

2026 State of the State Summary

January 13, 2026



NYSAC
— NEW YORK STATE —
ASSOCIATION OF COUNTIES

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Introduction

Governor Kathy Hochul presented her 2026 State of the State address on Tuesday, January 13th, outlining the Administration's policy priorities for the upcoming legislative session. The proposals reflect a continued focus on affordability, housing supply, economic development, public safety, infrastructure investment, and climate resilience, while also responding to emerging fiscal and operational challenges facing the State and local governments.

The New York State Association of Counties (NYSAC) has reviewed the Governor's 2026 State of the State proposals and identified the initiatives outlined below as being of particular interest to, or having potential impacts on, New York's counties. NYSAC will continue to analyze these initiatives as additional details become available, particularly as they are incorporated into the Governor's Executive Budget and subsequent legislative actions. Further analysis and advocacy guidance will be provided as the 2026 Legislative Session progresses.

Affordability

Focus on reducing household costs: The Governor's State of the State agenda includes proposals aimed at improving affordability for New Yorkers, including initiatives related to auto insurance, home insurance, utility costs, and housing.

Auto Insurance

The Governor advances several proposals intended to reduce auto insurance costs and address fraud within the system.

- **Combatting insurance fraud;**
- **Capping the non-economic damages** for drivers engaging in criminal behavior at the time of an accident; and
- **Limiting non-economic damages** when a driver is mostly at fault for an accident; and
- **Tightening the serious injury threshold** for auto accidents claims; and
- **Requiring insurer discounts** for drivers who opt into programs shown to reduce the incidents of accidents.

Home Insurance

To address rising home insurance costs, the Governor proposes increased oversight and consumer protections.

- **Checking insurer profitability;** and
- **Increase transparency** through data reporting requirements; and
- **Requiring premium reductions** for upgrades such as fire resiliency upgrades, theft prevention products, water damage prevention tools, and roof improvements.

Utility Costs

The Governor's proposals related to utility affordability focus on ratepayer protections, system modernization, and expanded assistance programs.

- **Tying executive pay to affordability;** and
- **Prioritizing efficiency and affordability** in rate increase proposals; and
- **Modernizing utility rate case review;** an
- **\$50 million investment in the EmPower+ program** to help an estimated 10,000 additional households access free assessments, low-cost direct installs, and targeted upgrades;
- **A new Excelsior Power program,** which will provide consumers who use smart thermostats and other similar technologies \$25 off their utility bill per month in the first year;
- **Streamlining energy assistance programs** and launching a centralized outreach campaign;
- **A new Energy NY Development Initiative** under the Department of Public Service (DPS) to modernize how large energy users connect to the grid while providing strict conditions to protect ratepayers;
- **Property lien authority** to hold landlords accountable for paying utility bills; and
- **Utility affordability index** showing the energy burden on customers throughout each utilities' service territory.

Affordable Housing

The Governor's affordability agenda also includes proposals to expand housing supply and reduce development costs.

- **\$250 million in new capital funding** to accelerate and expand the development of affordable housing this fiscal year;
- **MOVE-IN NY expansion** leveraging prefabricated construction, with continued exploration of emerging factory-built and modular housing technologies
- **Increasing the land bank cap** from 35 to 45; and
- **Reform the State Environmental Quality Review Act (SEQRA)** to build housing and other critical infrastructure projects faster and cheaper.

Aging

Expanding supports for older adults: To enhance care options and improve quality of life for New York's aging population, the Governor proposes a series of investments and programmatic initiatives.

- **Naturally Occurring Retirement Communities (NORCs):** Increasing investments in housing developments and neighborhoods with large populations of older adults where community providers offer supportive services such as health care navigation and case management
- **\$35 million for non-medical in-home services:** Renewing the SFY 2026 investment to reduce waitlists for services including personal care, case management, home-delivered and congregate meals, and transportation

- **CAPABLE program:** Launching the Community Aging in Place – Advancing Better Living for Elders program to provide in-home visits to approximately 2,600 older adults, including nursing, occupational therapy, and handy worker services
- **Palliative and hospice care education:** Directing the Department of Health to launch an educational awareness initiative for clinical providers and staff on community-based palliative care, hospice care, and advance care planning
- **Elder abuse prevention training:** Directing the New York State Office for the Aging to create comprehensive, publicly accessible virtual training modules on elder abuse prevention and response
- **Multi-agency benefits coordination council:** Launching a short-term council to identify benefits older adults may be eligible for across agencies and develop recommendations for a “one-stop shop” pre-screening tool covering programs such as veterans’ benefits, tax relief, nutrition, prescription assistance, energy bills, and medical care

Agriculture and Food Security

Strengthening food access and farm resilience: To help New Yorkers put food on the table and support agricultural producers, the Governor advances several initiatives related to food security, nutrition assistance, and agricultural infrastructure.

- **Dairy Modernization Program and Agricultural Resiliency Against Tariffs Program:** Implementing programs to support dairy farms and help agricultural producers respond to tariff-related impacts
- **Hunger Prevention and Nutrition Assistance Program (HPNAP):** Increasing investment in DOH’s program supporting food pantries, soup kitchens, and shelters
- **New York PLATES (Providing Local Access to Essential Sustenance) grants:** Establishing a statewide competitive capital grant program to support food pantry infrastructure improvements
- **EBT chip-based cards:** Upgrading New York’s EBT cards to chip-based technology to better protect against theft
- **SNAP enrollment through school portals:** Requiring schools participating in the universal free meals program to link to OTDA’s MyBenefits portal to facilitate SNAP enrollment
- **Expanded summer meals access:** Working with communities to expand free summer meal sites and partnering with nonprofits to support rural providers with startup costs and technical assistance
- **Summer EBT awareness campaign:** Directing the Office of Customer Experience to facilitate a statewide outreach campaign
- **County fair infrastructure investments:** Investing in infrastructure improvements at county fairs and providing support for off-season event capacity

Cybersecurity

Addressing evolving digital threats: To protect New Yorkers and state systems from cybersecurity risks, the Governor proposes several new standards and oversight mechanisms.

- **Expanding enforceable cybersecurity standards** to protect New York's power grids from cyber threats;
- **Creating a new office of Digital Innovation, Governance, Integrity, and Trust (DIGIT)** to oversee digital safety and technological governance; and
- **Requiring data brokers to register** and allowing New Yorkers to delete personal data.

Economic Development

Promoting growth and job creation: To spur economic development, support businesses, and create well-paying jobs, the Governor advances the following initiatives.

Promote Tech and Biotech

- **Semiconductor R&D center:** Launching a downstate-based center to support early-stage semiconductor research and development
- **Quantum hubs:** Establishing four quantum hubs across New York to provide quantum-focused startups and early-stage companies with resources to commercialize quantum technologies
- **Biotech workforce training:** Expanding skills-training programs to equip New Yorkers for careers in biotechnology and other high-growth fields

Supporting Farmers and Manufacturers

- **Manufacturing Modernization Program:** Directing Empire State Development (ESD) to launch a statewide network of centers to support small and mid-size manufacturers through AI integration, supply chain consultations, and capital grants to modernize equipment or transition to clean energy
- **Dairy Modernization Program and investment tax credit:** Advancing another round of the Dairy Modernization Program and extending the refundable investment tax credit to support farm modernization
- **Agricultural Resiliency Against Tariffs Program:** Proposing \$30 million in direct payments to specialty crop growers, livestock producers, and dairy farmers
- **Certified cannabis business hub network:** Creating a statewide network offering loan funds for existing businesses, startup capital for new businesses, a business development grant fund, workforce development partnerships with SUNY and CUNY, and a CUNY Law Foundation pro bono initiative

Investing in Communities

- **“State of Cider” initiative:** Establishing New York as the “State of Cider” through marketing orchards, tasting rooms, and food experiences to attract tourism
- **Alcoholic Beverage Control Law modernization:** Updating the ABCL to allow producers to own up to three restaurant or tavern licenses
- **Expanded hospitality licensing:** Allowing dancing by default in taverns and bars and creating new hybrid restaurant-tavern licenses
- **Downtown Revitalization Initiative and NY Forward:** Advancing a new round of investments in DRI and NY Forward to support downtown neighborhoods and rural communities
- **County Infrastructure Grant Program:** Providing an additional \$50 million to support county infrastructure projects
- **Industrial Development Agency (IDA) oversight reforms:** Overhauling IDA investment tracking systems and implementing the Authorities Budget Office’s Revenue Integrity Group plan to help recoup an estimated \$11 million in excess sales tax exemptions

Environment and Energy

Advancing climate and infrastructure goals: To combat climate change and protect New York’s natural resources, the Governor proposes a combination of investments, regulatory actions, and program expansions.

Core Environmental and Infrastructure Investments

- **\$3.75 billion water infrastructure commitment:** Establishing a five-year investment totaling \$3.75 billion, with \$750 million per year
- **Smart Growth Water Grant Program:** Creating a new grant program focused on sewer and water projects that directly support housing development and job creation
- **Landfill leachate regulations:** Adopting new requirements for landfills to treat leachate for harmful contaminants at the source, with funding provided to support local government compliance
- **Lead service line replacement funding:** Expanding funding opportunities to support identification and replacement of lead service lines
- **Environmental Protection Fund:** Investing \$425 million in the Environmental Protection Fund
- **Green Resiliency Grant Program:** Advancing another round of funding to support municipal green infrastructure projects that replace hard surfaces with permeable landscapes, trees, and nature-based systems
- **FloodSafe NY:** Advancing a coordinated resiliency effort to better understand and manage flood risk by aligning watershed studies, implementation grants, and stream monitoring
- **Shoreline resiliency grants:** Advancing a new round of grants for local projects that strengthen shorelines, protect critical assets, and reduce flood risk in vulnerable communities

- **Waterfront planning implementation support:** Providing additional support to help communities implement priority projects identified in approved waterfront plans
- **Adaptation and Resilience Network:** Directing the Department of Environmental Conservation (DEC) to launch a one-stop online hub consolidating guidance, tools, and resources related to permitting, funding opportunities, and climate-resilient infrastructure
- **Environmental justice community grants:** Launching a new competitive grant program to support community-based organizations in environmental justice and disadvantaged communities to strengthen local preparedness and response capacity

Streamlining Environmental Review and Permitting

The Governor also proposes to accelerate housing, infrastructure, economic development, and clean energy projects by streamlining environmental review and permitting processes.

- **SEQRA housing exemptions:** Amending SEQRA to classify certain housing projects that comply with local zoning and have no significant environmental impacts as not requiring additional SEQRA review
- **Expanded Type II actions under SEQRA:** Including clean water infrastructure, green infrastructure and nature-based stormwater management, public parks and recreational bike and pedestrian paths on previously disturbed land, and new or renovated child care centers on previously disturbed land
- **Two-year SEQRA deadline:** Imposing a two-year maximum timeline from a positive declaration to issuance of a final agency decision on an environmental impact statement
- **Local government SEQRA support:** Providing enhanced education and technical assistance to help local governments better understand and navigate the SEQRA process
- **Generic Environmental Impact Statements (GEISs):** Directing DEC to develop GEISs to help guide site selection and allow projects to progress more efficiently through environmental review
- **Clean energy permitting updates:** Directing NYPA and NYSERDA to update regulations to facilitate and accelerate deployment of clean energy projects
- **End-to-end permitting review:** Directing state agencies involved in permitting and environmental reviews to identify opportunities to accelerate timelines and alleviate bottlenecks, with recommendations due by September 1, 2026

Supporting a Reliable and Affordable Clean Energy Transition

- **Nuclear Reliability Backbone:** Advancing a new initiative to establish a clear pathway for additional advanced nuclear generation to support grid reliability
- **NextGen Nuclear New York:** Launching a workforce development initiative to build a skilled, in-state nuclear workforce through coordinated education and training pathways

- **State Building Aid flexibility:** Updating how State Building Aid is applied to give school districts greater flexibility to install effective renewable energy systems, including ground-mounted solar where appropriate
- **EV charging sales tax exemption:** Establishing a sales tax exemption for electricity used to recharge electric vehicles at commercial charging stations
- **Sun and Soil Program:** Introducing a program to expand opportunities for farmers to integrate solar energy development while maintaining productive agricultural land
- **Expanded cybersecurity standards for energy systems:** Extending enforceable cybersecurity requirements to operational technology that controls power generation, transmission, and distribution

Gaming

Addressing gambling-related harms: To respond to the growth of legalized gaming and evolving betting technologies, the Governor advances several initiatives focused on public health, consumer protections, and regulatory oversight.

- **Gambling recovery service expansion:** Integrating gambling recovery services into 16 recovery community and outreach centers
- **Gambling Health Institute:** Establishing a statewide institute to equip organizations with tools and training related to gambling harm prevention and recovery
- **Peer advocate certification for gambling recovery:** Creating a specialized certification for peer advocates with lived experience related to gambling
- **Restrictions on AI-driven betting practices:** Limiting betting platforms' use of artificial intelligence to personalize promotions and wagers
- **Gaming Commission guidance:** Directing the Gaming Commission to issue guidance on the use of technological tools to assist individuals who may need support for gambling addiction
- **Statewide gambling health study:** Launching a 10-year statewide study to assess gambling health trends and evaluate prevention outcomes

Government Operations

Improving efficiency and transparency: To modernize state government operations, the Governor advances reforms aimed at streamlining processes, reducing administrative burdens, and strengthening coordination across agencies.

Regulatory Reform and Process Modernization

- **30-day regulatory reform call:** Launching a statewide call for ideas from stakeholders, including local governments, community organizations, and businesses, to identify opportunities to cut red tape and reform regulations
- **AI-enabled permitting pilots:** Launching pilot programs within several state agencies to use AI and other technologies in permitting processes

- **Modernizing SEQRA and environmental review:** Advancing reforms to streamline the State Environmental Quality Review Act and environmental impact statement processes

Census Planning and Coordination

The Governor also proposes to initiate census planning efforts early to improve coordination and participation.

- **State census commission:** Establishing a commission responsible for strategic planning, coordination, and community outreach
- **Designated state census planner:** Identifying a lead planner to drive statewide census preparation and coordinate efforts across agencies
- **Public education and trust-building:** Calling on state agencies and community-based organizations to lead education efforts, particularly in hard-to-count communities
- **Local Update of Census Addresses (LUCA) support:** Supporting counties, cities, townships, and tribal governments in updating address data through the LUCA process

Health Care & Medicaid

Expanding access to care: To strengthen New York’s health care system and improve access to affordable, high-quality care, the Governor advances the following actions.

- **Safety Net Transformation Program and AI in health care:** Expanding the Safety Net Transformation Program and incorporating the use of AI in health care delivery
- **Expanding scope of practice for health care workers:** Proposing legislation to reduce restrictions on scope of practice for critical health care workers, including allowing certified nursing assistants to administer medication in nursing homes, permitting physician assistants with sufficient training to practice independently, and authorizing medical assistants to administer vaccinations. The Governor also proposes changes in state law to allow the Department of Health to oversee and make additional determinations regarding licensed health care professionals’ scope of practice
- **Limiting reliance on temporary health care staffing:** Modifying rules and expanding best practices to reduce the use of high-cost professional temporary health care workers. According to the New York State Department of Health, nearly three out of four temporary health care workers live within 25 miles of their assigned work location
- **ACA subsidy negotiations:** Continuing negotiations with the federal government regarding lapsed Affordable Care Act subsidies, which—if not renewed by Congress—would result in more than 140,000 New Yorkers paying

approximately 40 percent more for health insurance premiums in 2026 compared to 2025

- **Prescription drug cost containment:** Protecting access to quality health coverage while leveraging New York's purchasing power to reduce prescription drug costs
- **Health workforce investment:** Investing nearly \$700 million to strengthen and support New York's health care workforce

Higher Education

Increasing affordability and workforce alignment: To improve access to higher education and better align programs with workforce needs, the Governor advances several reforms and investments.

- **SUNY and CUNY tuition freeze:** Freezing tuition for resident undergraduate students at SUNY state-operated campuses and CUNY senior colleges, while providing additional operating aid to these institutions
- **Expanded eligibility for Reconnect programs:** Expanding the list of high-demand fields eligible under the SUNY and CUNY Reconnect programs to include logistics, air traffic control and transportation, emergency management, and other priority fields
- **Reconnect access for nursing students:** Expanding the SUNY and CUNY Reconnect programs to include adults pursuing nursing degrees, even if they have previously earned a college degree in another field
- **New York Career Connect:** Supporting SUNY and CUNY in providing thousands more career-aligned internships and experiential learning opportunities through the New York Career Connect initiative
- **Community college residency reform:** Reforming the certificate of residency submission process to simplify requirements and ensure students are not subject to significant financial liability when documentation is submitted late
- **On-campus clinics for student veterans:** Establishing campus-based clinics to expand access to tutoring, resources, support services, and community for student veterans

Mental Health

Addressing unmet mental health needs: To expand access to mental health services and improve outcomes statewide, the Governor advances a range of programmatic and policy initiatives.

- **Statewide suicide prevention action plan:** Directing the Office of Mental Health (OMH) to lead a three-year, multi-agency suicide prevention plan focused on raising awareness of risk factors such as housing instability, financial insecurity, and limited access to culturally responsive care
- **Faith-based overdose prevention collaboration:** Establishing an interagency partnership between the Office of Addiction Services and Supports

(OASAS) and the Department of State's Interfaith Advisory Council to engage faith-based organizations serving communities of color in overdose prevention, training, and stigma reduction

- **Joint mental health and substance use licensing:** Allowing clinics to provide mental health and substance use services under a single, jointly issued license
- **Co-Occurring Capable (CoC) designation:** Introducing a new designation for OMH- and OASAS-certified providers that meet high standards for treating complex, co-occurring mental health and substance use conditions
- **Teen Mental Health First Aid:** Making Teen Mental Health First Aid training available to all 10th-grade students statewide
- **First Responder Behavioral Health Center of Excellence:** Establishing a statewide training and technical assistance hub to support peer behavioral health programs across first responder departments

Public Health

Strengthening public health systems: To improve health outcomes and preparedness, the Governor advances updates to public health programs, regulatory authority, and access to care.

- Direct New York's Department of Taxation and Finance (DTF) to create a Vapor Products registry that identifies the vapor products that may be legally sold in the State, with prohibited flavored products deemed contraband;
- Expand scope of practice for several critical healthcare workers to expand access for patients, including allowing certified nursing assistants to administer medication in nursing homes, physician assistants with sufficient training to practice independently, and medical assistants to administer vaccinations;
- Amend state law to allow the Department of Health (DOH) to oversee and make additional decisions about licensed healthcare professionals' scope of practice;
- Direct DOH to negotiate with the federal government to develop affordable coverage options to ensure continued access to affordable healthcare for those impacted by federal cuts;
- Direct DOH to identify and target specific classes of high-cost drugs for direct negotiations with manufacturers to achieve better discounts for the State;
- Expand healthcare coverage protections for New Yorkers by reforming and creating more transparency in the prior authorization review process;
- Allow any eligible licensed medical provider in good standing to treat workers' compensation claimants if they choose;
- Authorize the Commissioner of Health, in consultation with recognized medical organizations, to establish immunization requirements that guide school eligibility, clinical practice, and insurance coverage;
- Direct the Department of Health's Early Interventions (EI) and Early Hearing Detection and Intervention (EHDI) programs to investigate why babies who are

flagged as being potentially Deaf, DeafBlind, or Hard of Hearing (DDBHH) at birth do not make it to their follow-up screening;

- EHDI will incorporate language acquisition principles into their existing framework; and
- Launch of the “These Lands are for Everyone Initiative” which will invest in destinations on state lands that are accessible and inclusive for children with and without disabilities.

Public Safety

Enhancing safety and emergency response: To protect public safety, the Governor advances proposals related to firearms, traffic safety, emergency response, and criminal justice procedures.

- **Crackdown on ghost guns and DIY firearms:** Strengthening enforcement against 3D-printed firearms and DIY machine guns
- **State civil actions for constitutional violations:** Authorizing individuals to bring state-level civil actions against federal officers who violate New Yorkers’ U.S. constitutional rights
- **Protection of sensitive locations:** Ensuring schools, houses of worship, and other sensitive locations are protected from civil immigration enforcement absent a judicial warrant
- **Buffer zones around sensitive sites:** Establishing buffer zones around houses of worship and health care facilities to protect public safety and access
- **Autonomous vehicle deployment outside NYC:** Allowing limited deployment of commercial, for-hire autonomous passenger vehicles outside New York City, subject to oversight and safety standards
- **Persistent speeder technology pilot:** Allowing New York City to pilot technology that prevents persistent speeders from exceeding posted speed limits by more than a few miles per hour
- **Work zone safety enhancements:** Strengthening work zone safety through expanded automated speed enforcement, modernized driver education, and new technologies that warn workers when vehicles enter closed areas
- **Motorcycle rider training requirement:** Requiring all new or first-time motorcycle license applicants to complete an approved rider training course prior to licensure
- **Autonomous vehicle pilot expansion:** Launching the next phase of the autonomous vehicle pilot program while maintaining work zone safety protections
- **Crime lab modernization:** Investing in modernizing state crime labs to reduce backlogs, accelerate case processing, and improve the quality and consistency of forensic evidence
- **Automatic extension of orders of protection:** Requiring courts to automatically extend orders of protection when a defendant fails to return to court

- **Sexual offense evidence protections:** Advancing legislation to extend evidence kit retention periods for survivors assaulted as children, allow anonymous reporting without entering the criminal justice process, prevent destruction of evidence without survivor consent, and grant certain minors greater authority over decisions related to their own evidence collection kits
- **Urban Search and Rescue capability:** Strengthening statewide emergency response to extreme weather events by establishing a new Urban Search and Rescue capability through a partnership between DHSES' Office of Fire Prevention and Control and local first responders
- **Drone restrictions and counter-drone authority:** Limiting where drones may operate near critical infrastructure, schools, and large public gatherings; expanding law enforcement authority to respond to credible drone threats; and supporting safe testing of counter-drone technologies

Social Services

Expanding child care and family supports: To improve access to affordable child care and strengthen social service delivery, the Governor proposes the following initiatives.

- Create a uniform statewide Pre-K grant funded at the higher of either \$10,000 or the district's current selected Foundation Aid per pupil;
- Pilot 2-care (free child care for two-year-olds) in high-need areas of New York City with the goal of reaching 2,000 children by fall 2026;
- Partner with New York City to expand access to the City's 3K program;
- Invest an additional \$1.2 billion in the Child Care Assistance Program (CCAP) for a total of more than \$3 billion in subsidies;
- Collaborate with a limited number of counties on innovative new community care pilot projects;
- Uncouple New York State's Child and Dependent Care Tax Credit from the federal tax code to provide an additional average benefit of approximately \$575 for 230,000 tax filers;
- Create a new Office of Child Care and Early Education charged with driving the implementation of universal child care;
- Increase the capacity of New York's 13 Agri-Business Child Development (ABCD) Centers, which provide 1,000 children of farmers with child care;
- Provide guidance and support to localities interested in adapting their own regulations and policies to better accommodate and expand high-quality child care;
- Support the workforce by expanding the Masters in Education Teacher Incentive Scholarship, classifying early childhood education as an in-demand occupation for purposes of program eligibility for federal Workforce Pell grants, and expanding part-time Tuition Assistance Program (TAP) aid for students in approved non-degree teaching and child care programs; and
- Boost awareness of the Child Tax Credit.

