

New York State Senate

Report on the Enacted State Fiscal Year 2013-14 Executive Budget



Senator Dean G. Skelos

Republican Conference Leader
and Majority Coalition Leader

Senator Jeffrey D. Klein

Independent Democratic Conference Leader
and Majority Coalition Leader

Senator John A. DeFrancisco

Chairman, Finance Committee

REPORT ON THE AMENDED EXECUTIVE BUDGET

13-14 Executive to Enacted Budget Reconciliation <i>(millions of dollars)</i>				
	All Funds	State Funds	State Operating Funds	General Fund
Executive Budget Receipts				
Taxes, Executive Budget	69,105	69,105	67,706	45,286
Adjust for Enacted	14	14	14	14
Taxes, Enacted Budget	\$ 69,119	\$ 69,119	\$ 67,720	\$ 45,300
Miscellaneous Receipts, Exec budget	23,889	23,703	19,357	3,101
Adjust for Enacted	-	-	-	-
Misc Receipts, Enacted budget	\$ 23,889	\$ 23,703	\$ 19,357	\$ 3,101
Federal Grants, Executive Budget	47,948	87	82	2
Adjust for Enacted	-	-	-	-
Federal Grants, Enacted Budget	\$ 47,948	\$ 87	\$ 82	\$ 2
Net Transfers From Other Funds	\$ 26,860	\$ 27,173	\$ 25,346	12,666
TOTAL RECEIPTS	\$ 140,956	\$ 92,909	\$ 87,159	\$ 48,403
Executive Budget Spend				
Local Assistance Grants	102,117	60,538	59,186	40,035
AtL Adds	485	484	484	446
AtL Cuts	(17)	(17)	(17)	-
Local Assistance, Enacted Budget	102,585	61,005	59,653	40,481
State Operations, Exec Budget	19,531	17,716	17,716	7,455
SO Adds	65	65	65	1
SO Cuts	(1)	(1)	(1)	-
State Operations, Enacted Budget	19,596	17,780	17,780	7,456
General State Charges	7,405	7,084	7,084	4,964
Debt service	5,873	5,873	5,873	-
Capital projects	6,173	5,056	5	-
Net Capital Reduction	(300)	(300)	-	-
Capital Projects, Enacted Budget	5,873	4,756	5	-
Net Transfers To Other Funds	26,949	24,102	22,587	8,434
<i>Bond / Note Proceeds</i>	338	338	81	-
TOTAL DISBURSEMENTS	\$ 141,332	\$ 96,498	\$ 90,395	\$ 52,901
Federal Funding Adjustments				
Hurricane Sandy	(5,100)	-	-	-
Affordable Care Act	(1,000)	-	-	-
ADJUSTED DISBURSEMENTS	\$ 135,232	\$ 96,498	\$ 90,395	\$ 52,901

SFY 2013-14 Spending (billions of dollars)				
	12-13	13-14	Change	Percent
All Funds	\$ 134.142	\$ 135.232	\$ 1.090	0.81%
State Funds	\$ 95.791	\$ 96.498	\$ 0.707	0.74%
State Operating Funds	\$ 89.621	\$ 90.215	\$ 0.594	0.66%
General Fund	\$ 52.458	\$ 52.901	\$ 0.443	0.84%

SUMMARY OF STATE OPERATIONS SPENDING (millions of dollars)				
	General Fund	State Operating Funds	State Funds	All Funds
Education	48	129	129	405
Economic Development / Government Oversight	55	351	351	365
Parks / Environment	200	408	408	453
Transportation	26	121	121	134
Health / Mental Hygiene / Medicaid	416	3,592	3,592	3,913
Higher Education	1	5,800	5,800	6,042
Human Services	450	722	722	1,319
Public Protection	3,060	3,207	3,207	3,444
General Government	704	999	999	1,036
Elected Officials / Other	2,216	2,408	2,408	2,443
Miscellaneous Adjustments*	280	32	32	30
Total Spending	7,456	17,769	17,769	19,584
<i>*These amounts represent offsetting transactions between funds</i>				

SUMMARY OF AID TO LOCALITIES SPENDING (thousands of dollars)				
	General Fund	State Operating Funds	State Funds	All Funds
Education	19,545	26,177	26,177	30,268
Economic Development / Government Oversight	166	411	866	872
Parks / Environment	19	30	85	210
Transportation	98	4,722	4,988	5,572
Health / Mental Hygiene / Medicaid	13,350	21,179	21,620	48,832
Higher Education	2,793	2,825	2,835	2,843
Human Services	3,064	3,065	3,176	7,706
Public Protection	164	371	371	5,815
General Government	20	20	20	77
Local Government Assistance	774	774	774	774
Elected Officials	50	154	154	154
Miscellaneous Adjustments*	454	14	28	(359)
Total Spending	40,497	59,742	61,094	102,764
<i>*These amounts represent offsetting transactions between funds</i>				

SUMMARY OF GENERAL FUND SPENDING <i>(millions dollars)</i>			
ADDS		REDUCTIONS / REESTIMATES	
Education	290		
Higher Education	69		
Health / Medicaid / Mental	122		
Other	27		
Human Services	42		
Total Spending	550	Total Reductions/Reestimates	(103)
NET CHANGE IN SPENDING			447

SUMMARY OF CAPITAL SPENDING <i>(millionss of dollars)</i>			
	State Funds		All Funds
Education	24		24
Economic Development / Government Oversight	231		231
Parks / Environment	482		497
Transportation	2,338		3,420
Health / Mental Hygiene / Medicaid	144		144
Higher Education	1,166		1,166
Human Services	21		24
Public Protection	353		371
General Government	97		97
Other - Misc Adjustment*	(100)		(288)
Total Spending	4,756		5,686

* reflects \$488 million in reduced capital spending offset by a miscellaneous adjustment related to transfers

SFY Projected Structural Deficit <i>(millions of dollars)</i>		
	Executive	Enacted
2013-14	\$ -	\$ -
2014-15	\$ 2,093	\$ 2,100
2015-16	\$ 3,563	\$ 2,800
2016-17	\$ 4,161	\$ 3,100
Total	\$ 9,817	\$ 8,000

Reserves
SFY 2013-14
(millions of dollars)

	Executive	Enacted
Tax Stabilization Reserve Fund	1,131	1,131
Statutory Rainy Day Reserve Fund	175	175
Contingency Reserve Fund	21	21
Community Projects Fund	0	-
Debt Reduction Reserve Fund	263	263
State Insurance Fund Reserve	-	1,750
Prior Year Labor Agreements	51	51
Total Reserves	1,641	3,391

ALL STATE AGENCIES AND OPERATIONS

Adirondack Park Agency

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$5.09 million.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of re-appropriating previous year's funding.

Aging, Office for the

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$12.9 million.

Aid to Localities (S.2603-E)

- The Legislature amends the Executive proposal for Aid to Localities as follows:
 - Provides additional funding for the following programs:
 - \$500,000 -- Elderly Abuse Education and Outreach Program;
 - \$200,000 -- Social Model Adult Day Services Program; and
 - \$200,000 -- Transportation Services for the Elderly.
 - Provides new funding for the following programs:
 - \$200,000 -- Lifespan for Elderly Abuse Education and Outreach Program; and
 - \$200,000 -- Council of Senior Centers and Services of New York City for the Older Adult Supplemental Nutrition Assistance Program (SNAP) initiative.

Agriculture and Markets, Department of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$119.7 million with the following modification:
 - Denies the Executive's appropriation language to allow funding of laboratories to be transferred among the Departments of Health, Environmental Conservation, and Agriculture and Markets.

Aid to Localities (S.2603-E)

- The Senate provides restorations to Agricultural programs as follows:
 - \$821,000 for the Farm Viability Institute;
 - \$500,000 for North Country Agricultural Development;
 - \$150,000 for efforts to fight Eastern Equine Encephalitis;
 - \$100,000 for Tractor Rollover Prevention;
 - \$100,000 for the Maple Producers Association;
 - \$100,000 for the Cornell Rabies Program;
 - \$100,000 for Cornell Farm Family Assistance (FarmNet);

- The Senate provides additional funding as follows:
 - \$794,000 for the Apple Growers Association;
 - \$287,000 for the Wine and Grape Foundation;
 - \$279,000 for the Farm Viability Institute;
 - \$220,000 for Dairy Profit Teams administered by the Farm Viability Institute;
 - \$200,000 for Long Island Farm Bureau
 - \$150,000 for New York Turfgrass Association
 - \$100,000 for Cornell Farm Family Assistance (FarmNet);
 - \$100,000 for the Cornell Rabies Program;
 - \$20,000 for a Low-Cost Rabies Vaccine Program
 - \$100,000 for the Christmas Tree Farmers Association;
 - \$100,000 for Berry Growers Association;
 - \$100,000 for Genesee County Agricultural Academy;
 - \$25,000 for Island Harvest; and
 - \$25,000 for the Maple Producers Association.

Capital Projects (S.2604-E)

- The Legislature modifies the Executive proposal by appropriating \$2.5 million out of \$50 million in New York Works funding proposed in the Parks budget, for improvements to the New York State Fair.

Alcoholic Beverage Control Board

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$18.9 million.

Audit and Control, Department of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$273.1 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with Executive recommendation of \$32 million.

Budget, Division of

State Operations (S.2600-E)

- The Legislature amends the Executive recommendation of \$53.8 million as follows:
 - \$10,000 in additional funding for membership to the National Conference of Insurance Legislators (NCOIL); and,
 - \$469,000 in additional funding for membership to the Council of State Governments (CSG).

Children and Family Services

State Operations (S.2600-E)

- The Legislature modifies the Executive's All Funds Recommendation of \$540.4 million, an increase of \$11.2 million or 2.12 percent from SFY 2012-13 levels, as follows:
 - Denies facility closures and program model costs related to the Close to Home expansion initiative.

Aid To Localities (S.2603-E)

- The Legislature modifies the Executive's All Funds Recommendation of \$3.2 billion, a decrease of \$53.0 million or 1.63 percent from the SFY 2012-13 levels, as follows:
- The Legislature restores and/or adds funding to the following General Fund programs:
 - Child Care Subsidies, restore \$1 million;
 - Staff-Client Ratios, restore \$757,000;
 - Child Advocacy Centers, restore \$750,000 for a total of \$5.98 million;
 - Youth Development Programs (formerly Youth Development and Delinquency Program / Special Delinquency Prevention Program), restore \$1.3 million, for a total of \$15.4 million;
 - Runaway and Homeless Youth Act programs, restore \$254,456 for a total of \$2.6 million;
 - Settlement Houses, restore \$450,000;
 - Safe Harbor: Sexually Exploited Youth, restore \$1.5 million and add \$150,000 for a total of \$1.65 million;
 - Community Reinvestment Programs, restore \$1.75 million;
 - Boys and Girls Club, restore \$750,000;
 - Center for Alternative Sentencing and Employment Services (CASES), restore \$200,000;
 - Yeled V'yalda Early Childhood Center, add \$350,000;
 - Helen Keller: CORE Program, add \$35,000;
 - National Federation of the Blind, add \$75,000;
 - Community Action Organization of Erie County, add \$250,000;
 - Legal Services for the Elderly or Disadvantaged of Western New York, add \$80,000; and
 - Premium Health, add \$350,000.

Capital Projects (S.2604-E)

- The Senate concurs with the Executive's All Funds Recommendation of \$37.7 million, consistent with SFY 2012-13 levels.

Article VII Proposals (S.2607-E)

- PART G: The Legislature amends the proposal which would consolidate the youth development and delinquency prevention program and the special delinquency prevention program into one program as follows:
 - Establishes the definitions of "Municipal youth bureau" and "Local youth bureau" under §412 of the Executive law.
 - Amends the proposal to permit the Office of Children and Family Services to consider the percentage of youth living in poverty as a factor, in addition to the number of youth under age 21 when determining the amount of state aid each municipality shall receive.

- Amends the proposal to require specifying, at minimum, how the municipality will address the need for youth development programs in towns, cities and villages with a youth population of 20,000 or more.
- Amends the proposal to require a municipality to allocate funds according to their approved comprehensive plan and permits the State to withhold funding if an allocation is not spent accordingly.
- Concurs with amendments made regarding the runaway and homeless youth program which, in part, signifies that said program is wholly separate from the Youth Development program including its appropriation source.
- Amends the proposal to restore youth bureau language under §422 of the Executive law. Provisions of this section include:
 - continuing the State's authority to approve local youth bureaus;
 - recognition of local youth bureaus approved on or before April 1, 2013;
 - requiring local governing bodies to approve a local youth bureaus application prior to submission to the State; and
 - permitting two or more municipalities to join together to establish, operate and maintain youth development programs.
- Establishes that the program shall expire as of December 31, 2018.
- PART H: The Legislature denies the expansion of the Juvenile Justice Close to Home Initiative Model to the rest of New York State.

City University of New York (CUNY)

State Operations (S.2600-E)

- The Legislature amends the Executive proposal to add \$551,340 to the SEEK program.
- The Legislature amends the Executive proposal to add \$1 million for the Joseph Murphy Institute.
- The Legislature accepts the Executive proposal to allow for a portion of senior college funding to be used to implement a plan to improve educator effectiveness.

Aid to Localities (S.2603-E)

- The Legislature amends the Executive proposal for community college base aid to increase full-time equivalent (FTE) funding by \$150, or \$9.3 million. Base aid will be \$2,422 per FTE for SFY 2013-14.
- The Legislature accepts the Executive proposal to make \$2 million in program incentive fund awards to CUNY community colleges.
- The Legislature amends the Executive proposal to restore \$544,000 for CUNY child care centers.
- The Legislature amends the Executive proposal to add \$26,500 for the College Discovery program at CUNY community colleges.
- The Legislature amends the Executive proposal to add \$1.7 million for the Accelerated Study in Associate Programs.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$45 million.

Article VII Proposals (S.2607-D)

- PART D: The Legislature modifies the Executive proposal to create the Next Generation NY Job Linkage Program. The revised proposal requires community college vocational programs to demonstrate that they are preparing students for current and future job opportunities by partnering with employers, but does not tie this requirement to base aid. The proposal also directs CUNY to make awards from a program incentive fund based on measures of student success.
- PART V: The Legislature includes language directing CUNY and SUNY to establish, pursuant to a plan, a uniform methodology for calculating community college chargeback rates. The methodology would be phased in over five years beginning in the 2014-2015 academic year. The language also directs CUNY and SUNY to establish an online training program or county financial officers and assist in the development of an online or electric billing system.

Civil Service, Department of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$56.5 million.

Article VII Proposal (2607-D)

- PART R: The Legislature denies the Executive proposal to promote the continuity of care for individuals and enable direct care employees to have increased flexibility for employment opportunities;

Commission of Corrections, State

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$2.9 million.

Corrections and Community Supervision, Department of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$3 billion, with the following modifications:
 - Provides \$1.1 million for personal service costs related to 50 new beds for female inmates at the Edgecombe Correctional Facility in Manhattan.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$31 million.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$310 million.

Article VII Proposals (S.2605-D)

- PART A: The Legislature accepts the Executive proposal to close Bayview and Beacon correctional facilities in the State fiscal year 2013-2014 with 60 days notice.
- PART B: The Legislature accepts the proposal to transfer and convey the Fulton Correctional Facility in the Bronx to the Thomas Mott Osborne Memorial Fund, Inc. to be used for reform and

rehabilitation programs and for related community activities. The State would regain title if the property ever ceases to be used for such purposes.

Council on the Arts

State Operations (S.2600-E)

- The Legislature denies the Executive proposal and reduces State Operations funding to \$4.2 million for the Council on the Arts. This represents a decrease of \$500,000 which is consistent with 2012-13 levels.

Aid to Localities (S.2603-E)

- The Legislature denies the Executive proposal and reduces Aid to Localities grants funding to \$37.5 million for the Council on the Arts. This represents a decrease of \$500,000 which is consistent with 2012-13 levels.

Criminal Justice Services, Division of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$88.4 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$175 million, with the following modifications:
 - Includes \$1 million for Federal Edward Byrne Justice Assistance Grant (JAG) for targeted drug, violence, crime control, treatment and prevention programs.
- The Legislature modifies the Executive proposal related to Aid to Localities programs, by providing the following funding:
 - \$2.6 million for civil or criminal legal services from the Legal Services Assistance Account.
 - \$2 million for the establishment or continued operation of regional S.N.U.G programs.
 - \$1.8 million for Law Enforcement, Anti-Drug, Anti-Violence, Crime Control and Treatment and Prevention Programs.
 - \$1.2 million for Domestic Violence Programs.
 - \$1.2 million for Alternative to Incarceration Programs.
 - \$1 million for the establishment or continued operation of regional operation S.N.U.G programs within the following counties: Bronx, Queens, Rockland and Onondaga.
 - \$1 million for the New York State Defenders Association.
 - \$1 million for indigent legal services from the Legal Services Assistance Account for persons re-entering communities from state facilities.
 - \$800,000 for drug, violence, and crime control and prevention programs.
 - \$650,000 for civil or criminal legal services for domestic violence programs, from the Legal Services Assistance Account.
 - \$600,000 for the Indigent Parolee Program from the Legal Services Assistance Account.
 - \$500,000 for Finger Lakes Law Enforcement.
 - \$300,000 for Neighborhood Defender Service of Harlem, from the Legal Services Assistance Account.

- \$250,000 for purchase of safety equipment for New York City correction officers.
- \$250,000 for purchase of safety equipment for the New York State Correctional and Police Benevolent Association (NYSCOPBA).
- \$250,000 for Community Service Society: Record Repair Counseling Corps.
- \$250,000 for Brooklyn Legal Services Corp A.
- \$200,000 for Vera Institute of Justice: Common Justice.
- \$180,000 for Legal Action Center.
- \$150,000 for Greenpoint Outreach Domestic and Family Intervention Program.
- \$150,000 for Legal Services NYC: DREAM Clinics.
- \$150,000 for New York State Immigrant Action Fund.
- \$150,000 for Make the Road New York.
- \$150,000 for Consortium of the Niagara Frontier.
- \$150,000 for Friends of the Island Academy.
- \$100,000 for John Jay College: Prison to College Pipeline.
- \$100,000 for the Fortune Society.

Article VII Proposals (S.2605-D)

- PART D: The Legislature accepts the proposal to ratify the National Crime Prevention and Privacy Compact so that New York could participate in the National Fingerprint File, which is the infrastructure that facilitates the sharing of criminal records for non-criminal purposes.
- PART E: The Legislature amends the Executive proposal to make permanent certain criminal justice correctional services provisions by extending each provision/program for a period of two years. Such programs were due to expire September 1, 2013. Proposes to allow the use of the Community Treatment Facilities Program to continue.
- PART F: The Legislature accepts the proposal to extend for a year the provisions that allow District Attorneys in New York City to retain a portion of settlement recoveries they make before the filing of an accusatory instrument against a defendant.
- PART Y: The Legislature included language to allow the Commissioner of Education the discretion to eliminate earning limitations for retired police officers employed by a school district as a School Resource Officer.

Article VII Proposals (S.2607-D)

- PART FF: The Legislature amends the Executive's proposal to extend weapon prohibition exemptions for Police and Peace Officers to include the new sections created by the NYSAFE Act. This amendment also indefinitely suspends the effective date for the prohibition of ten-round magazines, in effect repealing these provisions. The amendments also ensure that the Safe Storage provisions of the NYSAFE Act do not preempt local laws related to safe storage.

Deferred Compensation Board

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$892,000.

Economic Development, Department of

State Operations (S.2600-E)

- The Legislature concurs with the following Executive recommendations:
 - \$3.7 million for the Administration Program.
 - \$385,000 for the Clean Air Program.
 - \$3 million for the 2016 MWBE disparity study.
 - \$2.5 million in funding for services and expenses of the tourism marketing program.
- The Legislature denies \$2 million for the Taste New York program.

Aid to Localities (S.2603-E)

- The Legislature concurs with the following Executive recommendation of \$5.2 million for Centers of Excellence and provides funding of:
 - \$500,000 for the Stony Brook Center of Excellence for advanced energy research;
 - \$500,000 for the Buffalo Center of Excellence in material informatics; and
 - \$500,000 for the Rochester Center of Excellence in sustainable manufacturing.
- The Legislature concurs with the Executive recommendation of \$13.8 million for Centers of Advanced Technology.
- The Legislature concurs with the Executive recommendation of \$343,000 for the Science and Technology Law Center.
- The Legislature concurs with the Executive recommendation of \$7.5 million for the Training and Business Assistance Program.
- The Legislature modifies the Executive recommendation of \$1.25million for the Innovation Hot Spots program to create a New York State business incubator program.
- The Legislature restores \$713,000 in All Funds spending for SUNY Albany Center for Advanced Interconnect Systems Technologies (CAIST).
- The Legislature restores \$775,000 for the University at Albany Institute for Nanoelectronics Discovery and Exploration (INDEX).
- The Legislature provides \$100,000 for the SUNY Fredonia Technology Incubator.
- The Legislature concurs with the Executive recommendation of \$5 million in funding for the Market New York program and adds \$2 million.
- The Legislature concurs with the Executive recommendation of \$3.8 million for local tourism matching grants.
- The Legislature provides \$75,000 for the Finger Lakes Tourism Alliance and \$70,000 for the Queens Tourism Council.

Article VII Proposals (S2607-D)

- PART N: The Legislature amends the Executive's proposal to transfer the State Data Center from the Department of Economic Development to the Department of Labor by including employee protection language.

Article VII Proposals (S2608-D)

- PART I: The Legislature amended the proposal to allow the Dormitory Authority to provide design and construction services to the Department of Environmental Conservation and the Office of Parks, Recreation, and Historic Preservation until 2015 by extending the authorization for one

year and requiring the Dormitory Authority to provide a report regarding any projects undertaken pursuant to a design and construction management agreement.

Education Department

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$582 million in all funds state operations appropriations for the State Education department along with the following modifications:
 - The Legislature adds \$1.5 million for services and expenses related to the administration of the high school equivalency diploma exam.
 - The Legislature adds \$172,000 for services and expenses related to conservation and preservation of library materials and the talking book and Braille library.

Aid to Localities (S.2603-E)

- The Legislature amends the Executive recommendation for Aid to Localities as follows:
 - General Support for Public Schools: The Legislature modifies the Executive's school aid proposal by increasing General Support for Public Schools (GSPS) to a total program of \$21.1 billion. This represents a \$421.7 million increase over the Executive proposal for the 2013-14 school year.
 - On a fiscal year basis the changes proposed beyond the Executive translate into a \$328 million general fund need which is offset by reductions in the Executive's proposed fiscal stabilization grants (\$142 million).
 - The Legislature's \$21.1 billion GSPS program provides for a \$942.1 million school year increase. Of this amount \$936.6 million represents the year to year increase on the state aid run which is an increase of 4.71 percent.
 - The Legislature recommends increasing the Executive's proposed GEA from \$321 million to \$517.5 million overall. This proposal would reduce the overall Gap Elimination Adjustment to \$1.64 billion.
 - The Legislature restores the Executive's reductions in high tax aid while ensuring those that received increases under the Executive proposal will continue to receive increases.
 - The Legislature modifies the Executive proposal recommendation for Foundation Aid by increasing it \$171.37 million for a total of \$15.176 billion for the 2013-14 school year. The income wealth ratio was reduced from .65 to zero which will help drive additional aid to school districts with the most need.
 - Annual Profession Performance Reviews (APPR):
 - The Legislature accepts the Executive proposal to withhold the increase in 2013-14 school aid for districts that do not obtain an SED approved APPR plan by September 1, 2013;
 - The Legislature accepts the Executive proposal that any recovery of state aid increases due to a district's failure to obtain an SED approved plan by September 1, 2013, such recovery shall not occur before April 1, 2014. Further, any ineligible aid increases paid to districts prior to April 1, 2014 due to their failure to

implement an APPR plan, such ineligible aid increases already paid will be recovered after April 1, 2014 and, if necessary, in 2014-15.

- The Legislature denies the Executive proposal to enforce an “APPR past non-compliance penalty” in 2013-14 and thereafter for districts that failed to obtain an SED approved APPR plan by January 17, 2013. In other words, the “penalty in perpetuity” is eliminated.
- The Legislature modifies the Executive proposal to provide for binding arbitration for all districts (not just the City of New York) if the school district and the union do not have an APPR plan in place by the first Wednesday following the first Friday in May.
- The Legislature amends the Executive proposal by adding new language requiring the most recently SED approved APPR plan to remain in effect as of September 1, until a new APPR plan is agreed to by the parties and approved by SED.
- The Legislature accepts the Executive proposal to require SED to conduct an arbitration proceeding and hold no more than two days of hearings; affords the parties certain due process rights for such hearings; requires SED to render a final decision by June 1 which will constitute the submission and approval of the district’s APPR plan; and provides the parties with an appeal process and the terms thereof to vacate or modify SED’s decision.
- The Legislature amends the Executive proposal by adding new language allowing districts subject to arbitration to enter into a new or amended APPR plan that must also be approved by SED.

○ Special Education:

- The Legislature provides over \$877 million in Public High Cost Aid, Private Excess Cost Aid, and Supplemental Public Excess Cost Aid representing an increase of \$54.1 million above 2012-13 funding levels. Funding is based on actual costs of programs and services allowing districts to claim any cost increases for state aid reimbursement.
- The Legislature denies the Executive proposal to shift the payment responsibility to districts for summer school special education placements at state supported schools (4201). Under current law, SED directly reimburses 4201 schools for the costs of such summer school special education programs. (+\$16.8 million).
- The Legislature denies the Executive proposal to provide a waiver for those state mandated special education requirements which exceed Federal law. The waiver would require districts to provide notice ensuring that parents are aware of all relevant changes and are allowed 60 days prior to the application to comment.
- The Legislature denies the Executive proposal to allow NYC to set rates for pre-school special education tuition rates and establish an RFP process for choosing service providers.
- The Legislature accepts the Executive proposal to allow municipalities to retain 100 percent of recovered funds from pre-school special education audits they perform. Currently they retain 40.5 percent. The Legislature also adds new language requiring SED to provide guidelines on standards and procedures for fiscal audits of such preschool programs and services.

- Building Aid - \$2.78 billion (+\$65.2 million):
 - The Legislature provides \$2.78 billion in Building Aid & Building Reorganization Incentive Aid to districts representing an increase of \$65.25 million in additional Building Aid above 2012-13 funding levels..
 - The Legislature amends the Executive proposal by adding language granting a two-year moratorium on the Building Aid assumed amortization interest rate recalibration scheduled to occur every ten years starting with the 2012-13 school year. Instead, the recalibration will now not occur until 2014-15 and provides districts with approximately \$155 million in additional Building Aid in 2012-13 and 2013-14.
 - The Legislature amends the Executive proposal by adding language to provide districts flexibility with filing final cost reports on complex projects that are unable to be completed within 18 months.
 - The Legislature provides a ten year repayment schedule for a district facing a \$5 million final cost report penalty that represents over thirty percent of such school district's total general fund expenditures.
- BOCES Aid - \$933 million (+26.06 million): The Legislature provides \$933 million in BOCES and Special Services Aid representing an increase of over \$26 million in funding above 2012-13 levels.
- Transportation Aid - \$1.722 billion (+59.93 million): The Legislature provides \$1.722 billion in Transportation Aid (including summer transportation) representing an increase of almost \$62 million in additional Transportation Aid above 2012-13 funding levels.
- High Tax Aid - \$223.3 (+18.53 million): The Legislature provides \$223.3 million in High Tax Aid representing an increase of \$18.53 million above 2012-13 funding levels.
- Instructional Materials Aids - \$284.7 million (+1.84 million): The Legislature provides \$284.7 million in funding for Textbooks, Software, Library Materials, and Hardware & Technology instructional materials aids.
- Universal Pre-Kindergarten - \$385.03 million (+6.7 million): The Legislature provides \$385.03 million to districts for Universal Pre-kindergarten programs.
- Full Day Kindergarten Conversion Aid - \$15.49 million (+8.1 million): The Legislature provides over \$15 million in funding for districts to convert half-day kindergarten programs to full day programs which is almost double the amount of funding provided in 2012-13. A provision for obtaining a one-time waiver to receive such aid is included for those districts that would otherwise be excluded.
- Contracts for Excellence: The Legislature accepts the Executive proposal to require districts that submitted a Contract for Excellence for the 2012-13 school year must also submit a Contract for Excellence in the 2013-2014 school year, unless all schools in the district are identified as in good standing.
- School Aid Database Freeze: The Legislature denies the Executive proposal to freeze school aid claims and payments and provides an additional \$33.5 million in state aid to districts as a result.
- Internal Audits: The Legislature modifies the Executive proposal to exempt all school districts with less than 1500 students from the internal control audit requirement.
- Charter School Tuition Freeze: The Legislature accepts the Executive proposal to extend freezing the Charter school tuition for the 2013-14 school year.

- Charter School Transitional Aid - \$36.22 million (+1.62 million) The Legislature provides \$36.22 million in funding to districts with concentrations of resident students attending charter schools.
- Supplemental Valuation Impact Grants - \$6.87 million: The Legislature provides grants to mitigate the impact of significant full valuation drop on school district budgets as a result of energy company settlements. The school districts that have experienced these significant changes are North Shore, Union Endicott, Panama & Marlboro.
- Employee Benefit Accrued Liability Reserve Extender: The Legislature continues the provision to allow districts to withdraw excess funds from the reserve up to the amount of their Gap Elimination Adjustment.
Competitive Grants: The Legislature provides grant funding for the following initiatives consistent with the New NY Education and Reform Commission: Community Schools (\$15 million); School-wide Extended Learning (\$20 million); Full Day Pre-kindergarten (\$25 million); Improved Science and Math Education (\$11 million); and Early College High School Programs (\$4 million).
Teacher Centers: The Legislature provides \$14 million in Teacher Center funding.
- Library Funding: The Legislature provides a \$4 million increase in funding for public libraries.
- Academic Enhancement Aid: The Legislature provides over \$27 million in funding for districts identified as in need of improvement in the base year and for a total of at least five years.
- Employment Preparation Education Aid: The Legislature provides approximately \$96 million in funding for workforce education.
- New York City Transportable Classroom Units (TCU) Law: The Legislature enacts a requirement for NYC to compile an inventory of TCU's, identify the number of students served in TCU's, provide recommendations to minimize the number of TCU's in use, and issue a report thereon no later than December 31, 2014.
- Nonpublic Schools:
 - The Legislature provides an increase in Comprehensive Attendance policy reimbursement by \$9 million. This will bring the total program level to \$43 million.
 - The Legislature recommends including language requiring the State Education Department to calculate reimbursement for CAP funding using the 2005-06 methodology; The Legislature provides \$4.5 million in grants in aid for reimbursement of safety equipment purchases.
 - The Legislature requires New York City to enhance student safety, by providing transportation to children attending public and non-public schools in grades k-6, who remain at the same school for regularly scheduled academic classes until 4 o'clock in the afternoon or later. In addition language is added requiring the Chancellor to determine if the City or if alternative transportation providers can transport its students in the most cost effective way while maximizing student safety
- Mandate Relief: The Legislature provides districts with the following mandate relief:
 - Eliminating the five year special education space requirements for BOCES.
 - Permits school districts to take their annual census biannually.
 - Exempts all districts with less than 1500 students from the internal control audit requirement.
 - Allows districts that were unable to open due to an extraordinary circumstance, natural disaster or emergency to obtain up to a 10-day waiver to the 180 school day requirement
 - Allows SED to disregard the 180 school day requirement due to an extraordinary adverse weather condition or other circumstance which caused the cancellation of the UPK program or transportation thereof.

- Office of Higher Education:
 - The Legislature adds \$376,260 for the Liberty Partnerships Program.
 - The Legislature adds \$728,040 for the Higher Education Opportunity Program.
 - The Legislature adds \$324,030 for the Science and Technology Entry Program.
 - The Legislature adds \$245,520 for the Collegiate Science and Technology Entry Program.

Capital Projects (S.2604-E)

- The Senate concurs with the Executive recommendation of \$17.4 million for State Fiscal year 2013-14.

Article VII Proposals (S.2607-D)

- PART A:
 - **Teacher and Principal Evaluations:** Requires that public schools must demonstrate that they have fully implemented standards and procedures for conducting their plan for Annual Professional Performance Reviews of classroom teachers and building principals (APPR), by September 1, 2013, in order to be eligible for any increase in school aid.
 - **Contracts for Excellence Extender:** Continues the Contract for Excellence program for the 2013-2014 school year.
 - **BOCES Space Plans:** Provides mandate relief for BOCES by limiting the requirements with respect to the completion of special education space plans.
 - **School District Census Relief:** Provides mandate relief relating to the requirement that the trustees or board of education of a school district must conduct an annual census of all children from birth to eighteen years of age, to instead only require a biennial census.
 - **School Safety Improvement Teams:** Includes non-public schools in the provisions of the SAFE Act that permitted New York State School Safety Improvement teams to review their school safety plans.
 - **Internal Audits:** Provides that internal audits shall be optional for school districts with less than 1500 students.
 - **Charter School Tuition Rates:** Provides that the per pupil charter school tuition payments made by school districts for the 2013-14 school year would continue to be maintained at the same level as 2010-11.
 - **Statewide Annual Professional Performance Review Plan (APPR):** Provides for the extension of all collectively bargained plans for Annual Professional Performance Reviews of classroom teachers and building principals (APPR), until a new plan is approved by the commissioner of education, and further provides that all school districts that did not have an approved plan for the 2012-2013 school year by January 17th, 2013, shall have a plan determined by the commissioner, with such plan also extended until a new collectively bargained plan is approved by the commissioner
 - **Supplemental Excess School Aid:** Provides for continuing the existing statutory formula for supplemental excess school aid for the 2013-2014 and 2014-2015 school years.
 - **Foundation Aid:** Provides for the apportionment of the statutory formula for foundation aid for the 2013-2014 and 2014-2015 school years.
 - **New Full Day Kindergarten Aid Program:** Limits the incentive conversion aid for the establishment of a new full day kindergarten aid program to a one time conversion, unless granted a one-time waiver by the Commissioner of Education.

- **Academic Enhancement Aid:** Continues the existing statutory formula for academic enhancement aid for the 2013-2014 and 2014-2015 school years.
- **High Tax Aid:** Continues High Tax Aid, adds a hold harmless provision so that no district will receive less than the Executive distribution nor less than last year, and adds a tier formula would direct a greater portion of this aid to school districts with both lower wealth and high property taxes.
- **Gap Elimination Adjustment (GEA):** Reduces the Gap Elimination Adjustment within formula-based aids, by providing a record amount of GEA restoration to school districts.
- **Building Aid Amortization 10 Year Look-back:** Amends the look-back provision for amortization rates for district reimbursement if current interest rates are lower than interest rates ten years earlier, to provide a two year reprieve to allow for district savings for past capital expenditures.
- **School Aid Database and Payment Schedule:** Provides for school districts to amend data used in school aid calculations for the 2013-2014 school aid year.
- **Teachers of Tomorrow:** Extends the Teachers of Tomorrow Teacher Recruitment and Retention Program through the 2013-2014 school year.
- **Community Schools Grants:** Establishes a new \$16 million competitive grant program to integrate social, health and other services, as well as after school programming, in community schools with the intention of supporting students and their families at one “hub” location.
- **Extended Learning Grants:** Establishes a new \$20 million competitive grant program for public schools that seek to extend the number or days or hours (or both) of instruction, by at least 25 percent, with academically enriched programming. The intent of this program would be to provide increased learning opportunities, targeted for high need students and schools.
- **Universal Pre-Kindergarten:** Provides a 180 day waiver for universal pre-kindergarten in the event of cancellation due to extraordinary weather conditions.
- **Assumed Amortization for Complex Projects:** Allows for the payment of Building Aid for complex projects where a final cost report is unable to be completed within 18 months.
- **Transportable Classroom Units:** Requires the chancellor of a city school district having a population of one million or more to compile an inventory of, and issue a report with recommendations regarding transportable classroom units (trailers) on or before December 31, 2014.
- **Class Sizes for Students with Disabilities:** Continues to allow the Big Five School Districts (Buffalo, Yonkers, New York City, Syracuse, and Rochester) to increase sizes of special classes for certain students with disabilities through the 2013-2014 school year.
- **APPR Transition Grants:** Continues for the 2012-2013 school year APPR transition grants for approved expenses to pay all approved claims for additional expenses for annual professional performance reviews.
- **180 Day Forgiveness:** Provides a 180-day waiver for districts affected by natural disasters and other emergencies during the 2012-2013 school year.
- **After 4 pm Transportation:** Establishes a new program to enhance public safety and protection, to require a city school district, located in a city with a population of one million or more, to provide transportation to children attending public and non-public schools, in grades k-6, who remain at the same school for regularly scheduled academic classes, until 4 o’clock in the afternoon or later.

- **Roosevelt School District Apportionment Extender:** Extends by one year the Lottery Aid advance to the Roosevelt school district until the 2016-2017 school year.
- **Audit Recoveries for Special Education Programs:** Authorizes Counties to increase their share of preschool special education audit recoveries from the current 40.5 percent to 100 percent. This section further requires municipalities to utilize a standardized audit tool as prescribed by the commissioner.
- **Final Cost Report Penalty Adjustment:** Provides for the extension of payments for a school district with a pending penalty which exceeds four million dollars and thirty percent of such school districts 2012-13 general fund budget.
- **Employment Preparation Education Programs:** Extends until the 2013-2014 school year the set aside of \$2.5 million for the service of persons 21 years of age or older for Employment Preparation Education Programs.
- **School District Basic Contribution:** Provides flexibility for school districts in the calculation of the Basic Contribution for Chapter Placements affecting the 2013-2014 school aid year.
- **Lease of School Buses:** Extends the ability of school districts and BOCES to lease school buses, pursuant to certain restrictions, from September 1, 2013 until September 1, 2015.
- **Consortium for Worker Education:** Continues for the 2013-2014 school year, the not for profit program to provide adult education services to union members in New York City.
- **Conditional Appointments of School District Employees:** Extends the authorization for boards of education to conditionally employ school employees, and continues the process for emergency conditional appointments of such employees for one year until July 1, 2014.
- **Employee Benefit Accrued Liability Reserve Extender:** Extends for the 2013-2014 school year, provisions that allow school districts to withdraw excess funds from their reserve up to the amount of the Gap Elimination Adjustment.
- **School Safety:** Continues until June 30, 2014, the provisions of the education law relating to supplemental educational services, attendance at a safe public school, and the suspension of pupils who bring or possess a firearm at a school.
- **No Child Left Behind:** Continues until June 30, 2014, the education law provisions, established to implement the No Child Left Behind Act.
- **School Bus Driver Training:** Continues the \$400K in grant funding to schools for training purposes, including bus driver safety training and the distribution of training materials.
- **Library Support:** Continues to aid public libraries pursuant to the statutory formula of the provisions of 272, 273, 282, 284 and 285 of the education law, and authorize the Commissioner of the State Education Department to disburse the formula grants to public library systems, research library resources systems, and school library systems operating under approval plan of service pursuant to previous distribution methods.
- **Library Support:** Continues to aid public libraries pursuant to the statutory formula of the provisions of 272, 273, 282, 284 and 285 of the education law, and authorize the Commissioner of the State Education Department to disburse the formula grants to public library systems, research library resources systems, and school library systems operating under approval plan of service pursuant to previous distribution methods.
- **Special Apportionments for Salary Expenses and Pension Accruals:** Continues to authorize schools to apply to the Commissioner of the State Education Department by June 2014 to receive a special apportionment for salary expenses or pension accruals, and for the establishment of eligibility requirements for the receipt of such allocations.

- **Suballocation and Interchange:** Continues to authorize all moneys appropriated to the State Education Department to be suballocated, and would authorize SED to interchange items of appropriation.
- **Rochester School District and BOCES Services:** Continues to authorize the city school district of Rochester, upon the consent of the BOCES serving the geographic region, to purchase a BOCES services as a non-component school district, for the 2013-2014 school year.
- **Foundation Aid Set-asides:** Continues for the 2013-2014 fiscal year, for districts that receive foundation aid, a \$170.30 million Magnet School and a \$67.48 million Teacher Support Aid set-aside requirement for selected districts. Under this proposal, New York City would be continued to require to set aside \$50.48 million for Attendance Improvement/Dropout Prevention. A set-aside requirement of \$2.62 Billion would also be provided for public school district support for children with disabilities.
- **PART J:** The Legislature amends the Executive's proposal to require the Commissioner of the Department of Tax and Finance to establish and implement a program under which all owners of properties initially applying for and those receiving a basic STAR exemption would be required to be registered with the commissioner. Specifically, the proposal has been amended as follows:
 - Details for the registration program have been explicitly provided within the legislation including; notice requirements, period for application, a one year correction period, and an appeals process. Additionally, re-registration would not be required to occur more than once in a three year period.
 - The look back period for purposes of revocation has been extended to six years from the current statutory three years, however, the look back modification does not apply to any application filed prior to April 1, 2010.
 - A loophole between revocation and voluntary renunciation would be closed regarding the applicable \$500 processing fee.
 - The penalties for material misstatement on an application have been modified for applications filed on or after October 1, 2013 from \$100 to \$100 or 20% of the improperly received tax savings, whichever is more. The increased penalty would be capped at \$2,500.

Elections, Board of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$5.2 million.

Empire State Development Corporation

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$42.9 million for the Economic Development Program, and provides funding for the following:
 - \$2 million for military base retention efforts;
 - \$1 million for CenterState Corporation for Economic Opportunity grants;
 - \$250,000 for the Adirondack North Country Association;
 - \$600,000 for the Bronx Overall Economic Development Corporation
 - \$200,000 for the CNY Biotech Accelerator;

- \$250,000 for the Long Island Regional Planning Council;
- \$600,000 for the Seneca Army Depot;
- \$75,000 for the Western Erie Canal Alliance;
- \$100,000 for Nassau County Heritage Tourism; and
- \$50,000 for the sponsorship of regional events at Canisius College.
- Restore \$1.01 million for the University at Albany Institute for Nanoelectronics Discovery and Exploration (INDEX);
- Restore \$365,000 for the MWBE Lending Program;
- Deny \$12 million in the economic development fund;
- The Legislature concurs with the Executive recommendation of \$5 million for promotional activities relating to Super Bowl XLVIII.

Capital Projects (S.2604-E)

- The Legislature concurs with the following Executive recommendations:
 - \$53.9 million for the Ralph Wilson Stadium.
 - \$2.2 million for the retention of professional football in Western New York.
 - \$75 million for the Buffalo Regional Innovation Cluster.
 - \$55 million for the NY SUNY 2020 Challenge Grant Program.
 - \$55 million for the NY CUNY 2020 Challenge Grant Program.
 - \$150 million for the Regional Economic Development Council capital fund.
- The Legislature provides \$12 million in funding for the Economic Development Fund.

Article VII Proposals (S.2608-D)

- PART H: The Legislature amended the proposal to permanently authorize UDC to issue loans, and instead extends the authorization for one year.

Employee Relations, Office of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$13 million.

Energy Research and Development Authority

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$8.8 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$7.4 million.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$37 million.

Article VII Proposals (S.2608-D)

- PART K: The Legislature accepts the Executive's proposal to transfer \$913,000 from the Unrestricted Corporate Funds of the New York State Energy Research Development Authority to

the General Fund to offset New York State's debt service requirements related to the Western New York Nuclear Service Center. This authorization is provided annually.

- PART L: The Legislature accepts the Executive proposal to authorize the Authority to finance a portion of its research, development and demonstration, and policy and planning programs, and to finance the Department of Environmental Conservation's climate change program through an annual assessment on gas electric corporations.
- PART S: Requiring backup generator capability for Fuel Stations in Emergency Preparedness Areas. The Legislature amends the Executive proposal by limiting the requirement for backup generation systems to Long Island, New York City and Westchester and Rockland Counties, limiting the requirement of stations to be operational during announced gas emergency periods, reducing civil and criminal powers contained in the Executive proposal, and providing authorization for future State appropriations to help cover the annual lease costs connected to generator availability and activation.
- PART T: Requires the New York State Energy Research and Development Authority to develop recommendations regarding the establishment of microgrids. The Legislature includes language directing the Authority to study and report on recommendations on methods to expand the feasibility of establishing additional micro-grid systems in New York State. Micro-grid electrical systems are self sustaining distributed energy generation and transmission resources that can operate in both grid-connected or self-generating island-mode, designed, in part, to help protect vital public health and safety operations and infrastructure in the event of major disruptions to the power grid.

Environmental Conservation

State Operations (S.2600-E)

- The Legislature concurs with the Executive's recommendation of \$451.8 million.

Aid to Localities (S.2603-E)

- The Legislature provides funding as follows:
 - \$500,000 to restore and augment the Cornell Community Integrated Pest Management Program
 - \$78,000 for sewer upgrades at the Cornell research station at Shackleton Point
 - \$350,000 increase for invasive species and dredging projects.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive proposal of \$444.3 million in capital project funding, including \$40 million in additional New York Works Capital, but adds language amending the Environmental Protection Fund to better reflect the Legislature's priorities including:
 - \$1.1 million in funding for parks and waterfront revitalization projects in Western New York.
 - An additional \$1 million in funding for the State's zoos, botanical gardens and arboretums
 - An additional \$1 million for invasive species control efforts
 - An additional \$1 million for non-agricultural non-point source pollution control efforts in Downstate New York State
 - An increase of \$300,000 to \$1.3 million for the Finger Lakes Lake Ontario Water Protection Alliance.

Article VII Proposals (S.2608-D)

- PART F: The Legislature amends the Executive proposal to increase revenues deposited to the Environmental Protection Fund (EPF) by redirecting a \$19 million portion of unclaimed “Bottle Bill” deposit receipts currently deposited to the General Fund to the EPF, and by enhancing enforcement provisions to prevent fraudulent activities including authorizing the imposition of criminal sanctions associated with certain violations of the Bottle Bill Law.
- PART G: The Legislature amended the Executive proposal to make permanent the waste tire management and recycling fee by instead authorizing a three year extension from December 31, 2013 to December 31, 2016.
- PART R: Streamlining and fee reduction for hunting and fishing licenses and permanent elimination of fees imposed on saltwater fishing license holders. The Legislature modifies the Executive proposal to simplify and consolidate hunting and fishing licenses and to reduce the price of such licenses including the elimination of saltwater fishing license fees.
- PART U: Extends period of compliance for retrofitting heavy-duty diesel vehicles pursuant to the Diesel Emissions Reduction Act. Extends the implementation of the Diesel Emission Reduction Act (DERA) for one year from December 31, 2013 to December 31, 2014.

Executive Chamber

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$17.9 million.

Financial Control Board, New York State

State Operations (S.2600-E)

- The Legislature concurs with the Executive’s recommendation of \$3.1 million.

Financial Services

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$326.6 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$225.6 million.

Article VII Proposal (S.2605-D)

- PART W: The Legislature included a proposal for a 5 year extension that provides the ability of the New York Property Underwriters Association (NYPIUA) to write broad form coverage. Broad form coverage allows consumers to be covered for property damage by burglars, falling objects, weight of ice and snow, accidental water or steam discharge, freezing, and sudden damage from artificial electric currents.

Gaming Commission

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$111.6 million.

Article VII Proposal (S.2605-D)

- PART I: The Legislature concurs with the Executive proposal to create a New York State Gaming Commission Account, in the State Finance Law, for the purposes of disbursing payments for the administrative operation within the newly created Gaming Commission. The Account shall receive funds transfer from the state lottery fund administration account, the regulation of racing account, the bell jar account or the regulation of Indian Gaming Account.
- PART J: The Legislature concurs with the Executive proposal to redirect one percent of revenues collected by Video Lottery Terminals (VLTS) for racing support (purse enhancements) and redirects those funds to the regulation of racing account within the Gaming Commission to pay for increased racehorse health and safety initiatives. Any unused portions to be returned to the purse accounts pro rata.
 - The Legislature amends the Executive proposal to create a seven member Task Force on Jockey Health Safety to assess, investigate and research issues involving safety and health of jockeys who regularly race at the thoroughbred racetracks in New York State. The task force members will be appointed by the Governor with one appointee being made on the recommendation of the Temporary President of the Senate and one on the recommendation of the Speaker of the Assembly. The Task force shall submit a report with recommendations regarding jockey health and pension benefits. The report shall be provided to the governor, temporary president of the senate, speaker of the assembly, minority leader of the senate and minority leader of the assembly within ninety days after the majority of its members are appointed.

Article VII Proposal (S.2607-D)

- PART R: The Legislature denies without prejudice the Executive proposal to authorize three casinos in Upstate New York. The Legislature concurs with the language that mandates a labor peace agreement requirement for any casino operations going forward in New York State.
- PART EE: The Legislature increases the amounts of video lottery terminal host community aid to those municipalities that host VLT facilities.

General Services, Office of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$1.03 billion.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$97 million.

Article VII Proposal (S.2607-D)

- PART P: The Legislature amends the Executive's proposal to authorize discretionary purchasing authority to state agencies for the purchase of food commodities that are grown, produced, or harvested in New York up to \$200,000 in value. Additionally, such purchases would be subject

to advertisement on the agency's website and require that the agency purchase using lowest price for any such commodity if the commodity meets the form, function, and utility requirements and exceeds \$50,000 in value.

General State Charges

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$3.03 billion.

Article VII Proposal (S.2605-D)

- PART T: The Legislature accepts the Executive's proposal to increase the 2013-2014 South Mall Pilot payment \$7.85 million for the City of Albany. The 2031-2032 Pilot payment is decreased respectively by the same amount.

Article VII Proposal (S.2607-D)

- PART H: The Legislature denies the Executive amendment of the Civil Service Law in relation to the reimbursement of Medicare premium charges

Greenway Heritage Conservancy of the Hudson River Valley

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$166,000.

Health, Department of

State Operations (S.2600-E)

- The Legislature modifies the Executive's recommendation of \$3.1 billion as follows:
 - Denies the Executive's proposal to consolidate and/or co-locate Department of Health (DOH), Department of Environmental Conservation, and Department of Agriculture and Markets laboratories.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive's recommendation of \$85.6 million.

Aid to Localities (S.2603-E)

- The Legislature modifies the Executive's recommendation of \$115.8 billion as follows:

Public Health

- Denies the Executive's proposal to consolidate 89 public health programs into six competitive pools, and restores \$18.0 million, or 4.5 percent of the proposed 10 percent reduction.
- Modifies the proposal to limit the number of excess medical malpractice policies, and restores \$12.7 million.
- Denies the Executive's proposal to transfer the rate setting process for Child Health Plus (CHP) from the Department of Financial Services to DOH and to reduce trend, and restores \$16.2 million.

- Denies the Executive’s proposal to implement reforms to the Early Intervention (EI) screening process and require CHP to cover EI services.
- Provides new funding for the following programs or initiatives:
 - \$6 million Health Insurance Coverage for Home and Personal Care Workers;
 - \$2 million Infertility Services;
 - \$2 million Spinal Cord Injury and Research;
 - \$750,000 Family Planning Services;
 - \$557,000 School Based Health Centers;
 - \$550,000 Women’s Health Services;
 - \$525,000 HIV/AIDS Community Services Program;
 - \$525,000 HIV/AIDS Multi Service Agencies;
 - \$500,000 Upstate Poison Control Center;
 - \$400,000 Primary Care Development;
 - \$300,000 Physician Practice Support Program;
 - \$250,000 Maternity and Early Childhood Foundation;
 - \$250,000 Center for Disability Services’ Women’s Special Health Network;
 - \$209,000 Finger Lakes Health Systems Agency;
 - \$200,000 Endometriosis Foundation of America;
 - \$150,000 School Based Health Center at Richfield Springs;
 - \$120,000 Comprehensive Care Centers for Eating Disorders;
 - \$110,000 Adrenoleukodystrophy (ALD) Screening;
 - \$100,000 Physician Loan Repayment Program;
 - \$100,000 ARC Demonstration Program in Chautauqua County;
 - \$75,000 Coalition for the Institutionalized Aged and Disabled;
 - \$50,000 Breast Cancer Network; and
 - \$39,000 Coalition for School Based Primary Care.

Medicaid

- Denies the Executive’s proposals to:
 - Eliminate spousal refusal, and provides \$34.3 million;
 - Eliminate prescriber prevails for atypical anti-psychotics under managed care, all drugs under Fee For Service (FFS), and opioids in excess of four prescriptions in a 30 day period, and provides \$10.4 million;
 - Reduce the FFS pharmacy brand reimbursement, and provides \$1.8 million;
 - Eliminate the summary posting requirement for Pharmacy and Therapeutics Committee meetings, and provides \$180,000;
 - Require minimum supplemental rebate requirements for drugs that are eligible for State public health plan reimbursement, and provides \$475,000; and
 - Require CHP to cover EI services under Medicaid, and provides \$450,000;
 - Authorize the establishment of limited service clinics.

- The Legislature authorizes prescriber prevails for the following drug classes under managed care, and provides \$6.1 million:
 - Antidepressants;
 - Seizures/Epilepsy;
 - Endocrine Agents;
 - Hematologic Agents;
 - Immunologic Agents;
 - Anti-Rejections; and
 - Anti-Retrovirals.
- The Legislature clarifies retail pharmacy and mail order pharmacy requirements under managed care, and provides \$2.1 million.

Article VII Proposals (S.2606-E)

- PART A: The Legislature modifies the Executive's proposal to implement Medicaid Redesign Team (MRT) Phase III initiatives as follows:

The Legislature concurs with the Executive's proposals that:

- Authorize the Department of Health (DOH) to shift Medicaid State Operations, including the Office for Health Insurance Program, under the State Medicaid cap.
- Authorize DOH to utilize more than one fiscal intermediary and to temporarily make payments to providers if they are unable to comply with billing requirements.
- Authorize the Commissioner to implement an incontinence supply utilization management program where DOH will receive enhanced rebates from preferred manufacturers.
- Authorize up to \$15 million dollars in State funding to be used for health home infrastructure development.
- Authorize Medicaid coverage for integrated mental health services and/or alcoholism and substance abuse services, and/or physical health services, and/or services to persons with developmental disabilities at a single location.
- Align inpatient-rebasing date with rate setting by changing the inpatient base period to a calendar year.
- Authorize the adjustment of Graduate Medical Education (GME) funding for inpatient rates due to the implementation of a new teaching program at a new teaching hospital because residents have been displaced and transferred because of teaching hospital closures.
- Authorize the Commissioner to determine a cut-off date for monthly enrollment in a Managed Long Term Care plan (MLTCP).
- Eliminate the provider attestation requirement for Certified Home Health Agency (CHHA) funding in certain cases.
- Extend the Office of the Medicaid Inspector General's (OMIG's) audit authority of nursing home rebasing until December 31, 2018.
- Eliminate reconciliation for nursing home to prevent retroactive reduction to certain homes.
- Eliminates reconciliation of SFY 2007 and 2008 nursing home rebasing transition payments to prevent retroactive reduction to certain homes.
- Amend language regarding Upper Payment Limits (UPL) to address repayment of nursing home under the UPL.

- Apply spousal protections to all managed long-term care enrollees.
- Extend housing disregard to adult home residents moving to the community, using the same criteria as nursing home residents.

The Legislature denies the Executive's proposals that would:

- Eliminate provider prevails provisions related to prior authorization requirement for certain prescription drugs.
- Reduce the Fee-For-Service (FFS) pharmacy brand reimbursement rate from the Average Wholesale Price (AWP) minus 17 percent to AWP minus 17.6 percent.
- Authorize DOH to deny prior authorization of an opioid analgesic in excess of four prescriptions in a 30-day period if the Department determines that the additional prescription is not medically necessary.
- Authorize the Commissioner to require supplemental rebates from pharmaceutical manufacturers.
- Authorize reimbursement for individual psychotherapy services that are provided by licensed social workers for persons under the age of 21 and to a person requiring such services because of, or related to pregnancy or giving birth.
- Authorize the Commissioner to update the base year of inpatient psychiatric services, other inpatient services, and office of Alcoholism and Substance Abuse (OASAS) certified services.
- Authorize the Commissioner to issue regulations setting the date the new inpatient psychiatric reform rate methodology will apply to Medicaid managed care default rates;
- Authorize the exclusion of certain capital adjustments from the calculation of Managed Care Organization (MCO) default rates.
- Authorize the Commissioner to establish capital cost components of rate of payment for inpatient and outpatient services by regulation.
- Authorize the Commissioner and the Commissioner of Labor to establish rates of pay for nursing home personnel, and mandate that managed care contracts with nursing homes include such rates of pay.
- Transfer of the rate setting process for Child Health Plus from Department of Financial Services (DFS) to DOH.
- Require counties to use enrollment broker services for mandatory managed care and Managed Long Term Care (MLTC).
- Authorize the Commissioner to establish capital reimbursement methodologies for nursing home through regulations.
- Eliminate the cap (75) on the number of MLTC plans that may be established and approved in New York State.
- Authorize the Commissioner, by regulation, to establish rates for specialty nursing homes.
- Require responsible relative with sufficient income and resources to provide medical assistance unless the resources are not available because the relative is absent and the refusal or failure of such absent relative to provide the necessary care and assistance (spousal refusal).

The Legislature modifies the Executive's proposals to:

- Extend the two percent Medicaid across the board Medicaid rate reduction as well as the Commissioner's "super power" in the event that the Global Cap is pierced by adjusting the cap to exclude natural disaster spending and requiring additional information on Medicaid cap expenditures in the monthly reports.
- Permanently eliminate the trend factor for hospitals, nursing homes, home care, and other providers of services reimbursed by Medicaid by reinstating the trend factor effective April 1, 2015.
- Maintain an increased share of Medicaid recoveries by more closely comports the State False Claims Act to federal law.
- Merge the Pharmacy and Therapeutics Committee (P&TC) into the Drug Utilization Board (DUR) and modify public notification requirements by rejecting the modifications developed by the DUR board and the modifications to public notifications.
- Authorize the Commissioner to post Diagnosis-Related Groups (DRGs) for inpatient detox on their website by clarifying that the Commissioner must define the rates prior to posting.
- Authorize the Commissioner to establish children's specialty outpatient rates pursuant to regulation by requiring the FFS rate continued to be paid until specialty rates are developed.
- Clarify that Medicaid services shall not be provided until authorized unless the care or services are received during the three month period preceding the month of application and the recipient is determined to have been eligible or as provided for in this section or in regulations of the department.
- Broaden the definition of "Special Needs Programs" (SNPs), place SNPs under the definition of Medicaid "managed care program" for reimbursement purposes, and authorize SNPs to provide comprehensive services under a fully capitated model to individuals previously excluded or exempted from Medicaid managed care by implementing quality control measures and permitting legislative oversight.
- Reallocate \$30 million from the nursing home financially disadvantage program to the Vital Access Provider (VAP)/ Safety net program by requiring funds be used specifically for nursing homes only, allocating \$5 million of VAP funds for critical access hospitals, and by requiring the DOH to analyze the adequacy of rates for critical access hospitals and develop recommendations for consideration in preparing the SFY 2014-2015 Executive Budget.
- Authorize DOH to amend current contracts without a competitive bid by limiting the authority for the implementation of the Balancing Incentive Program, the Fully Integrated Duals Advantage Program, the Vital Access Provider Program, and the Medicaid waiver amendment associated with the public hospital transformation, the addition of behavioral health services as a managed care plan benefit and/or any workgroups required and the health benefit exchange.
- Authorize the Commissioner to establish a Fully Integrated Duals Advantage (FIDA) program, under which up to three MLTCs may enroll individuals with developmental disabilities who are dually eligible for Medicare and Medicaid.

- Establish Development Disability Individual Support and Care Coordination Organizations (DISCOS), and to authorize MLTC plans and health maintenance organizations to offer managed care to developmentally disabled Medicaid enrollees, by ensuring the provision of services necessary to facilitate independent and integrated living for individuals with developmental disabilities.

The Legislature advances Legislation to:

- Exclude Medicaid administrative costs from a prior fiscal year if reimbursement for expenditures was delayed due to the deferral of a federal share of expenditures.
 - Require the pre-payment of enhanced Federal Medicaid funds associated with the Affordable Care Act (ACA) that are scheduled to be paid to counties beginning January 1, 2014 beginning April 1, 2013.
 - Clarify the definition of mail order pharmacy under managed care.
 - Establish a Home and Community Based Care Workgroup.
 - Authorize prescriber prevails for medically necessary prescription drugs in the anti-depressant, anti-retroviral, anti-rejection, seizer, epilepsy, endocrine, hematologic and immunologic therapeutic classes that are medically necessary and warranted.
 - Make licensed home care services agency, certified home health agency, long-term home health care programs and fiscal intermediaries operating under consumer directed personal assistance programs subject to current prompt pay laws.
 - Include fiscal intermediaries operating under consumer directed personal assistance program in the definition of health care provider for billing purposes.
- PART B: The Legislature modifies the Executive's proposal to extend or permanently extend previously enacted Medicaid savings initiatives by denying all proposals that would be permanently extended or eliminated. The Legislature extends authorization for each initiative based on the length of the previous extension.
 - PART C: The Legislature modifies the Executive's proposal to revise the methodology for distributing indigent care pool funds to comply with federal ACA requirements by including benchmarks for maximum allowable reductions in reimbursement to facilities during a three year transition, and requiring a report on the impact of the new methodology.
 - PART D: The Senate modifies the Executive's proposal to implement changes to Medicaid and the New York State Health Exchange associated with the federal Affordable Care Act (ACA) as follows:

The Legislature concurs with the Executive's proposals to:

- Enact conforming changes to comply with the Affordable Care Act (ACA).
- Establish "benchmark coverage" for Medicaid and identify which individuals will receive benchmark coverage under the ACA.
- Modify the definition of Medicaid benchmark benefit to include additional federally required benefits except institutional long term care.
- Shift the presumptive Medicaid eligibility basis for pregnant women, children, and persons in need of treatment for certain cancers from net income to MAGI.

- Eliminate the guarantee of Medicaid payment of six months of premiums to a Medicaid managed care plan for an individual who becomes ineligible for Medicaid prior to the end of the first six months of enrollment.
- Restrict applications for Family Health Plus to those received by December 31, 2013.
- Enable the state enrollment center to make eligibility determinations for all insurance affordability programs including Child Health Plus.
- Eliminate the requirement on plans to report enrollee demographic information once the enrollment center is fully implemented.
- Eliminate temporary enrollment in Child Health Plus once the health benefit exchange is implement.
- Conform Child Health Plus eligibility categories to ACA requirements;
- Conform to ACA requirements by eliminating personal interviews for recertification of Child Health Plus eligibility.
- Replace the current \$45,000 annual benefit limit for applied behavior analysis for individuals with autism spectrum disorder with an annual limit of 680 hours of treatment to conform with ACA requirements.
- Require student policies to be rated as individual policies pursuant to ACA requirements; define student accident and health insurance; disallow exclusion of an individual from such plans due to a pre-existing condition; set the ratio of benefits to premiums at 82% (Minimum Loss Ratio); and exempt self-funded insurance plans from such requirements.
- Require HMO's to offer policies meeting the requirements of the ACA instead of the standardized health insurance contracts currently required.
- Make conforming changes to sections of the Insurance law involving conversion policies setting uniform time requirements for consumers to elect to convert their policy.
- Require small group health policies that are not "grandfathered health plans" to offer essential health benefits as defined in the ACA; and clarifies that optional "make available" benefits do not need to be offered if they are included as essential health benefits.
- Eliminate the Healthy NY Program for sole proprietors and eliminate the individual stop loss fund for Healthy NY; and establish a notification process for transition of those currently receiving Health NY coverage to move into the exchange.
- Authorize the Superintendent to suspend or terminate any risk adjustment mechanism without convening a technical advisory committee if the Superintendent determines the objectives of the mechanism are achieved by a federal rate stabilization mechanism;
- Change medical loss ratio reporting dates from August 31 to July 31 to comply with federal regulations.
- Establish a process for insurers that change their group or blanket policies to comply with the ACA, including a notification to policyholders accompanied by an offer of new coverage; and require current plans to be discontinued by December 31, 2013 or the policy renewal date in 2014;
- Allow insurers to discontinue products without having to comply with Ian's Law for the calendar year 2014 only.
- Require non-employer based groups rate separately for individuals, individual proprietors and small employer groups.
- Eliminate the special separate community rating provision applicable to individual proprietors on January 1, 2014.

- Require community rating of individual and group insurance contracts covering between one and fifty employees or members, or between one and one hundred employees or members if the policy is issued or renewed on or after January 1, 2016 pursuant to federal requirements. Requires the Superintendent to set tiers for all contracts under this section. Requires contracts issued for groups with between one and fifty members to be considered small groups and requires such members to be rated consistently with other members under this section.

The Legislature denies the Executive's proposals that would:

- Allow childless adults to qualify in the non-MAGI eligibility category.
- Eliminate statutory authority of the Upstate Healthworks Pilot Program.
- Require professional employer organizations (PEO's) to rate as small groups, allowing them to remain in the large group market.

The Legislature modifies the Executive's proposals to:

- Define household by including federal definition in statute instead by reference.
- Make conforming changes to Medicaid MAGI eligibility categories, by allowing those eligible for Family Health Plus above 133 percent of the poverty level to qualify for a premium wrap.
- Define non-MAGI eligibility groups by eliminating certain childless adults who would already be covered as a MAGI eligible individual.
- Allow an application for Medicaid to be made in any form or manner as determined by the Commissioner, including online or by telephone, by limiting the application process to only conform to federal guidelines (in writing, by telephone or online).
- Relax information requirements for recertification of Medicaid eligibility by requiring the DOH to require appropriate information in cases where information available to the Department does not confirm eligibility.
- Eliminate the Family Health Plus and Family Health Plus employer buy-in program and establishing cost sharing provisions for current Family Health Plus members who are moving into a qualified health plan in the Health Benefits Exchange, by clarifying who is eligible for the cost sharing and requiring the Commissioner to pursue federal matching funds.
- Allow the Commissioner to ask Child Health Plus applicants for adequate proof of State residency by requiring the Commissioner to require adequate proof of residency.
- Exempt navigators, as defined under federal law, from state licensure requirements for insurance agents, brokers, and producers, as long as they do not sell insurance or engage in any functions not expressly granted to them under federal law by adding clarifying guidelines for payment of services, training requirements and express prohibitions.
- Establish individual health policies for students by adding reporting requirements.
- Require health policies that have qualified health plans in the exchange to also be required to have qualified health plans outside the exchange by requiring plans to at least have a subsidiary who has comparable plans outside the exchange.
- Transition individual Healthy New York members into the State health benefits exchange by requiring the Exchange to be operational before individuals are moved out of Healthy New York.

The Legislature advances legislation to:

- Require the Commissioner to convene a workgroup to examine the issues pertaining to the federal option for states to establish a basic health program.
- Require the Commissioner of Health to provide a readiness report to the Legislature regarding progress and preparedness of the health benefit exchange, and details regarding how the exchange will carry out its functions.
- Establish dates for policy renewals to belay any potential concerns with policies being renewed early to avoid ACA benchmark requirements that move into place on January 1, 2014.

- **PART E: Public Health**

The Legislature concurs with following Executive proposals that amend the General Public Health Works Program (GPHW):

- Require municipalities to seek third party coverage when available for public health services and Sexually Transmitted Diseases (STDs).
- Repeal reimbursement for certain air pollution control and building of public nursing homes.
- Modify State aid for public health laboratories by not reimbursing for installation costs.
- Modify State aid for immunization by not requiring purchase through sealed competitive state bids through the Office of General Services.
- Modify the reduction for state aid reimbursement calculation, to be on a percentage basis, when a municipality's public health expenditures fall below base year levels; and
- Increase state aid base grant to municipalities for public health services from \$550,000 to \$650,000, or 55 to 65 cents per capita.

The Legislature concurs with the Executive proposal to authorize temporary operators OASAS facilities.

The Legislature modifies the Executive's proposals to:

- Authorize a municipality, under the GPHW program, to provide less than the required services if their application identifies the availability of other services and who will provide such services. The Legislature also restores reimbursement for primary and preventative care for uninsured persons under the age of 21.
- Authorize commissioner to establish statewide incentive performance standards and increase State aid not to exceed one million annually by requiring DOH to report on outcomes to the Legislature.
- Authorize temporary operators of facilities, including general hospitals, diagnostic and treatment centers, and adult care facilities by making additional extensions permissible if the facility is under bankruptcy proceedings or upon request of the established operator.
- Require radiologic technologists licensed in New York, who are either licensed or seeking licensure in another state, to immediately report professional misconduct or a criminal conviction that has a direct relationship to the employment or licensure at issue or poses unreasonable risk to the public safety.

- Limit the number of excess medical malpractice policies by maintaining the current limitations on the pool, authorizing an additional 1,000 policies, and establishing request for proposal process for the pool administrator. Policies can be obtained for new doctors based on the proportion of a hospital's share of the total pool in 2013 plus 1,000 policies.

The Legislature denies the Executive proposals that would:

- Make reforms to the Early Intervention screening process and modify insurance coverage and participation.
- Restructure health care program funding by establishing the Outcome Based Contracting and Outcome Based Health Planning Program.
- Authorize a demonstration program to authorize home health aides, who are supervised by a nurse, to administer routine, premeasured medication.
- Authorize a certified advanced home care aide to provide nursing services to a self-directing individual and performed under the supervision of a registered nurse;
- Authorize the Commissioner to certify advanced home care aides and establish minimum training and qualification requirements.
- Authorize a registered dental hygienist working for a hospital to practice pursuant to a collaborative arrangement with a licensed dentist.
- Eliminate the requirement for a written collaboration agreement and written protocols between certified nurse practitioners and licensed physicians for nurse practitioners providing only primary care services.

The Legislature denies, without prejudice, the consolidation of Emergency Medical Services (EMS) and the proposed changes to the Certificate of Need (CON) process.

The Legislature advances legislation to:

- Establish a home and community based care work group to examine continuity of care, regulatory guidance, quality assurance and delivery.
- Require the Commissioner of DOH to report to the Legislature annually on activities, goals, and missions, and include a section on the Department's effort to reduce Medicaid fraud, waste and abuse.
- Require newborn testing for Adrenoleukodystrophy (ALD).
- Increase collaboration between the Office of the Medicaid Inspector General (OMIG) and local social service districts by requiring the OMIG to develop training materials for identifying fraud and abuse, to meet quarterly with representatives of local service districts, and to develop a work plan for such collaboration. Increases from 10% to 20% the local share of savings resulting from Medicaid recoveries under the county demonstration program. The Legislature also requires the OMIG to provide quarterly briefings to the Legislature and to report annually on measures undertaken to mitigate fraud, waste and abuse in the last year.

- **PART O:**

The Legislature concurs with the Executive's proposals that:

- Establish a \$730 million Mental Hygiene Stabilization Fund supported by the DOH Medicaid resources under the Global Cap to mitigate the loss of \$1.1 billion in federal matching funds under Medicaid.

- Eliminate the two percent reimbursement reductions on health care providers that was implemented in the SFY 2011-12 Enacted Budget, subject to available resources in SFY 2013-14.
- Delay investments proposed in the Executive Budget to SFY 2014-15 unless funds become available within the global spending cap.
- Authorize the Commissioner to eliminate spending reductions if it is determined that it may be accomplished without impacting the global Medicaid spending cap.
- PART P: The Legislature advances legislation that provides Medicaid for individuals who reside in New York State and are retirees of the New York City Off-Track Betting Corporation or were active employees of such corporation with vested pension time or credit as of December 7, 2010. Individuals who are Medicare beneficiaries will be eligible for assistance with the cost of Medicare premiums and/or cost sharing obligations, as determined in accordance with guidelines established by the Commissioner. The Legislature provides \$5 million associated with this part.
- PART Q: The Legislature advances legislation to restructure the University Hospital of Brooklyn ("Downstate Hospital") in order to achieve its continued fiscal viability. Prior to June 1, 2013, the Chancellor of the State University of New York is required to submit a sustainability plan to the Executive and the Legislature. The plan must set forth recommendations for accomplishing the restructuring of Downstate Hospital for the purpose of achieving fiscal viability while preserving its status as a teaching hospital. The plan also must include the elimination and/or reduction of acute, ambulatory and support services that are not necessary or financially sustainable, and any additional measures necessary to achieve such restructuring and achieve financial stability. The Chancellor is required to consult with labor representatives, community representatives, and other regional stakeholders and, to the maximum extent practicable, allow for public comment and input from consumers of health care services in the development of the plan.

Higher Education Services Corporation (HESC)

State Operations (S.2600-E)

- The Legislature concurs with the Executive's recommendation of \$87.8 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive's recommendation of \$1.05 billion.

Homeland Security and Emergency Services, Division of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$65.6 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$13.7 billion, with the following modification:
 - Includes appropriation language requiring the reporting of disbursement levels for FEMA Superstorm Sandy Disaster Relief Aid, to the Legislature.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$450 million, with the following modification:
 - Includes appropriation language requiring the reporting of disbursement levels for FEMA Superstorm Sandy Disaster Relief Aid, to the Legislature.

Article VII Proposals (S.2605-D)

- PART Q : The Legislature accepts the proposal to authorize the adding of School districts and Boards of Cooperative Educational Services, (BOCES) to the current list of entities (cities, towns, counties and villages) that provide intrastate mutual aid in the event of a disaster that results in a formal declaration of an emergency. The extent of the aid provided by school districts and BOCES would be limited to the sharing of facilities management and administrative personnel and equipment.
- PART V: The Legislature amends the proposal to provide immunity from liability on mobile service providers that transmit emergency alerts for acts or omissions related to, or any harm resulting from, transmission of, or failure to transmit an emergency alert. Provided, however, that the service provider, officer, director, employee, vendor, or agent acted reasonably and in good faith.

Housing and Community Renewal

State Operations (S.2600-E)

- The Legislature modifies the Executive's All Funds recommendation of \$93.75 million, an increase of \$856,000 or 0.92 percent from SFY 2012-13 levels as follows:
 - The Senate denies the \$5.8 million increase for the OHP Rent Administration Program: Tenant Protection Unit.

Aid To Localities (S.2603-E)

- The Legislature modifies the Executive's All Funds recommendation of \$89.4 million, a decrease of \$56.4 million or 36.68 percent from SFY 2012-13 levels as follows:
- The Senate restores funding to the Neighborhood Preservation and Rural Preservation Programs, and allocates the following appropriations:
 - \$9.6 million for the Neighborhood Preservation Program; and
 - \$4.7 million for the Rural Preservation Program.
- The Legislature provides \$20.4 million for the Rural Rental Assistance Program.
- The Legislature restores \$743,000 for the NYCHA Tenant Pilot Program.
- The Legislature adds \$1.9 million in General Funds and \$3.5 million in Mortgage Insurance Funds (MIF), for a total of \$5.4 million for a new Rural and Urban Communities Investment Fund program.
- The Legislature restores \$1.5 million for the Rural Area Revitalization Program.
- The Legislature restores \$2 million for the Urban Initiatives Program.

Capital Projects (S.2604-E)

- The Senate modifies the Executive's All Funds recommendation of \$104.2 million, as follows:
 - Denies the proposal to transfer administration of the Homeless Housing Assistance Program (HHAP) from the Office of Temporary and Disability Assistance to the Division of Housing and Community Renewal.

Article VII Proposals (S.2607-D)

- PART F: The Legislature denies the transfer of the administration of the Homeless Housing and Assistance Program from the Office of Temporary and Disability Assistance to the Division of Housing and Community Renewal.
- PART K: The Legislature denies the Executive proposal to merge the Neighborhood and Rural Preservation Programs, and continues them as separate programs.
- PART L: The Legislature denies the expansion of investment powers of the State of New York Mortgage Agency and the Housing Finance Agency.
- PART M: The Legislature modifies the Executive's proposal to utilize excess FY 2013-14 Mortgage Insurance Fund (MIF) reserves as follows:
 - \$104 million transfer to the General Fund.
 - \$8.5 million to support the Neighborhood Preservation Program.
 - \$3.5 million to support the Rural Preservation Program.
 - \$20.4 million to support rental subsidies for low-income individuals under the federally funded Rural Rental Assistance Program.
 - \$17.6 million to support the refinancing and capital repairs of thirty-six Mitchell Lama affordable housing projects.
 - \$3.5 million to support the Rural and Urban community Investment Fund Program.
 - \$3 million to support the Low Income Housing Trust fund Program.
 - \$2 million to support the Urban Initiatives Program.
 - \$1.5 million to support the Rural Area Revitalization Program.
- PART DD: The Legislature creates the Rural and Urban Community Investment Fund to support the creation, preservation and/or improvement of affordable housing and the creation, preservation or improvement of the commercial, retail or community facilities component of mixed use affordable residential developments.

Hudson River Valley Greenway Communities Council

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$185,000.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$136,000.

Human Rights

State Operations (S.2600-E)

- The Legislature concurs with the Executive's All Funds recommendation of \$18.01 million, a decrease of \$734,000 or 3.8 percent from SFY 2012-13 levels.

Indigent Legal Services, Office of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$1.5 million, and includes:
 - \$300,000 in additional funding for contractual services.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$77 million and restores:
 - \$4 million in additional funding for indigent defense services for upstate counties that have a high volume of indigent defense caseloads.

Information Technology Services

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$563 million.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$87.7 M for services and expenses related to technology, equipment, software and services.

Article VII Proposals (S.2605-D)

- PART N: The Legislature accepts the Executive's proposal to transfer of the functions of the Office of Cyber Security to the Office of Information and Technology Services (ITS) from the Division of Homeland Security and Emergency Services.

Inspector General

State Operations (S.2600-E)

- The Legislature modifies the Executive recommendation of \$8.1 M as follows:
 - A reduction of \$1.2 M to reflect the rejection of the statutory merger of the Office of the Welfare Inspector General (OWIG) into the Office of the State Inspector General (IG);
 - Transfer language is added to authorize the interchange of appropriation authority between the OWIG and the State IG.

Interest on Lawyers Account

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$1.8 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$45 million.

Labor, Department of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$741.9 million.

Aid to Localities (S.2603-E)

- The Legislature concurs the Executive recommendation of \$5.6 billion with the following modifications:
 - \$350,000 New York Committee on Occupational Safety and Health (NYCOSH)
 - \$1.4 million Displaced Homemakers
 - \$750,000 Chamber On-The-Job-Training Program
 - \$155,000 NYCOSH, Long Island Office
 - \$200,000 Building Trades Pre-Apprenticeship Program (BTPAP) located in Rochester
 - \$200,000 BTPAP located in Western New York
 - \$4 million Workforce Development Institute
 - \$50,000 Rochester Tooling and Machining Institute Inc.
 - \$100,000 Hillside Works
 - \$250,000 Summer of Opportunity Youth Employment Program: Rochester
 - \$300,000 Project Rise: Referral, Information, Services, Employment
 - \$150,000 New York State AFL-CIO Cornell Leadership Institute
 - \$150,000 Domestic violence program in partnership with New York State AFL-CIO and Cornell University
 - \$20,000 Labor and Industry For Education (LIFE)
 - \$100,000 Brooklyn Chamber of Commerce: Neighborhood Development Project
 - \$500,000 Brooklyn Chamber of Commerce: Jobs 2013 Project

Article VII Proposals (S.2607-D)

- PART N: The Legislature amends the Executive's proposal to transfer the State Data Center from the Department of Economic Development to the Department of Labor by including employee protection language.
- PART O: The Legislature amends the Executive's proposal to reform the Unemployment Insurance Benefit System as follows:
 - Incrementally increases the wage base from \$8,500 to \$13,000 over the next 13 years and indexes the wage base to 16 percent of the state's average annual wage rate thereafter;
 - Incrementally increases the maximum weekly benefit from \$405 through the year 2026 and thereafter indexes the benefit to 50 percent of the average weekly wage;
 - Provides for decreased benefits for those receiving severance or pensions;
 - Removes obligations of an employer when an employee is terminated or resigns;
 - Provides greater incentive for the unemployed to seek employment by mandating more employer contact and reducing the amount of time an employee may refuse employment;
 - Makes permanent the ability for the Department of Labor to assess surcharges for interest payments on federal government UI benefits loans.
- PART P: The Legislature modifies the Executive's proposal to increase the minimum wage to:
 - \$8.00 on December 31, 2013
 - \$8.75 on December 31, 2014
 - \$9.00 on December 31, 2015

- Prevents the automatic increase in the tip wage, however, the Commissioner may administratively increase the tip wage for service workers and food service workers.
- PART Q: The Legislature intentionally omits the Executive's proposal to reform interest arbitration.
- PART Z: The Legislature extends and modifies the Self Employment Assistance Program (SEAP) to more efficiently serve those individuals who seek to establish their own business.
- PART AA: The Legislature adds the Office of Temporary and Disability Assistance to those entities currently exempt from reporting requirements related to exempt employees and activities they are engaged in, and further defines the activities that do not require a license.
- PART BB: The Legislature modifies the Executive's proposal to provide a stable pension contribution system for municipalities and school districts that participate in the Employees Retirement System (ERS) or the Police and Fire Retirement System (PFRS) as follows:
 - ERS fixed rate of 12 percent for FY 2014 and FY 2015
 - PFRS fixed rate of 20 percent for FY 2014 and FY 2015
 - Employers who opt in are prohibited from opting out

ERS / PFRS

- For FY 2016 and beyond, the graded rate can increase or decrease .5 percent in the direction of the actuarial rate
- The amount between the actuarial rate and the graded rate (the deferral) is amortized over 12 years at the ten year treasury note interpolated to 12 years plus 100 Basis Points (BPS) (around 3 percent)
- When the actuarial rate falls below the graded rate, the deferral becomes an accrual because the employer is paying an amount in excess of the actuarial rate.
- The amount of the accrual is applied to outstanding amortizations in chronological order.
- When the amortizations are defeased, the amount of the accrual is deposited into a reserve within the pension fund, which is a fiduciary fund and cannot be swept.
- Interest is accrued on these deposits consistent with other state funds
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Teachers Retirement System

- Seven year plan paid back over 12 years
- Year 1 and Year 2: FY 2014 and FY 2015, fixed rate of 14 percent
- Year 3: FY 2016, the Board can increase by up to two percent
- Year 4: FY 2017, flat rate no higher than 16 percent
- Year 5: FY 2018, Board can increase or decrease by up to two percent
- Rate can be no higher than 18 percent and no lower than 14 percent
- Year 6: FY 2019, fixed rate at Year 5 level, repayment on the first five years begins and ends at year 12
- Year 7: FY 2020, fixed rate at Year 5 level
- Year 8: FY 2021, back to actuarial rate, repayment begins on Year 6 and Year 7 amortizations
- Year 9 through Year 12 is repayment of deferrals
- School district can opt out but must make reconciliation payment to be made over five years

- If pension fund goes below 80 percent, the plan can be terminated

Labor Management Committees

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$31.2 million.

Miscellaneous Items

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation for the following:
 - \$2.8 million for the Green Thumb Program;
 - \$1.6 million for the Insurance and Securities Funds Reserve Guarantee;
 - \$200 million for the Reserve Guarantee For Federal Audit Disallowances;
 - \$192.4 million for the Health Insurance Reserve Receipts Fund;
 - \$607 million for the Health Insurance Contingency Reserve;
 - \$100 million for the Special Emergency Appropriation;
 - \$1 billion for the Special Federal Emergency Appropriation; and,
 - \$14.4 million for the Workers' Compensation Reserve;

Law, Department of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$220.6 million.

Lieutenant Governor

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$630,000.

Local Government Assistance

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$856.3 million and provides the following modifications:
 - \$75,000 in Miscellaneous Financial Assistance to the Village of Mastic Beach;
 - \$2,000 in Miscellaneous Financial Assistance to the Village of Sagaponack;
 - \$19,000 in Miscellaneous Financial Assistance to the Village of South Blooming Grove;
 - \$27,000 in Miscellaneous Financial Assistance to the Village of Woodbury;
 - \$250,000 in Miscellaneous Financial Assistance to the City of Syracuse for an Information Technology shared services project with the County of Onondaga.
 - \$520,000 in Miscellaneous Financial Assistance to Madison County;
 - \$520,000 in Miscellaneous Financial Assistance to Oneida County;
 - \$1.4 million in Video Lottery Terminal Aid to Eligible Municipalities; and
 - \$1.5 million in Village Per Capita Aid to all Villages eligible to receive Aid and Incentives to Municipalities as of April 1, 2013.

Article VII Proposal (S.2605-D)

- PART K: The Legislature amends the Executive proposal to improve the effectiveness of the Local Government Efficiency Grant Program and the Citizens Re-Organization Empowerment Grant Programs as follows:
 - The Legislature concurs with the Executive's Proposal regarding the local matching requirements for studies under both the Citizens Re-organization Empowerment Grant Program and the Local Government Efficiency Grant (10% to 50%) in order to require greater local contribution up front and reimbursement (90% of up from cost) upon implementation so that there would be a greater likelihood of project execution.
 - The Legislature amends the Executive proposal to enhance the application process for these grants in order to provide applicants an opportunity to correct certain technical deficiencies, such as incompleteness or incorrect filing in their grant applications, so long as they can still file the corrected application within the requisite deadline.
 - The Legislature amended the Executive proposal in order to require that a consolidation dissolution study include information associated with potential legal issues surrounding a reorganization as well as recommended steps to facilitate a reorganization in order to recognize potential problems that may later hinder achievement, as well as provide an outline for implementation.
- PART L: The Executive proposed to sunset every reporting requirement that a local government or school district is currently required to submit to a state agency or authority under state statute or regulation on April 1, 2014 unless such reporting requirement is approved for continuation by the mandate relief council.
 - The Legislature intentionally omitted this part.
- PART Z: The Legislature included a proposal to extend the current assessment review process in Nassau County through June 30, 2014, and modify the period with which an aggrieved party may file an assessment correction for 2013.

Article VII Proposal (S.2607-D)

- PART EE: The Legislature increase the amount of Video Lottery Terminal Impact Aid an eligible municipality with a VLT facility can receive from 45 percent to 55 percent of the amount received in the SFY 2008-09 Enacted Budget.

Justice Center for the Protection of People with Special Needs.

State Operations (S.2600-E)

- The Legislature concurs with the Executive's proposal of \$44.5 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive's proposal of \$487,000.

Mental Hygiene, Department of

Article VII Proposal (S.2606-D)

- PART F: The Legislature modifies the Executive's proposal to require the existing methadone registry to ensure accurate dosage delivery and facilitate disaster management by providing that such provisions do not result in increased costs or fees.

- PART G: The Legislature modifies the Executive’s proposal to conform statute to current practice with regard to funding for substance abuse programs by including “compulsive gambling” programs and making other technical changes.
- PART H: The Legislature denies the Executive’s proposal to permanently authorize the Office of Mental Health to close facilities, and accepts provisions extending the community mental health support and workforce reinvestment program for two years until March 31, 2015.
- PART I: The Legislature modifies the Executive's proposal to permanently authorize recovery of Exempt Income by allowing for such recoveries for one year.
- PART J: The Legislature modifies the Executive's proposal to allow the Office of Mental Health's appointing authority to reside solely with the Commissioner by requiring continued observation of civil service law, collective bargaining agreements, and layoff unit structures.
- PART K: The Legislature denies without prejudice the Executive's proposal to make technical amendments to the Sex Offender Management Treatment Act.
- PART L: The Legislature modifies the Executive's proposal to establish mental health incident review panels to:
 - Allow a local government unit to request the establishment of a panel;
 - Require that final reports of a review panel be submitted to the Temporary President of the Senate and the Speaker of the Assembly; and
 - Require the annual cumulative report to the Governor and the Legislature to include measures that have been implemented, and a description of the impact of such implementations.
- PART M: The Legislature modifies the Executive's proposal to eliminate redundant reports by the Office of Mental Health and the Office of Persons with Developmental Disabilities by amending the Office of Mental Health five-year plan to include descriptions of community support and emergency services, which shall include comprehensive psychiatric emergency programs.
- PART N: The Legislature concurs with the Executive's proposal to defer the human services Cost of Living Adjustment (COLA) for designated human services programs for the fiscal year, and extends the sunset one year to March 31, 2016.

Mental Health, Office of

State Operations (S.2600-E)

- The Legislature denies the Executive’s proposal related to State-operated psychiatric center closures, mergers and/or consolidations; and restores \$25 million for this purpose.

Aid to Localities (S.2603-E)

- The Legislature modifies the Executive’s proposal, to restore and appropriate new funding as follows:
 - \$350,000 for demonstration programs for counties impacted during state fiscal year 2011-12 by the closure of state-operated hospitals established under section 7.17 of the Mental Hygiene Law;
 - \$175,000 for the Nathan S. Kline Institute for Psychiatric Research;
 - \$50,000 for the Mental Health Association in New York State, Inc;
 - \$100,000 for the North Country Behavioral Healthcare Network;
 - \$300,000 for the NLP Research and Recognition Project;
 - \$2.3 million for veteran peer-to-peer pilot programs;

- \$150,000 for Unlimited Potential, Inc;
- \$100,000 for the Warrior Salute program; and
- \$300,000 for FarmNet.
- The Legislature denies \$5 million in community reinvestment funding associated with the closure, merger and/or consolidation of psychiatric centers.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive's proposal of \$197 million.

Alcoholism and Substance Abuse Services, Office of

State Operations (S.2600-E)

- The Legislature concurs with the Executive's proposal of \$117 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive's proposal with the following addition:
 - \$200,000 for the Queen's Village Committee for Mental Health for J-CAP, Inc.
- The Legislature modifies the Executive's proposal to specify that \$14.9 million of problem gambling and chemical dependency prevention and treatment services funding be directed to the New York City Board of Education.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive's proposal of \$97.6 million.

Medicaid Inspector General, Office for the

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$66.5 million.

Article VII (S2606-D)

- The Legislature enacts legislation to:
 - Increase collaboration between the Office of the Medicaid Inspector General (OMIG) and local social service districts by requiring the OMIG to develop training materials for identifying fraud and abuse, to meet quarterly with representatives of local service districts, and to develop a work plan for such collaboration;
 - Increase from 10 percent to 20 percent the local share of savings resulting from Medicaid recoveries under the county demonstration program; and
 - Require the OMIG to provide quarterly briefings to the Legislature and to report annually on measures undertaken to mitigate fraud, waste and abuse in the prior year.

People with Developmental Disabilities, Office for

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal for \$2.1 billion.

Aid to Localities (S.2603-E)

- The Legislature modifies the Executive's proposal to implement a six percent rate reduction to non-state operated residential and non-residential developmental disability providers, and restores \$30 million for this purpose.
- The Legislature modifies the Executive proposal to restore \$50,000 for the Epilepsy Foundation of Northeastern New York.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive's proposal of \$197 million.

Quality of Care and Advocacy for Persons with Disabilities, Commission on

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal of \$10.9 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive proposal of \$162,000

Metropolitan Transportation Authority

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive proposal of \$2.2 billion.

Capital Projects (S.2604-E)

- The Legislature agrees with the Executive proposal to continue the \$770 million in State support that was appropriated last year.

Military and Naval Affairs, Division of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$75.7 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$900,000.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$39.2 million.

State of New York Mortgage Agency

State Operations (S.2600-E)

- The Legislature concurs with the Executive's All Funds recommendation of \$76.8 million.

Aid To Localities (S.2603-E)

- The Legislature concurs with the Executive's All Funds recommendation of \$97.05 million, an increase of \$5.4 million or 3.2 percent from SFY 2012-13 levels.

Motor Vehicles, Department of

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive proposal of \$20.8 million.

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal of \$123.5 million.

Capital Projects (S.2604-E)

- The Legislature supports the Executive proposal of \$205.7 million. Of this, \$4.5 million is allocated to establish the Customer Service Initiative to improve customer service and reduce wait times.

Article VII Proposals (S.2608-D)

- PART D: The Legislature accepts the Executive proposal to allow State branches of the Department of Motor Vehicles to be open on Saturdays. The Legislature adds language to protect DMV employees.

National And Community Service

State Operations (S.2600-E)

- The Legislature concurs with the Executive Budget recommendation of \$30.3 million.

Aid To Localities (S.2603-E)

- The Legislature concurs with the Executive Budget recommendation of \$350,000.

Power Authority Asset Transfer

State Operations (S.2600-E)

- The Legislature concurs with the proposal to provide up to \$318 million in bond reinsurance to the Power Authority's debt issuances.

Olympic Regional Development Authority

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of funding support for the Olympic Regional Development Authority at \$5.4 million.

Parks, Recreation and Historic Preservation

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of a funding level of \$224.3 million.

Aid to Localities (S.2603-E)

- The Legislature augments the Executive's recommended funding level of \$11.7 million through an increase of \$500,000 for snowmobile trail development, maintenance, and safety efforts, \$60,000 for the Putnam Visitors Bureau; and \$100,000 for the Historic Saratoga-Washington on the Hudson Partnership resulting in a total authorized funding level of \$12.4 million.

Capital Projects (S.2604-E)

- The Legislature amends the Executive recommendation of a total appropriation of \$106.2 million for Capital Projects (S.2604-E) by transferring \$2.5 million of the recommended \$50 million in additional New Yorks Works Capital to the Department of Agriculture and Markets for improvements to the State Fair Grounds in Syracuse resulting in a \$147. million total appropriation.

Prevention of Domestic Violence, Office of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$3.7 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$1.2 million.

Public Employment Relations Board

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$4 million.

Public Ethics, Joint Commission On

State Operations (S.2600-E)

- The Legislature denies five FTEs for a total reduction of \$375,000, and provide \$4.5 million for the Commission.

Public Service

State Operations (S.2600-E)

- The Legislature amends the Executive recommendation of \$79.9 million, by transferring \$1 million for a wholesale energy market consumer advocacy project from the Department of Public Service to the Department of State.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$6.8 million.

Article VII Proposals (S.2607-D)

- PART X: Implementation of Moreland Act recommendations regarding the oversight of the State's utility sector. The Legislature amends the Executive proposal to grant the Public Service Commission broad new powers to oversee and regulate New York State's utility sector by limiting the measure to only combined gas and electrical transmission and delivery corporations.
- PART Y: Measure related to the repowering of existing power generating facilities. The Legislature codifies a Public Service Commission requiring the evaluation of the viability of repowering existing coal plants in Dunkirk and Lansing, New York to cleaner and more cost efficient fuel sources.

Article VII Proposals (S.2608-D)

- PART M: The Legislature accepts the Executive proposal to make the Department of Health's public service education expenses eligible for funding from the Department of Public Service's assessment on cable television companies. This authorization is provided annually.
- PART N: Executive proposal to extend Temporary 18-a for 5 years. Intentionally Omitted, but see (S.2609-D) PART BB
- PART O: Implementation of Moreland Act recommendations regarding the oversight of the State's utility sector. Intentionally Omitted, but see (S.2607-D) PART X.

Racing Reform Program

State Operations (S.2600-E)

- The Legislature concurs with the Executive's proposed reappropriation level of \$2 million.

State, Department of

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive proposal of \$65.3 million.

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal of \$71.4 million.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive proposal of \$10 million for the Brownfield Opportunity Area program.

Article VII Proposals (S.2608-D)

- PART P: The Legislature concurs with the Executive to extend for one year, the authority of the Secretary of State to charge increased fees for expedited handling of documents.
- PART Q: The Legislature denies without prejudice the Executive's amendments to the Not-for-Profit Corporation Law, and remains committed to reforming and streamlining Not-for-Profit laws and incorporation through a comprehensive dialogue post-budget.

State Police, Division of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$674 million, with the following modifications:
 - The Legislature removes all reference to the New York Secure Ammunition and Firearms Enforcement Act (NY SAFE) and transfers \$3.2 million in funding under personal service and contractual services appropriation under the Technical Police Services Program.
 - The Legislature allows \$2 million in contractual services to be used specifically to promote public safety including: public information outreach and dissemination including electronic media communications, literature, internet communications, forums, mailing and other educational efforts.

Capital Projects (S.2604-E)

- The Legislature eliminates \$32.7 million in capital funding related to the development of a pistol permit database.

Article VII Proposals (S.2605-D)

- The Legislature denies the Executive proposal that would have limited plea-bargaining for traffic tickets; extend State surcharges totaling \$80 to new offenses; and establish minimum fines for violations involving texting and cell phone use. The Legislature denies the Executive provision related to restrictions on plea-bargaining; allows a minimum fine to be imposed for mobile phone or texting while driving offenses and reduces fines proposed for subsequent offenses; requires a \$25 surcharge for violations of certain parking offenses, and increases currently imposed mandatory vehicle and traffic surcharges by eight dollars.

State University of New York (SUNY)

State Operations (S.2600-E)

- The Legislature accepts the Executive proposal to allow for a portion of state-operated college funding to be used to implement a plan to improve educator effectiveness.
- The Legislature denies the Executive proposal to allow university wide program funding to be interchanged.
- The Legislature adds \$632,400 for educational opportunity programs.
- The Legislature adds \$994,160 for the ATTAIN lab program.
- The Legislature adds \$250,000 for the New York State Veterinary College at Cornell.
- The Legislature adds \$333,000 for the Marine Animal Disease Laboratory at Stony Brook University.
- The Legislature restores \$27.8 million for the three teaching hospitals at the Stony Brook, Brooklyn and Syracuse, to be divided equally among the individual hospitals.

Aid to Localities (S.2603-E)

- The Legislature amends the Executive proposal for community college base aid to increase full-time equivalent (FTE) funding by \$150, or \$21.5 million. Base aid will be \$2,422 per FTE for SFY 2013-14.

- The Legislature accepts the Executive proposal to make \$3,000,000 in program incentive fund awards to SUNY community colleges.
- The Legislature amends the Executive proposal to restore \$653,000 for SUNY child care centers.
- The Legislature amends the Executive proposal to add \$1.7 million for the Graduation, Achievement and Placement (GAP) program.
- The Legislature amends the Executive proposal to restore \$300,000 for the Harvest NY program.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive recommendation of \$286.6 million.

Article VII Proposals (S.2607-D)

- PART B: The Legislature accepts the Executives proposal to establish a new financing structure for the State University of New York by continuing the Dormitory Authority of The State of New York (DASNY) traditional role in financing the construction operation and maintenance costs of new and existing dorms while allowing for the establishment a new fund, to be known as the dormitory facilities revenue fund. This fund will be held in the custody of the Commissioner of Tax & Finance to serve as the repository for revenues from dormitory projects and used to pay debt service costs associated with such projects. The Legislature adds reporting requirements related to these measures.
- PART D: The Legislature modifies the Executive proposal to create the Next Generation NY Job Linkage Program. The revised proposal requires community college vocational programs to demonstrate that they are preparing students for current and future job opportunities by partnering with employers but does not tie this requirement to base aid. The proposal also directs CUNY to make awards from a program incentive fund based on measures of student success.
- PART U: The Legislature includes language that would direct SUNY to create the Graduation, Achievement and Placement (GAP) program. The program would begin in the 2014-2015 academic year and seek to improve community college outcomes.
- PART V: The Legislature includes language directing CUNY and SUNY to establish, pursuant to a plan, a uniform methodology for calculating community college chargeback rates. The methodology would be phased in over five years beginning in the 2014-2015 academic year. The language also directs CUNY and SUNY to establish an online training program or county financial officers and assist in the development of an online or electric billing system.

Statewide Financial System

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$55 million.

Tax Appeals

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$3.1 million.

Taxation and Finance

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$483.9 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$926,000.

Temporary and Disability Assistance

State Operations (S.2600-E)

- The Legislature concurs with the Executive's All Funds Recommendation of \$448.63 million, a decrease of \$20.5 million or 4.38 percent from SFY 2012-13 levels.

Aid To Localities (S.2603-E)

- The Legislature modifies the Executive's All Funds recommendation of \$5.23 billion, an increase of \$1.0 million or 0.02 percent from SFY 2012-13 levels, as follows:
- The Legislature restores and/or adds funding to the following General Fund programs:
 - Disability Advocacy Program, restore \$250,000 for a total of \$2.63 million;
 - Hispanic Federation Adult Basic Literacy and Education Initiative, restore \$250,000;
 - Supplemental Homeless Intervention Program, restore \$800,000; and
 - Supportive Housing for Families and Young Adults, restore \$800,000.
- The Legislature restores and/or adds funding for the following TANF programs:
 - ACCESS- Welfare to Careers, restores \$800,000;
 - Advantage Afterschool, restore \$500,000;
 - ATTAIN, restore \$3 million and add \$1.1 million, for a total of \$4.1 million;
 - BRIDGE, restore \$102,000;
 - Career Pathways, restore \$750,000;
 - Caretaker Relative, restore \$51,000 and add \$50,000, for a total of \$101,000;
 - Centro of Oneida, restore \$25,000;
 - Child Care CUNY, restore \$141,000;
 - Child Care Facilitated Enrollment - Capital Region/Oneida, restores \$1.27 million and adds \$1.41 million, for a total of \$2.68 million;
 - Child Care Facilitated Enrollment: New York City, provides \$4.59 million;
 - Child Care SUNY, restore \$193,000;
 - Community Solutions for Transportation, restore \$112,000;
 - ESL/Adult Literacy, restore \$250,000;
 - Emergency Homeless, restore \$500,000;
 - Non-Residential Domestic Violence, restore \$1.2 million;
 - Legal Services for the Elderly or Disadvantaged of Western New York, adds \$40,000;
 - Nurse Family Partnerships: restore \$2 million;
 - Preventive Services, restore \$610,000;
 - Rochester-Genesee Regional Transportation Authority, restore \$82,000;
 - Settlement Houses, restore \$1 million;
 - Strengthening Families through Stronger Fatherhood Initiative, restore \$200,000;
 - Wage Subsidy Program: restore \$950,000; and
 - Wheels for Work, restore \$144,000.

Capital Projects (S.2604-E)

- The Senate denies the Executive proposal to transfer administration of the Homeless Housing Assistance Program (HHAP) from the Office of Temporary and Disability Assistance to the Division of Housing and Community Renewal and provides an All Funds Recommendation of \$30.0 million, consistent with SFY 2012-13 levels.

Article VII Proposals (S.2607-E)

- PART E: The Legislature accepts the Executive proposal to authorize the pass-through of the 2014 Federal Cost of Living Adjustment in relation to Supplemental Security Income.
- PART F: The Legislature denies the transfer of the administration of the Homeless Housing and Assistance Program from the Office of Temporary and Disability Assistance to the Division of Housing and Community Renewal.

Thruway Authority

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal to provide \$24 million in assistance to the Thruway Authority to avoid a toll increase. The Legislature adds language requiring two annual reports to track the allocation of these funds. One report will be a summary of the expenses covered by this \$24 million in the previous year, and the other report provides a forecast and detail of what expenses will be covered next year.

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive proposal to allocate \$2 million in capital funds to the Canal Corporation's revenue collection pass-through account.

Article VII Proposals (S.2608-D)

- PART E: The Legislature amended the Executive's financial assistance package for the New York State Thruway Authority by adding periodic reporting to the Legislature.

Transportation, Department of

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive proposal of \$4.8 billion.

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal of \$36 million.

Capital Projects (S.2604-E)

- The Executive and Legislature agree on a \$3.7 billion two-year Transportation Capital Program. This program includes project lists for SFY 2013-14 and SFY 2014-15, with proposed letting dates and reporting requirements. The program also includes a commitment to submit a Five Year Capital Program for the years SFY 2015-16 through 2019-20.
- The Legislature concurs with the \$300 million in new capital spending level, and allocates those funds as follows:
 - \$155 million for the State Highway and Bridge Acceleration Initiative to accelerate transportation projects of regional and community importance in SFY 2013-14.

- \$75 million increase for the Consolidated Local Street and Highway Improvement Plan (CHIPS)
- \$45 million for engineering services to address the shortfall in ready-to-go projects throughout the State.
- \$10 million increase in Aviation spending, to be shared between the Airport Improvement Program and AIR99.
- \$10 million for rail freight.
- \$5 million in capital to be shared by each of the non-MTA transit systems.
- The Legislature is the recipient of a letter from DOT to committing to make available \$16 million in State Dedicated Fund resources to support non-MTA downstate suburban and upstate public transportation capital investments no later than 45 days after the enactment of the SFY 2013-14 Budget.

Article VII Proposals (S.2608-D)

- PART A: The Legislature amends the Executive's proposal by increasing the proposed funding for the Consolidated Local Street and Highway Improvement Program (CHIPS) program by \$75 million. Marchiselli funding remains flat at \$39.7 million.
- PART B: The Legislature amends the Executive proposal to extend by five years the distribution of the transmission tax between the upstate (PTOA) and downstate (MMTOA) transit accounts.
- PART C: The Legislature amends the Executive proposal to change State law in order to comply with Federal Motor Carrier Safety Administration rules regarding cell phone use and texting by commercial motor vehicle operators.
- PART V: The Legislature includes language to ensure the Airport Improvement Program funds will be spent first, before allocating funds from the AIR99 Program. Total new funding for this Part is \$10 million.

Tribal State Compact

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$50.8 million.

Article VII Proposals (S.2605-D)

- PART M: The Legislature modifies the Executive's proposal to increase the \$2.5 million dollar loan for the City of Salamanca's CFY 2012-13 budget to \$5 million. The Legislature concurs with the Executive proposal to extend for three years the Tribal State Compact Revenue Accounts appropriation disbursement authority from March 31, 2013 to March 31, 2016.

Veterans' Affairs

State Operations (S.2600-E)

- The Legislature concurs with the Executive's All Funds recommendation of \$8.37 million, an increase of \$600,000 or 7.7 percent from SFY 2012-13 levels.
- The Legislature restores a \$500,000 reappropriation for a State Veterans Cemetery.

Aid To Localities (S.2603-E)

- The Legislature modifies the Executive's All Funds recommendation of \$9.1 million, an increase of \$30,000 or 0.3 percent from SFY 2012-13 levels, and provides funding as follows:
 - \$25,000 for the Vietnam Veterans of America;
 - \$50,000 for the Buffalo Veterans Service Organization;
 - \$75,000 for the New York City Veterans Service Organization; and
 - \$100,000 for Veterans Legal Services.

Article VII Proposals (S.2607-D)

- PART W: The Legislature establishes a state veterans' cemetery program for the construction, establishment, expansion, improvement, support, operation, maintenance and the provision of perpetual maintenance for a veterans' cemetery. This program would create a state veterans' cemetery, a tax check off box, and a Veterans' Remembrance and Cemetery Maintenance and Operation Fund.

Victim Services, Office of

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$10.3 million.

Aid to Localities (S.2603-E)

- The Legislature concurs with the Executive recommendation of \$66 million.

Workers' Compensation Board

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$203.2 million.

Article VII Proposals (S.2607-D)

- PART GG: The Legislature amends the Executive proposal to reform the Workers Compensation System, as follows:
 - Increases the minimum weekly benefit from \$100 to \$150;
 - Provides that carriers can pass through the assessments to employers on the exact amount owed to the board;
 - Closes the re-opened case fund;
 - Provides Workers' Compensation with bonding authority sufficient to deal with liabilities carried by the state due to the default of certain group self-insured trusts (GSITs);
 - Closes the State Insurance Fund's assessment reserve fund and directs a portion of these funds to be transferred to the state over a period of years;
 - Provides projected savings to employers of \$500 million this year and an additional recurring \$400 million.

Welfare Inspector General

State Operations (S.2600-E)

- The Legislature denies the Executive's proposal to merge the Office of the Welfare Inspector General into the Office of the State Inspector General and provides an All Funds recommendation of \$1.2 million, a decrease of \$354,000 or 23 percent from SFY 2012-13 levels.

Article VII Proposals (S.2607-D)

- PART I: The Legislature denies the Executive proposal to merge the Office of the Welfare Inspector General into the Office of the State Inspector General.

Miscellaneous Items

Article VII Proposals (S.2607-D)

- PART C: The Legislature modifies the Executive proposal to extend the Higher Education Capital (HECap) Matching Grant program for an additional year by making the program open to colleges on a statewide basis, rather than on a regional basis.
- PART S: The Legislature concurs with the Executive proposal to allow registered dental hygienists to sign a dental health certificate for schoolchildren, and add dental practices and registered dental hygienists to a list provided upon the request of a schoolchild's parent.
- PART T: The Legislature concurs with the Executive proposal to increase the number of physician assistants that can be supervised by a physician from two to four, and four to six in the Department of Corrections and Community Supervision.
- PART AA: The Legislature modifies the Executive proposal to permanently extend the exemption from licensure for social workers, mental health practitioners and psychologists working in certain exempt settings. The modified proposal would extend the exemption for three years, and require reporting on the activities of those working in exempt settings, while clarifying activities for which licensure is not required.
- PART HH: The Legislature modifies the Executive proposal in relation to the administration of certain funds of the State, the authorization of transfers between funds of the State, and the authorization for bonding for various capital programs of the State as follows:
 - The Transformative Capital Fund is eliminated.
 - A new sales tax revenue bond program is created by which a portion of the sales tax will be dedicated to pay the debt service on bonds issued under this program.
 - Bonding for the Dedicated Highway program could be issued under the PIT revenue bond program or the new sales tax revenue bond program.
- The Legislature denies \$720 million in capital funding for the Transformative Capital Fund.
- The Legislature provides \$385 million in capital funding for the State and Municipal Facilities Program.

World Trade Center: Department of Transportation

Capital Projects (S.2604-E)

- The Legislature concurs with the Executive proposal to reappropriate funds of \$232.8 million to the World Trade Center Program. This program covers services such as construction, reconstruction, and reconditioning of infrastructure damaged on September 11, 2001.

New York Works Task Force

State Operations (S.2600-E)

- The Legislature concurs with the Executive proposal to appropriate \$1 million for services and expenses associated with the New York Works Task Force.

Payment to the City of New York

Aid to Localities (S.26003-E)

- The Legislature concurs with the Executive proposal to provide the annual \$170 million to the City of New York to cover the defeasance of the remaining New York City Municipal Assistance Corporation debt.

Pay for Success

Aid To Localities (S.2603-E)

- The Legislature modifies the Executive's All Funds recommendation of \$100 million for a new Pay for Success Contingency Fund by providing a \$30 million appropriation for the Fund and defines its use to be for the development of early childhood development and child welfare programs, health care or public safety programs and services. Services and expenses of the fund shall be for contract payments to intermediary organizations responsible for raising funds to support project costs and managing the delivery of services, and contracts for the verification and validation of program outcomes achieved.

Article VII Proposals (S.2607-D)

- PART CC: The Legislature enacts language in regards to the Pay For Success Program as follows:
 - Directs funding to the program areas of health care, early childhood development, child welfare and public safety.
 - Funding shall not supplant any other funding for services in the identified program areas.
 - Requires a report identifying activities and outcomes to be filed by affected state agencies by August 1, 2017.
 - No new program or contract may be established after March 31, 2018.

Revenue

Article VII Proposal (S.2609-D)

- PART A: The Legislature concurs with the Executive proposal to extend the 1981 Temporary MTA Business Tax Surcharge for five years.
- PART B: The Legislature modifies the Executive proposal to amend the film tax credit as follows:

- Adds \$420 million allocation annually to pool two for the years 2015 through 2019.
- Creates an incentive of an additional 10 percent of below the line labor costs (excluding extras) expended in the making of a film that is shot north and west of the Capital District. The pool for the additional incentive will be \$5 million each year.
- Changes the allocation of the empire state post production tax credit from \$7 million to \$25 million.
- Adds to the definition of “Qualified film” a “Relocation television production” which is defined as a talk or variety show that has been shooting outside of New York State for at least five seasons and must have New York production costs of at least \$30 million annually or \$10 million in capital expenditures.
- Modifies the post production credit so that the cost of visual effects and animation are no longer included in the calculation of the 75 percent of post production costs necessary to be performed in New York in order to qualify for the credit. However, the film can still receive post production credits for visual effects and animation if the cost of such is at least \$3 million or 20 percent of total post production costs. These relaxed requirements will take effect for those applications that have been submitted but not yet finalized.
- Expands reporting requirements to include: credit eligible man hours, the total wages paid for such credit eligible man hours, the names of the companies that receive credits from the program, the place of residence or incorporation for those companies, and the amount of credits that each taxpayer receives.
- The proposal also requires the office of motion picture and television development to file a report bi-annually which includes the efficacy of the credits and requires that the office hire an independent third party to conduct a study on the economic impact of the credit.
- PART C: The Legislature amends the Executive proposal for an Innovation Hot Spots program to create the New York State Business Incubator program which will provide operating grants to business incubators across the state. Of these incubators, ten will be designated as innovation hot spots whose tenant businesses will receive tax benefits along with operating support for the incubator itself.
- PART D: The Legislature concurs with the Executive proposal to extend the limitation on itemized deductions for charitable contributions.
- PART E: The Legislature concurs with the Executive proposal to change the taxation of royalty income.
- PART F: The Legislature concurs with the Executive proposal to extend the historic properties credit for five years and enhance the credit by making it refundable.
- PART G: The Legislature modifies the Executive proposal to create an electric vehicle recharging property credit by expanding the credit to include refueling property for other alternative fuels.
- PART H: The Legislature modifies the Executive proposal to make permanent the Tax Modernization provisions of the Tax Law by extending the following provisions for three years: requiring electronic filing of authorized tax documents by tax return preparers; requiring electronic filing of authorized tax documents by taxpayers that prepare their own authorized tax documents using computer software; and requiring taxpayers that fail to pay sales tax to make deposits to a segregated account.
- PART I: The Legislature denies the Executive proposal to create the Taste-NY program.
- PART J: The Legislature amends the Executive proposal to limit the ability of Industrial Development Agencies (IDAs) to offer state sales tax exemptions.

- IDAs will be prohibited from providing the state sales tax exemption and other benefits to retail projects with the following exceptions: if the project is a tourism destination, if the project is located in a highly distressed area, or if the project provides goods or services that are not readily accessible in the region.
- The IDA will report to the Department of Taxation and Finance on projects that are given the state sales tax exemption.
- IDA agreements with state sales tax benefits will be required to contain provisions to recapture tax benefits if the project operator does not fulfill requirements in agreement and any recaptured state sales tax must be paid to the State.
- PART K: The Legislature concurs with the Executive proposal to make a technical amendment to all the fuel taxes for compressed natural gas (CNG).
- PART L: The Legislature concurs with the Executive proposal to equalize the treatment of fuel tax exemptions for volunteer emergency squads by creating a refund for petroleum business taxes paid by such entities in the course of their business. They are currently exempt from the motor fuel tax and sales tax.
- PART M: The Legislature denies the Executive proposal to expand the authorization of the Department of Tax and Finance to refuse to issue a Certificate of Authority for sales tax vendors.
- PART N: The Legislature denies the Executive proposal to expand the Department of Taxation and Finance's ability to refuse, to reissue or revoke a cigarette certificate of registration.
- PART O: The Legislature concurs with the Executive proposal to increase civil penalties for unstamped cigarettes.
- PART P: The Legislature modifies the Executive proposal to allow the Department of Taxation and Finance in conjunction with the Department of Motor Vehicles to suspend drivers' licenses for tax delinquency by changing the taxpayer notification from 45 days to 60 days before a license is suspended and by denying provisions that prohibit insurance companies from using this information to determine a taxpayers risk premium.
- PART Q: The Legislature modifies the Executive proposal to allow the Department of Tax and Finance to issue warrantless wage garnishments by having these provisions sunset on April 1, 2015; by strengthening the taxpayer notification requirements and by requiring an accounting of those taxpayers that will be affected.
- PART R: The Legislature denies the Executive proposal to authorize counties and cities to impose their current additional local rates of sale and compensating use taxes without obtaining State legislative authority.
- PART S: The Legislature denies the Executive proposal to eliminate the Quick Draw square footage and age restrictions.
- PART T: The Legislature concurs with the Executive proposal to extend the Monticello VLT distribution rates for one year.
- PART U: The Legislature modifies the Executive proposal to lower the pari-mutuel tax for simulcasting out of state races permanently, to extend the provisions for one year.
- PART V: The Legislature concurs with the Executive proposal to extend the enhancements to the historic home rehabilitation credit by five years.
- PART W: The Legislature concurs with the Executive proposal to change the incidence of taxation for diesel motor fuel under the motor fuel excise tax, the petroleum business tax and the sales tax. Currently diesel is taxed when it is delivered to a retailer, this part will move the incidence of taxation to when it leaves the terminal.

- PART X: The Legislature concurs with the Executive proposal to make a change to the highway use tax farm exemption to expand the definition of “relationship” to specify familiar relations as well as adding corporate and partnership relationships.
- PART Y: The Legislature adds language to provide small businesses and small farms an exemption equal to five percent of net income to be phased in over a three year period (3% in 2014; 3.75% in 2015; 5% in 2016 and beyond.) To qualify the business or farm must have less than \$250,000 in net business income and employ at least one person.
- PART Z: The Legislature adds language to provide a tax rate reduction for Manufacturers. The rates in all four corporate tax calculations will be reduced by the following percentages: 9.2% in 2014; 12.3% in 2015; 15.4% in 2016 and 2017; and, 25% in 2018 and beyond.
- PART AA: The Legislature adds language to create a Hire-a-Vet credit to provide a tax credit to any business that hires a veteran returning home from military service full-time for one year. That credit will equal 10 percent of wages paid, with a maximum of \$5,000 per veteran - increasing to 15 percent of wages if the veteran is also disabled, with a maximum of \$15,000 per disabled veteran.
- PART BB: The Legislature modifies the Executive proposal to extend the 18-A utility assessment by phasing out the temporary surcharge as follows: 2% in State Fiscal year 2014-15; 1.75% in State Fiscal year 2015-16; 1.5% in State Fiscal year 2016-17; and 1.5% for one-half year of 2017-18.
- PART CC: The Legislature adds language to create the Family Tax Relief Credit for three years.
 - The refundable credit is equal to \$350 per family with one or more children under the age of seventeen.
 - Applies to families with incomes between \$40,000 and \$300,000.
 - An advanced refund of the credit will be given in each of the three years.
- PART DD: The Legislature adds language to extend the NY Youth Works Credit until 2017 adding a \$6 million pool to each of four years and amending the city population requirement.
- PART EE: The Legislature adds language to create a minimum wage reimbursement credit for the employment of students who are age 16-19 at the minimum wage. For every hour worked the credit equals: 75 cents in 2014; \$1.31 in 2015; and \$1.35 in 2016-18. If the federal minimum wage increases above 85 percent of the state minimum wage the credit will equal the difference between the state and federal minimum wages.
- PART FF: The Legislature adds language to extend the December 2011 tax rates and the inflation indexing of the standard deduction and the tax rate schedules for three years, until 2017.
- PART GG: The Legislature adds language to create a new personal income tax check-off for the teen health education fund.
- PART HH: The Legislature adds language to expand the types of businesses that can participate in the Excelsior Linked Deposit Program to technology and innovation businesses.
- PART II: The Legislature adds language to amend the Small Business Revolving Loan Fund to provide bridge loans to minority and women-owned business enterprises and other small businesses performing contracts to provide construction or professional services for state procurement purposes.
- PART JJ: The Legislature adds language to create the New York State Innovation Venture Capital Fund which will be operated by the Empire State Development Corporation and will provide funding to seed, early-state and venture companies.

Legislature and Judiciary Budget Bill (S 2601-A/A 3001-A)

Judiciary

- The Legislature concurs with the Executive proposal of \$2.54 billion.
- The Legislature is funded at \$217.8 million.

Article VII (S.2605-D)

- PART X: The Legislature enacts a one year extension of Legislative Commissions.

Legislature

- Legislative Budget General Fund appropriation levels for SFY 2013-14 are the same as SFY 2012-13 and total \$217.8 million.
- The Senate Budget provides appropriations totaling \$91.9 million for SFY 2013-14.
- Costs associated with adding the 63rd Senatorial District on January 1, 2013, are paid for within existing appropriation authority in both SFY 2012-13 and SFY 2013-14.
- The Assembly Budget provides appropriations totaling \$108.1 million for SFY 2013-14.
- Joint Legislative Entities such as the Library, Messenger Service, Ethics Commission, Bill Drafting, and Health Services total \$17.5 million for SFY 2013-14.
- The Lieutenant Governor, as the Presiding Officer of the Senate, is provided an appropriation of \$274,635 for SFY 2013-14.

Judiciary

- Unified Court System (UCS): \$1.9 billion, reflects an increase of \$1.2 million.
- General State Charges: \$660.6 million, reflects an increase of \$93 million.
- Interest on Lawyer Account (IOLA): \$15 million, flat appropriation from 2012-13.

Judiciary Budget Highlights:

- The Office of Court Administration (OCA) has agreed to maintain FY2012-13 funding levels for both CASA (\$800,000) and Community Dispute Resolution Centers (\$150,000) without any change to their overall appropriation. These amounts were not originally accounted for.
- Budget includes the second of three phases to increase judicial salaries. All judges will earn an additional \$6,000-\$8,000 beginning April 1, 2013 as required by law. Total increase for judicial salaries is \$8.2 million, or 4.4 percent.
- \$40 million included for Civil Legal Services to implement the Task Force recommendations to expand access to Civil Legal Services in New York, an increase of \$15 million over SFY 2012-13.
- Pension costs are expected to increase \$76.4 million, representing over 80 percent of the Judiciary's entire increase.
- The total Unified Court System budget is \$1.97 billion, of which approximately \$1.87 billion is for State Operations. Of that amount, \$1.8 billion is General Fund spending.
- The total Unified Court System budget for Aid to Localities is approximately \$102.4 million, an increase of \$733,000 from 2012-13. Of the Aid to Localities funding, 98 percent goes toward the Court Facilities Incentive Aid Program.

General State Charges:

- UCS has an increase of \$93 million, or 16 percent, for General State Charges from \$567.6 million to \$660.7 million. This is almost entirely driven by increased pension costs.

Commission on Judicial Conduct

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$5.4 million.

Commission on Judicial Nomination

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$30,000.

Judicial Screening Committees

State Operations (S.2600-E)

- The Legislature concurs with the Executive recommendation of \$38,000.