

Interim

SFY 2025 Enacted Budget County Impact Report



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**SFY 25 Enacted Budget
County Impact Summary**

Table of Contents

- Introduction3**
- Changes in Taxation & Finance Important to Counties3**
- Other Major Changes in Taxation5**
- State Financial Plan 6**
- State Spending by Functional Areas..... 6**
- Agriculture..... 6**
- Community Colleges & Higher Education Tuition Assistance7**
- Early Childhood Development and Children with Special Needs7**
- Economic Development 8**
- Elections 9**
- Environment..... 9**
- Gaming 13**
- General Government 13**
- Housing Assistance 16**
- Human Services 19**
- Judiciary and Court-Related Matters..... 20**
- Office of Indigent Legal Services & Legal Defense..... 21**
- Medicaid & Health Care22**
- Personnel, Labor, Civil Service & Public Pensions.....25**
- Public Health & Nursing Homes26**
- Public Safety 27**
- Transportation..... 28**
- Veterans..... 28**

SFY 25 Enacted Budget County Impact Summary

Introduction

On January 16th, Governor Kathy Hochul unveiled her proposed budget for State Fiscal Year (SFY) 2025. The Senate responded with its budget rebuttal on March 11th, followed closely by the Assembly's one-house budget recommendation on March 12th. After nearly three weeks of negotiations, the SFY 2025 Enacted Budget was officially adopted on April 20, 2024, 20 days into the state's fiscal year.

NYSAC's interim county impact report details areas of the enacted budget that will impact county operations, including various departments, services, and programs. This report will be updated as more details become available with continued analysis.

Changes in Taxation & Finance Important to Counties

State Sales Tax Growth Projections

The State Financial Plan is projecting conservative sales tax growth after the close of the SFY 2024 budget as follows:

- SFY 2024 – (+5.3 percent)
- SFY 2025 – (+2.3 percent)
- SFY 2026 – (+2.5 percent)
- SFY 2027 – (+2.7 percent)
- SFY 2028 – (+2.4 percent)

Create New Sales Tax Exemption for Residential Energy Storage

Effective June 1, 2024, the enacted budget exempts residential energy storage equipment and related items from state and local sales tax including equipment, installation services and lease arrangements. This provision sunsets after two years.

Personal Income Tax

The enacted budget does not include any adjustments to the personal income tax rate.

Modernize the State Tax Code to Include the Vacation Rental Industryⁱ

The enacted budget excludes the executive budget proposal to modernize the state tax code to ensure sales and hotel/motel bed tax is collected on short term rentals.

The Governor and legislative leaders were unable to agree on the parameters of a short-term rental registry, which the legislature strongly advocated for in negotiations.

NYSAC will continue to work with the legislature and Governor during the post-budget session to finally address this issue and to bring parity and equity with our existing hospitality industry.

General Support for County Governmentsⁱⁱ

Total state spending on behalf of counties outside of New York City through major local aid programs is expected to total over \$7.4 billion in SFY 2025 under the enacted budget. This includes over \$3.3 billion attributable to the state takeover of local Medicaid growth.

**SFY 25 Enacted Budget
County Impact Summary**

Traditional local impacts result in a net positive in County Fiscal Year 2025, most of which is due to significant investments that include, but are not limited to:

- \$85 million for a new partnership program with counties on public safety communications systems; ⁱⁱⁱ
- \$50 million for a new partnership program with counties on infrastructure grants;
- \$3.7 million in the upcoming local fiscal year (\$14.7 million over two years) to provide new e-poll books and a \$3.7 million increase annually in funding for postage for boards of elections and \$5 million in new appropriations to offset operating expense of the 2024 general election; and
- \$10 million annually for dedicated retail theft teams in district attorney offices, with a separate \$5 million annually for local law enforcement agencies to combat retail theft.

Other impact areas will be confirmed as we continue to analyze the budget.

Local Government Assistance

The enacted budget provides level funding for base grants in AIM at \$715 million. The budget also adds \$50 million in temporary funding for AIM to be distributed in a similar fashion to existing AIM grants, but there is a maximum amount under this temporary fund that any municipality can receive (\$5 million cap, with funds above that amount proportionately redistributed to other cities).

Direct aid to local governments is in the chart below.

| Local Government Assistance Programs | | | |
|---|----------------------|----------------------|---------------------|
| Program | SFY 2024 | SFY 2025 | \$ Change |
| AIM | \$715,172,213 | \$715,172,213 | \$0 |
| Temporary AIM | \$0 | \$50,000,000 | \$50,000,000 |
| Citizen's Empowerment Grants | \$35,000,000 | \$35,000,000 | \$0 |
| Local Govt. Efficiency Grants | \$4,000,000 | \$8,000,000 | \$4,000,000 |
| VLT Aid | \$9,285,313 | \$10,519,594 | \$1,234,281 |
| Commercial Gaming Offset Revenue | \$17,000,000 | \$17,000,000 | \$0 |
| Madison County Gaming | \$3,750,000 | \$3,750,000 | \$0 |
| County Sullivan | \$55,000 | \$0 | (\$55,000) |
| County of Albany | \$300,000 | \$0 | (\$300,000) |
| County of Broome | \$115,000 | \$115,000 | \$0 |
| County of Monroe | \$295,000 | \$0 | (\$295,000) |
| Onondaga County-School Project | \$1,200,000 | \$1,200,000 | \$0 |
| <i>Small Government Assistance Program</i> | | | |
| Essex | \$124,000 | \$124,000 | \$0 |
| Franklin | \$72,000 | \$72,000 | \$0 |
| Hamilton | \$21,300 | \$21,300 | \$0 |
| TOTAL | \$786,389,826 | \$840,974,107 | \$54,584,281 |

**SFY 25 Enacted Budget
County Impact Summary**

Other Major Changes in Taxation

Repeal and Replace the Cannabis Potency Tax^{iv}

The enacted budget simplifies the tax collection obligations and burden for cultivators, processors, and distributors by repealing the wholesale THC potency tax and replacing it with a wholesale excise tax of 9 percent. New York State will maintain the State retail excise tax rate of 9 percent and the local retail excise tax rate of 4 percent.

After the slow start in the adult-use cannabis market the state is projecting dramatic growth in the coming years for its share of taxes generated from adult use cannabis production and sales, as follows:

- SFY 2023 – \$0
- SFY 2024 – \$70 million
- SFY 2025 – \$158 million (+126%)
- SFY 2026 – \$245 million (+87%)
- SFY 2027 – \$339 million (+38%)
- SFY 2028 – \$363 million (+7%)

Modifies Medical Cannabis Excise Tax

The enacted budget reduces the excise tax on the gross receipts of the sale of medical cannabis from 7 percent to 3.15 percent. The bill also increases the percentage paid out of the Medical Cannabis Trust Fund to counties that host a medical cannabis production facility or dispensary from 22.5 percent to 50 percent in both cases. Finally, the bill ends contributions from the Medical Cannabis Trust Fund to:

- State agencies for additional substance abuse counseling and prevention services;
- State and local law enforcement agencies to cover related enforcement expenses; and
- The New York State Cannabis Revenue Fund.

In Rem Tax Foreclosure

See the [General Government](#) section.

Supplemental Empire State Child Credit

For state tax year 2023, a supplemental Empire State Child Credit will be paid as follows:

- 100% of the value of the Empire State Child Credit if federal AGI is less than \$10,000
- 75% of the value of the Empire State Child Credit if federal AGI is \$10,000 to \$25,000
- 50% of the value of the Empire State Child Credit if federal AGI is \$25,000 to \$50,000
- 25% of the value of the Empire State Child Credit if federal AGI is more than \$50,000

No payment is made if it is less than \$25.

SFY 25 Enacted Budget County Impact Summary

State Financial Plan

The state financial plan has careened from a nearly \$70 billion 4-year deficit at the beginning of the pandemic in April 2020, to a \$40 billion surplus peak less than two years later in March 2022. Since this peak, projected balances in the financial plan have fallen to a \$36 billion deficit in July 2023, that improved to about a \$20 billion deficit in November 2023. Fortunately, during the period of surplus, the state did build reserves to \$19 billion.

Prior to the Governor's release of the SFY 2025 budget, the recent decline in state finances was largely attributed to falling income tax receipts, the end of COVID era federal aid, and higher spending in Medicaid than anticipated. While these factors are accurate, the state has also increased permanent spending aggressively over the last several years, often relying on temporary aid to fill the gap. According to budget documents, the growth in spending of about five percent per year over the multi-year financial plan outpaces revenue growth of four percent – adding to growing fiscal gaps. ^v

We will update this section as soon as the State's SFY 2025 Financial Plan becomes publicly available.

Smart Schools Bond Act of 2024^{vi}

The enacted budget includes a \$2 billion Smart Schools Bond Act to fund capital projects to provide learning technology equipment or facilities, enhanced internet connectivity for schools and communities, educational facilities to accommodate pre-kindergarten programs, and the installation or construction of zero-emission school bus charging infrastructure. The bond act would be voted on during the November 2024 general election.

State Spending by Functional Areas

Below is an interim analysis of how the SFY 2025 Enacted Budget impacts county programs, services, and operations.

Agriculture

Local Agriculture Assistance^{vii}

The enacted budget includes \$60.3 million for local agriculture assistance, an increase over the \$56.5 million included in the SFY 2024 enacted budget. The budget also includes \$20 million for non-point source pollution control, farmland preservation, and other agricultural programs, consistent with past years.

Expanding Dairy Processing Capacity^{viii}

The enacted budget includes \$24 million for the Dairy Farm Modernization Grant Program, which provides grants for on-farm milk storage technologies and processing infrastructure to mitigate transportation issues, improve dairy supply chain efficiency, and avoid raw milk dumping related to emergency events.

**SFY 25 Enacted Budget
County Impact Summary**

Community Colleges & Higher Education Tuition Assistance

Maintaining the Community College Funding Floor^{ixx}

The enacted budget will maintain a funding floor for community colleges at 100 percent of prior year funding. Without a funding floor, community colleges would face a \$143 million (23 percent) loss in formula aid due to enrollment declines.

Total funding for community colleges will decline slightly in the budget due to one-time funding provided in SFY 2024. Overall funding for Community College operating aid is \$447.5 million for SFY 2025, including:

- \$422.6 base aid (+\$6 million over last year)
- \$3 million for job linkage
- \$11.6 for rental aid
- \$1.9 million for contract courses and workforce development
- \$1.7 million for high needs programs
- \$2.1 million for childcare centers
- \$.94 million for low enrollment assistance
- \$3 million for SUNY apprentice programs
- \$150,000 Orange County CC bridge program (\$100k) & simulation lab (\$50k)
- \$300,000 Dutchess County CC to alleviate housing and food insecurity
- \$200,000 Schenectady CC inclusive entrepreneurship program

County Cornell Cooperative Extension is level funded at \$6.12 million.

Tuition Assistance Program (TAP^{xi})

- Increases the TAP income threshold:
 - from \$80,000 to \$125,000 for dependent students, certain independent students, and students who qualify as an orphan, foster child or ward of the court;
 - from \$40,000 to \$60,000 for independent married students who have no other tax dependents; and
 - from \$10,000 to \$30,000 for single independent students who have no tax dependents.
- Raises the minimum TAP award from \$500 to \$1,000;

Early Childhood Development and Children with Special Needs

Preschool Program Rate Setting Methodology Study^{xii}

The state education department shall conduct a comprehensive study of alternative tuition rate-setting methodologies for approved providers operating school-age and preschool programs receiving state funding. The study must be completed and submitted to the legislature and Governor by July 1, 2027.

Increase Rates in Early Intervention^{xiii}

The enacted budget provides for a 5 percent rate increase for in-person services, as well as a 4

SFY 25 Enacted Budget County Impact Summary

percent rate modifier for rural areas and underserved communities. DOB estimates the annual cost of this increase to be about \$6.1 million for NYS and a similar increase for counties.

The 11% EI rate increase was rejected in the enacted budget.

Removal of School Psychologists for Rendering Early Intervention Services^{xiv}

The enacted budget removes the temporary exemption school psychologists currently have that allows them to practice as Early Intervention (EI) providers but would extend their authorization to provide non-EI services for certain preschool programs. However, this change will not go into effect until June 30, 2026, meaning that school psychologists can continue to provide this service for two years.

Economic Development

Regional Economic Development Councils (REDCs)^{xv}

The enacted budget includes \$150 million in core REDC funding. To qualify for this funding, municipalities may have to be certified by HCR as a Pro-Housing Community.

Downtown Revitalization^{xvi}

The enacted budget provides \$100 million for the Downtown Revitalization Initiative (DRI) and \$100 million for New York Forward, which is focused on the revitalization of downtowns in rural and smaller communities. To qualify for this funding, municipalities may have to be certified by HCR as a Pro-Housing Community.

Local Tourism Promotion^{xvii}

The enacted budget includes \$15 million in competitive funding through the Market NY Program to support tourism marketing plans and other projects that demonstrate regional collaboration among counties to promote regional attractions. This includes \$2.45 million in matching grants for local tourism promotion, which is a decrease from the \$3.45 million in last year's enacted budget.

Empire Artificial Intelligence Initiative^{xviii}

The enacted budget includes Article VII legislation to create the Empire State Artificial Intelligence (AI) Research Program. The Empire AI Research Institute at the University at Buffalo will advance ethical artificial intelligence research and development for public interest uses within the state.

One Network for Regional Advanced Manufacturing Partnerships (ON-RAMP) Program^{xix}

The enacted budget includes an \$80 million appropriation to launch the ON-RAMP program, which will establish four new workforce development centers in strategic, high-impact locations along the I-90 corridor, with a flagship facility in Syracuse.

Restore New York Communities Program^{xx}

The enacted budget includes \$50 million for the Restore New York Communities Program to support municipal efforts to demolish, deconstruct, rehabilitate, or reconstruct vacant, abandoned, condemned, or surplus properties.

SFY 25 Enacted Budget County Impact Summary

FAST NY Shovel-Ready Grant Program^{xxi}

The enacted budget includes \$100 million to prepare and develop sites to jumpstart New York's shovel-readiness and increase its attractiveness to large employers.

Increases Transparency for Local Economic Development Entities^{xxii}

The enacted budget includes language to increase transparency and accountability for local economic development entities by creating a searchable database of subsidy and economic development benefits provided by local authorities, including grants, loans, sales and property tax breaks, PILOTs, and employment projections on a project-by-project basis.

Preserves Broadband Funding

The one-house budget proposals included legislation to limit ConnectALL funding to unserved and underserved locations and mandate that temporary housing facilities provide internet access to all residents. The enacted budget rejects these proposals, preserving state broadband funding for the projects for which it was originally intended.

Elections

Local BOE State Aid for Pre-Paid Return Postage Envelopes^{xxiii}

The enacted budget includes \$7.7 million for local BOE's to receive reimbursement of costs related to providing pre-paid return postage and outgoing postage on absentee ballots.

Local BOE Operating Aid^{xxiv}

The enacted budget includes \$5 million for local BOE's to receive reimbursement of eligible operating costs related to the general election to be held in November, 2024.

E-Poll Book State Aid^{xxv}

The enacted budget includes \$14.7 million for local BOE's to procure new electronic poll books.

Uniform Standards for Processing Data Requests^{xxvi}

The enacted budget provides that State BOE will be responsible for developing uniform standards for processing data requests and to send the data and information to a statewide database.

The local BOE's will be responsible for maintaining the records, including but not limited to, any county or city BOE, or town, village, school district that administers their own elections or maintain their own voting and election records.

This new law goes into effect April 1, 2026.

Environment

Clean Water Infrastructure^{xxvii}

The enacted budget provides an additional \$500 million in clean water infrastructure funding, a restoration of \$250 million from the executive budget proposal.

SFY 25 Enacted Budget County Impact Summary

Environmental Protection Fund (EPF)^{xxviii}

The enacted budget includes \$400 million for the EPF to support projects that work to mitigate the effects of climate change, improve agricultural resources, protect water sources, advance conservation efforts, and provide recreational opportunities.

Tree Planting^{xxix}

The enacted budget commits \$47 million to the planting of 25 million trees by 2033. This includes capital investments in the Saratoga Tree Nursery and multi-year annual grants to municipalities to plant trees in support of resilient reforestation and urban forests.

New York Statewide Investment in More Swimming (NY SWIMS)^{xxx}

The enacted budget includes \$150 million in funding for grant programs to enhance and expand municipal swimming opportunities across the state (with priorities being given to underserved communities). This includes a minimum of \$60 million to build new swimming pools in underserved communities.

Energy Affordability Guarantee^{xxxi}

The enacted budget includes \$50 million to provide an energy affordability guarantee to low-income residential customers in NYSERDA's EmPower+ Program. This guarantee would ensure that customers spend no more than six percent of their household income on electricity for the estimated useful life of the related electrification project.

Extend the Build-Ready Program^{xxxii}

The enacted budget extends NYSERDA's Build-Ready Program, which identifies abandoned or underutilized sites in New York State that may be suitable for development as large-scale renewable energy projects, for six years until 2030.

In addition, the budget restricts use of agricultural land and prioritizes dormant electric generation sites. Furthermore, NYSERDA may not deem any site for qualified energy systems suitable without first consulting any municipality with jurisdiction over the potential build-ready site and obtain their approval.

Renewable Action Through Project Interconnection and Deployment (RAPID) Act^{xxxiii}

The enacted budget establishes the RAPID Act, which streamlines the environmental review and permitting processes for major renewable energy and electric transmission facilities by consolidating them under the Office of Renewable Energy Siting and Electric Transmission (ORES). ORES is relocated from the Department of State (DOS) to the Department of Public Service (DPS) to leverage DPS's expertise in transmission siting, planning, and compliance.

The legislation requires ORES to adopt a set of uniform standards and conditions for the siting, design, construction, and operation of renewable energy and transmission facilities, in consultation with relevant state agencies and authorities. These standards, developed within a year of the budget's adoption, must aim to minimize environmental impacts while facilitating

SFY 25 Enacted Budget County Impact Summary

the state's transition to renewable energy as outlined in the Climate Leadership and Community Protection Act (CLCPA). The final legislation includes additional requirements related to farmland protection and local government engagement that were supported by NYSAC.

Timeline and Project Approval Process

The legislation sets forth a clear timeline for processing permit applications to ensure efficiency and responsiveness in the renewable energy sector. Upon receipt of an application, ORES is required to determine its completeness within 60 days. If deemed incomplete, ORES must specify the deficiencies to the applicant. Once an application is considered complete, ORES has 60 days to publish draft permit conditions for public comment. If substantive and significant issues are raised during the public comment period, ORES is required to hold an adjudicatory hearing to hear and consider evidence.

ORES is required to make a final decision within one year, or within six months if the project is proposed for a previously disturbed or commercial site, such as brownfields or landfills. This expedited timeline is intended to facilitate quicker deployment of renewable energy projects while maintaining environmental and public health standards.

Local Government Consultation

Developers are required to prove that they have consulted with the chief executive officers of all municipalities where the project is proposed before they can submit an application to ORES. This consultation must include discussions on whether the project aligns with local environmental, public health, and safety regulations.

The municipality, aided by the application fees, is required to assess the project's compliance with local laws and regulations and communicate its findings to ORES. If the project does not comply with local standards, ORES may hold an adjudicatory hearing on the application or a non-adjudicatory public hearing in or near the affected municipalities. ORES has the authority to override local laws if they are found to be unreasonably burdensome in view of the CLCPA targets or the project's public and environmental benefits.

If a permit is granted, the permittee must deliver a host community benefit or engage in a project as determined appropriate by ORES or agreed upon with the host community.

Protection of Farmland

The final legislation includes amendments supported by NYSAC to minimize the impacts of renewable energy projects on farmland. It requires ORES to prioritize sites that minimize disruption to local ecosystems and agricultural lands. It also stipulates that ORES must give preference to sites like brownfields, rooftops, and parking lots for solar developments to protect farmland.

If a project is unavoidably sited on prime agricultural land, the developer must submit detailed reports on the potential impacts and provide a comprehensive decommissioning plan that

SFY 25 Enacted Budget County Impact Summary

ensures the land can return to agricultural use after the project's lifespan. Additionally, developers are required to contribute to a farmland conservation fee.

The RAPID Act also creates a Farmland Protection Working Group that will include local government officials and representatives from at least two county agricultural and farmland protection boards. The working group has one year to recommend strategies to encourage and facilitate input from municipalities in the siting of major electric transmission facilities and to develop recommendations for minimizing adverse impacts to viable agricultural land.

Climate Smart Communities Grant Program^{xxxiv}

The enacted budget includes Article VII legislation to increase the maximum Climate Smart Communities (CSC) grant award for disadvantaged communities and communities that meet the criteria for financial hardship. The maximum grant award for these communities is now up to 80% of the project cost or \$2 million, whichever is less. The budget also includes \$12.5 million in Capital Projects funding for CSC projects, including clean vehicle projects.

Sales Tax Exemption for Energy Storage Systems^{xxxv}

The enacted budget provides a sales tax exemption for the purchase and installation of residential energy storage systems. See Tax section for more details.

Charging Station Needs Assessment^{xxxvi}

The enacted budget includes legislation to evaluate and develop electric vehicle (EV) charging infrastructure across the state. Within 18 months of the budget's adoption, the New York State Energy Research and Development Authority (NYSERDA), in collaboration with various state departments and authorities, is required to conduct a needs evaluation to identify current and planned locations of fast chargers and estimate future needs. The legislation also requires NYSERDA to develop a stakeholder engagement process to raise awareness, educate consumers, and solicit public feedback.

Zero-Emission School Bus Resource Center^{xxxvii}

The enacted budget establishes a Zero-Emission School Bus Resource Center within NYSERDA. The center will provide information for school districts regarding the transition to zero-emission school buses and serve as a point of contact for questions and concerns. The center is required to maintain a dedicated website for districts and the public with information about the transition, including guidance, instructional materials, funding opportunities, and other relevant documents or forms.

Affordable Gas Transition Act

The enacted budget **does not** include the Executive's proposal to eliminate provisions of law, such as the "100-foot rule", that restrict the Public Service Commission (PSC) from ensuring utilities meet the Climate Act's targets. However, the more sweeping New York Home Energy Affordable Transition (NY HEAT) Act (S.2016-B/A.4592-B), which has already passed the State Senate, may still be enacted outside of the budget.

SFY 25 Enacted Budget County Impact Summary

Gaming

Commercial Gaming Payment Reduction Offsets (CGPR)^{xxxviii}

The enacted budget proposal maintains the CGPR at \$17 million, the same appropriation as the SFY 24 Enacted Budget.

VLT & Other Host Community Aid

Aid to localities with video lottery terminals is funded at \$10 million, a slight increase from \$9.3 million appropriated in the prior year. State aid to Madison County for hosting a Native American gaming facility is level funded.

Commercial and Tribal Compacts^{xxxix}

Total commercial gaming revenues for local aid are funded at \$61 million. Tribal compact gaming revenues have increased slightly from \$175 million to \$200 million. The increase in appropriation does not guarantee an increased distribution. These funding levels often include additional room if funds become available. Currently the Seneca compact is up for renewal and renegotiation, while a portion of payments from the Akwesasne Mohawk compact have been withheld.

General Government

Extension of the School Bus Stop-Arm Camera Program^{xl}

The state school bus stop-arm camera program has been extended for five years, expiring now on December 1, 2029.

Expand and Improve the Local Government Efficiency Grant Program^{xli}

The Local Government Efficiency Program provides technical assistance and grants for intermunicipal projects targeting shared opportunities, cost savings, and delivery of efficient, quality services. The enacted budget increases the number of awards possible each year and the maximum award amounts. Correspondingly funding will double from \$4 million to \$8 million in SFY 2025.

Beginning in FY 2025, the new maximum grant will be \$20,000 per municipality (vs. \$12,500) and \$120,000 total per grant (vs. \$100,000). Implementation grant maximums will increase from \$200,000 per municipality and \$1 million total per grant to \$250,000 per municipality and \$1.25 million total per grant. Local matching funds are required, with at least a 50% match for planning grants and 10% for implementation grants. Previous local matches from successfully completed planning grants can reduce the matching requirement for subsequent implementation grants.

Warren County Contribution to CDTA^{xlii}

The enacted budget allows the Capital District Transportation Authority (CDTA) to receive State assistance for transit services in Warren County, which requires a local match component.

The legislation adds Warren County to the list of counties required to contribute to CDTA. The local match percentage (2.21%) is based on services provided by Greater Glens Falls Transit in

SFY 25 Enacted Budget County Impact Summary

the current fiscal year. The schedule for remaining partners in the CDTA region will change as follows:

| | |
|--------------------|---------------------------|
| Albany County | 54.05% (down from 55.27%) |
| Rensselaer County | 22.45% (down from 22.96%) |
| Saratoga County | 3.95% (down from 4.04%) |
| Schenectady County | 15.9% (down from 16.26%) |

Extend Videoconference Participation in Public Meetings^{xliii}

The enacted budget extends for two years authorization for public bodies to conduct public meetings with some members and the public joining by videoconference.

The enacted budget removed the current sunset of July 1, 2024, and extend for an additional two years the current law authorizing public bodies to hold public meetings at which some members may join by videoconference from locations not accessible to the public in extraordinary circumstances, and for the public to view and, where applicable, participate in such meetings by videoconference.

Reforming the In-Rem Tax Foreclosure Process^{xliv}

The enacted budget reforms the State's property tax enforcement laws to bring them into compliance with a recent decision of the United States Supreme Court, *Tyler v. Hennepin County, Minnesota*, 598 U.S. 631 (2023), by providing that when tax-delinquent property is sold, any excess proceeds be returned to the former owner or owners, and where appropriate, to lienors.

This bill would require any surplus resulting from tax foreclosure sales to be distributed to the former owners and lienors to whom the surplus rightfully belongs. Tax enforcing districts would still be able to offset from the foreclosure sale the taxes and penalties they are owed, as well as interest, administrative and some legal expenses.

Special state tax act enforcing districts would have to comply with the new In rem requirements to return surplus and other procedures; and would be required to adjust their current statutory authorizations before commencing foreclosures. They would be allowed to do this through local law.

Any third parties that have liens on the property can file for surplus with the court and would be paid in the same order and to the same extent as they would in a mortgage foreclosure action, with any remaining proceeds from the sale then being returned to the former property owner. The distribution of surplus would be determined and administered by the court. In cases where no one comes forward to claim surplus the funds would revert to the tax enforcing district after three years (prior owners have a three-year window to file for surplus under the enacted bill). The tax enforcing district receiving these funds would need to use them to lower their levy but this is not defined.

The bill would take effect immediately. Tax districts would have six months from the effective date of the act to pay over any surplus attributable to sales of tax-foreclosed property that occurred between May 25, 2023, and the effective date of the act. For sales prior to May 25,

SFY 25 Enacted Budget County Impact Summary

2023, the tax district would only be liable to pay surplus where an Article 78 proceeding to compel the payment of the surplus had been commenced within four months of the sale.

The bill defines reasonable administrative expenses as:

- the cost of the mailing or service of notices required or authorized by law,
- the cost of publication of notices,
- the amount of any interest and penalties imposed by law,
- the cost of recording or filing required legal documents,
- the cost of appraising a parcel for the purpose of determining the existence and amount of any surplus in cases where a public sale does not occur,
- the reasonable and necessary cost of any search of the public record required or authorized to satisfy the notice requirements of this article, and other reasonable and necessary expenses incurred by a tax district in connection with a proceeding to foreclose a tax lien, including but not limited to, administrative, auction and reasonable attorney fees and/or costs associated with the foreclosure process, provided, that:
 - (i) a charge of up to either \$250 per parcel, or 2% of the sum of the taxes, interest and penalties due on the parcel, whichever is greater, shall be deemed reasonable and necessary to cover the combined costs of such searches and the other reasonable and necessary costs and expenses and (ii) a tax district may charge a greater amount with respect to one or more parcels upon demonstration to the satisfaction of the court having jurisdiction that such greater amount was reasonable and necessary; and
- the amount owed to the tax district by virtue of a judgment lien, a mortgage lien, or any other lien held by the tax district that is not a delinquent tax lien.

The legislature added provisions related to a Homeowner's Bill of Rights to ensure that the property owner(s):

- 1) Not have exemptions removed or waived for nonpayment of property taxes, except to the extent otherwise provided in § 171-w and any other general law that authorizes the removal of an exemption due to nonpayment;
- 2) Be informed of amount of tax due, who and how to pay, # of years in arrears, etc.;
- 3) Receive homeowner warning notices that provide a lengthy description of the process and potential loss of property; directs them to resources to help, housing counseling, AG Homeowner Protection Program; directs to state website that provides notices in top foreign languages; etc.;
- 4) Receive a share of surplus in foreclosure sale;
- 5) Be charged interest at a rate no higher than the maximum amount allowed by law for unpaid property taxes
- 6) Enter into installment/repayment plans in tax delinquency where locally authorized
- 7) Be provided a grace period of 5 days to pay taxes without interest for senior citizens receiving STAR type benefit subject to local laws that provide for this option
- 8) Extinguish tax debts upon the foreclosure of a primary residence but does not preclude a tax district from bringing an action against a former owner to recover reasonable costs incurred to remove, abate or mitigate unsafe conditions, including demolition and addressing other hazards.

SFY 25 Enacted Budget County Impact Summary

Sunset the County-Wide Shared Services Initiative^{xlv}

The County-Wide Shared Services Initiative (CWSSI), enacted as part of the FY 2018 State Budget, required counties and municipalities to submit annual shared services plans to achieve demonstrable taxpayer savings. The enacted budget allows CWSSI to sunset. However, projects in plans submitted by January 31, 2024, will still be eligible for matching funds.

County Partnership Grants Program^{xlvi}

The enacted budget includes \$85 million for the county partnership grants program for the provision of grants to counties for the development, construction, installation, consolidation or operation of public safety communication systems.

In addition, a new sum of \$50 million is allocated to counties for services and expenses of a county infrastructure grant program (with a maximum grant of \$1 million per county).

Extends OML and FOIL to All State and Local Authorities^{xlvii}

The budget stipulates that all state and local authorities and their subsidiaries are subject to the Freedom of Information Law and Open Meetings Law. It requires these entities, to the extent practicable, to stream all open meetings and public hearings on their website in real-time, post video recordings of all open meetings and public hearings on their website within five business days of the meeting or hearing, and maintain these recordings for at least five years. This legislation takes effect on May 6, 2024.

Investments in Cybersecurity^{xlviii}

The enacted budget adds \$6.6 million in funding to support the state's Cyber Incident Response Program. This funding is expected to be supplemented with federal cybersecurity funds to support the continued build-out of the New York Security Operations Center (NYSOC), expanding shared service cyber efforts to the two largest municipalities within each county, and expanding state-funded cyber protection tools to include Attack Surface Management (ASM). ASM tools help identify internet-facing computers and analyze their vulnerability to being breached. The state currently funds an end-point detection and response tool for more than 50 participating counties.

Allow Movie Theatres to Sell Liquor^{xlix}

The enacted budget includes language to allow movie theaters to be licensed to sell liquor.

Housing Assistance

Tax Incentive Benefits for Converting Commercial Property to Affordable Housing^l

The enacted budget includes a proposal to create a tax exemption for commercial conversions in NYC to require greater number of affordable housing units per project.

Legalizing Pre-Existing Basement and Cellar Dwelling Units^{li}

The enacted budget authorizes NYC to develop a program to legalize certain basement and cellar dwellings by creating a pilot program whereby the city may adopt through local law provisions to provide amnesty and legalize basement and cellar dwelling units.

SFY 25 Enacted Budget County Impact Summary

The pilot program will not be subject to environmental review.

Existing tenants, whether occupying the unit legally or otherwise, shall have the right of first refusal to rent the unit in the event they are evicted in order to make an alteration to the unit to bring it in compliance. Tenants who are unlawfully denied a right of first refusal shall have a private right of action.

Extension of the 421-a RPTL Tax Exemption^{lii}

The enacted budget modifies the Executive proposal to extend the 421-a tax exemption completion deadline by allowing for projects commenced between December 31, 2015, and June 15th, 2022, and completed on or before June 15th, 2031, and that comply with the affordability options set forth under the 421-a program, to receive program benefits

Creation of a new 485-x PRTL Tax Program for Rental Housing Construction^{liii}

The enacted budget establishes a tax incentive for the construction of multi-family rental housing to replace the expired 421-a program by creating a new 485-x program which creates defined benefit provisions depending on the size and type of the project. Any project commenced between June 15th, 2022, and June 15th, 2034, and completed on or before June 15th, 2038, may be eligible for benefits.

- Benefit classes are as follows:
 - Ten year – 100% exemption during the construction period, and 100% exemption for the ten-year period following completion of the project. This is applicable to rental projects that create 6-10 units.
 - Twenty year - 100% exemption during the construction period, 100% exemption for the fourteen-year period following completion of the project, and 25% exemption for the remaining 6-year period, except for any portion of a unit with an assessed value that exceeds \$89 per s.f. This is applicable to homeownership (condos/co-ops) projects outside of the borough of Manhattan.
 - Thirty-five year - 100% exemption during the construction period, 100% exemption for the twenty-five year period following completion of the project, 100% exemption for large rental projects for the remaining ten year period, or for modest rental projects, an exemption equal to the affordability percentage. This is applicable to rental projects that create 6-150 units.
 - Forty year - 100% exemption during the construction period, and 100% exemption for the forty-year period following completion of the project. This is applicable to rental projects that create a minimum of 150 units.
- Each project, with the exception of projects creating more than 150 units during the construction period, shall make an annual payment in lieu of taxes for the amount of the property taxes assessed on the property preceding tax year prior to the commencement date of the project.
- Depending on the type of benefit received, each dwelling will be subject to different affordability provisions.
- All units constructed, except for homeownership projects, will be subject to rent-stabilization provisions both during the benefit period and thereafter.
- All projects will be subject to PLAs and any building service employees will receive prevailing wage.

SFY 25 Enacted Budget County Impact Summary

Optional Local Tax Exemption for Affordable Housing^{liv}

The enacted budget advances language to create authorized municipalities to provide a tax exemption for newly constructed or converted multiple dwellings. Eligible multiple dwellings must contain a minimum of ten units, a minimum of 25% of which must be made permanently affordable. Allows for 100% exemption from real property taxes during the construction period, and an additional twenty-five-year exemption period, whereby the exemption begins at 96% and decreases by 4% each year thereafter. Construction shall take place on vacant land, underutilized land, blighted areas, or on land improved with a non-conforming use.

- Any building service employee will receive prevailing wage.
- If a project that is constructed is fully income restricted, the project may be eligible for a thirty-year benefit period.

Accessory Dwelling Units (ADU)^{lv}

The enacted budget advances language to authorize property tax exemptions for accessory dwelling units and to include accessory dwelling units in the definition of housing accommodation under article 15 of the executive law for the purposes of preventing redlining or other discriminatory housing practices.

The budget also authorizes a ten-year local property tax exemption for ADU's if the value of the reconstruction, alteration, improvement, or new construction exceeds \$3,000.

Good Cause Eviction (Local Opt-in)^{lvi}

The enacted budget includes language to create a good cause eviction program across the state. The law would apply to NYC, and any village, town or city that adopts the provisions of good cause pursuant to local law.

A landlord cannot evict or fail to renew a lease for any tenant except in the following scenarios:

- There is no written lease, or the lease has expired or been terminated
- Failure to pay rent, provided that the failure to pay rent didn't result from an unreasonable rent increase.
- Substantial violations of the lease that the tenant has received written notice of and failed to cure.
- The tenant is a nuisance to other tenants, or jeopardizes the comfort or safety of the landlord, other tenants, or neighbors.
- Occupancy by the tenant would be unlawful and subject the landlord to civil or criminal penalties, provided that a court finds the tenant needs to be removed in order for the violation to be cured, and that the violation did not occur as a result of neglect or deliberate action by the landlord to create the condition necessitating the removal of the tenant. Should this occur, the tenant is entitled to resume possession once the violation is cured.
- The unit is being used by the tenant for an illegal purpose
- The tenant has unreasonably refused the landlord access for the purpose of making necessary repairs, improvements required by law, or for the purpose of showing the property to a person with a legitimate interest.

SFY 25 Enacted Budget County Impact Summary

- The landlord, or the landlord’s family member, wants to occupy the property as their principal residence, unless the unit is currently occupied by someone who is disabled or a senior citizen.
- The landlord is going to demolish the housing accommodation.
- The landlord is going to withdraw the property from the rental market.
- The tenant fails to agree to reasonable lease changes, provided that the tenant was provided written notice of the changes 30-90 days prior to the expiration of the lease.
- Allowable rent increases
 - Local rent standard – the lower of the inflation index (5% plus regional CPI) or 10%
 - Costs for utilities, insurance, and maintenance may be considered by a court, increases in property taxes shall be considered by a court
 - Completed significant repairs that were not a result of the landlord’s failure to maintain the property. Such repairs are limited to replacement or substantial modification of structural, electrical, plumbing, or mechanical systems, or the abatement of hazardous materials.
- Directs landlords to provide notice in the lease agreement as to whether the property is subject to the provisions of good cause.
- This program would expire and be repealed in 2034, provided however that a local law implementing such provisions will remain in full force until the program is repealed.

Land Bank Funding^{lvii}

The adopted budget provides a total of \$50 million for the operation and capital needs of land banks. This is a \$40 million increase from SFY 2024. Level funding of \$10 million in general fund support for programs and services of Land Banks is provided in the Aid to Localities Bill. There is also \$40 million appropriated through the Capital Appropriations Bill for services and expenses of the land banks program. Funds shall be for the redevelopment of blighted and abandoned properties.

Homeowner Protection Program^{lviii}

In SFY 2024, \$40 million was appropriated for this program, no new funding was appropriated for this program in SFY 2025. There is a reappropriation of about \$37 million of prior year appropriations in support of this program in the SFY 2025 budget. The programs provides resources for housing counselors, state and local foreclosure assistance hotlines, state and local foreclosure mediation programs, legal assistance, housing remediation and anti-blight projects, among other items.

Human Services

Addressing The Asylum Seeker Crisis^{lix}

To support efforts to safely manage the influx of migrants, the enacted budget includes:

- \$7 million for a program to assist refugees in attaining economic self-sufficiency;

SFY 25 Enacted Budget County Impact Summary

- \$5 million for a program to provide services and assistance to recently arrived non-citizens;
- \$1.5 million for refugee and immigrant student welcome grants;
- \$25 million for the resettlement of migrants and asylum seekers;
- \$122 million for costs associated with migrants and asylum seekers, including providing temporary shelter at Floyd Bennett Field; and
- \$2.4 billion for services and expenses associated with the costs of migrants entering New York State pursuant to a plan approved by DOB.

Other actions with a positive local fiscal impact for counties include \$16.5 million to increase human services case management and wrap-around services.

Flexible Fund for Family Services

The enacted budget increases funding under this block grant of \$50 million increasing the amount from \$964 million to \$1.014 billion. Within the FFFS account there is a requirement to increase spending for child welfare from \$382 million to \$457 million.

Differential Payment Rates for Childcare – Homeless and Nontraditional Hours^{li}

The enacted budget includes a requirement that local social services districts must establish a differential payment rate for childcare services provided by licensed or registered providers who provide care to a child or children experiencing homelessness. The differential rate shall be no less than 10 percent higher but no greater than 15 percent higher than the actual cost of care or the applicable market-related payment rate established by OCFS in regulations, whichever is less. A similar enhanced rate is to be established for childcare provided in nontraditional hours, meaning they fall outside of 6:00 am to 7:00 pm on weekdays. The bill also allows OCFS to set additional differential rates by regulation.

OCFS Study on Feasibility of Statewide After-School Programming^{lx lxi}

The enacted budget requires OCFS to conduct a study on the feasibility of providing statewide coverage of After-school programs during the academic year and to evaluate total costs, possible sharing of costs among families; the state, federal, and local governments; and others. Also evaluating current spending and rates per child among other components.

Office for Children Services and Office for Temporary Disability Assistance

NYSAC will update these sections of this impact report over the next couple of days.

Judiciary and Court-Related Matters

Constitutional Amendment to Remove Maximum Number of Supreme Court Justices^{lxii}

This was **not** included in the enacted budget; however, we expect the legislature to vote on this constitutional amendment in the remaining days of the legislative session. The constitutional amendment would amend the New York State Constitution to remove the existing provision providing for a maximum number of Supreme Court justices in each judicial district.

SFY 25 Enacted Budget County Impact Summary

This concurrent resolution would remove the language in Article VI, Section 6, paragraph D of the New York State Constitution limiting the maximum number of Supreme Court justices in each judicial district to one per 50,000 residents or a fraction over 30,000 residents. This proposal would grant the State Legislature the authority to expand the number of Supreme Court justices in each county.

Because this proposal is seeking to change the State Constitution, it must be passed by the Legislature over two successive legislative sessions and approved in a statewide referendum. The earliest this amendment could be on the ballot would be in the General Election in 2025.

If passed, this proposal may lead to significant capital cost increases for counties, as we are required under state law to provide justice chambers and court facility improvements.

Judicial Protection^{lxiii}

The enacted budget protects judges and court personnel from the public disclosure of personal information. This would establish a process for New York State judges and federal judges in in the state, as well as certain court personnel and their immediate families to request the removal of their personal information from public disclosure, including but not limited access to public records with such information and/or internet postings. Recipients of such requests would be required to comply and be subject to a civil fine if they fail to do so.

"Personal information" shall include the following for an eligible individual:

- home address, including primary residence and secondary residences; (ii) unlisted telephone number; (iii) personal cell phone number; (iv) personal email address; (v) social security number; (vi) driver license number; (vii) license plate number; (viii) marital status and identity of any present and former spouse; (ix) identity of children under the age of twenty-six; (x) name and address of a school or day care facility attended by an immediate family member; (xi) bank account number; (xii) credit or debit card number; (xiii) personal identification number (PIN); (xiv) automated or electronic signature; (xv) unique biometric data; and (xvi) account passwords.

Additionally, the bill would enhance criminal liability for assaulting, stalking or harassing a judge.

Office of Indigent Legal Services & Legal Defense

The enacted budget includes \$466.5 million in Local Aid appropriations for ILS Distributions and Grants, implementation of the *Hurrell-Harring* settlement, extension of *Hurrell-Harring* reforms statewide, improved quality 18-B Family Court representation, and reimbursement to counties for increased statutory assigned counsel rates that would be allocated as follows:

- ***ILS Distributions and Grants:***^{lxiv} \$81 million to finance ILS distributions and grants. This funding amount will continue current funding levels for ILS programs, but does not include the 3 percent cost-of-living adjustment (COLA) that ILS sought in its FY 2024-25 budget request.
- ***Implementation of Hurrell-Harring Settlement:***^{lxv} \$23.97 million to finance implementation of the *Hurrell-Harring* settlement programs (counsel at arraignment,

SFY 25 Enacted Budget County Impact Summary

caseload relief, and quality improvement). This funding is an increase of \$160,000 above FY 2023-24 funding levels, reflecting additional costs agreed to by the *Hurrell-Harring* parties for Schuyler County. This appropriation does not include the 3 percent COLA that ILS sought in its FY 2024-25 budget request.

- **Extension of Hurrell-Harring Reforms Statewide:**^{lxvi} \$250 million to fully fund statewide implementation of *Hurrell-Harring* settlement reforms pursuant to plans filed by ILS on December 1, 2017. The appropriation language includes the same annual reporting requirement that was in previous years' final budgets, as well as the same authorization to transfer a portion of these funds to support ILS' State Operations budget and/or suballocate funding to other state agencies. This appropriation does not include the 3% COLA that ILS sought in its FY 2024-25 budget request.
- **Article 18-B Family Court Representation – Parental Defense:**^{lxvii} \$19.5 million is allocated to improve the quality of representation to persons who, under County Law Article 18-B, are entitled to assigned counsel in Family Court matters. This funding is a \$10 million reduction compared to the enacted FY 2023-24 budget, and is less than the \$50 million ILS sought in its FY 2024-25 budget request.
- **ACP Rate Increase:**^{lxviii} \$92 million is allocated to reimburse 50 percent of eligible expenditures that counties and NYC incur as a result of the increased statutory rate for County Law Article 18-B assigned counsel. This funding will continue FY 2023-24 levels and is to be disbursed upon submission of a certification submitted to ILS on a quarterly basis.

Challenging Wrongful Convictions Act^{lxix}

The enacted budget does **not** include any provision regarding wrongful death / wrongful convictions.

Medicaid & Health Care

Medicaid

New York has long been recognized as having one of the most generous and expensive Medicaid programs in the country, in terms of covered service, eligibility and duration of benefits. New York is first in per capita spending at nearly twice the national average, with 7.6 million covered by Medicaid – 39 percent of the state's population. When combined with other public health insurance programs such as Child Health Plus (CHP) and the Essential Plan, New York covers a greater percent of its population with publicly funded programs than any other state in the nation. ^{lxx}

The Governor proposed "All Funds" spending, including local shares, for Medicaid would exceed \$100 billion in SFY 2025. State share spending under the Governor's proposal would have increased to \$30.9 billion (10.9 percent) which includes savings of \$1.2 billion that would need to be realized during the coming year. From SFY 2022 through the end of SFY 2025 state share funding for Medicaid will have increased by nearly 60 percent, based on updated projections by DOB.

SFY 25 Enacted Budget County Impact Summary

The enacted budget essentially increases the state share Medicaid spending by an additional \$1.2 billion above the Governor’s proposed increase. This will add to the nearly 60 percent growth the program will experience in the four years ending with SFY 2025.

Legislative spending additions in the final budget include:

- \$500 million – Financially Distressed & Safety Net Hospitals Support
- \$300 million – Healthcare Safety Net Transformation Program
- \$200 million – Hospital Rate Increases
- \$150 million – Nursing Home/ALP Rate Increases
- \$26.2 million – Local Medicaid Share of Additional 1.3% COLA
- \$1 million – Pediatric Rate Increase

These increases are offset by the following avails:

- (\$95.3 million) - Support “Essential Plan” Operations with Federal Funds
- (\$365 million) - Available HCBS eFMAP (federal funds)
- (\$827 million) - Financial Plan Support of Hospital Investments and OSA COLA (general funds)
- (\$350 million) - Healthcare Stability Fund Offsets (depending on federal approvals, this Health Care Stability Fund will be financed with federal funds related to a managed health care provider tax subject to federal approval, or some other state revenue)

The adopted budget generates a \$4.7 billion funding deficit for Medicaid that must be filled with additional cost containment or state/federal generated revenues.

Below is a summary chart that highlights the major items impacting Medicaid costs and savings in SFY 2025 and SFY 2026 based on estimates provided in budget materials.

The sections highlighted in yellow indicate what was adopted in the final budget compared to the Governor’s budget recommendation.

SFY 25 Enacted Budget County Impact Summary

| Summary - FY 2025 Executive Budget Medicaid Scorecard | | | Executive Proposal | | Adopted Budget | |
|--|-----------|----------------|--------------------|--------------------|------------------|--------------------|
| State Share - \$ in Millions | Eff. Date | Type of Change | SFY 2025 | SFY 2026 | SFY 2025 | SFY 2026 |
| Global Cap Forecast (Surplus) / Deficit | | | \$590.7 | \$2,039.8 | \$590.7 | \$2,039.8 |
| Signed Legislation | | | \$5.6 | \$25.7 | \$5.6 | \$25.7 |
| S1466 - Ambulance Bill | 1/1/2025 | Art VII | \$2.5 | \$10.0 | \$2.5 | \$10.0 |
| S1196A - Biomarker Coverage | 1/1/2025 | Art VII | \$3.1 | \$15.7 | \$3.1 | \$15.7 |
| Base Revisions | | | (\$698.0) | \$356.0 | (\$548.0) | \$356.0 |
| Medicaid Enrollment Above Financial Plan Projections | 1/1/2024 | Admin. | \$402.0 | \$356.0 | \$402.0 | \$356.0 |
| Delayed Recoupment of Distressed Provider Advances | 1/1/2024 | Admin. | (\$1,100.0) | \$0.0 | (\$950.0) | \$0.0 |
| Financial Plan Support | | | \$1,100.0 | \$0.0 | \$950.0 | \$0.0 |
| Global Cap Index Update | 1/1/2024 | Admin. | (\$263.1) | (\$157.8) | (\$263.1) | (\$157.8) |
| Executive Budget Base (Surplus) / Deficit | | | \$735.2 | \$2,263.7 | \$735.2 | \$2,263.7 |
| Budget Actions | | | (\$1,230.5) | (\$1,808.7) | (\$768.1) | (\$1,154.9) |
| Hospitals - Reduce capital rate add-on by 10% | | Various | (\$21.3) | (\$42.5) | (\$21.3) | (\$42.5) |
| Nursing Homes - Reduce capital add-on by 10%, VAPAP Reduction | | Various | (\$103.5) | (\$103.5) | (\$102.4) | (\$102.4) |
| Other Long Term Care Actions - Transition to one statewide fiscal intermediary | | Various | (\$455.2) | (\$682.6) | (\$232.6) | (\$563.6) |
| Managed Care Actions - Remove 1% ATB Increase (\$200M), End MMC Quality Pool (\$60M) | | Various | (\$271.9) | (\$426.9) | (\$238.2) | (\$238.2) |
| Pharmacy - Reduce coverage of OTC meds (\$32M), end prescriber prevails (\$20M) | | Various | (\$37.4) | (\$87.0) | (\$32.4) | (\$67.0) |
| Other Actions - Unallocated (\$200M), Increase Audit Targets (\$100M), OHIP reductions (\$25M) | | Various | (\$341.2) | (\$466.2) | (\$141.2) | (\$141.2) |
| Total Global Cap (Surplus) / Deficit | | | (\$495.3) | \$455.0 | (\$32.9) | \$1,108.8 |
| 1115 Waiver / State of the State Investments | | | \$495.3 | \$547.7 | \$451.0 | \$473.7 |
| 1115 Waiver - Hospital Aid (\$550M gross), patient centered medical homes (\$74M), add'l state match (\$117M) | | | \$451.1 | \$473.8 | \$0.0 | \$0.0 |
| SOTS Additions | | | \$44.2 | \$73.9 | \$41.8 | \$68.7 |
| Increase Children's Access to Healthcare | | Various | \$13.7 | \$21.8 | \$13.7 | \$21.8 |
| Expand Access to Primary Care | | Various | \$19.9 | \$38.3 | \$19.9 | \$38.3 |
| Other SOTS | | Various | \$2.6 | \$5.8 | \$0.1 | \$0.5 |
| Other Mental Health SOTS (Medicaid Impacts) | | Various | \$8.0 | \$8.0 | \$8.1 | \$8.1 |
| TOTAL (Surplus) / Deficit | | | \$0.0 | \$1,002.7 | \$460.0 | \$1,651.3 |
| LEGISLATIVE ADDS | | | NA | NA | (\$460.0) | (\$102.3) |
| Adds | | | | | \$1,177.6 | \$27.6 |
| Financially Distressed & Safety Net Hospitals Support | 4/1/24 | Admin. | N/A | N/A | \$500 | \$0 |
| Healthcare Safety Net Transformation Program | 4/1/24 | Article VII | N/A | N/A | \$300 | \$0 |
| Hospital Rate Increases | 4/1/24 | Article VII | N/A | N/A | \$200 | \$0 |
| Nursing Home/ALP Rate Increases | 4/1/24 | Article VII | N/A | N/A | \$150 | \$0 |
| Local Medicaid Share of Additional 1.3% COLA | 4/1/24 | Article VII | N/A | N/A | \$27 | \$27 |
| Pediatric Rate Increase | 4/1/24 | Article VII | N/A | N/A | \$1 | \$1 |
| Avails | | | | | (\$1,638) | (\$130) |
| Support Essential Plan Operations with Federal Funds | 4/1/24 | Admin. | N/A | N/A | (\$95) | (\$103) |
| Available HCBS eFMAP | 4/1/24 | Admin. | N/A | N/A | (\$366) | \$0 |
| Financial Plan Support of Hospital Investments and OSA COLA | 4/1/24 | Admin. | N/A | N/A | (\$827) | (\$27) |
| Healthcare Stability Fund Offsets | 4/1/24 | Article VII | N/A | N/A | (\$350) | \$0 |
| Total Global Cap (Surplus)/Deficit | | | \$0.0 | \$1,002.7 | \$0 | \$1,549 |

**SFY 25 Enacted Budget
County Impact Summary**

Personnel, Labor, Civil Service & Public Pensions

Establish Paid Prenatal Leave^{lxxi}

The enacted budget requires all employers to offer 20 additional hours of leave for prenatal medical appointments in any 52-week calendar year period in addition to New York's current 12 weeks of Paid Family Leave. Leave for prenatal visits could be taken and reimbursed in hourly increments.

Pension Reforms

Final Average Salary Computation^{lxxii}

The enacted budget changes the Final Average Salary (FAS) calculation from the highest five consecutive years of service credit to the highest three years.

This change is equivalent to adding about .5 percent of billable salary for calculating employer pension contributions, or \$25 million for the 57 counties and \$196 million annually for New York City according to actuarial notes in the enacted budget. These costs will grow each year thereafter.

Establishes a 25-year Retirement Plan for NYC Fire Protection^{lxxiii}

Establishes a 25-year retirement program for titles of fire protection inspector or associate fire protection inspector or in a title whose duties require the supervision of employees whose duties are those of a fire protection inspector or associate fire protection inspector, for Tier 4 and Tier 6 NYCERS. The actuarial estimate provided in the Fiscal Note for new employer contributions related to this provision is \$321,000 annually for New York City and declining each year thereafter.

Adjustment to Pensionable Earnings of First Grade Police Officers in New York City^{lxxiv}

Increases pensionable earnings for first grade police officers in New York City that have served for at least 25 or 30 years by increasing the salary used for determining pension benefits for first grade NYPD officers who have served in such rank for the specified time to salaries equivalent to detective third grade or sergeant, respectively. The actuarial estimate provided in the Fiscal Note for new employer contributions related to this provision is \$1,000,000 annually for New York City and increasing each year thereafter.

Exclude OT from Annual Wages for Determining Employee Contribution^{lxxv}

This bill would exclude overtime pay from the annual wages used to determine the variable member contribution rate for Tier 6 members of the New York State and Local Retirement System from April 1, 2024, to April 1, 2026. For ERS, the annual contribution required would be approximately \$1.3 million to the State of New York and approximately \$1.9 million to the local participating employers. This permanent annual cost will vary in subsequent billing cycles with changes in the billing rate and salary of the affected members.

**SFY 25 Enacted Budget
County Impact Summary**

Public Health & Nursing Homes

Core Public Health Funding^{lxxvi}

The enacted budget includes \$230 million in Article Six funding for local health departments to provide core public health services, consistent with the total appropriation in last year's budget. This includes a restoration of \$1.46 million in funding for rabies services.

Opioid Settlement Fund Investments^{lxxvii}

The enacted budget includes \$86.2 million in the Opioid Settlement Fund account for SFY 2025, with \$17 million reserved for local governments.

Insulin Cost Sharing^{lxxviii}

The enacted budget includes legislation to ensure that insulin drugs are not subject to a deductible, copayment, coinsurance, or any other cost-sharing requirement.

Emergency Medical Services Reforms^{lxxix}

The enacted budget **does not** include any of the executive budget proposals regarding EMS services, nor does it include any of the bills contained in NYSAC's Rescue EMS package.

Opioid Stewardship Fund Extender^{lxxx}

This enacted budget extends the Opioid Stewardship Fund, which was set to expire on June 30, 2024, until June 30, 2029.

Scope of Practice Extender^{lxxxi}

The enacted budget extends authorization for pharmacists to direct limited-service laboratories and order and administer COVID-19 and influenza tests until July 1, 2026.

Sunset the State's COVID-19 Sick Leave Law^{lxxxii}

The enacted budget sunsets the COVID-19 Sick Leave Law, which required employers to provide sick leave benefits, paid family leave, and disability benefits to employees subject to a mandatory or precautionary order of quarantine or isolation for COVID-19. The law would sunset on July 31, 2025.

Combat Unlicensed Sales of Cannabis.^{lxxxiii}

The enacted budget provides the Office of Cannabis Management (OCM), counties, and cities with enforcement powers over unlicensed cannabis activity.

OCM is empowered to conduct regulatory inspections of any business involved in the cannabis industry at any time. Inspections can extend to vehicles used for the business but exclude private residences unless there is probable cause to suspect illegal activities. Counties and cities may also adopt local laws to conduct regulatory inspections during operating hours.

OCM, counties, and cities can initiate civil proceedings to permanently enjoin unlicensed cannabis activities. The legislation also allows for temporary restraining orders and temporary closing orders if there is an immediate threat to public health, safety, or welfare. Significant

SFY 25 Enacted Budget County Impact Summary

penalties can be imposed for non-compliance, with fines escalating based on the duration of the violation. Counties can recover penalties and costs from their enforcement actions.

The legislation includes provisions to protect against wrongful enforcement and provides opportunities for businesses to contest accusations. It also mandates that counties involved in enforcement activities send bi-weekly reports to OCM with information about the inspections conducted, actions taken, and the outcomes of enforcement efforts.

Expand Telehealth Services^{lxxxiv}

The enacted budget guarantees full Medicaid reimbursement for telehealth services delivered by federally qualified health centers (FQHCs) regardless of the location of the professional or patient, or the modality of the service.

Public Safety

Combat Retail Theft^{lxxxv[08]}

The enacted budget adds a new section to the penal law for assaulting a retail worker, which is now a class E felony.

The enacted budget also adds another section to the penal law to create a class A misdemeanor for fostering the sale of stolen goods.

Lastly, the budget adds several crimes such as gang assault, obstruction of breathing, aggravated murder, sexual misconduct, aggravated sexual abuse, sex trafficking of children, and criminal possession of weapons to be eligible for prosecution under the state's hate crime laws.

State Correctional Facility Closures^{lxxxvi}

The enacted budget authorizes the closure of up to five state correctional facilities with 90-day notice. The Department of Corrections and Community Supervision's (DOCCS) incarcerated individual population continues to decline and is currently at approximately 32,500 incarcerated individuals, down from a high of approximately 72,000 in 1999.

This authority is repealed March 31, 2025. The Governor has one year to make her decision.

Raise the Age^{lxxxvii}

The enacted budget includes another new appropriation of \$250 million in SFY 25 to provide counties with funding to comply with the Raise the Age law. In addition, the budget reappropriates another \$842 million in unspent funds dating back to the SFY 18 Enacted Budget.

The enacted budget also allows NYC to tap into the \$250 million appropriation to reimburse the city for raise the age expense.

**SFY 25 Enacted Budget
County Impact Summary**

Transportation

Enacted SFY 2025 Budget^{lxxxviii}

Consolidated Highway Improvement Program (CHIPS) is funded at \$598 million, and Marcheselli Aid is funded at \$39.7 million.

Extreme Winter Recovery is funded at \$100 million. Touring Routes is funded at \$140 million.

These are restorations, there is not an increase in these appropriations.

Transit Operating Aid Outside MCTD Region^{lxxxix}

The chart below highlights changes in operating aid in select regions.

| Mass Transit Operating Aid - Outside MCTD | | | | |
|--|----------------------|----------------------|---------------------|-----------------|
| | SFY 2024 | SFY 2025 | \$ Change | % Change |
| Capital District (CDTA) | \$29,473,900 | \$35,307,500 | \$5,833,600 | 19.8% |
| Central New York | \$20,514,300 | \$24,803,100 | \$4,288,800 | 20.9% |
| Rochester-Genesee | \$24,684,700 | \$29,892,200 | \$5,207,500 | 21.1% |
| Niagara Frontier | \$28,809,700 | \$35,574,300 | \$6,764,600 | 23.5% |
| All Other Public Transit (Outside MCTD) | \$21,656,000 | \$26,118,200 | \$4,462,200 | 20.6% |
| TOTALS | \$125,138,600 | \$151,695,300 | \$26,556,700 | 21.2% |

Veterans

Joseph P. Dwyer Funds^{xc}

The enacted budget includes \$8.023 million for Joseph P. Dwyer funds, an increase from \$7.715 million in the SFY 24 Enacted Budget.

| Joseph P. Dwyer Grant Allocations (SFY 24) | |
|---|-----------|
| Albany County | \$109,200 |
| Allegany County | \$104,000 |
| Broome County | \$192,400 |
| Cattaraugus County | \$192,400 |
| Cayuga County | \$104,000 |
| Chautauqua County | \$192,400 |
| Chemung County | \$104,000 |
| Chenango County | \$104,000 |
| Clinton County | \$54,600 |
| Columbia County | \$104,000 |
| Cortland County | \$104,000 |
| Delaware County | \$104,000 |
| Dutchess County | \$192,400 |
| Erie County | \$192,400 |

**SFY 25 Enacted Budget
County Impact Summary**

| | |
|--------------------------------|-----------|
| Essex County | \$104,000 |
| Fulton County | \$104,000 |
| Genesee County | \$83,200 |
| Greene County | \$104,000 |
| Hamilton County | \$104,000 |
| Herkimer County | \$104,000 |
| Jefferson County | \$192,400 |
| Lewis County | \$104,000 |
| Livingston County | \$104,000 |
| Madison County | \$104,000 |
| Monroe County | \$192,400 |
| Montgomery County | \$104,000 |
| Nassau County | \$192,400 |
| Niagara County | \$192,400 |
| Oneida County | \$109,200 |
| Onondaga County | \$192,400 |
| Ontario County | \$104,000 |
| Orange County | \$192,400 |
| Orleans County | \$54,600 |
| Oswego County | \$104,000 |
| Otsego County | \$104,000 |
| Putnam County | \$192,400 |
| Rensselaer County | \$192,400 |
| Rockland County | \$192,400 |
| Saratoga County | \$192,400 |
| Schenectady County | \$109,200 |
| Schoharie County | \$104,000 |
| Schuyler County | \$104,000 |
| Seneca County | \$104,000 |
| St. Lawrence County | \$104,000 |
| Steuben County | \$104,000 |
| Suffolk County | \$192,400 |
| Sullivan County | \$192,400 |
| Tioga County | \$104,000 |
| Tompkins County | \$104,000 |
| Ulster County | \$192,400 |
| Warren and Washington Counties | \$192,400 |
| Wayne County | \$104,000 |
| Westchester County | \$192,400 |
| Wyoming County | \$54,600 |
| Yates County | \$104,000 |

**SFY 25 Enacted Budget
County Impact Summary**

| | |
|---|-----------|
| University at Albany School of Social Welfare | \$218,400 |
| NYC | \$416,000 |

SFY 25 Enacted Budget County Impact Summary

Budget References

- ⁱ Part K, REV Article VII
- ⁱⁱ Budget Briefing Book, Pg. 96
- ⁱⁱⁱ Capital Appropriations, pp1089-90
- ^{iv} Briefing Book, page 36; REV, Part L
- ^v Budget Briefing Book, p 16.
- ^{vi} ELFA, Part A
- ^{vii} Aid to Localities, Ag & Markets (11498)
- ^{viii} Briefing Book, page 61; Capital Projects, Ag & Markets (60BD2409)
- ^{ix} Aid to Localities pp1291-1292
- ^x Budget Briefing Book, pp. 78 & 81.
- ^{xi} ELFA, Part X
- ^{xii} ELFA, Part A, Sec. 32
- ^{xiii} SFY 25 Enacted Budget, Medicaid Scorecard
- ^{xiv} Part C, HMH Article VII
- ^{xv} Capital Projects, UDC (47009)
- ^{xvi} Briefing Book, page 49; Capital Projects, DOS (51275)
- ^{xvii} Briefing Book, page 49; Aid to Localities, ESD (21417)
- ^{xviii} TED, Part TT; Capital Projects (91442409)
- ^{xix} Capital Projects, ESD (91172409)
- ^{xx} Capital Projects, UDC (85513)
- ^{xxi} Capital Projects, UDC (91162409)
- ^{xxii} TEDE, Part SS
- ^{xxiii} Aid to Localities, 23504
- ^{xxiv} Aid to Localities, pg. 410
- ^{xxv} Capital Projects, 23523
- ^{xxvi} Part LL, ELFA
- ^{xxvii} Capital Projects, DEC (25722)
- ^{xxviii} Capital Projects, DEC, ENVIRONMENT AND RECREATION (CCP) (30455)
- ^{xxix} Capital Projects, DEC (24702)
- ^{xxx} Capital Projects, Parks (pg. 628)
- ^{xxxi} Briefing Book, page 61; Aid to Localities, DPS
- ^{xxxii} TED, Part M
- ^{xxxiii} TED, Part O
- ^{xxxiv} TED, Part S
- ^{xxxv} TED, Part PP
- ^{xxxvi} TED, Part QQ
- ^{xxxvii} ELFA, Part A
- ^{xxxviii} Aid to Localities (47710)
- ^{xxxix} Aid to Localities (80585) + pg. 809
- ^{xl} Part AA, ELFA
- ^{xli} Part W, PPGG Article VII
- ^{xlii} Part E, TEDE Article VII
- ^{xliiii} Part KK, TEDE Article VII
- ^{xliiv} Part BB, PPGG
- ^{xlvxlv} Part U, PPGG Article VII
- ^{xlvi} Capital Projects (91812409) + (91812409)
- ^{xlvii} TED, Part SS, Subpart B
- ^{xlviii} State Ops, DHSES, pg. 479
- ^{xlix} PPGG, Part CC

SFY 25 Enacted Budget County Impact Summary

- I Part R, ELFA
- II Part S, ELFA
- III Part T, ELFA
- IIII Part U, ELFA
- IV Part EE, ELFA
- V Part GG, ELFA
- VI Part HH, ELFA
- VII Aid to Localities p1063, Capital Appropriations, p.450
- VIII Aid to Localities p.1075
- IX Aid to Localities, 53022
- X ELFA, p.79
- XI ELFA p.154
- XII Const. Amendment Proposal 1/1
- XIII Part F, PPGG
- XIV Pg. 803, Aid to Localities
- XV Pg. 802, Aid to Localities
- XVI Pg. 802, Aid to Localities
- XVII Pg. 801, Aid to Localities
- XVIII Pg. 801, Aid to Localities
- XIX PPGG, Part BBB
- XX Budget Briefing Book, p 18.
- XXI PPGG, Part M
- XXII ELFA, Part QQ
- XXIII PPGG, Part EE
- XXIV PPGG, Part II
- XXV PPGG, Part KK
- XXVI Aid to Localities, DOH (26815), rabies (29973), tobacco (29549)
- XXVII Briefing Book, page 106; Aid to Localities, DOH (11809)
- XXVIII TED, Part EE
- XXIX Budget Briefing Book, Pg. 73 + Part V, HMM Article VII
- XXX HMM, Part B
- XXXI HMM, Part P
- XXXII ELFA Part M
- XXXIII PPGG, Part G
- XXXIV HMM, Part JJ
- XXXV Part A, B, C of PPGG
- XXXVI Part D, PPGG Article VII
- XXXVII Aid to Localities (80604)
- XXXVIII Capital Projects (54267), (53160), (54229)
- XXXIX Aid to Localities, p1298-1299
- XC Page 861, Aid to Localities