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# **FINANCIAL PLAN**



## **Financial Plan**

The Legislative Budget projects General Fund spending to total almost \$61.2 billion, which is \$1.8 billion or 3 percent over last year. Total state spending including Special Revenue Funds and Capital is projected to be \$96.4 billion for growth of \$625 million or 0.7 percent over last year.

The Legislative All Funds budget which includes Federal spending is estimated to total \$141.3 billion, for growth of 4.2 percent. This growth includes extraordinary federal funds to help pay for the clean-up of Super Storm Sandy and the state adoption of the Affordable Care Act. Absent these funds, growth in the All Funds budget total \$135.1 billion, an increase of \$1 billion or .74 percent over last year.

Reserves at the end of the fiscal year are estimated to total \$1.647 billion which includes \$1.1 billion in the Tax Stabilization Reserve Fund, \$175 million in the Rainy Day Fund and the deposit of \$250 million in the Debt Reduction Reserve Fund.

## **Tax Program**

The Legislative Budget provides over \$700 million in jobs and family tax reductions when fully phased in. Some of those family related actions include: the continuation of the middle-class tax cuts enacted with the 2011 PIT tax reform, a new \$350 tax credit for families with children under 17, as well as the extension of the historic home rehabilitation credit. In addition, business will see substantial tax reductions via new programs specifically targeting small businesses and manufacturers including: a small business and farm income exemption for business with income less than \$250,000, permanently lower manufacturers rates, a two-year program for the hiring of unemployed veterans, a tax credit for defraying the minimum wage increase when hiring students between the ages of 16 to 19, as well as a business credit for the hiring of at-risk youth between the ages of 16 to 24.

The Legislative Budget also includes a number of extensions to existing revenue that ensure additional tax receipts during the span of the Financial Plan, namely: a five year extension of the MTA business surcharge, a three year extension of the December 2011 PIT tax reform, a three year extension of the charitable deduction limitation, as well as the extension and progressive phase-out of the Article 18-A utility assessment.

## **Gap Shortfall**

The Legislative Budget closes the \$1.35 billion gap. The gap is closed mainly through a billion dollars of spending controls and net resources of over \$300 million.



**CASH FINANCIAL PLAN**  
**GENERAL FUND**  
**Estimated 30-Day Closeout 2012-13 vs Legislative Plan 2013-14**  
**(\$ in Millions)**

|   | <u>2012-13 Estimated<br/>Closeout</u> | <u>2013-14<br/>Legislative Plan</u> | <u>Change</u> |
|---|---------------------------------------|-------------------------------------|---------------|
| Opening fund balance                                      | 1,787                                 | 1,474                               | (313)         |
| <b>Receipts:</b>  |                                       |                                     |               |
| Taxes   |                                       |                                     |               |
| Personal Income Tax                                       | 26,818                                | 28,508                              | 1,690         |
| User taxes and fees                                       | 9,127                                 | 9,488                               | 361           |
| Business taxes  | 6,038                                 | 6,244                               | 206           |
| Other taxes   | 1,064                                 | 1,154                               | 90            |
| Miscellaneous receipts                                    | 3,724                                 | 3,101                               | (623)         |
| Federal grants  | 60                                    | 2                                   | (58)          |
| Transfers from other funds                                |                                       |                                     |               |
| - PIT Revenue Bond  | 8,312                                 | 8,776                               | 464           |
| - LGAC  | 2,416                                 | 2,545                               | 129           |
| - RETT  | 540                                   | 476                                 | (64)          |
| - All other   | 963                                   | 1,038                               | 75            |
| <b>Total Receipts</b>                                     | <b>59,062</b>                         | <b>61,331</b>                       | <b>2,269</b>  |
| <b>Disbursements:</b>                                     |                                       |                                     |               |
| Grants to local governments                               | 39,776                                | 40,376                              | 600           |
| State operations  | 8,094                                 | 7,439                               | (655)         |
| General State charges                                     | 4,589                                 | 4,956                               | 367           |
| Transfers to other funds                                  |                                       |                                     |               |
| - Debt service  | 1,644                                 | 1,334                               | (310)         |
| - Capital projects  | 868                                   | 1,256                               | 388           |
| - State Share Medicaid                                    | 2,975                                 | 1,730                               | (1,245)       |
| - Other purposes  | 1,429                                 | 4,067                               | 2,638         |
| <b>Total Disbursements</b>                                | <b>59,375</b>                         | <b>61,158</b>                       | <b>1,783</b>  |
| Change in fund balance                                    | (313)                                 | 173                                 |               |
| Closing fund balance                                      | 1,474                                 | 1,647                               |               |
| Tax Stabilization Reserve Fund                            | 1,131                                 | 1,131                               |               |
| Rainy Day Fund  | 175                                   | 175                                 |               |
| Contingency Reserve Fund                                  | 21                                    | 21                                  |               |
| Community Projects Fund                                   | 57                                    | 0                                   |               |
| <i>Reserved for Debt Management</i>                       | 13                                    | 263                                 |               |
| <i>Reserved for Prior Year Labor Agreements (2007-11)</i> | 77                                    | 51                                  |               |
| <b>Reserve</b>  | <b>0</b>                              | <b>6</b>                            |               |

**CASH FINANCIAL PLAN**  
**STATE OPERATING FUNDS**  
**Estimated 30-Day Closeout 2012-13 vs Legislative Plan 2013-14**  
**(\$ in Millions)**

|  | <u>2012-13</u><br><u>Estimate Closeout</u> | <u>2013-14</u><br><u>Legislative Plan</u> | <u>Change</u>  |
|--|--|---|----------------|
| Opening fund balance                               | 3,847                                      | 3,617                                     | (230)          |
| <b>Receipts:</b>                                   |  |   |                |
| Taxes  | 64,569                                     | 67,849                                    | 3,280          |
| Miscellaneous receipts                             | 20,433                                     | 19,395                                    | (1,038)        |
| Federal grants                                     | 140  | 82  | (58)           |
| <b>Total Receipts</b>                              | <b>85,142</b>                              | <b>87,326</b>                             | <b>2,184</b>   |
| <b>Disbursements:</b>                              |  |   |                |
| Grants to local governments                        | 58,694                                     | 59,521                                    | 827            |
| State operations                                   | 18,210                                     | 17,697                                    | (513)          |
| General State charges                              | 6,580                                      | 7,076                                     | 496            |
| Debt service                                       | 6,132                                      | 5,833                                     | (299)          |
| Capital projects                                   | 5  | 5   | 0              |
| <b>Total Disbursements</b>                         | <b>89,621</b>                              | <b>90,132</b>                             | <b>511</b>     |
| <b>Other financing sources (uses)</b>              |  |   |                |
| Transfers from other funds                         | 26,300                                     | 25,467                                    | (833)          |
| Transfers to other funds                           | (22,051)                                   | (22,299)                                  | (248)          |
| Bond and note proceeds                             | -  | 0   | 0              |
| <b>Net other financing sources (uses)</b>          | <b>4,249</b>                               | <b>3,168</b>                              | <b>(1,081)</b> |
| <b>Deposit to/(use of) Community Projects Fund</b> | <b>0</b>                                   | <b>0</b>                                  |                |
| <b>Deposit to/(use of) Prior Year Reserves</b>     | <b>0</b>                                   | <b>0</b>                                  |                |
| <b>Deposit to/(use of) Debt Reduction Reserve</b>  | <b>0</b>                                   |   |                |
| Change in fund balance                             | (230)                                      | 362                                       |                |
| Closing fund balance                               | 3,617                                      | 3,979                                     |                |

**CASH FINANCIAL PLAN  
STATE FUNDS  
Estimated 30-Day Closeout 2012-13 vs Legislative Plan 2013-14  
(\$ in Millions)**

|   | <b>2012-13 Estimated<br/>Closeout</b> | <b>2013-14<br/>Legislative Plan</b> | <b>Change</b>  |
|---|---------------------------------------|-------------------------------------|----------------|
| Opening fund balance                        | 3,559                                 | 3,334                               | (225)          |
| <b>Receipts:</b>                            |                                       |                                     |                |
| Taxes                                       | 65,922                                | 69,248                              | 3,326          |
| Miscellaneous receipts                      | 24,799                                | 23,292                              | (1,507)        |
| Federal grants                              | 145                                   | 87                                  | (58)           |
| <b>Total Receipts</b>                       | <b>90,866</b>                         | <b>92,627</b>                       | <b>1,761</b>   |
| <b>Disbursements:</b>                       |                                       |                                     |                |
| Grants to local governments                 | 59,989                                | 60,872                              | 883            |
| State operations                            | 18,210                                | 17,697                              | (513)          |
| General State charges                       | 6,580                                 | 7,076                               | 496            |
| Debt service                                | 6,132                                 | 5,833                               | (299)          |
| Capital projects                            | 4,880                                 | 4,938                               | 58             |
| <b>Total Disbursements</b>                  | <b>95,791</b>                         | <b>96,416</b>                       | <b>625</b>     |
| <b>Other financing sources (uses)</b>       |                                       |                                     |                |
| Transfers from other funds                  | 27,806                                | 27,089                              | (717)          |
| Transfers to other funds                    | (23,506)                              | (24,019)                            | (513)          |
| Bond and note proceeds                      | 400                                   | 338                                 | (62)           |
| <b>Net other financing sources (uses)</b>   | <b>4,700</b>                          | <b>3,408</b>                        | <b>(1,292)</b> |
| Deposit to/(use of) Community Projects Fund | 0                                     | 0                                   |                |
| Deposit to/(use of) Prior Year Reserves     | 0                                     | 0                                   |                |
| Deposit to/(use of) Debt Reduction Reserve  | 0                                     |                                     |                |
| Change in fund balance                      | (225)                                 | (382)                               |                |
| Closing fund balance                        | 3,334                                 | 2,952                               |                |



**CASH FINANCIAL PLAN**  
**ALL FUNDS**  
**Estimated 30-Day Closeout 2012-13 vs Legislative Plan 2013-14**  
**(\$ in Millions)**

|   | <b>2012-13 Estimated<br/>Closeout</b> | <b>2013-14<br/>Legislative Plan</b> | <b>Change</b> |
|---|---------------------------------------|-------------------------------------|---------------|
| Opening fund balance                        | 3,360                                 | 3,138                               | (222)         |
| <b>Receipts:</b>                            |                                       |                                     |               |
| Taxes                                       | 65,922                                | 69,248                              | 3,326         |
| Miscellaneous receipts                      | 24,985                                | 23,478                              | (1,507)       |
| Federal grants                              | 44,131                                | 47,978                              | 3,847         |
| <b>Total Receipts</b>                       | <b>135,038</b>                        | <b>140,704</b>                      | <b>5,666</b>  |
| <b>Disbursements:</b>                       |                                       |                                     |               |
| Grants to local governments                 | 96,904                                | 102,481                             | 5,577         |
| State operations                            | 19,825                                | 19,513                              | (312)         |
| General State charges                       | 6,866                                 | 7,398                               | 532           |
| Debt service                                | 6,132                                 | 5,833                               | (299)         |
| Capital projects                            | 5,915                                 | 6,056                               | 141           |
| <b>Total Disbursements</b>                  | <b>135,642</b>                        | <b>141,282</b>                      | <b>5,640</b>  |
| <b>Other financing sources (uses)</b>       |                                       |                                     |               |
| Transfers from other funds                  | 27,486                                | 26,860                              | (626)         |
| Transfers to other funds                    | (27,504)                              | (27,033)                            | 471           |
| Bond and note proceeds                      | 400                                   | 421                                 | 21            |
| <b>Net other financing sources (uses)</b>   | <b>382</b>                            | <b>248</b>                          | <b>(134)</b>  |
| Deposit to/(use of) Community Projects Fund | 0                                     | (127)                               |               |
| Deposit to/(use of) Prior Year Reserves     | 0                                     | (145)                               |               |
| Deposit to/(use of) Debt Reduction Reserve  | 0                                     |                                     |               |
| Change in fund balance                      | (222)                                 | (330)                               |               |
| Closing fund balance                        | 3,138                                 | 2,808                               |               |

## Revenue Actions

The Legislative Budget includes legislation which would extend or reduce the following taxes:

- Extends for five years – through Dec. 31 2018 – the MTA business tax surcharge.

Fiscal: Preserves current revenue.

- Extends the film tax credit for five years – through 2019; enhances the post-production credit from \$7 million to \$25 million annually (beginning in 2015); adds post-production credit for visual effects and animation; adds “relocated television production” in list of qualified productions; provides a ten percentage points credit “bump” (total of 40 percent) for upstate NY counties.

Fiscal: \$181 million revenue impact starting in SFY 2016-17.

- NY Incubator Hot Spots: tax free zones in qualified areas. Tax benefits include sales tax exemptions, no corporate tax except for fixed-minimum payments for up to five years.

Fiscal: Minimal reduction in revenues.

- High-income charitable deduction limitation for three years: would extend the 25 percent limit for those with income of over \$10 million and the 50 percent for those over \$1 million but less than \$10 million.

Fiscal: Adds \$70 million in SFY 2013-14, \$140 million in SFY 2014-15.

- Royalty income loophole: would restrict the ability for companies to avoid taxes on royalty income.

Fiscal: Adds \$28 million starting SFY 2014-15.

- Historic commercial rehabilitation credit: would extend through SFY 2019 and makes it refundable (starting in SFY 2015).

Fiscal: \$40 million reduction in revenues in SFY 2016-17.

- Alternative fuels recharging equipment tax credit: would establish a new credit equal to the lesser of \$5,000 or 50 percent of cost for vehicle charging stations.

Fiscal: \$1 million reduction in revenues starting in each of SFYs 2014-15 and 2015-16.

- Extend by three years the tax modernization provisions.

Fiscal: Adds \$6 million in SFY 2013-14 and \$22 million every year thereafter.

- Industrial Development Agencies (IDAs) Sales tax reform: would reform current practices by implementing “claw-back” provisions for State sales tax.

Fiscal: Adds \$7 million in SFY 2013-14 and \$13 million annually thereafter.

- Adoption of various uncompressed natural gas technical amendments.

Fiscal: Minimal reduction in revenues.

- Exempt the Petroleum Business tax for volunteer ambulance services, fire companies, fire departments and rescue squads.

Fiscal: Minimal reduction in revenues.

- Increasing civil penalty for possession of unstamped cigarettes from a maximum of \$150 to \$600.

Fiscal: Adds \$9 million in SFY 2013-14 and \$12 million annually thereafter.

- Suspension of driver’s license for delinquent taxpayers with final outstanding liability of over \$10,000.

Fiscal: Adds \$26 million in SFY 2013-14 and \$6 million annually thereafter.

- Amending wage garnishment process by allowing Taxation and Finance Division to pursue income executions without filing a public warrant.

Fiscal: Adds \$10 million annually starting in SFY 2013-14.

- Extend Monticello Casino and Raceway VLT venue distribution rates for one year.

Fiscal: Reduction in revenue of \$3 million in SFY 2013-14.
- Extend by one year certain pari-mutuel tax rates.

Fiscal: Preserves current pari-mutuel structure.
- Extend the historic homeownership rehabilitation credit through the end of SFY 2019.

Fiscal: A reduction of revenue of \$2 million in SFY 2016-17.
- Add diesel motor fuel to the definition of what can be stored in a terminal prior to paying tax.

Fiscal: Minimal.
- Expand the farmers exemption from the Highway Use tax to include related persons and entities.

Fiscal: Minimal.
- Small business tax exemption: exempt small businesses with income less than \$250,000 by allowing five percent deduction by SFY 2016 and after. (The exemption rate is progressively increased from three percent in SFY 2014, to 3.75 percent in SFY 2015, and five percent thereafter.)

Fiscal: Revenue reduction of \$35 million in 2014-15 increases to a reduction of \$60 million by SFY 2016-17.
- Manufacturers tax reduction: gradually reduce the tax rate for eligible manufacturers.

Fiscal: Reduction of \$30 million in SFY 2014-15 increase to a loss of \$50 million by SFY 2017-18 and \$81 million thereafter.
- Veterans' Credit: for 2015 and 2016 provides a credit of ten percent - or max of \$5,000 – for qualified veterans or 15 percent - or max of \$15,000 – for disabled veterans.

Fiscal: Reduction of \$37 million in SFY 2016-17.

- 18-A Utility Assessment Extension for 3.5 years: would progress reduction of surcharge from two percent in SFYs 2013-14 and 2014-15 to 1.5 percent in SFY 2016-17 and eliminate the temporary surcharge thereafter.

Fiscal: Reduction of \$37 million in SFY 2014-15, rising to a reduction of \$510 million in SFY 2017-18.

- Family Tax Relief Credit: \$350 credit for taxpayers with children 16 and under; applies for taxable years 2014, 2015, and 2016.

Fiscal: Reduction of \$410 million for three fiscal years starting in SFY 2014-15.

- Youth Credit: would extend the New York Works Youth Credit for the hiring of at-risk youth between the ages of 16 to 24, from SFY 2014 through SFY 2017. Each year will allocate a maximum of \$6 million in credits.

Fiscal: Reduction of a maximum of \$6 million starting with SFY 2015-16.

- Minimum wage reimbursement credit: for SFY 2014, SFY 2015, SFY 2016, SFY 2017 and SFY 2018 employers who hire students between the ages of 16 to 19 will be allowed a credit for the hours they employed them at minimum wage.

Fiscal: Reduction of \$24 million in SFY 2015-16 reaching a reduction of \$45 million in SFY 2017-18.

- Extension of the PIT Reform of 2011 for taxable years 2015, 2016 and 2017.

Fiscal: Increases revenues by \$450 million in 2014-15, \$1.8 billion in 2015-16, \$2.6 billion in SFY 2016-17, \$2.1 billion in SFY 2017-18, and \$607 million in SFY 2018-19.

# **PUBLIC PROTECTION & GENERAL GOVERNMENT**

*By Agency*



## Recommended Changes to the Executive Budget Division of Alcoholic Beverage Control

**The Legislature provides an All Funds appropriation of \$18.9 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**



## Recommended Changes to the Executive Budget Department of Audit and Control

**The Legislature provides an All Funds appropriation of \$305.1 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Division of the Budget

The Legislature provides an All Funds appropriation of \$54.4 million.

### State Operations

- The Legislature provides \$479,000 to support payment of dues to membership organizations.

### Aid to Localities

- Not applicable.

### Capital Projects

- Not applicable.

### Article VII

- Not applicable.

## Recommended Changes to the Executive Budget Department of Civil Service

**The Legislature provides an All Funds appropriation of \$56.55 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Department of Corrections and Community Supervision

The Legislature provides an All Funds appropriation of \$3.13 billion.

### State Operations

- The Legislature accepts the Executive proposal to close the Bayview and Beacon correctional facilities with 60 days' notice.
- The Legislature provides \$1.1 million to support the establishment of 50 work release beds for female inmates at the Edgecombe Correctional Facility in New York City to provide an alternative correctional setting upon the closure of the Bayview Correctional Facility.

### Aid to Localities

- The Legislature accepts the Executive proposal and recommends no changes.

### Capital Projects

- The Legislature accepts the Executive proposal and recommends no changes.

### Article VII

- The Legislature accepts the Executive proposal to close the Bayview and Beacon correctional facilities with 60 days' notice.
- The Legislature accepts the transfer of the former Fulton Correctional Facility to the Thomas Mott Osborne Memorial Fund for use as a community alternative to incarceration and re-entry program.

## Recommended Changes to the Executive Budget Commission of Correction

**The Legislature provides an All Funds appropriation of \$2.92 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Division of Criminal Justice Services

The Legislature provides an All Funds appropriation of \$280.42 million.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- The Legislature modifies the proposed consolidation of \$11.4 million in funding for Alternatives to Incarceration (ATI) programs to require that these funds be distributed pursuant to existing contracts or pursuant to a plan submitted by DCJS.
- The Legislature rejects the consolidation of \$5.2 million in ATI funding for the Classification Alternatives Program and the Drug and Alcohol Program and restores discrete funding for these programs.
- The Legislature restores \$1.3 million in supplemental support for ATI programs.
- The Legislature reprograms \$3.7 million in competitive legal services grants in the Legal Services Assistance Fund to support:
  - \$2.65 million in civil and criminal legal services grants;
  - \$1.05 million in additional support for Prisoners' Legal Services;
  - \$650,000 for Domestic Violence Legal Services;
  - \$600,000 for the Indigent Parolee program;
  - \$300,000 for the Neighborhood Defender Service of Harlem; and
  - \$180,000 for the Legal Action Center.
- The Legislature restores \$1.2 million to domestic violence related civil and criminal legal service providers.
- The Legislature restores a legislative share of the Edward Byrne Memorial/Justice Assistance Grants at \$1 million.
- The Legislature restores funding for the New York State Defenders Association at \$2.09 million, an increase of \$1 million from the Executive proposal.

- **The Legislature provides support for the following programs:**
  - **\$3.0 million for Operation SNUG;**
  - **\$2.7 million for law enforcement, drug, violence and crime control and prevention programs;**
  - **\$500,000 for the purchase of safety equipment for correctional officers;**
  - **\$500,000 for Finger Lakes Law Enforcement;**
  - **\$450,000 for legal services for immigrant students and families;**
  - **\$250,000 for Brooklyn Legal Services Corp “A”;**
  - **\$250,000 for Community Service Society – Record Repair Counseling Corps;**
  - **\$200,000 for the Vera Institute’s Common Justice Initiative;**
  - **\$150,000 for Greenpoint Outreach Domestic and Family Intervention Program;**
  - **\$150,000 for Friends of Island Academy;**
  - **\$150,000 for Consortium of the Niagara Frontier;**
  - **\$100,000 for Fortune Society; and**
  - **\$100,000 for John Jay College.**

#### Capital Projects

- **Not applicable.**

#### Article VII

- **The Legislature rejects the Executive proposal to limit the plea bargaining of traffic tickets.**
- **The Legislature modifies the Executive proposal related to mandatory surcharges on parking tickets and increased fines for texting and cell phone use while driving to include:**
  - **an \$8 increase in the surcharge for certain moving and equipment violations;**
  - **a new surcharge of \$25 on certain parking violations; and**
  - **increased fines for texting and cell phone use while driving.**
- **The Legislature accepts the Executive proposal to extend, for one year, a program that allows NYC district attorneys to keep a portion of funds resulting from pre-indictment settlements.**
- **The Legislature accepts the ratification of the National Crime Prevention and Privacy Compact, allowing the state to participate in the National Fingerprint File program.**
- **The Legislature modifies the Executive proposal to extend various criminal justice and public safety programs, to extend all programs for two years.**

## Recommended Changes to the Executive Budget State Board of Elections

**The Legislature provides an All Funds appropriation of \$5.2 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**



## Recommended Changes to the Executive Budget Office of Employee Relations

**The Legislature provides an All Funds appropriation of \$12.99 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Executive Chamber

**The Legislature provides an All Funds appropriation of \$18.5 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Department of Financial Services

The Legislature provides an All Funds appropriation of \$552.2 million.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- The Legislature accepts the Executive proposal and recommends no changes.

### Capital Projects

- Not applicable.

### Article VII

- The Legislature includes Article VII language to amend state laws to adapt to the Federal Affordable Care Act to:
  - clarify that navigators are not insurance producers and clarify the roles and responsibilities of navigators;
  - regulate student health policies, including a requirement that such policies take corrective action if they do not meet the minimum medical loss ratio (MLR);
  - conform individual and small group policies with the requirements of the federal Affordable Care Act (ACA);
  - allow individuals who currently have individual policies with an out-of-network benefit to transition to an ACA compliant policy with an out-of-network benefit;
  - eliminate the Healthy NY program for individuals and require Healthy NY coverage for small employers to be ACA compliant;

- expand the definition of small group, on January 1, 2016, to groups that have one to 100 members, in compliance with the ACA;
- establish a temporary procedure for insurers to discontinue policies that are not ACA compliant;
- allow the Superintendent to set premium tiers and rating relativities; and
- require the Superintendent to set rating regions.
- The Legislature includes additional Article VII language that would extend the authority for the New York Property Insurance Underwriting Association (NYPIUA) to issue broad form insurance coverage until 2018, and require the Superintendent of Financial Services to issue an annual report regarding the number of policies issued.
- The Legislature rejects Article VII legislation that would:
  - create a risk-based allocation of Physician Excess Medical Malpractice Program funds to maintain the existing program and to allow up to 1,000 new physicians to access the program;
  - rate health insurance coverage provided by professional employer organizations as small businesses in the small group market; and
  - modify the Early Intervention (EI) Program, including proposals that would require EI providers to enter into contractual agreements with insurance plans.

## Recommended Changes to the Executive Budget Office of General Services

**The Legislature provides an All Funds appropriation of \$1.12 billion.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Article VII

- **The Legislature modifies the Executive proposal to allow state agencies to purchase food grown, harvested, or produced in the State of New York in an amount less than \$200,000 without a formal competitive process by removing authorization to extend these provisions to food manufactured or processed in the state and to specify that agencies must advertise purchases greater than \$50,000 on their website.**
- **The Legislature rejects the Executive proposal to permit all state agencies and authorities to use design-build contracts and design-build finance contracts as alternative project delivery methods.**

## Recommended Changes to the Executive Budget Division of Homeland Security and Emergency Services

The Legislature provides an All Funds appropriation of \$14.22 billion.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- The Legislature adds reporting language to federal disaster relief appropriations to ensure the proper use of federal and state relief funds.

### Capital Projects

- The Legislature adds reporting language to federal disaster relief appropriations to ensure the proper use of federal and state relief funds.

### Article VII

- The Legislature accepts legislation that would include schools in the Intermutual Aid Program for disaster response, and establishes financial and workforce rules that all participating municipalities must follow when assisting one another in disaster response activities.
- The Legislature amends the Executive proposal to provide immunity from liability to mobile carriers who issue emergency messages on behalf of the state under the NY TEXT initiative to only allow such limitation if the provider, officer, director, employee, vendor, and agent acted reasonably and in good faith.
- The Legislature clarifies that retired police officers hired by school districts as school resource officers may apply, under existing law, for a waiver of the salary restrictions that apply to retired public employees.

## Recommended Changes to the Executive Budget Office of Indigent Legal Services

**The Legislature provides an All Funds appropriation of \$82.8 million.**

### State Operations

- **The Legislature provides an additional \$300,000 to support the activities of the Office of Indigent Legal Services.**

### Aid to Localities

- **The Legislature provides an additional \$4 million from the Indigent Legal Services Fund to help improve the quality of public defense services.**

### Capital Projects

- **Not applicable.**

### Article VII

- **The Legislature rejects the Executive proposal to establish a new counsel at arraignment pilot program.**

## Recommended Changes to the Executive Budget Office of the State Inspector General

The Legislature provides an All Funds appropriation of \$6.9 million.

### State Operations

- The Legislature denies an Executive proposal to merge the Office of Welfare Inspector General (OWIG) into the Office of the State Inspector General (OIG). Instead, the Legislature provides \$6.89 million in funding for OIG and restores \$1.16 million in funding for the OWIG.

### Aid to Localities

- Not applicable.

### Capital Projects

- Not applicable.

### Article VII

- The Legislature denies the Executive proposal to merge OWIG into OIG.



## Recommended Changes to the Executive Budget New York Interest on Lawyer Account

**The Legislature provides an All Funds appropriation of \$46.84 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Judicial Commissions

**The Legislature provides an All Funds appropriation of \$5.45 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Department of Law

**The Legislature provides an All Funds appropriation of \$220.64 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Division of Military and Naval Affairs

**The Legislature provides an All Funds appropriation of \$115.85 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Office for the Prevention of Domestic Violence

**The Legislature provides an All Funds appropriation of \$4.96 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Public Employees Relations Board

**The Legislature provides an All Funds appropriation of \$3.98 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Joint Commission on Public Ethics

**The Legislature provides an All Funds appropriation of \$4.56 million.**

### State Operations

- **The Legislature reduces the Personal Service Account in the Public Ethics Program by \$375,000 to reflect current expenses.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Division of State Police

**The Legislature provides an All Funds appropriation of \$699.30 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **The Legislature transfers a \$27.74 million appropriation for the creation of the Pistol Permit Database to the Office of Information Technology Services.**

### Article VII

- **Not applicable.**



## Recommended Changes to the Executive Budget Statewide Financial System

**The Legislature provides an All Funds appropriation of \$55 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Office of Information Technology Services

The Legislature provides an All Funds appropriation of \$650.7 million.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- Not applicable.

### Capital Projects

- The Legislature provides \$87.7 million for various Enterprise Initiatives, an increase of \$27.7 million over the Executive. The increase will fund the development and implementation of the New York Secure Ammunition and Firearms Enforcement Act (NY SAFE) pistol permit database.

### Article VII

- The Legislature accepts the Executive proposal to transfer \$100 million from various state agencies into a single account to facilitate the transfer of non-personal service funds related to IT consolidation.
- The Legislature accepts the Executive proposal to shift the Office of Cyber Security from the Division of Homeland Security to the Office of Information Technology Services.

## Recommended Changes to the Executive Budget Division of Veteran Affairs

The Legislature provides an All Funds appropriation of \$17.74 million.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- The Legislature adds \$250,000 in additional support for the following initiatives:
  - \$100,000 for the Veterans Justice Project;
  - \$75,000 for the New York State Veterans of Foreign Wars – New York City Office;
  - \$50,000 for the New York State Veterans of Foreign Wars – Buffalo Service Office; and
  - \$25,000 for the Vietnam Veterans of America – New York State Council.

### Capital Projects

- Not applicable.

### Article VII

- The Legislature advances legislation that would help to establish a veterans' cemetery in New York State. Specifically, the language would:
  - establish a process by which a state veterans cemetery could be sited and constructed, and provides for reimbursement of the cost of construction which would be reimbursed by the federal government;
  - establish a management board with gubernatorial, Assembly, and Senate appointments to conduct a study to identify a site that best serves New York veterans;

- **authorize the Division of Veterans' Affairs to submit an application to the federal Department of Veterans Affairs for funding for the construction of a state veterans cemetery;**
- **create an income tax form check off to allow taxpayers to contribute to a fund that would be used for the perpetual care of the cemetery; and**
- **require the fund to accumulate a sufficient amount to pay for 15 years worth of cemetery maintenance before directing that a siting study and construction could begin.**

## Recommended Changes to the Executive Budget Office of Victim Services

**The Legislature provides an All Funds appropriation of \$76.40 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Workers' Compensation Board

The Legislature provides an All Funds appropriation of \$203.23 million.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- Not applicable.

### Capital Projects

- Not applicable.

### Article VII

- The Legislature modifies the Executive proposal related to Workers' Compensation accordingly:
  - accepts the Executive proposal to simplify the assessment process by assessing all providers based on premiums and streamlining all assessments into one assessment;
  - accepts the Executive proposal to close the Reopened Case Fund;
  - rejects the closure of the Aggregate Trust Fund;
  - accepts the Executive proposal to establish a bonding program for group self-insured trusts to help create a long term payment plan; and
  - accepts the Executive proposal to amend the assessment reserves required to be held by the State Insurance Fund (SIF) and transfers \$2 billion to the Board. The legislative proposal will transfer reserves not required to fund future liabilities from SIF to the Workers' Compensation Board. Upon request of the Director of

Budget, the Workers' Compensation Board shall transfer surplus monies as follows:

- in SFY 2013-14, \$250 million to General Fund for debt management or fiscal uncertainties;
- in SFY 2014-15, \$1 billion to the General Fund for the purpose of reducing budget gaps;
- in SFY 2015-16, \$250 million to the General Fund for the purpose of reducing budget gaps;
- in SFY 2016-17, \$250 million to the General Fund for the purpose of reducing budget gaps; and
- all remaining monies, at the discretion of the Director of Budget, shall remain in the Workers' Compensation Fund or be transferred to the General Fund for the purpose of reducing budget gaps or to support the State Insurance Fund.

## Recommended Changes to the Executive Budget General State Charges

The Legislature provides an All Funds appropriation of \$3.03 billion.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- Not applicable.

### Capital Projects

- Not applicable.

### Article VII

- The Legislature accepts the Executive proposal to provide an additional \$7.85 million for the City of Albany payment in lieu of taxes.
- The Legislature modifies the Executive's pension stabilization plan, which provides statutory authority to make a stable rate pension contribution option available to local governments and school districts who are participants in the state retirement system, upon an election by the New York State and Local Employers' Retirement System (NYSLERS), the New York State and Local Police and Fire Retirement System (NYSLPFRS) or the New York State Teachers' Retirement System.
  - For local government and school district employers with NYSERS and NYSLPFRS, the plan amends the authority for local governments to opt into existing amortization authority, with modifications:
    - There would be a stable rate of 12 percent for the NYSLERS and 20 percent for the NYSLPFRS for the first two years, and that rate could be adjusted by up to a half a percentage point one year thereafter; and
    - Repayment would be over a 12 year period, instead of ten years.



- For school districts within the NYSTRS, the plan:
  - would allow for the deferral of payment of pension costs for up to seven years. The rate in the first two years would be 14 percent. In subsequent years, the rate could gradually increase to a maximum of 18 percent.
  - Repayment would be over a five year period, beginning in fiscal year 2018-19.
  - If the overall funded ratio of the pension system drops below 80 percent, the stable rate plan for NYSTRS would end.
- The Legislature rejects the Executive proposal of ceasing reimbursement of additional Income Related Medicare Adjustment Amounts retroactive to January 1, 2013.
- The Legislature includes a new provision to clarify that retired police officers hired by school districts as school resource officers may apply, under existing law, for a waiver of the salary restrictions that apply to retired public employees.
- The Legislature rejects the Executive proposal to change the manner by which binding arbitration awards would be decided and to extend binding arbitration for four years rather than two.

**Recommended Changes to the Executive Budget  
Miscellaneous: Public Protection & General Government**

**Local Government Assistance**

**The Legislature provides an All Funds appropriation of \$856.3 million.**

**Aid to Localities**

- **The Legislature provides an increase to Video Lottery Gaming Facilities outside of the City of Yonkers, reflecting an increase from \$6.3 million to \$7.6 million.**
- **The Legislature provides a \$1.04 million increase to Oneida and Madison Counties to mitigate shortfalls resulting from the nonpayment of real property taxes by the Oneida Indian Nation.**
- **The Legislature provides \$1.5 million in per capita aid to villages.**
- **The Legislature provides the following amounts in direct assistance to localities:**
  - **\$75,000 to the Village of Mastic Beach;**
  - **\$27,000 to the Village of Woodbury;**
  - **\$19,000 to the Village of South Blooming Grove;**
  - **\$2,000 to the Village of Sagaponack; and**
  - **\$250,000 payment to the City of Syracuse for a shared services project with Onondaga County.**

**Article VII**

- **The Legislature accepts the Executive’s proposal to reform the Local Government Efficiency Grant Program and the Citizens Re-Organization Empowerment Grant Programs.**
- **The Legislature accepts modifications to the Intrastate Mutual Aid Program to include school districts and BOCES participation.**
- **The Legislature rejects the elimination of all statutory reporting requirements for local governments or public authorities.**
- **The Legislature accepts returning the Industrial Development Agency (IDA) ban against retail projects, except in highly distressed areas and tourism destinations; recaptures state sales tax; and increases reporting requirements on IDA’s.**

- **The Legislature rejects making County Sales Tax authorization permanent.**
- **The Legislature rejects the Executive's binding arbitration process reforms that would impact certain municipalities as determined by the binding arbitration panel.**

# **EDUCATION, LABOR & FAMILY ASSISTANCE**

**By Agency**



## Recommended Changes to the Executive Budget Council on the Arts

**The Legislature provides an All Funds appropriation of \$41.68 million.**

### State Operations

- **The Legislature eliminates a \$500,000 appropriation included in the Executive proposal that would have allowed the Council to solicit grants or donations from private sources.**

### Aid to Localities

- **The Legislature eliminates a \$500,000 appropriation included in the Executive proposal that would have allowed the Council to solicit grants or donations from private sources.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget City University of New York (CUNY)

The Legislature provides an All Funds appropriation of \$3.8 billion, an overall increase of \$13.1 million.

### State Operations

- The Legislature provides \$18.9 million for the Search for Elevation Education and Knowledge (SEEK) opportunity program, an increase of \$551,340.
- The Legislature provides \$1.5 million for the Joseph Murphy Institute, an increase of \$1 million.

### Aid to Localities

- The Legislature provides \$9.3 million to increase base aid for CUNY Community Colleges, increasing support by \$150 per full-time equivalent student. This action will allow base aid to be funded at \$2,422 per FTE.
- The Legislature restores \$544,000 in support to CUNY Child Care Centers, providing \$1.4 million in total funding.
- The Legislature provides \$909,500 for the College Discovery program, an increase of \$26,500.
- The Legislature provides \$1.7 million to the Accelerated Study in Associate Program (ASAP).

### Capital Projects

- The Legislature accepts the Executive proposal and recommends no changes.

### Article VII

- The Legislature requires CUNY to create a standard certificate of residence form, establish a uniform methodology for calculating community college chargebacks, create

**an on-line chargeback training program for counties, and assist in the development and implementation of an on-line or electronic chargeback billing system for counties.**

- **The Legislature requires CUNY to prepare a report on how it prepares community college students who are enrolled in certificate or workforce programs for current and future job opportunities, and would require CUNY to demonstrate that they are partnering with employers.**
- **The Legislature creates incentive funding for SUNY and CUNY community college certificate and workforce programs based upon certain measures of student success.**



## Recommended Changes to the Executive Budget Education Department

The Legislature provides an All Funds appropriation of \$51.89 billion, a net increase of \$865 million over the Executive proposal.

### State Operations

- The Legislature provides an additional \$1.5 million for the administration of the high school equivalency diploma exam for a total of \$5.16 million.
- The Legislature accepts the Executive proposal authorizing the State Education Department (SED) to require a higher-quality student teaching experience and to establish a teacher and principal bar exam.
- The Legislature accepts the Executive proposal to provide \$4 million in federal and state funds for preschool education program (4410) oversight.
- The Legislature provides an additional \$172,000 in funding for conservation and preservation of library materials and the talking book and braille library, for a total of \$693,000.

### Aid to Localities

- The Legislature proposes a total of \$21.2 billion in General Support for Public Schools, for an increase of \$992 million in overall school aid over 2012-13. This funding level provides an increase of \$936.6 million in formula aids over last year; and reflects an increase of \$436 million over the Executive proposal. Eligibility for increases in aid continues to be dependent on Annual Professional Performance Review (APPR) approval by September 1.
- Additional support is provided through an increase of \$171.3 million in Foundation Aid, \$68 million in High Tax Aid restoration, and an additional Gap Elimination Adjustment (GEA) restoration of \$195.9 million for a total GEA restoration of \$517.5 million.
- The Legislature rejects the Executive proposal to freeze expense based aids and instead uses the February data for a total increase of \$228 million over the 2012-13 School Year (SY).

- The Legislature ensures that the APPR penalty to New York City and other districts that missed the January 17, 2013 APPR deadline, will not be duplicated in subsequent school years.
- The Legislature reallocates the \$203 million in fiscal stabilization funding into Foundation aid, a High Tax aid restoration, and a restoration to GEA.
- The Legislature modifies the \$75 million in New NY Education Reform Commission grants in the following manner:
  - Full-Day and Half-Day Prekindergarten grant (\$25 million): The Legislature modifies the Executive proposal to require that a portion of such grants include half-day placements; maintain certain teacher certification requirements; and programs must comply with the common core standards and adopt approved quality indicators within certain timeframes.
  - Community School grants (\$15 million): The Legislature modifies the Executive proposal to provide that the State Council on Children and Families would develop the request for proposals in coordination with the Commissioner; authorize not-for-profit organizations to apply for these grants in collaboration with the NYC school district; authorize the Commissioner to award funding; and include mental health services and student safety.
  - Extended Learning Time grants (\$20 million): The Legislature modifies the Executive proposal authorizing grants for school districts that increase academic learning time by 25 percent by providing that the application must consider additional learning time for students in middle schools; authorizing school districts to apply in collaboration with not-for-profit community based organizations; and providing that the Commissioner will administer the grant.
  - Early College High School grants (\$4 million): The Legislature modifies the credit requirement to provide that programs would be awarded based upon the number of college credits earned annually by participating students instead of requiring an amount of credits equal to an associate degree.
  - Master Teacher grants (\$11 million): The Legislature modifies the grant to include the NYC school district; provide that funds sub-allocated to SUNY may only be used to administer the grants; and to provide for collective bargaining provisions.
- The Legislature provides \$16.8 million for Summer Programs for the Blind and Deaf (4201 schools) in order to prevent an up-front cost shift onto school districts for these programs.

- The Legislature restores \$14.26 million to Teacher Resource and Computer Training Centers for SY 2013-14.
- The Legislature provides a total of \$137.5 million Aid to Nonpublic schools, which reflects an increase of \$9 million for the Comprehensive Attendance Policy. In addition, language is provided to direct the Commissioner to provide an analysis of obligations along with the method for calculation.
- The Legislature adds \$4.5 million for Safety Equipment for Nonpublic Schools.
- The Legislature increases Adult Literacy Education by \$1 million for a total of \$6.23 million.
- The Legislature provides \$1 million in funding for Deferred Action for Childhood Arrivals (DACA) transition funding.
- The Legislature provides \$150,000 in funding for the Executive Leadership Institute (ELI).
- The Legislature includes an additional \$4 million in Aid to Public Libraries.
- The Legislature adds \$250,000 for the National Board for Professional Teaching Standards.
- The Legislature adds \$6.9 million for Supplemental Valuation Impact grants.
- The Legislature provides \$250,000 for the Center for Autism and Related Disabilities at the State University of New York at Albany.
- The Legislature adds \$300,000 for the Project Rise program.
- The Legislature adds \$350,000 for the Community Services Project.
- The Legislature provides \$450,000 for the Council of the Humanities.
- The Legislature adds \$100,000 for the New York State Historical Association for National History Day.
- The Legislature adds \$700,000 for Community Learning Schools.
- The Legislature provides \$350,000 for the Project Witness Program.
- The Legislature provides an additional \$1.7 million to higher education opportunity programs as follows:

- the Liberty Partnerships program is increased by \$376,260, providing a total of \$12.9 million;
- the Higher Education Opportunity Program (HEOP) is increased by \$728,040, providing a total of \$25.0 million;
- the Science and Technology Entry Program (STEP) is increased by \$324,030, providing a total of \$11.1 million; and
- the Collegiate Science and Technology Entry Program (CSTEP) is increased by \$245,520, providing a total of \$8.4 million.

## Article VII

- The Legislature provides that Annual Professional Performance Review (APPR) plans that were approved by the Commissioner for the 2012-13 school year continue into subsequent school years unless a school district and its collective bargaining unit agree to a new or amended APPR plan by September 1 of each school year to protect school districts from APPR non-compliance penalties.
- The Legislature provides that any school district that did not have an approved APPR plan by the Commissioner by January 17, 2013 and is unable to reach an agreement and Commissioner approval prior to May 29, 2013 will participate in an arbitration proceeding before the Commissioner so that he or she may determine a plan for such district. The arbitration proceeding will allow for two days of hearings where the parties can present evidence. The APPR plan determined by the Commissioner must be consistent with other plans approved by the Commissioner and will continue into subsequent school years until the school district and its collective bargaining units agree to a new or amended APPR plan.
- The Legislature modifies the Executive's proposal to link an increase in school aid to approval and implementation of the standards and procedures for conducting APPRs of classroom teachers and building principals by September 1 of every year, and eliminates the effect of the penalty on the base state aid amount.
- The Legislature rejects the Executive proposal to allow NYC to select through a competitive process Preschool Special Education providers and establish rates.
- The Legislature rejects the Executive proposal to permit schools to apply to SED for a waiver from certain special education requirements.
- The Legislature proposes various formula calculations to reflect changes in Foundation Aid and Gap Elimination Adjustment Restoration. GEA restoration calculations reflect

enrollment increases, funding for districts disproportionately affected by GEA cuts, and other measures.

- The Legislature provides for an inventory to be compiled and a report to be issued of all transportable classroom units (TCUs) in the NYC school district and will require the City to provide recommendations to minimize the number of TCUs in the City.
- The Legislature accepts the Executive proposal to continue the Contracts for Excellence (C4E) program.
- The Legislature accepts the Executive proposal to permit counties to retain 100 percent of audit recoveries relating to preschool special education providers.
- The Legislature requires the State Education Department to develop guidelines that may be used by counties when auditing preschool special education providers.
- The Legislature modifies the Executive's proposal to exempt school districts with fewer than 1,500 students from the internal audit function.
- The Legislature modifies the Executive proposal to prohibit school districts from receiving full-day kindergarten conversion aid more than once by authorizing a waiver from this provision in certain circumstances.
- The Legislature accepts the Executive proposal to continue the Charter School Tuition Freeze at 2010-11 levels.
- The Legislature restores the Executive cut of \$1.5 million to Center for Worker Education (CWE) as a set aside within the Employment Preparation Education (EPE) appropriation for a total of \$13 million.
- The Legislature continues the \$2.5 million set-aside within EPE for students with high school diplomas that do not have sufficient basic skills.
- The Legislature provides that the NYC school district provide transportation to students in grades K-6 who attend regularly scheduled academic classes from 9:30 AM until 4:00 PM with certain limitations.
- The Legislature continues school district authorization to transfer excess Employee Benefit Accrued Liability Reserve (EBALR) funds to reduce the district's remaining gap elimination adjustment.
- The Legislature provides \$6.9 million in funding for Supplemental Valuation Impact Grants.
- The Legislature provides that the school census for all students aged 5-18 to be completed biennially instead of annually.

- The Legislature repeals the BOCES five-year special education space plan and replaces the provision with a requirement that the BOCES district superintendent ensures the stability and continuity of program placements for students with disabilities.
- The Legislature authorizes nonpublic schools to submit school safety plans to the school Safety Improvement Teams for review.
- The Legislature authorizes the Commissioner to disregard a reduction in aid to Universal Pre-Kindergarten (UPK) programs that do not meet the 180-day requirement because of extraordinarily adverse weather conditions.
- The Legislature requires that the Commissioner disregard a reduction in school aid, for up to ten days, for schools that were not in session for 180 days because of extraordinarily adverse weather conditions.
- The Legislature rejects the Executive proposal to limit reimbursement for certain instructional materials.
- The Legislature suspends the building aid amortization reset for two years.
- The Legislature authorizes schools with extreme penalties for failing to follow certain building aid rules and procedures to pay these penalties over several years.
- The Legislature authorizes use of a different pupil count in determining a district's Basic Contribution for districts with a very high ratio of pupils to resident pupils.
- The Legislature continues certain provisions authorizing Annual Professional Performance Review transition grants.
- The Legislature expands a building aid waiver provision for school districts that were unable to submit a final certificate of substantial completion for a project and/or complete the final report because of circumstances beyond the control of the district to include the inability of the district to complete a complex project within 18 months.
- The Legislature extends existing lottery provisions for certain school districts by one year.

## Recommended Changes to the Executive Budget Office of Children and Family Services

The Legislature provides an All Funds appropriation of \$3.81 billion.

### State Operations

- The Legislature eliminates \$2.35 million to expand the Close to Home initiative to include youths detained outside of New York City.
- The Legislature correspondingly rejects an Executive proposal to provide for non-secure facility closures that would have occurred as a result of the above initiative, resulting in the restoration of \$2.8 million and 168 full-time equivalent positions.

### Aid to Localities

- The Legislature restores and increases funding by \$9.99 million for various community-based initiatives including:
  - Child Care Subsidies - \$1 million;
  - Caseload Reduction - \$757,200;
  - Child Advocacy Centers - \$750,000;
  - Community Reinvestment - \$1,750,000;
  - Boys & Girls Clubs - \$750,000;
  - Yeled V'Yalda Early Childhood Centers - \$350,000;
  - Helen Keller Core Program - \$35,000;
  - National Federation of the Blind - \$75,000;
  - Community Action Organization of Erie County - \$250,000;
  - Legal Services for the Elderly or Disadvantaged of Western New York - \$80,000;
  - Premium Health - \$350,000;
  - Runaway and Homeless Youth - \$254,456;
  - Center for Alternative Sentencing and Employment Services (CASES) - \$200,000;
  - Settlement Houses - \$450,000; and
  - Safe Harbor – Sexually Exploited Children - \$1,650,000.
- The Legislature also restores \$1.29 million in funding for the Youth Development Program.

- **The Legislature reduces Foster Care Block Grant funding by \$1.04 million associated with the cost of care for non-secure youth residing outside of New York City related to the rejection of the expansion of the Close to Home initiative to the rest of the state.**
- **The Legislature provides an increase of \$22.04 million in General Fund support for child care subsidies within the Office of Children and Family Services, but decreases Temporary Assistance for Needy Families (TANF) funding by \$21.04, resulting in a net increase of \$1 million.**

#### Capital Projects

- **The Legislature accepts the Executive proposal and recommends no changes.**

#### Article VII

- **The Legislature modifies the Executive proposal to combine the Youth Delinquency Development Program and Special Delinquency Prevention Program into a single Youth Development Program by maintaining the funding of current youth bureaus, and allowing funds to be used for juvenile delinquency prevention programs. This proposal will sunset December 31, 2018.**
- **The Legislature rejects the Executive proposal to expand the Close to Home initiative to localities outside of New York City.**



## Recommended Changes to the Executive Budget Office of Temporary and Disability Assistance

The Legislature provides an All Funds appropriation of \$5.76 billion.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- The Legislature provides \$21.04 million in funding for various initiatives that were eliminated in the Executive Budget:
  - Access Welfare to Careers - \$800,000;
  - Advantage Schools - \$500,000;
  - ATTAIN - \$4.1 million;
  - BRIDGE - \$102,000;
  - Career Pathways - \$750,000;
  - Caretaker Relative/Kinship - \$101,000;
  - Centro of Oneida - \$25,000;
  - Community Solutions to Transportation - \$112,000;
  - Educational Resources - \$250,000;
  - Emergency Homeless Needs - \$500,000;
  - Facilitated Enrollment - \$7.27 million;
  - Fatherhood Initiative - \$200,000;
  - Non-Residential Domestic Violence - \$1.2 million;
  - Nurse-Family Partnership - \$2 million;
  - Preventive Services - \$610,000;
  - Rochester Genesee Regional Transportation Authority - \$82,000;
  - Settlement Houses - \$1 million;
  - SUNY/CUNY Child Care - \$334,000;
  - Wage Subsidy - \$950,000; and
  - Wheels for Work - \$144,000.
- The Legislature restores \$1.6 million in funding for homeless housing programs.
- The Legislature restores funding for the Disability Advocacy Program at \$250,000.

- **The Legislature decreases Temporary Assistance for Needy Families (TANF) funding for child care subsidies by \$21.04 million but increases funding within the Office of Children and Family Services by \$22.04 million, resulting in a net increase of \$1 million.**

#### Capital Projects

- **The Legislature restores \$30 million in capital funding related to denying the transfer of the Homeless Housing Assistance Program from the Office of Temporary and Disability Assistance (OTDA) to the Division of Housing and Community Renewal (DHCR).**

#### Article VII

- **The Legislature rejects the Executive proposal to transfer the Homeless Housing Assistance Program from OTDA to DHCR.**
- **The Legislature accepts the Executive proposal to authorize a Federal cost of living adjustment increase in 2014 for individuals receiving Social Security income, who reside in various living arrangements.**

**Recommended Changes to the Executive Budget  
New York State Higher Education Services Corporation (HESC)**

**The Legislature provides an All Funds appropriation of \$1.1 billion.**

**State Operations**

- **The Legislature accepts the Executive proposal and recommends no changes.**

**Aid to Localities**

- **The Legislature accepts the Executive proposal and recommends no changes.**

**Capital Projects**

- **Not applicable.**

**Article VII**

- **Not applicable.**

## Recommended Changes to the Executive Budget Division of Housing and Community Renewal

The Legislature provides an All Funds appropriation of \$256.45 million.

### State Operations

- The Legislature eliminates \$5.79 million in funding for the Tenant Protection Unit. The Tenant Protection Unit will operate using available reappropriation authority.

### Aid to Localities

- The Legislature provides \$1.59 million for the Neighborhood Preservation Program and \$665,000 for the Rural Preservation Program, restoring funding to SFY 2012-13 levels.
- The Legislature provides funding for the Rural and Community Investment Fund Program at \$1.85 million.
- The Legislature restores \$742,000 for the New York City Housing Authority Tenant Watch Program.

### Capital Projects

- The Legislature rejects the Executive proposal to transfer the Homeless Housing Assistance Program from the Office of Temporary and Disability Assistance (OTDA) to the Division of Housing and Community Renewal (DHCR), resulting in a decrease of \$30 million.

### Article VII

- The Legislature rejects the Executive proposal to expand investment authority for the Mortgage Insurance Fund, State of New York Mortgage Agency, and the Housing Finance Agency.
- The Legislature rejects a proposal to transfer the administration of the Homeless Housing Assistance Program from OTDA to DHCR.

- **The Legislature rejects the Executive proposal to establish a consolidated Community Preservation Program, and instead preserves discrete funding levels for Neighborhood and Rural Preservation Programs.**
- **The Legislature transfers \$104 million from the Mortgage Insurance Fund to the General Fund, an increase of \$4 million over the Executive proposal.**
- **The Legislature accepts the Executive proposal to fund the following programs through Mortgage Insurance Fund proceeds:**
  - **Rural Rental Assistance Program at \$20.4 million;**
  - **Mitchell Lama Housing Transfer at \$17.58 million;**
  - **Neighborhood Preservation Program at \$8.48 million; and**
  - **Rural Preservation Program at \$3.54 million.**
- **The Legislature funds the following programs through Mortgage Insurance Fund proceeds:**
  - **Rural and Urban Community Investment Fund at \$3.5 million;**
  - **Low Income Housing Trust Fund at \$3 million;**
  - **Urban Initiatives at \$2 million; and**
  - **Rural Area Revitalization Program at \$1.5 million.**

## Recommended Changes to the Executive Budget Division of Human Rights

**The Legislature provides an All Funds appropriation of \$18.01 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **Not applicable.**

### Article VII

- **Not applicable.**

## Recommended Changes to the Executive Budget Department of Labor

The Legislature provides an All Funds appropriation of \$6.36 billion.

### State Operations

- The Legislature accepts the Executive proposal and recommends no changes.

### Aid to Localities

- The Legislature allocates \$1.35 million to Displaced Homemaker Services.
- The Legislature provides funds for the following programs:
  - \$350,000 in funding for the New York Committee on Occupational Safety and Health (NYCOSH);
  - \$300,000 for Project Rise;
  - \$100,000 for Hillside Works;
  - \$250,000 for Rochester Summer of Opportunity Youth Program;
  - \$200,000 for the Building Trades Pre-Apprenticeship Program – Rochester;
  - \$200,000 for the Building Trades Pre-Apprenticeship Program – Western New York;
  - \$50,000 for Rochester Tooling and Machining Institute;
  - \$750,000 for Chamber of Commerce on the Job Training;
  - \$155,000 for NYCOSH (Long Island);
  - \$150,000 New York State AFL-CIO Cornell Leadership Institute;
  - \$20,000 for Labor and Industry for Education (LIFE);

- **\$100,000 for Brooklyn Chamber of Commerce- Neighborhood Development Project;**
- **\$150,000 for Domestic Violence Program with Cornell and AFL-CIO;**
- **\$4 million for Workforce Development Institute Job Training; and**
- **\$500,000 for Brooklyn Jobs 2013.**

### Capital Projects

- **Not applicable.**

### Article VII

- **The Legislature modifies the Executive proposal to gradually raise the minimum wage to \$9 per hour. The wage would rise to \$8 per hour on December 31, 2013, \$8.75 per hour on December 31, 2014, and \$9 per hour on December 31, 2015, and does not index the minimum wage to inflation.**
- **The Legislature modifies the Executive proposal related to Unemployment Insurance; and**
  - **accepts the Executive proposal to gradually increase the maximum weekly benefit for unemployment benefits, from \$405 per week to 50 percent of the state's average weekly wage, by October 1, 2026;**
  - **accepts the Executive proposal to gradually increase the taxable wage base for employer contributions into the Unemployment Insurance Fund, from \$8,500 to 16 percent of the state's average annual wage by 2026;**
  - **accepts the Executive proposal to modify the eligibility requirements for unemployment benefits as well as the criteria used to determine an eligible claimant's benefit amount, with provisions to ensure access to benefits for workers along all wage brackets; and**
  - **accepts the Executive proposal to adopt the federal expansion of the Shared Work Program to allow more employers to redistribute work among their employees during periods of economic hardship, upon the approval of Department of Labor (DOL). Additionally, the Legislature makes this program permanent, thereby providing an alternative to total employment loss for workers whose employers are contemplating workforce reductions. These**



**workers will be able to retain their jobs as well as their health coverage and any other fringe benefits they are receiving.**

- **The Legislature accepts the Executive proposal to transfer the State Data Center from the Department of Economic Development to the Department of Labor.**
- **The Legislature adds Article VII language to extend the Self-Employment Assistance Program (SEAP) for two years, until December 7, 2015, and to allow SEAP participants to collect extended Unemployment Insurance benefits.**

## Recommended Changes to the Executive Budget State of New York Mortgage Agency

**The Legislature provides an All Funds appropriation of \$173.85 million.**

### State Operations

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Aid to Localities

- **The Legislature accepts the Executive proposal and recommends no changes.**

### Capital Projects

- **Not applicable.**

### Article VII

- **The Legislature rejects the Executive proposal to expand investment authority for the Mortgage Insurance Fund, State of New York Mortgage Agency, and the Housing Finance Agency.**

## Recommended Changes to the Executive Budget State University of New York (SUNY)

The Legislature provides an All Funds appropriation of \$9.6 billion, a net increase of \$54.1 million over the Executive proposal.

### State Operations

- The Legislature restores \$27.8 million in support for SUNY Hospitals to provide total funding of \$87.8 million.
- The Legislature provides \$21.7 million for the Educational Opportunity Program, an increase of \$632,400.
- The Legislature provides an additional \$250,000 to the Cornell Veterinary School providing a total \$500,000 for this purpose.
- The Legislature provides \$994,160 to Advanced Technology Training and Information Networking (ATTAIN) labs.
- The Legislature provides \$333,000 to the Stony Brook Marine Animal Disease Laboratory.

### Aid to Localities

- The Legislature provides \$21.5 million to increase base aid for SUNY Community Colleges, increasing support by \$150 per full-time equivalent student. As a result of this action, base aid will be funded at \$2,422 per FTE.
- The Legislature restores \$653,000 in support to SUNY Child Care Centers, providing \$1.7 million in total funding.
- The Legislature restores \$300,000 in funding for Harvest New York at the Cornell Cooperative Extension.
- The Legislature provides \$1.7 million to the Graduation, Achievement, and Placement (GAP) program.

## Capital Projects

- **The Legislature accepts the Executive proposal and recommends no changes.**

## Article VII

- **The Legislature requires the SUNY Chancellor to implement a sustainability plan for SUNY Downstate. Downstate is allowed to enter into contracts without competitive bid for specific goods or services for academic year 2013-14. The legislation also allows Downstate to receive funding through the Delivery System Reform Incentive Payments program.**
- **The Legislature requires SUNY to create a standard certificate of residence form, establish a uniform methodology for calculating community college chargebacks, create an on-line chargeback training program for counties, and assist in the development and implementation of an on-line or electronic chargeback billing system for counties.**
- **The Legislature requires SUNY to report on how they are preparing community college students that are enrolled in certificate or workforce programs for current and future job opportunities and will require SUNY to demonstrate that they are partnering with employers.**
- **The Legislature creates incentive funding for SUNY community college certificate and workforce programs based upon certain measures of student success.**
- **The Legislature creates a new financing structure for SUNY's Residence Hall program.**

## Recommended Changes to the Executive Budget Office of the Welfare Inspector General

The Legislature provides an All Funds appropriation of \$1.16 million.

### State Operations

- The Legislature rejects the Executive proposal to merge the Office of the Welfare Inspector General (OWIG) and the Office of the State Inspector General (OIG) and recommends the restoration of \$1.16 million in funding for OWIG. Additionally, the Legislature maintains the sovereignty of OWIG, but provides for the authority to interchange funds between OWIG and OIG in order to strengthen investigations and prosecutions of welfare fraud.

### Aid to Localities

- Not applicable.

### Capital Projects

- Not applicable.

### Article VII

- The Legislature rejects the Executive proposal to merge the Office of the Welfare Inspector General into the Office of the State Inspector General.

**Recommended Changes to the Executive Budget  
Miscellaneous: Education, Labor & Family Assistance**

**Pay for Success Program**

**The Legislature provides an All Funds appropriation of \$30 million for projects associated with the Pay for Success program, a reduction of \$70 million from the Executive proposal. The Legislature also provides corresponding Article VII language for the program, which allows for programming in the areas of health care, early childhood development, child welfare and public safety.**

**Higher Education**

**The Legislature provides an All Funds appropriation of \$1.3 million for the College Choice Tuition Savings Program, representing no change from the Executive proposal.**

**The Legislature accepts an Article VII proposal to extend the Higher Education Capital Matching Grants program until March 31, 2014.**

# **HEALTH & MENTAL HYGIENE**

**By Agency**





## **Recommended Changes to the Executive Budget Office for the Aging**

The Legislature provides an All Funds appropriation of \$242.0 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature provides:
  - \$500,000 for the Elder Abuse Education and Outreach Program;
  - \$200,000 to the Lifespan Program for elder abuse education and outreach;
  - \$200,000 for the Council of Senior Centers of New York City to support enrollment assistance related to the federal Supplemental Nutrition Assistance Program (SNAP);
  - \$200,000 in additional support for Social Model Adult Day Services; and
  - \$200,000 for operating expenses related to elderly transportation services.

### **Capital Projects**

- Not applicable.

### **Article VII**

- The Legislature extends the social work and mental health licensure exemption for three years, requiring exempted agencies to report on activities performed by non-licensees, and clarifying certain activities that are not within scope of practice.

## **Recommended Changes to the Executive Budget Developmental Disabilities Planning Council**

The Legislature provides an All Funds appropriation of \$4.76 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- Not applicable.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Department of Health**

The Legislature provides an All Funds appropriation of \$119.2 million.

### **State Operations**

- The Legislature rejects the Executive proposal to consolidate or co-locate certain Department of Health (DOH) and Department of Environmental Conservation lab functions.

### **Aid to Localities**

#### **Medicaid Global Cap**

The Legislature provides:

- \$34,300,000 to reject the Executive proposal to eliminate spousal refusal;
- \$9,380,000 related to reinstating prescriber prevails for atypical antipsychotics drugs in managed care;
- \$6,090,000 related to reinstating prescriber prevails for anti-retrovirals, anti-rejection drugs, anti-depressants, seizures/epilepsy drugs, endocrine agents, hematologic agents, and immunologic agents;
- \$2,080,00 related to ensuring local pharmacy choice for Medicaid recipients;
- \$1,800,000 to reject the Executive proposal to reduce fee-for-service pharmacy reimbursement rate from average wholesale price (AWP) less 17 percent to AWP less 17.6 percent;
- \$1,040,000 related to reinstating prescriber prevails for all classes of drugs in fee-for-service Medicaid;
- \$480,000 to reject all Executive proposals related to the Early Intervention (EI) program;
- \$450,000 related to rejecting the proposal to allow DOH to establish minimum supplemental rebates for fee-for-service drugs;

- \$180,000 to reject the Executive proposal to eliminate summary posting requirements for pharmacy and therapeutics committee meetings; and
- \$20,000 related to reinstating prescriber prevails for opioids in excess of four prescriptions in a 30-day period.

### Public Health Programs

- The Legislature rejects the Executive proposal to consolidate 89 public health programs and provides \$18 million to support a proportional restoration of these programs.

The Legislature provides:

- \$16.2 million to reject the Executive proposal to shift the Child Health Plus rate setting from DOH to the Department of Financial services;
- \$12.7 million to restore the Physician's Excess Medical Malpractice Pool to prior year funding levels;
- \$6.0 million for Home and Personal Care Worker Benefits;
- \$5.0 million to support health coverage for certain union retirees;
- \$2 million for Spinal Cord Injury Research;
- \$1 million in additional funding for infertility programs;
- \$750,000 for Family Planning Services;
- \$557,000 for School Based Health Centers;
- \$550,000 for Women's Health Initiatives;
- \$525,000 for HIV/AIDS Community Service Programs (CSP);
- \$525,000 for HIV/AIDS Multi Service Agencies (MSA);
- \$500,000 for the Upstate Poison Control Center;
- \$400,000 for the Primary Care Development Corporation;
- \$300,000 in additional funding for the Physician Practice Support Program;
- \$250,000 for the Maternity and Early Childhood Foundation;

- \$250,000 for the Center for Disabilities Services-Women’s Health;
- \$209,000 for the Finger Lakes Health Systems Agency;
- \$200,000 for the Endometriosis Foundation of America;
- \$150,000 for the Richfield Springs School Based Health Center;
- \$120,000 for Comprehensive Care Centers for Eating Disorders;
- \$110,000 for Adrenoleukodystrophy (ALD) Screening;
- \$100,000 for the Chautauqua County ARC Demonstration;
- \$100,000 in additional funding for the Physician Loan Repayment Program;
- \$75,000 for the Coalition of Institutionalized Aged and Disabled (CIAD);
- \$50,000 for the Breast Cancer Network; and
- \$39,000 for the Coalition for School Based Health Centers.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

#### **Part A – Medicaid**

- The Legislature accepts the Executive proposal to allow for the inclusion of the operational costs of the Office of Health Insurance Programs under the Medicaid Spending Cap and to not subject such costs to annual consumer price index adjustments.
- The Legislature accepts the Executive proposal to extend the Medicaid spending cap for one additional year, through SFY 2014-15 and modifies the proposal to allow flexibility in the event of a declared emergency and additional reporting requirements.
- The Legislature accepts the Executive proposal to extend the two percent across the board reduction of Medicaid payments for two years, and allows DOH to restore these reductions if sufficient funds are available.

- The Legislature accepts the Executive proposal to make certain changes to the False Claims Act in order to comply with federal law.
- The Legislature accepts the Executive proposal to authorize the Commissioner of Health (COH) to invest up to \$15 million in health home infrastructure development.
- The Legislature accepts the Executive proposal to authorize additional funding to promote the delivery of integrated mental health, substance abuse, and physical health services in a single location.
- The Legislature accepts the Executive proposal to allow DOH to set the cutoff date for monthly enrollment in a managed long term care plan.
- The Legislature accepts the Executive proposal to authorize the COH to implement an incontinence supply management program.
- The Legislature accepts the Executive proposal to authorize capital debt reimbursement for certain adult homes which convert to assisted living programs and add assisted living beds to accommodate such transition.
- The Legislature accepts the Executive proposal to extend certain income disregards related to costs for eligible adult home residents who transition into managed long term care plans.
- The Legislature modifies the Executive proposal to permanently continue the elimination of trend factor adjustments in Medicaid provider reimbursement rates, to provide an extension of the elimination only through March 31, 2015.
- The Legislature modifies the Executive proposal to merge the Pharmacy and Therapeutics Committee with the Drug Utilization Review Board, to maintain consumer representation.
- The Legislature modifies the Executive proposal to develop a pricing reimbursement methodology for specialty nursing home facilities to require DOH, to establish a workgroup on specialty nursing home rates.
- The Legislature modifies the Executive proposal to allow OPWDD to perform a Fully Integrated Duals Advantage pilot program and establish Developmental Disability Individual Support and Care Coordination Organizations to enhance protections for enrollees.
- The Legislature modifies the Executive proposal to eliminate Medicaid coverage related to emergency care and assistance to clarify the current enrollment and eligibility process.

- The Legislature modifies the Executive proposal to allow DOH to amend certain existing contracts that implement actions recommended by the Medicaid Redesign Team without competitive bid, to limit the scope of the contracts that may be modified.
- The Legislature modifies the Executive proposal to sunset payments for financially disadvantaged nursing homes effective December 31, 2012, to ensure these funds are transferred to the Vital Access Provider program only upon federal approval of such funds.
- The Legislature rejects the Executive proposal to authorize Medicaid reimbursement of individual psychotherapy services provided by certified social workers for children and those requiring such services as a result of pregnancy or childbirth.
- The Legislature rejects the Executive proposal to authorize DOH to require prior authorization for the refill of a prescription drug when the patient should still have more than a six-day supply of the previously dispensed amount remaining, based on normal use.
- The Legislature rejects the Executive proposal to require counties which implemented mandatory managed care to use the enrollment counseling and enrollment services for which DOH has contracted.
- The Legislature rejects the Executive proposal to eliminate prescriber prevails provisions in fee-for-service Medicaid and for certain prescription drugs in Medicaid Managed Care and expands prescriber prevails protections to additional drug classes in Medicaid Managed Care.
- The Legislature rejects the Executive proposal to allow DOH to deny prior authorization for opioid prescriptions in excess of four prescriptions in a 30-day period under certain circumstances.
- The Legislature rejects the Executive proposal to reduce the Medicaid fee-for-service pharmacy brand reimbursement rate, from average wholesale price (AWP) less 17 percent to AWP less 17.6 percent.
- The Legislature rejects the Executive proposal to require prior authorization of drugs eligible for reimbursement by state public health plans unless the pharmaceutical manufacturers agree to provide minimum supplemental rebates.
- The Legislature rejects the Executive proposal to establish wage standards for nursing homes under contract with a managed long term care plan.
- The Legislature rejects the Executive proposal to enact several reimbursement rate modifications through regulation for hospitals and nursing homes.

- The Legislature modifies the Executive proposal to authorize enrollment of previously excluded populations in mandatory managed care and Managed Long Term Care (MLTC) plans when plan features and rates are available.
- The Legislature rejects the Executive proposal to provide for the transition of rate setting for the Child Health Plus program from DFS to DOH.
- The Legislature rejects the Executive proposal to eliminate the cap on the maximum number of managed long-term care plans that can be authorized.
- The Legislature rejects the Executive proposal to eliminate spousal refusal protections for community-based long-term care and managed long-term care enrollees.
- The Legislature adds provisions to accelerate the local benefit of the enhanced federal Medicaid reimbursement under federal Affordable Care Act (ACA) to allow counties to realize a benefit beginning July 1, 2013.
- The Legislature adds language to clarify a Medicaid recipients' right to obtain prescription drugs at a pharmacy of their choice, whether by retail sale or through mail order.
- The Legislature adds provisions that would allow individuals that elect to receive hospice care to remain in their MLTC plan.
- The Legislature adds provisions to require timely payments to home care and Consumer Directed Personal Assistance Program providers.
- The Legislature adds provisions that would require the Commissioners of DOH, Office of Alcoholism and Substance Abuse Services, and Office of Mental Health to ensure network adequacy and to provide other patient protections.

#### **Part B – Expiring Laws/ Cost Containment Actions**

- The Legislature modifies the Executive proposal related to expiring laws and cost containment actions to extend certain permanent extenders for a limited period of time.

#### **Part C – Hospital Indigent Care Pool**

- The Legislature accepts the Executive proposal to establish a new indigent care distribution methodology for periods on and after 1/1/2013 through 12/31/2015, including an annual distribution of \$139.4 million to major public general hospitals and



**\$994.9 million to private hospitals, allocated according to each facility's level of uncompensated care.**

- **The Legislature accepts the Executive proposal to establish a transition pool to ensure that no facility has reduced indigent care payments greater than set percentages specified in statute, as compared to the average distribution that each such facility received for the three prior calendar years.**
- **The Legislature accepts the Executive proposal to provide that one percent of the funds available for distribution would be reserved and set aside in a Financial Assistance Compliance Pool and released to individual hospitals based on their substantial compliance with regulations implementing the Financial Assistance Law.**
- **The Legislature accepts the Executive proposal to reduce Hospital Outpatient Ambulatory Patient Group payments by an aggregate of \$25 million annually to support Indigent Care Transition Pool Payments.**
- **The Legislature accepts the Executive proposal to authorize the distribution of an additional \$25 million as Upper Payment Limit payments instead of Disproportionate Share Hospital payments.**
- **The Legislature adds provisions to ensure transparency by adding reporting requirements.**

**Part D – Make changes to statutory provisions to conform to Federal Affordable Care Act (ACA)**

- **The Legislature accepts the Executive proposal to identify the updated Medicaid eligibility categories that will exist as of January 1, 2014, when the Medicaid requirements of the ACA take effect and to identify the categories of individuals who will have their financial eligibility determined based on their modified adjusted gross income (MAGI), and the categories of individuals whose financial eligibility will be determined under the current rules.**
- **The Legislature accepts the Executive proposal to specify which eligible individuals will receive the current Medicaid benefit package, and which will receive benchmark coverage under the new federal requirements.**
- **The Legislature accepts the Executive proposal to define the Medicaid benchmark benefit as the current Medicaid benefit package, with the exception of institutional long term care services, plus any additional federally required benefits.**
- **The Legislature accepts the Executive proposal to allow online and telephonic Medicaid applications; and increase the extent to which Medicaid applications may be submitted to and processed by the DOH or its agent.**

- The Legislature accepts the Executive proposal to require DOH to recertify Medicaid eligibility based on reliable information possessed or available to DOH; and to eliminate documentation requirements that are inconsistent with federal ACA provisions requiring self-attestation of certain information used to determine Medicaid eligibility.
- The Legislature accepts the Executive proposal to define household income for purposes of determining eligibility for Child Health Plus (CHP); require the Enrollment Center to review all information of CHP program applicants for the purpose of making eligibility determinations; eliminate temporary enrollment in CHP; modify CHP program eligibility categories to conform to MAGI; and remove the necessity of personal interviews for recertification of CHP eligibility.
- The Legislature accepts the Executive proposal to eliminate Family Health Plus (FHP).
- The Legislature modifies the Executive proposal to provide a cost sharing assistance to former FHP enrollees by limiting the assistance to premiums and extending such assistance to all individuals who would have been eligible for FHP.
- The Legislature modifies the Executive proposal to make various amendments to the insurance law to ensure that individual and small group policies, including Healthy New York small group policies, are compliant with the Affordable Care Act, to remove language that could impact group policies provided through Professional Employer Organizations (PEO's) and to make other technical changes.

#### **Part E – Early Intervention, Public Health and other program changes**

- The Legislature accepts the Executive proposal to increase the state base grant amount for the General Public Health Works (GPHW) program, currently the greater of \$550,000 or 55 cents per capita, to the greater of \$650,000 or 65 cents per capita.
- The Legislature accepts the Executive proposal to establish a new statewide incentive performance program for GPHW activities and provide up to \$1 million in annual funding.
- The Legislature accepts the Executive proposal to update provisions regarding sexually transmitted diseases (STD) to conform to current clinical practice, and to authorize counties to seek third party coverage or indemnification for STD diagnosis and treatment services rendered, where appropriate.
- The Legislature modifies the Executive proposal to allow the COH to establish a temporary operator of certain facilities on a temporary basis to limit the duration that a temporary operator may operate a facility.
- The Legislature modifies the Executive proposal to change the GPHW program regarding the provision of core public health services to provide limited reimbursement for

primary and preventative services and to restore funding for fringe benefits for municipality contractors.

- The Legislature modifies the Executive proposal to amend radiologic technologist misconduct provisions, to clarify that they may be professionally disciplined for criminal activity, which includes all felonies and misdemeanors that have a direct relationship to his or her license or if he or she poses an unreasonable risk to public safety.
- The Legislature rejects the Executive proposal to modify the EI program.
- The Legislature rejects the Executive proposal to create a new Outcome Based Health Planning program that would consolidate public health programs, establish outcome based contracting, and authorize the COH to make grants, awards and disbursements on a competitive basis, pursuant to Request for Proposal.
- The Legislature rejects the Executive proposal to streamline the Certificate of Need planning process and modify standards used by the Public Health and Health Planning Council provisions in considering prospective facility operators.
- The Legislature rejects the Executive proposal to reform the overall planning process for emergency medical services by merging the State Emergency Medical Services Council, the State Emergency Medical Advisory Committee, the State Trauma Advisory Committee and the Emergency Medical Services for Children Council into the single State Emergency Medical Services Advisory Board.
- The Legislature rejects the Executive proposal to allow certain home health aides to provide medication administration services and to establish an advanced home health aide certification.
- The Legislature rejects the Executive proposal to allow for the establishment of retail clinics.
- The Legislature rejects the Executive proposal to authorize the COH to establish a pilot in two regions of the state to require a business corporation to operate a health care facility, and to affiliate with academic medical centers.

#### **Part P – State Medical Universities**

- The Legislature includes new language to assist State University of New York (SUNY) Health Science Center at Brooklyn (SUNY Downstate) in maintaining its financial viability by requiring the Chancellor to develop a sustainability plan.
- The Legislature includes new language to provide contract flexibility for SUNY Downstate to allow for an expedited procurement of certain goods and services in certain circumstances.

- The Legislature includes new language to authorize public hospitals, including SUNY Downstate, to utilize new federal funds under the Delivery System Reform Incentive Payments (DSRIPS) program to support facility restructuring activities.

**ELFA – Scope of Practice**

- The Legislature authorizes a dental hygienist to sign dental health certificates that are required for public school students.
- The Legislature increases the number of physician assistants (PAs) that may be supervised by a physician in certain settings.
- The Legislature extends the social work and mental health licensure exemption for three years, requiring exempted agencies to report on activities performed by non-licensees, and clarifying certain activities that are not within scope of practice

## **Recommended Changes to the Executive Budget Office of the Medicaid Inspector General**

The Legislature provides an All Funds appropriation of \$66.5 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- Not applicable.

### **Article VII**

The Legislature adds language:

- to allow the Commissioner of Health (COH) to approve local social services district demonstration projects under which localities would be eligible to receive up to 20 percent of any Medicaid recoveries.
- to require the Office of the Medicaid Inspector General (OMIG) to provide quarterly briefings to the Legislature on its activities;
- to require OMIG to meet quarterly with representatives of social services districts to discuss the status of ongoing cooperative efforts between the OMIG and districts;
- to require OMIG to develop training materials on audit standards and criteria for identifying fraud or waste; and
- to require the Department of Health to report on its activities efforts to mitigate fraud, waste, and abuse as part of its annual report.

## **Recommended Changes to the Executive Budget Department of Mental Hygiene**

The Legislature provides an All Funds appropriation of \$600 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- Not applicable.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Office of Alcoholism and Substance Abuse Services**

The Enacted Budget provides an All Funds appropriation of \$673.17 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature provides a \$14.9 million sub-allocation within school prevention funding to the New York City Department of Education for school district employees who work as Substance Abuse Prevention and Intervention Specialists.
- The Legislature provides \$200,000 for the Queen's Village Committee for Mental Health for J-Cap, Inc.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- The Legislature modifies the Executive proposal to expand the information in the State Methadone Registry to include patient dosage information to ensure that any material costs associated with including dosage information in the methadone registry are not passed on to providers.
- The Legislature modifies the Executive proposal related to the distribution of OASAS funding to ensure that compulsive gambling programs are eligible to receive state aid.
- The Legislature modifies the Executive proposal related to the distribution of OASAS funding to limit the percentage of state aid that may be reduced for a voluntary agency if a local governmental unit reduces its tax levy support.

- **The Legislature modifies the Executive proposal to limit the circumstances in which state aid may be reduced and require notification prior to any reduction of funding in order to allow a voluntary agency or a local governmental unit to submit a corrective action plan.**
- **The Legislature modifies the Executive proposal to allow for a temporary operator in certain circumstances to limit the situations in which the Commissioner of OASAS can appoint a temporary operator to manage a facility.**
- **The Legislature accepts the Executive proposal to delay the Cost of Living Adjustment (COLAs) for one year.**
- **The Legislature modifies the Executive proposal to transition OASAS provider reimbursement rates to a negotiated rate model under Medicaid Managed Care by delaying the transition for one year and requiring the Department of Health, the Office of Mental Health, and OASAS to conduct a study regarding the ability of clients to access services and rate setting.**
- **The Legislature extends the social work and mental health licensure exemption for three years, requiring exempted agencies to report on activities performed by non-licensees, and clarifying certain activities that are not within scope of practice.**



## **Recommended Changes to the Executive Budget Office of Mental Health (OMH)**

The Legislature provides an All Funds appropriation of \$3.45 billion.

### **State Operations**

- The Legislature rejects the Executive's proposal to waive the one year notification requirement for planned state-operated facility closures and consolidations and restores \$25 million for this purpose.

### **Aid to Localities**

- The Legislature eliminates \$5 million in community reinvestment that would have been funded through the closure of state-operated facility closures.
- The Legislature provides \$2.29 million for veteran peer-to-peer pilot programs.
- The Legislature provides \$350,000 for demonstration programs in counties impacted by State Operated facility closures in SFY 2011-12.
- The Legislature provides \$300,000 for FarmNet.
- The Legislature provides \$300,000 for NLP Research and Recognition Project.
- The Legislature provides \$175,000 for the Nathan S. Kline Institute for Psychiatric Research.
- The Legislature provides \$150,000 for Unlimited Potential, Inc.
- The Legislature provides \$100,000 for the Warrior Salute program.
- The Legislature provides \$100,000 for the North Country Behavioral Healthcare Network.
- The Legislature provides \$50,000 for the Mental Health Association of New York State, Inc.

## **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

## **Article VII**

- The Legislature rejects the Executive proposal to permanently authorize the Commissioner of OMH to close, consolidate, reduce services or redesign the state-operated system of care without the statutorily required 12-month notification process.
- The Legislature extends the Community Reinvestment Act for two years, until 2015.
- The Legislature modifies the Executive proposal to permanently authorize the Office of Mental Health to recover exempt income from community residences by extending OMH's authorization for state fiscal year 2013-14.
- The Legislature modifies the Executive proposal to authorize the Commissioner of OMH to appoint and remove certain employees at state-operated psychiatric centers to preserve labor and collective bargaining agreements.
- The Legislature rejects the Executive proposal to make technical amendments to the Sex Offender Treatment and Management Act (SOMTA).
- The Legislature modifies the Executive proposal to authorize the Commissioner of OMH to establish Mental Health Incident Review Panels by providing liability protections, specifying confidentiality provisions, and limiting panel membership to eliminate conflict of interest concerns.
- The Legislature modified the proposal to extend the sunset of the Ambulatory Patient Group (APG) rates for OMH providers until 2016. In addition, the Department of Health (DOH) in consultation with the Office of Mental Health (OMH) and the Office of Alcoholism and Substance Abuse (OASAS) would be required to report to the Legislature on adequacy of rates and services provided through clinics in order to ensure continuity of care.
- The Legislature modifies the Executive proposal to eliminate certain reporting requirements by OMH to allow for OMH to continue reporting on the Comprehensive Psychiatric Emergency Program (CPEP).
- The Legislature accepts the Executive's proposal to defer the Human Services Cost-of-Living Adjustment (COLA) for one year and extend the COLA to March 31, 2017.

- **The Legislature extends the social work and mental health licensure exemption for three years, requiring exempted agencies to report on activities performed by non-licensees, and clarifying certain activities that are not within scope of practice.**

## **Recommended Changes to the Executive Budget Office for People with Development Disabilities (OPWDD)**

The Legislature provides an All Funds appropriation of \$4.64 billion.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature restores \$30 million of \$120 million in proposed rate reductions to not-for-profit providers receiving funding from OPWDD. In addition, the Legislature establishes a stakeholder workgroup to develop alternative savings actions to mitigate the impact of the remaining rate reductions on consumers, through reducing administrative inefficiencies and the exploration of alternative service delivery and funding mechanisms.
- In addition, the State recently became eligible for \$600 million over the next two years to support community based long term care services under the federal Balanced Incentive Program. Under this program, OPWDD's not-for-profit providers would be eligible to apply for assistance to support the transition of institutionalized individuals into the community.
- The Legislature provides \$50,000 for the Epilepsy Foundation of Northeastern New York.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- The Legislature modifies the Executive proposal to establish Fully Integrated Duals Advantage (FIDA) programs for individuals who receive Medicaid and Medicare by requiring a competitive process for FIDA applicants and by specifying that enrollment is voluntary.

- **The Legislature modifies the Executive proposal to create managed care programs for individuals with developmental disabilities called Developmental Disabilities Individual Support and Care Coordination Organizations, by providing due process protections for enrollees, establishing a quality assessment tool, and requiring that covered services include habilitation services and are provided in the most-integrated setting.**
- **The Legislature accepts the Executive proposal to eliminate certain reporting requirements for OPWDD related to annual reporting activities at family care homes and other community residences.**
- **The Legislature accepts the Executive proposal to defer the Human Services Cost-of-Living Adjustment (COLA) for one year and extend the COLA to March 31, 2017.**
- **The Legislature extends the social work and mental health licensure exemption for three years, requiring exempted agencies to report on activities performed by non-licensees, and clarifying certain activities that are not within scope of practice.**

## **Recommended Changes to the Executive Budget Commission on Quality of Care and Advocacy for Persons with Disabilities**

The Legislature provides an All Funds appropriation of \$10.91 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- Not applicable.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Justice Center for the Protection of People with Special Needs**

The Legislature provides an All Funds appropriation of \$45.01 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- Not applicable.

### **Article VII**

- The Legislature accepts the Executive proposal and recommends no changes.

**TRANSPORTATION, ECONOMIC  
DEVELOPMENT &  
ENVIRONMENTAL CONSERVATION**

**By Agency**





## **Recommended Changes to the Executive Budget Adirondack Park Agency**

The Legislature provides an All Funds appropriation of \$5.09 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Department of Agriculture and Markets**

The Legislature provides an All Funds appropriation of \$166.35 million.

### **State Operations**

- The Legislature eliminates interchange language that would coordinate state environmental and public health laboratory activities among the Department of Agriculture and Markets, the Department of Environmental Conservation, the Department of Health, the Office of Mental Health and the Office for People with Developmental Disabilities.

### **Aid to Localities**

- The Legislature restores support for the following:
  - Tractor Rollover Protection Program – \$100,000;
  - Maple Growers Association – \$125,000; and
  - Eastern Equine Encephalitis Program – \$150,000.
- The Legislature provides \$2.8 million to increase support to the programs in the following manner:
  - Cornell University Rabies Program – \$200,000, totaling \$250,000;
  - Cornell University Farm Family Assistance – \$200,000, totaling \$584,000;
  - New York State Apple Growers Association – \$794,000, totaling \$1 million;
  - New York Wine and Grape Foundation – \$287,000, totaling \$1 million;
  - New York Farm Viability Institute – \$1.1 million, totaling \$1.5 million; and
  - Cornell University Pro-Dairy Program – \$220,000, totaling \$1.04 million.
- The Legislature provides \$795,000 to support the following new initiatives:
  - Turfgrass Environmental Stewardship Program – \$150,000;
  - North Country Low-Cost Rabies Vaccine – \$20,000;
  - New York State Christmas Tree Farmers – \$100,000;
  - New York State Berry Growers Fruit Fly Abatement and Control – \$200,000;
  - Long Island Farm Bureau – \$200,000;
  - Genesee County Agricultural Academy – \$100,000; and
  - Island Harvest – \$25,000.

## **Capital Projects**

- The Legislature shifts \$2.5 million in New York Works funding for the New York State Fair from the Office of Parks, Recreation and Historic Preservation to the Department of Agriculture and Markets.

## **Article VII**

- The Legislature modifies the Executive proposal to require that certain gas stations in the Downstate area be wired for emergency generators by clarifying certain timing, exemption, and funding provisions.

## **Recommended Changes to the Executive Budget Department of Economic Development**

The Legislature provides an All Funds appropriation of \$82.55 million, representing a net increase of \$3.23 million over the Executive proposal.

### **State Operations**

- The Legislature rejects \$2 million for a new “Taste-NY” program.

### **Aid to Localities**

- The Legislature accepts \$7 million for a new “Market NY” program which would market and promote regional attractions, as well as New York produced goods and products of New York State.
- The Legislature restores support for the College of Nanoscale Science and Engineering (CNSE) Institute for Nanoelectronics Discovery and Exploration (\$775,000), and the CNSE Center for Advanced Interconnect System Technologies (\$713,000).
- The Legislature provides \$1.5 million in total support for the Centers of Excellence at the University at Buffalo (Materials Informatics), Rochester Institute of Technology (Sustainable Manufacturing), and SUNY Stony Brook (Advanced Energy Research), with each Center receiving \$500,000. The Legislature accepts funding levels for all other Centers, as proposed in the Executive Budget.
- The Legislature provides support for the following new initiatives:
  - \$100,000 for the SUNY Fredonia Technology Incubator;
  - \$75,000 for the Finger Lakes Tourism Alliance; and
  - \$70,000 for the Queens Tourism Council.

### **Capital Projects**

- Not applicable.

## **Article VII**

- **The Legislature provides language to create a new NYS Business Incubator and Innovation Hot Spot Support Act which would provide an incubator “Hot Spot” designation, as well as provide operating grants and tax benefits to qualified “early stage” entities.**
- **The Legislature rejects language to create a new Taste-NY program.**

## **Recommended Changes to the Executive Budget NYS Energy Research and Development Authority (NYSERDA)**

The Legislature provides an All Funds appropriation of \$53.23 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- Not applicable.

### **Article VII**

- The Legislature provides language to require NYSERDA to make recommendations in consultation with the Department of Public Service and the Division of Homeland Security regarding the development of microgrids. Microgrids are electric power generation and distribution systems that can operate whether connected or disconnected from other electric grids and systems.
- The Legislature provides a \$25 million transfer of NYSERDA fund balances to the General Fund.

## **Recommended Changes to the Executive Budget Department of Environmental Conservation**

The Legislature provides an All Funds appropriation of \$898.71 million.

### **State Operations**

- The Legislature eliminates interchange language that would coordinate state environmental and public health laboratory activities among the Department of Environmental Conservation, the Department of Agriculture and Markets, the Department of Health, the Office of Mental Health and the Office for People with Developmental Disabilities.

### **Aid to Localities**

- The Legislature provides funding to the following programs totaling \$775,000:
  - Cornell Community Integrated Pest Management – \$500,000, an increase of \$100,000 from State Fiscal Year 2012-13 levels;
  - upgrades to the Cornell Research Station at Shackleton Point – \$125,000 in new funding; and
  - Invasive Species Control and Dredging – \$350,000, a decrease of \$150,000 from SFY 2012-13 funding levels for invasive species control.

### **Capital Projects**

- The Legislature accepts the Executive's proposal to fund the Environmental Protection Fund (EPF) at \$153 million, or \$19 million above last year's funding, but modifies the funding within several categories of the EPF.
- The Legislature also modifies EPF language to do the following:
  - specify that, of a \$2.5 million appropriation made for state-owned ski center projects, \$500,000 be provided to the Bellayre Mountain Ski Center;
  - specify that not less than \$250,000 of urban forestry funding be reserved for cities and towns with a population greater than 65,000;



- specify that natural infrastructure/flood resiliency projects funding be distributed to municipalities according to a competitive grants process; and
- require a community planning process in conjunction with the Ulster County rail trail funding.

## **Article VII**

- The Legislature accepts certain fraud-related provisions in the Executive Budget, such as the registration of redemption centers and increases to certain fraud-related penalties.
- The Legislature modifies the Executive proposal to extend the existing waste tire fee for an additional three years, instead of making it permanent.
- The Legislature modifies the Executive proposal to lower hunting and fishing license fees and streamline licensing provisions.
- The Legislature extends the compliance deadline until December 31, 2014.

## **Recommended Changes to the Executive Budget Hudson River Park Trust**

The Legislature provides an All Funds appropriation of \$0.

### **State Operations**

- Not applicable.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget New York State Gaming Commission**

The Legislature provides an All Funds appropriation of \$111.6 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- Not applicable.

### **Article VII**

- The Legislature rejects the Executive proposal that would implement phase one of casino development, including a study and request for information to be conducted by the NYS Gaming Commission. The Legislature accepts the labor peace agreement included in the casino development proposal.
- The Legislature accepts the Executive proposal to create a new account to finance an administration program in the New York State Gaming Commission, while ensuring that funds under the Gaming Commission are not commingled.
- The Legislature modifies the Executive proposal to redirect one percent of total purse enhancement money generated by the State's VLT revenues to the racing regulation account to fund recommendations of the Taskforce on Racehorse Health and Safety to additionally direct \$25,000 for the New York Taskforce on Jockey Health and Safety.
- The Legislature rejects the Executive proposal that would eliminate restrictions imposed on vendors of Quick Draw.
- The Legislature accepts the Executive proposal to extend for one year the video lottery terminal distribution rates for the Monticello Casino and Raceway.

- **The Legislature modifies the Executive proposal that would make permanent the current pari-mutuel simulcasting tax rates and revenue disbursements. The Legislature modifies this proposal to extend for one year the current pari-mutuel tax rates and out-of-state simulcast provisions until June 30, 2014.**

## **Recommended Changes to the Executive Budget Department of Motor Vehicles**

The Legislature provides an All Funds appropriation of \$350.23 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- The Legislature modifies an Executive proposal relating to cell phone and texting while driving laws to provide a series of definitions and to bring various provisions in compliance with federal requirements.
- The Legislature modifies the Executive proposal to allow the DMV to designate certain branch offices to be open on Saturdays, by including labor protection provisions and a two-year sunset.
- The Legislature rejects the Executive proposal to restrict the ability to plea bargain certain traffic tickets and modifies the Executive proposal related to mandatory surcharges on parking tickets and increased fines for texting and cell phone use while driving. The agreement includes:
  - an \$8 increase in the surcharge for certain moving and equipment violations;
  - a new \$25 surcharge for certain parking violations; and
  - increased fines for texting and cell phone use while driving.

## **Recommended Changes to the Executive Budget Olympic Regional Development Authority**

The Legislature provides an All Funds appropriation of \$5.41 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- Not applicable.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Office of Parks, Recreation and Historic Preservation**

The Legislature provides an All Funds appropriation of \$340.42 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature provides \$160,000 in funding to the Natural Heritage Trust Program for the Putnam Visitors Bureau (\$60,000) and the Historic Saratoga-Washington on the Hudson Partnership (\$100,000).
- The Legislature provides an additional \$500,000 to Snowmobile trail development and maintenance, for a total of \$6.14 million.

### **Capital Projects**

- The Legislature shifts \$2.5 million in New York Works funding for the New York State Fair from the Office of Parks, Recreation and Historic Preservation to the Department of Agriculture and Markets.
- The Legislature specifies that, of the \$2.5 million in New York Works funding provided to the Olympic Regional Development Authority, not less than \$500,000 should be used for maintenance, preventive maintenance and infrastructure projects at Bellayre Ski Center.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Department of Public Service**

The Legislature provides an All Funds appropriation of \$85.64 million.

### **State Operations**

- The Legislature transfers \$1 million from the Department of Public Service to the Department of State's Utility Intervention Unit. The appropriation is the result of a Federal Energy Regulatory Commission settlement with an energy company.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- Not applicable.

### **Article VII**

- The Legislature modifies the Executive proposal to strengthen the Public Service Commission's (PSC) oversight and enforcement capabilities. The Legislature's changes specify that combination gas and electric corporations will be subject to oversight and new penalties; establish a "failure to reasonably comply" standard for violations; require that civil penalties can only be remitted directly to and for the benefit of ratepayers; authorize the PSC to evaluate the continued operation of a power corporation, and allow the PSC to revoke a corporation's operating certificate.
- The Legislature provides for a three-year phase-out of the additional 18(a) assessment, first enacted in 2009. The complete elimination of the additional 18(a) assessment will occur in 2017-18.
- The Legislature codifies the Public Service Commission order relating to the repowering of two electric generating plants in upstate New York.



## **Recommended Changes to the Executive Budget Department of State**

The Legislature provides an All Funds appropriation of \$148.3 million, an increase of \$1.5 million over the Executive.

### **State Operations**

- The Legislature transfers a \$1 million appropriation made to support a Federal Energy Regulatory Commission settlement from the Department of Public Service to the Department of State.
- The Legislature provides an additional \$15,000 for the State of New York Commission on Uniform State Laws to provide reimbursement for travel expenses.

### **Aid to Localities**

- The Legislature restores \$505,000 for the Public Utility Law Project.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- The Legislature accepts the Executive proposal to increase fees for expedited handling of documents issued by or requested from the Department's Division of Corporations.
- The Legislature rejects the Executive proposal to remove filing requirements for corporations and non-profits and to establish an online filing system.

## **Recommended Changes to the Executive Budget Department of Taxation and Finance**

The Legislature provides an All Funds appropriation of \$484.79 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- Not applicable.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Division of Tax Appeals**

The Legislature provides an All Funds appropriation of \$3.12 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- Not applicable.

### **Article VII**

- Not applicable.

## **Recommended Changes to the Executive Budget Thruway Authority**

The Legislature provides an All Funds appropriation of \$24 million.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- Not applicable.

### **Capital Projects**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Article VII**

- The Legislature amends the Executive proposal to provide state funds to support Thruway Authority activities by adding a provision to require the Authority to provide the Legislature with a report identifying the specific costs being assumed by the State.

## **Recommended Changes to the Executive Budget Department of Transportation**

The Legislature provides an All Funds appropriation of \$9.112 billion.

### **State Operations**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Capital Projects**

- The Legislature rejects the Executive proposal to allow \$100 million in transportation funding to be distributed through the Regional Economic Development Councils, and instead repurposes the funds as follows:
  - \$75 million for CHIPS, for a total of \$438.1 million;
  - \$10 million for the Airport or Aviation State Program and the Airport Improvement and Revitalization program (AIR 99) and increases the cap on grants and loans in the AIR 99 program from the current \$300,000 to \$1 million;
  - \$10 million for freight rail capital projects. This funding will include the upgrade of one diesel train engine owned by the LIRR to meet higher emissions standards; and
  - \$5 million for upstate and downstate non-MTA transit systems.
- The Legislature rejects the Executive proposal for \$200 million of new funding for the New York Works program and repurposes the funds as follows:
  - \$155 million will be used to accelerate the Department of Transportation (DOT) projects of regional significance; and
  - An appropriation of \$45 million is made for engineering services, which includes support for the use of State force engineers.

- **The Legislature accepts a written commitment from DOT to allocate \$16 million in State Dedicated Fund resources to support non-MTA downstate suburban and upstate public transportation capital investments no later than 45 days after the enactment of the SFY 2013-14 budget.**

#### **Article VII**

- **The Legislature provides funding for the Consolidated Highway Improvement Program (CHIPS) of \$438.1 million, an increase of \$75 million or 21 percent. The Assembly accepts the Executive proposal for the annual authorization of \$39.7 million for the Marchiselli Program.**
- **The Legislature modifies the Executive proposal relating to the transmission tax by extending the current distribution of revenues for five years.**

| Municipality Name  | 12/13 CHIPS Total | 13/14 CHIPS Total | Change (\$) | Change (%) |
|--|-------------------|-------------------|-------------|------------|
| NYC  | 75,471,473        | 85,971,409        | 10,499,936  | 13.91      |
| All NYS Counties   | 126,958,416       | 149,299,836       | 22,341,420  | 17.6       |
| All NYS Cities   | 33,520,795        | 40,795,828        | 7,275,032   | 21.7       |
| All NYS Towns  | 101,743,106       | 130,080,841       | 28,337,735  | 27.85      |
| All NYS Villages   | 25,403,209        | 31,949,087        | 6,545,878   | 25.77      |
| Statewide Total  | 363,097,000       | 438,097,000       | 75,000,000  | 20.66      |
| <b>Total allocation by County (including all municipalities within each County):</b> |                   |                   |             |            |
| NYC  | 75,471,473        | 85,971,409        | 10,499,936  | 13.91      |
| County of Albany   | 5,683,816         | 6,875,473         | 1,191,657   | 20.97      |
| County of Allegany   | 4,689,848         | 5,803,353         | 1,113,505   | 23.74      |
| County of Broome   | 5,313,934         | 6,525,468         | 1,211,533   | 22.8       |
| County of Cattaraugus  | 5,450,317         | 6,737,084         | 1,286,767   | 23.61      |
| County of Cayuga   | 4,649,383         | 5,732,318         | 1,082,936   | 23.29      |
| County of Chautauqua   | 6,938,023         | 8,577,823         | 1,639,800   | 23.63      |
| County of Chemung  | 3,327,650         | 4,087,491         | 759,841     | 22.83      |
| County of Chenango   | 4,172,529         | 5,161,156         | 988,627     | 23.69      |
| County of Clinton  | 3,764,852         | 4,639,630         | 874,779     | 23.24      |
| County of Columbia   | 3,461,613         | 4,271,579         | 809,966     | 23.4       |
| County of Cortland   | 2,657,958         | 3,277,553         | 619,596     | 23.31      |
| County of Delaware   | 4,892,356         | 6,036,777         | 1,144,421   | 23.39      |
| County of Dutchess   | 5,857,287         | 7,141,745         | 1,284,458   | 21.93      |
| County of Erie   | 15,243,204        | 18,466,741        | 3,223,537   | 21.15      |
| County of Essex  | 3,036,703         | 3,760,151         | 723,448     | 23.82      |
| County of Franklin   | 3,228,066         | 4,013,813         | 785,747     | 24.34      |
| County of Fulton   | 2,282,344         | 2,800,719         | 518,375     | 22.71      |
| County of Genesee  | 2,661,821         | 3,267,136         | 605,315     | 22.74      |
| County of Greene   | 2,799,374         | 3,451,773         | 652,400     | 23.31      |
| County of Hamilton   | 837,535           | 1,039,561         | 202,026     | 24.12      |
| County of Herkimer   | 4,488,022         | 5,537,956         | 1,049,934   | 23.39      |
| County of Jefferson  | 5,669,265         | 6,999,769         | 1,330,504   | 23.47      |
| County of Lewis  | 3,237,225         | 4,015,484         | 778,259     | 24.04      |
| County of Livingston   | 3,142,518         | 3,886,976         | 744,458     | 23.69      |
| County of Madison  | 4,068,866         | 5,022,004         | 953,138     | 23.43      |
| County of Monroe   | 10,380,165        | 12,418,574        | 2,038,409   | 19.64      |
| County of Montgomery   | 3,147,891         | 3,874,328         | 726,437     | 23.08      |
| County of Nassau   | 15,576,966        | 18,873,596        | 3,296,630   | 21.16      |
| County of Niagara  | 5,261,371         | 6,366,748         | 1,105,378   | 21.01      |
| County of Oneida   | 8,073,942         | 9,890,708         | 1,816,767   | 22.5       |
| County of Onondaga   | 9,644,164         | 11,639,447        | 1,995,283   | 20.69      |
| County of Ontario  | 3,713,902         | 4,574,531         | 860,629     | 23.17      |
| County of Orange   | 6,279,321         | 7,597,711         | 1,318,389   | 21         |
| County of Orleans  | 2,033,159         | 2,510,161         | 477,003     | 23.46      |
| County of Oswego   | 5,427,982         | 6,681,097         | 1,253,115   | 23.09      |
| County of Otsego   | 5,230,281         | 6,506,944         | 1,276,663   | 24.41      |
| County of Putnam   | 1,798,169         | 2,196,717         | 398,548     | 22.16      |
| County of Rensselaer   | 4,732,026         | 5,789,029         | 1,057,004   | 22.34      |
| County of Rockland   | 3,074,114         | 3,690,363         | 616,250     | 20.05      |
| County of Saratoga   | 5,079,024         | 6,188,320         | 1,109,297   | 21.84      |
| County of Schenectady  | 2,992,475         | 3,609,125         | 616,650     | 20.61      |
| County of Schoharie  | 2,975,197         | 3,693,557         | 718,360     | 24.14      |
| County of Schuyler   | 1,728,591         | 2,139,391         | 410,800     | 23.77      |
| County of Seneca   | 1,780,302         | 2,205,942         | 425,640     | 23.91      |
| County of St Lawrence  | 7,491,580         | 9,289,884         | 1,798,304   | 24         |
| County of Steuben  | 8,193,288         | 10,151,320        | 1,958,032   | 23.9       |
| County of Suffolk  | 17,544,767        | 21,260,142        | 3,715,375   | 21.18      |
| County of Sullivan   | 4,975,758         | 6,168,664         | 1,192,906   | 23.97      |
| County of Tioga  | 2,669,200         | 3,288,024         | 618,823     | 23.18      |
| County of Tompkins   | 3,460,858         | 4,271,055         | 810,196     | 23.41      |
| County of Ulster   | 5,629,346         | 6,923,769         | 1,294,423   | 22.99      |
| County of Warren   | 2,952,691         | 3,630,671         | 677,980     | 22.96      |
| County of Washington   | 3,757,101         | 4,657,810         | 900,709     | 23.97      |
| County of Wayne  | 4,319,686         | 5,333,000         | 1,013,314   | 23.46      |
| County of Westchester  | 11,394,553        | 13,677,066        | 2,282,513   | 20.03      |
| County of Wyoming  | 2,758,898         | 3,420,465         | 661,567     | 23.98      |
| County of Yates  | 1,994,253         | 2,477,899         | 483,646     | 24.25      |
| Statewide Total  | 363,097,000       | 438,097,000       | 75,000,000  | 20.66      |

## **Recommended Changes to the Executive Budget Empire State Development Corporation**

The Legislature provides an All Funds appropriation of \$445.6 million, representing a net decrease of \$158.35 million under the Executive proposal.

### **State Operations**

- Not applicable.

### **Aid to Localities**

- The Legislature reduces support for the Empire State Economic Development Fund by \$12 million and shifts an equivalent amount to capital appropriations.
- The Legislature provides support for the following programs:
  - \$2 million for Military Base Retention;
  - \$1.01 million for the College of Nanoscale Science and Engineering Institute for Nanoelectronics Discovery and Exploration;
  - \$1 million for Center State Corporation for Economic Opportunity;
  - \$600,000 for the Seneca Army Depot;
  - \$600,000 for the Bronx Overall Economic Development Corporation;
  - \$365,000 in additional support for the Minority and Women-Owned Business Development Lending Program, for a total appropriation of \$1 million;
  - \$250,000 for the Adirondack North Country Association;
  - \$250,000 for the Long Island Regional Planning Council;
  - \$200,000 for the CNY Biotech Accelerator;
  - \$150,000 for the creation of the EB-5 Immigrant-Owned Business Program at CUNY York College;
  - \$100,000 for Nassau County Heritage Tourism;
  - \$75,000 for the Western Erie Canal Alliance; and
  - \$50,000 for sponsorship of regional events at Canisius College.



### **Capital Projects**

- The Legislature rejects \$165 million for the New York Works Economic Development Fund.
- The Legislature provides \$12 million for the Empire State Economic Development Fund.

### **Miscellaneous Capital**

- The Legislature rejects a new \$720 million “Transformative Projects Program”.
- The Legislature provides \$385 million to establish a State and Municipal Facilities capital program.

### **Off-Budget Initiatives**

- The Legislature accepts the transfer of \$70 million in New York Power Authority receipts to support a new Innovation Venture Capital Fund and the New York Open for Business initiative.

### **Article VII**

- The Legislature accepts with modifications the Executive proposal to permanently extend the general loan powers of the Urban Development Corporation by extending those powers for one year.
- The Legislature amends language to provide bridge loans through the Small Business Revolving Loan Fund.
- The Legislature amends language to expand the Excelsior Linked Deposit Program to small businesses in the technology and innovation industries.

## **Recommended Changes to the Executive Budget Miscellaneous: Transportation, Economic Development and Environmental**

### **Tribal State Compact Revenue**

The Legislature provides an All Funds appropriation of \$50.8 million, representing no change from the Executive proposal.

#### **Article VII**

- The Assembly accepts the Executive proposal to extend until December 2016 the current provision of law concerning the availability of funds within the Tribal State Compact.

### **Greenway Heritage Conservancy of the Hudson River Valley**

The Legislature provides an All Funds appropriation of \$166,000.

### **Hudson River Valley Greenway Communities Council**

The Legislature provides an All Funds appropriation of \$321,000.

#### **Aid to Localities**

- The Legislature accepts the Executive proposal and recommends no changes.

### **Metropolitan Transportation Authority**

The Legislature provides an All Funds appropriation of \$2.28 billion.

#### **Capital Projects**

- The Legislature includes funding to upgrade one diesel train engine owned by the Long Island Railroad to meet higher emissions standards.

**New York Power Authority**

The Legislature provides an All Funds appropriation of \$318 million.

**New York Works Task Force**

The Legislature provides an All Funds appropriation of \$1 million.

# DEBT SERVICE

By Agency



## Recommended Changes to the Executive Budget Debt Service and Capital Projects

The Legislature rejects the Executive proposal and recommends an All Funds appropriation of \$9.47 billion.

### State Operations

- **Not applicable.**

### Aid to Localities

- **Not applicable.**

### Capital Projects

- **The Legislature accepts the following bond cap initiatives; as proposed in the Executive Budget:**
  - **\$450 million for repairs to state infrastructure resulting from Superstorm Sandy;**
  - **\$54 million for Buffalo Bills stadium improvements;**
  - **\$2.2 million for Buffalo Bills operating support and the retention of professional football in Western New York;**
  - **\$75 million for the Buffalo Regional Innovation Cluster;**
  - **\$12.5 million for the Aviation Plan;**
  - **\$15 million for the Office of General Services;**
  - **\$150 million for the Regional Economic Development Council Initiative;**
  - **\$50 million for Parks, ORDA and Agriculture & Markets;**
  - **\$40 million to the Department of Environmental Conservation;**
  - **\$25 million for climate change Programs;**

- \$55 million for CUNY 2020 Higher Education initiatives;
- \$55 million for SUNY 2020 Higher Education initiatives ;
- \$50 million for CUNY and SUNY maintenance;
- \$88 million for SUNY 2020 Projects at the University at Albany; and
- \$60 million for SUNY Stony Brook.
- **The Legislature rejects the following bond cap initiatives, as proposed in the Executive’s capital projects appropriation bill:**
  - \$720 million for Transformative Projects;
  - \$32.7 million for the Division of State Police for a pistol permit database; as this appropriation is shifted to the Office of Information Technology Services;
  - \$200 million to the Department of Transportation for various purposes;
  - \$165 million to ESDC for expenses related to the New York Works Economic Development program; and
  - \$100 million for Department of Transportation infrastructure projects.
- **The Legislature provides the following bond cap initiatives; as proposed in the Executive Budget:**
  - Consolidated Highway Improvement Program (CHIPS) is increased from \$7.1 billion to \$7.59 billion, an increase of \$485 million;
  - Office of Information Technology Services capped at \$87.7 million, an increase of \$27.7 million resulting from the shift of appropriations for a pistol permit database from the Division of State Police;
  - Division of State Police increased from \$114.1 million to \$133.6 million, an increase of \$19.5 million;
  - A new State and Municipal Facilities initiative is provided at \$385 million; and

- **Transportation Initiatives increased from \$15 million to \$240 million, an increase of \$225 million comprised of:**
  - **\$10 million for aviation projects;**
  - **\$10 million for freight rail service preservation projects;**
  - **\$5 million for Mass Transit;**
  - **\$45 million to Department of Transportation for engineering purposes; and**
  - **\$155 million to the Department of Transportation for Highway Infrastructure projects.**
- **Transportation Infrastructure Finance and Innovation Act initiatives are capped at \$750 million; and**
- **\$10 million for Housing Initiatives funded through the Mortgage Insurance Fund (MIF), provided off-budget. The \$10 million is comprised of:**
  - **\$3.5 million for Rural Urban Community Investment Fund;**
  - **\$3 million for Low Income Housing Trust Fund;**
  - **\$2 million for Urban Initiatives; and**
  - **\$1.5 million for Rural Revitalization Programs.**

## Article VII

- **The Legislature accepts the Executive proposal and recommends no changes to the following projects:**
  - **Authorizes the creation of the Sales Tax Revenue Bond Fund and Financing Agreements;**
  - **Authorizes the creation of SUNY Dorms Facilities Revenue Fund;**
  - **Authorizes the creation of the Storm Recovery Fund; and**
  - **Amends the extender of Personal Income Tax (PIT) Bonds the flexibility to issue DASNY and ESDC Revenue Bonds until March 31, 2015.**
- **The Legislature rejects the Executive proposal to authorize the creation of the New York Transformative Capital Fund.**
- **The Legislature rejects the \$1 billion transfer from the General Fund to the Debt Reduction Reserve Fund and recommends \$500 million to be transferred.**