



An Overview of the Enacted Budget FY 2020 - 2021

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Highlights – Enacted Budget

1. **Most programs level funded despite record setting deficit.**
2. **New \$3B ‘Mother Nature’ Bond Act - Including SUNY and CUNY as eligible grantees**
3. **Creates Paid Sick Leave**
4. **Continues Low- and Middle-Income Tax Cuts**
5. **Continue \$500M Clean Water Infrastructure Act (\$5B Total)**
6. **Avoided Education Cuts**
7. **No Medicaid Cost Shift to Counties**
8. **Bans Flavored E-Cigarettes**
9. **Permanently Bans Hydrofracking in NYS**
10. **Funds Not Final - Director of Budget has the ability to make adjustments of budget at determined intervals. The Legislature has the ability to respond to any proposed cuts.**

Good Summary:

<https://www.cityandstateny.com/articles/politics/new-york-state/where-things-stand-new-york-state-budget.html>



Summary of the State's Fiscal Picture

Budget shortfall dramatically growing - now projected over \$10B to \$15B mostly due to economic upheaval.

- This was the most difficult budget of our tenure in the Assembly, and our finances remain on unstable ground due to economic standstill as a result the Coronavirus.
- 4th stimulus package needed from Congress for states and municipalities.
- **Overall state spending in FY2021 budget: \$177 billion**



Summary of the State's Fiscal Picture

- **Previous Shortfall: \$6.1 billion in January (now over \$10B+)** (compared to \$2.8 billion FY2019-2020) & largest shortfall in 10 years!
- **Medicaid** spending overall increased due to increased enrollment & utilization.
- **Congressional repeal of the SALT tax cap** compounding the deficit issue.
 - \$15 billion – transfer from New York taxpayers to other states, largely red states.
- **Minimum Wage: 2014 (\$7.25) to 2020 (\$11.80)**
 - 60% increase in a 6-year timeframe!



COVID-19 Potential Impacts

- **Governor and DoB Director will have authority to make cuts to state spending for this fiscal year**
- “... (the) Budget Director is empowered to adjust or reduce any general fund and/or state special revenue fund appropriation made in the Aid to Localities Budget, as well as other related cash disbursements necessary to maintain a balanced budget should an imbalance occur during any of three measurement periods: 1) April 1-30; 2) May 1-June 30; and 3) July 1-Dec. 31.”
- Legislature will have 10 days to respond with a concurrent resolution or the cuts stand.



Economy & Workforce Proposals

Prevailing Wage on Public Projects.

- Legislation requiring that workers on projects with a significant public subsidy (over 30% of a \$5M plus project) would provide a prevailing wage.
 - Historic preservation projects, downtown revitalization, affordable housing, and Brownfields would be exempt.
 - Not effective until 2022.

‘New York Buy American’ Act Permanent.

- Requires State agencies to use high-quality American-made structural iron and steel, we will continue to support the State's steel and iron industry and create union jobs.



Economy & Workforce Proposals

Paid Sick Leave

- **Businesses with 5 to 99 employees** to provide employees at least 5 days of job-protected paid sick leave per year. Businesses with 100 employees or more will provide at least seven days of paid sick leave per year.
- **Smaller businesses**, with four or fewer employees, must provide 5 days of unpaid sick leave to their employees every year.

Jobs

- Added **300 new apprenticeship programs & 30 new trades** (construction, IT, healthcare, etc.) within the last 3 years alone.



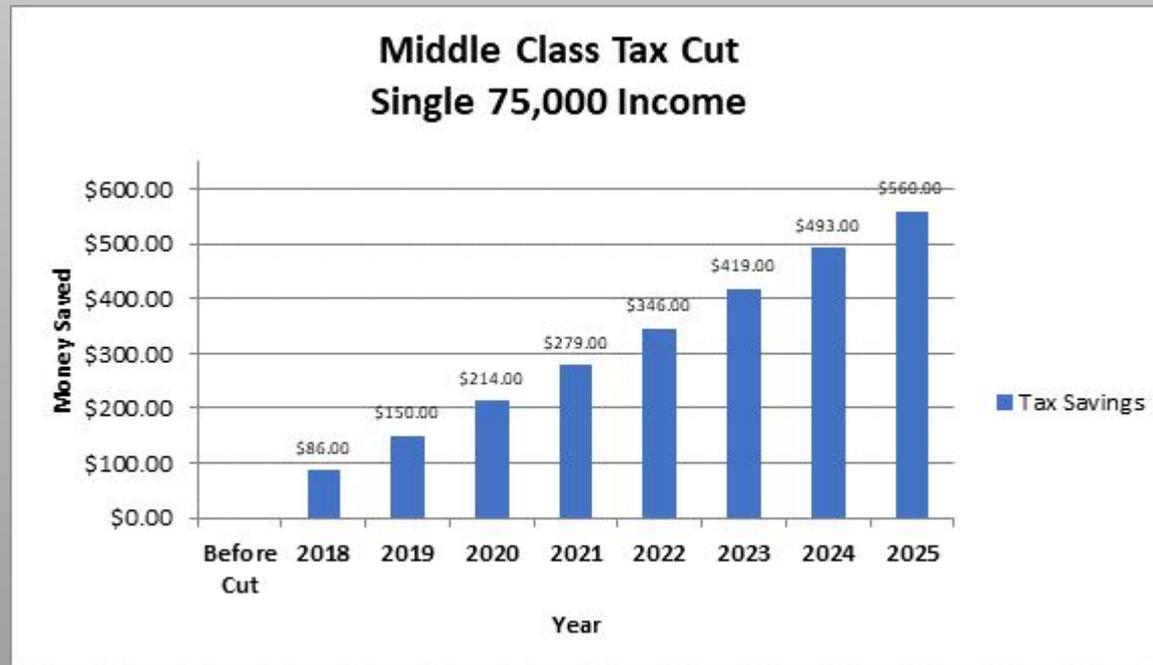
Economy & Workforce Proposals

Low & Middle Income Tax Rate Cuts (Cont'd)

- 6.21 percent to 6.09 percent for taxpayers in the **\$43,000-\$161,550** income bracket
- New 5.9 percent to 5.5 percent for taxpayers in the **\$27,900-\$43,000** tax bracket

Small Business Tax Cut

- Dropped in the final budget due to the small business assistance provided from Congress in the 3rd stimulus.





Transportation

Upstate Public Transit

- Continued \$104.5 million in capital funding for Upstate transit systems.
- 4.2% increase in operating funding for Upstate transit.
- \$20 million for public transit authority conversion to electric buses.

Pave NY Program - \$100 Million

Bridge NY Program - \$100 Million

FY2021 Dept. of Transportation Capital (Construction) funding -
Total increase, \$2.9 billion over 2 years.

CHIPS Aid & Extreme Winter Recovery Aid - Restored \$65 Million
from proposed cuts.



Environment

- **Climate Change: \$30 Billion state investments the last 5-years to combat climate, including:**
 - Resiliency and Environmental Conservation -- \$740 Million
 - Offshore Wind -- \$9.1 Billion
 - Land-based Renewables -- \$6.6 Billion
 - Clean Energy Research -- \$1.9 Billion
 - Green Bank -- \$1.1 Billion
 - Electric Transit Buses & Charging Stations -- \$1.5 Billion
- **Adopted “Article 10” Siting** reform to accelerate renewable energy projects while strengthening the role for local input and hearings.
- **Statewide Ban on Styrofoam Single-Use Containers.**
- **Legalization of E-Bikes/E-Scooters** w/ local control over regs.
- **Made Nation’s Only Fracking Ban Permanent**
- **Continued annual funding of the state’s nation-leading Environmental Protection Fund (EPF) at \$300 million.**



Environment

New \$3 billion Bond Act - 'Restore Mother Nature' by investing in energy efficient infrastructure & protecting wildlife/ecosystems. Includes SUNY and CUNY as eligible grantees.

- Voters would have a chance to approve in November.
- Includes:
 - Restoration and flood risk reduction Not less than \$1 billion
 - Open space land conservation and recreation Up to \$550 million
 - Water quality improvement and resilient infrastructure Not less than \$550 million
 - Climate change mitigation Up to \$700 million



Education (K – 12)

- **Level funding in School Aid BACK to last year's level** — which included over \$900M in funds from the 3rd Stimulus Package.
 - **Note: Less than the NYS Board of Regents' recommendation** of \$2.1 billion increase
- No change as proposed to the Foundation Aid Formula.
- **\$6 million** to create new early college high school programs in communities with low graduation or college access rates and will align new schools with in-demand industries such as technology, sports management and finance.



Education (K – 12)

- **Education K - 12 funding held to last year's level.**
- **Albany County** saw an overall 18.6% increase in Foundation Aid over the last 5 years.
 - **Albany School District received a 35% increase** over the last 5 years in Foundation School Aid.
 - Albany is also part of the state's **My Brother's Keeper Initiative** (Secured \$346,000 in 2016 for this program)
- **Rensselaer County** funding is increasing \$17.8 million or 13.6%.
 - **Troy School District received a \$6.7 million or 17.5% increase** in Foundation Aid.
 - Since 2013 the Troy City School District has been receiving state funds for their **Riverfront P-TECH program** & since 2017 for Watervliet CSD
- Last year's State Budget added that **no student would have to pay for reduced priced meals.**
- Ensured that any low-income student that wants to take an **AP exam** only pays \$5, rather than previous \$50/AP exam.
- **Library Operating Funding** was cut \$2.5 million - no changes in capital aide



Higher Education

- **SUNY/CUNY Operating Costs: maintained at level funding but no new tuition increases at this time.**
- No increases in the **Excelsior scholarship** income threshold from \$125k to \$150k for families.
- **Cuts** Centers for Advanced Technology (CATs) and Centers of Excellence (COEs) on college campuses **RESTORED**.
- **No change: TAP Gap: \$70 million** shortfall to SUNY in state tuition assistance.
- **Not included: \$20 million** for the planned UAlbany School of Engineering and Applied Sciences.



Public Health

- **Lowering Prescription Drug Prices for All New Yorkers:**
 - **The Governor will create the Prescription Importation Commission** to identify any potential consumer savings from importing drugs from Canada to compile a list of drugs that could be imported through the program.
 - **The Department of Financial Services will be authorized to investigate pricing of a prescription drug** if the price of such drug has increased by more than 100 percent within one-year.
 - **Insulin Co-Payments will be capped at \$100 for a one-month supply.**
 - **Not included: Pharmacy Benefit Managers** will be required to immediately register with the State and be subject to regulations requiring disclosure of financial incentives or benefits for promoting the use of certain drugs.



Public Health

- **Medicaid Redesign Team II --** The MRT II reformed the State's Medicaid program, to preserve benefits and find approximately \$2.5 billion in savings.
- **Ban on the sale of all flavored vaping products/e-cigarettes including menthol.**
- **Ban on sale of all tobacco products in any pharmacy.**
- **Legalization of Gestational Surrogacy (unless modified before Feb. 2021).**



Human Services & Child Care

- **Continue existing capital investments** to further the State's progress in the construction of high-quality, affordable housing for the people of New York.
- **Restored proposed cuts to the Displaced Homemaker Program** (\$1.6 million) which supports working, single parents with 1 or more children.
- **Home Visiting Services** maintained level funding.
- **Refugee Services** funded at \$1 million - cut from \$2 million



Local Governments

- **\$6.1 billion Medicaid funding shortfall** – largest gap in 10 years.
 - **No costs were shifted onto county governments as a result of Medicare redesign.**
- Counties to pay \$50 million to support hospital during Covid-19.
- Continuing the permanent property tax cap levy of **2%**.
- **\$12 Million** for fiscal relief the City of Albany.



Public Safety

- **Ban the Sale and Manufacture of ‘Ghost Guns’.**
 - Additionally has more provision for removing guns from domestic abusers
- **Closes Out-of-State Gun Loophole.**
 - Prohibits individuals convicted of serious offenses in other states from obtaining a gun license.
- **\$10 million for the Liberty Defense Project**
 - Legal funding for immigrants restored by the Assembly
- Modifications to **Greenlight** program to comply with Real ID/Trusted Traveller Programs



Public Safety

- **Education Curriculum: Tolerance & Diversity.**
 - Adds curriculum that teaches civic values and the State's rich history of diversity and religious freedom.
- **Bail & Discovery Reform**
 - A three-way compromise was reached on modifications to last year's historic criminal justice on cash bail reforms while ensuring its overall intent and impacts remain intact. These adjustments continue to preclude the use of the "dangerousness standard" and adds more crimes to list ofailable offenses, including: high-level drug possession and sale felonies, Assault 3 and Arson 3 as Hate Crimes, criminal possession of a weapon on school grounds, aggravated assault of a child under age 11, Domestic Violence, crime of strangulation, and endangering the welfare of a child while registered as a Level 3 Sex Offender.
 - Additional modifications were made to last year's **discovery laws**, including 5 more days for initial discovery while prioritizing incarcerated defendants, more confidentiality for victims in limited cases, and removing traffic violations from last year's law.
 - \$40 Million added for local law enforcement and DAs for Discovery costs.



What was Left Out

- **No new revenue raisers**
- **Marijuana Legalization**
- **Alcohol in Movie Theaters**
- **Mobile Sports Betting**



What do we need from Feds?

A 4th Federal Stimulus Package with aid to state governments is critical, particularly for:

- **State & Local Government Support**
- **Unemployment Insurance**
- **Small Business Assistance**
- **Medicaid**

Thank you for attending & stay healthy!



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