize \$362 million from the Master Settlement Agreement payments from tobacco manufacturers to offset the growth in local Medicaid expenditures.

Table 17

Medicaid Takeover - Local Savings (\$ in Millions)				
	SFY 2023-24	SFY 2024-25	SFY 2025-26	SFY 2026-27
Medicaid 3% Cap	4,620	5,386	6,062	6,647
Local Growth Takeover	1,831	2,014	2,196	2,379
Total	6,451	7,400	8,258	9,026

Essential Plan (EP): The Executive proposes an All Funds expenditure of \$11.7 billion for the Essential Plan, an increase of \$1.6 billion or 15.9 percent from SFY 2023-24. The Executive proposes several Essential Plan spending actions, including:

- Utilizing 1332 pass through funds to offer supplemental insurance subsidies to Qualified Health Plan (QHP) individuals up to 350 percent of the Federal Poverty Level (FPL) (\$79 million);

- Eliminating cost sharing for individuals with certain chronic conditions (\$12 million);
- Eliminating cost sharing for pregnancy and post-partum care and aligning benefits for Doulas within EP (\$2 million);
- Eliminating non-hospital cost sharing for pregnancy and postpartum care for QHP eligible individuals;
- Providing contingency management around harm reduction services (\$9 million); and
- Providing air conditioners for complex asthma beneficiaries (\$2 million).

Nursing Home Actions: The Executive proposes a total savings of \$103.5 million by reducing the nursing home capital rate add-on by 10 percent (\$28.5 million) and reducing funding for the nursing home Vital Access Provider Assurance Program (VAPAP) (\$75 million).

Hospital Actions: The Executive proposes a savings of \$21.3 million by reducing the hospital capital rate add-on by an additional 10 percent, for a total reduction of 20 percent.

Consumer Directed Personal Assistance Program (CDPAP): The Executive proposes a savings of \$200.4 million by eliminating wage parity for CDPAP workers. In New York City this is equivalent to a wage reduction of \$2.54 and in Nassau, Suffolk, and Westchester counties this is equivalent to a wage reduction of \$1.67. These savings would amount to \$400.8 million when fully annualized in SFY 2025-26.

Long Term Care (LTC) Actions: The Executive proposes a total savings of \$254.8 million by discontinuing the Managed Long Term Care (MLTC) quality pool (\$51.8 million), requiring dual-eligible Special Needs Plans to cover Medicaid dental benefits in Medicare (\$3 million), identifying unallocated LTC savings with stakeholders (\$200 million), and instituting a plan penalty for electronic visit verification non-compliance (\$20 million in SFY 2025-26).

Managed Care Actions: The Executive Budget proposes a total savings of \$271.9 million by instituting liquidated damages against plans that fail to comply with model contract requirements (\$5 million in SFY 2025-26), competitively procuring Managed Care Organizations (MCO) (\$150 million in SFY 2025-26), eliminating the 1.0 percent across-the-board premium increase for health plans (\$204.4 million), discontinuing the Mainstream Managed Care Quality Pool (\$60 million), and carving Mainstream Managed Care out of the Independent Dispute Resolution (IDR) process (\$7.5 million).

Pharmacy Actions: The Executive proposes a total savings of \$37.4 million by reducing coverage for over-the-counter pharmaceuticals (\$18 million), enhancing and integrating specialty pharmacy management (\$9.4 million), eliminating prescriber prevails (\$5 million), and streamlining the requirements for the management of the Medicaid Drug cap (\$5 million).

Other Reductions: The Executive proposes a total savings of \$245.8 million by working with stakeholders to identify unallocated savings (\$200 million), increasing the Medicaid audit target (\$100 million), reducing non-personal service for the Office of Health Insurance Programs (\$25 million), implementing the Best and Final Offer process for procurement administration (\$5 million), restructuring Early Intervention telehealth reimbursement and group billing practices (\$11.2 million), and eliminating the Health Homes program (\$125 million in SFY 2025-26).

Legislative Actions: The Executive proposes to invest \$5.6 million to fund legislation from SFY 2023-24, relating to ambulance payments (\$2.5 million, Assembly bill A.250-A) and relating to biomarker testing (\$3.1 million, Assembly bill A.1673-A).

Section 1115 Waiver

Medicaid Hospital Global Budget Initiative: The Executive proposes \$275 million in annual funding, over the life of the waiver, for financially distressed safety net hospitals looking to transition to a value-based reimbursement system.

Patient Centered Medical Homes (PCMH) Enhancements: The Executive proposes an investment of \$73.8 million for PCMH enhancements for adults and children.

Continuous Eligibility for Children Six and Under: The Executive proposes to submit an additional 1115 waiver to allow children to remain continuously enrolled in Medicaid and Child Health Plus (CHP) up to age six, the resulting program expansion would require an investment of \$7.6 million in SFY 2024-25 growing to \$30.3 million in SFY 2025-26.

Substance Use Disorder (SUD) Amendment: The Executive proposes \$22 million in savings from federal Medicaid matching for services delivered to beneficiaries diagnosed with a SUD and residing in an institutional setting.

1115 Additional State Match: The Executive proposes an additional \$116.7 million to comply with state matching required by the 1115 Medicaid Waiver Amendment.

Various Medicaid Initiatives: The Executive proposes funding of \$44.2 million for various Medicaid initiatives. (See Table 18).

Table 18

Medicaid Initiatives (\$ in Millions)	
Program	SFY 2024-25 Impact
Children's Healthcare	
Increase Reimbursement Rates for Early Intervention by 5%	\$6.1
4% Early Intervention Rate Modifier for Rural and Underserved Areas	\$0.0
Increase Rates for Children's Mental Health Provided in Integrated Settings	\$7.6
Primary Care	
Increase Rates for Mental Health Provided in Integrated Settings	\$13.5
Increase Rates for Providers Serving Individuals with Disabilities	\$5.2
Expand Coverage of Adverse Childhood Experiences Screening to Adults	\$1.2
Other Investments	
Routine HIV Testing	\$1.0
Allow Pharmacists to Administer Vaccines, Screen for Diseases, and Dispense Medication	\$0.9
Allow RNs to Perform HBV Testing Without Non-Patient Specific Standing Order	\$0.1
Permit Providers to Distribute 3-day Supply of Buprenorphine	\$0.5
Ensure Access to Comprehensive Gender-Affirming Treatments in Medicaid	\$0.1
Other Mental Health Investments	
Fund New Community-Based Mental Health Teams	\$4.0
Establish New Youth Assertive Community Treatment Teams	\$4.0
Total Impact	\$44.2

Public Health

Excess Medical Malpractice: The Executive proposes to save \$39.3 million by restructuring the timing of payments under the program by splitting payments over two years, reducing costs by 50 percent.

School-Based Health Centers (SBHC): The Executive proposes \$3 million for SBHC to expand access and services. Funding will grow to \$5 million annually beginning in SFY 2025-26.

Early Intervention (EI) Rate Increases: The Executive proposes \$1.8 million to fund a 4.0 percent EI rate modifier to support rural and underserved areas and a 5.0 percent EI rate increase for in-person providers. Funding will grow to \$7.3 million annually beginning in SFY 2025-26.



Discontinue of Public Health Programs: The Executive proposes \$14.1 million in savings by discontinuing various Public Health programs, including:

Table 19

DOH Public Health Program Eliminations	
(\$ in Millions)	
Program	SFY 2024-25 Impact
Enhancing the Quality of Adult Living (EQUAL)	\$6.5
Empire Clinical Research Investigator Program	\$3.4
Rabies Education and Prevention	\$1.3
Section 405.5 Hospital Audits	\$0.9
Committee for Physicians' Health Program	\$0.8
Health Promotions Initiative	\$0.4
Enriched Housing Program	\$0.4
Maternity and Early Childhood Foundation	\$0.2
Ticke Borne Disease	\$0.1
Long Term Care Community Coalition	\$0.0
Total Impact	\$14.1

Early Intervention Billing: The Executive proposes to save \$11.9 million by aligning the State’s Early Intervention billing practices and provider claiming requirements with Federal regulations. These savings will grow to \$47.8 million annually beginning in SFY 2025-26.

Older Adult Care Teams: The Executive propose \$6.3 million to provide care teams at home for low-income older adults.

Respite for Family Caregivers: The Executive propose \$7.2 million to provide relief to high-need family caregivers in respite care at Adult Care Facilities.

Rare Disease Research: The Executive proposes \$25 million to support innovation in research and treatment for ALS and other rare diseases, including capital funds (\$20 million) and operating funds (\$5 million).

Emergency Medical Services (EMS): The Executive proposes \$20.1 million to create five “EMS zones” through a statewide task force and advance legislation to designate EMS as an essential service.

LGBTQ+ Community Funding: The Executive proposes to continue providing \$12 million for LGBTQ+ programming, including \$2.0 million to support the Lorena Borjas Trans Wellness and Equity Fund and an additional \$1.0 million to fund workforce development for Transgender, Gender Non-Conforming, Non-Binary, and Intersex individuals.



Reforming Certificate of Need (CON) Process: The Executive proposes \$230,000 to reform the CON process by raising the financial thresholds that qualify a project for review and by streamlining the approval process.

Public Health Program: The Executive proposes \$57.8 million for various public health programs, including:

Table 20
DOH Public Health Actions
(\$ in Millions)

Program	SFY 2024-25 Impact
Support State-Operated Health Facilities	\$22.5
COVID-Related Baseline Funding	\$10.0
Expand the American Indian Health Program	\$11.1
Improve First Nations' Dental Care	\$2.5
Hepatitis C Prevention in Opioid Prevention Services	\$2.0
Increase Harm Reduction Services	\$2.0
Increase Access to Pre-exposure Prophylaxis	\$2.0
Strengthen Response to the Opioid Epidemic	\$1.6
Increase Perinatal and Infant Support	\$1.0
Housing and Health Equity for Children with Asthma	\$2.1
Modernize Vital Records	\$0.7
Appoint a Director of Patient Advocacy	\$0.2
Protect Data Privacy of Abortion Providers	\$0.1
American Indian Health - Pharmacy Benefit Management	\$0.0
Support Children with Special Health Care Needs	\$0.0
Total Impact	\$57.8

Capital Projects

Safety Net Hospital Transformation Program: The Executive proposes to utilize up to \$500 million in existing funding from Statewide IV and V to support transformation plans submitted by Safety Net hospitals that focus on system sustainability.

Mobile Prostate and Breast Cancer Screening Services: The Executive proposes \$4 million for the Roswell Park Cancer Institute (RPCI) to finance new mobile breast and prostate cancer screening vans and expand other cancer screening activities.



Article VII

The Executive proposes Article VII language that would:

- extend the legal authorization of the Medicaid Global Cap through SFY 2026;
- extend various provisions of the public health law, mental hygiene law, insurance law, state finance law, and social services law related to health, mental health, insurance, and Medicaid initiatives;
- reduce the inpatient capital rate add-on for hospitals by a total of twenty percent; extend the distressed provider assistance program through 2028; and align the Medicaid upper payment limit with the calendar year beginning in 2025;
- establish a rate freeze on the operating component of skilled nursing facility rates and reduce the capital cost component payment in skilled nursing home rates by an additional ten percent; decrease the length of the residency requirement for admission into veterans nursing home from one year to six months;
- make permanent Special Needs Assisted Living Residence Demonstration Program for non-Medicaid eligible individuals living with Alzheimer’s disease and dementia; require the DOH to establish quality reporting and accreditation requirements for assisted living residences; and authorize Adult Care Facilities to seek national accreditation;
- eliminate the wage parity benefit supplement for personal assistants performing CDPAP services;
- eliminate the IDR process for health care services under the Medicaid program; institute a moratorium on the establishment of managed care plans and require the Commissioner of Health (COH) to competitively procure managed care plans to administer the Medicaid program; eliminate a 1.0 percent Medicaid rate increase for MCOs; and authorize DOH to impose and recover liquidated damages for violations of the managed care model contract;
- authorize the COH administration to modify over-the-counter drugs covered by Medicaid and eliminate prescriber prevails protections under Medicaid Fee-For-Service and Managed Care; and replace the Medicaid Drug Cap with a supplemental rebate program by expanding the DOH’s authority to negotiate directly with drug manufacturers for enhanced rebates; require pharmacies to provide cost reports to the DOH; and amend the payment methodology for physician administered drugs;



- make technical amendments to re-name the “basic health program” to the “Essential Plan;” delay implementation of the Long Term Services and Supports benefit for Essential Plan enrollees by one year to 2025; and authorize the COH to provide additional subsidies for premiums and cost sharing for the purchase of qualified health insurance plans on the New York State of Health marketplace;
- eliminate several public health programs under the DOH including the Enhanced Quality of Adult Living program for adult care facilities, the graduate medical education innovations pool, the Empire Clinical Research Investigator Program, the Tick-borne Disease Institute, and the Medical Society of the State of NY Committee for Physician Health;
- authorize children under the age of six to remain continuously enrolled in Medicaid or CHP, regardless of changes of family income or resources;
- authorize the COH to issue a non-patient specific statewide standing order for the provision of doula services for up to twelve-months postpartum; allow pregnant minors to consent to all medical, dental, health, and hospital services; and authorize health care practitioners to prescribe contraceptive devices or medications to anyone in their professional judgment;
- increase income limits for eligibility for the Hospital Financial Assistance Law; establish a definition of “underinsured” and require hospitals that receive indigent care pool funding to establish financial aid policies for underinsured individuals earning up to 400 percent of the FPL; establish new income requirements for medical debt repayments; prohibit the use of medical debt as a reason to deny the admission of a patient; prohibit hospitals from commencing a legal action to recover medical debt from patients with incomes below 400 percent FPL; and add protections for patients utilizing credit cards to pay for treatment;
- establish a statewide healthcare safety net transformation program, using funds from the Statewide Transformation Program IV and Statewide V, to provide grants to safety net hospitals and partner organizations contingent upon submitting a transformation plan to increase the facility’s financial sustainability;
- require every physician to submit negative HIV, Hepatitis B, Hepatitis C, and syphilis tests to DOH; provide that notice regarding availability of HIV tests can be provided orally, electronically, or by prominent signage; allow pharmacists to administer immunizations for monkey pox and dispense HIV Pre-exposure prophylaxis (PrEP); and repeal misdemeanor charges related to venereal diseases;
- expand public health surveillance of controlled substance prescription related health data; expand the state-controlled substance schedule; authorize providers to dispense a three-day

supply of certain controlled substances for the treatment of an SUD or for detoxification treatment while arranging for the referral of services; and repeal a requirement for practitioners to report whether a patient is a habitual user of any narcotic to the DOH; and

- allow health care providers, including EMS agencies, to collaborate with hospitals and home care agencies to provide care outside of the health care facility, including in the home; extend the community paramedicine demonstration program to March 31, 2031; expand the definition of “emergency medical service” to include community paramedicine; authorize EMS practitioners and nurse practitioners to administer immunizations; classify EMS as an essential service and require response to emergency calls; authorize the DOH to license emergency medical technicians; and other provisions related to expanding EMS.

State Office for the Aging (SOFA)

The Executive proposes an All Funds appropriation of \$368.3 million, an increase of \$44.1 million or 13.6 percent over SFY 2023-24. The Executive recommends funding to support 126 FTE positions, unchanged from SFY 2023-24.

Cost of Living Adjustment (COLA): The Executive proposal would provide \$3.4 million to support a 1.5 percent COLA for not-for-profits that provide services on behalf of the multiple health and human services agencies, including SOFA.

SOFA Enhanced-Multidisciplinary Team (E-MDT) Program: The Executive proposes \$1.0 million to strengthen SOFA’s E-MDT Initiative to better address elder abuse and exploitation.

Article VII

The Executive proposes Article VII legislation that would:

- create an interagency council of elder justice within the SOFA lowers to protect older adults from abuse and mistreatment and enhance collaboration between state agencies.

Office of the Medicaid Inspector General (OMIG)

The Executive proposes an All Funds appropriation of \$57.5 million, unchanged from SFY 2023-24. The Executive recommends funding to support 515 FTE positions, unchanged from SFY 2023-24.



BUDGET HIGHLIGHTS: HIGHER EDUCATION



- **Operating Support for the State University of New York (SUNY) and the City University of New York (CUNY):** The Executive provides \$207 million in new recurring operating support, which will provide \$100 million to SUNY state-operated campuses and \$107 million to CUNY senior colleges.
- **Community College Funding Floor:** The Executive proposes to maintain the community college funding floor at 100 percent of prior year funding, providing \$416.7 million to SUNY and \$218 million to CUNY Community College.
- **Capital Projects:** The Executive proposal includes \$1.2 billion for capital projects, providing \$650 million for SUNY state-operated campuses, \$384 million for CUNY senior colleges, \$138 million for SUNY community colleges, and \$16 million for CUNY community colleges.
- **Limiting Bundy Aid:** The Executive proposal would limit eligibility for Unrestricted Aid to Independent Colleges and Universities (Bundy Aid) to institutions with endowments worth less than \$750 million. Bundy Aid would total \$15.8 million, a \$19 million decrease from SFY 2023-24.
- **Opportunity Programs:** The Executive proposal would provide \$197 million to fund higher education opportunity programs administered by CUNY, SUNY, and private colleges, a \$6 million decrease from SFY 2023-24.



BUDGET REVIEW AND ANALYSIS: HIGHER EDUCATION



New York State’s system of public higher education consists of the State University of New York (SUNY), which is composed of 64 campuses educating more than 367,000 full- and part-time students, and the City University of New York (CUNY) which is composed of 25 campuses educating more than 228,000 full and part-time students. Both systems include community colleges, four-year institutions, and graduate and professional schools, providing a wide range of academic opportunities. As part of its academic mission, the SUNY system is responsible for three academic medical centers, which are attached to the system’s medical schools.

In order to assure access to education opportunities, the Higher Education Services Corporation (HESC) administers a variety of scholarship and loan programs, including the Tuition Assistance Program (TAP), which provides financial assistance to some 210,000 students attending undergraduate institutions in the state.

Table 21

Agency	Appropriations			
	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
State University of New York	14,107.4	13,263.6	(843.9)	(6.0)
City University of New York	6,329.1	5,800.4	(528.7)	(8.4)
Higher Education Services Corporation	1,209.6	1,024.4	(185.2)	(15.3)

State University of New York (SUNY)

The Executive proposes All Funds appropriations of \$13.3 billion, a decrease of \$843.9 million or 6.0 percent from State Fiscal Year (SFY) 2023-24. The Executive recommends funding support for 46,854 full-time equivalent (FTE) positions, which is the same level as in SFY 2023-24.

SUNY State Operated Colleges: The Executive proposal would provide \$1.4 billion in funding for SUNY State operated colleges, a decrease of \$16.1 million from Academic Year (AY) 2023-24. This amount includes \$54 million in new, recurring operating support. The Executive also continues \$53 million in funding first provided in AY 2022-23 for new full-time faculty, and \$49.6 million for the Tuition



Assistance Program (TAP) gap. Funding of \$75.0 million provided in SFY 2023-24 for Transformational Initiatives would be discontinued.

State-funded fringe benefits would increase by \$36 million to \$2 billion in AY 2024-25.

Table 22

Additional Operating Assistance (SUNY)			
	2023-24 Enacted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)
Additional Operating Aid <i>(Recurring)</i>	163	217	54
Transformational Initiatives <i>(1-Time Funding)</i>	75	0	(75)
New-Full Time Faculty	53	53	0
Total Additional Operating Assistance	291	270	(21)

University-Wide Programs: The Executive provides \$189 million for University-Wide Programs, a \$4.2 million increase from AY 2023-24. The Executive proposes a decrease of \$1.3 million for a total of \$42.5 million for the Educational Opportunity Program, and maintains \$72.6 million in funding for Educational Opportunity Centers, including \$6 million for ATTAIN labs.

The Executive proposal provides funding for the following new University-wide programs:

- \$2.8 million for the SUNY Empire State Service Corps;
- \$2.5 million for SUNY’s cost to participate in the Empire AI Consortium;
- \$2.0 million for the Statewide Investment in More Swimming (NY SWIMS) to provide learn-to-swim courses, subsidize lifeguard certification exams, and provide college credit for lifeguard training courses;
- \$1.5 million for the State Weather Risk Communication Center at the University at Albany; and
- \$1.0 million for a science of reading microcredential program at the College at New Paltz.

The Executive proposal reduces funding for the following University-wide Programs:

- \$1.0 million reduction from the High-Need Nursing Program, for a total of \$1.7 million;
- \$1.0 million from the Maritime Appointments Program at SUNY Maritime, for a total of \$239,600; and
- \$1.0 million from mental health services, for a total of \$1.0 million.



SUNY Hospitals: The Executive proposal would increase SUNY Hospitals' spending authority by \$350.8 million, for a total of \$4.3 billion.

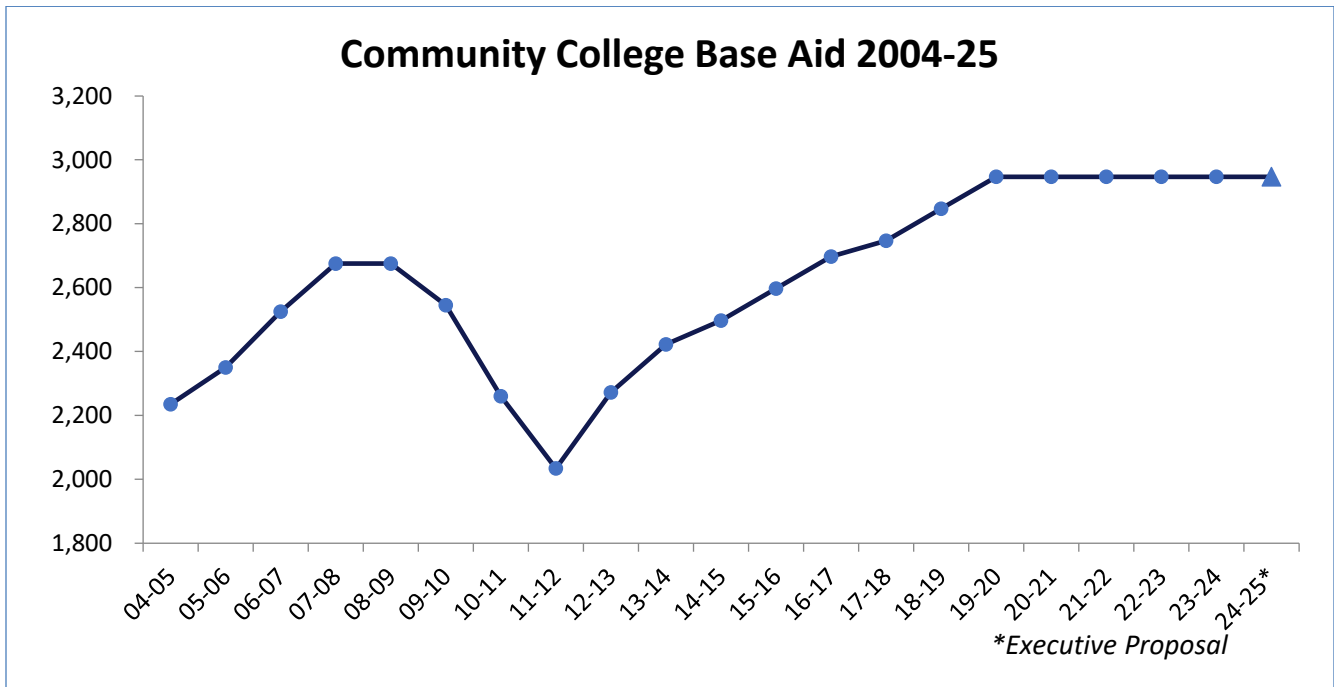


Figure 8

SUNY Community Colleges: The Executive provides \$416.6 million for community college base aid, maintaining the funding floor at 100 percent of the prior year funding for colleges with enrollments below their AY 2021-22 levels.

Cornell Cooperative Extension: The Executive reduces funding for the Cornell Cooperative Extension by \$1.7 million, for a total of \$4.4 million.

SUNY Capital: The Executive provides \$1.2 billion in capital appropriations, a decrease of \$679.5 million from SFY 2023-24 to support the following:

- \$550 million for the preservation of various SUNY facilities, a \$100 million decrease from SFY 2023-24;
- \$138.2 million in capital for community colleges;
- \$100 million for campus-funded projects; and
- \$100 million in flexible capital for state-operated campuses.

City University of New York (CUNY)

The Executive proposes an All Funds appropriation of \$5.8 billion, a \$528.7 million or 8.4 percent decrease from SFY 2023-24. The Executive recommends support for 13,511 FTE positions, maintaining the same level as in SFY 2023-24.

CUNY Senior Colleges: The Executive would provide \$798.8 million in state funding for CUNY senior colleges, a decrease of \$26.8 million or 3.3 percent from AY 2023-24. The Executive provides \$36 million in additional recurring general operating support and \$48.2 million for the TAP gap. The Executive also continues to provide \$53 million for new full-time faculty from AY 2022-23. Funding of \$50.0 million provided in AY 2023-24 for Transformational Initiatives would be discontinued.

State funded fringe benefits are appropriated at \$1.0 billion, which is an increase of \$69.5 million over AY 2023-24.

Table 23

Additional Operating Assistance (CUNY)			
	2023-24 Enacted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)
Additional Operating Aid (Recurring)	93	129	36
Transformational Initiatives (1-Time Funding)	50	0	(50)
New-Full Time Faculty	53	53	0
Total Additional Operating Assistance	143	129	(14)

The Executive provides \$1.0 million for science of reading microcredential programs.

The Executive proposal reduces funding for Search for Education, Elevation, and Knowledge (SEEK) by \$1.1 million, for a total of \$37 million. The Executive also reduces funding for the following programs:

- \$2.3 million for the School of Labor and Urban Studies, for a total of \$3.7 million;
- \$1.0 million for mental health services, for a total of \$1 million; and
- \$1.0 million for the expansion of nursing programs, for a total of \$2 million.



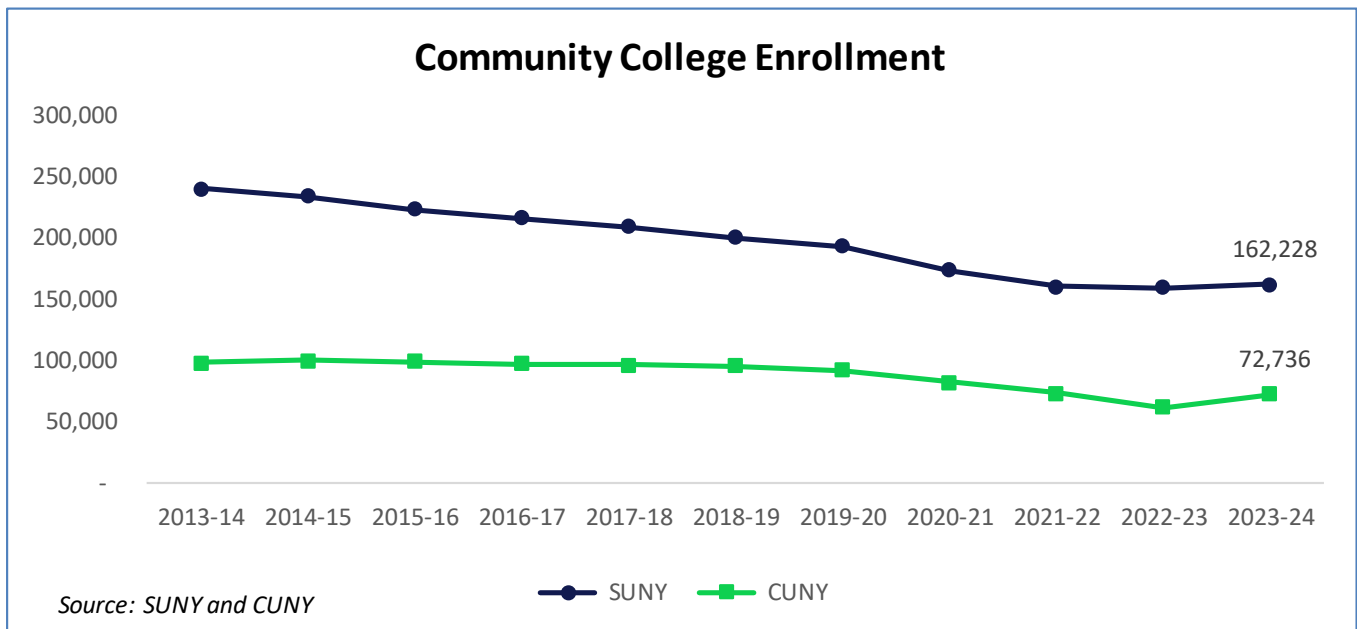


Figure 9

CUNY Community Colleges: The Executive maintains \$218 million for community college base aid, which remains unchanged from SFY 2023-24. The Executive would maintain the funding floor of 100 percent of the prior year funding for colleges with enrollments below their AY 2021-22 level.

The Executive reduces funding for College Discovery by \$54,000, for a total \$1.8 million.

CUNY Capital: The Executive Budget provides \$441.2 million in capital funding, which is a decrease of \$636.6 million from SFY 2023-24. This funding supports the following:

- \$284.2 million in critical maintenance capital, a \$100 million decrease from SFY 2023-24;
- \$100 million for capital expansion projects at various CUNY campuses;
- \$23.4 million to fund Dormitory Authority services on behalf of CUNY;
- \$17.8 million to support the CUNY Construction Fund; and
- \$15.7 million in community college capital.

Opportunity Programs Appropriated in the State Education Department (SED)

The Executive is proposal includes \$115.7 million for opportunity programs funded through SED, a \$3.5 million decrease from SFY 2023-24, which funds the following programs:

- \$46.9 million for the Higher Education Opportunity Program (HEOP), a decrease of \$1.4 million from SFY 2023-24;
- \$24.2 million for the Liberty Partnership Program, a decrease of \$738,000 from SFY 2023-24;

- \$20.9 million for the Science and Technology Entry Program (STEP), a decrease of \$636,000 from SFY 2023-24;
- \$15.8 million for the Collegiate Science and Technology Entry Program (CSTEP), a decrease of \$482,000 from SFY 2023-24; and
- \$7.9 million for the Foster Youth Initiative, a decrease of \$241,000 from SFY 2023-24.

Unrestricted Aid to Independent Colleges and Universities (Bundy Aid): The Executive proposal would limit eligibility for Bundy Aid to institutions with endowments worth less than \$750 million. This would cause Bundy Aid to decline by \$19 million compared to AY 2023-24, for total funding of \$15.8 million.

The Executive maintains \$941,000 for the High Needs Nursing Program and \$450,000 for the Teacher Opportunity Corps Program.

The Executive reduces funding to support students with disabilities by \$2.0 million, for a total of \$2.0 million.

Higher Education Services Corporation (HESC)

The Executive proposes All Funds appropriations of \$1.0 billion, a \$185.2 million decrease from SFY 2023-24, due in part to long-term enrollment trends. The Executive recommends funding for 103 FTE positions, unchanged from SFY 2023-24.

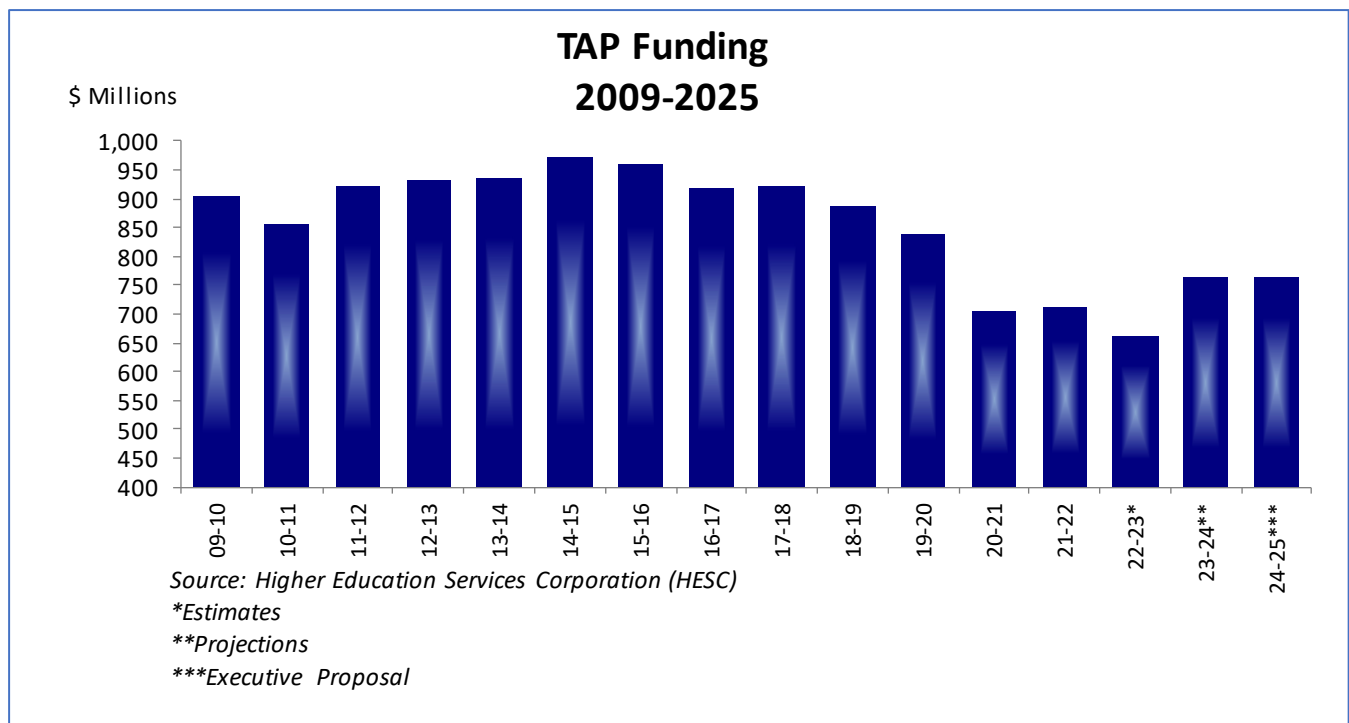


Figure 10



Tuition Assistance Program (TAP): The Executive proposes a total of \$764.2 million for TAP, a decrease of \$132.3 million from SFY 2023-24 appropriations. This decrease is due to the appropriation being sized in line with current estimates.

Excelsior Scholarship: The Executive provides \$136 million of funding for the Excelsior Scholarship Program, a decrease of \$25.9 million from AY 2023-24.

Enhanced Tuition Assistance (ETA): The Executive provides \$3.8 million of funding for the ETA program for students attending independent colleges and universities, a decrease of \$3.9 million from AY 2023-24.

Scholarships and Other Programs: The Executive proposal provides \$47.9 million in funding for various scholarships, a decrease of \$18.8 million from SFY 2023-24 to align the appropriation with actual usage. The Executive proposes a reduction of \$1.0 million for the Patricia McGee Nursing Faculty Scholarship for a total of \$3.9 million, and a reduction of \$50,000 for the Young Farmers Loan Forgiveness, for a total of \$150,000.

Other Higher Education Initiatives

The Executive does not fund another round of the Higher Education Facilities Capital Matching Grants Program.

Article VII

The Executive proposal would:

- make permanent provisions of the NY-SUNY 2020 Challenge Grant Program Act;
- limit Bundy Aid eligibility to institutions of higher education with total endowment assets less than \$750 million and reduce each institution's apportionment of funding if the total funding for Bundy Aid exceeds the appropriation;
- authorize the Higher Education Services Corporation (HESC) to assist and provide data, as deemed necessary, to any state educational authority for the purposes of financial aid program evaluation;



- authorize the lease of certain lands at SUNY Farmingdale and SUNY Stonybrook for the purposes of developing, constructing, maintaining and operating multi-purpose facilities to support housing needs and related amenities;
- remove the authorization that allows certified school psychologists employed by certain pre-school services to provide early intervention services;
- extend the authority for two years that allows certified school psychologists employed by certain pre-school programs to provide non-early intervention services;
- make permanent the authorization for physicians and certified nurse practitioners to prescribe and order nonpatient specific regimens to registered professional nurses (RNs) for administering COVID-19 and influenza tests;
- authorize physicians and nurse practitioners to prescribe and order nonpatient specific regimens to RNs for undertaking the collection of specimens necessary to test for the Hepatitis B virus;
- authorize licensed pharmacists to execute non-patient specific orders for the dispensing of HIV pre-exposure prophylaxis (PrEP) pursuant to a prescription or order from the Commissioner of Health, a physician, or nurse practitioner;
- authorize licensed pharmacists to administer immunizing agents to adults to prevent mpox pursuant to a patient specific or non-patient specific order;
- make permanent the authorization for licensed pharmacists to direct limited service laboratories and order and administer COVID-19 and influenza tests;
- make permanent the authorization for licensed pharmacists to perform collaborative drug therapy management with physicians in certain settings;
- extend, for two years, the exemption from requirements related to written practice agreements and collaborative relationships for certain nurse practitioners;
- authorize certain physician assistants to practice without physician supervision;
- remove the limit on the number of physician assistants a physician may supervise;

- authorize physician assistants to prescribe and order non-patient specific regimens to pharmacists and RNs for administering immunizations;
- authorize school districts to employ physician assistants to perform the duties of a school health services director;
- authorize certain certified nurse aides to administer medication related tasks in residential health care facilities;
- authorize New York State to join the Interstate Medical Licensure Compact and Nurse Licensure Compact;
- authorize medical assistants to administer immunizations under the supervision of a physician, physician assistant, or nurse practitioner;
- authorize dentists to administer vaccinations against influenza, SARS-CoV-2, HPV, and vaccinations related to a declared public health emergency;
- authorize dentists to offer HIV, Hepatitis C, and hemoglobin A1C screening or diagnostic tests;
- authorize dental hygienists to administer block anesthesia, place pre-fit orthodontic bands, use light cure composite material, take cephalometric radiographs, take two and three-dimensional photography of dentition, and adjust removable appliances;
- authorize certain dental hygienists to enter into collaborative practice agreements to perform services without supervision and without prior evaluation by a dentist or medical professional; and
- authorize direct support staff in non-facility Office of People with Developmental Disabilities programs to provide nursing services under the instruction of a service recipient, family, or household member as determined by a RN.



BUDGET HIGHLIGHTS: HUMAN SERVICES



- **Migrant Services and Assistance:** The Executive proposes \$2.4 billion in funding to assist with the costs of various services and assistance for asylum seekers arriving in New York State.
- **Housing Initiatives:** The Executive includes proposals related to housing development in New York City, including a deadline extension for certain 421-a projects and new tax incentives.
- **Redevelopment of Underutilized Sites for Housing (NY-RUSH):** The Executive proposes \$250 million to support the repurposing of property owned by state agencies for use as housing.
- **Child Care Workforce Incentives:** The Executive proposal allocates \$280 million in remaining federal pandemic funds towards the continuation of the Workforce Retention Grant program.
- **Anti-Poverty Efforts in Rochester, Syracuse, and Buffalo:** The Executive proposes \$50 million in one-time Federal Temporary Assistance for Needy Families (TANF) resources to address immediate needs of children and families living in poverty in these localities.
- **Electronic Benefit Transfer (EBT) Food Benefits:** The Executive proposes \$13 million to implement a federal program to provide EBT benefits to low-income families with school-aged children during summer months.
- **Resilient and Ready Program:** The Executive proposal includes \$40 million for a new Resilient and Ready Fund to provide assistance for emergency home repairs resulting from natural disasters.
- **COVID-19 Sick Leave:** The Executive proposal includes language which would sunset the state's COVID-19 Sick Leave law on July 31, 2024.
- **Human Services Cost of Living Adjustment (COLA):** The Executive proposes a 1.5 percent COLA for human services agencies.



BUDGET REVIEW AND ANALYSIS: HUMAN SERVICES



Human services agencies in New York State provide for the needs of vulnerable populations and seek to ensure safety and equality for all New Yorkers.

Programs funded through the Office of Children and Family Services (OCFS) and the Office of Temporary and Disability Assistance (OTDA) include supportive services for individuals and families living in poverty, services for children in foster care or in need of protective interventions, support for adults and individuals with disabilities who are unable to work, and child care subsidies for working families.

The Department of Veterans' Services assists and advocates on behalf of veterans throughout the state.

The Department of Labor (DOL) protects the rights of the workforce and promotes employment opportunities for out-of-work individuals.

The Division of Housing and Community Renewal (DHCR) creates and maintains opportunities for affordable housing. The State of New York Mortgage Agency (SONYMA) provides affordable financing for homeownership for low to moderate income residents and promotes the stabilization of neighborhoods throughout the state.

The Division of Human Rights addresses discrimination against protected classes in education, employment, housing and public accommodations. The Office of National and Community Service utilizes grants to promote various services including assistance to individuals with disabilities and disaster preparedness.

The Office of Welfare Inspector General (OWIG) conducts and supervises investigations of fraud, abuse and illegal acts relating to social services programs.



Table 24

Agency/Program	Appropriations			
	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Office of Temporary and Disability Assistance	8,992.8	10,115.0	1,122.2	12.5
Department of Labor	7,271.8	7,277.2	5.4	0.1
Office of Children and Family Services	5,930.1	5,537.5	(392.6)	(6.6)
Division of Housing and Community Renewal	776.6	419.3	(357.3)	(46.0)
Raise the Age	250.0	250.0	0.0	0.0
State of New York Mortgage Agency	283.8	198.5	(85.4)	(30.1)
Office of National and Community Services	30.9	31.0	0.1	0.4
Department of Veteran's Services	33.3	30.4	(2.8)	(8.5)
Division of Human Rights	28.9	28.9	0.0	0.0
Office of Welfare Inspector General	1.3	1.4	0.1	4.0

Office of Temporary and Disability Assistance (OTDA)

The Executive proposes an All Funds appropriation of \$10.1 billion, an increase of \$1.1 billion or 12.5 percent over the State Fiscal Year (SFY) 2023-24. The increase primarily reflects a \$2.4 billion investment to support costs associated with providing emergency shelter and services to migrants, offset by the elimination of one-time rental arrear funds included in the SFY 2023-24 budget. The Executive recommends a workforce of 1,937 FTEs, an increase of 15 over SFY 2023-24 workforce levels.

Public Assistance Benefits: The Executive Budget estimates a public assistance caseload of 606,969 recipients for SFY 2024-25, an increase of 19,235 recipients over SFY 2023-24. State spending for the safety net population is anticipated to be \$665.7 million, an increase of \$26.9 million over the SFY 2023-24. The Executive estimates Federal Temporary Assistance for Needy Families (TANF) support at \$1.1 billion, an increase of \$18.9 million over the SFY 2023-24 level.

TANF Commitments: The Executive proposes an appropriation of \$1.65 billion for TANF initiatives, a decrease of \$400.1 million from SFY 2023-24. This decrease is largely due to the elimination of one-time gap funding for the Flexible Fund for Family Services offset by increased spending on child care. The Executive eliminates \$8.5 million in TANF initiatives from SFY 2023-24. The Executive’s proposal also includes \$50 million for Rochester, Syracuse and Buffalo Anti-Poverty programs, \$38.8 million for additional youth employment programs for localities participating in the Gun Involved Violence Elimination (GIVE) initiative outside of New York City; and \$17.2 million for Local Social Services District case management support.



Table 25

TANF Commitments			
(\$ in Thousands)			
Category/Item	SFY 2023-24	SFY 2024-25	Change
	Enacted	Proposed	
Flexible Fund for Family Services	1,738,247	1,014,000	(724,247)
Child Care Subsidies	235,930	477,200	241,270
TANF Initiatives			
ACCESS- Welfare to Careers	800	0	(800)
ATTAIN	4,000	0	(4,000)
Career Pathways	1,425	0	(1,425)
Centro of Oneida	25	0	(25)
Jewish Child Care Association	200	0	(200)
Local District Case Management	0	17,200	17,200
Rochester, Buffalo, Syracuse Anti-Poverty	0	50,000	50,000
Non-residential DV	3,200	3,000	(200)
Preventive Services Initiative	785	0	(785)
Rochester-Genesee Regional TA	82	0	(82)
Summer Youth Employment	47,100	50,400	3,300
Youth Employment Program- GIVE	18,000	38,800	20,800
SUNY/CUNY Child Care	334	0	(334)
Wage Subsidy Program	475	0	(475)
Wheels for Work	144	0	(144)
Subtotal of TANF Initiatives	76,570	159,400	82,830
TANF Funding Total	2,050,747	1,650,600	(400,147)

The Executive proposal provides funding for Emergency Assistance to Needy Families with Children (EAF) at \$199.2 million, unchanged from SFY 2023-24. This includes savings of \$25.1 million associated with a 15 percent local share of EAF for New York City.

Migrant Services and Assistance: The Executive Budget includes \$2.4 billion in funding to provide assistance for migrants arriving in New York State, including Humanitarian Emergency Response and Relief Centers (HERRCs) in New York City, legal and case management services, migrant resettlement and other various initiatives.

Table 26

**Asylum Seeker Assistance
State Funds
(\$ in Millions)**

	SFY 2023	SFY 2024	SFY 2025	SFY 2026	Total
Shelter Support for NYC	0	741	355	0	1,096
Additional Shelter Support for NYC	0	0	530	530	1,060
HERRCs: Floyd Bennett, Randall's Island, Creedmoor	0	89	724	146	959
Safety Net Assistance	0	26	67	67	160
National Guard Deployment	27	162	262	0	451
Medicaid/Vaccines/ Disease Testing	0	149	162	15	326
Asylum Seeker Resettlement	0	30	5	5	40
Other: Case Management, Legal Services, etc.	0	98	106	10	214
Total State Funding	27	1,295	2,211	773	4,306

Source: Executive SFY 24-25 Financial Plan

Empire State Supportive Housing Initiative (ESSHI): The Executive Budget provides \$210 million within OTDA for ESSHI to maintain operational support for current and new supportive housing units, unchanged from SFY 2023-24.

Homeless Housing and Assistance Program (HHAP): The Executive proposal continues \$128 million in funding for the HHAP, unchanged from SFY 2023-24.

Homeless Programs: The Executive proposal includes \$53.6 million for the New York State Supportive Housing Program, Solutions to End Homelessness Program and Operational Support for AIDS Housing, an increase of \$2.8 million over SFY 2023-24. The Executive proposal also includes \$1 million for the Emergency Homeless Services Program, unchanged from SFY 2023-24.

Rochester, Syracuse, and Buffalo Anti-Poverty: The Executive proposal includes \$50 million in one-time Federal TANF resources to address the needs of families living in poverty in these localities. The Executive proposes \$25 million in support for the City of Rochester, \$12.25 million in support for the City of Syracuse, and \$12.25 million for the City of Buffalo.

Summer Youth Employment Program (SYEP): The Executive proposes to increase the SYEP by \$3.3 million to account for the increase in minimum wage.

Electronic Benefit Transfer (EBT) Food Benefits: The Executive Budget includes \$13 million for the state share for the administration of a federal program providing additional EBT benefits during summer months to low-income students who receive free school meals.

Community Initiatives: The Executive Budget eliminates \$28.1 million in legislative adds including \$15 million for additional eviction prevention funding and \$5 million in additional funding for the Enhanced Services for Refugees Program.



Article VII

The Executive proposes Article VII legislation that would:

- authorize the federal Supplemental Security Income (SSI) Cost of Living Adjustment (COLA) pass through for 2025.

Department of Labor (DOL)

The Executive proposes All Funds appropriations of \$7.3 billion, an increase of \$5.4 million or 0.1 percent over the SFY 2023-24. The Executive recommends support for 2,817 FTEs, unchanged from SFY 2023-24 levels.

Office of Just Transition: The Executive proposes an appropriation of \$22.5 million for workforce training and retraining in the renewable energy sector, and \$2.5 million in administrative costs to support the Office.

Unemployment Insurance (UI) Benefits: The Executive proposes an appropriation of just over \$6 billion for UI benefits, an increase of \$2 million.

Workforce Innovation and Opportunity Act (WIOA): The Executive proposes an increase of \$1.2 million, related to the administration and operation of employment training programs, as well as a decrease of \$7.5 million for adult, youth, and dislocated worker employment and training.

Article VII

The Executive proposes Article VII legislation that would:

- require employers to provide employees with up to 20 minutes for breast milk expression and allow employees to use existing paid break or meal time for such purposes;
- exempt certain violations relating to frequency of pay requirements for employers of manual workers from being subject to liquidated damages;
- authorize the Department of Labor to order the seizure of an employer's assets who has violated certain wage payment requirements; the Department would also be authorized to direct the respective county sheriff to levy upon and sell an employer's real personal property to satisfy the stolen wages, interest, penalties; and cost of executing the warrant; and



- repeal COVID-19 sick leave provisions relating to paid sick leave and certain employee benefits as of July 31, 2024.

Office of Children and Family Services (OCFS)

The Executive proposes an All Funds appropriation of \$5.5 billion, a decrease of \$392.6 million or 6.6 percent from the SFY 2023-24. The SFY 2024-25 Executive Budget recommends a workforce of 2,887 FTEs, an increase of one FTE over SFY 2023-24 levels.

Child Care: The Executive proposes \$2.2 billion for child care, a net increase of \$876.2 million over SFY 2023-24, this increase reflects ongoing support for program changes implemented in SFY 2023-24. The Executive provides \$ 1.8 billion for child care subsidies and \$428.7 million for other child care purposes, including the administration of child care funds and child resource and referral agencies.

The Executives proposal includes \$5 million in federal funds to support the Family Child Care Networks Pilot program, which aims to support family and group family child care providers. The Executive proposal also includes a differential payment for subsidized child care providers, based on national accreditations, participation in New Yorks Quality Rating & Improvement system, or completing training in OCFS Non-Patient Epinephrine Auto-Injector Initiative. Lastly, the Executive proposal includes \$1.7 million in federal funding to expand Infant Toddler Mental Health Consultants (ITMHCs) located at seven regional resource centers statewide.

Child Care Workforce Retention Grants: The Executive proposal directs \$280 million in unspent Federal pandemic funds to provide payments to child care providers for workforce expenses including payroll tax costs and recruitment activities.

Permanent Elimination of Committee on Special Education (CSE) State Share: The Executive proposes to make permanent the elimination of the 18.42 percent state share for the room and board of children with severe disabilities placed by CSE outside of New York City. This action would result in \$28.6 million in savings.

Human Services Cost of Living Adjustment (COLA): The Executive proposal includes \$5.1 million in funding to provide a 1.5 percent cost of living increase for human services agencies.

Minimum Wage: The Executive proposal includes \$10.5 million in funding for state contracts to support increases in the state minimum wage for state contractors.



Child Welfare: The Executive proposal redirects an additional \$75 million from Flexible Fund for Family Services (FFFS) from Temporary Assistance for Needy Families (TANF) funds towards child welfare services. Included will also be a one time \$50 million increase in FFFS funds for SFY 2024-25.

Afterschool Programs: The Executive proposal combines the Advantage After School and Empire After School programs into a single program, funded at \$100.8 million, an increase of \$17.7 million, to equalize payment rates for both programs.

Supervision and Treatment Services for Juveniles Program (STSJP): The Executive proposal includes \$11.4 million, an increase of \$3 million over SFY 2023-24, to support programming and intervention for youth who are violent, trafficked or at risk of gang recruitment.

Youth Sports: The Executive proposal includes \$5 million in SFY 2024-25, a decrease of \$600,000 from one-time funding included in SFY 2023-24.

Foster Care: The Executive proposal includes \$13.7 million in additional federal reimbursement related to implementation of the Family First Prevention Services Act (FFPSA).

Adult Protective/ Domestic Violence: The Executive proposal includes \$65 million, an increase of \$21 million over SFY 2023-24, to align with spending trends.

OCFS Medicaid: The Executive proposal includes \$70 million, an increase of \$32.6 million over SFY 2023-24, to align the Medicaid Per Diem appropriation with spending trends.

Article VII

The Executive proposes Article VII legislation that would:

- eliminate state reimbursement for residential Committee on Special Education placements made by school districts outside of New York City and for students attending a state-operated school for the deaf and blind.

Division of Housing and Community Renewal (DHCR)

The Executive proposes All Funds appropriations of \$419.3 million, a decrease of \$357.3 million or 46 percent from SFY 2023-24. This decrease is primarily due to the elimination of one-time appropriations for various housing assistance initiatives included in the SFY 2023-24 budget. The Executive recommends support for 641 FTEs, an increase of 10 FTEs over SFY 2023-24.

State Operations Appropriations: The Executive proposes State Operations appropriations of \$137.6 million, which is a decrease of \$38.8 million or 22 percent from SFY 2023-24. The change is primarily due to the elimination of a one-time allocation of \$40 million in federal support for the Low Income Weatherization Program. The Executive Budget also includes \$1.2 million to support staffing related to the Pro-Housing Community program, which the Executive proposes making a requirement for localities to receive discretionary State funding for certain revitalization programs.

Aid to Localities Appropriations: The Executive proposes Aid to Localities appropriations of \$99.5 million, a decrease of \$70.5 million or 41.5 percent from SFY 2023-24. This decrease is due to elimination of funding for various housing programs.

The Executive proposal eliminates state funding of \$40 million for the Homeowner Protection Program (HOPP), \$25 million for First Time Homeowners, and \$10 million for Land Banks.

The Executive proposes \$8.8 million in new funding for the Blue Buffers Voluntary Buyout Program to encourage voluntary home buyouts in areas prone to flooding. This is associated with additional funding for this purpose contained in the Environmental Bond Act of 2022.

The Executive proposal eliminates \$4.3 million in legislative adds.

Mortgage Insurance Fund (MIF): The Executive proposal would allocate \$94.9 million in excess reserves from the MIF to provide \$12.8 million for the Neighborhood Preservation Program, a reduction of \$4.8 million, and \$5.4 million for the Rural Preservation Program, a reduction of \$2.2 million from SFY 2023-24. The Executive proposal also includes \$23.2 million for the Rural Rental Assistance Program, an increase of \$1.5 million. The budget also includes \$53.6 million for homeless housing programs administered by OTDA, an increase of \$2.8 million.

Capital Appropriation Funding: The Executive proposes capital appropriations of \$182.2 million, a decrease of \$248 million from SFY 2023-24. This decrease is primarily due to the elimination of various initiatives including \$135 million for New York City Housing Authority, \$50 million for the Homeowner Stabilization Fund, \$50 million for Mitchell-Lama Preservation and Home Ownership, and \$28 million for the Governor's Office of Storm Recovery.



Resilient and Ready Program: The Executive Budget includes \$40 million for emergency home repairs after natural disasters.

Article VII

The Executive Budget contains Article VII language that would:

- transfer \$94.95 million in excess MIF reserves for the Neighborhood and Rural Preservation Programs, the Rural Rental Assistance Program, and homeless housing programs;
- authorize New York City and the Urban Development Corporation through zoning law, ordinance, or resolution or after consultation with local officials to pursue the construction of denser residential buildings by deviating from the state law capping the floor area ratio of a building;
- authorize New York City to establish a program to legalize illegal basement and cellar apartments notwithstanding any state or local law;
- establish a real property tax incentive program for the conversion of commercial buildings to affordable housing. At least 20 percent of units would need to be affordable at 80 percent of area median income (AMI), at least five percent of units would need to be affordable at 40 percent of AMI, and all affordable units would need to be rent stabilized for the duration of the benefit period;
- extend the construction completion date for 421-a projects to June 15th, 2031 for projects that have a construction commencement date June 15th, 2022; and
- establish a new property tax incentive program in New York City to incentivize the construction of new rental housing, contingent upon a memorandum of understanding between the largest real estate trade developer association and the largest building and construction worker trade association.

State of New York Mortgage Agency (SONYMA)

The Executive proposes an All Funds appropriation of \$198.5 million, a decrease of \$85.4 million or 30.1 percent from SFY 2023-24.

The SONYMA enabling statute requires the state to guarantee payments made by SONYMA, although no cash disbursements are projected to be made from this appropriation. All of SONYMA's programs

and operations are supported by mortgage income, applications fees, insurance premiums, and investment proceeds.

Raise the Age

The Executive provides \$250 million, unchanged from SFY 2023-24, to support reforms such as comprehensive diversion, probation and programming services for 16- and 17-year-old youths in the juvenile justice system.

Office of National and Community Service

The Executive proposes an All Funds appropriation of \$31.0 million, an increase of \$121,000 over SFY 2023-24, relating to the increases in minimum wage and union agreements. The Executive recommends support for 10 FTEs, unchanged from the SFY 2023-24 level.

Department of Veterans' Services

The Executive proposes an All Funds appropriation of \$30.4 million, a decrease of \$2.8 million or 8.5 percent from SFY 2023-24. The Executive Budget recommends a workforce of 110 FTEs which remains unchanged from SFY 2023-24.

Homeless Veterans' Housing: The Executive provides an additional \$500,000 in funding for emergency and temporary housing, as well as assistance for home repair and renovations for veterans.

Division of Human Rights

The Executive proposes an All Funds appropriation of \$28.9 million, unchanged from SFY 2023-24. The Executive recommends support for 174 FTEs, which remains unchanged from SFY 2023-24 levels.

Office of the Welfare Inspector General

The Executive proposes an All Funds appropriation of \$1.4 million, an increase of \$53,000 over SFY 2023-24, to support general salary increases. The Executive recommends support for six FTEs, unchanged from the SFY 2023-24 level.



BUDGET HIGHLIGHTS: MENTAL HYGIENE



- **Cost of Living Adjustment (COLA):** The Executive proposes a 1.5 percent COLA to increase wages for voluntary mental hygiene service providers. For the mental hygiene agencies, the state share of the COLA is comprised of a total investment of \$120.4 million with \$74.2 million allocated to the Office for People with Developmental Disabilities (OPWDD), \$37.0 million allocated to the Office of Mental Health (OMH), and \$9.3 million allocated to the Office of Addiction Services and Supports (OASAS).
- **Minimum Wage:** The Executive proposal would include an additional \$57 million for minimum wage increases for staff at voluntary not-for-profits licensed under OPWDD, OMH, and OASAS.
- **Expand Inpatient Bed Capacity:** The Executive proposal includes \$22 million in funding to open 125 additional state-operated inpatient psychiatric beds, including 15 for children and adolescents, 85 for adults, and 25 forensic.
- **Transition to Home Units (THU):** The Executive proposal includes \$37 million in funding to support 75 THU beds in one state-operated and two community-based facilities.
- **Opioid Settlement Fund:** The Executive proposal appropriates \$63.7 million from the Opioid Settlement Fund. Funding would be utilized to continue investments in various initiatives that address the opioid crisis, based on the recommendations provided by the Opioid Settlement Fund Advisory Board in State Fiscal Year (SFY) 2024-25.
- **Increase Support for Existing Residential Programs:** The Executive includes \$43 million to increase stipends for over 17,000 housing units supported under the program.
- **New Service Opportunities:** The Executive proposal includes \$30 million (\$60 million annualized) in SFY 2024-25 to fund OPWDD priority program reforms and new service opportunities. These funds leverage federal resources for a gross increase of \$120 million annually.

BUDGET REVIEW AND ANALYSIS: MENTAL HYGIENE



The State of New York provides an All Funds appropriation of approximately \$15.3 billion annually to support its mental hygiene agencies, which include the Office for People with Developmental Disabilities (OPWDD), the Office of Mental Health (OMH), the Office of Addiction Services and Supports (OASAS), the Justice Center for the Protection of People with Special Needs, and the Developmental Disabilities Planning Council (DDPC).

These agencies provide services and supports to over one million people throughout the state - both children and adults - who have been diagnosed with intellectual and developmental disabilities (I/DD), mental illness, substance use disorders, or a combination thereof. In addition, the Justice Center is responsible for investigating abuse and neglect complaints in certain facilities and provider agencies that are operated, certified, or licensed by OMH, OPWDD, OASAS, DOH, OCFS, and SED.

Table 27

Appropriations				
Agency	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Office for People with Developmental Disabilities	7,469.5	7,631.2	161.7	2.2
Office of Mental Health	6,452.5	5,849.5	(603.0)	(9.3)
Office of Addiction Services and Supports	1,340.9	1,161.5	(179.4)	(13.4)
Department of Mental Hygiene	600.0	600.0	0.0	0.0
Justice Center for the Protection of People with Special Needs	64.2	63.1	(1.1)	(1.8)
Developmental Disabilities Planning Council	4.8	4.8	0.0	0.0

Cost of Living Adjustment (COLA): The Executive proposes a 1.5 percent COLA to increase wages for voluntary mental hygiene service providers. For the mental hygiene agencies, the state share of the COLA is comprised of a total investment of \$120.5 million with \$74.2 million allocated to OPWDD, \$37 million allocated to OMH, and \$9.3 million allocated to OASAS.

Minimum Wage: The Executive’s proposal provides an additional \$57.2 million for minimum wage increases for staff at voluntary not-for-profits licensed under OPWDD, OMH and OASAS. Of this amount, \$45.1 million is allocated for OPWDD, \$8.2 million for OMH, and \$3.8 million for OASAS.



Olmstead Plan: The Executive proposes an appropriation of \$250,000 for New York’s Most Integrated Setting Coordinating Council (MISCC) to issue an Olmstead Plan. The plan will ensure individuals with disabilities receive services in the most integrated setting appropriate to their needs.

Office for People with Developmental Disabilities

The Executive proposes an All Funds appropriation of \$7.6 billion, an increase of \$161.7 million or 2.2 percent over State Fiscal Year (SFY) 2023-24. The Executive recommends support for 19,115 full-time equivalent (FTE) positions, an increase of 173 FTEs over SFY 2023-24 levels.

Support Access to Employment: The Executive proposal includes \$6.7 million for a multi-agency effort within OPWDD to expand employment opportunities for people with disabilities.

Independent Living Opportunities: The Executive provides an additional \$15 million in funding to support the expansion of independent living opportunities for individuals with intellectual and developmental disabilities. The increase will bring total funding to \$140 million to support the development of residential opportunities.

New Service Opportunities: The Executive proposal includes \$30 million to fund OPWDD program reforms and new service opportunities both for individuals entering the OPWDD service system for the first time and individuals already receiving services.

Delegated Nursing Tasks: The Executive proposal includes a \$700,000 reduction associated with allowing certain nursing tasks to be performed by non-clinical staff of providers certified by OPWDD in non-certified community-based programs.

Expand Special Olympics NY: The Executive Budget includes a \$1.0 million increase in funding for the Special Olympics of New York (SONY).

Article VII

The Executive proposes Article VII language that would make permanent the authority for mental hygiene facility directors to act as federally appointed representative payees for the care and treatment of individuals receiving services.



Office of Mental Health

The Executive proposes an All-Funds appropriation of \$5.8 billion, a decrease of \$603 million or 9.3 percent from SFY 2023-24, primarily related to a decrease of capital appropriations of \$864 million. The Executive recommends support for 15,268 FTEs, reflecting an increase of 273 FTEs from SFY 2023-24 levels.

Expand Inpatient Bed Capacity: The Executive proposal includes \$22 million in funding to open 125 additional state-operated inpatient psychiatric beds, comprised of 15 beds for children, 85 beds for adults, and 25 forensic beds.

Transition to Home Units (THU): The Executive proposal includes \$37 million in funding to support 75 THU beds in one state-operated and two community-based facilities.

Specialized Housing Residential Programs: The Executive includes \$43 million for existing community-based residential programs. Funding would support access to housing for individuals in recovery to keep pace with rising property costs.

Maternal Mental Health Training Program for the 988 Hotline: The Executive appropriates \$100,000 for the 988 Crisis Hotline to create a specialized maternal mental health training program.

Expand Maternal Mental Health Training: The Executive proposal includes \$1.5 million annually to expand Training and Education for the Advancement of Children's Health (TEACH) to provide specialized support for mental health and substance use treatment for perinatal individuals. Funding will go towards education, consultation, and resource availability for therapists, lactation consultants, Women, Infant and Children (WIC) staff, home visiting nurses, and other frontline practitioners working with the perinatal population.

Establish Loan Forgiveness Program for Mental Health Clinicians Serving Children: The Executive proposal provides \$4 million in loan forgiveness for licensed mental health clinicians serving children and families in OMH and Office of Children and Family Services (OCFS) licensed settings.

Youth Assertive Community Treatment (ACT) Teams: The Executive proposal includes \$9.6 million to create 12 new Youth ACT Teams.

Peer-to-Peer Youth Programs: The Executive proposal includes \$2 million annually to expand peer-to-peer supports, including Teen Mental Health First Aid and various other initiatives.



Partial Hospitalization Program (PHP) Expansion: The Executive budget includes \$2.8 million to enhance PHP children’s service rates by 25.0 percent and develop new PHP programs.

Specialized Children’s Community Residence Programming: The Executive includes \$1.0 million to increase training and specialized programs focusing on children with welfare system involvement. Funding will support two programs in each OMH region.

Improve Mental Health Admission and Discharge Decisions by Hospitals: The Executive proposal provides \$7.0 million to expand surveillance and regulatory compliance within OMH program settings. This funding will also support OMH and DOH in finalizing regulations to codify hospitals’ admission and discharge requirements for patients with behavioral health conditions.

Support Individuals with Mental Illness and Involved in the Criminal Justice System: The Executive budget provides additional funding of \$25.9 million to establish new supports for people with mental illness who are involved in the criminal justice system, including:

- \$9.6 million to enhance and expand specialized Forensic Assertive Community Treatment (FACT);
- \$6.2 million to provide mental health specialists and peers in mental health courts;
- \$4.3 million in transitional housing supports;
- \$2.8 million to provide housing and supports to individuals with mental illness experiencing homelessness and/or involved in the criminal justice system;
- \$2.0 million to provide mental health support for first responders; and
- \$1.0 million to establish a team within OMH that will work with mental health courts to ensure availability of services.

Crisis Intervention Team (CIT) Training: The Executive proposal includes \$187,000 to expand CIT training in various areas of the State.

Electronic Health Record (EHR) System Implementation: The Executive includes a capital appropriation of \$115.0 million to provide a new EHR system across the agency.



Crisis Services Expansion: The Executive includes an additional \$20.5 million to enhance crisis stabilization, mobile and telephonic crisis, and crisis residence services by increasing rates paid to providers.

Article VII

The Executive proposes Article VII language that would:

- make the Community Mental Health Support and Workforce Reinvestment Program on a permanent;
- provide permanent authority for the Commissioners of the OMH, the Office of Addiction Services and Supports (OASAS), and the Office for People with Developmental disabilities (OPWDD) to design and implement time limited demonstration programs;
- require minimum commercial insurance reimbursement rates for behavioral health services;
- make Comprehensive Psychiatric Programs permanent; and
- provide a 1.5 percent COLA for employees at OMH, OPWDD, OASAS, OTDA, OCFS, and SOFA.

Office of Addiction Services and Supports (OASAS)

The Executive proposes an All Funds appropriation of \$1.2 billion, a decrease of \$179.4 million or 13.4 percent from SFY 2023-24. The Executive recommends support for 778 FTEs, unchanged from SFY 2023-24 levels.

Opioid Settlement Fund: The Executive proposal appropriates \$63.7 million from Opioid Settlement Fund receipts. Funding would be utilized to continue funding various initiatives to address the opioid crisis based on the recommendations provided by the Opioid Settlement Fund Advisory Board into SFY 2023-24.

Support Recovery Community Centers: The Executive provides \$5 million to support existing recovery community centers to replace federal grants expiring in October 2024.

Discontinuing Non-Core Services: The Executive proposes to discontinue a range of services that currently fall under OASAS. The proposed discontinued services include \$7.8 million in location services, \$2.2 million in job placement services, and \$1.4 million in day rehabilitation services, resulting in a net reduction in spending of \$11.4 million.



Article VII

The Executive proposes Article VII language that would make the Opioid Stewardship Fund permanent.

Justice Center for the Protection of People with Special Needs

The Executive proposes an All Funds appropriation of \$63.1 million, a decrease of \$1.1 million or 1.8 percent from SFY 2023-24. The Executive recommends support for 490 FTEs, an increase of 19 FTEs over the SFY 2023-24 levels.

Enhance Support for the Interagency Coordinating Council for Services to Persons who are Deaf, Deafblind, or Hard of Hearing: The Executive provides \$50,000 for one additional FTE to better support the Interagency Council for the Deaf, Deafblind, or Hard of Hearing within the Office of the Chief Disability Officer (CDO) and the deafblind community.

Investigations Unit Expansion: The Executive proposal includes \$1.3 million to expand the agency's Investigations Unit by an additional 18 FTEs.

Article VII

The Executive proposes Article VII language that would clarify the Justice Center's reporting obligations to the Office of Medicaid Inspector General (OMIG) in relation to reporting instances of abuse and neglect, when the reports could result in exclusion or other sanction by the OMIG.

Developmental Disabilities Planning Council

The Executive proposes an All Funds appropriation of \$4.8 million, unchanged from SFY 2023-24. The Executive recommends support for 18 FTEs, unchanged from the SFY 2023-24 levels.



BUDGET HIGHLIGHTS: ENVIRONMENT, AGRICULTURE AND ENERGY



- **Environmental Protection Fund (EPF):** The Executive proposal includes \$400 million for the EPF, level funding from State Fiscal Year (SFY) 2023-24. The Executive would allocate \$25 million of the EPF for personal service expenses.
- **Clean Water Infrastructure:** The Executive proposes \$250 million for water infrastructure programs, a decrease of \$250 million from SFY 2023-24.
- **Energy Affordability:** The Executive proposal includes \$50 million to provide an energy affordability guarantee to low-income residential ratepayers who electrify their homes through the EmPower Plus Program. The energy affordability guarantee would cap the electric bills of participants at six percent of their income for the term of the useful life of the electrification project.
- **State Superfund Program:** The Executive proposal continues to fully fund the state's Superfund Program with a \$100 million appropriation, including support for the Environmental Restoration Program.
- **Dairy Farm Modernization Grant Program:** The Executive proposes \$24 million to provide grants for on-farm milk storage capacity and milk cooling and transfer systems.
- **ReTree NY:** The Executive proposes \$47 million to plant new trees: \$15 million for a new initiative to provide grants to non-for-profit organizations and municipalities to plant 25 million trees by 2033; \$32 million would be provided from the Environmental Bond Act of 2022, primarily for the Saratoga Tree Nursery.
- **State Parks:** The Executive proposal includes capital funding of \$450 million in New York Works funding for state parks, an increase of \$250 million from SFY 2023-24. This increase includes \$100 million primarily for the renovation of the Jones Beach East Bathhouse, and \$150 million for the New York Statewide Investment in More Swimming (NY SWIMS) initiative.

BUDGET REVIEW AND ANALYSIS: ENVIRONMENT, AGRICULTURE AND ENERGY



New York State has a variety of agencies entrusted with protecting our natural environment and aiding in the protection and productivity of its land. The state also has an interest in ensuring an adequate supply of energy is available to consumers.

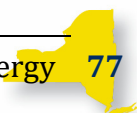
The mission of the Department of Environmental Conservation (DEC) is to conserve and improve the state's natural resources and environment and to prevent, abate, and control water, land, and air pollution. DEC's responsibilities include the administration of a portion of the state's Environmental Protection Fund (EPF) and protection of the state's land and resources. The DEC also manages state forests, including the Adirondack Park and the Catskill Forest Preserve.

The Department of Agriculture and Markets is charged with fostering a competitive and safe food and agriculture industry to benefit consumers and producers. Its major responsibilities include encouraging growth and prosperity in the state's agriculture and food industry, conducting various inspections and testing programs to enforce laws on food safety and animal and plant health, preserving agricultural resources, fostering agricultural environmental stewardship and operating the annual State Fair.

The Public Service Commission (PSC) and the Department of Public Service are responsible for regulating the rates and services of the state's public utilities, overseeing the siting of major electric and gas transmission lines and facilities, ensuring the safety of natural gas and liquid petroleum pipelines and planning the future of energy in New York State.

The New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation responsible for the administration of energy efficiency programs and the management of energy research, development and demonstration programs funded by assessments on gas and electric utilities.

The Office of Parks, Recreation and Historic Preservation (OPRHP) is responsible for the conservation, protection, and enhancement of New York State's natural, historic, and cultural resources. OPRHP provides recreational and interpretive opportunities for New York State residents and visitors at 216 state parks and historic sites across the state.



The Adirondack Park Agency ensures the overall protection, development and use of the natural resources of the Adirondack Park. The Olympic Regional Development Authority (ORDA) works to maximize visitation to the Adirondack Region by operating its venues to promote environmental awareness and safe recreation and managing state-operated ski areas.

The New York Power Authority’s (NYPA) mission is to provide low-cost, reliable, clean energy to help drive New York State’s economic growth and competitiveness. NYPA runs 20 generating facilities, including the Niagara Falls Power Plant. NYPA continues to maintain and operate the Canal Corporation.

Table 28

Agency	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Department of Environmental Conservation	2,587.6	2,215.8	(371.8)	(14.4)
Office of Parks, Recreation and Historic Preservation	732.3	1,035.4	303.1	41.4
Department of Agriculture and Markets	308.2	324.6	16.4	5.3
Department of Public Service	317.5	197.4	(120.1)	(37.8)
Olympic Regional Development Authority	104.1	96.6	(7.5)	(7.2)
New York Power Authority	7.5	54.0	46.5	620.0
Energy Research and Development Authority	225.8	25.8	(200.0)	(88.6)
Adirondack Park Agency	6.6	6.6	0.1	1.1
Hudson River Valley Greenway Communities Council	0.5	0.5	0.0	0.0
Greenway Heritage Conservancy	0.3	0.3	0.0	6.4

Department of Environmental Conservation

The Executive proposes an All Funds appropriation of \$2.2 billion, a decrease of \$371.8 million, or 14.4 percent, from the SFY 2023-24. This decrease reflects a \$383 million reduction in capital funding, primarily reflecting a \$250 million reduction for clean water infrastructure. The decreases in capital funding are partially offset by a \$27.4 million increase in State Operations, primarily related to salary increases and additional resources to support DEC’s transition to the Statewide Financial System (SFS). The Executive recommends support of 3,313 FTE positions, unchanged from SFY 2023-24 levels.



DEC State Operations

The Executive proposes State Operations appropriations of \$579.1 million, an increase of \$27.4 million or five percent from SFY 2023-24. This increase includes funding for the Office of Information Technology Services (ITS) to incorporate DEC into SFS, salary increases and a database to track the Environmental Bond Act of 2022.

Environmental Protection Fund

The Executive proposes \$400 million for the EPF, unchanged from SFY 2023-24. The Executive proposal reduces appropriations throughout the EPF to accommodate a new, \$25 million appropriation for personal services, which would divert these funds away from traditional EPF purposes. There are four categories of funding in the EPF, including:

- Climate Change Mitigation and Adaptation which provides funding to limit the impact of climate change. Funding of \$41.4 million is proposed for SFY 2024-25;
- Open Space which provides funding for open space land conservation projects, biodiversity stewardship and research, agricultural and farmland protection activities and for nonpoint source abatement and control projects. The Executive proposes \$179.1 million for this category in SFY 2024-25;
- Parks and Recreation which provides public access to open space and economic development support for areas surrounding the open space. Funding of \$106.5 million is proposed for SFY 2024-25; and
- Solid Waste which provides funding for recycling and waste reduction. A total of \$48.1 million is proposed for SFY 2024-25.



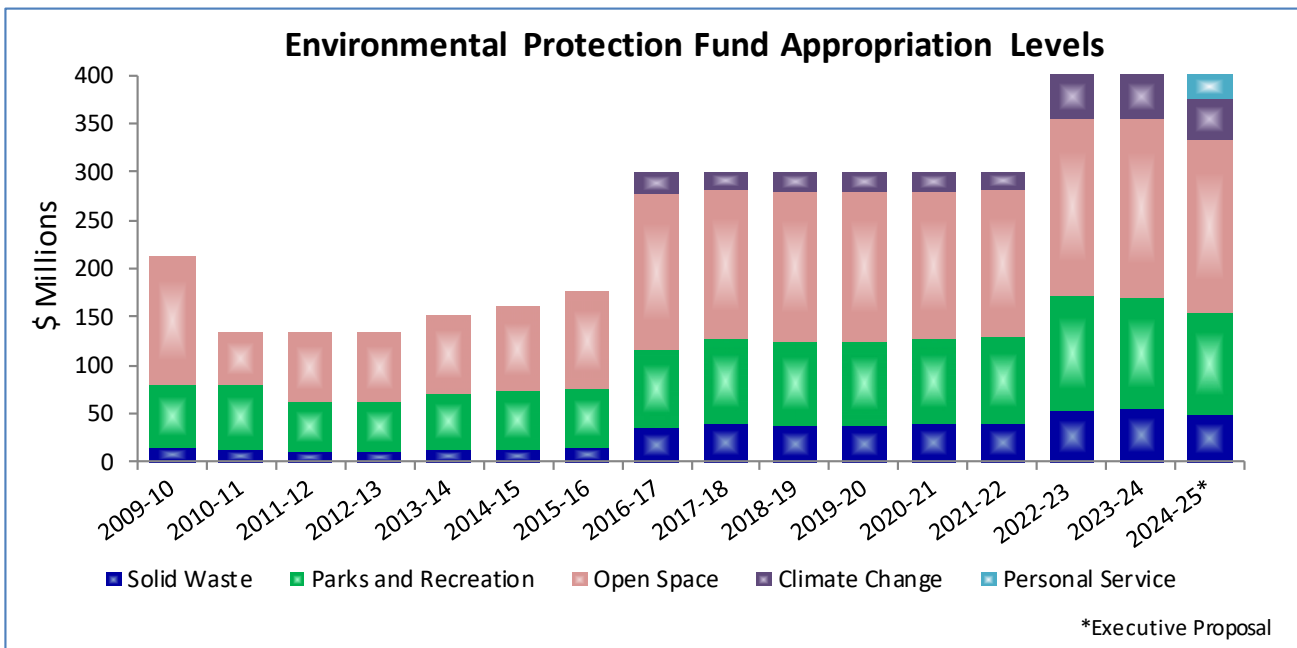


Figure 11

The Executive proposes to fund several new programs within the EPF, including \$1.2 million for the Eastern Finger Lakes Watershed Coalition, \$1.0 million for the Allegheny River Watershed Program, and \$1.0 million for the Lake Erie-Niagara River Watershed.

Two programs are proposed to be shifted into the EPF from the Department of Agriculture and Markets, including \$700,000 for the Farmers Market Resiliency Grant Program and \$2.3 million for the Urban Farms and Community Garden Grant Program. One program is shifted out of the EPF: the United States Geological Survey (USGS) Long Island Ground Water Study is shifted to DEC Capital and appropriated at \$6 million, to accommodate four years of funding.

The Executive proposal includes funding increases within the EPF, including increases of \$2.0 million for Soil and Water Conservation Districts, \$396,000 for the Center for Native People and the Environment, \$350,000 for Smart Growth, and \$200,000 for the Hudson River Park Trust.

The Executive proposes eliminating \$2.1 million for the Timbuctoo Summer Climate Institute at SUNY ESF, \$1.0 million for municipal electric vehicle fast chargers, \$500,000 for the Billion Oyster Project, and \$2.0 million for the Survey of Climate and Adirondack Lake Ecosystems (SCALE) study.

The Executive reduces funding for several EPF programs, including reductions of \$4.4 million for land acquisition, \$3.5 million for environmental health, \$3.2 million for municipal parks, \$3 million for zoos, botanical gardens, and aquaria projects, \$3 million for municipal recycling, \$2.8 million for farmland protection, \$1.6 million for invasive species, \$1.5 million for the Oceans and Great Lakes Initiative, \$1 million for the Water Quality Improvement Program, and \$1.0 million for environmental justice.



Table 29

SFY 2024-25 Environmental Protection Fund (\$ in Thousands)				
	SFY 2023-24	SFY 2024-25		
	Enacted Budget	Executive Proposal	Change (\$)	Change (%)
CLIMATE CHANGE MITIGATION & ADAPTATION				
Greenhouse Gas Management	2,900	2,400	(500)	(17)
<i>Community Forests Grant Program</i>	1,000	500	(500)	(50)
State Climate Adaptation Projects	7,925	6,525	(1,400)	(18)
<i>Timbuctoo</i>	2,100	-	(2,100)	(100)
<i>Cornell CALS & ESF Applied Forestry</i>	1,000	1,000	-	-
<i>PBS Digital Tools*</i>	500	-	(500)	(100)
Smart Growth	3,650	4,000	350	10
Climate Resilient Farms Program	15,250	15,250	-	-
<i>Agricultural Forestry</i>	500	-	(500)	(100)
Climate Smart Community Projects	13,500	12,500	(1,000)	(7)
<i>Municipal EV Fast Chargers</i>	1,000	-	(1,000)	(100)
Farmers Market Resiliency Grant Program†	-	700	700	100
Subtotal, Climate Change	43,225	41,375	(1,850)	(4.3)
OPEN SPACE				
Land Acquisition	38,900	34,500	(4,400)	(11)
<i>Lake Placid Adirondack Rail Trail*</i>	300	-	(300)	(100)
<i>Snake Hill*</i>	1,000	-	(1,000)	(100)
Albany Pine Bush Commission	3,000	3,000	-	-
LI Pine Barrens Commission	2,500	2,500	-	-
LI South Shore Estuary Reserve	2,000	2,000	-	-
Ag. Non-Point Source Pollution Control	19,500	19,000	(500)	(3)
<i>Cornell University IPM</i>	2,000	2,000	-	-
Non-Ag Non-Point Source Pollution Control	6,200	6,000	(200)	(3)
<i>Cornell Community IPM</i>	1,000	1,000	-	-
Farmland Protection	21,000	18,250	(2,750)	(13)
<i>Cornell Land Classification & List of Soils</i>	97	106	9	9
<i>Fort Drum Compatible Use Buffer Projects</i>	1,000	500	(500)	(50)
Biodiversity Stewardship	1,850	1,850	-	-
Hudson River Estuary Plan	7,500	7,250	(250)	(3)
Finger Lake; Lake Ontario Watershed	2,750	2,750	-	-
Lake Erie Watershed Protection	250	250	-	-
Water Quality Improvement Program	22,000	21,000	(1,000)	(5)
<i>Ossi sports Club*</i>	25	-	(25)	(100)
<i>Great South Bay*</i>	500	-	(500)	(100)
<i>Peach Lake Book*</i>	100	-	(100)	(100)
<i>Eastern Finger Lakes Watershed Coalition**</i>	-	1,200	1,200	100
<i>Allegheny River Watershed Program**</i>	-	1,000	1,000	100
<i>Lake Erie-Niagara River Watershed**</i>	-	1,000	1,000	100
Oceans & Great Lakes Initiative	22,500	21,000	(1,500)	(7)
<i>Peconic Bay Estuary</i>	550	550	-	-
<i>Billion Oyster Project, Inc.*</i>	500	-	(500)	(100)
Invasive Species	18,550	17,000	(1,550)	(8)
<i>Eradication</i>	5,750	5,750	-	-
Soil & Water Conservation Districts	16,000	18,000	2,000	13
Agricultural Waste Management	1,500	1,500	-	-
Lake George Park Commission	900	900	-	-
Urban Farms and Community Garden Grants †	-	2,325	2,325	100
<i>Cornell University</i>	-	325	325	100
Subtotal, Open Space	186,900.0	179,075.0	(7,825.0)	(40.6)
PARKS & REC				
Waterfront Revitalization	14,275	13,000	(1,275)	(9)
<i>Inner City/Underserved</i>	10,500	10,500	-	-
Municipal Parks	26,000	22,750	(3,250)	(13)
<i>Inner City/Underserved</i>	13,000	13,000	-	-
<i>Western NY Land Conservancy*</i>	225	-	(225)	(100)
<i>Town of Amherst splash pad*</i>	250	-	(250)	(100)
Public Access & Stewardship	47,525	47,025	(500)	(1)
<i>Camp Santanoni Historic Area</i>	500	-	(500)	(100)
<i>ADK/Catskill Park Overuse</i>	8,000	8,000	-	-
<i>Town of North Elba Road Resurfacing**</i>	-	1,250	1,250	100
<i>Adirondack Mountain Club HPIC*</i>	100	-	(100)	(100)
<i>SCALE*</i>	2,000	-	(2,000)	(100)
Hudson River Park (HRP)	4,200	4,400	200	5
ZBGA	20,000	17,000	(3,000)	(15)
Waterway Law Enforcement	2,300	2,300	-	-
Subtotal, Parks & Rec	114,300.0	106,475.0	(7,825.0)	(6.8)
SOLID WASTE				
Landfill Closure/ Gas Management	300	300	-	-
Municipal Recycling	19,000	16,000	(3,000)	(16)
<i>Food Waste Diversion</i>	2,500	2,500	-	-
Secondary Marketing	650	650	-	-
Pesticide Database	1,500	1,500	-	-
Environmental Justice	13,000	12,000	(1,000)	(8)
<i>Center for Native Peoples & the Envmt</i>	746	1,142	396	53
Natural Resources Damages	1,775	1,775	-	-
Pollution Prevention Institute	4,600	4,600	-	-
Environmental Health	12,750	9,250	(3,500)	(27)
<i>Children's Environmental Health Centers</i>	4,000	2,000	(2,000)	(50)
<i>Fresh Connect and SNAP EBT</i>	3,850	3,850	-	-
<i>USGS LI Ground Water (shifted to Capital)*</i>	1,500	-	(1,500)	(100)
Brownfield Opportunity Area Grants	2,000	2,000	-	-
Subtotal, Solid Waste	55,575	48,075	(7,500)	(13.5)
Personal Service	-	25,000	25,000	100
TOTAL EPF	400,000	400,000	-	-

Other DEC Capital

The Executive proposes capital appropriations of \$1.6 billion, a decrease of \$383 million or 19 percent from SFY 2023-24. This primarily reflects a \$250 million reduction for clean water infrastructure, the consolidation of \$86 million in federal appropriations, and the elimination of several one-time or periodic appropriations, including \$26 million for the Natural Resource Damages, \$17 million for Army Corps of Engineers Mamaroneck Sheldrake Flood Risk Management Project, and \$74 million for the Army Corp of Engineers South Shore of Staten Island Seawall Project. These decreases are partially offset by increases in the State Revolving Fund, the ReTreeing program, and other small adjustments.

Water Infrastructure: The Executive proposal includes \$250 million for the Clean Water Infrastructure Act of 2017 (CWIA), a decrease of \$250 million from SFY 2023-24. These funds go towards numerous water infrastructure programs, including the Water Infrastructure Improvement Act (WIIA) and the Intermunicipal Water Infrastructure Grant Program. Last year, SFY 2023-24, marked the end of a multi-year funding program which cumulatively provided \$5 billion for the CWIA. WIIA funds can be used for the required local match to loans from the State Revolving Fund. The Executive Budget includes \$448 million in federal funding, an increase of \$18 million, for the Clean Water State Revolving Fund. The Executive Budget also includes \$85 million, an increase of \$25 million, in state matching funds. This funding allows municipalities to apply for zero or low-interest loans for wastewater infrastructure and other clean water projects.

New York Works: The Executive proposes \$90 million for New York Works, unchanged from the SFY 2023-24. This funding includes \$20 million to repair and upgrade the Conklingville Dam on Great Sacandaga Lake, for a total of \$80 million over four years. New York Works funding also supports capital projects on state lands and buildings, such as constructing or renovating campgrounds, dams, fish hatcheries, and air monitoring equipment.

State Superfund Program: The Executive proposal continues to fully fund the state's Superfund Program with a \$100 million appropriation, of which 10 percent is allocated to the Environmental Restoration Program (ERP).

Capital Administration: The Executive proposal includes \$95 million for administrative purposes to support the capital program, unchanged from SFY 2023-24. A \$5.0 million appropriation made periodically for miscellaneous gifts is eliminated and a new \$5.0 million appropriation is proposed for SFS onboarding, which comes in addition to \$18 million in capital appropriated in SFY 2022-23 as well as \$8.0 million for ITS, proposed in State Operations, for the same purpose.



The Executive proposal includes a \$70 million federal appropriation of Infrastructure Investment and Jobs Act (IIJA) funds to consolidate several federal appropriations totaling \$84 million, including: \$59 million for the forest legacy program, \$19 million for marine projects, \$2 million for operational services, \$2 million for water resources purposes, and \$2 million for solid waste management.

ReTree NY: The Executive proposes \$47 million to ReTree NY which includes \$15 million for a new initiative to provide grants to non-for-profit organizations and municipalities to plant 25 million trees by 2033, with \$32 million provided from the Environmental Bond Act of 2022, primarily for the Saratoga Tree Nursery.

Aid to Localities

The Executive proposal recommends \$1.89 million in Aid to Localities funding, a reduction of \$860,000 reflecting the elimination of legislative adds from SFY 2023-24, including \$140,000 for The Hope Program, \$50,000 for the Catskill Center for Conservation and Development and \$50,000 for Catskill Mountainkeeper. The Executive proposes a reduction of \$120,000 for the Adirondack Diversity Initiative and \$500,000 for the Great Lakes Commission.

Article VII

The Executive includes the following Article VII proposals that would:

- expand funding opportunities under the Climate Smart Communities Grant program; and
- modify the fee structure for air pollution control permits and give DEC additional authority regarding permit fees.

Department of Public Service (DPS)

The Executive proposes an All Funds appropriation of \$197.4 million, a decrease of \$120.1 million or 37.8 percent from SFY 2023-24, reflecting a \$150 million decrease in Aid to Localities funding (ATL), partially offset by a \$30 million increase to State Operations primarily related to the Executive's proposal to transfer the Office of Renewable Energy Siting (ORES) to DPS. The Executive recommends support of 578 FTEs, an increase of 50 FTEs over SFY 2023-24 levels. The increase in FTEs reflects the transfer of existing ORES FTEs to DPS, from the Department of State.

Aid to Localities funding in the Executive proposal is reduced by \$150 million from SFY 2023-24, reflecting the elimination of a \$200 million appropriation made in SFY 2023-24 for the Energy



Affordability Program, partially offset by a new \$50 million program. This new program would provide an energy affordability guarantee to low-income residential ratepayers who electrify their homes through the EmPower Plus Program, established with \$200 million in the SFY 2023-24 Enacted Budget and discontinued in the Executive proposal. The guarantee would cap the electric bills of participants at 6.0 percent of their income for the term of estimated useful life of the related electrification project.

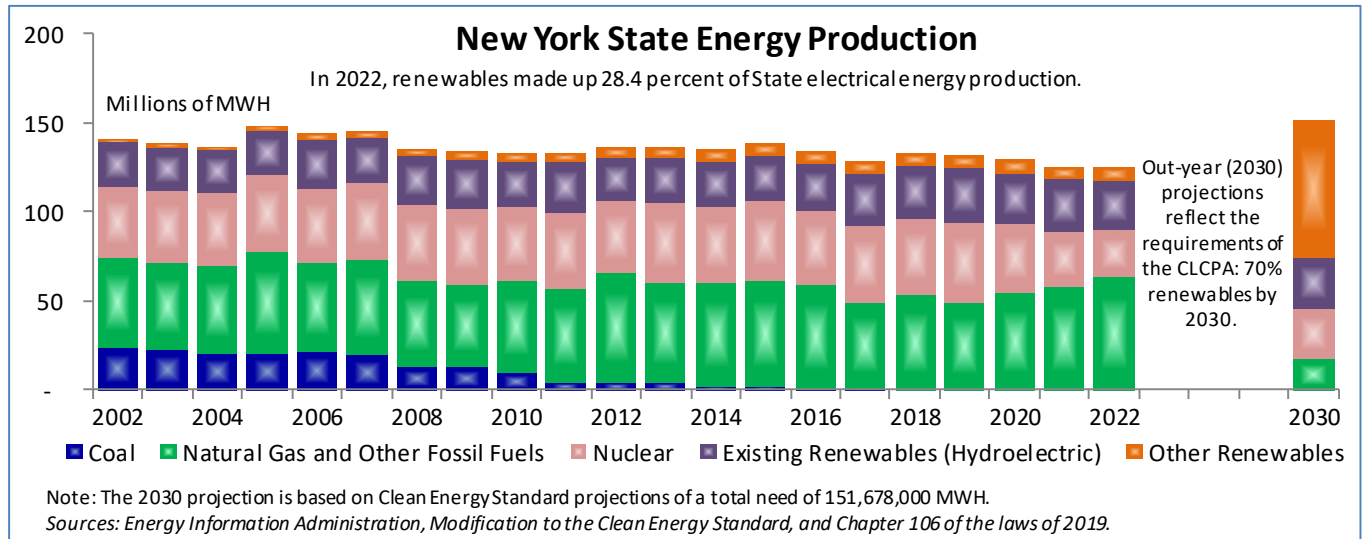


Figure 12

Article VII

The Executive includes the following Article VII proposals that would:

- transfer the Office of Renewable Energy Siting to the DPS and expand its powers to include oversight of major electric transmission siting;
- eliminate the 100 foot rule and obligation of utilities to serve new natural gas customers, prohibit the expansion of natural gas infrastructure beginning in 2026, and expand the powers of the Public Service Commission related to the Climate Leadership and Community Protection Act’s emission reduction requirements; and
- extend the authorization of certain state agencies to receive funds from assessments on cable television and public utilities until 2029.

NYS Energy Research and Development Authority

The Executive proposes an All Funds appropriation of \$25.8 million, a decrease of \$200 million from SFY 2023-24. This decrease reflects the elimination of a \$200 million capital appropriation to support



NYSERDA’s EmPower Plus Program. The federal match for West Valley, a former reprocessing facility for used nuclear fuel that is being decontaminated by the U.S. Department of Energy, is \$25.8 million, unchanged from SFY 2023-24.

Table 30

NYSERDA Revenues & Expenses				
(\$ in Thousands)				
Revenue Source	SFY 2022-23	SFY 2023-24	SFY 2024-25	Share
Revenues				
Utility Surcharge Assessments				
Market Development, Innovation & Research	276,977	350,235	362,001	16.3%
NY-Sun	189,527	244,270	261,882	11.8%
Legacy Programs (RPS/SBC)	29,555	32,949	20,729	0.9%
Energy Storage	12,880	27,088	22,864	1.0%
EV Prize	4,085	23,724	17,439	0.8%
18-a funding, pursuant to Article VII	22,875	28,725	28,725	1.3%
Build Ready	2,509	16,116	17,016	0.8%
Electric Generation Cessation Mitigation	24,939	12,500	12,500	0.6%
Zero Emissions Credits (ZECs)	590,031	509,008	508,625	22.9%
Renewable Energy Credits (RECs)	31,730	56,002	54,726	2.5%
Regional Greenhouse Gas Initiative (RGGI)	279,363	237,518	236,091	10.6%
State (Re)appropriations				
State Appropriation for West Valley	15,257	25,800	25,800	1.2%
Port Development for Offshore Wind	-	-	241,568	10.9%
NYS Bond Act	-	3,151	53,737	2.4%
EmPower+ Program	-	100,000	100,000	4.5%
Miscellaneous	158,520	172,984	256,177	11.5%
Total NYSERDA Revenues	1,638,248	1,840,070	2,219,880	100.0%
Expenses				
Utility Surcharge Assessment Funded Programs				
Market Development, Innovation & Research	292,599	373,608	367,921	17.4%
NY-Sun	189,308	263,455	259,382	12.2%
Energy Storage	11,980	42,700	24,496	1.2%
Energy and Environmental Analysis	7,190	7,350	8,500	0.4%
Other Programs	110,185	99,684	136,008	6.4%
Clean Energy Standard				
Zero Emissions Credits (ZECs)	583,188	504,581	504,750	23.8%
Renewable Energy Credits (RECs- Tiers 1, 2, 4 and ORECs)	22,124	65,167	68,785	3.2%
Regional Greenhouse Gas Initiative (RGGI)	80,306	124,683	173,545	8.2%
State Funded Programs				
Port Development for Offshore Wind	-	-	240,000	11.3%
EmPower Plus	-	99,229	100,500	4.7%
Bond Act (School Bus Electr & Green Buildings)	-	29,250	49,750	2.3%
West Valley	14,543	24,123	24,219	1.1%
Volkswagen Settlement Programs	15,200	26,230	16,672	0.8%
Salaries and Benefits	65,076	90,147	94,211	4.4%
Administration	41,204	43,674	49,267	2.3%
Total NYSERDA Expenses	1,432,903	1,793,881	2,118,006	100.0%

NYSERDA revenues are primarily derived from assessments on ratepayers, including through the Zero Emissions Credit (ZEC) Program. Most of its programs have no appropriation in the Executive Budget, with the exception of the state share for West Valley. Appropriations shown in the NYSERDA table for offshore wind port development, the Environmental Bond Act of 2022 and the Empower Plus Program were made in previous state budgets.

Regional Greenhouse Gas Initiative: The RGGI Operating Plan for SFY 2024-25 allocates \$294.6 million, an increase of \$98.3 million or 50 percent from SFY 2022-23. This increase, over two years, reflects higher auction prices for allowances and an additional \$23 million annually, related to the rejection of a transfer of RGGI auction proceeds to the General Fund. The Executive proposal includes a \$5.0 million transfer of RGGI proceeds from NYSERDA to the EPF, unchanged from last year.

Article VII

The Executive includes the following Article VII proposals that would:

- extend the Build Ready Program until 2030; and
- extend for one year the authorization for NYSERDA to receive funds from an assessment on gas and electric utilities.

New York Power Authority (NYPA)

The Executive proposes an All Funds appropriation of \$54 million, an increase of \$46.5 million or 86 percent from SFY 2023-24. The increase reflects a new \$50 million capital appropriation supported by the General Fund for the Canal Corporation capital program and \$1.5 million for watershed modeling for the Mohawk and Oswego River Basins. This is partially offset by a reduction in appropriations made from the canal development fund, from \$7.5 million to \$2.5 million, which is supported by revenue generated by the Canal Corporation.

NYPA revenues are self-generated from the sale of energy. NYPA's 2024 operating budget is \$3.2 billion and supports 2,384 FTEs. Major components of NYPA's budget include \$845 million for purchased power, \$964 million for power transmission, \$661 million for operations and maintenance and \$265 million for fuel consumed. Additionally, in 2024 the Canal Corporation has an operating budget of \$107.8 million and a capital budget of \$87 million, including the Reimagine Canals programs. NYPA's capital plan is \$2.5 billion over four years, including \$1.1 billion for transmission projects, \$612 million for generation projects, \$83.4 million for decarbonization projects and \$576.7 million for projects on the canal.



The Executive proposal includes a \$20 million transfer from NYPA to the General Fund, unchanged from last year, as well as a new \$25 million transfer from NYPA to the General Fund for use by the Department of Labor's Office of Just Energy Transition for workforce training programs related to renewable energy.

Department of Agriculture and Markets

The Executive proposes an All Funds appropriation of \$324.6 million, an increase of \$19 million or 6.2 percent from the SFY 2023-24. The Executive recommends support of 557 FTEs, an increase of 14 FTEs from SFY 2023-24, related to new animal shelter regulations enacted in 2022 and supported by a special revenue fund established in SFY 2023-24.

Agricultural Programs: The Executive proposes \$48.9 million in aid to localities funding, a decrease of \$7.6 million from SFY 2023-24. This decrease primarily reflects the elimination of prior year legislative adds totaling \$8.7 million and the transfer of two programs to the EPF, including the Farmers Market Resiliency Grants and the Urban Farms and Community Gardens Grant Program. These decreases are partially offset with \$3.3 million in funding for new programs, as well as increases for the Future Farmers of America and the Farm Labor Specialist program.



Table 31

SFY 2024-25 Agriculture and Markets Appropriations (ATL)

	Enacted SFY 2023-24	Executive SFY 2024-25	Year- to-Year Change (\$)
Cornell Research and Development			
Cornell Diagnostic Lab - Animal Health Surveillance & Control	8,751,000	8,270,000	(481,000)
Cornell University Berry Research	263,000	263,000	-
Cornell University Honeybee Research	152,000	152,000	-
Cornell University Maple Research	151,000	76,000	(75,000)
Cornell University Onion Research	71,000	51,000	(20,000)
Cornell University Vegetable Research	126,000	51,000	(75,000)
Cornell University Hard Cider Research	202,000	202,000	-
Cornell University Concord Grape Research	252,000	202,000	(50,000)
Cornell Malting Barley Research and Extension	353,000	303,000	(50,000)
Cornell Hops Breeding Research and Extension	300,000	-	(300,000)
Cornell Golden Nematode Program	63,000	63,000	-
Cornell Agrovoltaics Study	1,000,000	-	(1,000,000)
Cornell Education & Outreach Programs			
Cornell University Hemp Development	1,000,000	1,000,000	-
Cornell University Agriculture in the Classroom	500,000	500,000	-
Cornell University Future Farmers of America	1,000,000	1,250,000	250,000
Cornell Association of Agricultural Educators	500,000	500,000	-
Cornell University Farm Family Assistance (FarmNet)	1,000,000	1,000,000	-
Cornell University Pro-dairy Program	1,463,000	1,213,000	(250,000)
Cornell University Small Farms	500,000	500,000	-
Cornell Farm Labor Specialist	401,000	702,000	301,000
Dairy Profit Teams	374,000	374,000	-
Cornell CCE Dutchess County	100,000	-	(100,000)
Cornell Pro-Livestock	250,000	-	(250,000)
Cornell CCE Bridging the Upstate Downstate Food Network Divide	100,000	-	(100,000)
Ag Development			
Taste NY	5,750,000	5,750,000	-
Grow NY	2,020,000	2,020,000	-
NYS Brewers	100,000	76,000	(24,000)
NYS Cider Association	100,000	76,000	(24,000)
NYS Distillers Guild	100,000	76,000	(24,000)
New York Wine and Grape Foundation	1,225,000	1,075,000	(150,000)
NY Christmas Tree Farmers	126,000	126,000	-
New York State Apple Growers Association	790,000	483,000	(307,000)
Maple Producers Association	227,000	152,000	(75,000)
Apple Research and Development Program	505,000	505,000	-
Empire Sheep Producers	50,000	-	(50,000)
Hop Growers of New York	50,000	-	(50,000)
Farmland for a New Generation Resource Center & Navigator	500,000	-	(500,000)
Grow NYC 21 Food Access Sites	250,000	-	(250,000)
Northeast Organic Farming Association	175,000	-	(175,000)
Turfgrass Environmental Stewardship	175,000	-	(175,000)
NY Cannabis Growers and Processor's Assn.	100,000	-	(100,000)
CNY Lyme and Tick-Borne Disease Alliance	50,000	-	(50,000)
Northern NY Agricultural Development	300,000	-	(300,000)
Programs for Underserved Farmers			
Cornell NYC Urban Agriculture Education and Outreach	250,000	250,000	-
Cornell Harvest NY	600,000	600,000	-
Cornell Small Farms Equitable Farm Futures	500,000	500,000	-
Pace University Pro Bono Legal Services	225,000	225,000	-
Minorities in Ag, Natural Resources, & Related Sciences	50,000	50,000	-
Farmers Market Resiliency Grant	700,000	-	(700,000)
Black Farmers United of NYS	200,000	100,000	(100,000)
Urban Farms and Community Gardens Grant Program	2,325,000	-	(2,325,000)
Economically and Socially Disadvantaged Farmers	1,000,000	-	(1,000,000)
Beginning Farmers	1,000,000	-	(1,000,000)
New York Farm Viability Institute			
New York Farm Viability Institute	1,900,000	1,000,000	(900,000)
New York State Berry Growers	61,000	61,000	-
NY Corn and Soybean Growers Association	125,000	76,000	(49,000)
Other Programs			
Electronic Benefits Transfer	139,000	139,000	-
Farm-To-School	1,508,000	1,508,000	-
Ag Child Care (Migrant)	10,410,000	10,300,000	(110,000)
Local Fairs	500,000	500,000	-
Training and Recruitment of Food and Agricultural Workers	1,000,000	1,000,000	-
Tractor Rollover Protection Program	250,000	250,000	-
Local Fair Promotion	2,000,000	2,000,000	-
John May Farm Safety Fund	100,000	-	(100,000)
Teens for Food Justice	25,000	-	(25,000)
Pitney Meadows Community Farm	50,000	-	(50,000)
Comfort Food Community	50,000	-	(50,000)
Volunteers Improving Neighborhood Environment	75,000	-	(75,000)
New Programs			
Cornell Integrated Pest Management/Bioeconomy	-	2,250,000	2,250,000
Long Island Seafood Cuisine Trail	-	75,000	75,000
On-Farm Health and Safety - Mary Imogene Basset Hospital	-	1,000,000	1,000,000
TOTAL	56,508,000	48,895,000	(7,613,000)



Capital: The Executive recommends \$70.6 million in capital funding, an increase of \$24 million from SFY 2023-24. This increase reflects the addition of various capital appropriations, including \$24 million for the Dairy Farm Modernization Grant Program, which will provide grants for on-farm milk storage capacity and milk cooling and transfer systems. Other new programs include the Cornell University Industrial Hemp program and the Long Island Seafood Processing Grants program to build facilities to support the preparation, packaging and distribution of Long Island seafood.

Table 32

Agriculture and Markets Capital Appropriations				
(\$ in Thousands)				
Program	SFY 2022-23 Enacted	SFY 2023-24 Enacted	SFY 2024-25 Executive	Change (\$)
Dairy Farm Modernization Grant Program	-	-	24,000	24,000
Food Access Expansion Grant Program	-	10,000	-	(10,000)
Scratch Kitchen	-	10,000	10,000	-
State Fair Projects	28,000	9,000	9,000	-
Animal Shelters	8,000	5,000	5,000	-
Cornell Industrial Hemp Processing	-	-	5,000	5,000
Long Island Seafood Processing Grants	-	-	5,000	5,000
Ag Child Care Facilities (Migrant)	3,200	3,200	3,200	-
GrowNYC Bronx Food Hub	4,000	-	-	-
Local Fairs	5,000	-	-	-
Cornell University Adaptive Research Farms	5,000	-	-	-
NYS Meat Processing Expansion	5,000	-	-	-
Miscellaneous Capital (State Fair)	9,415	9,415	9,415	-
Total	67,615	46,615	70,615	24,000

Article VII

The Executive proposes Article VII legislation that would:

- authorize the Department of Agriculture and Markets to set weighmaster license and application fees by regulation.

Office of Parks, Recreation and Historic Preservation

The Executive proposes an All Funds appropriation of \$1.0 billion, an increase of \$315.2 million or 43.8 percent from SFY 2023-24, primarily reflecting a \$267.5 million increase in capital funding. The Executive recommends support of 2,453 FTE positions, an increase of 79 FTEs from SFY 2023-24 levels.



State Operations: The Executive recommends \$386.4 million in state operations, a \$32.7 million or 9.2 percent increase from SFY 2023-24. This increase would primarily support salary increases and additional staffing. Of the 79 new FTEs, 30 are for the Park Police Class of 2023, 24 are for rock scalers and Americans with Disabilities Act (ADA) compliance staff, 13 will staff the Sojourner Truth State Park, and 12 will administer a new federal grant program. The Executive proposal also includes funding for about 40 additional seasonal park rangers.

Aid to Localities

The Executive recommends \$26.6 million in ATL funding, a \$15 million increase from SFY 2023-24, reflecting increased federal funding.

Capital Funding

The Executive recommends \$622.4 million in capital funding, an increase of \$267.5 million or 75 percent from SFY 2023-24. This increase primarily reflects \$250 million for two new programs, including \$100 million for renovations to the Jones Beach Bathhouse and \$150 million for the New York Statewide Investment in More Swimming (NY SWIMS) initiative, to provide grants to municipalities for public swimming pool facilities. The balance of the \$267.5 million increase is related to salary increases, partially offset by the elimination of a \$10 million legislative add for Zoos, Botanical Gardens and Aquariums (ZBGA) capital.

Adirondack Park Agency (APA)

The Executive proposes an All Funds appropriation of \$6.6 million, an increase of \$309,000 or 5.0 percent from SFY 2023-24. This increase reflects general staff salary increases. The Executive recommends support of 54 FTE positions, unchanged from the SFY 2023-24 levels.

Olympic Regional Development Authority (ORDA)

The Executive proposes an All Funds appropriation of \$96.6 million, a decrease of \$7.5 million from SFY 2023-24, reflecting level funding for State Operations and a decrease in capital support.

The Executive recommends \$82.5 million in capital funding, including \$70 million to upgrade ORDA facilities and venues and \$12.5 million in capital funding for energy efficiency and renovation projects at ski facilities including Belleayre Mountain Ski Center. This appropriation would bring total capital investments at ORDA to approximately \$680 million over seven years.



BUDGET HIGHLIGHTS: TRANSPORTATION



- **Department of Transportation (DOT) Capital Plan:** The Executive proposal funds the third year of the five-year DOT Capital Plan of \$32.9 billion, a 19.6 percent increase from plans adopted in the previous five years.
- **Non-MTA Transit Capital:** The DOT Capital Plan includes \$139.5 million in non-MTA transit capital assistance in State Fiscal Year (SFY) 2024-25. This amount includes the continuation of \$20 million for the bus electrification program.
- **Local Capital Construction Programs:** The DOT Capital Plan includes appropriation levels of \$538.1 million for the Consolidated Highway Improvement Program (CHIPs); \$39.7 million for the Marchiselli Program; \$150 million for local Pave NY; \$100 million for Extreme Winter Recovery; \$100 million for the State Touring Route Program; \$200 million for local Bridge NY; and \$100 million for Operation Pave Our Potholes. These levels reflect the elimination of \$100 million from SFY 2023-24, including \$60 million from CHIPs and \$40 million from the State Touring Route Program.
- **Metropolitan Transportation Authority (MTA) Operating Budget:** The MTA's operating budget is balanced through 2027, reflecting increased dedicated tax revenues and other funding agreements enacted in SFY 2023-24.
- **Transit Operating Assistance:** The Executive recommends \$8.6 billion in annual support for transit systems statewide, including the MTA, reflecting an increase of 7.0 percent from SFY 2023-24.
- **Department of Motor Vehicle (DMV) Transformation:** The Executive proposal includes \$178.5 million to continue information technology upgrades to improve service for both in-person and online transactions.

BUDGET REVIEW AND ANALYSIS: TRANSPORTATION



New York State supports a vast transportation infrastructure with the goal of creating an interconnected statewide system to efficiently move people and goods throughout the state. The Department of Transportation (DOT) maintains and improves the state's more than 43,000 highway lane miles and 7,800 bridges. It also supports local government highway and bridge construction, rail and aviation projects, and over 130 locally operated transit systems, including the Metropolitan Transportation Authority.

The MTA maintains a fleet of 5,700 buses and 6,400 subway cars, which operate on an infrastructure of 2,200 miles of track. MTA ridership increased 54 percent between 1995 and 2016 reaching an all-time high of 2.7 billion people riding on its subways, buses, and railroads, a number that subsequently declined during the COVID-19 pandemic. Additionally, the MTA's nine bridges and tunnels carry over 300 million vehicles annually.

The Department of Motor Vehicles (DMV) is responsible for registering and issuing titles for vehicles, issuing driver licenses and non-driver identification cards, and regulating the motor vehicle industry. The DMV operates 27 offices and provides services via county clerk offices acting as DMV agents at 102 locations throughout the state. The DMV Traffic Violations Bureau helps to adjudicate traffic infractions.

The Thruway Authority is responsible for operating a 570-mile toll highway system.

The Waterfront Commission investigates criminal activity and regulates employment practices in the Port of New York.

Table 33

Appropriations				
Agency	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Department of Transportation	14,629.7	15,176.7	547.0	3.7
Metropolitan Transportation Authority	892.2	941.1	48.9	5.5
Department of Motor Vehicles	481.0	665.0	184.0	38.3
Waterfront Commission	2.0	5.0	3.0	148.7

Department of Transportation (DOT)

The Executive proposes an All Funds appropriation of \$15.2 billion, an increase of \$547 million or 3.7 percent over SFY 2023-24. This increase primarily supports transit operating assistance for the MTA and transit systems statewide, as well as planned growth in the DOT capital plan. The Executive recommends funding to support 8,495 FTE positions, equivalent to SFY 2023-24 levels.

The DOT budget has two main components: transit assistance and capital expenditures. Transit assistance is primarily funded by dedicated transportation tax revenue and is distributed to over 130 mass transit authorities throughout the state, including the MTA. Transit assistance to the MTA supports operations and is distinct from state support for the MTA Capital Plan. The DOT Capital Plan funds the maintenance of state highways and bridges as well as CHIPs, non-MTA capital, rail and aviation projects and is funded with federal and state receipts.

DOT Capital Plan: Consistent with the five-year Capital Plan approved in SFY 2022-23, the Executive proposes funding the third year of the five-year DOT Capital Plan at \$7.6 billion, an increase of \$482 million or 6.8 percent. The funding for the third year of the State road and bridge program, which is part of the capital plan, would increase by \$604 million or 15.5 percent. DOT capital plan funding includes \$1.2 billion for capital aid to localities for local road projects, a reduction of \$100 million, reflecting the elimination of legislative adds including \$60 million for CHIPs and \$40 million for the State Touring Route program.

Approximately 53 percent of the five-year capital plan is spent on state road and bridge maintenance, construction, the associated consultant engineering and right-of-way costs. Other major components include engineering costs (15 percent); funding to municipalities for local road and bridge construction including CHIPs, Extreme Winter Recovery, Marchiselli, Pave NY, Bridge NY, the State Touring Route Program, the Pave Our Potholes Program (19 percent), and summer road maintenance (8.0 percent).



The Capital Plan allocates 4.0 percent of funding to all other modes of transportation, including rail, aviation and non-MTA transit systems, which is virtually unchanged from previous capital plans.

The third year of the DOT Capital Plan includes \$140 million for non-MTA transit capital, a reduction of \$20 million reflecting the end of a five-year, \$100 million funding program to rehabilitate the Niagara Frontier Transportation Authority (NFTA) passenger rail system.

Table 34

Department of Transportation Year-to-Year Capital Plan Comparison				
(\$ in Millions)				
	SFY 2023-24 Enacted	SFY 2024-25 Executive	Year-to-Year \$ Change	Year-to-Year % Change
State Road and Bridge Program	3,899	4,503	604	15.5
Capital Aid to Localities	1,328	1,228	(100)	(7.5)
Local Pave NY	150	150	-	-
Local Bridge NY	200	200	-	-
Local Pave our Potholes	100	100	-	-
CHIPs and Marchiselli	638	578	(60)	(9.4)
Extreme Winter Recovery	100	100	-	-
State Route NY	140	100	(40)	(28.6)
Alternative Modes	276	256	(20)	(7.3)
Non-MTA Transit Capital	160	140	(20)	(12.5)
Passenger/Freight Rail	90	90	-	-
Aviation	27	27	-	-
Maintenance and Support	1,574	1,572	(2)	(0.1)
Engineering	957	954	(3)	(0.3)
Preventive Maintenance	503	503	-	-
Administration	87	88	1	1.1
Other Federal	26	26	-	-
Total	7,077	7,559	482	6.8

Dedicated Highway and Bridge Trust Fund (DHBTF): The DOT Capital Plan is funded in part from the DHBTF. The DHBTF itself is funded through dedicated transportation taxes and fees, as well as through bond proceeds and a General Fund transfer. The largest sources of dedicated tax revenue are the Petroleum Business Tax (PBT), Motor Fuel Tax and fees collected by the DMV which contribute approximately \$500 million annually toward the DOT capital program, net of DMV operating costs. Dedicated taxes and fee revenues are projected to remain flat over the plan period, while debt service costs related to the DOT Capital Plan would grow. To keep the fund in balance and to support the five-year DOT Capital Plan, there is an annual transfer from the General Fund which is projected to increase to \$642.8 million in SFY 2028-29.

Table 35

Dedicated Highway and Bridge Trust Fund
(\$ in Millions)

	SFY 2023-24	SFY 2024-25		
<u>Receipts</u>	Estimate	Projection	\$ Change	% Change
Dedicated Taxes (including Motor Vehicle Fees, Petroleum Business Tax, Motor Fuel Tax, Highway Use Tax, Auto Rental Tax, Corporation & Utility Tax)	1,988.1	2,010.8	22.7	1.1
Miscellaneous Receipts (primarily bond proceeds)	853.8	551.4	(302.4)	(35.4)
Transfers from General Fund	31.3	25.2	(6.1)	(19.5)
Total Receipts	2,873.2	2,587.4	(285.8)	(9.9)
<u>Disbursements</u>				
Road and Bridge Capital Construction Program	587.9	597.8	9.9	1.7
Administration	79.5	78.6	(0.9)	(1.1)
State Forces Engineering	371.9	386.9	15.0	4.0
Consultant Engineering	123.1	120.1	(3.0)	(2.4)
DOT Operations	472.8	458.2	(14.6)	(3.1)
DMV Operations	365.9	396.8	30.9	8.4
Transfers for ITS	57.6	57.6	-	-
Transfer for State Debt Service	464.8	226.9	(238.0)	(51.2)
Transfer for Local Debt Service (CHIPS)	349.7	264.6	(85.1)	(24.3)
Total Disbursements	2,873.1	2,587.5	(285.7)	(9.9)

Transit Assistance: The Executive proposes \$8.6 billion in support for transit systems statewide, which is an increase of \$564.5 million or 7.0 percent over SFY 2023-24. This increase primarily reflects higher dedicated revenues related to MTA deficit reduction actions enacted in SFY 2023-24.

Of the total \$8.6 billion in transit operating assistance, \$323.2 million is provided for upstate transit systems, an increase of \$16.6 million or 5.4 percent over SFY 2023-24. The revenues collected in the upstate region and dedicated to upstate transit systems are projected to remain flat in SFY 2024-25. To provide year-to-year growth to the upstate systems, an increase of General Fund support of \$16.6 million is proposed. Of the \$323.2 million in total upstate operating assistance, \$141.7 million or 43.8 percent, is allocated from the General Fund.

Each upstate transit system would receive a 5.4 percent increase, including the Capital District Transportation Authority (CDTA) and the systems accounted for in the Formula appropriations. The Executive proposal includes an Article VII provision to transfer Warren County to the CDTA district, from the Formula systems, and the appropriations reflect that shift.

Non-MTA downstate transit systems would be provided \$550.8 million in operating assistance, an increase of \$28.2 million or 5.4 percent over SFY 2023-24. The Executive proposes \$500,000 for the South Fork Commuter Bus Service, eliminating a legislative add of \$250,000 from SFY 2023-24. The



dedicated taxes that support the non-MTA downstate transit systems have recovered and surpassed pre-pandemic levels. Of the \$550.8 million in non-MTA downstate operating assistance, \$3.5 million or 0.6 percent, is allocated from the General Fund.

Transit assistance for the MTA in SFY 2024-25 is projected at \$7.7 billion, an increase of \$519.7 million or 7.2 percent over SFY 2023-24. This increase reflects a Payroll Mobility Tax rate increase and other funding agreements enacted in SFY 2023-24. Of the \$7.7 billion in MTA operating assistance, 3.8 percent is derived from the State General Fund. Transit assistance comprises about one-third of the MTA’s 2024 annual budget of \$19.2 billion.

Table 36

Executive Proposal: Transit Operating Assistance				
(\$ in Millions)				
	SFY 2023-24	SFY 2024-25	\$ Change	% Change
	Adjusted	Executive		
MTA				
NYC Transit Authority	2,651.2	2,748.2	97.0	3.7
Commuter Rail (MNR & LIRR)	1,011.8	1,058.2	46.5	4.6
Verrazzano Bridge Rebate Program	26.0	26.0	-	-
MTA (Payroll Mobility Tax and MTA Aid)	2,925.6	3,580.0	654.4	22.4
MTA (FHV Surcharge Revenue)	306.2	328.1	21.8	7.1
One-time MTA Subsidy	300.0	-	(300.0)	-
MTA Subtotal	7,220.8	7,740.5	519.7	7.2
Non-MTA Downstate Systems				
Rockland	5.7	6.0	0.3	5.6
Staten Island Ferry	55.3	58.4	3.1	5.6
Westchester	92.8	97.9	5.2	5.6
Nassau	112.2	118.5	6.3	5.6
Suffolk	43.6	46.1	2.4	5.6
NYC DOT	147.7	155.9	8.2	5.6
FORMULAS	53.6	56.6	3.0	5.6
South Fork Commuter Bus Service	0.8	0.5	(0.3)	(33.3)
Lower Hudson Transit Link	11.0	11.0	-	-
Non-MTA Downstate Systems Subtotal	522.6	550.8	28.2	5.4
Upstate Systems				
Capital District Transportation Authority (CDTA)	59.2	64.0	4.8	8.2
Central New York Regional Transportation Authority (Centro)	49.5	52.2	2.7	5.4
Rochester Genesee Regional Transportation Authority (RGRTA)	60.1	63.4	3.2	5.4
Niagara Frontier Transportation Authority (NFTA)	78.1	82.3	4.2	5.4
FORMULAS	59.7	61.3	1.6	2.7
Upstate Systems Subtotal	306.6	323.2	16.6	5.4
Transit Operating Assistance Total:	8,050.0	8,614.5	564.5	7.0

Gateway Development Commission: The Executive proposal includes \$93.6 million for the Gateway Development Commission, including \$24.3 million for State Operations allocated from the General Fund, unchanged from last year, and \$69.3 million in new capital funding for the state’s 10 percent share of costs related to the Hudson Yards Concrete Casing project.

Article VII

The Executive includes the following Article VII proposals that would:

- add Warren County to the Capital District Transportation Authority (CDTA) district, thereby allowing State Transportation Operating Assistance (STOA) to be paid to CDTA for mass transportation services provided in Warren County; and
- authorize the commissioner of Transportation to transfer and convey certain state-owned real property in the Town of Babylon, Suffolk County.

Metropolitan Transportation Authority

MTA Operating Budget: The MTA’s operating budget is balanced through 2027, reflecting increased dedicated tax revenues and other funding agreements enacted SFY 2023-24.

MTA 2020-24 Capital Plan: The Executive Budget proposes \$68 million in new funding for the MTA Capital Plan, including \$52 million for the design and engineering of the Interborough Express project and \$16 million for a feasibility study and preliminary engineering for the western expansion of the Second Avenue Subway along 125th Street, with three new stops at Lenox Avenue, St. Nicholas Avenue and Broadway.

The MTA’s 2020-24 Capital Plan is authorized to spend \$55.4 billion. The MTA, through revenue derived from its ridership, regional taxpayers and drivers, provides 65.5 percent of total funding for the Capital Plan. Federal funding accounts cover 23.5 percent, and the remaining 11 percent is split between New York City and the State of New York.

Article VII

The Executive includes the following Article VII proposals that would:

- extend the ability for municipalities and the MTA to establish “mass transportation capital districts” to facilitate tax increment financing for 10 years;
- increase the maximum civil penalty to \$200 for MTA fare evasion offenses and establish procedures for fare violation enforcement within the Transit Adjudication Bureau;



- establish criminal and civil penalties for any individual who fraudulently obtains an exemption, credit or discount from congestion pricing tolls; and
- make technical clarification to the Payroll Mobility Tax to ensure individuals filing as self employed in Dutchess, Orange, Nassau, Putnam, Rockland, Westchester and Suffolk counties are taxed at the rate of 0.34 percent.

Department of Motor Vehicles

The Executive proposes an All Funds appropriation of \$665 million, an increase of \$184 million or 1.3 percent above SFY 2023-24. This increase primarily reflects a \$178.4 million appropriation for the DMV Transformation project, including IT upgrades to improve customer service for both in-person and online transactions. This funding is in addition to \$106 million appropriated in SFY 2022-23 for the same project. The Executive recommends funding support of 3,228 FTEs, consistent with the prior year level.

Table 37

Department of Motor Vehicles Appropriations				
(\$ in Thousands)				
	SFY 2023-24	SFY 2024-25		
	Enacted	Executive	\$ Change	% Change
Internet Point Insurance Reduction Program	425	425	-	-
Administration Program				
DMV Equitable Sharing Agreement (Justice)	1,000	1,000	-	-
DMV Equitable Sharing Agreement (Treasury)	1,000	1,000	-	-
Federal Seized Asset Account	1,000	1,000	-	-
Banking Service Account	5,300	5,300	-	-
Administration Adjudication Program	48,787	48,787	-	0.0
Clean Air Program	22,109	23,189	1,080	4.9
Compulsory Insurance Program	11,577	11,577	-	-
Distinctive Plate Development Program	25	25	-	-
DMV Seized Asset Program	400	400	-	-
Governor's Traffic Safety Committee				
Highway Safety Research and Operating Grants	22,412	24,900	2,488	11.1
Highway Safety Research & Development	6,117	6,000	(117)	(1.9)
STOP DWI Program	500	-	(500)	(100.0)
Highway Safety Programs	24,800	24,900	100	0.4
Motorcycle Safety Program	1,610	1,610	-	-
Capital - Transportation Support	333,969	336,469	2,500	0.7
Capital - DMV Transformation	-	178,460	178,460	
Total	481,031	665,042	184,011	38.3



Article VII

The Executive includes the following Article VII proposals that would:

- impose administrative sanctions and increase penalties for using toll facilities or entering the congestion pricing central business district with covered or obscured license plates or for failure to pay tolls; authorize police officers to seize and confiscate prohibited license plate covers; prohibit the sale of covers, materials or devices that will obscure license plates; and authorize public authorities with highways, bridges or tunnels to enter and enforce judgments for unpaid tolls, without court proceedings;
- extend, for two years, the Internet Point Insurance Reduction Program;
- extend, for two years, provisions related to the increase of certain Department of Motor Vehicles (DMV) fees, the deposit of such fees into the Dedicated Highway and Bridge Trust Fund, and the payment of certain DMV costs out of such Fund;
- authorize the Department of Motor Vehicles (DMV) to replace the existing system to verify motor vehicle insurance with an online insurance verification system;
- authorize lower maximum speed limits within the City of New York and prohibit such city from increasing speed limits by more than five miles per hour without notice and opportunity for community board comment;
- extend, for two years, the provision of law authorizing the demonstration and testing of autonomous vehicles on public roads; and
- amend various provisions of law related to stretch limousines safety including to publish information on the state's website, increase penalties, require certain equipment be installed, prohibit the use of certain vehicles, and require passenger safety briefings; authorize penalties and seizure of certain out-of-service commercial motor vehicles; and establish a rebuttable presumption of for-hire vehicle operation.

Thruway Authority

The Thruway Authority is funded primarily through various off-budget revenues, consisting of mostly tolls. The 2024 Thruway Authority budget is \$1.3 billion, an increase of 9.7 percent from 2023. This increase largely reflects an increase in system-wide capital projects and is funded with additional



revenues from toll rate increases. The budget includes: \$482.9 million for operating expenses, including a \$71 million reimbursement to the State Police for the cost of patrolling the Thruway; \$450.9 million in core capital program funding; and \$364.2 million for debt service. The Thruway Authority's five-year capital plan is \$2.4 billion for the 2024-28 plan period, an increase of \$493 million, or 25.5 percent over the 2023-27 capital plan.

New York Waterfront Commission

The Executive proposes an All Funds appropriation of \$4.97 million for SFY 2024-25 to fund the first full year of commission operations, including funding support of 32 FTEs. Of the All Funds appropriation, \$3.0 million is provided from the General Fund and \$1.9 million is from revenue generated at the New York Harbor.

Article VII

The Executive includes an Article VII proposal that would establish the New York Waterfront Commission in Executive Law and repeal the outdated New York-New Jersey Waterfront Commission in Unconsolidated Law.



BUDGET HIGHLIGHTS: ECONOMIC DEVELOPMENT



- **Redevelopment of Underutilized Sites for Housing (NY-RUSH):** The Executive proposes \$250 million to support the repurposing of property owned by state agencies for use as housing.
- **Regional Economic Development Council (REDC):** The Executive proposes \$150 million to support a new round of REDC capital awards, along with \$75 million in new Excelsior tax credits to assist regionally significant economic development projects.
- **Downtown Revitalization Initiative (DRI):** The Executive provides \$100 million for a new round of DRI grant awards.
- **NY Forward Program:** The Executive proposes up to \$100 million for a new round of NY Forward grant awards.
- **New York CREATES:** The Executive provides \$500 million in capital funding to support the Albany NanoTech Complex's High NA Extreme Ultraviolet Lithography Center.
- **Empire Artificial Intelligence (AI):** The Executive proposes \$275 million in capital grants and other funding sources, to be matched by \$125 million in private funding, for an AI computing consortium.
- **One Network for Regional Advanced Manufacturing Partnerships (ON-RAMP):** The Executive proposes \$200 million in new and existing capital resources to establish regional workforce development centers located along the I-90 Corridor.
- **FAST-NY Shovel Ready Grant Program:** The Executive proposes \$100 million in grants to support the preparation and development of prospective construction sites.
- **New County Partnership Grants Program:** The Executive proposes \$135 million to support infrastructure projects of local governments outside of New York City.



BUDGET REVIEW AND ANALYSIS: ECONOMIC DEVELOPMENT



The Urban Development Corporation (DBA: Empire State Development Corporation), in conjunction with the Department of Economic Development, promotes job creation and retention, business assistance, tourism marketing and promotion, and community rebuilding and expansion, as well as developing regionally-based economic strategies.

The New York State Gaming Commission was created in 2013 by merging the functions and responsibilities of the former Division of Lottery and the Racing and Wagering Board. The Commission is responsible for lottery administration, gaming (including Indian gaming, video lottery gaming, charitable gaming and commercial gaming), and horse racing and pari-mutuel wagering.

The New York State Council on the Arts (NYSCA) is responsible for the oversight and administration of the cultural and artistic resources of the Council on the Arts, the Empire State Plaza Performing Arts Center Corporation and the New York State Theatre Institute. NYSCA is also responsible for administering grants to local not-for-profit arts organizations.

Table 38

Agency	Appropriations			
	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Urban Development Corporation	1,583.9	2,258.2	674.3	42.6
New York State Gaming Commission	344.8	373.4	28.5	8.3
Department of Economic Development	108.0	100.4	(7.6)	(7.1)
Council on the Arts	125.0	100.0	(25.0)	(20.0)

Urban Development Corporation (UDC)/Empire State Development Corporation

The Executive proposes an All Funds appropriation of \$2.3 billion, an increase of \$674.3 million or 42.6 percent above the SFY 2023-24, primarily reflecting a \$652.1 million increase in capital funding.

The Executive’s proposal includes \$2.0 billion in capital projects appropriations under the UDC, an increase of \$652.0 million over SFY 2023-24. This increase primarily reflects funding for new capital initiatives, as well as new funding rounds for existing capital programs (see Table 39).

Table 39

Economic Development Capital Initiatives			
(\$ in Millions)			
Category/Item	SFY 2023-24	SFY 2024-25	Change
	Enacted	Exec. Request	
NY CREATES Albany NanoTech Complex	0.0	500.0	500.0
New York Works Fund	400.0	400.0	0.0
Empire AI Consortium	0.0	250.0	250.0
Redevelopment of Underutilized Sites for Housing (RUSH)	0.0	250.0	250.0
Regional Economic Development Councils	150.0	150.0	0.0
County Partnerships Grants Program	0.0	135.0	135.0
FAST-NY	0.0	100.0	100.0
One Network for Regional Advanced Manufacturing	0.0	80.0	80.0
Restore New York Communities	50.0	50.0	0.0
Grown and Certified Program	0.0	20.0	20.0
Market New York	8.0	8.0	0.0
Pace University Performing Arts Center	5.0	5.0	0.0
Retention of Professional Football in Western New York	2.3	2.3	0.0
Belmont Park Racetrack	455.0	0.0	(455.0)
Hunts Point Produce Market (Bronx)	130.0	0.0	(130.0)
Replacement of Absorption Chillers (SUNY Albany)	30.0	0.0	(30.0)
FeedMore Western New York	24.0	0.0	(24.0)
Redevelopment of Monument Square (Troy)	19.0	0.0	(19.0)
Redevelopment of Victory Mills (Saratoga)	10.0	0.0	(10.0)
American Museum of LGBT History and Culture	7.5	0.0	(7.5)
Dominican American Cultural Center	7.5	0.0	(7.5)
Total Capital Appropriations, Urban Development Corp.	1,298.3	1,950.3	652.0
Downtown Revitalization Initiative	100.0	100.0	0.0
NY Forward Initiative	100.0	100.0	0.0
Total Capital Appropriations, Department of State	200.0	200.0	0.0
Nonprofit Arts and Cultural Organizations	20.0	50.0	30.0
Total Arts and Cultural Facilities Improvement Program	20.0	50.0	30.0
GRAND TOTAL	1,518.3	2,200.3	682.0

Economic Development Funds: The Executive provides \$400 million in capital funding through the New York Works Economic Development Fund and provides \$26.2 million in operating support for the Empire State Development Fund. In addition, \$45 million would be provided to finance certain economic development efforts, including the Open for Business Program, Global NY initiatives and trade missions, advertising programs, as well as a marketing campaign to support New York State's recovery from the COVID-19 pandemic.

Empire Artificial Intelligence (AI) Consortium: The Executive provides \$250 million in capital support to establish the Empire AI Consortium, which will leverage additional funding from the State University of New York and private-research institutions to create an artificial intelligence computing center.

Redevelopment of Underutilized Sites for Housing (NY-RUSH): The Executive provides \$250 million in capital funding to state agencies to repurpose existing state agency properties into use as housing.

New York CREATES: The Executive provides \$500 million in capital funding for the Albany NY CREATES NanoTech Complex's procurement of a High NA Extreme Ultraviolet Lithography tool, which will support research and development of advanced semiconductors.

One Network for Regional Advanced Manufacturing Partnerships (ON-RAMP): The Executive provides \$13 million in local aid and \$80 million in capital funding for ON-RAMP, which will establish four workforce development centers along the I-90 corridor, including a flagship located in Syracuse. These centers will offer training and credentials related to advanced manufacturing.

FAST-NY Shovel Ready Grant Program: The Executive provides \$100 million in capital funding for FAST-NY, which will provide grants to prepare and develop prospective construction sites for large employers.

New County Partnerships Grants Program: The Executive provides \$135 million in capital funding for the New County Partnership Grants Program to support capital improvements in counties outside of New York City. \$85 million will be administered by the Department of Homeland Security and Emergency Services (DHSES) to support public safety communication infrastructure enhancements and \$50 million will be administered by Empire State Development (ESD) to support site development and other costs related to county infrastructure projects.

Regional Economic Development Councils (REDC): The Executive provides \$150 million in capital support for a new round of REDC competitive awards and \$75 million in Excelsior Tax Credits to be dispersed through ESDC.

Downtown Revitalization Initiatives (DRI): The Executive provides \$100 million for a new round of DRI competitive awards. The Executive also provides up to \$100 million in new funding for the NY Forward Program, which would support the revitalization of smaller downtowns and rural areas.

Aid to Localities

The Executive’s proposal includes \$307.9 million in aid to localities appropriations, an increase of \$22.3 million over SFY 2023-24. This increase primarily reflects funding for the Entrepreneurial Assistance Program and Workforce Development Initiatives, as well as the creation of the Global Entrepreneurs Program, partially offset by the elimination of legislative adds from SFY 2023-24.

Workforce Development: The Executive provides \$208.4 million for workforce development efforts, an increase of \$28 million over SFY 2023-24. This reflects increased funding to expand psychiatric rehab services within the Office of Mental Health, as well as for employment and training programs within the Office for People with Developmental Disabilities (see Table 40).

Table 40

Workforce and Economic Development Initiatives			
(\$ in Millions)			
Category/Item	SFY 2023-24 Enacted	SFY 2024-25 Exec. Request	Total
Financial Burden Relief for Healthcare Workers	47.0	47.0	94.0
Caregiver Flexibility for Direct Care Workers	39.0	39.0	78.0
Teacher Residency Program	30.0	30.0	60.0
Training Capacity Expansion for Statewide institutions	22.5	22.5	45.0
SUNY and CUNY internships	10.0	10.0	20.0
Expansion of Alternative Teacher Certifications	10.0	10.0	20.0
Upskilling School Paraprofessionals	8.0	8.0	16.0
SUNY and CUNY apprenticeships	5.0	5.0	10.0
Expansion of Psychiatric rehabilitation Service at OMH	5.3	10.3	15.6
Employment and Training at OPWDD	0.2	10.2	10.4
Diversity in Medicine Program	2.4	2.4	4.8
Expansion of a SUNY Pre-Medical Opportunities Program	1.0	1.0	2.0
Partnership Initiative (ON-RAMP)	0.0	13.0	13.0
GRAND TOTAL	180.4	208.4	388.8

New York State Tourism: The Executive proposes to maintain \$15 million in total support for the continuation of the Market NY Program. In addition, the Executive provides funding for various efforts to promote New York State as a tourism destination.



Article VII

The Executive proposes Article VII language that would:

- increase the cap on grants to Entrepreneurial Assistance Centers from \$175,000 to \$250,000;
- extend the authorization for the Urban Development Corporation to administer the Empire State Economic Development Fund for an additional three years;
- extend provisions of law relating to participation by minority and women-owned business enterprises in state contracts to December 31, 2029; and
- extend the general loan powers of the Urban Development Corporation for an additional three years.

Department of Economic Development

The Executive proposes an All-Funds appropriation of \$100.4 million, a decrease of \$7.6 million or 7.0 percent from the SFY 2023-24. The Executive recommends support for 165 FTE positions, which is unchanged from SFY 2023-24.

New York State Hot Spots and Incubators: The Executive provides \$5 million to support 20 hot spots and incubators throughout the state, which is unchanged from SFY 2023-24.

Centers of Excellence (COE) & Centers for Advanced Technology (CAT): The Executive proposes \$12.0 million in funding for COEs and \$13.6 million for CATs, for a total decrease of \$3.4 million from SFY 2023-24, reflecting the elimination of legislative adds.

High technology matching grants programs: The Executive's proposal includes \$12 million in funding for technology matching grants programs, including the Security Through Advanced Research and Technology (START) initiative, the Small Business Innovation Research (SBIR) Program and the Small Business Technology Transfer (STTR) Program, which is unchanged from SFY 2023-24.

Tourism: The Executive proposes \$2.5 million for the "I Love NY" Program as well as \$2.5 million for local tourism matching grants.

New York State Gaming Commission

The Executive proposes an All-Funds appropriation of \$373.4 million, an increase of \$28.5 million, or 8.3 percent over the SFY 2023-24 level. The Executive proposes a workforce of 396 FTEs, which is an increase of five FTEs from the SFY 2023-24.

Aid to Localities: The Executive proposes \$262 million for aid to localities, an increase of \$25 million over the SFY 2023-24.

State Operations: The Executive proposes a total appropriation of \$111.4 million. Of this amount, \$100,000 is designated to fund the Racing Fan Advisory Council and \$1.5 million would be used to support a new lease agreement and related costs.

Tribal State Compacts: The Executive proposal provides \$200 million for payments made pursuant to Tribal-State Compacts, an increase of \$25 million over the SFY 2023-24 level.

Commercial Gaming Revenue: The Executive proposes \$62 million in aid to host governments and non-host counties within a gaming region, which is unchanged from SFY 2023-24.

Article VII

The Executive proposes Article VII language that would:

- extend the authorized use of capital acquisition funds by the Capital Off-Track Betting Corporation for the purposes of statutory obligations, payroll, and expenditures necessary to accept wagers for one year; and
- extend the current pari-mutuel tax rates and out of state simulcasting provisions for one year.

New York State Council on the Arts (NYSCA)

The Executive proposes an All Funds appropriation of \$100 million, a decrease of \$25 million or 20 percent from SFY 2023-24. This reduction reflects the discontinuation of \$40 million in grants to nonprofit arts and cultural organizations and \$10 million for Regional Arts and Cultural Councils, partially offset by a \$30 million increase to the Arts and Cultural Facilities Improvement program. The Executive recommends funding support of 31 FTE positions, which is unchanged from SFY 2023-24.



BUDGET HIGHLIGHTS: PUBLIC PROTECTION



- **Organized Retail Theft Prevention:** The Executive provides \$40.2 million for retail theft prevention: \$25.2 million in new funding to deploy a dedicated State Police team to build cases against organized retail theft rings and create a new State Police enforcement unit; \$10 million in funding for District Attorneys to prosecute property crime cases; and \$5 million in additional funding to build the capacity of local law enforcement efforts to combat retail theft.
- **Domestic Violence Prevention and Prosecution:** The Executive includes \$40.8 million to reduce assaults with a focus on domestic violence outside the City of New York. This is comprised of \$35.8 million for district attorneys to expand the domestic Violence STAT Model and the continuation of a \$5 million grant program to victims of domestic violence utilized to cover expenses in emergency situations.
- **Civil Legal Services Grants Increase:** The Executive proposes to transfers \$10 million in funding from the Interest on Lawyer Account (IOLA) to non-profits that provide civil legal services to lower income New Yorkers.
- **Securing Communities Against Hate Crimes (SCAHC):** The Executive Budget provides an additional \$10 million for the next round of the SCAHC program, for total funding of \$35 million.
- **Prison Closures:** The Executive includes a proposal to effectuate the closure of five correctional facilities with 90-day notice prior to closure.
- **Emergency Preparedness:** The Executive provides \$15 million in funding to supply local and county governments with additional generators, high-flow pumps, flood barrier technology, and other equipment used in response to flooding and other weather emergencies. Additionally, the Executive provides \$10.4 million in funding to the Division of Homeland Security and Emergency Services Office of Emergency Management to increase the state's regional presence, to increase local planning and training, to provide additional tabletop exercises, and to improve analytic and geospatial capabilities.

BUDGET REVIEW AND ANALYSIS: PUBLIC PROTECTION



The State of New York spends approximately \$16.3 billion annually to support its Public Protection agencies, which include the Department of Corrections and Community Supervision (DOCCS), Division of Criminal Justice Services (DCJS), Division of Homeland Security and Emergency Services (DHSES), Division of State Police (DSP), the Department of Law, Division of Military and Naval Affairs (DMNA), Office of Indigent Legal Services (ILS), Office of Victim Services (OVS), the Office for the Prevention of Domestic Violence, New York Interest on Lawyers Account (IOLA), State Commission of Correction (SCOC) and Judicial Commissions.

In total, these agencies work to promote public safety and ensure that the state is prepared to respond to emergencies. Specifically, these agencies provide supervision within state facilities and in the community, manage funding for programs designed to combat crime, support highway safety and protect our communities and infrastructure from natural and manmade disasters. These agencies also advocate for victims of crime and promote fair representation and the protection of legal interests within the State's court system.



Table 41

Appropriations				
Agency	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Division of Homeland Security and Emergency Services	9,129.5	9,073.2	(56.3)	(0.6)
Department of Corrections and Community Supervision	3,566.9	3,589.9	23.0	0.6
Division of State Police	1,305.9	1,237.6	(68.2)	(5.2)
Division of Criminal Justice Services	874.3	787.9	(86.5)	(9.9)
Office of Indigent Legal Services	468.9	459.5	(9.5)	(2.0)
Department of Law	352.1	372.1	20.0	5.7
Office of Victim Services	218.7	366.8	148.2	67.8
Division of Military and Naval Affairs	331.4	271.4	(60.0)	(18.1)
Interest on Lawyer Account	54.2	64.9	10.7	19.7
Office for the Prevention of Domestic Violence	16.9	17.9	1.0	6.0
Judicial Commissions	8.1	8.3	0.2	2.2
State Commission of Correction	4.1	4.1	0.0	0.7

Department of Corrections and Community Supervision

The Executive proposes All Funds appropriations of \$3.6 billion, an increase of \$23 million from SFY 2023-24. The Executive recommends support for 25,064 FTE positions, a decrease of 1,429 FTEs from SFY 2023-24.

Article VII

The Executive recommends Article VII legislation that would:

- authorize the Governor to close up to five correctional facilities between April 1, 2024 and March 31, 2025, provided that notice has been given to the Legislature at least 90 days prior to any such closure.



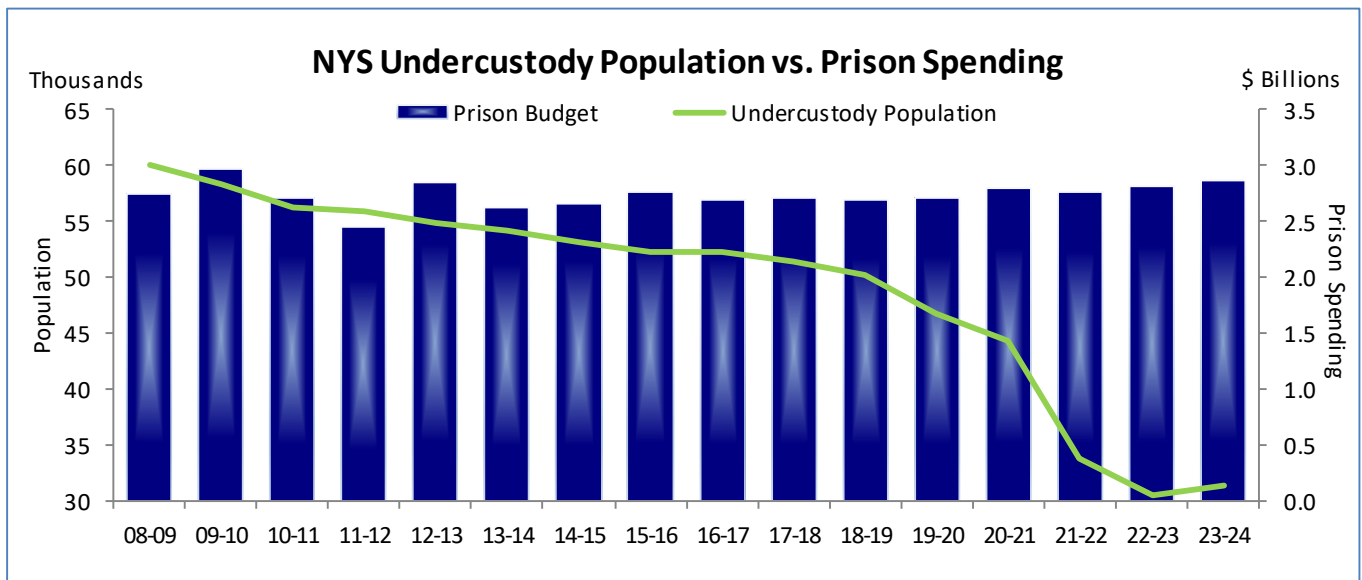


Figure 13

Division of Criminal Justice Services

The Executive proposes All Funds appropriations of \$787.9 million, a decrease of \$86.5 million or percent from the SFY 2023-24 level. The Executive recommends support for 428 FTE positions, an increase of 10 FTEs from SFY 2023-24.

Stopping Organized Retail Theft: The Executive provides an additional \$10 million in funding for District Attorneys to prosecute property crime cases and \$5 million in additional funding to build the capacity of local law enforcement efforts to combat retail theft.

Domestic Violence Prevention and Prosecution: The Executive provides \$40.8 million to increase the prosecution of domestic violence cases among high-risk offenders outside the City of New York. This is comprised of \$35.8 million for district attorneys and a continuation of a \$5 million grant program to victims of domestic violence to cover expenses in emergency situations.

Combat the Rise in Hate Crime: The Executive provides an additional \$10 million for the next round of the Securing Communities Against Hates Crimes (SCAHC) program, totaling \$35 million.

Article VII

The Executive proposes Article VII language that would:

- expand the class D felony offense of assault in the second degree to include assault of a retail worker;

- create a new class A misdemeanor offense “Fostering the sale of stolen goods” that targets individuals who assist in the sale of goods known to be stolen, including sales occurring on an internet website; and
- add 33 crimes ranging from class A misdemeanors to class A-1 felonies to the list of specified offenses as a hate crime.

Division of Homeland Security and Emergency Services

The Executive proposes All Funds appropriations of \$9.1 billion, representing a decrease of \$56.3 million or 0.6 percent, from SFY 2023-24. The Executive recommends a workforce of 758 FTEs, an increase of 100 FTE positions from SFY 2023-24, largely attributable to the expansion of the Office of Emergency Management and establishment of Fire Action Teams within the Office of Fire Prevention and Control.

State Fire Investigation Branch Expansion: The Executive provides \$5.3 million in new funding for the Office of Fire Prevention and Control to establish teams focused on community risk assessment and reduction.

Local Fire Investigation Grant Program: The Executive provides \$3.3 million to establish a competitive grant program for localities to maintain their assets and increase fire prevention efforts.

Flood Resiliency and Response Grant Program: The Executive provides \$15 million in capital funding to supply local and county governments with additional generators, high-flow pumps, flood barrier technology, and other weather emergencies.

Emergency Preparedness and Response: The Executive Budget provides \$10.4 million in additional State funding to the Division of Homeland Security and Emergency Services Office of Emergency Management to increase the State’s regional presence, to increase local planning and training, to provide additional tabletop exercises, and build out analytic and geospatial capabilities.

Article VII

The Executive proposes Article VII language that would:

- suspend the subsidy to the Revolving Loan Fund from the Public Safety Communication Account for two additional fiscal years.



Division of State Police

The Executive proposes All Funds appropriations of \$1.2 billion, a decrease of \$68.2 million or 5.2 percent, over the SFY 2023-24. The Executive recommends support for 6,521 FTE positions, an increase of 101 FTEs from SFY 2023-24 level, for the creation of a new State Police enforcement unit to combat retail theft.

Stopping Organized Retail Theft: The Executive provides \$25.2 million in new funding to deploy a dedicated State Police team to build cases against organized retail theft rings and create a new State Police enforcement unit.

Office of Indigent Legal Services

The Executive proposes All Funds appropriations of \$459.5 million, a decrease of \$9.5 million or 2.0 percent, over SFY 2023-24. The Executive recommends support for 35 FTE positions, an increase of three FTE positions from SFY 2023-24 level.

Department of Law

The Executive proposes All Funds appropriations of \$372.1 million, an increase of \$20 million or 5.7 percent, from SFY 2023-24. The Executive recommends support for 1,950 FTE positions, an increase of 47 FTEs over the previous fiscal year.

Article VII

The Executive proposes Article VII language that would: Establish the Heirs Property Protection and Deed Theft Prevention Act of 2024 to:

- create the crimes of deed theft in the 3rd degree, deed theft in the 2nd degree, deed theft in the 1st degree, and aggravated deed theft, which would be felony offenses;
- establish the statute of limitations for any offense related to deed theft or fraud involving real property would be eight years from the commission of the crime;
- prohibit partition actions relating to an heir's property in certain circumstances;
- provides for a right of first refusal of co-tenants of an heirs property; and
- create a process for transfer on death deed.



Division of Military and Naval Affairs

The Executive proposes All Funds appropriations of \$271.4 million, a decrease of \$60 million or 18.1 percent, over SFY 2023-24. The Executive recommends support for 394 FTE positions, no change from SFY 2023-24.

Lexington Avenue Armory: The Executive includes \$30 million in funding to support a new multi-year renovation and rehabilitation project at the Lexington Avenue Armory.

Office for the Prevention of Domestic Violence

The Executive proposes All Funds appropriations of \$17.9 million, an increase of \$1 million over the SFY 2023-24. The Executive Budget recommends a workforce of 38 FTE positions, an increase of five FTEs compared to SFY 2023-24.

Office of Victim Services

The Executive proposes All Funds appropriations of \$366.8 million, an increase of \$148.2 from the SFY 2023-24. The Executive recommends support for 110 FTE positions, an increase of 14 FTEs from the previous year to support the expansion eligibility for victims and survivors of crime to access victim compensation funds.

Federal Victims of Crimes Act (VOCA): The Executive includes \$120 million in State funding to ensure crime victim service providers are not impacted by potential VOCA shortfalls.

New York Interest on Lawyer Account

The Executive proposes All Funds appropriations of \$64.9 million, a \$10.69 million increase or 19.7 percent, over the SFY 2023-24. The Executive recommends support for nine FTE positions, unchanged from SFY 2023-24 level.

Civil Legal Services Grants Increase: The Executive transfers \$10 million in funding from the Interest on Lawyer Account (IOLA) to non-profits that provide civil legal services.

Commission of Correction

The Executive proposes All Funds appropriations of \$4.1 million, an increase of \$28,426 or 0.7 percent, from SFY 2023-24. The Executive recommends support for 44 FTE positions, unchanged from the SFY2023-24 level.



Judicial Commissions

The Executive proposes All Funds appropriations of \$8.4 million, an increase of \$184,000 from SFY 2023-24. The Executive recommends support for 52 FTE positions, unchanged from the SFY 2023-24 level.

BUDGET HIGHLIGHTS: LOCAL GOVERNMENTS



- **Aid and Incentives for Municipalities (AIM) for Cities, Towns and Villages:** The Executive proposal maintains AIM funding at \$715.2 million.



BUDGET REVIEW AND ANALYSIS: LOCAL GOVERNMENTS



The Executive provides aid to local governments through various programs including AIM, which is an unrestricted aid program, as well as other programs to promote and assist the efforts of local governments to merge, consolidate and share services.

Table 42

Appropriations				
Purpose	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Aid and Incentives for Municipalities	754.2	758.2	4.0	0.5
Municipalities with VLT Facilities	28.9	30.1	1.2	0.4
Miscellaneous Financial Assistance	23.9	18.8	(5.1)	(21.3)
Small Government Assistance	0.2	0.2	0.0	0.0

Aid and Incentives for Municipalities (AIM)

The Executive provides \$758.2 million in unrestricted aid to local governments, which includes \$715.2 million in unrestricted AIM for cities (excluding New York City), towns and villages, and \$43 million for various local government efficiency programs. This reflects a \$4 million increase to the Local Government Efficiency Grant Program over SFY 2023-24.

Consolidation, Dissolution, and Restructuring

Citizens Re-organization Empowerment Grants (CREG) and Citizen Empowerment Tax Credits (CETC):

CREGs provide local governments up to \$100,000 to cover costs associated with planning and implementing, reorganization and consolidation efforts. CETCs provide additional funding for cities (excluding New York City), towns and villages that consolidate or dissolve. The tax credits provide an annual aid bonus of 15 percent of the newly combined tax levy with the stipulation that 70 percent of the amount be used for direct property tax relief to taxpayers. These initiatives are supported by a \$35 million appropriation, which is unchanged from SFY 2023-24.



Local Government Efficiency Grant Program (LGEG): This program provides competitive grants to local governments to help cover costs associated with efficiency projects, including planning and implementation of function consolidations, as well as shared or cooperative services. The Executive proposes increasing the maximum planning award to \$20,000 per municipality and \$120,000 per grant, and the maximum implementation award to \$250,000 per municipality and \$1.25 million per grant. These grants are supported by an \$8 million appropriation, an increase of \$4 million above SFY 2023-24.

Financial Restructuring Board (FRB): The FRB is authorized to make loans or grant awards of up to \$5 million under the Local Government Performance and Efficiency Program (LGPEP) to fiscally eligible municipalities that accept the board's recommendations. The FRB has undertaken reviews for the cities of Albany, Dunkirk, Elmira, Fulton, Jamestown, Lockport, Long Beach, Niagara Falls, Ogdensburg, Plattsburgh, Poughkeepsie, Rochester, Syracuse, Troy, Utica, Watervliet, and Yonkers; the villages of Alfred, Amityville, Herkimer, Hoosick Falls, Owego, Potsdam, and Wilson; and the Town of Fishkill.

Municipal Restructuring Fund (MRF): The MRF supports local governments in implementing projects that contribute to lower operating costs and reduced property tax burdens. Funding is available in stages and is based on the estimated long-term savings of the completed project (20 percent of savings).

County-Wide Shared Services Initiative

The Executive proposal includes legislation that would eliminate state matching funds for County-Wide Shared Services Property Tax Savings Plans, effective April 1, 2024. Plans which were adopted in 2022 and implemented in 2023 would still be eligible for matching funds, supported by a \$225 million reappropriation enacted in SFY 2018-19. County-Wide Shared Services panels would still be permitted to convene but would no longer be mandatory.

Miscellaneous Financial Assistance

The Executive proposal provides \$3.75 million in aid to Madison County to reflect the opening of the Oneida Nation's Point Place Casino. Madison County does not currently receive an as of right share of the negotiated percentage of the net drop from gaming devices the state currently receives pursuant to tribal compacts. The Executive maintains Miscellaneous Financial Assistance aid of \$15 million to the City of Albany, which is unchanged from SFY 2023-24. The Executive eliminates \$30 million in funding to the Troy Municipal Assistance Corporation (MAC), reflecting the dissolution of the corporation.



Video Lottery Terminal (VLT) Aid

The Executive proposes VLT aid at \$30.1 million, an increase of \$1.2 million above the SFY 2023-24, for eligible municipalities, in which a video lottery gaming facility is located. The municipalities that host these facilities, with the exception of the City of Yonkers, received aid in an amount equal to 70 percent of aid received in SFY 2008-09.

Table 43

Aid to Municipalities with Video Lottery Terminal (VLT) Facilities (\$ in Thousands)	
	SFY 2024-25 Executive Proposal
Yonkers	19,600
Batavia Downs	802
Fairgrounds (Buffalo)	1,154
Finger Lakes	2,369
Newburgh	2,469
Saratoga Springs	3,101
Vernon Downs	626
Total	30,121

Source: New York State Division of Budget.

Article VII

The Executive proposes Article VII language that would:

- increase the bond limit for the New York City Transitional Finance Authority (TFA) from \$13.5 billion to \$19.5 billion in July 2024 and to \$25.5 billion in July 2025;
- authorize New York City to establish a program to legalize illegal basement and cellar apartments notwithstanding any state or local law;
- make county shared services panels optional and eliminate state matching funds for the County-Wide Shared Services Initiative (CWSSI); and
- increase the maximum grant amounts awarded through the Local Government Efficiency Program.



BUDGET HIGHLIGHTS: GENERAL GOVERNMENT



- **Short Term Disability Benefit Increase:** The Executive proposal would incrementally increase the maximum short-term disability benefit over four years and modify employee contribution rates for such benefits.
- **Paid Family Leave Expansion:** The Executive proposal would expand the Paid Family Leave program to allow for up to 40 hours of additional leave for pregnant employees to receive prenatal care.
- **Language Access Interpreters:** The Executive proposes to allow the Office of General Services (OGS) to create a Language Access Certification program, which would offer oral and written language assessments and training for state employees who speak a language other than English, to improve the availability of translation resources.
- **Office of Faith and Non-Profit Development Services:** The Executive includes \$5 million to establish a new Office of Faith and Non-Profit Development Services within the Department of State (DOS).
- **Office for New Americans:** The Executive includes \$44.2 million in continued funding to support the Office for New Americans (ONA) within DOS, which works to assist newcomers to New York State, by providing free legal services, workforce development training, mental health support, workforce development, and English language learning.
- **Office of Cannabis Management:** The Executive proposal includes \$63.1 million for the Office of Cannabis Management (OCM), which is an increase of \$1.1 million from State Fiscal Year (SFY) 2023-24.
- **Public Campaign Finance Board:** The Executive proposal includes \$100 million for the payment of matching funds to participating candidates.
- **Electronic Poll Books:** The Executive proposes \$14.7 million for local Boards of Elections to purchase electronic poll books, associated software, and on-demand ballot printers.



BUDGET REVIEW AND ANALYSIS: GENERAL GOVERNMENT



General Government agencies play an essential role in the daily operation of state government and provide services to people and businesses throughout the state. Overall, these agencies have two goals: to provide oversight, regulation and enforcement of state laws and create a more efficient and effective use of government services and funding.

The Division of Alcoholic Beverage Control (ABC) provides oversight and regulation of the manufacture, sale and distribution of alcoholic beverages; the State Board of Elections (SBOE) oversees elections in New York State, including the Public Campaign Finance Program; the Joint Commission on Public Ethics (JCOPE) provides for the administration and enforcement of ethics and lobbying statutes; the Department of Financial Services (DFS) provides regulatory oversight of the banking and insurance industry; and the Department of State (DOS) provides licensing services and administers activities and programs offering services to local governments and community-based organizations.

The Office of General Services (OGS) supports the operations of state property, provides centralized contracting, and along with the Office of Information Technology Services (ITS) works to support the efficient use of government resources. The Department of Audit and Control ensures the on-time payment of the state's bills, oversees the investment of billions in state funds and oversees the fiscal practices of local governments. The Department of Taxation and Finance (DTF) is responsible for the administration and collection of state taxes.

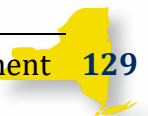


Table 44

Appropriations				
Agency	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Office of General Services	1,346.1	1,376.3	30.1	2.2
Office of Information Technology Services	1,010.9	1,046.5	35.6	3.5
Department of State	580.9	683.2	102.3	17.6
Department of Audit and Control	557.6	563.5	5.9	1.1
Department of Financial Services	526.7	594.0	67.3	12.8
Department of Taxation and Finance	479.8	507.1	27.3	5.7
Workers' Compensation Board	218.1	227.3	9.2	4.2
State Board of Elections	82.8	158.4	75.6	91.3
Division of Alcoholic Beverage Control	83.2	84.7	1.5	1.8
Division of Budget	50.7	50.2	(0.5)	(1.1)
Statewide Financial System	32.0	32.0	0.0	0.0
Executive Chamber	23.3	23.3	0.0	0.0
Office of the Inspector General	9.9	11.1	1.3	13.1
Commission on Ethics and Lobbying	7.8	8.1	0.3	3.6
Division of Tax Appeals	3.4	4.1	0.7	19.8
Deferred Compensation Board	1.0	1.0	0.0	1.0
Office of the Lieutenant Governor	0.8	0.9	0.2	22.7

Office of General Services

The Executive proposes an All Funds appropriation of \$1.4 billion, an increase of \$30.1 million or 2.2 percent over State Fiscal Year (SFY) 2023-24. The Executive recommends support of 1,853 full-time equivalents (FTEs), which is an increase of seven FTEs over the SFY 2023-24 level.

The Executive provides \$259.6 million in Capital Projects funding, a decrease of \$2.6 million from SFY 2023-24.

An increase of \$17.7 million in State Operations funding over the SFY 2023-24 level, reflects to contractual service increases in the Executive Direction Program and the Real Property Management and Development Program, as well as seven new FTEs to staff Fleet Management and Resiliency & Sustainability positions.



The Executive proposes \$15 million in Local Assistance to cover costs of services and expenses associated with migrants and asylum seekers, including costs associated with temporarily housing migrants and asylum seekers at Floyd Bennet Field in Brooklyn.

Office of Information Technology Services (ITS)

The Executive proposes an All Funds appropriation of \$1.05 billion. This is an increase of \$35.6 million over SFY 2023-24, which is attributable to additional cybersecurity investments to increase state and local defense. The Executive recommends total support for 3,757 FTEs, an increase of 149 FTEs from the SFY 2023-24 level.

State and Local Cyber Defense: The Executive proposes \$32.9 million for cyber defense: \$22.3 million shared between the Cyber Risk Remediation Program and the New York Security Office (NYSOC); and \$10.5 million allocated to the Shared Services Program.

Expanding Cyber Security Staff: The Executive proposes an additional \$7.5 million to increase personnel in various cybersecurity initiatives.

Service Transfer to State Police: The Executive proposes shifting existing tasks that currently fall under the ITS budget over to State Police. This proposal would result in a reduction of \$1 million in ITS spending.

Department of State (DOS)

The Executive proposes All Funds appropriations of \$683.2 million, an increase of \$102.3 million or 17.6 percent above the SFY 2023-24 level. The Executive recommends 602 FTE positions, which reflects a net decrease of 20 FTEs from the prior state fiscal year.

Downtown Revitalization Initiatives: The Executive proposes \$200 million in total support for a second round of downtown revitalization efforts and to support a third round of the NY Forward Program intended to revitalize smaller downtowns and rural communities.

Office for New Americans: The Executive includes \$44.2 million in continued funding to support the Office for New Americans (ONA) within the Department of State (DOS), which works to assist newcomers to New York State to fully participate in the state's civic and economic life by providing free legal services, workforce development training, mental health support, workforce development, and English language learning.

Office of Faith and Non-Profit Development Services: The Executive provides \$5 million to establish the Office of Faith and Non-Profit Development Services, including \$1.5 million for office staff and equipment and \$3.5 million for local assistance grants.

Commission on African American History: The Executive proposes \$15 million in funding to create the Commission on African American History, including \$5 million for local assistance grants and \$10 million in capital grants to support the commission’s recommendations.

Statewide Investment in More Swimming (SWIMS): The Executive provides \$5 million in funding to support the SWIMS initiative, including reimbursement of municipalities for expenses related to lifeguard bonuses, certification costs, or expansions of operating hours.

The Executive proposes Article VII legislation that would:

- Extend the authorization for public bodies to conduct public meetings remotely until July 1, 2026.

Department of Audit and Control

The Executive proposes All Funds appropriations of \$563.5 million, an increase of \$5.9 million or 1.1 percent over SFY 2023-24. The Executive recommends support for 2,890 FTEs, an increase of three FTEs from the previous fiscal year. These new FTEs positions would support the Bureau of State Payroll Services.

Department of Financial Services (DFS)

The Executive proposes an All Funds appropriation of \$593.9 million, representing an increase of \$67.3 million or 12.8 percent over the SFY 2023-24 level. The Executive recommends support for 1,391 FTEs unchanged from the SFY 2023-24 level.

IT Modernization: The Executive includes an appropriation of \$60 million to modernize DFS Information Technology systems.

Entertainment Workers Demonstration Program: The Executive provides \$3 million in funding for the Entertainment Workers Demonstration Program. This is an increase of \$2 million from the SFY 2023-24 level.

Healthy NY Program: The Executive Budget includes \$19.4 million in funding to the Healthy NY program, an increase of \$600,000 from the SFY 2023-24 level.

Article VII

The Executive proposes Article VII legislation that would:

- authorize the DFS to license and regulate Buy Now, Pay Later loans;
- create guidelines that would enable financial institutions to identify, and place holds on transactions suspected to be fraudulent and exploitive towards disabled individuals and individuals over the age of 65;
- extend and modify the Physicians Excess Medical Malpractice Program;
- require minimum commercial insurance reimbursement rates for behavioral health services;
- extend the Health Insurance Continuation Assistance Demonstration Project;
- amend supplemental spousal liability;
- prohibit insulin cost sharing;
- prohibit insurance coverage discrimination of affordable housing;
- increase mental health parity fines; and
- modernize the Life Insurance Guaranty credit.

Department of Taxation and Finance

The Executive proposes an All Funds appropriation of \$507.1 million, which is an increase of \$27.3 million or 5.7 percent over the SFY 2023-24 level. The Executive recommends support for 3,828 FTEs, which is an increase of 43 FTEs from SFY 2023-24 levels. This increase includes additional resources to assist in combatting the sale of unlicensed cannabis.

Article VII

The Executive proposes Article VII legislation that would:

- make permanent various electronic filing and payment mandates while also repealing legacy e-filing statutes.

Workers Compensation Board

The Executive proposes an All Funds appropriation of \$227.3 million, an increase of \$9.2 million or 4.2 percent over SFY 2023-24 levels. This increase is largely attributed to increased FTEs and the modernization of the claims management system. The Executive recommends support of 1,086 FTEs an increase of five FTEs over FY 2023-24.

Article VII

The Executive proposes Article VII legislation that would:

- allow employees to receive 40 additional hours of leave Paid Family Leave for prenatal care; and
- provide scheduled increases to the weekly and maximum weekly short-term disability benefit rates and authorize the Superintendent of the Department of Financial Services to delay such scheduled increases if determined to be in the best interest of the people of the state.

State Board of Elections (SBOE)

The Executive proposes an All Funds appropriation of \$158.4 million, an increase of \$75.6 million or 91.3 percent over the SFY 2023-24 levels. The Executive recommends support for 220 FTEs, an increase of 10 FTEs over SFY 2023-24. Of the 10 additional FTEs, eight are to support a new poll worker training program enacted in 2023, and two are accessibility coordinators.

The Executive proposes \$31 million for State Operations, a decrease of \$7.8 million or 20 percent from SFY 2023-24. This decrease primarily reflects the discontinuance of \$7 million in federal funding related to the Help America Vote Act, as well as \$5 million that is transferred to Aid to Localities. These reductions, totaling \$12 million, are partially offset by additional funding for poll worker training, accessibility coordinators and for the assessment of new voting machine technology for use by local



Boards of Elections. The Executive proposal includes \$14.5 million for Public Campaign Finance Board staff and administration, unchanged from SFY 2023-24.

The Executive proposes \$112.7 million in local assistance, an increase of \$83.7 million. This includes \$100 million for the payment of matching funds to candidates participating in the Public Campaign Fund (PCF) program, an increase of \$75 million. The Executive proposal includes \$7.7 million for local boards of elections for the cost of pre-paid return postage, an increase of \$3.7 million related to the cost of the early-voting by mail program.

In capital funding, the Executive proposes \$14.7 million for local Boards of Elections to purchase electronic poll books, associated software, and on-demand ballot printers.

Division of Alcoholic Beverage Control (ABC)

The Executive proposes an All Funds appropriation of \$84.7 million, an increase of \$1.5 million or 1.8 percent above the SFY 2023-24 level. This increase primarily reflects general salary increases within the Office of Cannabis Management. The Executive recommends support for 398 FTE positions, which is unchanged from SFY 2023-24 level.

Within the Division of Alcoholic Beverage Control, the Executive proposes an All Funds appropriation of \$63.1 million for the Office of Cannabis Management, an increase of \$1.1 million over SFY 2023-24, for the reason noted above.

Article VII

The Executive proposes Article VII legislation that would:

- provide the Office of Cannabis Management with new enforcement authority in relation to closure of unlicensed businesses selling cannabis illegally, and provide additional enforcement authority to localities;
- repeal the requirements that catering permits shall only be issued for indoor events and that wine and liquor stores shall be located at street level, and implement ABC Law Commission recommendations related to community notification, corporate changes, one-day permitting;
- authorize the State Liquor Authority to issue temporary wholesaler permits and allow for multiple wholesale licenses at the same location;

- permanently codify the powers of the Chair and Members of the State Liquor Authority;
- extend Temporary Retail Permits for one-year; and
- permanently allow retail on-premises licensees such as restaurants and taverns to file an application with the State Liquor Authority to use municipal space for outdoor dining if authorized by the local government.

Division of the Budget (DOB)

The Executive proposes an All Funds appropriation of \$50.2 million, a net decrease of \$537,000 or 1.1 percent below the SFY 2023-24 funding level. The Executive recommends support for 292 FTEs, which is unchanged from SFY 2023-24.

Statewide Financial Systems (SFS)

The Executive proposes All Funds appropriations of \$32 million to support the ongoing maintenance and operating cost of SFS, unchanged from SFY 2023-24. The Executive recommends support for 147 FTE positions, unchanged from SFY 2023-24.

Executive Chamber

The Executive proposes All Funds appropriations of \$23.3 million for the Executive Chamber to support the Office of the Governor (\$22.4 million) and the Office of the Lieutenant Governor (\$921,000), which is an increase of \$175,000 over the SFY 2023-24 level. The Executive supports 168 FTEs for the Office of the Governor, unchanged from the SFY 2023-24 level, and eight FTEs assigned to the Office of the Lieutenant Governor, an increase of one over the SFY 2023-24 level.

Office of Inspector General

The Executive Budget recommends an All Funds appropriation of \$11.1 million, an increase of \$1.3 million or 13.1 percent over SFY 2023-24. This increase supports system improvements and general salary increases. The Executive recommends support for 105 FTEs, unchanged from SFY 2023-24.



Commission on Ethics and Lobbying

The Executive proposes an All Funds appropriation of \$8.1 million, an increase of \$279,000, or 3.6 percent from SFY 2023-24. The Executive recommends funding support for 68 FTE positions, unchanged from SFY 2023-24.

Division of Tax Appeals

The Executive proposes an All Funds appropriation of \$4.1 million, an increase of \$669,600 or 19.8 percent, over the SFY 2023-24 level. This increase would cover the costs of contract agreements and support agency operations. The Executive recommends support for 29 FTEs, which is an increase of three FTEs from SFY 2023-24 levels.

Deferred Compensation Board

The Executive proposes All Funds appropriations of \$1 million, an increase of \$6,589 or 0.7 percent over SFY 2023-24. The Executive recommends support for four FTEs, unchanged from SFY 2023-24 level.



BUDGET HIGHLIGHTS: STATE OPERATIONS AND WORKFORCE



- **Medicare Part B Income-Related Monthly Adjustment Amount (IRMAA) Subsidy:** The Executive proposes to cease.
- **Anti-Discrimination Investigations Division Funding:** The Executive proposal provides the Office of Employee Relations (OER) approximately \$3.3 million to fund the agency's Affirmative Action Administrator (AAA) staff to meet the demand for discrimination investigations.
- **Eliminating the Lag Payroll and Salary Withholding Program for Newly Hired State Employees:** The Executive proposes to eliminate the Lag Payroll and Salary Withholding Program for prospective state employees hired on or after July 1, 2024.
- **Civil Services Fee Waiver:** The Executive Budget includes \$2.5 million to continue to waive state civil service application fees for all examinations held after July 1, 2023.



BUDGET REVIEW AND ANALYSIS: STATE OPERATIONS AND WORKFORCE



State employees deliver services to the public and manage a range of facilities and provider networks. They oversee and administer billions of dollars in program funding and capital projects. There are 186,820 state employees in Executive agencies.

General State Charges provide for miscellaneous costs that accrue to the state, including pension, health and other fringe benefits to most state employees and retirees, as well as state litigation expenses and payments to local governments for taxes on state-owned lands.

The Department of Civil Service provides human resource management services to state and local governments, including recruitment, testing, and classifications for public employees.

The Public Employment Relations Board resolves major labor disputes between public or private employers and employees. The Governor’s Office of Employee Relations assists the Governor in relations between the state and its employees, including representing the Executive Branch in collective bargaining negotiations and providing for workforce training, education, and benefits.

Table 45

Agency	Appropriations			
	2023-24 Adjusted (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
General State Charges	7,077.8	7,843.6	765.8	10.8
Department of Civil Service	89.2	99.8	10.6	11.9
Office of Employee Relations	12.5	16.0	3.5	28.3
Public Employment Relations Board	5.0	5.9	1.0	19.5

General State Charges

The Executive proposes All Funds appropriations of \$7.8 billion, an increase of \$765.8 million or 10.8 percent over State Fiscal Year (SFY) 2023-24. Fringe benefits are appropriated within General State Charges for General Fund employees and within each agency for employees funded by resources outside the General Fund.



Health Insurance Benefits: The Executive proposes a \$702 million increase from SFY 2023-24 for health insurance benefits contributions, an increase of 14.7 percent in New York State Health Insurance Plan (NYSHIP) costs. This increase is largely attributed to increases in the rising cost of healthcare and increased use of certain costly prescription drugs.

Pensions: The Executive proposes a \$3.1 billion decrease, or 82.4 percent from SFY 2023-24. This decrease reflects the Executive's proposed pension prepayment of the pension obligation for SFY 2024-25 of \$1.9 billion in SFY 2023-24, resulting in anticipated interest savings of \$110 million.

Social Security Tax: The Executive proposes a \$20 million, or 1.7 percent increase over SFY 2023-24. This increase reflects general salary increases adherent to collective bargaining agreements.

Workers' Compensation Benefits: The Executive proposes a net \$45 million increase in Workers' Compensation benefits for injured state employees, a 7.5 percent increase over SFY 2023-24. The increase reflects costs associated with increasing the minimum weekly compensation benefit, as well as spending trends.

Interest Rates on Judgements: The Executive proposes to change the interest rate paid by the state and other governmental jurisdictions in court judgments from a fixed 9.0 percent rate to a variable market-based index.

Article VII

The Executive proposes Article VII legislation that would:

- eliminate lag payroll and salary withholding for certain Executive employees, non-judicial court officers and employees, and legislative employees hired on or after July 1, 2024;
- end reimbursement of the income-related monthly adjustment amount to retirees for amounts charged on and after January 1, 2024, effective January 1, 2025; and
- authorize the president of the Civil Service Commission to require the payment of interest on late payments made by certain employers for the administration of the New York State Health Insurance Program (NYSHIP) and authorize the Director of the Budget to intercept funds paid by the state to any such employers and direct such funds to the health insurance fund.

Department of Civil Service

The Executive proposes All Funds appropriations of \$99.8 million, which is an increase of \$10.6 million or 11.9 percent over SFY 2023-24. This reflects continued support for several programs aimed at modernizing the civil service system, including the expansion of continuous recruitment and the creation of new testing and recruitment centers. The Executive recommends support for 465 full-time equivalents (FTEs), which is unchanged from SFY 2023-24.

Office of Employee Relations

The Executive proposes All Funds appropriations of \$16 million, reflecting an increase of \$3.5 million or 28.3 percent over SFY 2023-24. The Executive recommends support for 93 FTEs, which is unchanged from SFY 2023-24.

Public Employment Relations Board (PERB)

The Executive proposes All Funds appropriations of \$5.9 million, which is an increase of \$1 million or 19.5 percent over SFY 2023-24. The Executive recommends support for 36 FTEs, which remains unchanged from SFY 2023-24. Increased funding is a reflection of PERB's increased involvement in representing both public and private employees.



Table 46

Workforce Impact Summary

All Funds

FY 2023 Through FY 2025

	FY 2023 Actuals (03/31/23)	Starting Estimate (03/31/24)	Attritions	New Fills	Net Change	Ending Estimate (03/31/25)
Addiction Services and Supports, Office of	78	778	(88)	88	0	778
Adirondack Park Agency	45	54	(2)	2	0	54
Aging, Office for the	84	126	(9)	9	0	126
Agriculture and Markets, Department of	484	543	(20)	34	14	557
Alcoholic Beverage Control, Division of	254	398	(40)	40	0	398
Arts, Council on the	25	31	(3)	3	0	31
Audit and Control, Department of	2,528	2,887	(134)	137	3	2,890
Budget, Division of the	287	292	(38)	38	0	292
Children and Family Services, Office of	2,746	2,886	(609)	609	1	2,887
City University of New York	13,267	13,511	(1,351)	1,351	0	13,511
Civil Service, Department of	320	465	(73)	73	0	465
Correction, Commission of	41	44	(5)	5	0	44
Corrections and Community Supervision, Department of	23,694	26,493	(5,056)	3,627	(1,429)	25,064
Criminal Justice Services, Division of	401	418	(51)	61	10	428
Deferred Compensation Board	3	4	0	0	0	4
Education Department, State	2,541	2,876	(287)	311	24	2,900
Economic Development, Department of	124	165	(11)	11	0	165
Elections, State Board of	115	210	(9)	19	10	220
Employee Relations, Office of	65	93	(12)	12	0	93
Environmental Conservation, Department of	2,885	3,313	(176)	176	0	3,313
Ethics and Lobbying, Independent Commission on	41	68	(12)	12	0	68
Executive Chamber	143	168	(10)	10	0	168
Financial Control Board, New York State	12	12	(1)	1	0	12
Financial Services, Department of	1,265	1,391	(110)	110	0	1,391
Gaming Commission, New York State	300	391	(316)	321	5	396
General Services, Office of	1,679	1,846	(352)	359	7	1,853
Health, Department of	4,539	6,057	(786)	938	152	6,209
Higher Education Services Corporation, New York State	77	103	(11)	11	0	103
Homeland Security and Emergency Services, Division of	587	658	(39)	139	100	758
Housing and Community Renewal, Division of	545	631	(80)	90	10	641
Hudson River Valley Greenway Communities Council	0	1	0	0	0	1
Human Rights, Division of	148	174	(23)	23	0	174
Indigent Legal Services, Office of	37	32	(4)	7	3	35
Information Technology Services, Office of	3,096	3,608	(364)	514	149	3,757
Inspector General, Office of the	98	105	(5)	5	0	105
Interest on Lawyer Account	8	9	0	0	0	9
Judicial Conduct, Commission on	44	52	(2)	2	0	52
Justice Center for the Protection of People with Special	459	471	(32)	51	19	490
Labor Management Committees	63	71	(13)	13	0	71
Labor, Department of	2,705	2,817	(458)	458	0	2,817
Law, Department of	1,791	1,903	(130)	177	47	1,950
Lieutenant Governor, Office of the	5	7	(2)	3	1	8
Medicaid Inspector General, Office of the	442	515	(16)	16	0	515
Mental Health, Office of	13,507	14,995	(1,330)	1,603	273	15,268
Military and Naval Affairs, Division of	359	394	(44)	44	0	394
Motor Vehicles, Department of	2,923	3,228	(468)	468	0	3,228
Parks, Recreation and Historic Preservation, Office of	2,099	2,374	(134)	213	79	2,453
People with Developmental Disabilities, Office for	16,686	18,960	(1,756)	1,929	173	19,133
Prevention of Domestic Violence, Office for	29	33	(5)	10	5	38
Prosecutorial Conduct, Commission on	0	19	(2)	2	0	19
Public Employment Relations Board	27	36	(4)	4	0	36
Public Service Department	462	528	(55)	55	50	578
State Police, Division of	5,543	6,420	(214)	315	101	6,521
State University Construction Fund	133	145	(15)	15	0	145
State University of New York	45,623	46,854	(4,609)	4,609	0	46,854
State, Department of	577	622	(38)	68	(20)	602
Statewide Financial System	131	147	(6)	6	0	147
Tax Appeals, Division of	24	26	(3)	6	3	29
Taxation and Finance, Department of	3,450	3,785	(244)	287	43	3,828
Temporary and Disability Assistance, Office of	1,855	1,922	(220)	235	15	1,937
Transportation, Department of	8,150	8,495	(338)	338	0	8,495
Veterans' Services, Division of	89	110	(17)	17	0	110
Victim Services, Office of	92	96	(17)	31	14	110
Welfare Inspector General, Office of	6	6	(1)	1	0	6
Workers' Compensation Board	946	1,081	(102)	107	5	1,086
Total	171,422	186,953	(20,362)	20,229	(133)	186,820

*Net changes reflect the transfer of the Office of Renewable Energy Siting and its 50 FTEs, currently within the Department of State (DOS), to the Department of Public Service (DPS).

BUDGET REVIEW AND ANALYSIS: JUDICIARY



The New York State courts are established and administered as an independent branch of government pursuant to Article VI of the State Constitution. The cost of operating the courts (excluding town and village courts) is borne by the State pursuant to the Unified Court Budget Act. The mission of the Unified Court System is to promote the rule of law and to serve the public by providing just and timely resolutions of all matters before the courts. The New York State Judiciary carries out its mission through 11 different trial courts (courts of original jurisdiction), its intermediate appellate courts, and its highest court, the Court of Appeals.

Table 47

Appropriations				
Agency	2023-24 Exec Request (\$ in Millions)	2024-25 Exec Request (\$ in Millions)	Change (\$ in Millions)	Change (%)
Office of Court Administration	3,417.4	3,749.2	331.8	9.7

The Judiciary’s proposed budget request recommends All Funds appropriations of \$3.7 billion, an increase of \$331.8 million or 9.7 percent from the State Fiscal Year (SFY) 2023-24 level. The Judiciary recommends support for 15,700 full-time-equivalent (FTE) positions, an increase of 600 FTE positions from the SFY 2023-24 level.

Judiciary Operations: The Judiciary’s budget submission increases disbursements by \$335.6 million in SFY 2024-25 reflecting increases in personal service expenses related to new judgeships, judicial and non-judicial salary increases, and non-judicial staffing increases. The Judiciary State Operations Budget is increased by \$150.4 million to increase personnel to pre-pandemic levels, which includes, filling 130 currently vacant non-judicial positions, funding 470 new non-judicial positions, and funding 48 new judgeships.

Civil Legal Services: The proposed budget includes appropriations totaling \$122.4 million to support civil legal services to provide a 3.0 percent Cost of Living Increase (COLA) for all civil legal service providers.

Capital Projects: The Judiciary’s budget includes \$50 million in capital appropriations, which reflects an increase of \$22 million from the prior year, for the continued improvements to court technology infrastructure, modernization of the judiciary’s secure high-speed network, security equipment, records management, and facility renovation.

Article VII

The Executive proposes Article VII Legislation that would:

- establish the Judicial Security Act to allow judges, court staff, other members of the court system, and their families to have personally identifiable information made private and create several new criminal offenses to provide for greater protection of such persons;
- establish the interest rate on a judgement or accrue claim consistent with the one-year United States treasury bill rate, which is currently around 5.0 percent; and
- allow family court judges to consider the specific circumstances of the individual parent in determining child support and identify specific financial and employment factors to be considered in such determinations.





BUDGET HIGHLIGHTS: ECONOMY

- According to the Executive Budget, the U.S. economy, as measured by real Gross Domestic Product (GDP), is projected to grow by 1.3 percent in 2024 and 1.9 percent in 2025, following an estimated increase of 2.4 percent in 2023.

Table 48

U.S. Economic Outlook (Percent Change)			
	2023	2024	2025
Real GDP	2.4	1.3	1.9
Consumption	2.3	1.5	1.9
Residential Investment	(11.1)	(1.6)	1.3
Nonresidential Investment	4.3	2.3	3.3
Exports	2.8	1.7	2.7
Imports	(1.2)	2.9	3.0
Government	4.0	1.9	0.4
Personal Income	5.2	4.1	4.1
Wages & Salaries	6.3	4.3	4.0
Employment	2.3	0.9	0.7
Unemployment Rate (percent)	3.6	4.1	4.1
CPI-Urban	4.1	2.8	2.3
S&P 500 Stock Price	4.1	3.7	3.3
Federal Fund Rate	5.0	5.1	4.2
Treasury Note Rate (10-year)	4.0	4.3	4.4

Note: Calendar year values are as reported in the FY 2025 NYS Executive Budget released on January 16, 2024.
Source: NYS Division of the Budget.

- The Executive projects that state private employment will grow by 0.1 percent in 2024 and 0.6 percent in 2025, after increasing an estimated 2.1 percent in 2023.

Table 49

New York State Economic Outlook (Percent Change)			
	2023	2024	2025
	Actual	Estimated	Forecast
Employment	1.8	0.1	0.5
Private Employment	2.1	0.1	0.6
Personal Income	4.0	3.6	4.2
Total Wages (calendar year basis)	4.2	3.1	4.0
Base Wages	6.1	3.2	3.6
Variable Compensation	(8.3)	2.2	6.6
Total Wages (fiscal year basis)	5.1	3.2	3.8
New York Area CPI	4.0	2.9	2.4

Note: Values are as reported in the FY 2025 NYS Executive Budget released on January 16, 2024.
Source: NYS Division of the Budget.

BUDGET REVIEW AND ANALYSIS: ECONOMY



The National Economy: The Executive expects the U.S. economy to underperform its long-run potential in 2024 but avoid a recession. The Executive projects that U.S. economic growth, as measured by inflation-adjusted Gross Domestic Product (GDP), will slow to 1.3 percent in 2024, after growing 2.4 percent in 2023 (see **Error! Reference source not found.**). The Executive attributes the slowdown in economic growth partly to high interest rates, as well as slow employment growth. The Executive forecasts real GDP to increase 1.9 percent in 2025 as conditions improve.

Table 50

U.S. Economic Forecast Comparison			
	2023	2024	2025
Real Gross Domestic Product (GDP) (chained percent change)			
Division of the Budget	2.4	1.3	1.9
Blue Chip Consensus	2.4	1.3	N/A
CBO*	2.5	1.5	2.2
FED	2.6	1.4	1.8
Consumer Price Index (CPI) (percent change)			
Division of the Budget	4.1	2.8	2.3
Blue Chip Consensus	4.1	2.6	N/A
CBO*	3.2	2.5	2.5
FED**	3.2	2.4	2.2
Unemployment Rate (percent)			
Division of the Budget	3.6	4.1	4.1
Blue Chip Consensus	3.7	4.2	N/A
CBO***	3.9	4.4	4.4
FED	3.8	4.1	4.1
Note: Numbers are as reported in the FY 2025 NYS Executive Budget released on January 16, 2024; *measured by percent change from fourth quarter to fourth quarter; **measured by PCE inflation instead of CPI inflation; ***measured by fourth quarter average. Source: NYS Division of the Budget.			

- **Consumption:** According to the Executive, growth in real consumption spending is projected to slow down to 1.5 percent in 2024 from 2.2 percent in 2023, due to weakening employment and wage growth and elevated interest rates. Elevated interest rates are expected to discourage spending on durable items such as light vehicles and appliances.



- **Investment:** The Executive projects that private investment spending growth will slow to 2.3 percent in 2024, following an estimated 4.3 percent increase in 2023. The slowdown in growth stems from tighter credit, rising borrowing costs, and weakening consumer demand. In 2023, business investments were bolstered by government driven incentives designed to encourage infrastructure construction. According to the Executive, private investment spending is projected to increase by 3.3 percent in 2025.
- **Exports and Imports:** The Executive projects that U.S. exports growth will slow to 1.7 percent in 2024, following an estimated growth of 2.8 percent in 2023. The Executive projects U.S. exports to grow 2.7 percent in 2025. The Executive projects U.S. imports to rebound in 2024 growing 2.9 percent, and then by 3.0 percent in 2025, following an estimated decline of 1.2 percent in 2023.
- **Government Spending:** The Executive surmises that legislation passed by the federal government, particularly the Infrastructure Investment and Jobs Act, the CHIPs and Science Act, and the Inflation Reduction Act, that designated about \$1 trillion over ten years have helped support economic growth through spending on infrastructure and clean energy and promoting competitiveness in the semiconductor-based industries. These three pieces of legislation had their biggest impact on economic growth in 2023. The Executive projects that government spending, after adjusted for inflation, will grow by 1.9 percent in 2024 and slow further to 0.4 percent in 2025, following growth of 4.0 percent in 2023.
- **Inflation:** According to the Executive, inflation, as measured by the Consumer Price Index (CPI), is projected to fall to 2.8 percent in 2024, and then to 2.3 percent in 2025, from 4.1 percent in 2023. The decline in inflation is expected to be driven by the easing of elevated prices from strong demand for certain services, such as the shelter component of services. In addition, the tightening of monetary policies by the Federal Reserve should put downward pressure on wages as the decline in demand for goods and services reduces hiring, and thus cooling inflation.
- **Employment:** The Executive expects the downward trend in payroll employment that began in February 2022 to continue with job losses projected in the second half of 2024. Hence, the Executive projects U.S. employment to grow 0.9 percent in 2024 and 0.7 percent in 2025, after a solid 2.3 percent increase in 2023. At the same time, the Executive anticipates that the unemployment rate will increase to 4.1 percent in 2024 and 2025, following 3.6 percent in 2023.
- **Personal Income:** According to the Executive, the growth rate of wages is estimated to decelerate from an estimated 6.3 percent in 2023 to a projected 4.3 percent in 2024 and

4.0 percent in 2025. Consequently, the Executive forecasts that U.S. personal income will grow 4.1 percent in 2024 and 2025, following an estimated growth of 5.2 percent in 2023.

- **Corporate Profits:** The Executive projects that U.S. corporate profits will increase 1.8 percent in 2024, and by another 4.0 percent in 2025, following growth of only 0.1 percent in 2023.
- **Financial Markets:** The Executive expects the 10-year Treasury yield to stay at a similar level in 2024 and 2025, 4.3 percent and 4.4 percent respectively, as uncertainties will remain elevated. The Executive does not expect the Federal Reserve to hike rates further but potentially begin to cut rates in the second half of 2024. According to the Executive, equity prices are expected to grow more moderately in 2024 than in 2023 as the U.S. economy slows and investors brace for future uncertainties. The Executive projects that equity prices, as measured by the S&P 500, to grow 3.7 percent in 2024, and 3.3 percent in 2025, following a 4.1 percent increase in 2023.

The New York State Economy: The Executive projects that State nonfarm employment will grow 0.1 percent in 2024 and 0.5 percent in 2025, after growing an estimated 1.8 percent in 2023, due mainly to the slowing growth of the national economy and the declining State population. According to the Executive, New York State employment will surpass its pre-pandemic peak in the second half of 2026.

- **Personal Income:** Following an estimated 4.0 in 2023, the Executive projects total State personal income growth to slow to 3.6 percent in 2024 due to weaker wage growth, before rebounding to 4.2 percent in 2025.
- **Wages:** The Executive forecasts that wages in the State will grow 3.1 percent in 2024, following an estimated growth of 4.2 percent in 2023, as the national economy slows down and the State's labor market cools. The Executive expects wages growth to rebound to 4.0 percent in 2025. The Executive projects that total bonuses in the State will grow 2.2 percent in 2024, with bonuses in the finance and insurance sector growing by 0.5 percent.
- **Employment:** Total nonfarm employment in the State grew an estimated 1.8 percent in 2023, compared to growth of 2.3 percent nationwide. The Executive forecasts that State employment will grow 0.1 percent in 2024, slower than the 0.9 percent projected for the nation (see Figure 14). The unemployment rate in New York is projected to rise from a yearly average of 4.2 percent in 2023 to 4.6 percent in 2024 and stay unchanged in 2025.

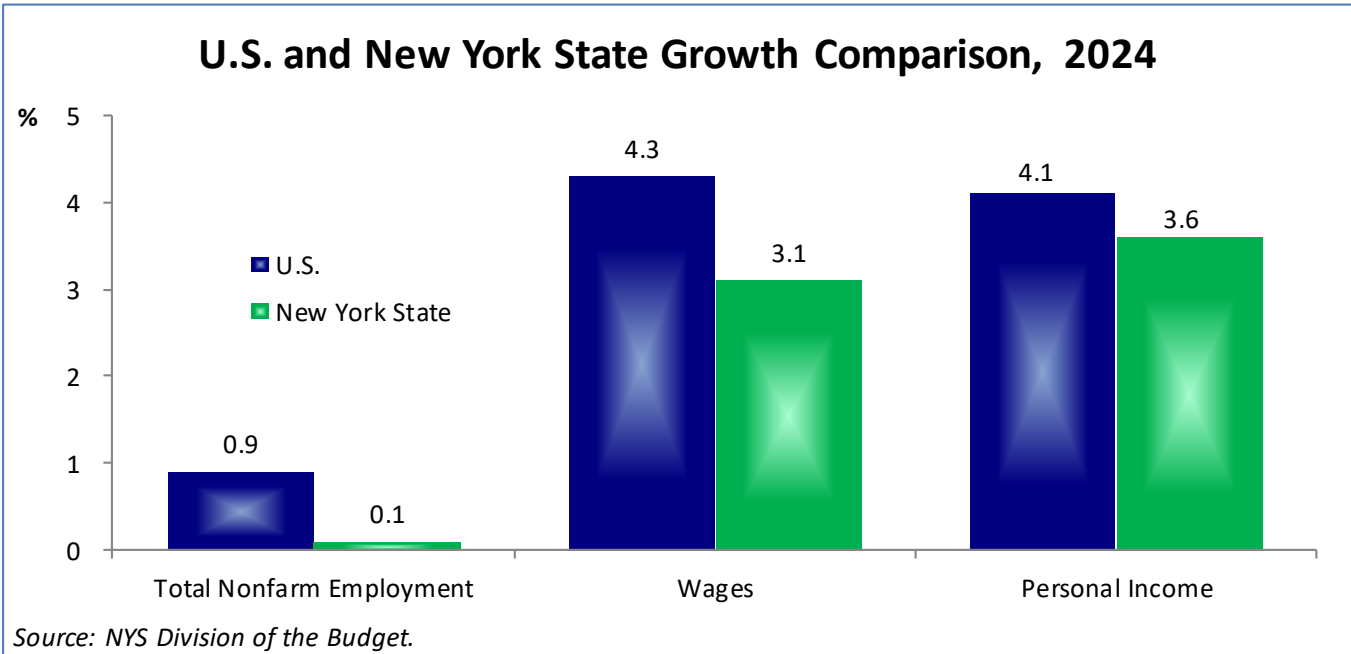


Figure 14

- **Employment by Sector:** The Executive projects that private employment in the State of New York will grow 0.1 percent in 2024, after growing by an estimated 2.1 percent in 2023. State employment in most sectors is expected to decline in 2024, with the fastest employment growth expected to be in the educational services, healthcare and social assistance, as well as the leisure and hospitality sectors (see Figure 14).

Table 51

Change in New York State Employment		
	2023	2024
	<u>NYS</u>	<u>NYS</u>
Total	1.8	0.1
Total Private	2.1	0.1
Educational Services	2.5	1.8
Healthcare & Social Assistance Services	3.8	1.5
Leisure, Hospitality and Other Services	4.3	1.4
Professional, Scientific and Technical Services	1.7	0.4
Management, Administrative and Support Services	1.9	0.4
Finance and Insurance	1.6	(0.7)
Construction	0.6	(0.7)
Wholesale Trade	0.7	(0.8)
Real Estate and Rental and Leasing	0.9	(0.8)
Transportation and Warehousing	0.7	(0.9)
Utilities	3.0	(1.2)
Information	(1.6)	(1.3)
Retail Trade	(0.4)	(1.5)
Manufacturing and Mining	(0.6)	(2.0)
Government	0.3	0.0

Note: Values are as reported in the FY 2025 NYS Executive Budget released on January 16, 2024.
Source: NYS Division of the Budget.

- **Risks:** According to the Executive, though a recession is not anticipated, there are considerable downside risks that could make the U.S. economic forecast more lackluster. These risks stem from uncertainties surrounding fiscal and monetary policies, geopolitical tensions, and interest rate trajectories that could adversely impact consumer spending and business investment, hiring, housing and financial markets, as well as global trade.

The Executive states that many of the risks to the U.S. forecast also apply to the State forecast. However, due to the importance of the financial sector to the State economy, monetary policy shifts can have an outsized impact on New York relative to the nation. In addition, the ongoing persistence of telework, the continued relocation of urban-based workers outside of the State and the decline in State population remain downside risks to State employment and wage growth.

Upside risks for the State include the potential for a more substantial return to an in-office working environment particularly in densely populated urban areas such as New York City, which could boost industries that serve a substantial commuter customer base such as office support services, business support services, and food and accommodations businesses, as well as other consumer base establishments. Additionally, stronger global growth could boost tourism spending, bringing stronger growth to the leisure and hospitality and related industries.

BUDGET HIGHLIGHTS: REVENUE



- **Permanently Extend the Itemized Deduction Limit on High Income Filers:** The Executive proposes to make permanent the personal income tax limitation on charitable contribution deductions for taxpayers with incomes above \$10 million. This action would maintain the current state deduction limit for these taxpayers, which is 25.0 percent of the federal deduction.
- **Establish the Commercial Security Tax Credit:** The Executive proposes implementing a \$3,000 tax credit for small businesses whose retail theft prevention expenses exceed \$12,000. The aggregate amount of available credit would be capped at \$5 million each year and would be offered for tax years 2024 and 2025.
- **Modernize the Tax Law to Include the Vacation Rental Industry:** The Executive proposes subjecting all vacation rentals to state and local sales taxes, including the \$1.50 per unit NYC Convention Center Fee. The proposal also repeals the “bungalow rule,” which allows rentals of furnished units to be exempt from sales tax.
- **Repeal and Replace the Cannabis Potency Tax:** The Executive proposes to repeal the wholesale Tetrahydrocannabinol (THC) potency tax, based on THC per milligram for each product, and replace it with a single wholesale excise tax of 9.0 percent. The state retail excise tax rate would remain at 9.0 percent and the local retail excise tax rate would remain at 4.0 percent.
- **Return Tax Foreclosure Surplus to Property Owner:** The Executive proposes that when a foreclosed property is sold by a county due to delinquent property taxes, any excess money received by the county above the liable amount be returned to the property owner. This proposal is in response to the Supreme Court ruling in *Tyler v. Hennepin County*, that any equity accumulated from the sale of a foreclosed property may not be retained by localities.
- **Real Property Tax Incentives for Affordable Housing Projects in New York City:** The Executive proposes to establish and extend various real property tax incentives for certain affordable housing projects in New York City, including extending the completion deadline for projects vested in the expired 421-a program for five years, from June 15, 2026 until June 15, 2031.



BUDGET REVIEW AND ANALYSIS: REVENUE



Table 52

Executive Budget - All Funds Receipts					
(\$ in Millions)					
	SFY 2022-23	SFY 2023-24	% Change	SFY 2024-25	% Change
Personal Income Tax	\$58,776	\$52,200	(11.2%)	\$55,504	6.3%
User Taxes	\$20,584	\$21,936	6.6%	\$22,431	2.3%
Business Taxes	\$28,617	\$27,167	(5.1%)	\$27,544	1.4%
Other	\$3,679	\$3,076	(16.4%)	\$2,501	(18.7%)
Total Taxes	\$111,656	\$104,379	(6.5%)	\$107,980	3.4%
Miscellaneous Receipts	\$31,842	\$31,000	(2.6%)	\$27,894	(10.0%)
Federal Funds	\$89,563	\$95,923	7.1%	\$91,794	(4.3%)
Total All Funds	\$233,061	\$231,302	(0.8%)	\$227,668	(1.6%)

State Fiscal Year (SFY) 2023-24 All Funds Receipts Estimate

- The Executive estimates SFY 2023-24 All Funds tax receipts to total \$104.4 billion, a decrease of \$7.2 billion, or 6.5 percent from SFY 2022-23 levels. This annual decrease mainly reflects a decline in Personal Income Tax (PIT) collections due to changes in taxpayer behavior in response to the Pass-Through Entity Tax (PTET), as well as a substantial decrease in both prior and current year estimated payments. However, this decrease has been partially offset by a \$1.3 billion increase in Sales and Use Tax collections.
- Including Miscellaneous Receipts and federal funds, All Funds receipts are estimated to decrease by 0.8 percent or \$1.8 billion, to \$231.3 billion in SFY 2023-24.

SFY 2024-25 All Funds Receipts Forecast

- The Executive forecasts SFY 2024-25 All Funds tax receipts to total \$108.0 billion, an increase of 3.4 percent or \$3.6 billion, over SFY 2023-24 levels. This projected increase is mainly attributable to strong growth in PIT receipts, including withholding and total estimated payments.
- Including Miscellaneous Receipts and federal funds, All Funds receipts are forecast to decrease by 1.6 percent or \$2.8 billion, to \$227.7 billion. This modest decrease reflects projected declines in federal funds.

Revenue Proposals

Personal Income Tax Proposals

- **Permanently Extend the Itemized Deduction Limit on High Income Filers:** The Executive proposes to make permanent the personal income tax limitation on charitable contribution deductions for taxpayers with incomes above \$10 million. This action would maintain the current state deduction limit for these taxpayers, which is 25.0 percent of the federal deduction.
- **Permanently Extend the Tax Shelter Provisions:** The Executive proposes to make permanent the current tax shelter reporting provisions and penalties. This action would maintain current penalties imposed on tax preparers who do not sign returns, take unreasonable positions on returns, and on unregistered tax preparers.
- **Make Technical Corrections to the Metropolitan Commuter Transportation Mobility Tax (MCTMT) Rate:** The Executive proposes to make technical corrections to apply the MCTMT tax rate of 0.34 percent to certain self-employed individuals in the suburban region of the Metropolitan Commuter Transportation District (MCTD), which includes the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester. This change would be consistent with other provisions included in the SFY 2023-24 Enacted Budget.
- **Close the Amended Return Loophole for Personal Income and Corporation Franchise Taxes:** The Executive proposes to allow the Department of Taxation and Finance to act on amended returns filed by taxpayers if the taxpayer petitioned to the Division of Tax Appeals during the same taxable year. Petitions would include a request of a redetermination of a deficiency or a challenge of a refund denial. Under current law, any such petitions filed to the Division of Tax Appeals prevents the Department of Taxation and Finance from acting on amended returns filed for the same taxable year.
- **Permanently Extend the Mandatory Electronic Filing and Payment Requirements:** The Executive proposes making permanent the Department of Taxation and Finance's electronic filing and payment mandates. Legacy e-filing statutes would also be repealed by this proposal.

Consumption and Use Tax Proposals

- **Permanently Extend Authorization to Manage Delinquent Sales Tax Vendors:** The Executive proposes to permanently extend provisions of law that requires vendors to deposit sales tax revenue into segregated accounts on a weekly basis, as well as, providing authorization for the



Commissioner of Taxation and Finance to revoke a vendor's license for failing to comply with the segregated account program's requirements or the regulations established in the Tax Law.

- **Provide for the Filing of Amended Sales Tax Returns:** The Executive proposes to establish a time frame to correct errors made in the filing of sales tax returns. This provision would treat the amended returns similarly to other tax filings and allow vendors to amend their returns up to three years after the return due date or two years after the vendor made their original payment. For amended returns that alter fixed and final tax liabilities, vendors are given up to 180 days to correct any errors from their original tax filings. A penalty of \$1,000 will be levied against filers who willingly include erroneous information in their amended sales tax returns.
- **Extend Certain Sales Tax Exemptions Related to the Dodd-Frank Protection Act for Three Years:** The Executive proposes to extend sales tax exemptions for transfers of assets between financial institutions and their subsidiaries for three years, from June 30, 2024 to June 30, 2027. For binding contracts entered on or before June 30, 2027, this proposal extends exemptions for three years, to June 30, 2030.
- **Extend the Sales Tax Vending Machine Exemption for One Year:** The Executive proposes to extend the existing sales tax exemption for certain food and drink purchased from a vending machine for one year, through May 31, 2025.
- **Modernize the Tax Law to Include the Vacation Rental Industry:** The Executive proposes subjecting all vacation rentals to state and local sales taxes, including the \$1.50 per unit NYC Convention Center fee. This proposal also repeals the "bungalow rule," which allows rentals of furnished units to be exempt from sales tax.
- **Repeal and Replace the Cannabis Potency Tax:** The Executive proposes to repeal the wholesale Tetrahydrocannabinol (THC) potency tax which is based on THC per milligram for each product and replace it with a single wholesale excise tax of 9.0 percent. The state retail excise tax rate would remain at 9.0 percent and the local retail excise tax rate would remain at 4.0 percent.

Business Tax Proposals

- **Establish the Commercial Security Tax Credit:** The Executive proposes implementing a \$3,000 tax credit for small businesses whose retail theft prevention expenses exceed \$12,000. The aggregate amount of available credit would be capped at \$5 million each year and would be offered for tax years 2024 and 2025.

Property Tax Proposals

- **Clarify Taxable Status of Telecommunications Property:** The Executive proposes to clarify that property used primarily or exclusively for the transmission of radio, television, or cable television shall not be considered taxable real property.
- **Return Tax Foreclosure Surplus to Property Owner:** The Executive proposes to amend the Real Property Tax Law to ensure that surplus funds resulting from tax foreclosure sales are returned to the former owner, thereby addressing the recent Supreme Court ruling, *Tyler v. Hennepin County*.
- **Authorize Tax Incentive Benefits for Converting Commercial Property to Affordable Housing:** The Executive proposes to establish a real property tax incentive program for the conversion of commercial buildings to affordable housing. At least 20 percent of the units would need to be affordable at 80 percent of area median income (AMI), at least 5.0 percent of the units would need to be affordable at 40 percent of AMI, and all affordable units would need to be rent stabilized for the duration of the benefit period.
- **Extend the Project Completion Deadline for Vested Projects in Real Property Tax Law 421-a:** The Executive proposes to extend the completion deadline for projects vested in the expired 421-a program for five years, from June 15, 2026 to June 15, 2030. For a project to be considered vested, construction must have commenced on or before June 15, 2022.
- **Create a New Tax Abatement for Rental Housing Construction:** The Executive proposes to establish a new property tax incentive program in New York City to incentivize the construction of new rental housing, contingent upon a memorandum of understanding between the largest real estate trade developer association, the largest building, and construction worker trade association.



Gaming Proposals

- **Extend Authorized Use of Capital Funds by a Certain OTB Corporation for One Year:** The Executive proposes to extend for one year the authorized use of the capital acquisition funds by the Capital Off-Track Betting (OTB) Corporation, through March 31, 2025.
- **Extend Pari-Mutuel Tax Rates and Simulcast Provisions for One Year:** The Executive proposes to extend the current pari-mutuel tax rate structure and other racing-related provisions for one year through June 13, 2025.

Table 53

SFY 2024-25: Tax and Other Revenue Actions				
(\$ in Millions)				
	General Fund		All Funds	
	FY2025	FY2026	FY2025	FY2026
Reform, Simplification and Other Actions	3	214	3	214
Establish the Commercial Security Tax Credit	-	(5)	-	(5)
Permanently Extend Authorization to Manage Delinquent Sales Tax Vendors	-	-	-	-
Extend Certain Sales Tax Exemptions Related to the Dodd-Frank Protection Act for Three Years	-	-	-	-
Extend the Sales Tax Vending Machine Exemption for One Year	(8)	(2)	(8)	(2)
Modernize the Tax Law to Include the Vacation Rental Industry	8	16	8	16
Repeal and Replace the Cannabis Potency Tax	-	-	-	-
Provide for the Filing of Amended Sales Tax Returns	3	10	3	10
Permanently Extend the Itemized Deduction Limit on High Income Filers	-	175	-	175
Close the Amended Return Loophole for Personal Income and Corporation Franchise Taxes	-	20	-	20
Make Technical Corrections to the Metropolitan Commuter Transportation Mobility Tax (MCTMT)	-	-	-	-
Return Tax Foreclosure Surplus to Property Owner	-	-	-	-
Clarify Taxable Status of Telecommunications Property	-	-	-	-
Permanently Extend the Mandatory Electronic Filing and Payment Requirements	-	-	-	-
Permanently Extend Tax Shelter Provisions	-	-	-	-
Gaming Initiatives	-	-	-	-
Extend Authorized Use of Capital Funds by a Certain OTB Corporation for One Year	-	-	-	-
Extend Pari-Mutuel Tax Rates and Simulcast Provisions for One Year	-	-	-	-
TOTAL REVENUE ACTIONS	3	214	3	214

Table 54

All Funds Receipts SFY 2023-24
(\$ in Millions)

	2022-23 Actual	2023-24 Estimate	Change	Percent Growth
Personal Income Tax	\$58,776	\$52,200	(\$6,576)	(11.2%)
Gross Receipts	\$78,151	\$69,562	(\$8,589)	(11.0%)
Withholding	\$52,477	\$53,808	\$1,331	2.5%
Estimated Payments	\$18,428	\$10,264	(\$8,164)	(44.3%)
Vouchers	\$8,158	\$5,807	(\$2,351)	(28.8%)
IT 370s	\$10,270	\$4,457	(\$5,813)	(56.6%)
Final Payments	\$5,367	\$3,630	(\$1,737)	(32.4%)
Delinquencies	\$1,879	\$1,860	(\$19)	(1.0%)
Total Refunds	\$19,375	\$17,362	(\$2,013)	(10.4%)
Prior Year Refunds	\$9,767	\$10,054	\$287	2.9%
Current Refunds	\$3,000	\$3,000	\$0	0.0%
Advanced Credits	\$2,707	\$828	(\$1,879)	(69.4%)
Previous Refunds	\$1,893	\$2,277	\$384	20.3%
State/City Offsets	\$2,008	\$1,203	(\$805)	(40.1%)
User Taxes and Fees	\$20,584	\$21,936	\$1,352	6.6%
Sales and Use Tax	\$18,933	\$19,931	\$998	5.3%
Motor Fuel Tax	\$179	\$491	\$312	174.3%
Cigarette Tax	\$858	\$836	(\$22)	(2.6%)
Vapor Tax	\$25	\$25	\$0	0.0%
Highway Use	\$143	\$144	\$1	0.7%
Alcoholic Beverage Tax	\$282	\$276	(\$6)	(2.1%)
Opioid Excise Tax	\$27	\$23	(\$4)	(14.8%)
Medical Cannabis Excise Tax	\$13	\$9	(\$4)	(30.8%)
Adult Use Cannabis Tax	\$0	\$70	\$70	100.0%
Auto Rental Tax	\$122	\$131	\$9	7.4%
Peer to Peer Car Sharing Tax	\$2	\$0	(\$2)	(100.0%)
Business Taxes	\$28,617	\$27,167	(\$1,450)	(5.1%)
Corporate Franchise	\$9,017	\$8,951	(\$66)	(0.7%)
Utility Tax	\$525	\$518	(\$7)	(1.3%)
Insurance Tax	\$2,681	\$2,710	\$29	1.1%
Bank Tax	\$355	(\$9)	(\$364)	(102.5%)
Pass-Through Entity Tax	\$14,944	\$13,882	(\$1,062)	(7.1%)
Petroleum Business Tax	\$1,095	\$1,115	\$20	1.8%
Other	\$3,679	\$3,076	(\$603)	(16.4%)
Estate and Gift	\$2,185	\$1,882	(\$303)	(13.9%)
Real Estate Transfer	\$1,472	\$1,166	(\$306)	(20.8%)
Employer Compensation Exp.	\$7	\$14	\$7	100.0%
Pari-Mutuel	\$13	\$12	(\$1)	(7.7%)
Other	\$2	\$2	\$0	0.0%
Total Taxes	\$111,656	\$104,379	(\$7,277)	(6.5%)
All Funds Misc. Receipts	\$31,842	\$31,000	(\$842)	(2.6%)
Federal Grants	\$89,563	\$95,923	\$6,360	7.1%
Total All Funds Receipts	\$233,061	\$231,302	(\$1,759)	(0.8%)

Table 55

All Funds Receipts SFY 2024-25				
(\$ in Millions)				
	2023-24	2024-25		
	Estimate	Forecast	Change	Percent Growth
Personal Income Tax	\$52,200	\$55,504	\$3,304	6.3%
Gross Receipts	\$69,562	\$73,238	\$3,676	5.3%
Withholding	\$53,808	\$56,386	\$2,578	4.8%
Estimated Payments	\$10,264	\$11,157	\$893	8.7%
Vouchers	\$5,807	\$6,047	\$240	4.1%
IT 370s	\$4,457	\$5,110	\$653	14.7%
Final Payments	\$3,630	\$3,781	\$151	4.2%
Delinquencies	\$1,860	\$1,914	\$54	2.9%
Total Refunds	\$17,362	\$17,734	\$372	2.1%
Prior Year Refunds	\$10,054	\$9,974	(\$80)	(0.8%)
Current Refunds	\$3,000	\$3,000	\$0	0.0%
Advanced Credits	\$828	\$1,002	\$174	21.0%
Previous Refunds	\$2,277	\$2,326	\$49	2.2%
State/City Offsets	\$1,203	\$1,432	\$229	19.0%
User Taxes and Fees	\$21,936	\$22,431	\$495	2.3%
Sales and Use Tax	\$19,931	\$20,380	\$449	2.3%
Motor Fuel Tax	\$491	\$491	\$0	0.0%
Cigarette Tax	\$836	\$798	(\$38)	(4.5%)
Vapor Excise Tax	\$25	\$25	\$0	0.0%
Highway Use	\$144	\$143	(\$1)	(0.7%)
Alcoholic Beverage Tax	\$276	\$278	\$2	0.7%
Opioid Excise Tax	\$23	\$23	\$0	0.0%
Medical Marihuana Excise Tax	\$9	\$9	\$0	0.0%
Adult Use Cannabis	\$70	\$158	\$88	125.7%
Auto Rental Tax	\$131	\$124	(\$7)	(5.3%)
Peer to Peer Car Sharing Tax	\$0	\$2	\$2	100.0%
Business Taxes	\$27,167	\$27,544	\$377	1.4%
Corporate Franchise	\$8,951	\$8,535	(\$416)	(4.6%)
Utility Tax	\$518	\$539	\$21	4.1%
Insurance Tax	\$2,710	\$2,710	\$0	0.0%
Bank Tax	(\$9)	\$212	\$221	2455.6%
Pass-Through Entity Tax	\$13,882	\$14,480	\$598	4.3%
Petroleum Business Tax	\$1,115	\$1,068	(\$47)	(4.2%)
Other	\$3,076	\$2,501	(\$575)	(18.7%)
Estate and Gift	\$1,882	\$1,325	(\$557)	(29.6%)
Real Estate Transfer	\$1,166	\$1,147	(\$19)	(1.6%)
Employer Compensation Exp.	\$14	\$15	\$1	7.1%
Pari-Mutuel	\$12	\$12	\$0	0.0%
Other	\$2	\$2	\$0	0.0%
Total Taxes	\$104,379	\$107,980	\$3,601	3.4%
All Funds Misc Receipts	\$31,000	\$27,894	(\$3,106)	(10.0%)
Federal Grants	\$95,923	\$91,794	(\$4,129)	(4.3%)
Total All Funds Receipts	\$231,302	\$227,668	(\$3,634)	(1.6%)

BUDGET HIGHLIGHTS: CAPITAL AND DEBT



- **Capital Program and Financing:** The Executive Capital Program and Financing Plan totals \$18.8 billion for State Fiscal Year (SFY) 2024-25, an increase of \$3.1 billion or 20 percent from SFY 2023-24.
- **Debt Issuance:** The Executive proposes to issue \$8 billion in debt to finance new and existing capital projects in SFY 2024-25, an increase of \$2.3 billion or 42 percent from SFY 2023-24. The Executive proposes to continue utilizing PAYGO for \$9 billion in cash resources to finance capital projects over the course of the plan, reducing the need for new debt issuances.
- **Debt Outstanding:** State-supported debt outstanding is projected to remain under the statutory debt cap over the plan period. Remaining capacity under the cap declines from \$23.5 billion in SFY 2023-24 to \$352 million in SFY 2028-29.
- **Retiring Long-Term Obligations:** The Executive projects the retirement of \$893 million of debt in SFY 2024-25.
- **Deficit Financing Authorization:** The Executive proposes to continue deficit financing provisions for an additional year to manage cash flow in SFY 2024-25, if necessary. This includes authorization to issue up to \$4 billion in short-term Personal Income Tax notes.



BUDGET REVIEW AND ANALYSIS: CAPITAL AND DEBT



The Five-Year Capital Plan provides a detailed analysis on capital projects, as well as information on debt affordability, bond caps, public authority debt and other financing sources.

Table 56

Capital Spending by Function Capital Program and Financing Plan SFY 2023-24 through SFY 2028-29 (\$ in Millions)						
Spending	2024	2025	2026	2027	2028	2029
Transportation	7,241	7,981	8,232	8,685	8,452	8,393
Education	489	604	497	223	173	101
Higher Education	1,802	2,124	2,367	2,099	1,911	1,890
Economic Development	1,583	2,496	2,325	2,033	1,951	2,813
Mental Hygiene	766	903	955	864	835	835
Parks and Environment	1,769	2,147	2,156	2,175	2,182	2,184
Health	971	983	1,887	1,715	1,341	1,099
Social Welfare	1,371	1,650	1,570	1,518	1,485	1,485
Public Protection	564	752	654	569	554	549
General Government	530	518	532	457	518	455
All Other ¹	(1,408)	(1,347)	(1,170)	(978)	(1,342)	(1,350)
Total	15,678	18,811	20,005	19,360	18,060	18,454
Off-Budget Spending ²	(7)	(13)	0	0	0	0
Net Cash Spending	15,671	18,798	20,005	19,360	18,060	18,454

¹ Accommodates potential under-spending projected to occur as a result of normal timing related to the delivery of capital.
² Represents spending for the EXCEL program which occurs directly from bond proceeds held by public authorities.

Five-Year Capital Plan

The Executive proposes a \$94.7 billion Five-Year Capital Plan that prioritizes transportation and transit (44.0 percent). The Executive’s State Fiscal Year (SFY) 2024-25 Capital Plan totals \$18.8 billion, an increase of \$3.1 billion or 20.0 percent from SFY 2023-24.

New Capital Initiatives

The Executive proposes \$19.7 billion in new capital appropriations, all of which are projected to be committed and spent over a multi-year period for various economic development, transportation, health care, higher education, parks, environment and social welfare programs.

Table 57

**New Capital Appropriations
SFY 2024-25 Executive Budget
(\$ in Millions)**

<u>Transportation/Transit</u>	<u>7,627</u>	<u>Economic Development</u>	<u>2,047</u>
DOT Capital Plan - Year 3 Obligations	7,559	NY-CREATES EUV Tool (Part of \$1 billion State Investment)	500
MTA (IBX, Second Ave. Subway - West)	68	NYW EDF	400
		Empire AI Consortium	250
<u>Parks & Environment</u>	<u>1,340</u>	DRI/NY-Forward	200
Environmental Protection Fund	400	REDC	150
OPRHP	300	County Partnership Grant Program	135
Clean Water Grants (\$250 million in each FY 2025 & FY 2026)	250	Fast 2.0	100
NY SWIMS	150	Olympic Regional Development Authority (ORDA)	83
State Superfund	100	Regional Advanced Manufacturing (\$110 million program)	80
DEC NY Works	90	Restore NY Communities	50
EO22 Implementation	50	NYP&A Canal Development	50
		Dairy Industry Infrastructure (\$34 million total investment)	24
<u>Education/Higher Education</u>	<u>1,354</u>	Scratch Kitchens	10
SUNY State Operated Campuses	550	Animal Shelters	5
CUNY Senior Colleges	284	Bioeconomy Investments	5
SUNY/CUNY Strategic Initiatives	200	Blue Food Transformation	5
SUNY Community Colleges	138		
NYS&A	50	<u>General Government/Public Protection</u>	<u>1,418</u>
Non-Public Schools Capital	45	Correctional Facilities (DOCCS)	563
Library Capital Grants	34	State Facilities (OGS)	243
Native American Schools Capital	20	Department of State Police (DSP)	145
CUNY Community Colleges	16	IT Innovation Fund	131
African American History Commission	10	Statewide Equipment Program	100
Schools for the Blind and Deaf	7	IT Modernization (DFS)	60
		Grants to Prevent Gun Violence	50
<u>Social Welfare</u>	<u>592</u>	Securing Communities Against Hate Crimes (SCAHC)	35
RUSH-NY (\$250 million in each FY 2025 & FY 2026)	250	Department of Military and Naval Affairs (DMNA)	35
Ongoing Housing Programs	242	Zero Emission Vehicles	17
Youth Facilities	60	BOE Voting Equipment	15
Resilient and Ready Program	40	Local Resiliency	15
		IT Modernization (LAW)	5
<u>Health /Mental Hygiene</u>	<u>893</u>	SOECK	4
Mental Hygiene Programs	828		
Roswell Park Capital	55	<u>All Other Capital Appropriations</u>	<u>4,461</u>
Reproductive Health Centers Grant Program	10		
		<u>Total Capital Appropriations</u>	<u>19,732</u>

The Executive proposes \$7.6 billion in capital appropriations for transportation purposes, including \$7.6 billion to fund the DOT Capital Plan. An additional \$2 billion is provided for economic development, including \$500 million in new capital for NY-CREATES EUV Tool, \$400 million for NYW EDF, and \$250 million for the Empire AI Consortium.



Financing the Capital Plan for SFY 2024-25

The Executive proposal would finance the Five-Year Capital Program through a combination of state and federal Pay-As-You-Go (PAYGO) financing totaling \$11.9 billion and bonded resources totaling \$6.9 billion for SFY 2024-25.

Table 58

Capital Program and Financial Plan Financing Sources SFY 2023-24 and SFY 2024-25 (\$ in Millions)				
Financing Source	<u>FY 2024</u>	<u>FY 2025</u>	<u>Annual Change</u>	<u>Annual % Change</u>
Authority Bonds	4,941	6,473	1,532	31.0%
Federal Pay-As-You-Go	3,629	3,816	187	5.2%
State Pay-As-You-Go	6,442	8,064	1,622	25.2%
General Obligation Bonds	664	458	(206)	(31.0%)
Total	<u>15,676</u>	<u>18,811</u>	<u>3,135</u>	<u>20.0%</u>

Summary of State Debt Issuances

Table 59

State Debt Issuances Summarized By Financing Program SFY 2023-24 through SFY 2028-29 (\$ in Millions)						
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
<u>General Obligation Bonds</u>	468	604	534	444	428	428
<u>Revenue Bonds</u>						
Personal Income Tax	2,949	5,010	6,601	7,038	6,413	6,309
Sales Tax	2,209	2,350	2,268	2,346	2,138	2,103
Subtotal Revenue Bonds	5,158	7,360	8,869	9,384	8,551	8,412
Total State-Supported	5,626	7,964	9,403	9,828	8,979	8,840

The Executive proposes new bond-financed capital commitments, adding \$45.0 billion of new debt over the five-year plan period. These capital spending increases are partially offset by PAYGO issuances and bond sale adjustments. The SFY 2024-25 proposed Capital Plan will continue to include \$9.0 billion

in cash PAYGO, which will be used to fund capital projects instead of issuing debt, primarily higher cost taxable debt. Changes in the state’s available debt capacity reflects personal income forecast adjustments, debt amortizations and bond sale adjustments.

The Executive estimates \$8.0 billion in new bond issuances in SFY 2024-25, as follows:

- \$5.0 billion through the PIT Revenue Bond program;
- \$2.4 billion through the Sales Tax Revenue Bond program; and
- \$604 million in State General Obligation Bonds.

Projected debt issuances for SFY 2024-25 have increased by \$2.3 billion or 41.6 percent over SFY 2023-24. This increase is primarily due to increased capital spending projected for transportation and economic development projects during SFY 2024-25.

State-Supported Debt

Table 60

New York State-Supported Debt Outstanding by Program Area SFY 2023-24 and SFY 2024-25			
(\$ in Millions)			
	<u>2023-24</u>	<u>2024-25</u>	<u>Share of Total Debt</u>
Economic Development & Housing	6,941	8,688	13.5%
Education	15,424	16,429	25.5%
Environment	3,073	3,715	5.8%
Health & Mental Hygiene	4,323	5,254	8.2%
State Facilities and Equipment	4,713	5,063	7.9%
Transportation and Transit	20,717	23,117	35.9%
STARC ¹	722	722	1.1%
Secured Hospital Beds ¹	2	0	0.0%
Gateway Development Corporation	0	1,379	2.14%
Total State-Supported Debt	55,915	64,367	100.0%

¹ In SFY 2021-22, DASNY issued Personal Income Tax Bonds to refund NYC STARC debt and DASNY Secured Hospital debt.

State-supported debt includes debt paid by state resources and therefore has a direct budgetary impact on the State Financial Plan.



The SFY 2023-24 Enacted Budget included language to authorize DASNY and UDC to issue up to \$3.0 billion in Personal Income Tax (PIT) short-term notes and establish a \$1.0 billion line of credit to address delays in tax receipts. The \$3.0 billion of PIT authorization and the \$1.0 billion line of credit was not utilized. The SFY 2024-25 Executive proposal includes language to authorize DASNY and UDC to issue up to \$4.0 billion in personal income tax short-term notes. However, the Executive Financial Plan does not assume the use of these provisions.

Debt Affordability

State-supported debt outstanding is projected to remain under the statutory debt cap over the Five-Year Capital Plan, declining from \$23.5 billion in remaining capacity in SFY 2023-24 to its lowest point of \$352 million in SFY 2028-29. The amount of debt outstanding is limited to four percent of state personal income.

Table 61

Debt Outstanding Subject to Cap Remaining Capacity Summary SFY 2023-24 through SFY 2027-28 (\$ in Millions)					
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Mid-Year Update to the FY 2024 Financial Plan	21,717	17,222	12,615	7,423	3,979
Personal Income Forecast Adjustment	178	141	37	(44)	(126)
Capital Adds	0	(674)	(1,498)	(2,272)	(2,667)
Bond Sale Adjustments	1,365	(104)	(104)	(104)	(104)
Capital Re-Estimates	201	1,306	1,103	1,045	1,144
FY 2025 Executive Budget Financial Plan	23,461	17,891	12,153	6,048	2,226

The SFY 2020-21 and SFY 2021-22 Enacted Budgets included language to notwithstanding certain provisions of the Debt Reform Act for all bonds issued in both fiscal years, to allow for flexibility in managing the State’s financing needs at the height of a global pandemic. Therefore, all debt issuances for SFY 2020-21 and SFY 2021-22 did not count against the statutory debt cap. Furthermore, the refunding and refinancing of such debt will not count towards the debt cap. The SFY 2022-23 Executive Budget reinstated the Debt Reform Act for State-supported debt issued in SFY 2022-23.

To calculate the debt cap, the state uses personal income estimates published by the Bureau of Economic Analysis (BEA). The BEA revises these estimates on a quarterly basis and such revisions impact the debt cap.



State-Related Debt

Table 62

State-Related Debt Outstanding (Other State Debt Obligations in Addition to State-supported) (\$ in Millions)		
	<u>SFY 2023-24</u> <u>Enacted</u>	<u>SFY 2024-25</u> <u>Projected</u>
Other State Financing		
Gateway Development Corporation	0	1,379
Subtotal	0	1,379
State-Supported Debt	55,915	62,988
Total State-Related Debt	55,915	64,367

State-related debt outstanding is projected to total \$64.4 billion in SFY 2024-25, an increase of \$8.5 billion or 15.1 percent from SFY 2023-24. Over the plan, State-related debt outstanding is projected to increase to \$90.8 billion in SFY 2028-29, or an average increase of 10.0 percent annually.

State-related debt is defined as state-supported debt plus the following debt obligations: Contingent Contractual Obligation (i.e., previously known as DASNY/MCFFA Secured Hospital Program) and other financing structures (i.e., MBBA Prior Year School Aid Claims and Gateway Hudson Tunnel Project RRIF Loans). Contingent contractual obligations debt is paid by non-state resources in the first instance. State appropriations are provided in the event non-state funds are insufficient to pay the debt.

State-related debt outstanding has decreased significantly since the state has not issued debt under these auspices in recent years, focusing instead on the issuance of personal income tax and sales tax revenue bonds, as well as general obligation bonds. However, the state intends to fund its commitment to the Gateway Hudson Tunnel Project with a USDOT RRIF loan, adding \$1.4 billion of state-related debt in SFY 2024-25.

State Debt Retirements

Retirement of state-related debt has significantly impacted the state's ability to finance its capital programs. In SFY 2024-25, state-related debt retirements are projected to be \$893 million, a decrease of \$468 million or 34.0 percent from SFY 2023-24. This decrease is largely due to prior prepayments, which resulted in early retirement of \$2.2 billion of bonds that had been scheduled to retire in SFY 2024-25. Over the next five years, retirement of state-related debt is projected to increase slightly, averaging \$2.3 billion annually.

Table 63

New York State - Principal Retirement	
Period	Cumulative Percentage of Existing Debt Scheduled for Retirement as of 03/31/2024
5 Years	14%
10 Years	41%
15 Years	61%
20 Years	78%
25 Years	93%
30 Years	98%
40 Years	100%

State-Supported Debt Service

State-supported debt service is projected at \$3.0 billion in SFY 2024-25, an increase of \$415 million or 15.9 percent over SFY 2023-24. This increase is the result of \$7.6 billion in prepayments of future debt service costs in SFY 2021-22 and an additional prepayment of \$6.0 billion in SFY 2022-23. Adjusting for prepayments, State-supported debt service is projected at \$6.7 billion in SFY 2024-25.

Table 64

State Supported Debt Service					
(\$ in Millions)					
	<u>SFY 2023-24</u>	<u>SFY 2024-25</u>	<u>SFY 2025-26</u>	<u>SFY 2026-27</u>	<u>SFY 2027-28</u>
Base State Debt Service	<u>6,312</u>	<u>6,717</u>	<u>7,286</u>	<u>7,806</u>	<u>8,161</u>
Total Prepayment Adjustment	(3,705)	(3,695)	(2,380)	(2,860)	(2,000)
Prior Prepayments	(2,255)	(2,395)	(1,630)	(2,360)	0
FY 2023 Prepayment	(1,450)	(1,300)	(750)	(500)	(2,000)
Executive Budget State Debt Service	<u>2,607</u>	<u>3,022</u>	<u>4,906</u>	<u>4,946</u>	<u>6,161</u>

Related Article VII

The Executive proposes language that would:

- authorize the issuance of up to \$4.0 billion in short-term PIT notes;
- authorize any balance remaining in the debt service appropriation for Mental Hygiene facilities to make rebates necessary to protect the tax-exempt status of the bonds;



- authorize the New York State Comptroller to transfer amounts from the Special Revenue Account or Enterprise Fund to the General Fund in an amount not to exceed the principal and interest due to NYPA by SUNY and CUNY;
- add assets that provide a long-term interest in land, including land conservation easements, to the definition of fixed assets;
- amend the terms and limits of the Comptroller’s bond approval process;
- authorize a change in bond issuance charges to zero percent for bonds issued under \$20 million, and 0.35 percent for bonds issued above \$20.0 million;
- authorize the state to redeem revenue bonds not yet redeemable if the redemption price provides a benefit to the state;
- authorize the extension of MTA projects to be amortized up to 50 years until March 31, 2025;
- authorize any agency, county or municipality that is wholly or in part funded by the NYS Environmental Bond Act of 2022, the Federal American Rescue Plan Act of 2021, the Infrastructure Investment and Jobs Act of 2021, the Inflation Reduction Act of 2022, the Downtown Revitalization Initiative, or the New York Forward Program to be eligible to use DASNY services;
- extend the authority of DASNY to form subsidiaries for three years; and
- increase the Battery Park City Authority bond capacity from \$1.5 billion to \$2.5 billion.

Settlement Fund Commitments to Capital Projects

Since SFY 2014-15, the state has received \$13.6 billion in monetary settlements primarily from financial institutions. The Executive has allocated \$8.0 billion for capital initiatives and \$5.6 billion to non-capital or operating purposes.

The Executive proposal gradually transfers settlement funds to the Dedicated Infrastructure Investment Fund (DIIF) for the use of capital projects over the next several years. The balance of settlement funds will remain in the General Fund, allowing the state to maintain a larger cash balance.

Settlement resources were used to pay for \$1.3 billion of capital spending in SFY 2016-17 to support higher education, transportation, and economic development. This \$1.3 billion advance from settlement funds was repaid over a two-year period, as the state reimbursed this capital spending with bond proceeds in SFY 2017-18 (\$800 million) and SFY 2018-19 (\$500 million).

The Javits Center expansion project's initial capital funding requirements were supported by settlement fund balances in the first instance, beginning in SFY 2017-18. Due to slower than expected spending from programs appropriated in the DIIF, the State has an opportunity to redirect the bond proceeds to the Capital Projects Fund to supplant \$1.0 billion of bond issuances in SFY 2023-24, creating debt service savings and debt cap relief.

Table 65

**Use of Monetary Settlements
SFY 2015-16 through SFY 2027-2028
(\$ in Millions)**

	<u>FY 2016- 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Total</u>
Opening Settlement Balance in General Fund	0	1,570	1,118	601	316	40	0
Receipt of Extraordinary Monetary Settlements	13,581	34	0	0	0	0	13,615
Use/Transfer of Funds	<u>12,011</u>	<u>486</u>	<u>517</u>	<u>285</u>	<u>276</u>	<u>40</u>	<u>13,615</u>
Capital Purpose	<u>6,519</u>	<u>453</u>	<u>417</u>	<u>285</u>	<u>276</u>	<u>40</u>	<u>7,990</u>
Dedicated Infrastructure Investment Fund	5,138	351	345	216	220	40	6,310
Environmental Protection Fund	120	0	0	0	0	0	120
Mass Transit	81	2	2	0	0	0	85
Healthcare	180	16	10	9	10	0	225
Clean Water Grants	0	84	60	60	46	0	250
Javits Center Expansion	1,000	0	0	0	0	0	1,000
Other Purposes	<u>3,131</u>	<u>0</u>	<u>100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,231</u>
Audit Disallowance - Federal Settlement	850	0	0	0	0	0	850
CSX Litigation Payment	76	0	0	0	0	0	76
Financial Plan-General Fund Operating Purposes	1,807	0	100	0	0	0	1,907
Mass Transit Operating	10	0	0	0	0	0	10
MTA Operating Aid	194	0	0	0	0	0	194
Department of Law- Litigation Services Operations	189	0	0	0	0	0	189
OASAS Chemical Dependence Program	5	0	0	0	0	0	5
Reservation of Funds	<u>2,361</u>	<u>33</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,394</u>
Rainy Day Reserve	488	0	0	0	0	0	488
Reserve for Economic Uncertainties	1,718	33	0	0	0	0	1,751
Reserve for Retroactive Labor Agreements	155	0	0	0	0	0	155
Closing Settlement Balance in General Fund	1,570	1,118	601	316	40	0	0

Source: NYS Division of Budget.

APPROPRIATION BUDGET BILLS

- A. 8800/ S.8300 State Operations Budget Appropriation Bill
- A. 8801/ S.8301 Legislature and Judiciary Budget Appropriation Bill
- A. 8802/ S.8302 Debt Service Budget Appropriation Bill
- A. 8803/ S.8303 Aid to Localities Budget Appropriation Bill
- A. 8804/ S.8304 Capital Projects Budget Appropriation Bill
- A. 8805/ S.8305 Public Protection and General Government Article VII Bill
- A. 8806/ S.8306 Education, Labor and Family Assistance Article VII Bill
- A. 8807/ S.8307 Health and Mental Hygiene Article VII Bill
- A. 8808/ S.8308 Transportation, Economic Development and Environmental Conservation Article VII Bill
- A. 8809/ S.8309 Revenue Article VII Bill



NON-APROPRIATION BUDGET BILLS

Section 22 of the State Finance Law requires the Executive Budget to include a list of proposed legislation submitted pursuant to Article VII of the State Constitution. In addition to the major appropriation bills, the following Article VII bills have been submitted that set forth the policy initiatives contained in the Executive Budget.

A.8805 – PUBLIC PROTECTION AND GENERAL GOVERNMENT

PART	DESCRIPTION	SUMMARY
A	Increase Criminal Penalties for Assaulting Retail Workers	This part would expand the class D felony offense of assault in the second degree to include assault of a retail worker.
B	Establish Criminal Penalties for Fostering the Sale of Stolen Goods Online	This part would create a new class A misdemeanor offense of fostering the sale of stolen goods to target individuals who assist in the sale of stolen goods, including sales on an internet website.
C	Expand Hate Crimes	This part would add 33 new crimes to the list of specified offenses eligible for prosecution as a hate crime under the Penal Law.
D	Authorize the Closure of Correctional Facilities	This part would authorize the Governor to close up to five correctional facilities in New York State, provided that the Governor notify the Legislature at least 90 days prior to any closure.
E	Suspend Revolving Loan Fund Payment	This part would suspend the subsidy to the Revolving Loan Fund from the Public Safety Communication Account for two additional fiscal years.
F	Establish the Judicial Security Act	This part would allow judges, court staff, other members of the court system, and their families to have personally identifiable information made private and would create several new criminal offenses to provide for greater protection of such persons.
G	Increase Cannabis Enforcement Authority	This part would provide the New York State Office of Cannabis Management with new enforcement authority in relation to the closure of unlicensed businesses selling cannabis illegally and provide additional enforcement authority to localities.
H	Reform the ABC Law	This part would the repeal the requirements that catering permits shall only be issued for indoor events and that wine and liquor stores shall be located at street level, and implement Alcohol Beverage Control (ABC) Law Commission recommendations related to community notification, corporate changes and one-day permitting.

I	Authorize SLA Permits	This part would authorize the New York State Liquor Authority (SLA) to issue temporary wholesaler permits and allow for multiple wholesale licenses at the same location.
J	Codify Powers of the SLA	This part would codify the powers of the chair and members of the SLA.
K	Extend Temporary Permit Authority	This part would extend the authority of the SLA to issue Temporary Retail Permits for one year, until October 12, 2025.
L	Allow the Use of Municipal Space for Outdoor Dining	This part would permanently allow retail on-premises licensees such as restaurants and taverns to apply with the New York State Liquor Authority (SLA) to use municipal space for outdoor dining if authorized by the local government.
M	Include Prenatal Care under Paid Family Leave	This part would allow employees to receive 40 additional hours of leave under the Paid Family Leave for prenatal care.
N	Increase TDI Benefits	This part would provide scheduled increases to the maximum weekly benefit rate for temporary disability insurance (TDI) by 2029, capped at 67% of the state average weekly wage and authorize New York State Department of Financial Services to delay such scheduled increases if it is in the best interest of the state.
O	Establish the Stop Addictive Feeds Exploitation (SAFE) for Kids Act	This part would make it unlawful for the operator of an addictive social media platform to provide an addictive feed to a minor unless the platform obtains parental consent.
P	Establish the New York Child Data Protection Act	This part would prohibit website operators and third parties from collecting and processing the personal data of minors without consent of a parent unless strictly necessary for the site or application to function.
Q	End Lag Payroll and Salary Withholding	This part would eliminate lag payroll and salary withholding for certain Executive employees, non-judicial court officers and employees, and legislative employees, hired on or after July 1, 2024.
R	Modify Market Interest Rate on Judgments and Accrued Claims	This part would establish the interest rate on a judgment or accrued claim consistent with the one-year United States treasury bill rate.
S	End IRMAA Reimbursement	This part would end reimbursement of the Income-Related Monthly Adjustment Amount (IRMAA) to retirees effective January 1, 2025, for amounts charged on and after January 1, 2024.
T	Authorize Interest on NYSHIP Arrears	This part would authorize the president of the Civil Service Commission to require the payment of interest on late payments of interest on late payments made by certain employers for the administration of the New York State Health Insurance Program (NYSHIP)

U	Discontinue the County-Wide Shared Services Initiative	This part would make county-wide shared services panels optional and eliminate State matching funds for the County Wide Shared Services Initiative.
V	Increase the New York City Transitional Finance Authority Bonding Limit	This part would increase the bond limit for the New York City Transitional Finance Authority from \$13.5 billion to \$19.5 billion in July 2024 and to \$25.5 billion in July 2025.
W	Increase Local Governments Efficiency Program Grants	This part would increase the maximum grant amounts awarded through the Local Government Efficiency Program.
X	Authorize Sweeps and Transfers	This part would authorize the administration of funds and accounts included in the Executive Budget and propose modifications. Specifically, it would authorize temporary loans and accounts, authorize transfers and deposits of funds to and across various accounts, extend various provisions of laws in relation to capital projects and certain certifications, authorize modifications to various debt provisions and modify various bond authorizations necessary to implement the budget.

A.8806 – EDUCATION, LABOR AND FAMILY ASSISTANCE

PART	DESCRIPTION	SUMMARY
A	Amend School Aid Provisions	This part would amend various provisions of the Education Law related to school aid, mayoral control of the New York City School District, the tuition rate methodology study, and the Smart Schools Bond Act review board.
B	Require Best Practices for the Teaching of Reading	This part would require the State Education Department (SED) to provide school districts with instructional best practices for the teaching of reading to students in prekindergarten through grade three and require all school districts to annually certify that their curriculum, instruction, and professional development is aligned with such best practices.
C	Require Completion of Student Financial Aid Applications	This part would require every school district to obtain documentation that each high school senior’s parent or guardian has completed and submitted a Free Application for Federal Student Aid (FAFSA) application, New York State DREAM Act application, or waiver form, and require such data to be reported to the SED.
D	Limit Bundy Aid	This part would limit eligibility for Bundy Aid to institutions with total endowment assets less than \$750 million and reduce each institution’s apportionment if the total funding for Bundy Aid exceeds the appropriation.
E	Allow Student Data to Be Shared Between State Educational Agencies	This part would allow for the sharing of student data with the Higher Education Services Corporation (HESC), State University of New York (SUNY), or the City University of New York (CUNY) for educational purposes and financial aid program evaluation.
F	Make the NY-SUNY 2020 Challenge Grant Program Act Permanent	This part would make permanent certain provisions of the NY-SUNY 2020 Challenge Grant Program Act.
G	Eliminate Reimbursement for Residential CSE Placements	This part would eliminate state reimbursement for residential Committee on Special Education (CSE) placements made by school districts outside of New York City and for students attending a state-operated school for the deaf and blind.
H	Authorize SSI COLA Pass-Through	This part would authorize the federal Supplemental Security Income (SSI) cost-of-living adjustment (COLA) pass-through for 2025.

I	Update Child Support Guidelines	This part would allow family court judges to consider the specific circumstances of the individual parent in determining child support payments and identify specific financial and employment factors to be considered in such determinations.
J	Require Paid Breaks for Breast Milk Expression in the Workplace	This part would require employers to provide employees with up to 20 minutes of paid break time for breast milk expression and allow employees to use existing paid break or meal time for any additional time needed for such purpose.
K	Limit Liquidated Damages in Certain Frequency of Pay Violations	This part would exempt certain violations relating to frequency of pay requirements for employers of manual workers from being subject to liquidated damages.
L	Recover Stolen Wages	This part would authorize the New York State Department of Labor (DOL) to order the seizure of assets of an employer who has violated certain wage payment requirements and to direct the respective county sheriff to levy upon and sell an employer's real personal property to satisfy the stolen wages, interest, penalties, and cost of executing the warrant.
M	Repeal of COVID-19 Sick Leave Provisions	This part would repeal and sunset COVID-19 sick leave provisions relating to paid sick leave, employee benefits, and job protection as of July 31, 2024.
N	Authorize MIF Transfer	This part would transfer \$94.95 million in excess Mortgage Insurance Fund (MIF) reserves for the Neighborhood and Rural Preservation Programs, the Rural Rental Assistance Program, and homeless housing programs.
O	Enhance Protections Against Deed Theft	This bill would establish the Heirs Property Protection and Deed Theft Prevention Act of 2024 to create protections against residential and commercial deed theft, create a process for transfer on death deeds, and prevent partition action by non-relative co-tenants or non-descendants.
P	Authorize SUNY and DOT to Convey Certain State-Owned Lands	This part would authorize SUNY Farmingdale and SUNY Stonybrook to lease certain lands and for the New York State Department of Transportation (DOT) to convey and transfer certain lands in the Town of Babylon, Suffolk County to support housing needs.
Q	Authorize Alternative Residential Density in New York City	This part would authorize New York City and the Urban Development Corporation through zoning law, ordinance, or resolution, or after consultation with local officials, to pursue the construction of denser residential buildings by deviating from the state law capping the floor area ratio of a building.

R	Establish Affordable Housing from Commercial Conversion Tax Incentive (AHCC) Benefits Program	This part would establish a real property tax incentive program for the conversion of commercial buildings to affordable housing.
S	Authorize New York City to Legalize Pre-Existing Basement and Cellar Dwelling Units	This part would authorize New York City to establish a program to legalize illegal basement and cellar apartments notwithstanding any state or local law.
T	Extend Completion Date for 421-a Projects	This part would extend the construction completion date for 421-a eligibility to June 15, 2031 for projects that commenced construction on or before June 15, 2022.
U	Establish Real Property Tax Incentive for Rental Housing Construction in New York City	This part would establish a real property tax incentive program in New York City to incentivize the construction of new rental housing, contingent upon a memorandum of understanding between the largest real estate trade developer association and the largest building and construction worker trade association.



A.8807 – HEALTH AND MENTAL HYGIENE

PART	DESCRIPTION	SUMMARY
A	Extend the Medicaid Global Cap	This part would extend the legal authority for the Medicaid Global Cap for two years, until April 1, 2026.
B	Extend Provisions of Law Related to Medicaid and Other Health Initiatives	This part would extend various provisions of the Public Health Law, Mental Hygiene Law, Insurance Law, State Finance Law, and Social Services Law related to various Medicaid and other health initiatives.
C	Amend Services Provided by Certified School Psychologists	This part would extend the authority for certified school psychologists to provide non-early intervention services within certain preschool programs. This part would also remove the authorization that allows school psychologists to provide early intervention services within such settings.
D	Modify Hospital Provisions	This part would reduce the capital rate-add on for hospitals by 10%, extend the Distressed Provider Assistance Program until March 31, 2028, and shift upper payment limit payments from the state fiscal year to the calendar year.
E	Modify Nursing Home Provisions	This part would establish a rate freeze on nursing home operating rates, reduce the capital portion of nursing home rates by 10%, and decrease the length of the state residency requirement for veterans' admission to nursing homes.
F	Modify Assisted Living Residence and Adult Care Facilities Provisions	This part would make the Special Needs Assisted Living Residence Demonstration program permanent, establish quality reporting and accreditation requirements for Assisted Living Residences, and authorize Adult Care Facilities to seek national accreditation.
G	Eliminate Wage Parity	This part would eliminate wage parity for personal assistants under the Consumer Directed Personal Assistance Program.
H	Modify Managed Care Provisions	This part would eliminate the Independent Dispute Resolution process for the Medicaid program, establish a moratorium on the approval of new managed care plans, require the New York State Department of Health (DOH) to competitively procure managed care plans to administer the Medicaid program, eliminate a 1% rate increase for Medicaid managed care organizations, and authorize DOH to impose liquidated damages for violations of the managed care model contract.

I	Amend Pharmaceutical Related Provisions	This part would eliminate prescriber prevails protections under Medicaid, authorize DOH to eliminate coverage for over-the-counter drugs, authorize DOH to directly negotiate with drug manufacturers for enhanced rebates, require pharmacies to provide cost reports to the DOH, and amend the payment methodology for physician administered drugs.
J	Essential Plan	This part would delay implementation of the long term support and services benefit for one year and authorize DOH to provide additional subsidies for premiums and cost-sharing for individuals at up to 350% of the federal poverty level for the purchase of qualified health plans.
K	Extend the Physicians Excess Medical Malpractice Program	This part would extend the Physicians Excess Medical Malpractice Program until June 30, 2025, require participating providers to pay 50% of their excess coverage premium, and restructure payments to insurers from one annual payment into two 25% installments over two fiscal years.
L	Eliminate Certain DOH Programs	This part would eliminate several public health programs under DOH including the Enhanced Quality of Adult Living (EQUAL) program for adult care facilities, the Empire Clinical Research Investigator Program (ECRIP), the Hospital Audit program, the Tick-borne Disease Institute, and the Medical Society of the State of New York Committee for Physician Health.
M	Authorize Continuous Medicaid Eligibility for Children Ages 0-6	This part would allow children under the age of six to remain continuously enrolled in Medicaid or Child Health Plus without an annual eligibility redetermination.
N	Enhance Maternal and Reproductive Health	This part would authorize DOH to issue a standing order for doula services for up to one year postpartum, allow pregnant minors to consent to all health care services including abortion, and authorize health care practitioners to prescribe contraceptives to anyone in their professional judgment.
O	Enhance Consumer Protections from Medical Debt	This part would increase income limits for eligibility for the hospital financial assistance law, prohibit the use of medical debt as a reason to deny admission of a patient, prohibit hospitals from commencing a legal action recover medical debt from patients with incomes below 400% of the federal poverty level, and add protections for patients using credit cards to pay for treatment.

P	Extend and Make Permanent Scope of Practice Expansions for Health Care Professionals	This part would make permanent and extend certain scope of practice expansions for nurse practitioners, registered professional nurses, and licensed pharmacists, as well as make permanent the Collaborative Drug Therapy Management (CDTM) Demonstration Program.
Q	Expand Scope of Practice for Certain Health Care Professionals	This part would expand the scope of practice for physician assistants, certified nurse aides, medical assistants, dentists, and dental hygienists.
R	Authorize New York State to Enter into Certain Interstate Licensure Compacts	This part would authorize New York State to join the Interstate Medical Licensure Compact and Nurse Licensure Compact.
S	Establish a Healthcare Safety Net Transformation Program	This part would establish a statewide healthcare safety net transformation program to provide grants to safety net hospitals and partner organizations contingent upon a transformation plan to increase the facility's financial sustainability.
T	Reduce the Spread of Infections	This part would expand HIV, Hepatitis B and C, and Syphilis testing requirements, expand HIV test notification requirements, authorize pharmacists to dispense HIV Pre-exposure prophylaxis, and eliminate misdemeanor charges related to venereal diseases.
U	Expand Opioid Treatment and Overdose Prevention	This part would expand surveillance of controlled substance prescription related health data, expand the Controlled Substance Schedule, and authorize providers to distribute a three-day supply of certain controlled substances for the purpose of maintenance or detoxification treatment while arranging for the referral of services.
V	Enhance Community Paramedicine	This part would authorize emergency medical services agencies to collaborate with hospitals to provide care in the community, extend the legal authority for the community paramedicine demonstration program through 2031, expand the definition of EMS to include community paramedicine, authorize EMS practitioners to administer immunizations, and authorize the New York State Department of Health to license emergency medical technicians.
W	Establish an Interagency Elder Justice Coordinating Council	This part would establish an elder justice coordinating council within the New York State Office for the Aging to protect older adults from abuse and mistreatment and enhance collaboration between State agencies involved in elder justice.

X	Make Opioid Stewardship Fund Permanent	This part would make the Opioid Stewardship Fund permanent.
Y	Make Community Mental Health Support and Workforce Reinvestment Program Permanent	This part would make the Community Mental Health Support and Workforce Reinvestment Program permanent.
Z	Make Authority for Time-Limited Demonstration Programs Permanent	This part would make the authority for the New York State Office of Mental Health (OMH), Office of Addiction Services and Supports (OASAS), and Office for People with Developmental Disabilities (OPWDD) to design and implement time-limited demonstration programs permanent.
AA	Require Minimum Commercial Insurance Reimbursement Rates for Behavioral Health Services	This part would require insurers to provide at least the Medicaid rate when reimbursing covered outpatient treatments for substance use disorders or mental health conditions to facilities in their network licensed by the New York State Office of Mental Health (OMH) or the Office of Addiction Services and Supports (OASAS).
BB	Make Comprehensive Psychiatric Emergency Programs Permanent	This part would make Comprehensive Psychiatric Emergency Programs permanent.
CC	Clarify Justice Center Notification to OMIG	This part would clarify the reporting obligations of the New York State Justice Center for the Protection of People with Special Needs to the Office of Medicaid Inspector General (OMIG) in relation to reporting instances of abuse and neglect.
DD	Make Representative Payee Authority Permanent	This part would make the authority of mental hygiene facility directors to act as federally appointed representative payees for the care and treatment of individuals receiving services permanent.
EE	Expand the Nurse Licensure Exemption	This part would authorize direct support staff in community-based programs certified by OPWDD to perform certain nursing activities.
FF	Provide Human Services COLA	This part would establish a 1.5% cost-of-living adjustment (COLA) for certain human services programs for State Fiscal Year (SFY) 2024-25.



A.8808 – TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION

PART	DESCRIPTION	SUMMARY
A	Extend MTA Tax Increment Financing Authority	This part would extend the Metropolitan Transportation Authority (MTA) Tax Increment Financing authority for ten years, until April 1, 2034.
B	Increase Civil Penalties for MTA Fare Evasion	This part would raise the maximum civil penalty to \$200 for fare evasion on the MTA and establish fare violation enforcement procedures within the Transit Adjudication Bureau.
C	Improve and Enforce Toll Collections	This part would provide administrative sanctions and penalties for failing to pay tolls and for covering or obscuring license plates, prohibit the sale of license plate covers, and authorize tolling authorities to enter and enforce judgments for unpaid tolls.
D	Establish Penalties for Congestion Pricing Toll Fraud	This part would establish criminal and civil penalties for any person who fraudulently obtains any credit, discount, or exemption from Congestion Pricing tolls.
E	Expand CDTA District	This part would add Warren County to the CDTA district, thereby allowing State Transportation Operating Assistance (STOA) to be paid to CDTA for mass transportation services provided in Warren County.
F	Extend Internet Point Insurance Reduction Program	This part would extend the Internet Point Insurance Reduction Program (IPIRP) for two years, until April 1, 2026.
G	Extend Dedicated Highway and Bridge Trust Fund Revenue and Costs	This part would extend the increase and disposition of certain Department of Motor Vehicles (DMV) fees into, and payment of DMV costs from, the Dedicated Highway and Bridge Trust Fund for two years, until April 1, 2026.
H	Create an Online Insurance Verification System of Motor Vehicle Insurance	This part would authorize DMV to replace the existing system to verify motor vehicle insurance with an online system.
I	Authorize Lower Speed Limits in New York City	This part would authorize lower maximum speed limits within New York City and prohibit the city from increasing maximum speed limits by more than five miles per hour without notice and opportunity for community board comment.
J	Extend Autonomous Vehicle Demonstration	This part would extend the provisions of law authorizing the demonstration and testing of autonomous vehicles on public roads for two years, until April 1, 2026.

K	Establish the Stretch Limousine Passenger Safety Act	This part would amend various provisions of law related to the safety of stretch limousines, certain commercial motor vehicles, and for-hire vehicles including recommendations from the Stretch Limousine Passenger Safety Task Force.
L	Establish the New York Waterfront Commission	This part would repeal the Waterfront Commission of New York Harbor and establish the New York Waterfront Commission in the Executive Department.
M	Extend the NYSERDA Build Ready Program	This part would extend the Build Ready Program within the New York State Energy and Research Development Authority (NYSERDA) for six years, until April 19, 2030.
N	Extend the NYSERDA Special Assessment	This part would extend the authorization for NYSERDA to receive funds from an assessment on gas and electric utilities for one year.
O	Transfer and Expand the Office of Renewable Energy Siting	This part would transfer the Office of Renewable Energy Siting from the Department of State to the Department of Public Service and expand its powers to include all aspects of the siting of major electric transmission.
P	Eliminate Natural Gas Service Obligation	This part would eliminate the “100-foot” rule and obligation of utilities to serve new natural gas customers, prohibit the expansion of natural gas infrastructure beginning in 2026, and expand the powers of the Public Service Commission related to the Climate Leadership and Community Protection Act’s emission reduction requirements.
Q	Extend Certain Utility and Cable Assessments	This part would extend the authorization of certain state agencies to receive funds from assessments on cable television and public utilities for five years, until April 1, 2029.
R	Authorize Weighmaster Fee Regulations	This part would authorize the New York State Department of Agriculture and Markets to set weighmaster license and application fees by regulation.
S	Modify Climate Smart Communities Grant Program Funding	This part would decrease the local match requirements for disadvantaged communities or municipalities facing financial hardship that are receiving Climate Smart Community Grants.
T	Establish and Revise Air Pollution Control Permit Fees	This part would revise the existing fee structure for federal and state air pollution control permits and authorize the New York State Department of Environmental Conservation (DEC) to implement new, or revise existing, permit fee programs.

U	Authorize Certain State and Municipal Entities to Receive DASNY Services	This part would allow any state agency, county, city, town or village project funded by the New York State Environmental Bond Act, the American Rescue Plan Act, the Infrastructure Investments and Jobs Act, or the Inflation Reduction Act to receive services from the Dormitory Authority of the State of New York (DASNY).
V	Extend DASNY Subsidiary	This part would extend the authority of DASNY to create certain subsidiaries for three years, until July 1, 2027.
W	Increase the Bonding Capacity of the Battery Park City Authority	This part would increase the Battery Park City Authority's nonrenewable bond cap from \$1.5 billion to \$2.5 billion.
X	Increase the Cap on Grants to Entrepreneurial Assistance Centers	This part would increase the cap on grants to Entrepreneurial Assistance Centers from \$175,000 to \$250,000.
Y	Extend the MWBE Program	This part would extend provisions of the law related to the New York State Minority- and Women-Owned Business Enterprise (MWBE) program for five years, until December 31, 2029.
Z	Extend Empire State Economic Development Fund Authorization	This part would extend the authorization for the Urban Development Corporation to administer the Empire State Economic Development Fund for three years, until July 1, 2027.
AA	Extend Urban Development Corporation Loan Powers	This part would extend the general loan powers of the Urban Development Corporation for three years, until July 1, 2027.
BB	Extend Health Insurance Continuation Assistance Demonstration Project	This part would extend the Health Insurance Continuation Assistance Demonstration Project for one year, until July 1, 2025.
CC	Authorize the DFS to License and Regulate "Buy Now, Pay Later" Loans	This part would grant the New York State Department of Financial Services (DFS) licensing and regulatory authority over "Buy Now, Pay Later" loans, including promulgating rules and regulations to enhance consumer protections such as disclosure requirements, dispute resolution, credit reporting standards, late fee limits, and consumer data privacy.
DD	Modify Supplemental Spousal Liability Coverage	This part would modify supplemental spousal liability insurance coverage from an opt-out to an opt-in depending on whether the insureds indicate they have a spouse or if they request such coverage.

EE	Prohibit Insulin Cost Sharing	This part would provide that covered prescription insulin drugs shall not be subject to cost sharing.
FF	Prohibit Insurance Coverage Discrimination in Affordable Housing	This part would prohibit real property insurers from inquiring about, increasing rates, or denying coverage based on a tenant's level of income or the presence of affordable housing units in a building.
GG	Restrict the Sale of Lithium-Ion Batteries	This part would prohibit the distribution, assembly, reconditioning, sale, or offering for sale of a lithium-ion battery or second-use lithium-ion battery intended for use in a micromobility device or bicycle with electric assist unless such battery has been certified by an accredited testing laboratory for compliance with certain standards.
HH	Increase Mental Health Parity Fines	This part would authorize DFS to levy a penalty of \$2,000 for each time an insurer willfully violates a state or federal mental health or substance use disorder law or regulation.
II	Prevent Adult Financial Exploitation	This part would establish procedures by which financial institutions may identify and place holds on transactions that are suspected to be exploiting individuals over the age of 65 or individuals who are disabled.
JJ	Enhance Consumer Protections	This part would strengthen existing consumer protection laws which prohibit any unfair, deceptive, or abusive acts or practices in the conduct of any business.
KK	Extend Open Meetings Law Videoconferencing Authorization	This part would extend the authorization for public bodies to conduct public meetings via videoconferencing for two years, until July 1, 2026.
LL	Modernize the Life Insurance Guaranty Credit	This part would amend the methodology by which tax credits are issued to member insurers of the Life and Health Insurance Company Guaranty Corporation.



A.8809 – REVENUE

PART	DESCRIPTION	SUMMARY
A	Permanently Extend the Itemized Deduction Limit on High Income Filers	This part would make permanent the personal income tax limitation on charitable contribution deductions for taxpayers with incomes above \$10 million. The deduction for these taxpayers is 25 percent of the federal deduction.
B	Permanently Extend the Tax Shelter Provisions	This part would make permanent the current tax shelter reporting provisions and penalties.
C	Make Technical Corrections to the Metropolitan Commuter Transportation Mobility Tax	This part would make technical corrections to apply the MCTMT tax rate of 0.34 percent to certain self-employed individuals in the suburban region of the Metropolitan Commuter Transportation District (MCTD).
D	Close the Amended Return Loophole for Personal Income and Corporation Franchise Taxes	This part would allow the Department of Taxation and Finance to act on amended returns filed by taxpayers if the taxpayer petitioned to the Division of Tax Appeals during the same taxable year.
E	Establish the Commercial Security Tax Credit	This part would implement a \$3,000 tax credit for small businesses whose retail theft prevention expenses exceed \$12,000.
F	Permanently Extend the Mandatory Electronic Filing and Payment Requirements	This part would make permanent the Department of Taxation and Finance’s electronic filing and payment mandates.
G	Permanently Extend Authorization to Manage Delinquent Sales Tax Vendors	This part would permanently extend provisions of law that requires vendors to deposit sales tax revenue into segregated accounts on a weekly basis.
H	Provide for the Filing of Amended Sales Tax Returns	This part would establish a timeframe to correct errors made in the filing of sales tax returns. This provision would treat the amended returns similarly to other tax filings.
I	Extend Certain Sales Tax Exemption Related to the Dodd-Frank Protection Act for Three Years	This part would extend sales tax exemptions for transfers of assets between financial institutions and their subsidiaries for three years, from until June 30, 2024 to June 30, 2027.
J	Extend the Sales Tax Vending Machine Exemption for One Year	This part would extend the sales tax exemption for certain food and drink purchased from vending machines for one year, through May 31, 2025.

K	Modernize Tax Law to Include the Vacation Rental Industry	This part would subject all vacation rentals to State and local sales taxes, including the \$1.50 per unit NYC Convention Center fee. This proposal also repeals the “bungalow rule,” which allows rentals of furnished units to be exempt from sales tax
L	Repeal and Replace the Cannabis Potency Tax	This part would repeal the wholesale THC potency tax, based on THC per milligram for each product, and replace it with a single wholesale excise tax of 9 percent.
M	Clarify the Telecommunications Assessment Ceiling Program	This part would clarify that property used primarily or exclusively for telecommunication purposes shall not be considered real property, and thereby assessed and taxed.
N	Return Tax Foreclosure Surplus to Property Owner	This part would amend the Real Property Tax Law to ensure that surplus funds resulting from tax foreclosure sales are returned to the former owner, thereby addressing the recent Supreme Court Ruling, Tyler v Hennepin County.
O	Extend Authorized Use of Capital Funds by a Certain Off-track Betting Corporation for One Year	This part would extend authorized use of capital acquisition funds by the Capital OTB.
P	Extend Pari-Mutuel Tax Rates and Simulcast Provisions for One Year	This part would extend current pari-mutuel tax rates for 1 year.



PROPOSED CONSTITUTIONAL AMENDMENT

PART	DESCRIPTION	SUMMARY
	Remove the Cap on New York State Supreme Court Justices	This concurrent resolution would amend the New York State Constitution to remove the cap on Supreme Court Justices by eliminating the population ratio restriction.



**JOINT FISCAL COMMITTEE HEARINGS ON THE EXECUTIVE BUDGET
STATE FISCAL YEAR 2024-25**

DATE	TIME	TOPIC
January 23	9:30 AM	Health
January 24	9:30 AM	Transportation
January 25	9:30 AM	Public Protection
January 30	9:30 AM	Economic Development/Arts
	2:00 PM	Workforce Development/Labor
January 31	9:30 AM	Human Services
February 1	9:30 AM	Elementary/Secondary Education
February 6	9:30 AM	Local/General Government
February 7	9:30 AM	Environmental Conservation
February 8	9:30 AM	Higher Education
February 13	9:30 AM	Mental Hygiene
February 14	9:30 AM	Taxes
	2:00 PM	Housing

FORECAST OF RECEIPTS

On or before February 28 Release of revenue receipts by the Fiscal Committees of the Legislature

Hearings will be held in the Hamilton Room (Hearing Room B) in the Legislative Office Building, Albany



Glossary of Commonly Used Acronyms

AAA	Area Agencies on Aging
ACA	Affordable Care Act
AFP	American Families Plan
AG	Attorney General
AGI	Adjusted Growth Income
AI	American International Group, Inc.
AIHP	American Indian Health Program
AIM	Aid and Incentives for Municipalities
AJP	American Jobs Plan
ALICO	American Life Insurance Company
ALP	Assisted Living Program
AMI	Area Median Income
AML	Anti-Money Laundering
AMTAP	Additional Mass Transportation Assistance Program
AP	Advanced Placement
APCD	All-Payer Claims Databases
ARP	American Rescue Plan Act of 2021
ARRA	American Recovery and Reinvestment Act of 2009
ASAP	Accelerated Study in Associate Program
ATI	Alternatives to Incarceration
AXA	AXA Equitable Life Insurance Company
AY	Academic Year
BANs	Bond Anticipation Notes
BBA 19	Bipartisan Budget Act of 2019
BEA	Bureau of Economic Analysis
BLS	Bureau of Labor Statistics
BNPP	BNP Paribas, S.A., New York Branch
BOCES	Boards of Cooperative Educational Services
BOA	Brownfield Opportunity Area
BofA	Bank of America
BofAML	Bank of America Corporation and Merrill Lynch, Pierce, Fenner and Smith Incorporated
BSA	Bank Security Act
BTMU	Bank of Tokyo-Mitsubishi UFJ, Ltd.
CAC	Climate Action Council
CANS	Child and Adolescent Needs and Strength
CAP	Comprehensive Attendance Policy
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CBO	Congressional Budget Office
CBPP	Center for Budget and Policy Priorities
CBTC	Communications-Based Train Control
CCO	Care Coordination Organizations
CDPAP	Consumer Directed Personal Assistance Program
CES	Current Employment Statistics
CFT	Corporate Franchise Tax
CFY	City Fiscal Year



Glossary of Commonly Used Acronyms

CHP	Child Health Plus
CHUBB	Chubb Group Holdings Inc. and Illinois Union Insurance Company
CIF	Community Investment Fund
CIGNA	Cigna Health and Life Insurance Company
CISO	Chief Information Security Office
CIT	Crisis Intervention Team
CLCPA	Climate Leadership and Community Protection Act of 2019
CMS	Centers for Medicare & Medicaid Services
COLA	Cost-of-Living Adjustment
COVID-19	Coronavirus Disease of 2019
CPI	Consumer Price Index
CPRA	Certified Peer Recovery Advocates
CPRSA	Coronavirus Preparedness and Response Supplemental Appropriations Act
CRF	Coronavirus Relief Fund
CRRSA	Coronavirus Response and Relief Supplemental Appropriations Act
CSEA	Civil Service Employees Association
CSR	Cost Sharing Reduction
CSX	CSX Transportation, Inc.
CTH	Close to Home
CTI	Critical Time Intervention
CUCF	City University Construction Fund
CUNY	City University of New York
CUT	Corporation and Utilities Act
CW/CA	Clean Water/Clean Air
CY	Calendar Year
DA	District Attorney
DANY	New York County District Attorney
DASNY	Dormitory Authority of the State of New York
DC-37	District Council 37
DDPC	Developmental Disabilities Planning Council
DEC	Department of Environmental Conservation
DelAm	Delaware American Life Insurance Company
DFS	Department of Financial Services
DHBTf	Dedicated Highway and Bridge Trust Fund
DHCR	Division of Housing and Community Renewal
DHR	Division of Human Rights
DHSES	Division of Homeland Security and Emergency Services
DIIF	Dedicated Infrastructure Investment Fund
DMNA	Division of Military and Naval Affairs
DMV	Department of Motor Vehicles
DOB	Division of the Budget
DOCCS	Department of Corrections and Community Supervision
DOH	Department of Health
DOS	Department of State
DOT	Department of Transportation

Glossary of Commonly Used Acronyms

DS	Debt Service
DSH	Disproportionate Share Hospital
DSRIP	Delivery System Reform Incentive Payment
DTF	Department of Taxation and Finance
DUA	Drug Utilization Review
DVA	Division of Veterans Affairs
EAF	Emergency Assistance to Needy Families
EANS	Emergency Assistance for Nonpublic Schools
EBT	Electronic Benefit Transfer
ECB	European Central Bank
ECEP	Employer Compensation Expense Program
EDF	Economic Development Fund
eFMAP	Enhanced Federal Medical Assistance Percentage
EI	Early Intervention
EISEP	Expanded In-Home Services for the Elderly Program
EP	Essential Plan
EPF	Environmental Protection Fund
EPIC	Elderly Pharmaceutical Insurance Coverage
ERAP	Emergency Rental Assistance Program
ERS	Employees' Retirement System
ESCO	Energy Service Company
ESD	Empire State Development
ESEA	Elementary and Secondary Education Act
ESG	Environmental, Social, and Governance
ESPRI	Empire State Poverty Reduction Initiative
ESSA	Every Student Succeeds Act
ESSER	Elementary and Secondary School Emergency Relief Fund
ESSHI	Empire State Supportive Housing Initiative
FA	Family Assistance
FAST	Fixing America's Surface Transportation
FEMA	Federal Emergency Management Agency
FFCRA	Families First Coronavirus Response Act
FFP	Federal Financial Participation
FFY	Federal Fiscal Year (October 1 through September 30)
FHWA	Federal Highway Administration
FMAP	Federal Medical Assistance Percentage
FMR	Fair Market Rent
FOMC	Federal Open Market Committee
FPG	Fortis Property Group
FRB	Financial Restructuring Board
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GASBS	Governmental Accounting Standards Board Statement



Glossary of Commonly Used Acronyms

GDP	Gross Domestic Product
GEER	Governor's Emergency Education Relief
GFOA	Governor's Finance Officers Association
GILTI	Global Intangible Low-Taxed Income
GIVE	Gun Involved Violence Elimination
GLIP	Group Life Insurance Plan
GPHW	General Public Health Work
GSCs	General State Charges
GSEU	Graduate Student Employees Union
GSI	General Salary Increases
HALT	Humane Alternative to Long Term Solitary Confinement Act
HASA	HIV/AIDS Services Administration
HCBS	Home and Community-Based Services
HCRA	Health Care Reform Act
HCTF	Health Care Transformation Fund
HEAP	Home Energy Assistance Program
HESC	Higher Education Services Corporation
HERRC	Humanitarian Emergency Response and Relief Centers
HFNY	Healthy Families New York
HMO	Health Maintenance Organization
HPNAP	Hunger Prevention and Nutrition Assistance Program
HRI	Health Research, Inc.
HUT	Highway Use Tax
IAAF	Interim Access Assurance Fund
IBR	Institute for Basic Research in Development Disabilities
ICP	Indigent Care Payments
ICR	Institutional Cost Reports
IDEA	Individuals with Disabilities in Education Act
IDR	Independent Dispute Resolution
IGT	Intergovernmental Transfers
IJA	Infrastructure Investment and Jobs Act
IMD	Institutions for Mental Disease
IMF	International Monetary Fund
IPCC	Intergovernmental Panel on Climate Change of the United Nations
IPO	Initial Public Offering
IRA	Inflation Reduction Act
IRMAA	Income-Related Monthly Adjustment Amount
IRS	Internal Revenue Service
IT	Information Technology
ITS	Information Technology Services
J&J	Johnson and Johnson
JOLTS	Job Openings and Labor Turnover Survey
JSOC	Joint Security Operations Center
LFY	Local Fiscal Year
LGAC	Local Government Assistance Corporation

Glossary of Commonly Used Acronyms

LICH	Long Island College Hospital
LIRR	Long Island Rail Road
LLC	Limited Liability Company
LTSS	Long Term Service and Support
LWA	Lost Wages Act
MAT	Medication-Assisted Treatment
M/C	Management/Confidential
MCO	Medicaid Managed Care Organizations
MCTD	Metropolitan Commuter Transportation District
MHSF	Mental Hygiene Stabilization Fund
MIF	Mortgage Insurance Fund
MLF	Municipal Liquidity Facility
MLTC	Managed Long Term Care
MOE	Maintenance of Effort
MRT	Medicaid Redesign Team
MRT II	Medicaid Redesign Team II
MSA	Master Settlement Agreement
MTA	Metropolitan Transportation Authority
MTOAF	Mass Transportation Operating Assistance Fund
NAIRU	Non-Accelerating-Inflation Rate of Unemployment
NANY	Nurses Across New York
NBER	National Bureau of Economic Research
NCS	Office of National and Community Service
NIPA	National Income and Product Accounts
NMS	New Medical Site
NPS	Non-Personal Service
N-PCL	Not-for Profit Corporation Law
NYC	New York City
NYH	New York Health Equity Reform
NYPA	New York Power Authority
NYS	New York State
NYSCOPBA	New York State Correctional Officers and Police Benevolent Association
NYSHIP	New York State Health Insurance Program
NYSLRS	New York State and Local Retirement System
NYSOH	New York State of Health
NYSPIA	New York State Police Investigators Association
NYSTA	New York State Thruway Authority
NYSTPBA	Police Benevolent Association of the New York State Troopers
NYSWIMS	New York Statewide Investment in More Swimming
NYU	New York University
OAG	Office of the Attorney General
OASAS	Office of Addiction Services and Supports
OCA	Office of Court Administration
OCFS	Office of Children and Family Services
OFAC	Office of Foreign Assets Control



Glossary of Commonly Used Acronyms

OMH	Office of Mental Health
OMIG	Office of Medicaid Inspector General
OPEB	Other Post-Employment Benefits
OPRHP	Office of Parks, Recreation and Historic Preservation
OPWDD	Office for People with Developmental Disabilities
ORDA	Olympic Regional Developmental Authority
ORP	Optional Retirement Program
OSC	Office of the State Comptroller
OTDA	Office of Temporary and Disability Assistance
PAYGO	Pay-As-You-Go
PBA	Police Benevolent Association
PBANYS	Police Benevolent Association of New York State
PBM	Pharmacy Benefit Manager
PBT	Petroleum Business Tax
PEF	Public Employees Federation
PFRS	Police and Fire Retirement System
PHE	Public Health Emergency
PI	Personal Income
PIA	Police Investigators Association
PIGI	Personal Income Growth Index
PILOT	Payments in Lieu of Taxes
PIT	Personal Income Tax
PMT	Payroll Mobility Tax
PPE	Personal Protective Equipment
PPO	Preferred Provider Organization
PPP	Paycheck Protective Program
PPS	Performing Provider Systems
PS	Personal Service
PSC	Public Service Communication
P-TECH	Pathways in Technology Early College High School
PTET	Pass-Through Entity Tax
PwC	PricewaterhouseCoopers LLP
QCEW	Quarterly Census of Employment and Wages
QHP	Qualified Health Plan (NYSOH)
RBS	RBS Financial Products Inc. (f/k/a Greenwich Capital Financial Products, Inc.)
RBTF	Revenue Bond Tax Fund
REDC	Regional Economic Development Council
RFP	Request for Proposals
RGGI	Regional Greenhouse Gas Initiative
RHY	Runaway Homeless Youth
RPCI	Roswell Park Cancer Institute
RSSL	Retirement and Social Security Law
SALT	State and Local Tax
SCB	Standard Chartered Bank
SCB NY	NY Standard Chartered Bank, New York Branch

Glossary of Commonly Used Acronyms

SED	State Education Department
SFY	State Fiscal Year (April 1 Through March 31)
SHIN-NY	Statewide Health Information Network for New York
SHU	Special Housing Unit
SICG	Statewide Interoperable Communications Operations Grant Awards
SNA	Safety Net Assistance
SNAP	Supplemental Nutrition Assistance Program
SOF	State Operating Funds
SOFA	State Office for the Aging
SSI	Supplemental Security Income
STAR	School Tax Relief
STEM	Science, Technology, Engineering, Math
STIP	Short-Term Investment Pool
STOA	Statewide Mass Transportation Operating Association
SUFPK	Statewide Universal Full-Day Prekindergarten
SUCF	State University Construction Fund
SUD	Substance Use Disorders
SUNY	State University of New York
SY	School Year (July 1 Through June 30)
TANF	Temporary Assistance for Needy Families
TAP	Tuition Assistance Program
TCJA	Tax Cuts and Jobs Act of 2017
THU	Transition to Home Units
TIFIA	Transportation Infrastructure Finance and Innovation Act
TNC	Transportation Network Companies
TRS	Teachers' Retirement System
TY	Tax Year (January 1 Through December 31)
UBS	UBS Securities LLC and UBS Real Estate Securities Inc.
UCS	Unified Court System
UI	Unemployment Insurance
URI	Upstate Revitalization Initiative
U.S.	United States
UUP	United University Professions
VAP	Vital Access Provider
VAPAP	Vital Access Provider Assurance Program
VBP QIP	Value Based Payment Quality Improvement Program
VDC	Voluntary Defined Contribution
VLT	Video Lottery Terminal

