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# Report on the State Fiscal Year 2019-20 Enacted Budget



**OFFICE OF THE NEW YORK STATE COMPTROLLER**  
Thomas P. DiNapoli, State Comptroller

April 2019

# Message from the Comptroller

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April 2019

This year's State budget process was complicated by December and January tax revenues falling billions of dollars short of expectations. By the start of the new fiscal year on April 1, the picture was somewhat brighter as a result of stronger than anticipated revenues for the month of March and a higher than expected General Fund balance to begin the new year.



For now, however, that picture remains incomplete. Data on April tax receipts always provide important insights, and that will be especially true this year as New York continues to assess how federal tax changes enacted in 2017 are affecting taxpayer behavior and State revenues. While the economy continues to expand, the outlook is for slowing growth this year and continuing uncertainty related to both global and domestic factors.

The Enacted Budget for State Fiscal Year (SFY) 2019-20 includes additional revenues estimated at nearly \$1 billion for the current year and higher amounts in coming years, largely related to extension of the top Personal Income Tax rate on upper-income taxpayers. The Budget also authorizes major policy actions such as a new congestion tolling program in part of Manhattan and other revenue sources to fund more than \$15 billion in badly needed capital investment for the Metropolitan Transportation Authority.

Questions remain as to some important aspects of both the fiscal and policy provisions in the Budget. For example, with regard to the new congestion tolling program, numerous key decisions including toll levels have yet to be determined. As always, there are budgetary risks, including concern regarding federal aid for health care and other programs that benefit New Yorkers. I continue to call for more robust reserves to mitigate such risks and prepare for the inevitable next economic downturn.

The following report provides information about major appropriations and policy provisions in the Enacted Budget, and highlights certain concerns regarding issues of transparency, accountability and oversight. My Office will provide further analysis after the Division of the Budget issues its Enacted Budget Financial Plan and Capital Program and Financing Plan in coming weeks.

Thomas P. DiNapoli  
State Comptroller

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# I. Executive Summary

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The State Fiscal Year 2019-20 Enacted Budget addresses fiscal challenges with actions to manage spending and provide nearly \$1 billion in revenue increases for the current year, while increasing funding for education, health care, mass transit and other programs. It also enacts important policy initiatives regarding public financing of State electoral campaigns and criminal justice.

After tax receipts in December and January fell well below expectations, collections in March were \$811.7 million above updated projections. In addition, the State's General Fund ended SFY 2018-19 with a balance of more than \$7.2 billion, \$661 million higher than the most recent projections. Still, that balance was \$2.2 billion lower than a year earlier, as the State continued to use resources from monetary settlements received in recent years.

The State continues to face budgetary risks, including the possibility of changes to federal aid. Beyond the potential of legislative or judicial actions that could affect health care funding under the Affordable Care Act, the Centers for Medicare & Medicaid Services has proposed certain administrative revisions that would cut funding for the State's Essential Plan, which provides health coverage for nearly 750,000 low-income New Yorkers. With regard to State tax revenues, ongoing risks include the continuing impact of federal tax changes on taxpayer behavior as well as unpredictable developments in the economy.

While official spending and revenue projections from the Division of the Budget (DOB) are not yet available, the Enacted Budget restores \$550 million in Medicaid reductions, relative to planned growth, that had been proposed as part of Executive Budget amendments in February. At the same time, the Budget provides the Director of the Budget new authority to reduce Medicaid spending by just over \$190 million in each of the current and next fiscal years, in consultation with the State Health Commissioner. It also includes certain other grants of broad authority for the Executive to reduce spending during the fiscal year, absent legislative action.

DOB deposited \$250 million into the Rainy Day Reserve Fund at the end of SFY 2018-19, the first such deposit since 2015, and anticipates adding another \$428 million at the end of the current year, budgetary conditions permitting. While these steps will augment rainy day reserves that have been modest compared to those of some other states, building reserves further could reduce the need for undesirable actions, including the potential spending cuts authorized by the Budget.

The SFY 2019-20 Budget was enacted timely, with final legislative action early on April 1, the start of the fiscal year. However, the budget process lacked transparency in key ways, including minimal information being made available regarding overall fiscal impacts. The majority of budget bills were passed by the Legislature on the basis of gubernatorial "messages of necessity," bypassing the State Constitution's general requirement of legislation being available for review for at least three days before passage.

The Enacted Budget makes permanent the property tax cap that generally limits annual increases in school district and local government tax levies to 2 percent or the rate of inflation, whichever is lower. The Budget incentivizes homeowners to receive School Tax Relief (STAR) benefits through a State personal income tax credit rather than through school tax bills by

decreasing the income limit for the basic STAR exemption and capping benefits at current levels, in both cases only for homeowners whose benefits flow through their school taxes.

The STAR change, which moves an estimated \$185 million from the spending side to the revenue side of the State's ledgers, is one of several factors that will reduce the apparent level of year-over-year growth in spending. Other such measures include steps that shift expenditures outside the budget, including certain resources for the Metropolitan Transportation Authority (MTA) as well as those related to the payment of certain debt service. Such provisions limit transparency, oversight and accountability regarding the use of taxpayer dollars.

As proposed in the Executive Budget, enacted appropriations include \$500,000 for creation of an online database of economic development projects, which may enhance publicly available information regarding such projects. However, the Budget does not require such a database or specify details as to how it should be structured or what type of information it should include.

The Budget requires establishment of a congestion tolling program in Manhattan's Central Business District, no earlier than December 31, 2020, sufficient to fund \$15 billion for the MTA's 2020-2024 capital program. The MTA is required to develop and complete a reorganization plan by June 30, 2019; to undergo a review by an outside financial advisory firm; and to contract with a certified public accounting firm for a forensic audit.

Major public policy changes enacted with the Budget also include elimination of cash bail for most misdemeanor and non-violent felony offenses and statutory changes to the discovery process and other revisions intended to promote speedy trials. The Budget also authorizes the closure of up to three State prisons, which is expected to generate \$35 million in annual savings.

The Budget creates a Public Campaign Financing and Election Commission that is charged with establishing publicly funded financing of campaigns for statewide and State legislative offices. Among other requirements, the commission is directed to identify resources up to \$100 million annually to support public financing. Its report is due by December 1, 2019, and will have the full effect of law unless modified or abrogated by statute before December 22, 2019. The Budget also includes legislation to establish online voter registration, and to require polls throughout the State to be open from 6 a.m. to 9 p.m. for primary elections.

Other enacted provisions include codification in State law of certain consumer protections that are part of the federal Affordable Care Act, to assure continuation if that law is revised or repealed. The Budget omits an Executive proposal establishing a commission to advise on options for achieving universal access to health care in New York. Among other elements of the Enacted Budget:

- The Executive projects total spending this year at \$175.5 billion, modestly higher than the \$175.1 billion in the updated Executive Budget Financial Plan released in mid-February.
- Revenue actions are estimated to increase All Funds revenues by just less than \$1 billion this year and over \$5.4 billion by SFY 2022-23, excluding off-budget actions related to the Metropolitan Transportation Authority. On-budget revenue actions include

extension for five years of the top Personal Income Tax rate on upper-income earners, and broader imposition of the sales tax on online sales.

- The Budget provides \$5.4 billion in additional State-supported bond authorizations, an increase of 3.7 percent from the previous total. All newly authorized debt is to be issued by State public authorities without voter approval. The largest increase from previously authorized borrowing limits, \$911 million, is for economic development initiatives. Additions to the Executive Budget include authorization of \$250 million for environmental infrastructure.
- General Support for Public Schools for the 2019-20 School Year is \$27.9 billion, an increase of \$1 billion or 3.8 percent over the previous year and \$44 million or 0.1 percent over the Executive Budget. School districts with high-need schools that DOB deems to be underfunded are required to report annually on how the district will fund such schools.
- The Budget provides increases of \$28.6 million for the State University of New York and \$14.5 million for the City University of New York, compared to the Executive Budget. Those changes include additional funding for educational opportunity programs and a 3.5 percent increase in per-student base operating aid for community colleges.
- Single-use plastic carry-out bags will be banned, with certain exceptions, for most retail stores effective March 1, 2020. Cities and counties are authorized to adopt a 5-cent charge for paper bags used by such stores, with any resulting funds going to the State and localities that impose the charge to pay for programs encouraging use of reusable bags. The Budget also authorizes \$500 million in new funding for water infrastructure projects.
- The Budget eliminates \$59 million from the State's primary general-purpose municipal assistance program, Aid and Incentives for Municipalities, affecting some 1,300 towns and villages. Counties where such municipalities are located are required to make up the lost revenue from local sales tax revenues, which are expected to be augmented by expanded taxation of internet sales. The Budget also includes initiatives that require New York City to fund 10 percent of the cost of the Family Assistance program and a larger share of public health programs.

The updated Financial Plan and Capital Program and Financing Plan based on the SFY 2019-20 Enacted Budget are expected to be issued in coming weeks. The Office of the State Comptroller will provide additional analysis based on those reports.

## II. Financial Plan Overview

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### ***SFY 2019-20 – Preliminary Analysis of the Enacted Budget***

The Executive Budget, as amended, estimated All Funds expenditures of \$175.1 billion in State Fiscal Year (SFY) 2019-20, according to Division of the Budget (DOB) projections. State Operating Funds spending was projected to increase by 1.8 percent, to just under \$102 billion, before adjustments for timing-related and other actions.

For the Enacted Budget, the Executive has indicated a preliminary All Funds spending estimate of \$175.5 billion for SFY 2019-20. State Operating Funds spending is projected to increase by 2.0 percent, to \$102.1 billion.

Specific estimates of overall expenditures and revenues for the current fiscal year, and projections for the ensuing three fiscal years, will be contained in the upcoming SFY 2019-20 Enacted Budget Financial Plan and the Five-Year Capital Program and Financing Plan to be issued by DOB. The Office of the State Comptroller expects to provide analysis of those reports when they become available, including projected out-year budget gaps, projected statutory debt capacity, use of temporary and non-recurring resources, shifts of spending off-budget, and other budget management actions.

#### *Managing State Operating Funds Spending Growth*

In recent years, the Executive has set a goal of limiting annual growth in State Operating Funds spending to no more than 2 percent. As in certain previous years, a number of timing-related actions and other changes are included in the SFY 2019-20 Enacted Budget that will affect the level of reported State Operating Funds spending growth in the Financial Plan.

The Executive Budget planned \$765 million of debt service prepayments last year that would reduce spending in SFY 2019-20 by a commensurate amount; the actual amount as of the end of SFY 2018-19 was nearly \$1.5 billion, according to DOB. Such prepayments reduce the appearance of growth by increasing spending in the base year and reducing it by the same amount in the following year. However, total costs are not affected.

The Enacted Budget includes various other provisions that also change the appearance of spending growth in State Operating Funds. These include shifting expenditures to capital projects or other funds which are outside the scope of State Operating Funds; moving expenditures off-budget to a public authority or an off-budget fund or account; shifting payments from a disbursement to a transfer (transfers are not counted in State Operating Funds totals); and restructuring programs such that the cost is reflected on the revenue side of the ledger rather than as spending.

A more complete analysis of budget actions that affect reported spending growth, and of temporary and non-recurring resources, will be possible after DOB releases the Enacted Budget Financial Plan in the coming weeks.



## *Temporary and Non-Recurring Resources*

The prepayments of debt service referenced earlier will provide a non-recurring benefit for the Financial Plan in SFY 2019-20. The Enacted Budget also includes certain other actions which provide temporary or non-recurring Financial Plan benefits, as follows:

- A five-year extension of the top rate for the personal income tax (PIT) is expected to increase receipts by \$771 million in SFY 2019-20, increasing to nearly \$5.1 billion in SFY 2022-23;
- \$51 million from the transfer of certain assessment reserves from the Workers' Compensation Fund to the State Insurance Fund (SIF) for State workers' compensation obligations;
- Up to \$60 million in revenue from the sale of State-owned property to offset State funding for CUNY;
- \$17 million in use of State of New York Mortgage Agency (SONYMA) Mortgage Insurance Funds for various purposes; and
- A \$20 million transfer from the New York Power Authority (NYPA) to the General Fund.

The use of these resources contributes to budget balance in the current year and in any future years in which such resources are available. However, by definition, temporary and non-recurring resources do not assist in resolving the State's structural imbalance between recurring levels of revenue and spending.

## *Risks to the Budget*

The Enacted Budget, as with any other budget, is subject to various risks and uncertainties. The full-year impact of the federal tax changes on taxpayer behavior, periodic financial market volatility and other factors pose lingering questions on future revenues.

The State receives substantial amounts of federal aid for health care, education, transportation and other purposes. Many programs that drive current funding levels may be subject to change based on budget and policy discussions in Washington and other federal actions. As a result, the State continues to face certain risks regarding federal funding in the coming years. For example, the Centers for Medicare & Medicaid Services (CMS) recently proposed a rule to establish a new methodology to determine federal payment amounts for the Basic Health Program for calendar years 2019 and 2020. This program, called the Essential Plan in New York, provides approximately \$5 billion in annual federal funding to the State to help finance health insurance coverage for nearly 750,000 low income New Yorkers not eligible for Medicaid or Child Health Plus. Under the proposed new methodology, federal program payments are expected to decrease by \$300 million in the aggregate over the two-year period, and would be expected to be made up in increased State expenditures, according to a proposed rule published in the Federal Register on April 2, 2019. Minnesota, the only other state that participates in the program, has historically accounted for less than 10 percent of overall federal payments for the program.

The Enacted Budget includes certain provisions which appear to be intended to mitigate such budgetary risks. One such provision extends language previously authorized that allows the



Budget Director to impose spending cuts, absent action by the Legislature, if certain reductions in federal assistance occur. A proposal modified from the Executive Budget empowers the Budget Director to reduce certain Aid to Localities spending if the financial plan estimates an end of year General Fund imbalance of \$500 million or more, absent action by the Legislature. Reductions could not exceed 1 percent of estimated SFY 2019-20 State Operating Funds spending (approximately \$1 billion based on the most recent Financial Plan estimate) with certain spending not subject to reduction. New language in the Budget provides the Budget Director with authorization to make reductions to certain Medicaid spending of \$190.2 million for each of SFYs 2019-20 and 2020-21 after budget enactment. This provision is discussed in more detail in the Health/Medicaid section of this report.

The State's statutory rainy day reserves received their first deposit since 2015, \$250 million, at the end of last year. An additional \$428 million is anticipated this year, if fiscal conditions permit. These steps are welcome, and more must be done to bolster reserves and guard against unwanted budgetary actions when the inevitable next economic downturn hits New York. While the budget expands Executive authority to address revenue shortfalls with spending reductions as described above, more robust reserves would reduce the need for any such actions.

The Office of the State Comptroller expects to comment more fully on budgetary risks as part of its analysis of the Enacted Budget Financial Plan.

## ***SFY 2018-19 – Preliminary Year-End Results***

### *Receipts*

Projecting personal income tax (PIT) collections proved difficult for the final few months of SFY 2018-19, due, in part, to taxpayer behavior regarding federal tax law changes that went into effect on January 1, 2018, as well as volatility in financial markets at the end of the year. Through the first six months (April through September), tax collections were \$21.5 million below initial estimates and \$182.5 million below estimates from the Financial Plan updated for the First Quarter – relatively small variances from projections. DOB's FY 2019 Mid-Year Update to the Financial Plan in November revised month-to-month cash flow projections, including moving a net \$402 million in estimated PIT collections into the last five months of the fiscal year, while making no changes to total year-end tax projections.

Actual PIT collections varied noticeably from those updated projections in both November (\$514.5 million higher than expected) and December (\$822.9 million lower than anticipated).

Throughout SFY 2018-19, DOB anticipated that total PIT collections for the year would decline from the previous year, largely because of changes in taxpayer behavior that had accelerated certain receipts into SFY 2017-18. However, the actual decline was significantly larger than anticipated, primarily due to estimated payments. When the Executive Budget was released on January 15th, DOB reduced projections for all tax receipts by \$396 million for SFY 2018-19 and \$1.6 billion for SFY 2019-20.

Actual results for January showed PIT collections during the month were nearly \$2.5 billion below Executive Budget projections. In the FY 2020 Executive Budget Financial Plan, Updated for the Governor's Amendments and Forecast Revisions released in mid-February, DOB

reduced annual tax projections by an additional \$2.6 billion for SFY 2018-19, and by higher amounts increasing to nearly \$6.4 billion in SFY 2022-23.

The State ended SFY 2018-19 on a positive note, with PIT collections in March totaling \$3.6 billion, approximately \$586 million higher than anticipated. For the full year, PIT collections were \$2.3 billion lower than initially planned, but \$504 million higher than the mid-February projections issued with the 30-day amendments.

**Figure 1**

**Personal Income Tax Receipts, Total Tax receipts and Miscellaneous Receipts  
Projected and Actual, SFY 2018-19**  
(in millions of dollars)

	SFY 2017-18 Actual	SFY 2018-19 Enacted (April)	SFY 2018-19 3rd Quarter Update (January)	SFY 2018-19 3rd Quarter Update (February)	SFY 2018-19 Actual (unaudited)
Personal Income Tax	51,501	50,410	50,144	47,583	48,087
Total Taxes	79,266	77,923	77,537	74,976	75,577
Miscellaneous Receipts	27,262	28,005	29,614	31,345	31,185

Sources: Division of the Budget and Office of the State Comptroller

*Spending*

Projections of disbursements also fluctuated during the year. Unaudited General Fund spending totaled \$72.8 billion in SFY 2018-19, an increase of \$3.1 billion or 4.4 percent from SFY 2017-18 totals. Spending was \$774.3 million below the latest projections issued in February, and more than \$3.8 billion less than initial projections, despite significantly higher than anticipated debt service prepayments. Unaudited State Operating Funds expenditures were \$100.1 billion, an increase of 2 percent. Spending from All Funds totaled \$170.9 billion, an increase of 4.4 percent or \$7.1 billion from SFY 2017-18. Spending totals largely reflected higher local assistance and debt service and lower capital spending relative to original estimates.

**SFY 2018-19 – Closing Balance and Reserves**

The SFY 2018-19 Enacted Budget Financial Plan projected an operating deficit of \$3.9 billion in the General Fund for SFY 2018-19, including the use of \$2 billion in resources from monetary settlements. The General Fund balance was projected to decline from \$9.4 billion at the end of SFY 2017-18 to \$5.5 billion as of March 31, 2019.

The actual balance of \$7.206 billion as of March 31, 2019 was \$1.7 billion higher than projected when the fiscal year began. That figure was \$661 million more than anticipated in the February Financial Plan Update, as shown in Figure 2. Differences from earlier projections largely reflect unanticipated monetary settlements and lower-than-anticipated spending, offset by lower than expected PIT receipts. The State received over \$1.1 billion in monetary settlements during SFY 2018-19, just over \$1 billion more than initially anticipated in the SFY 2018-19 Enacted Budget Financial Plan.

**Figure 2**

**General Fund Reserves – SFY 2018-19 Plan and Actual Year-End Results**  
(in millions of dollars)

	SFY 2017-18 Actual	SFY 2018-19 Enacted Projection	SFY 2018-19 February Projection	SFY 2018-19 Actual (unaudited)
<b>Statutory Reserves</b>	<b>1,865</b>	<b>1,836</b>	<b>2,102</b>	<b>2,104</b>
Tax Stabilization Reserve Fund	1,258	1,258	1,258	1,258
Rainy Day Reserve	540	540	790	790
Contingency Reserve Fund	21	21	21	21
Community Projects Fund	46	17	33	36
<b>Refund Reserve (Unrestricted)</b>	<b>7,580</b>	<b>3,668</b>	<b>4,443</b>	<b>5,102</b>
Debt Management	500	500	500	NA
Labor Agreements	155	155	-	NA
Other	1,905	-	-	NA
Monetary Settlement Proceeds	5,020	3,013	3,943	NA
<b>Total</b>	<b>9,445</b>	<b>5,504</b>	<b>6,545</b>	<b>7,206</b>

Sources: Division of the Budget, Office of the State Comptroller.

Note: Figures may not add due to rounding. The actual allocation of amounts for Debt Management, Labor Agreements, Other and Monetary Settlement Proceeds is provided by DOB but has not yet been made available.

As expected, DOB deposited \$250 million into the Rainy Day Reserve Fund, bringing the combined total of that fund and the Tax Stabilization Reserve Fund to just over \$2 billion. Other budget actions included nearly \$1.5 billion in debt service prepayments (\$733 million higher than anticipated in the February Financial Plan update) and a transfer of \$1.26 billion to the Dedicated Infrastructure Investment Fund (DIIF), \$135 million more than anticipated.

As noted above, a total of just under \$1.5 billion in debt service prepayments were made in SFY 2018-19 that otherwise would have been made in SFY 2019-20. In addition to reducing the reported level of year-over-year spending growth, such payments also reduce the General Fund’s year-end balance, while not affecting debt service costs on the whole.

***Transparency, Accountability and Oversight Issues***

Transparency, accountability and independent oversight are keys to ensuring that public resources are protected from waste, fraud and abuse, and that the public has access to important information regarding government activities. These essential elements of good governance also help assure that the State Budget is fiscally responsible and provides an honest representation of the State’s spending plan. Provisions that weaken these protections leave public resources more vulnerable to misuse, and may diminish New Yorkers’ confidence in their State government. As detailed below, certain elements of the SFY 2019-20 Enacted Budget fall short with respect to high standards of transparency, accountability and oversight. More work needs to be done to enhance public trust in State government, and to ensure that public resources are used wisely and that the State is acting in the best interest of New Yorkers, now and in the future.

## *Opaque Budget Process*

The process by which final agreements were reached lacked transparency in key ways. The Legislature's Joint Budget Conference subcommittee process was designed in part to provide public disclosure of budget negotiations. Although Legislative conference committees met, major budget decisions were negotiated behind closed doors.

Although the Budget was enacted timely, the majority of the budget bills that make up this year's Enacted Budget were passed by the Legislature using gubernatorial "messages of necessity" to bypass the three-day waiting period normally required by the State Constitution. Incorporating the majority of appropriations and numerous important policy decisions, these bills were passed with little time for review by legislators and the public. The Budget was also adopted with minimal information available as to its overall fiscal impact.

## *Independent Oversight and Procurement Integrity Provisions*

Under Section 112 of the State Finance Law, the Office of the State Comptroller conducts an independent review of most State agency contracts. Under Section 2879-a of the Public Authorities Law, the Comptroller also has the authority to review certain public authority contracts. The Comptroller has had the authority to pre-audit contracts for over 100 years. The Comptroller's independent review of contracts protects taxpayers, agencies, not-for-profit organizations and other vendors contracting with the State by validating that a contract's costs are reasonable, that its terms are favorable to the State, and that a level playing field existed for bidders. This serves as an important deterrent to waste, fraud and abuse, and further ensures that the State is contracting with responsible vendors.

The Comptroller's oversight was statutorily eliminated in 2011 for certain contracts of SUNY, CUNY and their construction funds. It was removed in 2012 for Office of General Services (OGS) centralized contracts. Certain appropriations within the Executive Budget included provisions that would have restored the Office of the State Comptroller's independent review of such contracts and authorized the Comptroller to review SUNY Research Foundation contracts where State funding is in excess of \$1 million. These provisions were omitted from the Enacted Budget. However, conceptual agreement was reached between the Executive and the Office of the State Comptroller with respect to certain aspects of procurement oversight, including the Office of the State Comptroller's independent contract review. The specifics for implementation are expected to be finalized.

The Enacted Budget includes several measures that bypass or limit existing statutory provisions intended to ensure independent oversight and procurement integrity. In certain instances, the competitive bidding process and the State Comptroller's contract review authority are eliminated or limited. Examples include a new provision that limits the timeframes within which the Comptroller may call for and review MTA contracts or contract amendments pursuant to Section 2879-A of the Public Authorities Law. See the Metropolitan Transportation Authority section of this report for additional details. Other provisions where competitive bidding and the Comptroller's contract review authority are eliminated include a \$30 million federally-funded appropriation for services for persons with heroin and opiate use addiction disorders, and an \$18.9 million appropriation for emergency assistance and other spending by the Commissioner of Health.

### *Expanded Use of Off-Budget Spending for State Programs and Purposes*

The Enacted Budget expands the practice of “off-budget” spending, shifting out State resources and spending that had traditionally been or otherwise would be included in the State Budget and in State revenue and spending totals, and accounted for in the Statewide Financial System (SFS). These provisions limit transparency related to the State’s obligations and use of public resources and reduce the oversight of and accountability for taxpayer dollars that result when decisions regarding State resources are subjected to the annual budget process and spending flows through SFS.

Examples include the new shift of certain MTA-related State resources outside of the State Treasury. Such funds, which are estimated by DOB to total \$547.5 million in the current year, significantly higher than the \$297 million from the Executive proposal, would flow directly to the MTA without a State appropriation. These actions build on provisions in the SFY 2018-19 Enacted Budget, which directed \$1.4 billion in revenues and spending associated with the Payroll Mobility Tax (PMT) and other sources to be off-budget. It is essential for policy makers and other stakeholders to have access to definitive information about the State’s financial support for the MTA, and all programs supported with State resources. A full understanding of the fiscal relationships between the State and the MTA is especially critical for policy makers and the public as the MTA confronts significant challenges related to its budget and infrastructure and is entrusted with proceeds from major new revenue sources. Establishment of and reliance on off-budget funding streams for major State commitments, however, prevent such a complete picture of the State’s financial contributions to the MTA. The Enacted Budget also modifies the funding stream securing DASNY Mental Health facilities bonds (MH bonds) to move certain revenues and associated debt service disbursements off-budget, further blurring the picture of State debt service spending. This legislation also reduces reported levels of the State’s debt service and State Operating Funds spending, while the actual amounts owed by the State are unchanged.

### *Executive Discretion to Manage the Budget*

The Enacted Budget continues existing provisions and includes certain new provisions which provide the Executive significant flexibility to reduce spending after enactment of the Budget. In certain cases, implementation of these provisions would bypass the Legislature’s role regarding the allocation of State resources and result in reductions in spending with no notice. Such measures leave uncertainty as to how their use might affect important programs and services, State agencies, local governments, nonprofits and individual New Yorkers who rely on State funding. While these provisions are intended to mitigate risks to the State’s Financial Plan, the State could better address such risks by further building its budgetary reserve levels. For more detail, see the discussion in the Risks portion of this section related to authorization to reduce certain spending after budget enactment.

### *Public Authorities Control Board*

The Enacted Budget amends the statute governing the Public Authorities Control Board (PACB) with respect to determinations of board members and potential removal of board members under certain circumstances. It is unclear how this new provision may impact the analysis and deliberations of the Board regarding project approvals, and the resulting



availability of information about such projects. See the Public Authorities section of this report for more details.

#### *Use of Lump-Sum and Other Broad-Scoped Appropriations or Allocations*

The Enacted Budget continues the State's use of lump-sum and other broadly-scoped appropriations or allocations for Executive and Legislative initiatives for yet-to-be-determined projects. Such programs use less transparent mechanisms to distribute hundreds of millions of dollars, providing minimal disclosure of decision making regarding the allocation of funds, the intended recipients, specific expenditures and the potential benefits for New Yorkers. Examples of lump-sum or other broad-scoped appropriations or provisions in the Enacted Budget include:

- **Health Care Transformation Fund.** Moneys in this Fund are authorized to be transferred to any other fund of the State. The provisions allow the expenditure of potentially billions of dollars in State resources to support a broad variety of health care or other programs or purposes pursuant to a plan prepared by the Commissioner of DOH and approved by the Budget Director.
- **New lump sum appropriations** include \$220 million for the New York Works Economic Development Fund and \$325 million for the High Technology Innovation and Economic Development Infrastructure program, increases of \$20 million and \$25 million from last year, respectively.

#### *Transparency and Accountability for Economic Development*

The Enacted Budget includes \$500,000 within the Department of Economic Development for the creation of an online database of economic development projects. This is a positive step toward enhancing much-needed transparency regarding economic development expenditures. However, the Budget does not require the establishment of such a database, nor provide details on how it would be structured or what type of information it should contain.

The Enacted Budget otherwise provides no new requirements to enhance transparency and accountability related to economic development programs or purposes.

#### *Wide-Ranging Authorization for MTA Organizational Changes*

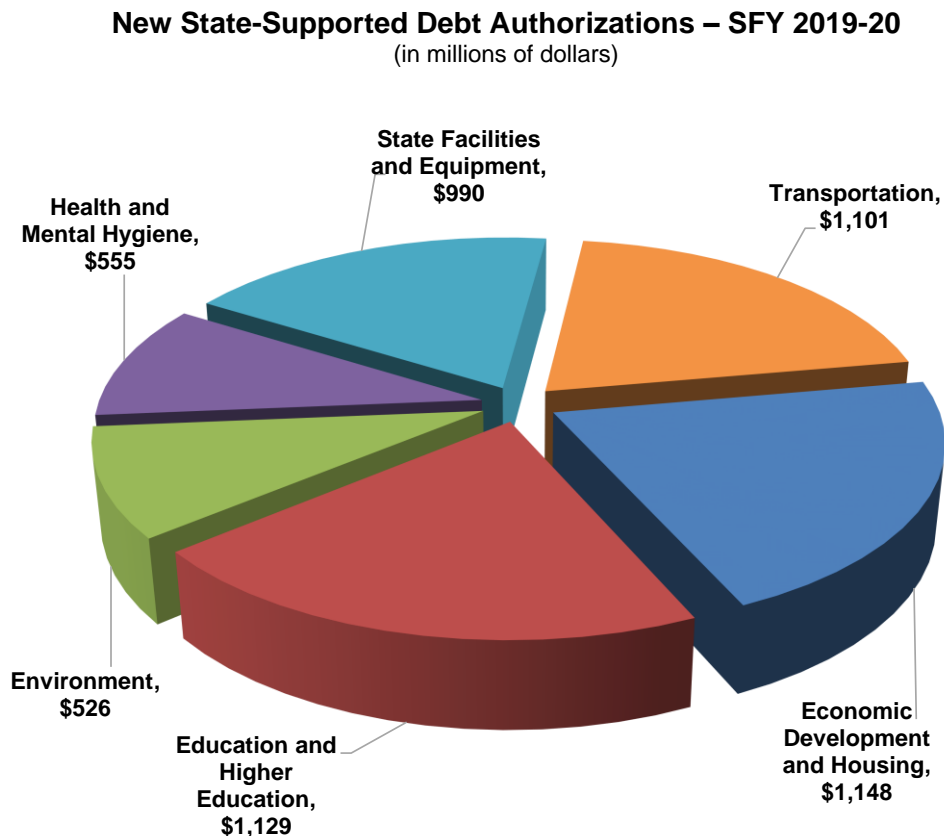
As detailed in the Metropolitan Transportation Authority section of this report, the Budget includes provisions with the stated intent of improving the organizational structure of the Metropolitan Transportation Authority (MTA). With no specific public plan for reorganization, it is uncertain how this authority may be used and what the short- and long-term implications of any such changes may be for users of the system and others. It is unclear how these broad authorizations would be implemented since several of the MTA subsidiaries and affiliates are governed by different statutes.

# III. Debt and Capital

## SFY 2019-20 Debt and Capital Overview

The Enacted Budget includes \$5.4 billion in increased bonding authorizations for State-Supported debt, an increase of \$364.7 million (7.2 percent) over the Executive’s proposed increases. This represents an increase of 3.7 percent over previously authorized amounts, including those for General Obligation borrowing. There are no new proposed General Obligation authorizations in the SFY 2019-20 Enacted Budget. Newly authorized borrowing increases are shown by programmatic area in Figure 3. The Public Authorities section of this report provides additional detail regarding the changes in State-Supported public authority bond caps.

Figure 3



Source: Office of the State Comptroller, Division of the Budget

Note: This figure reflects programmatic groupings as used by DOB in the Capital Program and Financing Plan.

The Enacted Budget increases from the Executive Budget were largely focused in the Environmental (\$250 million) and Transportation (\$100 million) programmatic areas. The Budget also includes a \$90 million increase for the State and Municipal Facilities (SAM) program, which brings that bonding authority in line with appropriation authority.



## ***Debt Management Actions***

### *Debt Service Prepayments*

A total of nearly \$1.5 billion of debt service otherwise due in SFY 2019-20 was prepaid in SFY 2018-19, an increase of \$733 million over estimates issued with the 30-day amendments. Prepayments have the effect of obscuring year-over-year growth in both debt service spending itself and in the broader measures of spending growth in All Funds, State Operating Funds and the General Fund. Generally, such prepayments do not reduce interest costs, and any other fiscal benefits these actions are intended to provide are not clear.

### *New Authorization*

The Budget includes Article VII legislation to modify the funding stream securing certain Dormitory Authority of the State of New York (DASNY) Mental Health facilities bonds (MH bonds) to move revenues associated with voluntary agencies and debt service disbursements off-budget. In the Executive Budget, DOB had anticipated this change would reduce State Operating Funds spending by \$75 million in SFY 2019-20. MH bonds were previously issued to finance capital projects at mental health facilities run by State and voluntary agencies and, in recent years, have been replaced with State PIT revenue bonds.<sup>1</sup>

See the Public Authorities section of this report for a discussion of the increase in the bond cap for SUNY Dormitories.

### *Debt Reduction Reserve Fund*

The Enacted Budget authorizes a transfer of up to \$500 million from the General Fund into the Debt Reduction Reserve Fund (DRRF). It also includes an appropriation of \$500 million from the DRRF for the payment of debt service or related expenses, for retiring or defeasing bonds of any State-related bonding programs, or for the funding of capital projects which have been authorized to be financed through the issuance of bonds. The Executive Budget financial plan did not assume any cash for DRRF. Similar authorization has been included in enacted budgets, but not used, for the last several years.

The Enacted Budget omits an Executive Budget proposal to make permanent the authorization excluding any DRRF spending from the 2 percent spending limit calculation for purposes of the Executive's non-statutory cap on annual growth in State Operating Funds.

### *Design-Build Procurement*

The Enacted Budget extends the Infrastructure Investment Act for two years, rather than making it permanent, as proposed by the Executive. It also omits various proposed changes including expansion of the list of entities authorized to utilize design-build contracts and provisions that would have circumvented Office of the State Comptroller (OSC) contract oversight provisions pursuant to Public Authorities Law (PAL) Section 2879-a. Newly added language extends for two years the authorization of the design-build method for the Urban

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<sup>1</sup> A more complete discussion appears in the Office of the State Comptroller's *Report on the State Fiscal Year 2019-20 Executive Budget*, February 2019, available at <https://www.osc.state.ny.us/reports/budget/2019/executive-budget-report-2019-20.pdf>.

Development Corporation (UDC), the New York Convention Center Development Corporation and their subsidiaries related to the Jacob K. Javits Convention Center expansion, the Empire Station Complex, the James A. Farley Building Replacement and Penn Station New York Redevelopment projects.<sup>2</sup> The Executive proposal to establish as a purpose that developing and implementing a unified mass transportation policy for the Metropolitan Commuter Transportation District should be done “in an efficient and cost-effective manner that includes the use of design-build contracting on all major projects” is modified to specify that the procurement method be used on all projects over \$25 million except where a waiver is granted by the Budget Director. For purposes of granting a waiver, such review shall consider whether design build contracting is appropriate for the project and the amount of savings and efficiencies that could be achieved using such method. No criteria or thresholds are specified regarding measurement of efficiencies and savings.

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<sup>2</sup> This authorization is pursuant to the Transformational Economic Development Infrastructure and Revitalization Projects Act.

## IV. Revenue

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The Enacted Budget includes a number of provisions, some as proposed in the Executive Budget and some added, that will increase revenues by over \$1.2 billion in SFY 2019-20, according to Division of the Budget (DOB) estimates. These include the extension of the top personal income tax rate for five years, the requirement to have online marketplace providers collect the sales tax, and additional transfer taxes on the sales of real estate in New York City. Just under \$1 billion of these new revenues will be reflected in the State's Financial Plan while some, such as those from the real estate transfer taxes, will be paid directly to a new fund of the Triborough Bridge and Tunnel Authority (TBTA). For additional details regarding this new fund see the Metropolitan Transportation Authority section of this report.

For sales of residential real properties in excess of \$3 million or sales of other real properties in excess of \$2 million in New York City, the real estate transfer tax will be increased from \$2 to \$3.25 per \$500 of sale price. A supplemental transfer tax will also be imposed on the sales of residential real property in the City in excess of \$2 million. The tax will range from 0.25 percent to 2.9 percent of the sale price. These taxes are in addition to the current "mansion tax" rate of 1 percent when the price of the property is \$1 million or more. Both the increased and supplemental real estate transfer taxes will go directly to the new TBTA fund and, as a result, will be off-budget.

The Enacted Budget also requires a portion of the State sales tax to be deposited to a new State fund, the Central Business District Trust Fund. Amounts to be deposited are \$112.5 million in SFY 2019-20 and \$150 million in SFY 2020-21, increasing by 1 percent annually thereafter. Payments from this fund will be subject to appropriation for distribution to the new TBTA fund. A portion of the City sales tax will also be deposited to the new TBTA fund. Deposits of \$127.5 million and \$170 million will be made in SFY 2019-20 and SFY 2020-21, respectively, with an additional 1 percent annually thereafter.

The Enacted Budget accepts the Executive Budget proposal for a new excise tax on opioids, with modifications. The Executive proposal would have had the excise tax passed on to the consumer. The Budget removes this provision but does not specifically exclude the pass-through of such tax. It also exempts sales of opioids for hospice and chemical dependence services, as well as those to be sold or distributed in other states.

### *Executive Tax Proposals Accepted or Modified*

In addition to those mentioned above, Executive Budget proposals that were accepted as proposed or adopted with some modifications in the Enacted Budget include measures that:

- eliminate the sales tax exemption for energy service companies;
- extend the mandate for the electronic filing of tax returns for five years;
- expand the Employee Training Incentive Program tax credit;
- extend the Workers with Disability tax credit for three years;
- create the New York State Employer-Provided Child Care tax credit;

- require the inclusion of State gambling winnings in nonresident income;
- extend certain tax shelter reporting and tax preparer penalties for five years;
- expand the Historic Rehabilitation tax credit to include the rehabilitation of properties on state-owned land leased by private entities;
- impose an excise tax on vapor products;
- impose a supplemental tax of 6 percent on automobile rentals outside the Metropolitan Commuter Transportation District (MCTD); and
- increase the supplemental tax on auto rentals within the MCTD from 5 percent to 6 percent.

#### *Tax Proposals Added in the Enacted Budget*

The Enacted Budget also includes several new revenue-related provisions. These include:

- an extension of the film production tax credit for two years;
- an amendment to the sales tax exemption for food and beverages sold through a vending machine;
- an increase in the amount of production costs that can qualify for the Empire State Commercial Production tax credit; and
- an amendment to the sales tax exemption for cemetery monuments.

#### *Executive Tax Proposals Omitted*

Major tax-related proposals in the Executive Budget that were omitted include provisions which would have:

- imposed a fee on the compensation (carried interest) of hedge fund managers and private equity investors; and
- imposed an excise tax on adult-use cannabis.

# V. Program Area Highlights

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## **Education**

### *School Aid*

The Enacted Budget includes \$27.9 billion in General Support for Public Schools (GSPS) for the 2019-20 School Year (SY), an increase of \$1 billion or 3.8 percent over the previous year. It also includes an additional \$50 million in competitive grants, as proposed by the Executive. This represents an increase of \$44 million compared to the Executive Budget, which recommended \$956 million in new education funding, including an increase of \$749 million for GSPS, \$50 million for competitive grants, and \$157 million in an unallocated fiscal stabilization fund.

The major categories of school aid increases are:

- \$618 million in Foundation Aid allocated through a variety of new formula provisions, bringing total Foundation Aid for SY 2019-20 to \$18.4 billion, a 3.5 percent increase, and \$280 million more than the Executive Budget. Of the total increase, \$50 million is set aside for community schools, bringing the total allocation for community schools to \$250 million.
- \$342 million to support growth in various expense-based aid programs (such as transportation, textbooks and school construction) based on updated claims. The Budget omits Executive proposals to establish a new tier of Building Aid and to consolidate 11 expense-based aid categories into a new “Services Aid” category.
- \$50 million in competitive grants proposed by the Executive were largely unchanged:
  - \$15 million to expand three- and four-year-old prekindergarten instruction;
  - \$10 million to expand the Empire State After-School program in high-need communities, with \$2 million allocated to districts in Nassau and Suffolk counties;
  - \$9 million for early college high schools focused on in-demand industries; and
  - \$16 million for a variety of smaller grant programs.

Excluding Building Aid programs, changes in Foundation Aid and expense-based aid programs to individual school districts are projected to range from a 10 percent decrease to an 18 percent increase.

The Enacted Budget includes the Executive’s proposal to change the basis of the State’s statutory cap on annual School Aid increases from the prior year’s growth in personal income to a 10-year average growth rate, but delays the implementation by one year to SY 2020-21.

### *Distribution of Funding within School Districts*

The Budget includes the Executive proposal to revise the timing of submission and review of new school-building level reporting requirements, with certain modifications. As of SY 2019-20, all school districts that contain at least four schools are required to submit reports showing the allocation of funding for each school within the district; all school districts will be required to do so in SY 2020-21. The Budget contains certain Executive proposals including:

- Granting DOB and the State Education Department (SED) joint discretion to authorize a local government finance officer (for example, from the city or town in which the school district is located) the option to complete the allocation statement if it is past due or deemed noncompliant.
- Withholding SY 2019-20 School Aid increases for any school district that fails to submit an allocation statement by August 30, 2019, or submits one that is determined to be noncompliant by SED and DOB.
- DOB will provide a list of certain underfunded high-need schools annually by May 1<sup>st</sup>. School districts with schools on this list must submit a report to SED by September 1<sup>st</sup> specifying how the school district will appropriate funding for its underfunded high-need schools. However, the Budget omits the Executive proposal to require these school districts to follow statutory funding requirements and submit detailed “equity plans.”

### *Charter Schools*

The Budget includes Executive proposals to provide: \$24.9 million in new direct aid to New York City charter schools; and \$31.5 million in Charter Schools Facilities Aid to reimburse the New York City School District for rental costs relating to lease space for charter schools.

### *Other Education Items*

The Budget includes three new \$5 million appropriations for additional grants to school districts, public libraries and not-for-profits. One appropriation is subject to a plan approved by the Speaker of the Assembly and the Director of the Budget as well as an Assembly Resolution. Another appropriation is subject to a plan approved by the Temporary President of the Senate and the Director of the Budget as well as a Senate Resolution. The third appropriation is to be allocated pursuant to a plan developed by the Director of the Budget.

The Enacted Budget omits the Executive proposal to permit boards of cooperative educational services (BOCES) to establish regional science, technology, engineering and mathematics magnet high schools.

Other items in the Enacted Budget include:

- Adopting the Executive Budget’s proposal to extend the New York City Mayor’s governing authority over the City school system for three years, until June 30, 2022, with certain modifications.
- Allowing school districts and BOCES to establish a sub-fund within the retirement contribution reserve fund to finance contributions to the State Teachers’ Retirement

System (TRS). Previously, such a reserve fund could only finance retirement contributions to the State and Local Employees' Retirement System (ERS).

- Amending provisions relating to the Annual Professional Performance Review (APPR) plan, eliminating the requirement that school districts include student performance on certain State assessment examinations in teacher and principal evaluations.<sup>3</sup>

## **STAR**

The Enacted Budget includes the Executive proposals to encourage homeowners to receive School Tax Relief (STAR) benefits through the STAR personal income tax credit, rather than through school tax bills. For homeowners who do not make such a move, these provisions:

- cap homeowners' STAR benefits at current levels rather than allowing annual growth up to 2 percent, as in previous law; and
- decrease the income limit for the basic STAR exemption from \$500,000 to \$250,000.

These changes would reduce spending on the STAR program by \$185 million in SFY 2019-20, according to DOB. Since these provisions are intended to incentivize taxpayers to transition to the STAR tax credit, the program savings are expected to be offset with a commensurate reduction in personal income tax receipts.

## **Higher Education**

The Enacted Budget includes All Governmental Funds appropriations of \$11.2 billion for SUNY, \$2.2 billion for CUNY (excluding fiduciary funds), and \$1.2 billion for the Higher Education Services Corporation (HESC). These amounts reflect net increases of \$28.6 million for SUNY and \$14.5 million for CUNY, and no change for HESC, over the Executive proposal. The primary change is an increase of \$100 per full-time equivalent (FTE) student in base operating aid for community colleges compared to the Executive Budget, bringing the total to \$2,947 per FTE. This amounts to an estimated \$12.1 million for SUNY and \$6.0 million for CUNY.

The additional funding for SUNY compared to the Executive proposal also includes \$15.3 million for educational opportunity, small business development and other programs at senior colleges, and \$1.1 million for child care at community colleges.

CUNY senior colleges receive an increase on an academic year basis of \$6.4 million for Search for Education, Elevation and Knowledge (SEEK) and other programs, and CUNY community colleges receive an additional \$3.7 million for child care and other programs, including the restoration of \$2.5 million for the Accelerated Study in Associates Programs.

The Budget clarifies eligibility requirements in the DREAM Act that was passed earlier this year by both houses of the Legislature and includes \$27 million in Tuition Assistance Program appropriations, as proposed by the Executive, to implement the DREAM Act.<sup>4</sup> It omits the Executive proposal establishing the For-Profit College Accountability Act. It also modifies

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<sup>3</sup> Legislation also addressing this issue (A. 783/S. 1262), approved by both houses of the Legislature on January 23, 2019 and signed by the Governor on April 12, 2019 (Chapter 27, Laws of 2019), is deemed repealed by language adopted as part of the Budget.

<sup>4</sup> On January 23, 2019, the New York State Legislature passed the Jose Peralta New York State DREAM Act (A. 782/S. 1250). This bill was signed into law by the Governor on April 12, 2019 (Chapter 26, Laws of 2019).



provisions of the proposal to regulate student loan servicers related to licensing of federal student loan servicers, definitions of exempt organizations and penalty amounts, among other changes. The Enacted Budget further:

- makes changes to the Foster Youth College Success Initiative by including status as a foster child or youth, or ward, any time after the thirteenth birthday in the definition of “foster youth,” and by providing funds based on need regardless of participation in post-secondary opportunity programs; and
- authorizes a reduced tuition rate for certain high school students and boards of cooperative educational services students taking college courses at SUNY or CUNY.

## ***Health / Medicaid***

The Enacted Budget increases State and federal appropriations for the Department of Health (DOH) by \$1.2 billion compared to the Executive Budget, to a total of \$160 billion. The increase primarily reflects restoration of a two-year, \$1.2 billion reduction (\$550 million and \$606 million in SFYs 2019-20 and 2020-21, respectively) in State Medicaid funding for hospitals, nursing homes and other providers that had been included in the Executive Budget 30-day amendments relative to the original Executive Budget proposal.<sup>5</sup> The \$550 million in State share Medicaid cuts in SFY 2019-20 would have included:

- \$222 million in Health Care Transformation Fund resources originally proposed for transitional operational support for health care;
- \$190.2 million from a uniform, 0.8 percent across-the-board reduction in certain Medicaid payments; and
- \$137.8 million in reduced indigent care payments to certain hospitals in New York City and Westchester, Nassau and Suffolk counties.

Along with those restorations, new language was added to various appropriations in the Enacted Budget authorizing the Budget Director, in consultation with the DOH Commissioner, to make across-the-board reductions to State DOH Medicaid spending totaling \$190.2 million for each of SFYs 2019-20 and 2020-21. The reductions may be made to limit such spending to the aggregate Medicaid appropriation limits in the Aid to Localities budget bill or to reduce the aggregate limits in order to provide a reduction to the State’s Financial Plan. Reductions must be made in compliance with the State’s federally-approved Medicaid Plan; the DOH Commissioner is authorized to seek federal approval to implement such reductions.

The Budget also amends or omits various other Medicaid proposals included in the Executive Budget, advances several new initiatives and enacts additional savings actions that offset the impact of the amendments or omissions to the Executive Budget and of new initiatives included in the Enacted Budget. Dollar values presented below reflect DOB estimates for SFY 2019-20 from the Executive Budget.

Medicaid savings actions proposed in the Executive Budget, but omitted from the Enacted Budget, include:

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<sup>5</sup> Since SFY 2011-12, the State has maintained two-year appropriations for the Medicaid program.

- \$31 million in pharmacy-related actions including \$18.7 million by allowing the State rather than providers and patients to have the final say over medication decisions (eliminating “prescriber prevails” requirements) and \$12.3 million by reducing coverage of over-the-counter drugs;
- \$23.6 million in transportation actions, such as: \$10.5 million by shifting transportation services provided by managed long term care plans and adult day health care providers to the State’s transportation manager program; \$6.1 million by reducing the reimbursement rate for New York City livery service providers; and \$4 million by eliminating rural transit assistance and supplemental ambulance payments;
- \$17.5 million by limiting payment of Medicare Part B deductibles;
- \$7.8 million by eliminating the population health improvement program;
- \$5.9 million by eliminating the ability of a responsible spouse to refuse to support a non-institutionalized spouse; and
- \$5 million by reducing payments to hospitals with high rates of avoidable admissions.

The Budget provides \$32 million in additional State share Medicaid support compared to the Executive Budget, to be paid over two years for enhanced safety-net hospitals. Eligible hospitals include public sector facilities or other facilities that meet certain criteria.

The Executive proposal to consolidate administrative and payroll services provided by fiscal intermediaries in Medicaid’s Consumer Directed Personal Assistance Program was modified to omit provisions that would have bypassed Office of the State Comptroller review of DOH contracts with such intermediaries, and to require DOH to convene a stakeholder workgroup to develop best practices for delivery of those services and transition plans for consumers who may need to hire another fiscal intermediary. The Executive Budget included \$75 million in State Medicaid savings from the original proposal.

The Budget modifies the Executive proposal to regulate pharmacy benefit managers (PBMs) by limiting it to the State Medicaid managed care program. These provisions prohibit PBMs from using any form of “spread pricing” (i.e., PBM charges that exceed the amounts they pay pharmacies on behalf of Medicaid managed care plans, minus an administrative fee). All such excess amounts must be remitted to the plans every quarter and accounted for in the plans’ quarterly reports to DOH. DOB had estimated that the spread pricing provisions included in the Executive Budget would achieve \$43.3 million in State Medicaid savings in SFY 2019-20.

Among other provisions, the Budget includes Executive proposals to increase reimbursement rates in the Early Intervention program by 5 percent; provides \$4.4 million to hire 28 additional DOH staff in support of reducing blood lead levels; authorizes the use of up to \$300 million of \$525 million in capital funding authorized in 2018 for awards to certain unfunded applications for health care facility transformation grants; and reduces State reimbursement for general public health expenditures incurred by New York City by \$26.9 million. Compared to the Executive Budget, enacted appropriations provide \$17.8 million in additional funding for various initiatives, including: \$3.8 million for school-based health centers; \$1.4 million for Community Health Advocates’ health insurance consultation services; \$1.1 million each for comprehensive care centers for eating disorders and rural health care programs; over \$1 million for education, prevention, outreach and legal services related to HIV; \$1 million for public health programs

including but not limited to sickle cell anemia, lupus, Alzheimer's disease and Parkinson's disease; \$875,000 for family planning services; and smaller amounts for other programs.

The Budget increases the appropriation for emergency assistance grants by \$16 million to a total of \$18.9 million, and authorizes up to \$16 million to be used for grants to health care providers where the use of federal funds is prohibited based on their core mission. As in the Executive proposal, the language allows the grants to be made without Office of the State Comptroller contract review or competitive bidding.

The Budget modifies the Executive proposal to expand the authority of the Office of the Medicaid Inspector General (OMIG) to recover a portion of the premium from Medicaid managed care plans for non-compliance with contractual obligations to address fraud, waste and abuse by applying it to managed long term care plans as well. Further modifications prohibit recoveries or liens against individuals or estates where recoveries are made against Medicaid managed care providers, and limit Medicaid program integrity reviews to once per year unless OMIG determines a second, subsequent review is necessary within the year.

New language is added requiring DOH to conduct a study that examines how staffing enhancements and other initiatives could improve patient safety and health care quality in hospitals and nursing homes, and to report its findings and recommendations to the Commissioner of Health, the Speaker of the Assembly and the Temporary President of the Senate by December 1, 2019.

The Budget codifies provisions of the federal Affordable Care Act (ACA) in State Insurance and Public Health laws, including: the ten categories of essential health benefits that health insurance plans must cover under the ACA; prohibitions against insurers imposing any exclusions of coverage for pre-existing conditions; and establishment of New York's ACA health insurance exchange, established by Executive Order in 2012.

The Budget omits the Executive proposal to create a commission to advise on options for achieving universal access to health care in the State.

## ***Human Services / Labor***

The Enacted Budget provides a total of \$55.1 million in net additional State and federal appropriations for the Office of Children and Family Services (OCFS) and the Office of Temporary and Disability Assistance (OTDA), compared to the Executive Budget, increasing All Funds appropriations for OCFS by nearly \$51.3 million and for OTDA by nearly \$3.9 million.

The Budget also provides \$13 million in additional State appropriations for the Department of Labor (DOL) to support various employment and training programs, and \$3.2 million in additional State appropriations for the State Office for the Aging (SOFA) to support various community services programs for elderly New Yorkers.

As proposed in the Executive Budget, enacted appropriations provide a total of \$832 million in child care subsidies in SFY 2019-20, an increase of \$26 million. The net additional OCFS appropriations include a nearly \$24 million increase in General Fund support for local child care subsidies. This increase is offset by a nearly \$24 million decrease in federal Temporary

Assistance for Needy Families (TANF) child care subsidies appropriated in OTDA, resulting in no net change in such subsidies from these two sources. Additional funding of \$987,000 related to processing fees OCFS is required to pay to the Division of Criminal Justice Services (DCJS) for background checks of child care providers, as well as provisions related to child care inspection, training and background checks are also included in the Budget. These provisions are necessary to comply with federal law and continue the State's eligibility for federal child care funding, according to the Executive.

Additional funding totaling \$26.4 million supports various other OCFS programs. These include: \$3 million to support services for sexually exploited children and youth up to age 21; nearly \$2.5 million for settlement houses; \$2 million for advocacy centers for victims of child abuse; \$1.9 million in support services for caretaker relatives of minor children; \$1.5 million for facilitated enrollment programs to expand access to child care subsidies in New York City and Onondaga and Erie counties; \$1.5 million each for youth development programs and for Community Voices for Youth and Families of Long Island; \$1 million for the Fresh Air Fund; and smaller amounts for various other local programs.

New federal TANF appropriations of \$24 million were added in the Enacted Budget for various OTDA programs and services. These include: \$8.4 million for facilitated enrollment programs to expand access to child care subsidies in New York City and Albany, Monroe, Oneida, Rensselaer, Saratoga and Schenectady counties; \$5 million in additional support for the Advantage After School Program; \$4 million for technology-assisted learning programs; nearly \$2.9 million for employment services provided by the Career Pathways program; \$1.6 million in preventive services for individuals and families; and smaller amounts for various other programs.

The Budget also provides \$3.9 million in additional General Fund support for several OTDA programs, including \$2 million to provide enhanced services to help refugees reduce or eliminate reliance on public assistance, \$1.5 million to provide legal representation of individuals whose federal disability benefits have been denied or may be discontinued, and smaller amounts for various other programs.

Executive proposals to establish a 10 percent local share for New York City for the Family Assistance Program and to fund the New York City HIV/AIDS rent cap through Safety Net Assistance were included in the Enacted Budget. The Executive proposal to incentivize local social services districts outside New York City to partner with Medicaid managed care plans to limit the rent paid by public assistance recipients living with HIV/AIDS was modified to allow the districts to partner with performing provider systems established by DOH and/or other third party payers.

The additional DOL appropriations support various employment and training initiatives, including \$6.5 million for the Workforce Development Institute, \$1.6 million for disabled homemaker services, and smaller amounts for various other programs.

The additional SOFA funding includes \$400,000 for the Holocaust Survivors Initiative, \$325,000 for Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs, and smaller amounts for various other programs.

The Budget omits Article VII provisions that would have: authorized time-limited job try-outs as an eligible work activity for Public Assistance recipients; increased criminal penalties for employers who knowingly engage in wage theft; reduced penalties for unemployment insurance recipients working part-time while they seek full-time employment; and prohibited employers or employment agencies from requesting applicants' salary history as a factor in determining whether to offer employment.

As proposed by the Executive, the Budget defers for one year a 2.9 percent cost-of-living adjustment for human services providers funded by OCFS and SOFA.

## ***Mental Hygiene***

The Enacted Budget added a total of nearly \$24 million in additional net State appropriations for the Office of Alcoholism and Substance Abuse Services (OASAS), the Office of Mental Health (OMH), the Office for People with Developmental Disabilities (OPWDD) and the Justice Center for the Protection of People with Special Needs (Justice Center), compared to the Executive Budget. The enacted appropriation level for the Developmental Disabilities Planning Council is unchanged compared to the Executive Budget.

Of the additional appropriations, \$10.3 million is related to a 2 percent salary increase for direct care staff and direct support professionals in OASAS-, OMH- and OPWDD-funded programs, starting January 1, 2020. The Enacted Budget includes Article VII language to provide the above-referenced salary increase and an additional 2 percent salary increase for such staff starting April 1, 2020. The Article VII language also provides for OASAS-, OMH- and OPWDD-funded clinical staff to receive a 2 percent increase beginning April 1, 2020. The cost of all of these salary increases is projected to be \$104.7 million in SFY 2020-21, according to DOB. The Budget defers for SFY 2019-20 a 2.9 percent cost-of-living adjustment for OASAS-, OMH- and OPWDD-funded providers, as proposed by the Executive. The Executive proposal is modified by also deferring their cost-of-living adjustment for SFY 2020-21.

The Budget provides a total of \$6.2 million in additional State appropriations for OASAS. This includes \$2 million for substance abuse prevention and intervention specialists in New York City schools, \$1 million for treatment and transition services for persons with substance use disorder who are incarcerated in county jails, \$700,000 for the January 1, 2020, salary increase discussed above, and smaller amounts for various other initiatives.

A total of \$8.2 million in net additional State appropriations is provided for OMH, including over \$4 million for veteran peer-to-peer services in certain counties, \$1.2 million for the January 1, 2020, salary increase discussed above, net restoration of \$850,000 to treat certain defendants at OMH facilities rather than establishing voluntary jail- and prison-based programs as proposed by the Executive, \$450,000 for veterans mental health training, and smaller amounts for various other initiatives.

The Budget provides approximately \$9 million in additional State appropriations for OPWDD, including \$8.4 million for the January 1, 2020 salary increase discussed above, as well as smaller amounts for various other initiatives.



The Budget also provides \$382,000 in additional State appropriations for the Justice Center related to its omission of an Executive proposal that would have eliminated Justice Center oversight of DOH summer camps for children with developmental disabilities and general hospitals' inpatient psychiatric units.

The Enacted Budget modifies an Executive Budget proposal related to behavioral health insurance parity. The provision to prohibit insurers from conducting pre-authorization and utilization review of substance use disorder and youth inpatient psychiatric services during the first 21 days of an inpatient admission was lengthened to 28 days. Before this change, the law had prohibited such actions during the first 14 days of an admission. The Enacted Budget also modifies the Executive proposal by requiring an inpatient facility to provide the patient and insurer with a written discharge plan describing arrangements for additional services determined by evidence-based and peer-reviewed clinical review criteria designated or approved by OASAS or OMH.

## ***Economic Development***

The Enacted Budget includes appropriations totaling \$1.03 billion for economic development purposes within the Urban Development Corporation (UDC) and the Department of Economic Development (DED), an increase of \$29.3 million from the Executive Budget. The Budget accepts State Operations and Capital Projects appropriation levels proposed by the Executive, including lump sum appropriations for the following programs:

- \$325 million for the High Technology Innovation and Economic Development Infrastructure Program;
- \$220 million for the New York Works Economic Development Fund; and
- \$150 million for the Regional Council Capital Fund.

The Budget also accepts a \$500,000 appropriation for the creation of an online database of economic development projects. However, it does not provide any statutory language to require the creation of such a database or to specify details relating to how it should be structured or what type of information it should include.

Within DED, the Budget increases Aid to Localities funding by \$4.6 million from the Executive Budget. Funding for the Centers of Excellence Program is increased by \$2.7 million, for a total of \$12.3 million. The Budget adds a new center for healthy water solutions which will be shared by Clarkson University and the SUNY College of Environmental Science and Forestry. This new center will receive funding of \$125,000 while the other eleven centers will each be provided \$1 million. Other new funding under the High Technology Program includes:

- \$925,000 for the Center of Excellence in precision responses to bioterrorism and disaster at the New York Medical College;
- \$609,000 in additional funding for the technology development organization matching grant program, bringing the total to nearly \$2 million;
- \$591,000 for the Centers for Advanced Technology (CATs); and
- \$250,000 for the Center of Excellence in data science in atmospheric and environmental prediction and innovation at Albany.

Under the Marketing and Advertising Program, the Budget accepts the Executive's proposed funding of nearly \$4 million for the promotion of agritourism in the State as well as of food and beverage products sold through the State's Taste NY stores, and increases funding for the local tourism promotion matching grant program by \$593,000. The Budget also provides \$100,000 in funding to the town of East Hampton for tourism initiatives.

The Enacted Budget increases Aid to Localities funding for UDC by \$24.7 million above the Executive proposal. This increase is primarily due to the addition of \$20 million for costs associated with program administration in executing a count of New Yorkers associated with the 2020 U.S. Census, including recommendations of the New York Complete Count Commission, community-based outreach, and efforts by public libraries.

The Budget accepts the proposed funding of \$44.5 million for tourism and business marketing, including Open for Business, START-UP New York, and the Global NY initiative, as well as \$26.2 million for the Economic Development Fund (EDF). Funding for the federal Community Development Financial Institutions Program is increased by \$150,000. The Budget also provides \$4.5 million for a variety of economic development initiatives.

The Enacted Budget extends the general loan powers of the Urban Development Corporation as well as its authorization to administer the Empire State Economic Fund for an additional year.

## ***Gaming***

The Enacted Budget accepts Gaming Commission appropriations as proposed in the Executive Budget. It also includes several statutory changes proposed by the Executive, including:

- revision of the Video Lottery Gaming rates and commissions, which were estimated in the Executive Budget Financial Plan to result in additional State revenue of \$5 million annually;
- authorization for the Gaming Commission to hire individuals who would be disqualified under current law by virtue of having held a gaming occupational license;
- requirement for the distribution of financial statements and other documents to the boards of directors of regional off-track betting corporations (OTBs); and
- a statutory cap on "free play" at the State's commercial casinos.

The Budget omits certain Executive Article VII proposals, including:

- authorization to enter into the Mid-Atlantic Drug Compact, regarding equine drug testing; and
- authorization for regional OTBs to combine pari-mutuel operations.

Article VII language was added to extend the New York Jockey Injury Compensation Fund for one year.



## ***Transportation***

### *Department of Transportation*

The Enacted Budget accepts Executive proposals to directly remit certain MTA receipts to the MTA without appropriation and to impose a supplemental auto rental surcharge outside the Metropolitan Commuter Transportation District (MCTD), the revenues of which would be deposited to the Public Transportation Systems Operating Assistance Account (PTSOA) and be provided to non-MTA transit operators upstate. The Enacted Budget revises the proposal to increase this surcharge from 5 percent to 6 percent and accelerates the effective date from September 1, 2019 to June 1, 2019. The Enacted Budget also increases the supplemental auto rental tax within the MCTD from 5 percent to 6 percent. DOB estimates these surcharges will generate an additional \$27 million in the current year (\$19.5 million and \$7.5 million to PTSOA and MTA Aid Trust, respectively) and \$36 million annually in coming years (\$26 million to PTSOA and \$10 million to the MTA Aid Trust).

A total of \$9.5 billion in appropriations are provided for the Department of Transportation (DOT), \$8.8 million more than in the Executive Budget, reflecting non-MTA upstate transit operating aid from the expansion in the auto rental surcharge. The State Operations and Capital appropriations remain unchanged from the Executive proposals of \$429 million and \$5.4 billion, respectively. The Budget also reallocates \$33.4 million of certain capital projects appropriations for engineering services related to design and construction that had been appropriated for contract services provided by private firms to DOT personal service costs, instead.

The Enacted Budget provides a combined \$478 million for local highway and bridge projects through the Consolidated Local Street and Highway Improvement Program (CHIPs, \$438.1 million) and the Marchiselli program (\$39.7 million) as originally proposed, both of which remain at SFY 2013-14 levels.

### *Dedicated Highway and Bridge Trust Fund (DHBTF)*

The Enacted Budget accepts the proposed transfer of up to \$727.5 million from the General Fund to support expenses of the DHBTF, an increase of more than 173 percent from the prior year. It also includes the Executive proposal for a General Fund transfer of \$5 million to the DHBTF for the costs of the State Police providing work zone safety assistance to DOT.

### *Department of Motor Vehicles*

Enacted Budget All Funds appropriation levels related to the Department of Motor Vehicles (DMV) are unchanged from the Executive Budget.

Other transportation-related provisions in the Enacted Budget include:

- The establishment of a Central Business District Tolling Program in New York City (see the Metropolitan Transportation Authority section of this report for additional details).
- The Executive proposal related to large passenger vehicles, including altered vehicles known as “stretch limousines.” This proposal is modified by reducing the proposed inspection or reinspection fee for such vehicles and other certain large passenger

vehicles from \$120 to \$85 and by increasing the required coverage of insurance to operate such vehicles. The Enacted Budget accepts language requiring DMV to refuse and revoke registrations that do not meet federal safety standards, but omits the proposal to require use of seat belts by all motor vehicle passengers aged 16 years and over, among other changes.

- The extension by two years of the statute authorizing the testing of autonomous vehicles on public roads and rejection of an Executive proposal that would have repealed the law requiring at least one hand on the wheel.
- The Executive proposal to allow DOT to charge utilities for the use of State highway rights-of-way in the installation of fiber optic cables. This proposal is modified by limiting such authorization to five years, specifying purposes for the use and occupancy of such rights of way, and limiting fees charged to no more than fair market value.

The Enacted Budget omits Executive proposals to establish the Gateway Development Commission and to provide requirements for cashless toll facilities related to notification and electronic communication of customers' obligations.

## ***Agriculture***

The Enacted Budget provides \$179.6 million in All Funds appropriations for the Department of Agriculture and Markets (Ag and Markets), an increase of \$4.8 million over the Executive Budget. These additional funds primarily relate to a \$4.7 million increase for the Ag and Markets Agricultural Business Services Program.

The Budget includes the Executive proposal to extend the State farmworker retention tax credit to employees of certain licensed farm wineries and cideries. Also included is the proposal to provide additional reimbursement to school lunch programs that purchase at least 30 percent of total food products from New York State farmers.

## ***Environment and Parks***

### *Environment*

The Enacted Budget includes All Funds appropriations of \$1.8 billion for the Department of Environmental Conservation (DEC), an increase of \$825,000 over the Executive Budget proposal. The increase provides additional funding for twelve organizations through grants ranging from \$10,000 to \$210,000.

The Budget includes the proposed appropriation of \$300 million for the Environmental Protection Fund (EPF), but funding levels for certain EPF programs within such amount were modified. Increases include: \$1 million for the farmland protection program; \$1 million for zoos, botanical gardens and aquaria; and \$700,000 for land acquisition. There were slight decreases from the Executive Budget levels for climate resilient farm projects, waste water treatment infrastructure, local waterfront revitalization, brownfield opportunity area grants, and State land stewardship projects. The Enacted Budget omits the Executive proposal to use an unspecified portion of the EPF appropriation to pay for personal service costs, while providing a new source

of funding through an optional 5 cent fee on paper carry-out bags provided by retail establishments, as discussed in more detail below.

The Enacted Budget includes, with amendments, the Executive proposal to impose a statewide ban on plastic carryout bags distributed by retail stores, with certain exceptions. Amendments to the original proposal include an optional 5 cent charge on paper bags that may be adopted by cities or counties. Funds generated from that charge are to be used to support programs to encourage the use of reusable bags, and will be split between the State and localities opting to impose the charge, with 40 percent going to the locality and the remainder deposited in the EPF. Recipients of aid through the Supplemental Nutrition Assistance Program and the Special Supplemental Nutrition Assistance Program for Women, Infants and Children are exempt from the fee.

The Budget also modifies an Executive proposal to make the State waste tire management and recycling fee permanent, instead extending it by three years.

The Enacted Budget authorizes a new program to require facilities that generate two tons or more of food-related waste per week to donate any foods that are suitable for consumption, and to compost the remainder. Hospitals, nursing homes, adult care facilities, and elementary and secondary schools are exempted from the program, as are facilities located in New York City. Facilities that are not located within 25 miles of a composting facility capable of taking food scraps are exempt from that portion of the program. The DEC is required to establish regulations to implement the program, to provide education on the issue and to produce an annual report on the program.

The Enacted Budget includes the Executive proposal to provide \$500 million in new funding for certain water infrastructure projects. It omits Executive proposals to create a Climate Leadership Act, to expand the bottle bill, to discourage gas and oil exploration in State waters and to create a program to require cleaning and personal care products to provide a label identifying certain toxic components.

### *Parks*

The Enacted Budget provides \$481.8 million in All Funds appropriations for the Office of Parks, Recreation and Historic Preservation (OPRHP), an increase of \$350,000 over the Executive Proposal. The additional funding is allocated in specific grants to six organizations.

The Enacted Budget includes the Executive proposals to create new enterprise funds for the revenues collected by State Parks retail stores and golf courses. It also includes a proposed appropriation of \$23 million for the improvement and rehabilitation of the Hudson River Park.

### ***Energy***

The Enacted Budget contains All Funds appropriations of \$172 million for the New York State Power Authority (NYPA), \$17.7 million for the New York State Energy Research and Development Authority (NYSERDA) and \$104.7 million for the Department of Public Service (DPS), all as proposed in the Executive Budget.

The Budget includes the Executive proposal to authorize NYSERDA to finance its energy research and development programs through a \$19.7 million assessment on gas and electric utilities. NYSERDA is also directed to transfer to the State's General Fund \$1 million for DEC and \$150,000 for Ag and Markets, while \$825,000 is to be transferred directly to the University of Rochester, Laboratory of Laser Energetics. Also included is the proposal to reimburse Ag and Markets, DEC, the Department of State and State Parks for expenses of participating in DPS ratemaking procedures with funding from the utility assessment authorized under Section 18-a of the Public Service Law. The Executive proposal to provide off-budget resources for the Electric Generation Facility Cessation Mitigation Fund through this funding mechanism was omitted from the Enacted Budget.

The Enacted Budget includes, with amendments, the proposal to expand NYPA's ability to procure and provide renewable energy to its customers, public entities, or community choice aggregation programs, and to finance or develop renewable energy facilities, including a transmission grid for offshore wind. Amendments include limitations on the number (six) and capacity (up to 25 megawatts) of renewable energy facilities and a requirement that NYPA not provide certain services directly to customers, but work through private energy service companies.

The Budget amends the proposal to authorize NYPA to provide additional services, such as energy conservation, energy supply, or energy management services to any customer currently under contract to the Authority, or any public entity. Amendments limit the expansion of authority to the financing, development, leasing and maintenance of electric vehicle charging stations for public use.

The Enacted Budget includes the Executive proposals to extend the clean heating fuel credit for three years and to exempt from property taxes certain renewable energy systems and low- or zero-emission energy systems that are sited on State-owned or State-controlled lands. The proposals authorizing and directing NYPA, to the extent its trustees deem feasible and advisable, to transfer \$20 million to the General Fund for energy-related activities and directing NYSERDA to transfer \$23 million in Regional Greenhouse Gas Initiative revenues and \$913,000 in other funds to the General Fund are also included.

The Enacted Budget includes new provisions requiring the Public Service Commission to create a program to provide renewable energy services in Westchester County.

## ***Housing***

The Enacted Budget includes All Funds appropriations of \$402.1 million for the Division of Housing and Community Renewal (DHCR), a decrease of \$57.1 million or 12.4 percent from the Executive Budget. This decrease largely reflects the omission of two-year appropriations included in the Executive Budget within the Rent Administration Program related to administration and enforcement of the State's system of rent regulation and administration of the Tenant Protection Unit. The Enacted Budget includes appropriations of \$58.5 million and \$5.5 million, respectively for such purposes for the current year.

The Budget modifies the Executive proposal authorizing the transfer of certain State of New York Mortgage Agency (SONYMA) Mortgage Insurance Fund (MIF) resources that are

considered to be in “excess” of projected needs to be used off-budget by increasing the transfer amount by \$5 million, bringing the total transfer to \$17 million.

The Enacted Budget includes new General Fund Local Assistance appropriations of \$4.4 million for the Neighborhood Preservation Program (NPP) and \$1.8 million for the Rural Preservation Program (RPP), bringing total funding for these programs in SFY 2019-20 to \$12.8 million and \$5.4 million, respectively, after accounting for the funding to be provided with MIF resources, as proposed by the Executive.

A portion of a Fiduciary Fund reappropriation financed with resources from certain JP Morgan settlements is reprogrammed. Up to \$25 million that was initially provided for UDC’s Restore New York Communities Initiative is redirected to a homeowner protection program administered by the Department of Law (with \$20 million to be made available in SFY 2019-20, and any remaining amounts available beginning April 1, 2020).

The Budget adds \$775,000 to support certain housing initiatives or entities in Brooklyn, Queens, the Town of Hempstead and other locations. Capital Projects Fund appropriations total \$174.2 million, unchanged from the Executive proposal.

The Enacted Budget includes the Executive proposal to prohibit housing discrimination based on lawful source of income, with modifications.

A provision added to the Budget makes permanent certain expansions of the 90-day notice that is required to be sent before commencement of a legal action against a borrower and the scope of the mandatory settlement conference to include applicability to all home loans, among other provisions.

Certain Executive Budget Article VII proposals are omitted from the Enacted Budget. These include the Rent Regulation Act of 2019 and a provision to limit the amount of security deposit that a landlord may charge.

## ***Public Protection / Criminal Justice***

The Enacted Budget provides a total of \$20.8 million in net additional State funding for the Department of Corrections and Community Supervision (DOCCS), the Division of Criminal Justice Services (DCJS), the Division of Homeland Security and Emergency Services (DHSES) and the Commission on Judicial Conduct, compared to the Executive Budget.

Enacted funding levels are unchanged compared to the Executive Budget for other agencies the Division of the Budget includes in its Public Protection/Criminal Justice grouping, including the Commission of Correction, the Office of Indigent Legal Services, the Commission on Judicial Nomination, Judicial Screening Committees, the Division of Military and Naval Affairs, the Division of State Police, the Statewide Financial System and the Office of Victim Services.

The Budget provides \$19.7 million in additional State funding for various local DCJS crime prevention and reduction programs. These include: \$2.2 million for the Westchester County policing program; a total of \$1.4 million for neighborhood violence prevention programs in Brooklyn, Queens, Staten Island and Suffolk County; \$1.1 million for prisoners’ legal services;



nearly \$1.1 million for the New York State Defenders Association; and smaller amounts for a range of community programs.

The Enacted Budget provides additional funding of \$600,000 for Red Cross emergency response preparedness services under the DHSES emergency management program, \$330,000 for the Commission on Judicial Conduct to hire staff to address unresolved cases of misconduct, and \$180,000 in DOCCS funding for the Osborne Association's FamilyWorks program in Buffalo.

A provision authorizing the Governor to close up to three DOCCS prisons is modified to require at least 90 days' notice to the Speaker of the Assembly and the Temporary President of the Senate before any such closures, rather than at least 60 days' notice. The Budget bypasses existing Correction Law provisions requiring at least 12 months' notice of prison closures to all local governments where the prisons are located, all labor organizations representing prison employees, and managerial and confidential employees working in the prisons, as well as provisions requiring certain steps that are intended to minimize negative impacts of any closures. The Executive Budget had estimated the closures would eliminate at least 1,200 beds and save the State at least \$35 million a year.

An Executive proposal to end cash bail is modified by eliminating it for most misdemeanors and non-violent felonies and providing for release on an individual's own recognizance or with non-monetary conditions when deemed appropriate by a court. The Budget also includes the Executive proposal to improve accused individuals' access to a speedy trial, with certain modifications, as well as a proposal to expand the discovery process regarding sharing of evidence. The maximum prison sentence for a misdemeanor offense was reduced from 365 days to 364 days to protect immigrants from deportation for minor offenses.

The Budget omits several Article VII proposals, including authorization for compassionate parole of State prison inmates at least 55 years old with health issues exacerbated by age, and the statutory abolition of the death penalty.

## ***New York City***

The Enacted Budget increases education aid to New York City by \$373 million in City Fiscal Year (CFY) 2020, an increase of 3.4 percent; \$25 million less than anticipated in the City's financial plan. The Enacted Budget extends mayoral control over the City's schools for three years as recommended by the Executive, with certain changes. It excludes a proposal that would have required the City to dedicate up to 75 percent of the increase in State foundation aid to underfunded high-needs schools.

The Enacted Budget includes initiatives that require the City to fund 10 percent of the cost of the Family Assistance program and a larger share of public health programs, as proposed by the Executive. The City estimates that these initiatives will increase its costs by \$184 million in CFY 2020. The Enacted Budget also includes an Executive proposal that requires employers to provide employees with up to three hours of paid leave to vote in any election, as discussed in more detail in the Other Issues section of this report. The City has estimated that this and the impact of other election provisions would cost at least \$140 million in CFY 2020 and \$120 million annually thereafter.

In addition, the State will now require internet marketplace providers to collect sales taxes from third-party sellers that use their platforms. To help the MTA fund its 2020-2024 and successor capital programs, the Enacted Budget requires the City to direct a portion of its sales tax collections to the MTA (\$127.5 million in SFY 2019-20 reflecting the portion of the year in which it is effective, \$170 million in SFY 2020-21, and increasing by one percent per year thereafter). The City estimates that it will receive \$170 million annually from the additional internet sales tax but this will be offset by the City's required sales tax payment to the MTA.

## ***Metropolitan Transportation Authority***

### *Congestion Tolling Program and New MTA Revenues*

The Enacted Budget authorizes the Triborough Bridge and Tunnel Authority (TBTA), an affiliate of the MTA, to establish a congestion tolling program in Manhattan's Central Business District (at and below 60th Street, excluding FDR Drive and the West Side Highway). Implementation shall not begin earlier than December 31, 2020.

The TBTA is authorized to establish and charge variable tolls and fees for vehicles entering or remaining in the central business district. It is required to establish a Traffic Mobility Review Board (TMRB), consisting of six members who represent the region, which will make a recommendation to the TBTA board regarding the congestion toll amounts (including a variable pricing structure) no sooner than November 15, 2020, and no later than December 31, 2020.

For purposes of establishing such tolls, the TBTA and the TMRB (in making its recommendations) are required to ensure that annual toll revenue (less the costs of operations) will be sufficient to fund \$15 billion for the MTA's 2020-24 capital program, with any additional amounts dedicated to MTA successor capital programs. The TMRB will also recommend a plan for credits, discounts and/or exemptions on the congestion pricing toll, including for-hire vehicles (which are subject to a separate congestion toll authorized in last year's Enacted Budget). Certain emergency vehicles and vehicles transporting a person with disabilities will be exempt from the new congestion toll. Passenger vehicles can be charged the congestion toll no more than once per day, while commercial vehicles can be charged more than once. The TMRB will also review the MTA's capital program.

The Enacted Budget includes a new appropriation to provide \$100 million for capital costs of the congestion tolling system. However, this is subject to repayment to the State pursuant to an agreement between the MTA and Director of the Budget.

The TBTA is required to establish a new fund for all revenues it receives from congestion tolls, new taxes on certain high-end real estate sales and the new dedication of certain State and City sales tax revenues. These resources may be pledged to secure the payment of certain bonds or to pay capital costs related to the central business district tolling program and MTA capital projects included within the 2020-24 MTA capital program, or successor programs, among other uses. Capital project costs paid from such fund will be distributed 80 percent for the New York City Transit Authority, Staten Island Rapid Transit Operating Authority and MTA Bus; 10 percent for the Long Island Rail Road; and 10 percent for Metro-North.



The Budget authorizes, starting on July 1, 2019, an increase in the real estate transfer tax on sales of certain properties in the City (those with prices of \$3 million and more for residential properties, and \$2 million and more for other properties). A supplemental real estate transfer tax will also be imposed on sales of residential properties in the City of \$2 million or more. The Budget requires that a portion of the State and the City sales tax collections also be deposited to the newly established fund (an estimated \$240 million in SFY 2019-20 and larger amounts in subsequent years). See the Revenue section for additional details.

### *MTA Reorganization*

The Enacted Budget requires the MTA to develop and complete a personnel and reorganization plan that shall, in whole or in part, assign, transfer, share or consolidate the MTA's powers, functions, duties, activities, departments, divisions or offices or any of those of its subsidiaries, or affiliates or their subsidiaries, within or between itself, its subsidiaries or affiliates or their subsidiaries no later than June 30, 2019. Language added to the Enacted Budget specifies that no consolidation shall result in the complete dissolution or merger within or between the Authority or its subsidiaries, affiliates or their subsidiaries. In addition, new provisions authorize the MTA, its subsidiaries, affiliates, and subsidiaries of affiliates to share employees within and between such entities and to assign employees to perform any operation or function subject only to a determination that they are substantially similar to any operation or function currently performed, as determined by the MTA. A majority of the MTA Board members will have to approve any such changes before they could be implemented. Such actions could not impair the rights of bondholders or impede, infringe or diminish the rights and benefits that accrue to employees and employers through collective bargaining agreements, or impact or change an employee's membership in a bargaining unit. It is unclear if such agreements would permit the sharing of employees as described in the language.

The reorganization plan is subject to revision based on the results of a newly required review by an outside financial advisory firm. That review is due July 31, 2019 and is to include reviews of fraud, waste, abuse or conflicts of interest; duplication of functions or duties; options for potential cost efficiencies and savings that could be achieved through internal controls changes, management and internal procurement process reforms, and functional and process streamlining; the 2015-2019 Capital Plan for overages and duplication; development of standardized performance metrics for planning, design, approvals, change orders, project management and delivery; and cash flow and accounting of expenditures for the preceding three fiscal years.

The MTA is also required to contract with a certified public accounting firm for the provision of an independent comprehensive forensic audit to be completed by January 1, 2020, including an examination and accounting of the authority's capital elements, broken down by agency. A major construction review unit to review all large-scale capital projects before the awarding of contracts, including all signal upgrade projects, is also required to be established by the MTA.

The MTA is required to use design-build contracting for all capital projects over \$25 million, unless waived by the State Director of Budget. The Enacted Budget also requires that the terms of the chair and members of the MTA Board expire at the same time as the terms in office of the elected officials who appointed them. Members of the Capital Program Review Board will now be required to issue a written explanation of any veto of the MTA's capital plan, as initially

submitted, and give the MTA an opportunity to respond and revise the plan so that members may withdraw their vetoes.

Other MTA provisions in the Enacted Budget include:

- Requiring the Authority to submit a 20-year capital needs assessment to the Capital Program Review Board every five years beginning in 2023.
- Increasing the MTA's competitive procurement thresholds from \$100,000 to \$1 million for certain procurements, and increasing the threshold for board approval of procurements to \$1 million.
- Modifying procurement-related requirements pursuant to Public Authorities Law Section 2879-a, which will now require the Office of the State Comptroller (OSC) to call for an eligible contract or contract amendment within 30 days of the Authority providing notice to OSC through the Authority's annual report or any revised report. Contracts that are called for within the allowable 30-day timeframe must be submitted for OSC review. OSC then has 30 days to approve or non-approve the transaction. The transaction is deemed effective if OSC does not act within 30 days.
- Requiring the MTA to establish a debarment process that prohibits contractors from bidding on future contracts for five years from the date of determination for various situations related to contract cost or time on a capital project.
- Statutorily defining certain MTA transit performance metrics. Public reporting is required for various performance metrics, including lowering the threshold for reporting on-time performance for subways and commuter railroads.
- Allowing Bridge and Tunnel officers to issue notices of violations of transit infractions committed in and about any or all of the facilities, equipment or real property owned or occupied by the MTA or its subsidiaries and the New York City Transit Authority and its subsidiaries.
- Establishing a fare evasion plan, in consultation with the Governor, the Mayor and the City's district attorneys, by June 30, 2019.
- Requiring the MTA to establish an outside expert advisory group to review the East Side Access project to make recommendations to accelerate its completion.

Requiring that the MTA's 2020-24 capital plan include an unspecified amount set aside for transportation improvements in areas in the outer boroughs and suburbs that have limited mass transit options, subject to a memorandum of understanding entered into by the Secretary of the Senate Finance Committee, the Secretary of the Assembly Committee on Ways and Means and the Director of the Budget.

## ***Local Governments***

The Enacted Budget reduces the Aid and Incentives to Municipalities (AIM) program by \$59 million or 8 percent, from \$715 million to \$656 million, eliminating State payments to a majority of towns and villages where AIM funding represents less than 2 percent of total expenditures. However, a new statutory provision in the Budget directs county sales tax revenues to be used as a replacement funding source for the reduced payments, with revenues to come from the county in which a majority of the population of each affected town or village resides. The Office

of the State Comptroller is required to intercept county sales tax revenues to make the payments to impacted towns and villages. Cities and certain towns and villages not impacted by the AIM reduction will receive the same level of AIM funding from the State as they received in SFY 2018-19.<sup>6</sup>

The Budget holds funding for most other local government aid programs at SFY 2018-19 levels, including:

- \$35 million to fund the Citizens' Re-Organization Empowerment Grants and Citizen Empowerment Tax Credits;
- \$28.9 million for Aid to Municipalities with Video Lottery Gaming Facilities (VLT Aid); and
- \$4 million for the Local Government Efficiency Grant Program.

Specific appropriations or funding amounts for several local governments are flat from last year, including \$2.25 million for Madison County and smaller amounts for Essex, Franklin and Hamilton counties, and \$12 million for the City of Albany through two separate grants: \$7 million in appropriated municipal assistance; and \$5 million from State of New York Mortgage Agency Mortgage Insurance Fund resources. In addition, eight municipalities are allocated a total of \$2.75 million in Miscellaneous Financial Assistance of varying amounts. A total of \$75.8 million in reappropriations to fund municipal grants and loans for the Financial Restructuring Board for Local Governments are also included in the Budget.

The Budget continues to support certain initiatives enacted in prior years. It includes a new \$200 million appropriation and various reappropriations for costs relating to raising the age of juvenile jurisdiction and a new \$100 million Department of State capital projects appropriation for the fourth round of the Downtown Revitalization Initiative. The Budget also includes a reappropriation of \$225 million to fund the State's match of net savings actually and demonstrably realized for new actions that were included in approved county-wide shared service property tax savings plans.

Funding for local streets and highways is held flat, with the Consolidated Highway Improvement Program (CHIPS) at \$438.1 million and the Marchiselli Program at \$39.7 million. A \$65 million reappropriation is included for Extreme Winter Recovery, but no new funding for this purpose is provided.

The Enacted Budget makes the property tax levy limit (tax cap) permanent for local governments and school districts, with no changes from the Executive proposal. The cap had been scheduled to sunset after June 15, 2020. The Budget adopts some Executive proposals relating to local property tax assessment processes, but omits proposed authorization for local governments to provide assessment relief for properties that experienced a decline in their value due to a state-declared disaster without the need for special legislation.

Other proposals in the Budget that could affect local government finances include:

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<sup>6</sup> DOB's calculation of AIM payments uses local fiscal year ending (FYE) 2017 data reported by local governments to the Office of the State Comptroller and published by the Office as of January 10, 2019. For the amount of county sales tax revenues to be distributed to towns and villages where State AIM payments have been eliminated, see the AIM payment schedule released with the SFY 2019-20 Executive Budget by DOB at: [www.budget.ny.gov/pubs/archive/fy20/exec/local/index.html](http://www.budget.ny.gov/pubs/archive/fy20/exec/local/index.html).

- Election-related provisions. See the Other Issues section of this report for more information.
- A new requirement that internet marketplace providers collect sales tax on behalf of their third-party marketplace sellers.
- Repeal of the sales tax exemption on third-party energy service company transportation, transmission and distribution charges for gas and electricity.
- Authorization for cities or counties to opt-in to imposing a 5-cent fee on paper carry-out bags. See the Environment and Parks section for more information.
- Extending current law regarding binding arbitration for police and fire unions for five years, until July 1, 2024.

The Enacted Budget omits several proposals advanced in the Executive Budget, including measures that would have:

- Established a regulated adult-use cannabis program that included corresponding revenue for participating counties.
- Established a new annual off-budget revenue stream for the Electric Generation Facilities Cessation Mitigation Fund.
- Required all county executives, county managers, chairs of county boards of supervisors, and certain other local officials to file annual statements of financial disclosure with the Joint Commission on Public Ethics (JCOPE).
- Changed the interest rate paid by local governments and the state on court judgments or accrued claims, from the current fixed rate of 9 percent to a market rate.

## ***Public Authorities***

### *Borrowing Authorizations*

As shown in Figure 4, the Enacted Budget authorizes increases of \$5.4 billion or 4.2 percent in bonding authorizations for programs financed through State-Supported debt issued by public authorities, compared to previous limits. The total increase is \$364.7 million above that proposed in the Executive Budget.

Of the 21 programs with bond cap authorization increases, the largest is \$911 million for Economic Development Initiatives, representing nearly 17 percent of the total increase. The State and Municipal Facilities Program (SAM), which has also provided funding for economic development among other purposes, is provided with \$90 million in increased bonding authorization. In addition to the increased authorizations, the Enacted Budget adds a new \$93 million authorization for Statewide Equipment purposes.

Figure 4

**SFY 2019-20 State-Supported Bond Caps/Authorizations**

(in millions of dollars)

Program	Current Cap <sup>1</sup>	SFY 2019-20	SFY 2019-20	Enacted	Enacted
		Proposed Cap <sup>2</sup>	Enacted Cap	Change from Current Cap	Change from Proposed Cap
Economic Development Initiatives	8,300.6	9,301.6	9,211.6	911.0	(90.0)
SUNY Educational Facilities	13,178.9	13,841.9	13,841.9	663.0	-
Mental Health Facilities	8,778.7	9,333.3	9,333.3	554.6	-
Environmental Infrastructure Projects	5,147.3	5,388.0	5,638.0	490.8	250.0
Consolidated Highway Improvement Program (CHIPs)	10,251.9	10,739.5	10,739.5	487.5	-
MTA Transportation Facilities	1,694.0	2,079.9	2,179.9	485.9	100.0
Prison Facilities	8,082.9	8,495.0	8,495.0	412.1	-
CUNY Educational Facilities	8,314.7	8,674.3	8,674.3	359.6	-
State Office Buildings and Other Facilities	748.8	952.8	952.8	204.0	-
Housing Capital Programs	5,981.4	6,178.6	6,178.6	197.2	-
Information Technology	541.0	662.7	677.4	136.4	14.7
Transportation Initiatives	4,500.0	4,628.0	4,628.0	128.0	-
Statewide Equipment	-	93.0	93.0	93.0	-
State and Municipal Facilities	2,323.5	2,323.5	2,413.5	90.0	90.0
Private Special Education	55.0	110.0	110.0	55.0	-
Division of State Police	220.1	271.6	271.6	51.5	-
SUNY Upstate Community Colleges	968.5	1,005.6	1,005.6	37.1	-
Youth Facilities	769.6	804.6	804.6	35.0	-
Water Pollution Control (State Revolving Fund)	910.0	945.0	945.0	35.0	-
Homeland Security and Training Facilities	253.0	286.0	286.0	33.0	-
Division of Military & Naval Affairs	67.0	92.0	92.0	25.0	-
Library Facilities	217.0	231.0	231.0	14.0	-
Regional Economic Development (2004)	293.3	243.3	243.3	(50.0)	-
<b>Total Public Authority Bond Caps with Changes</b>	<b>81,597.2</b>	<b>86,681.1</b>	<b>87,045.8</b>	<b>5,448.6</b>	<b>364.7</b>
<b>All Other Public Authority Bond Caps</b>	<b>47,554.8</b>	<b>47,554.8</b>	<b>47,554.8</b>	<b>-</b>	<b>-</b>
<b>Total Public Authority Bond Caps</b>	<b>129,152.0</b>	<b>134,235.9</b>	<b>134,600.6</b>	<b>5,448.6</b>	<b>364.7</b>
<b>General Obligation Bond Act Authorizations<sup>3</sup></b>	<b>19,185.0</b>	<b>19,185.0</b>	<b>19,185.0</b>	<b>-</b>	<b>-</b>
<b>Total State-Supported Bond Caps/Authorizations</b>	<b>148,337.0</b>	<b>153,420.9</b>	<b>153,785.6</b>	<b>5,448.6</b>	<b>364.7</b>

Sources: Division of the Budget, Office of the State Comptroller

Note: Totals may not add due to rounding.

1. The current cap reflects the amount previously authorized, some or all of which may already have been issued.
2. The proposed cap reflects the amount authorized in the Executive Budget Article VII language. The FY 2020 Capital Program and Financing Plan reports a total increase in bonding authorizations of \$5.5 billion or 4.2 percent over current limits. The Division of the Budget had indicated that the Article VII language would be amended in the Enacted Budget to reflect the authorization amounts shown in the Capital Plan; however, these amendments were not made.
3. This table reflects General Obligation Bond Acts for which there is a remaining authorized but unissued amount and/or a remaining debt outstanding balance.

The Budget increases the bond cap for SUNY Dormitories by \$450 million, to nearly \$1.4 billion. New and refunding debt for such dormitories issued after April 2013 is no longer considered State-Supported Debt (and is not reflected in the table above), but is reported as State-Funded Debt by the Office of the State Comptroller.

*Transfers and Other Budget Support*

As shown in Figure 5, the Enacted Budget authorizes a total of more than \$167 million in transfers and other uses of funds from public authorities. Of this, \$67.1 million is not specified for any particular purpose. The Budget also includes the transfer of \$17 million in “excess” reserves of the State of New York Mortgage Agency (SONYMA) Mortgage Insurance Fund (MIF) to the Housing Trust Fund Corporation (HTFC) and the Municipal Bond Bank Agency (MBBA) to fund various purposes. The MIF transfer amount is increased from the Executive Budget, reflecting the inclusion of \$5 million for the City of Albany.

**Figure 5**

**SFY 2019-20 Transfers and Miscellaneous Receipts from Public Authorities**  
(in millions of dollars)

<b>Public Authority</b>	<b>Amount</b>
<b>Transfers and Receipts to the General Fund:</b>	
Dormitory Authority of the State of New York	22.0
Power Authority of the State of New York	20.0
New York State Energy Research and Development Authority <sup>1</sup>	25.1
<b>Total to General Fund</b>	<b>67.1</b>
<b>Transfers for Various Purposes:</b>	
State of New York Mortgage Agency	17.0
Dormitory Authority of the State of New York <sup>2</sup>	83.5
<b>Total from Public Authorities</b>	<b>167.6</b>

Sources: Division of the Budget, Office of the State Comptroller

Notes:

1. The NYSERDA transfer to the General Fund includes \$23 million from the proceeds of auctions of carbon dioxide emission allowances under the Regional Greenhouse Gas Initiative (RGGI), and up to \$913,000 to help offset debt service requirements related to the remediation of the Western New York Nuclear Service Center. In addition, \$1 million for the Department of Environmental Conservation and \$150,000 for the Department of Agriculture and Markets is authorized to be transferred to the General Fund, while \$825,000 is authorized to be transferred directly to the University of Rochester for the Laboratory for Laser Energetics.
2. The Dormitory Authority of the State of New York transfer of up to \$83.5 million is for the Department of Health from the Health Facility Restructuring program for short-term loans, to be transferred upon written request from the Director of the Budget.

The Enacted Budget modified the proposal to authorize the Olympic Regional Development Authority (ORDA) to enter into contracts or other agreements containing indemnity provisions by limiting the authorization specifically to contracts or agreements related to the 2023 World University Games. The language also limits such authority to an appropriation or other funding mechanism, such as a performance bond or other collateral instrument, and specifies that the appropriation for the 2023 World University Games shall be no more than \$16 million. The Enacted Budget includes a \$16 million State Operations appropriation for ORDA for this purpose.

The Budget also provides capital funding of \$83.5 million for ORDA, as proposed by the Executive. This includes \$70 million for an upgrade and modernization plan to support improvements to Olympic, ski and other facilities, and \$10 million for maintenance and energy efficiency projects. Also included is \$2.5 million appropriated from OPRHP, with \$500,000 of this amount for Belleayre Mountain Ski Center, and \$1 million from DEC for Belleayre projects.

The Enacted Budget amends the statute governing the Public Authorities Control Board (PACB), specifying that its members must vote within their legal authority. That is defined as “solely to determine whether the issuing authority has demonstrated that there is the commitment of funds sufficient to finance the acquisition and construction of the project subject to approval. Failure of a member to vote within the scope of his or her legal authority constitutes a violation of the public’s trust for the purposes of paragraph h of subdivision three of section seventy-four of the Public Officers Law. As the appointing authority, the governor has the full



discretion to immediately remove a member of the board he or she finds to be acting, or threatening to act, beyond the scope of such member's legal authority set forth herein."<sup>7</sup>

Other provisions in the Enacted Budget include:

- A two-year extension of the existing authorization for DASNY to enter into design and construction management agreements with the DEC and OPRHP.
- Authorization for a subsidiary of DASNY, the Atlantic Healthcare Property Holding Corporation, to convey certain property in Brooklyn for the purposes of increasing access and quality of health care and preventative services and creating affordable housing. This authorization bypasses or "notwithstands" provisions of Public Authorities Law governing the disposition of property, including public bidding, fair market value, and reporting and notification requirements, among others.

Several Executive Budget proposals related to public authorities were omitted from the Enacted Budget, including:

- Authorization for the Thruway Authority to set fees for the use of its fiber optic system instead of requiring disposal through public auction as required by Public Authorities Law Section 2897;
- Provisions requiring State agencies and State authorities to enter into internet service contracts only with providers that adhere to net neutrality principles; and
- A five-year extension of Article 15-A of the Executive Law relating to participation by minority- and women-owned business enterprises in State contracts, as well as an expansion of these provisions based upon the findings of the 2016 Disparity Study. State authorities and certain local public authorities are covered by these provisions. Under current law, these provisions expire on December 31, 2019.

## ***General State Charges***

The Enacted Budget omits Executive proposals to: create a sliding scale for retiree health insurance coverage for future employees; cap reimbursement of the Medicare Part B premium for State retirees and their dependents; and eliminate reimbursement of certain Medicare costs for higher income State retirees and their dependents. DOB had projected the latter proposal would produce State savings of an estimated \$49 million through SFY 2022-23.

The Enacted Budget modifies the Executive proposal to expand the list of authorized medical providers for workers' compensation claimants and to revise the authorization and removal processes related to this proposal by removing "independent medical examiner" from the definition of provider and retaining and expanding the use of a physician or other provider "in good standing" to determine the value of disputed medical bills, among other changes. The Executive had proposed the designation of three physicians or providers in consultation with

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<sup>7</sup> Section 74 of the Public Officers Law is the "Code of Ethics." The relevant paragraph provides: "An officer or employee of a state agency, member of the legislature or legislative employee should endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust."

the Workers' Compensation Board's medical director's office to determine the value of certain disputed medical bills.

## ***State Workforce***

The Budget omits Executive proposals to: establish continuing eligible lists for open-competitive class positions; allow non-competitive and labor class employees to take promotion examinations without also holding open competitive examinations; and provide certain salary protections for provisional and temporary employees. The Budget accepts the Executive proposal to limit disclosure of certain personal information of public employees.

## ***Other Issues***

### *Public Campaign Financing*

The Enacted Budget creates a Public Campaign Financing and Election Commission that is charged with establishing public financing of campaigns for statewide and State legislative offices. The new statutory language leaves most elements of the public financing system to be determined by the commission. Among other things, the commission is to “specifically determine and identify new election laws” in ten areas including:

- ratios of public matching funds to small contributions;
- amounts of public funding for individual candidates;
- eligible uses of contributions and public funds;
- the effective date of the campaign financing program and which state agency will oversee it; and
- “rules and definitions governing: candidates’ eligibility for public financing; political party qualifications; multiple party candidate nominations and/or designations; and civil violations of public financing rules.”

The commission is also directed to identify resources up to \$100 million annually to support public financing. Its report is due by December 1, 2019, and will have the full effect of law unless modified or abrogated by statute before December 22, 2019. It will have nine members including two appointed by each of the Governor, Senate Majority Leader and Assembly Speaker, one each by the Senate and Assembly Minority Leaders, and one appointed jointly by the Governor, Majority Leader and Speaker (without the latter appointment, the commission shall not be fully constituted).

### *Other Enacted Provisions*

The Budget includes an Executive proposal to expand from two to three hours the amount of time that employers must allow employees to take for voting purposes without loss of pay. It also repeals a previously existing statutory provision that made such time available without loss of pay only if the employee does not have sufficient time to vote outside working hours, and providing that four consecutive hours of non-working time when polls are open would be considered sufficient time for that purpose.

Certain proposals included in a “Good Government and Ethics Reform” Article VII bill were passed by both houses of the Legislature, in identical or similar form, separately from the Budget. These included legislation to promote early voting, consolidate federal and State primary elections, and limit campaign contributions by limited liability companies.

Other statutory provisions in the Enacted Budget include measures that:

- Require the State Board of Elections to establish an electronic voter registration process to allow online registration, and authorize use of computer-generated voter registration lists. The Budget includes a new \$14.7 million appropriation for initial State and local technology costs of electronic poll books as authorized by the legislation. An additional \$10 million appropriation is provided for local boards of elections to reimburse costs related to implementation of optional voting before Election Day.
- Require polls throughout the State to be open from 6 a.m. to 9 p.m. for primary elections, effective January 1, 2020. Current law provides that polls open at noon for primary elections outside of New York City, seven other counties in the downstate metropolitan region and Erie County.
- Prohibit lobbyists, labor unions, political action committees and any person who has registered with the State Board of Elections as an independent expenditure committee from making loans to candidates and political committees.

#### *Omitted Proposals*

The Enacted Budget omits an Executive Budget proposal to legalize, regulate and tax adult use of cannabis, and to merge existing law for medical cannabis with such new provisions. Other Executive proposals that are omitted from the Enacted Budget include measures that would have:

- Revised the Freedom of Information Law, including broadly extending the law’s requirements to the Legislature.
- Required the disclosure of tax returns by candidates for statewide office and the Legislature.
- Provided automatic voter registration when individuals engage in certain transactions with State agencies.
- Prohibited campaign contributions from those bidding on State contracts.
- Required financial disclosure for local elected officials.

# Appendices

## Appendix A: Summary of SFY 2019-20 Article VII Bill Sections

### Public Protection and General Government – S.1505-C / A.2005-C Chapter 55 of the Laws of 2019

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Civil Service Law with regard to the State's contribution to the cost of health insurance premiums upon retirement for future State hires and their dependents	A	Intentionally Omitted	
Eliminate reimbursement of the Medicare Income Related Monthly Adjustment Amounts to high income State retirees and their dependents	B	Intentionally Omitted	
Amend the Civil Service Law with regard to limiting reimbursement of Medicare Part B premiums for retirees and their dependents	C	Intentionally Omitted	
Amend various sections of law to provide a market interest rate on court judgments	D	Intentionally Omitted	
Amend the Civil Service Law with regard to protecting the personal privacy of public employees	E	E	
Extend provisions regarding binding arbitration for police and fire unions for five years	F	F	
Amend various provisions of law to make the property tax levy limit permanent for local governments and school districts	G	Moved to Part NNN of S.1509-C /A.2009-C	
Amend various provisions of law to extend the authorization for certain municipalities to operate red light cameras	H	Intentionally Omitted	
Amend the State Finance Law with regard to eliminating Aid and Incentives to Municipalities (AIM) funding for certain towns and villages	I	Moved to Part PPP of S.1509-C /A.2009-C	
Amend the Real Property Tax Law with regard to a class one reassessment exemption	J	J	Amended.
Authorize various transfers, temporary loans, and amendments to capital and debt provisions, including bond caps	K	Moved to Part TTT of S.1509-C /A.2009-C	
Extend provisions of law with regard to opportunities for service-disabled veteran-owned businesses by five years	L	L	
Amend the Workers' Compensation Law with regard to the investment of surplus funds of the State Insurance Fund	M	Intentionally Omitted	
Amend the Workers' Compensation Law with regard to cancellation and termination of insurance contracts and collection of premium in case of default	N	Intentionally Omitted	

## Public Protection and General Government (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend various sections of law with regard to extending the effective date of certain criminal justice and public safety programs	O	O	Amended. Contains amended versions of Parts N and O of S.1508/A.2008.
Amend various sections of law to enact the Child Victim's Act	P	Intentionally Omitted	Amended language was enacted in Chapter 11 of the Laws of 2019 and is not considered a budget bill.
Amend the Penal Law with regard to prohibiting a sexual orientation panic defense	Q	Intentionally Omitted	
Amend the Criminal Procedure Law with regard to admissibility of a victim's sexual conduct in a sex offense	R	R	Amended.
Amend various sections of law with regard to establishing the crime of unlawful dissemination or publication of an intimate image	S	Intentionally Omitted	Amended language in S.1719-C/A.5981 was passed by both houses, but has not yet been acted upon by the Governor and is not considered a budget bill.
Amend the Criminal Procedure Law with regard to the statute of limitations for rape in the second degree and rape in the third degree	T	Intentionally Omitted	
Amend various sections of law with regard to sentencing and resentencing in domestic violence cases	U	Intentionally Omitted	Amended language in S.1077/A.3974 was passed by both houses, but has not yet been acted upon by the Governor and is not considered a budget bill. A chapter amendment to S.1077/A.3974 is contained in Part WWW.
Amend the Penal Law with regard to assault on a journalist	V	Intentionally Omitted	
Amend and repeal certain provisions of law to eliminate the death penalty	W	Intentionally Omitted	
Amend the Penal Law with regard to prohibiting the possession, manufacture, transport and disposition of rapid-fire modification devices	X	Intentionally Omitted	Amended language in S.2448/A.2684 was passed by both houses, but has not yet been acted upon by the Governor and is not considered a budget bill.
Amend various provisions of law with regard to establishing a waiting period before a firearm, shotgun or rifle may be delivered to a purchaser	Y	Intentionally Omitted	Amended language in S.2374/A.2690 was passed by both houses, but has not yet been acted upon by the Governor and is not considered a budget bill.
Amend various sections of law with regard to establishing extreme risk protection orders as court-issued orders of protection prohibiting a person from purchasing, possessing or attempting to purchase or possess a firearm, rifle or shotgun	Z	Intentionally Omitted	Amended language was enacted in Chapter 19 of the Laws of 2019 and is not considered a budget bill.
Amend various sections of law to establish the Pre-Trial Justice Reform Act	AA	Moved to Parts JJJ, KKK and LLL of S.1509-C/A.2009-C	

## Public Protection and General Government (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend and repeal certain provisions of law with regard to the Freedom of Information Law (FOIL) including incorporating the Legislature into the provisions of FOIL	BB	Intentionally Omitted	
Amend the Workers' Compensation Law with regard to expanding medical providers and extending the board's authority to resolve medical bill disputes	CC	CC	Amended.
Amend various provisions of law with regard to registration fees for attorneys and criminal history search fees	DD	DD	Amended.
Amend the Criminal Procedure Law with regard to grand jury procedures	EE	Intentionally Omitted	
Authorize the Town of Hastings in the County of Oswego to transfer certain real property parkland to the Division of State Police for construction of a new State Police station	FF	FF	Amended.
Amend various sections of law to make permanent the authorization for agencies, authorities and political subdivisions to acquire energy through the Office of General Services (OGS) as a centralized service	GG	GG	Amended.
Amend various provisions of law to make permanent the authority of OGS to enter into certain emergency construction contracts	HH	HH	Amended.
Amend various sections of law with regard to reentry for formerly incarcerated individuals	II	II	Amended. Subpart K further amended by Part GGG of S.1509-C/A.2009-C.
Amend the Correction Law with regard to segregated confinement	JJ	Intentionally Omitted	
Amend various provisions of law with regard to shock incarceration	KK	KK	Amended.
Amend the Civil Service Law with regard to establishing continuing eligible lists for open-competitive class positions	LL	Intentionally Omitted	
Amend the Civil Service Law with regard to promotional examination eligibility for non-competitive and labor class employees	MM	Intentionally Omitted	
Amend the Civil Service Law with regard to certain salary protections for provisional and temporary employees	NN	Intentionally Omitted	
Amend the Penal Law with regard to reducing certain sentences of imprisonment for misdemeanors	OO	OO	Amended. Further amended by Part MMM of S.1509-C/A.2009-C.
Amend various provisions of law with regard to asset forfeiture	PP	PP	
Establish the Child-Parent Security Act	QQ	Intentionally Omitted	



## Public Protection and General Government (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Executive Law with regard to establishing an office of special investigation within the Department of Law, requiring reports on the discharge of a firearm, and requiring the establishment of a model law enforcement use of force policy	RR	RR	Amended. See also Part ZZ.
Authorize the Suffolk County Clerk to charge a block fee	SS	SS	Amended.
Authorize the Governor to close up to three correctional facilities of the Department of Corrections and Community Supervision in State fiscal year 2019-20	TT	TT	Amended. Further amended by Part HHH of S.1509-C/A.2009-C.
Amend various provisions of law with regard to the designation of peace officers	UU	Intentionally Omitted	
Amend various provisions of law with regard to home mortgage loans and notice of foreclosure and mandatory settlement conferences in residential foreclosure actions		VV	
Amend the Penal Law with regard to sentencing in domestic violence cases		WW	See also Part U.
Amend the Election Law with regard to authorizing computer generated registration lists and related to the list of supplies to be delivered to poll sites	Originally Part N of S.1510/A.2010	XX	Amended.
Amend the Election Law with regard to time allowed for employees to vote	Originally Part H of S.1510/A.2010	YY	
Amend the Executive Law with regard to requiring the establishment and regular updating of a model law enforcement use of force policy suitable for adoption by any law enforcement agency in the State	Originally included in Part RR	ZZ	Amended.
Prohibit certain loans to be made to candidates or political committees	Originally Part M of S.1510/A.2010	AAA	
Amend the Election Law with regard to providing uniform polling hours during primary elections	Originally Part I of S.1510/A.2010	BBB	
Enact the Voter Enfranchisement Modernization Act of 2019, establishing electronic personal voter registration process	Originally Part C of S.1510/A.2010	CCC	Amended.

Note: Descriptions generally reflect the Article VII language as proposed by the Executive. With respect to parts not included in the Executive Budget, the description reflects the Article VII language included in the Enacted Budget.

**Education, Labor and Family Assistance – S.1506-C / A.2006-C**  
**Chapter 56 of the Laws of 2019**

<b>Description</b>	<b>Executive Art. VII</b>	<b>Enacted Art. VII</b>	<b>Comments</b>
Amend the Education Law and make other changes necessary to authorize School Aid and implement education-related programs	A	Moved to Part YYY of S.1509-C /A.2009-C	
Allow public accounting firms to have minority ownership by individuals who are not Certified Public Accountants	B	Intentionally Omitted	
Amend various sections of law in regard to authorizing school bus stop cameras and increasing fines for passing a stopped school bus	C	Intentionally Omitted	
Establish the Senator Jose R. Peralta New York State DREAM Act	D	D	Amended language was enacted in Chapter 26 of the Laws of 2019 and is not considered a budget bill.
Enact the For-Profit College Accountability Act	E	Intentionally Omitted	
Establish an arts capital grants fund	F	F	
Provide for the use of moneys in the Mortgage Insurance Fund (MIF) for various housing purposes and for municipal relief to the City of Albany	G	G	Amended.
Authorize compliance with Child Care Development Block Grant health and safety requirements	H	H	Amended.
Authorize Family First Preventative Services Act background clearances	I	I	Amended.
Amend the Social Services Law with regard to removing certain requirements for domestic violence victims seeking shelter	J	J	Amended.
Amend various sections of law with regard to persons in need of supervision	K	K	Amended.
Amend the Social Services Law related to increasing the standards of monthly need for aged, blind and disabled persons living in the community	L	L	
Amend various provisions of law with regard to extending and expanding temporary operator authority for the Office of Children and Family Services and the Office of Temporary and Disability Assistance	M	M	Amended.
Amend the Social Services Law with regard to permitting social services districts to assign individuals to participate in time-limited job try-outs as an allowable work activity leading to unsubsidized employment	N	Intentionally Omitted	
Amend the Labor Law with regard to increasing criminal penalties for convictions of failures to pay wages	O	Intentionally Omitted	
Amend the Labor Law with regard to unemployment insurance benefits for earnings disregard	P	Intentionally Omitted	
Amend various provisions of law with regard to prohibiting wage or salary history inquiries and prohibiting a differential rate of pay on the basis of protected class status	Q	Intentionally Omitted	

## Education, Labor and Family Assistance (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Enact the Gender Expression Non-Discrimination Act (GENDA) prohibiting discrimination based on gender identity or expression and including offenses regarding gender identity or expression under the hate crimes statute	R	Intentionally Omitted	Amended language was enacted in Chapter 8 of the Laws of 2019 and is not considered a budget bill.
Amend the Executive Law with regard to expanding the scope of unlawful discriminatory practices to include public educational institutions	S	Intentionally Omitted	
Amend the Executive Law with regard to preventing discrimination based on lawful source of income in housing	T	T	Amended.
Amend the General Obligations Law to limit the amount of security deposit a landlord may charge	U	Intentionally Omitted	
Amend various sections of law with regard to the implementation of sexual harassment protocols	V	Intentionally Omitted	
Enact the Pension Poaching Prevention Act	W	Intentionally Omitted	
Amend the Executive Law with regard to the definition of pregnancy-related condition	X	Intentionally Omitted	Amended language in S.4211/A.5975 was passed by both houses, but has not yet been acted upon by the Governor and is not considered a budget bill.
Amend various provisions of law with regard to prohibiting conversion therapy for minors	Y	Intentionally Omitted	Amended language was enacted in Chapter 7 of the Laws of 2019 and is not considered a budget bill.
Establish the Rent Regulation Act of 2019	Z	Intentionally Omitted	
Amend various sections of law with regard to changing the name of the Division of Veterans' Affairs	AA	AA	Amended.
Amend the Education Law with regard to the Foster Youth College Success Initiative eligibility requirements		BB	
Authorize the State University of New York and City University of New York to set a reduced rate or waive tuition for certain students participating in dual or concurrent enrollment programs through the State University of New York senior and community colleges and City University of New York		CC	
Amend the Civil Service Law with regard to providing a defense to certain claims related to agency shop fee deductions		DD	
Authorize the State University of New York at Albany to lease or contract with certain tenants for space in the Emerging Technology and Entrepreneurship Complex		EE	

Note: Descriptions generally reflect the Article VII language as proposed by the Executive. With respect to parts not included in the Executive Budget, the description reflects the Article VII language included in the Enacted Budget.

**Health and Mental Hygiene – S.1507-C / A.2007-C**  
**Chapter 57 of the Laws of 2019**

<b>Description</b>	<b>Executive Art. VII</b>	<b>Enacted Art. VII</b>	<b>Comments</b>
Amend various provisions of law related to implementing transportation-related Medicaid Redesign Team recommendations	A	Intentionally Omitted	
Amend various provisions of law related to implementing pharmaceutical-related Medicaid Redesign Team recommendations	B	B	Amended.
Amend various provisions of law related to implementing Medicaid Managed Care-related Medicaid Redesign Team recommendations	C	C	Amended.
Extend the Medicaid Global Cap through 2021	D	D	
Extend various expiring provisions related to Medicaid and health savings initiatives authorized in the Public Health Law and the Social Services Law	E	E	Amended.
Extend the Physicians Excess Medical Malpractice program for one year	F	F	
Amend various provisions of law related to implementing long-term care-related Medicaid Redesign Team recommendations	G	G	Amended.
Amend various provisions of law related to implementing hospital-related Medicaid Redesign Team recommendations	H	H	Amended.
Amend the Insurance Law with regard to registration and licensing of pharmacy benefit managers	I	Intentionally Omitted	
Codify provisions of the federal Affordable Care Act	J	J	Amended.
Amend various provisions of law with regard to the Medical Indemnity Fund program	K	K	
Amend the Insurance Law with regard to in-vitro fertilization	L	L	Amended.
Enact the Comprehensive Contraception Coverage Act	M	M	Amended. Amended language was enacted in Chapter 25 of the Laws of 2019 and is not considered a budget bill.
Amend the Unconsolidated Law with regard to establishing a commission to evaluate options for achieving universal access to health care	N	Intentionally Omitted	
Amend the Public Health Law with regard to the Department of Health (DOH) General Public Health Work Program reimbursement to New York City	O	O	
Amend the Public Health Law with regard to lead levels in residential rental properties	P	P	Amended.
Authorize additional awards under the Health Care Facility Transformation Program	Q	Q	
Amend the Public Health Law with regard to Maternal Mortality Review Boards and the Maternal Mortality and Morbidity Advisory Council	R	Intentionally Omitted	
Enact the Reproductive Health Act and revise existing provisions of law with regard to abortion	S	Intentionally Omitted	Amended language was enacted in Chapter 1 of the Laws of 2019 and is not considered a budget bill.

## Health and Mental Hygiene (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Public Health Law with regard to codifying the creation of the NY State of Health, the official Health Plan Marketplace within the DOH	T	T	Amended.
Amend the Elder Law with regard to authorizing a private pay program to be administered by the State Office for the Aging	U	U	Amended.
Amend the Social Services Law with regard to compliance of managed care organizations and providers participating in the Medicaid program	V	V	Amended.
Amend Unconsolidated Law with regard to the recovery of exempt income by the Office of Mental Health for community residences and family-based treatment programs	W	W	
Amend the Criminal Procedure Law with regard to authorizing restorations to competency within correctional facility-based residential settings	X	Intentionally Omitted	
Eliminate the statutory human services COLA for State Fiscal Year 2019-20	Y	Y	Amended.
Amend the Public Health Law and the Mental Hygiene Law with regard to integrated services	Z	Z	Amended.
Amend the Social Services Law with regard to the definition of facility or provider agency	AA	Intentionally Omitted	
Amend various sections of law with regard to accessing behavioral health services, hospital emergency department protocols, coverage of court ordered treatment and including fentanyl analogs as controlled substances	BB	BB	Amended.
Amend the Public Health Law with regard to prescriber assistance in allowing unlicensed certified pharmacy technicians to assist in dispensing of drugs	CC	Intentionally Omitted	
Authorize a uniform across the board reduction to the DOH Medicaid claims	DD	Intentionally Omitted	
Amend the Public Health Law with regard to direct observation and evaluation of certain temporary employees		EE	
Amend various provisions of law with regard to the New York State Health Insurance Continuation Assistance Demonstration Project		FF	
Provide funding to programs providing opioid treatment, recovery and prevention and education services operated by the New York State Office of Alcoholism and Substance Abuse Services or certain agencies		GG	
Amend the Elder Law with regard to grants awarded for classic NORC programs		HH	
Amend various provisions of law with regard to the operation and administration of the Legislature		II	Amended by Part UUU of S.1509-C/A.2009-C.

## Health and Mental Hygiene (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Public Health Law with regard to authorizing the Dormitory Authority of the State of New York (DASNY) to transfer certain funds repaid by borrowers relating to restructuring pool loans		JJ	
Direct DOH to conduct a study with regard to staffing enhancement and patient safety		KK	Amended by Part QQQ of S.1509-C/A.2009-C.

Note: Descriptions generally reflect the Article VII language as proposed by the Executive. With respect to parts not included in the Executive Budget, the description reflects the Article VII language included in the Enacted Budget.



**Transportation, Environment and Economic Development – S.1508-C / A.2008-C**  
**Chapter 58 of the Laws of 2019**

<b>Description</b>	<b>Executive Art. VII</b>	<b>Enacted Art. VII</b>	<b>Comments</b>
Amend Public Authorities Law with regard to clarifying the Dormitory Authority of the State of New York's (DASNY) authorization to finance certain health care facilities	A	A	
Amend Public Authorities Law to make permanent the authorization for DASNY to enter into design and construction management agreements with the Department of Environmental Conservation (DEC) and the Office of Parks, Recreation and Historic Preservation (OPRHP)	B	B	Amended.
Authorize a DASNY subsidiary, Atlantic Avenue Healthcare Property Holding Corporation, to convey property in Brooklyn for various healthcare, housing and development related purposes	C	C	Amended.
Amend the Infrastructure Investment Act to make permanent, expand the entities authorized to use design-build and add additional project delivery methods	D	Moved to Part WWW of S.1509-C /A.2009-C	
Amend the Environmental Conservation Law with regard to waste tire management and recycling fees	E	E	Amended.
Amend various provisions of law with regard to the State's "Bottle Bill"	F	Intentionally Omitted	
Amend the Environmental Conservation Law with regard to establishing authority for DEC to solicit funds or gifts and enter into public-private partnerships	G	G	Amended.
Amend the Environmental Conservation Law with regard to prohibiting plastic carryout bags	H	H	Amended.
Amend various sections of law with regard to infrastructure and vessels associated with the production of oil or natural gas in federal waters	I	Intentionally Omitted	
Authorize DEC to use regular mail, rather than certified mail, to send notices related to amendments to freshwater wetlands maps and tidal wetlands boundary maps	J	Intentionally Omitted	
Amend various provisions of law related to disclosure of toxic components in cleansing products, labeling of consumer products, and requiring manufacturer disclosure of toxic ingredients in personal care products	K	Intentionally Omitted	
Amend the Banking Law with regard to student loan servicers	L	L	Amended.
Amend provisions related to autonomous vehicle testing and extend the sunset of the authorization	M	M	Amended.
Extend for two years the expiration of the ignition interlock program	N	Moved to Part O of S.1505-C /A.2005-C	
Extend for two years the expiration of the mandatory surcharge and victim assistance fee	O	Moved to Part O of S.1505-C /A.2005-C	
Amend Vehicle and Traffic Law with regard to locally authorized scooters and motorcycles	P	Intentionally Omitted	

## Transportation, Environment and Economic Development (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend various provisions of law related to the Department of State and the mailing of copies of process documents	Q	Intentionally Omitted	
Extend the authorization of the Secretary of State to charge increased fees for expedited handling of documents for one year	R	R	
Amend various provisions of law to permit the Department of Transportation (DOT) to assess fees for fiber optic cables installed using State highway rights-of-way	S	Moved to Part RRR of S.1509-C /A.2009-C	
Amend various sections of law with regard to safety for large passenger vehicles and use of seat belts in motor vehicles	T	Moved to Part III of S.1509-C /A.2009-C	
Authorize certain State agencies to finance public health campaigns and utility oversight costs from assessments on cable television companies and public utilities	U	U	Amended.
Amend the State Finance Law and the Public Authorities Law with regard to requiring state agencies and authorities to enter into contracts only with service providers that adhere to net neutrality principles	V	Intentionally Omitted	
Authorize the New York State Energy Research and Development Authority (NYSERDA) to finance certain of its programs from assessments on gas and electric corporations, and authorize transfers to the General Fund for DEC and the Department of Agriculture and Markets and to the University of Rochester's Laboratory for Laser Energetics	W	W	
Establish the Climate Leadership Act	X	Intentionally Omitted	
Extend the Urban Development Corporation's (UDC) authorization to grant general loans for one year	Y	Y	
Extend the authorization of UDC to administer the Empire State Economic Development Fund for one year	Z	Z	
Extend Article 15-A of the Executive Law relating to participation by minority- and women-owned business enterprises (MWBES) in State contracts for five years, and amend certain provisions based on the 2016 disparity study	AA	Intentionally Omitted	
Amend various provisions of law with regard to establishing a congestion tolling program in the City of New York	BB	Moved to Part ZZZ of S.1509-C /A.2009-C	
Amend various provisions of law with regard to school speed zone enforcement in New York City	CC	Intentionally Omitted	S.4331/A.6449 was passed by both houses, but has not yet been acted upon by the Governor and is not considered a budget bill.

## Transportation, Environment and Economic Development (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Establish the Gateway Development Commission Act	DD	Intentionally Omitted	
Amend the Public Authorities Law with regard to allowing the assignment, transfer, sharing or consolidating of powers, functions or activities of the Metropolitan Transportation Authority (MTA)	EE	Moved to Part ZZZ of S.1509-C /A.2009-C	
Amend various provisions of law with regard to providing certain metropolitan transportation commuter district supplemental taxes, surcharges and fees to the MTA without appropriation	FF	FF	
Amend various sections of law with regard to MTA's authorization to place cameras on its buses to enforce bus lane and other traffic violations	GG	Intentionally Omitted	
Amend various provisions of law with regard to binding arbitration for disputes between the MTA and its labor representatives	HH	HH	
Amend various sections of law with regard to increasing penalties for assaulting certain transportation workers and implementing work zone safety outreach and education	II	Intentionally Omitted	
Amend the Public Authorities Law with regard to the operation of cashless tolling programs	JJ	Intentionally Omitted	
Authorize the Power Authority of the State of New York (NYPA) to provide energy-related projects, programs and services to any of its customers and to develop electric vehicle charging stations	KK	KK	Amended.
Authorize NYPA to develop renewable energy projects and procure and sell renewable products to public entities, Community Choice Aggregation communities and NYPA customers	LL	LL	Amended.
Amend State Finance Law with regard to establishing the OPRHP Parks Retail Fund and Golf Fund as enterprise funds	MM	MM	
Authorize the Olympic Regional Development Authority to enter into contracts or agreements containing indemnity provisions in order to host the 2023 World University Games	NN	NN	Amended.
Amend the Highway Law with regard to the authorization of an airport mass transit project at LaGuardia airport	OO	Intentionally Omitted	
Amend the Business Corporation Law and the Partnership Law with regard to elimination of the biennial filing fee and five-year statement fee	PP	Intentionally Omitted	
Amend the Public Authorities Law to permit the Thruway Authority to set fees for the use of its fiber optic system instead of requiring disposal through public auction or negotiation	QQ	Intentionally Omitted	
Amend various provisions of law with regard to procurements by the New York City Transit Authority and the MTA	RR	Moved to Part ZZZ of S.1509-C /A.2009-C	

Note: Descriptions generally reflect the Article VII language as proposed by the Executive. With respect to parts not included in the Executive Budget, the description reflects the Article VII language included in the Enacted Budget.

**Revenue – S.1509-C / A.2009-C**  
**Chapter 59 of the Laws of 2019**

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend various provisions of law with regard to making permanent provisions relating to mandatory electronic filing of tax documents	A	A	Amended.
Amend the Economic Development Law with regard to the Employee Training Incentive program	B	B	
Amend various provisions of law with regard to including in the apportionment fraction receipts constituting net global intangible low-taxed income	C	C	
Amend various provisions of law with regard to the adjusted basis for property used to determine whether a manufacturer is a qualified New York manufacturer	D	D	
Extend the Workers with Disabilities Tax Credit for three years	E	E	
Amend the Tax Law with regard to the inclusion in a decedent's New York gross estate any qualified terminable interest property for which a prior deduction was allowed and certain pre-death gifts	F	F	Amended.
Amend the Tax Law related to requiring Internet marketplace providers to collect sales tax	G	G	Amended.
Repeal sales tax exemption for gas and electric service associated with energy purchases from an energy service company (ESCO)	H	H	
Amend the Real Property Tax Law with regard to the determination and use of state equalization rates	I	I	
Amend various provisions of law with regard to real property tax administration	J	J	Amended.
Repeal section 3-d of the General Municipal Law in relation to certification of compliance with tax levy limit	K	K	
Amend the Tax Law with regard to creating an employer-provided child care credit	L	L	
Amend the Tax Law with regard to including New York State gambling winnings in non-resident income	M	M	
Amend the Tax Law with regard to the Farm Workforce Retention Credit	N	N	
Amend various sections of law with regard to extending tax shelter provisions and updating tax preparer penalties	O	O	Amended.
Amend the Tax Law with regard to extending the top personal income tax rate for five years	P	P	
Amend various provisions of law with regard to extending the limitations on itemized deductions for individuals with incomes over one million dollars for five years	Q	Q	
Amend the Tax Law with regard to extending the clean heating fuel credit for three years	R	R	
Amend various provisions of law with regard to making permanent provisions relating to delinquent sales tax vendors	S	S	Amended.

## Revenue (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Cooperative Corporations Law and the Rural Electric Cooperative Law with regard to eliminating certain license fees	T	T	
Amend the Tax Law with regard to allowing the tax credit for the rehabilitation of historic properties on projects located on state-owned property and leased to private entities	U	U	
Amend the Tax Law with regard to extending the sales tax exemption on sales between financial institutions and their subsidiaries for two years	V	V	
Amend various provisions of law with regard to the creation and administration of a tax credit for employment of eligible individuals in recovery from a substance use disorder	W	W	
Amend various sections of law with regard to excluding from entire net income certain contributions to the capital of a corporation	X	X	
Amend the Tax Law with regard to establishing an additional tax on carried interest	Y	Intentionally Omitted	
Make corrections to various provisions of the Tax Law and the New York City Administrative Code relating to the life sciences research and development tax credit	Z	Z	
Amend the Real Property Tax Law with regard to tax exemptions for energy systems	AA	AA	Amended.
Amend various provisions of law with regard to waiving gaming commission pre-employment restrictions	BB	BB	Amended.
Authorize the Agriculture and New York State Horse Breeding Development Fund and the New York State Thoroughbred Breeding and Development Fund to make contributions for the ongoing care of retired horses	CC	Intentionally Omitted	
Amend various sections of law to make technical changes to gaming provisions	DD	DD	Amended.
Amend the Tax Law related to video lottery terminal rates and the commissions paid to operators of video lottery facilities	EE	EE	
Amend the Racing, Pari-mutuel Wagering and Breeding Law with regard to the deductibility of promotional credits	FF	FF	
Amend the Racing, Pari-mutuel Wagering and Breeding Law with regard to the operations of off-track betting corporations	GG	GG	Amended.
Amend various sections of law to extend certain tax rates and simulcasting provisions for five years	HH	HH	Amended.
Allow the Gaming Commission to enter into the Mid-Atlantic Drug Compact, which is intended to enhance and standardize equine drug rules	II	Intentionally Omitted	

## Revenue (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Extend the Advisory Committee on Equine Drug Testing for one year and permit the Gaming Commission to expand the number of equine testing laboratories	JJ	JJ	Amended.
Amend the Racing, Pari-mutuel Wagering and Breeding Law with regard to State Gaming Commission occupational licenses	KK	Intentionally Omitted	
Cap homeowners' STAR benefits at current levels	LL	LL	
Amend the Tax Law with regard to cooperative housing corporation information returns	MM	MM	
Amend the Tax Law with regard to making a technical correction to the enhanced real property tax circuit breaker credit	NN	NN	
Amend the Tax Law with regard to mobile home reporting requirements	OO	OO	
Amend various provisions of law with regard to eligibility for STAR exemptions and credits	PP	PP	
Amend various sections of law with regard to disclosure of STAR-related information to assessors	QQ	QQ	
Decrease the income threshold for the basic STAR exemption from \$500,000 to \$250,000	RR	RR	
Amend the Real Property Tax Law with regard to clarifying notices relating to STAR checks on school tax bills	SS	SS	
Amend various provisions of law with regard to making the STAR program more accessible to taxpayers	TT	TT	
Implement various changes with regard to the use of tobacco and electronic cigarettes and vapor products	UU	UU	Amended.
Enact the Cannabis Regulation and Taxation Act	VV	Intentionally Omitted	
Amend the Tax Law with regard to imposing a special tax on passenger car rentals outside of the Metropolitan Commuter Transportation District	WW	WW	Amended.
Impose an excise tax on the sale of opioids	XX	XX	Amended.
Amend the Tax Law with regard to the definition of a covered employee for purposes of the Employer Compensation Expense Tax		YY	
Extend the New York Jockey Injury Compensation Fund for one year		ZZ	
Amend the Tax Law with regard to the Empire State Commercial Production Tax Credit		AAA	
Amend the Tax Law with regard to itemized deductions taken by estates and trusts under the personal income tax		BBB	
Amend the Tax Law with regard to the sales tax exemption for food and beverages sold through vending machines		CCC	
Amend the Tax Law with regard to the disclosure of sales tax collections on sales receipts		DDD	
Amend the Tax Law with regard to the suspension of drivers' licenses due to outstanding tax liabilities		EEE	



## Revenue (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Tax Law with regard to the sales tax exemption for cemetery monuments		FFF	
Amend various provisions of law with regard to law enforcement booking information and photographs	Amends Part II-Subpart K of S.1505-C /A2005-C	GGG	
Authorize the Governor to close up to three correctional facilities of the Department of Corrections and Community Supervision in State fiscal year 2019-20	Amends Part TT of S.1505-C /A2005-C	HHH	
Amend various provisions of law with regard to limousine safety	Originally Part T of S.1508/A2008	III	Amended.
Amend the Criminal Procedure Law with regard to the issuance of securing orders	Originally Part AA-Subpart A of S.1505/A2005	JJJ	Amended.
Amend the Criminal Procedure Law with regard to time limits for a speedy trial	Originally Part AA-Subpart C of S.1505/A2005	KKK	Amended.
Amend various provisions of law with regard to criminal discovery rules	Originally Part AA-Subpart B of S.1505/A2005	LLL	Amended.
Amend various provisions of law with regard to certain resentencing by operation of law and grounds to vacate judgment	Amends Part OO of S.1505-C /A2005-C	MMM	
Amend various provisions of law to make the property tax levy limit permanent for local governments and school districts	Originally Part G of S.1505/A2005	NNN	
Amend the Tax Law with regard to an additional real estate transfer tax on sales of real property in New York City		OOO	
Amend the Real Property Tax Law with regard to a class one reassessment exemption	Originally Part I of S.1505/A2005	PPP	Amended.
Include labor representatives as stakeholders in the DOH study relating to staff enhancement and patient safety	Amends Part KK of S.1507-C /A2007-C	QQQ	
Amend various provisions of law to permit the Department of Transportation (DOT) to assess fees for fiber optic cables installed using State highway rights-of-way	Originally Part S of S.1508/A2008	RRR	Amended.
Extend the film production tax credit for two years		SSS	
Authorize various transfers, temporary loans, and amendments to capital and debt provisions, including bond caps	Originally Part K of S.1505/A2005	TTT	Amended.
Clarifies that the extension authorized does not affect the findings and determinations made by the Compensation Committee	Amends Part II of S.1507-C /A2007-C	UUU	
Amend provisions of law with regard to a commission on Legislative, judicial and executive compensation requiring that all findings, conclusions, determinations and recommendations must be supported by at least one member appointed by each appointing authority		VVV	

## Revenue (continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Extend the authorization of the Infrastructure Investment Act and the Transformational Economic Development Infrastructure and Revitalization Projects Act	Originally Part D of S.1508/A2008	WWW	Amended.
Establish a Public Campaign Financing and Election Commission		XXX	
Amend the Education Law and make other changes necessary to authorize School Aid and implement education-related programs	Originally Part A of S.1506/A2006	YYY	Amended.
Amend various provisions of law with regard to MTA congestion tolling, reorganization and procurement	Originally Part BB, EE and RR of S.1508/A2008	ZZZ	Amended.
Amend the Public Authorities Law with regard to voting by members of Public Authorities Control Board		AAAA	

Note: Descriptions generally reflect the Article VII language as proposed by the Executive. With respect to parts not included in the Executive Budget, the description reflects the Article VII language included in the Enacted Budget.

**Good Government and Ethics Reform – S.1510-A / A.2010-A  
Bill Not Enacted**

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Election Law with regard to requiring certain candidates to disclose tax returns	A	Intentionally Omitted	
Amend various sections of law with regard to establishing contribution limits, a public campaign financing system, the New York State campaign finance fund, and a New York State campaign finance fund checkoff	B	Intentionally Omitted	
Enact the Voter Enfranchisement Modernization Act of 2019, establishing electronic personal voter registration process	C	Moved to Part CCC of S.1505-C /A.2005-C	
Establish early voting	D	Intentionally Omitted	Amended language was enacted in Chapter 6 of the Laws of 2019 and is not considered a budget bill.
Amend various provisions of law with regard to primary elections, certain deadlines with regard to military voters stationed overseas, the date of primary elections, the canvass and audit of returns, filling vacancies in elective offices, and judicial proceedings for designating or nominating petitions and ballots for primary and general elections	E	Intentionally Omitted	Amended language was enacted in Chapter 5 of the Laws of 2019 and is not considered a budget bill.
Prohibit campaign contributions by limited liability companies (LLC)	F	Intentionally Omitted	Amended language was enacted in Chapter 4 of the Laws of 2019 and is not considered a budget bill.
Amend the Election Law with regard to integrated personal voter registration applications	G	Intentionally Omitted	
Amend the Election Law with regard to time allowed for employees to vote	H	Moved to Part YY of S.1505-C /A.2005-C	
Amend the Election Law with regard to providing uniform polling hours during primary elections	I	Moved to Part BBB of S.1505-C /A.2005-C	
Amend the Election Law with regard to providing for the pre-registration of voters	J	Intentionally Omitted	Amended language was enacted in Chapter 2 of the Laws of 2019 and is not considered a budget bill.
Prohibit campaign contributions from any individual or entity actively seeking a State procurement contract until the close of the bidding period or, for the recipient of a final contract award, one year after the award	K	Intentionally Omitted	
Amend the Election Law with regard to implementing automatic voter registration updates for any voter who moves anywhere within the State	L	Intentionally Omitted	Amended language was enacted in Chapter 3 of the Laws of 2019 and is not considered a budget bill.
Prohibit certain loans to be made to candidates or political committees	M	Moved to Part AAA of S.1505-C /A.2005-C	

## Good Government and Ethics Reform (Continued)

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend the Election Law with regard to authorizing computer generated registration lists and related to the list of supplies to be delivered to poll sites	N	Moved to Part XX of S.1505-C /A.2005-C	
Amend the Legislative Law with regard to disclosing lobbyist filing of campaign contributions, solicitations of contributions, and political consulting reports	O	Intentionally Omitted	
Amend various provisions of law with regard to prohibiting lobbyists from engaging in political consulting for candidates for and holders of State office, prohibiting certain political consultants from engaging in lobbying and requiring the reporting of the provision of political consulting services	P	Intentionally Omitted	
Amend the Executive Law with regard to disclosure requirements for certain nonprofits	Q	Intentionally Omitted	
Amend the Legislative Law with regard to lowering the monetary disclosure threshold for lobbyists to report prior relationships with agencies or elected officials and to file statements of registration	R	Intentionally Omitted	
Amend the Legislative Law with regard to increasing penalties for lobbyists who are convicted of a crime	S	Intentionally Omitted	
Amend the Public Officers Law with regard to increasing the length of the existing bar on the appearance and practice of former State officers or employees, members of the legislature and members of the executive chamber	T	Intentionally Omitted	
Amend the Civil Service Law with regard to prohibiting staff of elected State officials to perform volunteer services for the election campaigns of such officials	U	Intentionally Omitted	
Require financial disclosures for certain local elected officials	V	Intentionally Omitted	
Amend the Legislative Law with regard to creating and enforcing a code of conduct for lobbyists	W	Intentionally Omitted	
Amend the Election Law with regard to motor vehicle voter registration	X	Intentionally Omitted	

Note: Descriptions generally reflect the Article VII language as proposed by the Executive. With respect to parts not included in the Executive Budget, the description reflects the Article VII language included in the Enacted Budget.

### Equal Rights Amendment (Concurrent Resolution) – Not Introduced

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend Section 11 of Article 1 of the constitution in relation to equal protection of laws	-	Not Introduced	

### Absentee Voting Amendment (Concurrent Resolution) – Not Introduced

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend Section 2 of Article 2 of the constitution in relation to absentee voting	-	Not Introduced	

### Same Day Voter Registration Amendment (Concurrent Resolution) – Not Introduced

Description	Executive Art. VII	Enacted Art. VII	Comments
Amend Section 5 of Article 2 of the constitution in relation to voter registration	-	Not Introduced	

### Opposing Federal Mandate on License Revocation (Concurrent Resolution) – Not Introduced

Description	Executive Art. VII	Enacted Art. VII	Comments
Opposing the enactment of a State law, pursuant to a federal mandate, to require the suspension or revocation of any violation of the federal Controlled Substance Act or another drug law, regardless of whether the offense is related to the operation of a motor vehicle	-	Not Introduced	

Note: Bill titles and descriptions generally reflect the titles and Article VII language as proposed by the Executive.

Sources for all Article VII Bill Sections Summary Charts: Division of the Budget, Office of the State Comptroller

## Appendix B: Summary of SFY 2019-20 Appropriations

Appropriations reflect the legal authority to spend during any given State fiscal year, as established by the Governor and the Legislature. They provide upper limits for spending on designated programs or purposes. Anticipated actual spending from the appropriations as projected by the Division of the Budget is included in the Financial Plan, which provides comprehensive estimates of the State's revenue and spending for its current and three subsequent fiscal years, and which is updated several times during the fiscal year.

For Local Assistance appropriations, spending typically is close to the amount of appropriations. For other categories of spending (State Operations, Capital Projects and Debt Service), spending may be significantly below appropriations. Some recent Enacted Budgets have included two-year appropriations for certain programs (e.g., Medicaid and school aid). The SFY 2019-20 Enacted Budget includes two-year appropriations for Medicaid. The following two tables summarize new appropriations by appropriation type.

### Summary of New Appropriations by Appropriation Type SFY 2019-20 Enacted Budget Compared to SFY 2018-19 Enacted Budget (in millions of dollars)

	Enacted SFY 2018-19	Enacted SFY 2019-20	Dollar Change From SFY 2018-19	Percentage Change From SFY 2018-19
State Operations	\$ 48,065	\$ 49,166	\$ 1,102	2.3%
Local Assistance	212,873	222,030	9,157	4.3%
Capital Projects	15,061	13,604	(1,457)	-9.7%
Debt Service	9,969	10,153	184	1.8%
<b>Total</b>	<b>\$ 285,968</b>	<b>\$ 294,954</b>	<b>\$ 8,986</b>	<b>3.1%</b>

Sources: Division of the Budget, Office of the State Comptroller

Note: Totals may not add due to rounding.

### Summary of New Appropriations by Appropriation Type SFY 2019-20 Enacted Budget Compared to SFY 2019-20 Executive Budget (in millions of dollars)

	Executive Budget SFY 2019-20	Enacted SFY 2019-20	Dollar Change From Executive	Percentage Change From Executive
State Operations	\$ 49,202	\$ 49,166	\$ (35)	-0.1%
Local Assistance	220,285	222,030	1,746	0.8%
Capital Projects	13,488	13,604	116	0.9%
Debt Service	10,153	10,153	-	0.0%
<b>Total</b>	<b>\$ 293,127</b>	<b>\$ 294,954</b>	<b>\$ 1,827</b>	<b>0.6%</b>

Sources: Division of the Budget, Office of the State Comptroller

Note: Totals may not add due to rounding. The Executive Budget SFY 2019-20 column is updated for 30-Day Amendments.



The following tables summarize new appropriations by program area. The appropriations for the Legislature and the Judiciary are contained within a single Budget Bill, but are shown separately below for informational purposes.

**Summary of New Appropriations by Program Area**  
**SFY 2019-20 Enacted Budget Compared to SFY 2018-19 Enacted Budget**  
(in millions)

	Enacted SFY 2018-19	Enacted SFY 2019-20	Dollar Change From SFY 2018-19	Percentage Change From SFY 2018-19
Public Protection & General Government	\$ 23,002	\$ 23,723	\$ 721	3.1%
Health and Mental Hygiene	163,422	171,277	7,855	4.8%
Education, Labor & Family Assistance	67,481	68,511	1,030	1.5%
Transportation, Economic Development and Environment	18,799	17,886	(912)	-4.9%
Legislature	231	236	5	2.0%
Judiciary	3,064	3,168	104	3.4%
Debt Service	9,969	10,153	184	1.8%
<b>Total</b>	<b>\$ 285,968</b>	<b>\$ 294,954</b>	<b>\$ 8,986</b>	<b>3.1%</b>

Sources: Division of the Budget, Office of the State Comptroller

Note: Totals may not add due to rounding. The Judiciary total includes Interest on Lawyers Account appropriations of \$15 million.

**Summary of New Appropriations by Program Area**  
**SFY 2019-20 Enacted Budget Compared to SFY 2019-20 Executive Budget**  
(in millions)

	Executive Budget SFY 2019-20	Enacted SFY 2019-20	Dollar Change From Executive	Percentage Change From Executive
Public Protection & General Government	\$ 23,673	\$ 23,723	\$ 50	0.2%
Health and Mental Hygiene	170,028	171,277	1,249	0.7%
Education, Labor & Family Assistance	68,141	68,511	370	0.5%
Transportation, Economic Development and Environment	17,730	17,886	157	0.9%
Legislature	236	236	-	0.0%
Judiciary	3,166	3,168	2	0.1%
Debt Service	10,153	10,153	-	0.0%
<b>Total</b>	<b>\$ 293,127</b>	<b>\$ 294,954</b>	<b>\$ 1,827</b>	<b>0.6%</b>

Sources: Division of the Budget, Office of the State Comptroller

Note: Totals may not add due to rounding. The Judiciary total includes Interest on Lawyers Account appropriations of \$15 million. The Executive Budget SFY 2019-20 column is updated for 30-Day Amendments.

## Appendix C: Evolution of SFY 2019-20 Budget Bills

**Appropriation bills:** These bills provide authorization for State agencies and certain public authorities to spend.

Appropriation Bills	Executive Budget		21-Day Amendments		30-Day Amendments		One-House Bills		Executive Resubmittal*		PASSED		DELIVERED TO GOVERNOR	Chapter & Date Signed
	Senate	Assembly	Senate	Assembly	Senate	Assembly	Senate	Assembly	Senate	Assembly	Senate	Assembly		
State Operations	1500 15-Jan-2019	2000 15-Jan-2019			1500-A 19-Feb-2019	2000-A 19-Feb-2019	1500-B 12-Mar-2019	2000-B 11-Mar-2019	1500-C 31-Mar-2019	2000-C 31-Mar-2019	1500-D 31-Mar-2019	2000-D 31-Mar-2019	1-April-2019	Chapter 50 12-April-2019
Legislature and Judiciary	1501 15-Jan-2019	2001 15-Jan-2019									1501-A 31-Mar-2019	2001-A 31-Mar-2019	1-April-2019	Chapter 51 12-April-2019
Debt Service	1502 15-Jan-2019	2002 15-Jan-2019									1502 26-Mar-2019	2002 26-Mar-2019	1-April-2019	Chapter 52 12-April-2019
Aid to Localities	1503 15-Jan-2019	2003 15-Jan-2019			1503-A 19-Feb-2019	2003-A 19-Feb-2019	1503-B 13-Mar-2019	2003-B 11-Mar-2019	1503-C 31-Mar-2019	2503-C 31-Mar-2019	1503-D 31-Mar-2019	2003-D 31-Mar-2019	1-April-2019	Chapter 53 12-April-2019
Capital Projects	1504 15-Jan-2019	2004 15-Jan-2019			1504-A 19-Feb-2019	2004-A 19-Feb-2019	1504-B 13-Mar-2019	2004-B 11-Mar-2019	1504-C 31-Mar-2019	2504-C 31-Mar-2019	1504-D 31-Mar-2019	2004-D 31-Mar-2019	1-April-2019	Chapter 54 12-April-2019

**Article VII/Language bills:** These bills govern how appropriations will be administered and financed, and revenue collected.

Article VII/Language Bills	Executive Budget		21-Day Amendments		30-Day Amendments		One-House Bills				PASSED		DELIVERED TO GOVERNOR	Chapter & Date Signed
	Senate	Assembly	Senate	Assembly	Senate	Assembly	Senate	Assembly	Senate	Assembly	Senate	Assembly		
Public Protection and General Government (PPGG)	1505 18-Jan-2019	2005 18-Jan-2019			1505-A 19-Feb-2019	2005-A 19-Feb-2019	1505-B 12-Mar-2019	2005-B 11-Mar-2019			1505-C 31-Mar-2019	2005-C 31-Mar-2019	1-April-2019	Chapter 55 12-April-2019
Education, Labor and Family Assistance (ELFA)	1506 18-Jan-2019	2006 18-Jan-2019			1506-A 19-Feb-2019	2006-A 19-Feb-2019	1506-B 12-Mar-2019	2006-B 11-Mar-2019			1506-C 31-Mar-2019	2006-C 31-Mar-2019	1-April-2019	Chapter 56 12-April-2019
Health and Mental Hygiene (HMH)	1507 18-Jan-2019	2007 18-Jan-2019			1507-A 19-Feb-2019	2007-A 19-Feb-2019	1507-B 12-Mar-2019	2007-B 11-Mar-2019			1507-C 31-Mar-2019	2007-C 31-Mar-2019	1-April-2019	Chapter 57 12-April-2019
Transportation and Economic Development (TED)	1508 18-Jan-2019	2008 18-Jan-2019			1508-A 19-Feb-2019	2008-A 19-Feb-2019	1508-B 12-Mar-2019	2008-B 11-Mar-2019			1508-C 31-Mar-2019	2008-C 31-Mar-2019	1-April-2019	Chapter 58 12-April-2019
Revenue	1509 18-Jan-2019	2009 18-Jan-2019			1509-A 19-Feb-2019	2009-A 19-Feb-2019	1509-B 12-Mar-2019	2009-B 11-Mar-2019			1509-C 31-Mar-2019	2009-C 31-Mar-2019	1-April-2019	Chapter 59 12-April-2019
Good Government and Ethics Reform	1510 18-Jan-2019	2010 18-Jan-2019			1510-A 19-Feb-2019	2010-A 19-Feb-2019	1510-B 12-Mar-2019							
Equal Rights Amendment Concurrent Resolution														
Absentee Voting Amendment Concurrent Resolution														
Same Day Voter Registration Amendment Concurrent Resolution														
Opposing Federal Mandate on License Revocation Concurrent Resolution														

\* **Executive Resubmittal** - Section 3 of Article VII of the State Constitution provides that the Governor may amend the Executive Budget within 30 days after it has been submitted to the Legislature and, with the consent of the Legislature, at any time before the houses adjourn.

**Notes:** The Executive Budget submittal included four Concurrent Resolutions which the Legislature did not introduce. The Legislature passed all budget bills with a message of necessity, except for: Debt Service; Public Protection and General Government; Education, Labor and Family Assistance; and Transportation and Economic Development. On April 12, 2019, the Governor submitted vetoes in certain Appropriations bills. See [public.leginfo.state.ny.us](http://public.leginfo.state.ny.us), click on the Budget link and select the Appropriation Bills link.

## Appendix D: SFY 2018-19 Receipts and Disbursements, Projected and Actual

### All Funds

	SFY 2017-18 Actual	SFY 2018-19 Enacted	SFY 2018-19 Mid-Year Update (November)	SFY 2018-19 3rd Quarter Update (January)	SFY 2018-19 3rd Quarter Amended Update (February)	SFY 2018-19 Actual (unaudited)
Receipts						
Taxes						
Personal Income	51,501	50,410	50,410	50,144	47,583	48,087
Consumption and Use	16,711	17,303	17,303	17,445	17,445	17,356
Business	7,164	7,981	7,981	7,744	7,744	7,912
Other	3,890	2,229	2,229	2,204	2,204	2,222
<i>Total Taxes</i>	<i>79,266</i>	<i>77,923</i>	<i>77,923</i>	<i>77,537</i>	<i>74,976</i>	<i>75,577</i>
Miscellaneous Receipts	27,262	28,005	28,178	29,614	31,345	31,185
Federal Receipts	58,942	60,083	62,510	62,809	62,879	61,344
<b>Total Receipts</b>	<b>165,470</b>	<b>166,011</b>	<b>168,611</b>	<b>169,960</b>	<b>169,200</b>	<b>168,106</b>
Disbursements						
Local Assistance	121,995	125,627	127,812	127,480	127,473	127,432
State Operations						
Personal Service	13,838	14,191	14,377	14,426	14,456	14,325
Non-Personal Service	7,020	7,356	7,198	7,030	7,019	6,764
<i>Total State Operations</i>	<i>20,858</i>	<i>21,547</i>	<i>21,575</i>	<i>21,456</i>	<i>21,475</i>	<i>21,089</i>
General State Charges	8,175	8,865	8,756	8,734	8,781	8,625
Debt Service	5,873	5,382	5,520	5,975	5,975	6,699
Capital	6,843	8,861	7,924	8,026	8,027	7,031
<b>Total Disbursements</b>	<b>163,744</b>	<b>170,282</b>	<b>171,587</b>	<b>171,671</b>	<b>171,731</b>	<b>170,875</b>

Sources: Division of the Budget, Office of the State Comptroller

## State Operating Funds

	SFY 2017-18 Actual	SFY 2018-19 Enacted (May)	SFY 2018-19 Mid-Year Update (November)	SFY 2018-19 3rd Quarter Update (January)	SFY 2018-19 3rd Quarter Amended Update (February)	SFY 2018-19 Actual (unaudited)
Receipts						
Taxes						
Personal Income	51,501	50,410	50,410	50,144	47,583	48,087
Consumption and Use	16,139	16,678	16,678	16,798	16,798	16,712
Business	6,542	7,330	7,330	7,089	7,089	7,242
Other	3,771	2,110	2,110	2,085	2,085	2,103
<i>Total Taxes</i>	<i>77,953</i>	<i>76,528</i>	<i>76,528</i>	<i>76,116</i>	<i>73,555</i>	<i>74,144</i>
Miscellaneous Receipts	21,334	20,136	20,550	22,006	22,987	23,486
Federal Receipts	74	75	75	75	75	73
<b>Total Receipts</b>	<b>99,361</b>	<b>96,739</b>	<b>97,153</b>	<b>98,197</b>	<b>96,617</b>	<b>97,702</b>
Disbursements						
Local Assistance	65,604	66,752	66,700	66,392	66,338	66,177
State Operations						
Personal Service	13,170	13,542	13,716	13,765	13,795	13,687
Non-Personal Service	5,651	5,917	5,789	5,619	5,608	5,370
<i>Total State Operations</i>	<i>18,821</i>	<i>19,459</i>	<i>19,505</i>	<i>19,384</i>	<i>19,403</i>	<i>19,058</i>
General State Charges	7,853	8,542	8,410	8,381	8,428	8,204
Debt Service	5,873	5,382	5,520	5,975	5,975	6,699
Capital	-	-	-	-	-	-
<b>Total Disbursements</b>	<b>98,151</b>	<b>100,135</b>	<b>100,135</b>	<b>100,132</b>	<b>100,144</b>	<b>100,137</b>

Sources: Division of the Budget, Office of the State Comptroller

## General Fund

	SFY 2017-18 Actual	SFY 2018-19 Enacted (May)	SFY 2018-19 Mid-Year Update (November)	SFY 2018-19 3rd Quarter Update (January)	SFY 2018-19 3rd Quarter Amended Update (February)	SFY 2018-19 Actual (unaudited)
Receipts						
Taxes						
Personal Income	36,037	22,746	22,746	22,648	21,367	21,621
Consumption and Use	7,377	7,647	7,647	7,709	7,709	7,681
Business	4,916	5,626	5,626	5,396	5,396	5,501
Other	1,326	1,051	1,051	1,074	1,074	1,086
<i>Total Taxes</i>	<i>49,656</i>	<i>37,070</i>	<i>37,070</i>	<i>36,827</i>	<i>35,546</i>	<i>35,889</i>
Miscellaneous Receipts	3,129	2,127	2,474	3,109	3,195	3,586
Transfers from Other Funds	18,635	33,463	33,251	32,566	31,917	31,069
<b>Total Receipts</b>	<b>71,420</b>	<b>72,660</b>	<b>72,795</b>	<b>72,502</b>	<b>70,658</b>	<b>70,544</b>
Disbursements						
Local Assistance	46,072	51,063	51,013	50,283	49,784	49,745
State Operations						
Personal Service	6,136	8,691	8,812	8,787	8,714	8,719
Non-Personal Service	2,092	3,054	3,038	2,981	2,830	2,622
<i>Total State Operations</i>	<i>8,228</i>	<i>11,745</i>	<i>11,850</i>	<i>11,768</i>	<i>11,544</i>	<i>11,341</i>
General State Charges	5,572	7,553	7,392	7,336	7,383	7,139
Transfers to Other Funds	9,852	6,240	5,529	5,610	4,847	4,558
<b>Total Disbursements</b>	<b>69,724</b>	<b>76,601</b>	<b>75,784</b>	<b>74,997</b>	<b>73,558</b>	<b>72,784</b>

Sources: Division of the Budget, Office of the State Comptroller

## Contact

Office of the New York State Comptroller  
110 State Street, 15<sup>th</sup> Floor  
Albany, New York 12236

(518) 474-4015

[www.osc.state.ny.us](http://www.osc.state.ny.us)

Prepared by the Office of Budget and Policy Analysis



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