



DEMOCRATIC CONFERENCE / COUNSEL AND FINANCE

Date: March 14, 2018
To: Senate Democratic Conference Members
From: Counsel and Finance Staff
Re: Senate One-House Super Highlights

This memorandum provides full analysis of the highlights of the Senate One-House Budget resolution. The resolution adopted by the Senate concurs with of each of the main appropriation and Article VII bills as proposed by the Executive, with various modifications and new proposals by the Senate Majority in the following manner.

Agriculture

Fully Restores Executive ATL Program Cuts

The Senate provides \$56 million for agricultural ATL programs, which is \$14.6 million more than the Executive Budget. This appropriation level fully restores the \$11.5 million Executive cut to prior-year legislative adds and provides \$3.1 million in additional programmatic funding.

Notable restorations/increases include:

- \$566,000 increase to FarmNet for \$950,000 in total;
- \$1.7 million increase to the Farm Viability Institute for \$2.1 million in total;
- \$200,000 restoration for Cornell labor law assistance; and
- \$400,000 in new funding to the American Farmland Trust for farmland generational transfer services.

Three Additional Capital Funds

The Senate continues FY 18 funding levels for Local Fairs and Humane Society/Animal Shelters capital grants at \$5 million each. The Executive Budget discontinued funding for these programs. The Senate also provides \$5 million for Cornell University to purchase laboratory equipment to facilitate hiring new professors (\$2 million) and to improve facilities and equipment at the Geneva Experiment Station (\$3 million).

New York Grown Crops

The Senate adds a new part pertaining to the use of New York grown crops. This proposal, similar to S7217/Ritchie, amends the Tax Law to create a new program for certain crops grown in New York which, when used in conjunction with another product increase the fair market of the final product offered for sale. The goal of this tax credit is to incentivize companies operating in New York State to purchase New York-grown crops through scaling tax credits based on the percentage of overall sales the company makes attributed to the products sold which the company processed with New York-grown crops. Eligible crops include various fruits, vegetables, and field crops including, among others, wheat, barley, and hops.

Modifies Market Order Transfer Proposal

The Senate modifies the Executive's proposal to permanently transfer the administration of agricultural and dairy Market Order Programs from the Department of Agriculture and Markets to ESDC. The Senate's proposal extends the transfer for another three years.

Grocery Stores and Food Banks

The Senate proposes to require supermarkets to make a reasonable effort to donate excess food that is still edible to charitable organizations. The Senate also creates a tax credit for grocery stores who donate surplus food to food banks.

Eliminates Executive Proposal Establishing Excess Food Donation and Organic Recycling for Food Waste

The Senate Resolution alludes to the fact part BB is omitted, and other proposals are included in their one-house. While the Senate One-House includes similar proposals for tax credits for grocery stores donating to food banks and requirements for grocery stores to donate excess food, they do not include any facility other than grocery stores and do not discuss organic waste recycling.

Education

The Senate rejects the Governor's proposal to create a department for institutional accreditation at SED in the State Operations Budget.

Foundation Aid and School Aid

The Senate proposes increasing Foundation Aid by \$331.8 million over the Executive's proposed increase of \$338 million. This would bring total funding to \$669.9 million above the School Year 2017-2018. The Senate does not provide a schedule for the full phase-in of foundation aid.

Various Education Programs

The Senate makes the following changes:

- Decreases Executive provided funding by \$8 million, bringing overall funding for the Empire State After School Program to \$37 million;
- Provides \$7 million to reimburse nonpublic schools for the costs associated with State School immunization program;
- Provides an additional \$5 million over FY 2018 for Independent Living Centers;
- Provides \$150.7 million for charter school tuition payments made directly to charter schools during the 2018-2019 School Year;
- Provides \$6 million in additional funding for library aid, which serves to provide \$2 million in additional aid beyond restoring the \$4 million Executive cut;
- Provides Special Act School Districts an additional \$8 million to reverse the impacts of intake limits imposed in 2015;
- Includes \$15 million for Bullet Aid;
- Rejects \$20 million in pre-kindergarten aid;
- Rejects \$9 million for Early College High Schools;
- Rejects \$4 million for AP/IB testing fees for low-income students;

- Rejects \$3 million for Master Teacher Awards;
- Rejects \$6 million for the Smart Start Computer Science Program;
- Rejects \$5 million for the Breakfast After The Bell Initiative; and
- Rejects \$18 million for My Brothers Keeper.

Education Capital Projects

The Senate rejects the following Executive proposals:

- \$7 million associated with the Governor’s Breakfast After the Bell proposal; and
- \$4.3 million linked with the creation of an E-Licensing System through the Office of the Professions at SED.

The Senate provides an increase of \$50 million for library capital construction, bringing overall support to \$64 million.

Variations Between Resolution and Bill Language

There are several inconsistencies between the text of the Senate’s One House Resolution and the actual text of the amended budget bills put forward by the Senate within Education:

- The budget resolution proposes that the Senate intends to restore a \$70 million cut to State Aid for Summer School Special Education programs. The Governor only cut \$34 million, and the increase in the Senate resolution is only \$34 million over the Governor’s.
- The Senate resolution states that they concur with the budget recommendation of \$5 million for Breakfast after the Bell. The Budget Document omits both the \$5 million appropriation in Aid to Localities, and \$7 million in Capital. The Senate did include Article VII language concurring with the Governor’s proposal.
- The Senate resolution states that they concur with the budget recommendation of \$2 million for AP/IB testing fee subsidy for low-income students. The Governor provided
- \$4.5 million overall, a \$2.5 million increase. The full \$4.5 million was omitted from the Senate One House.
- The Senate resolution states that they concur with the budget recommendation of \$2 million for support of the Master Teacher Award Program. The Governor provided \$3 million for this award, but the Senate omitted this funding from their one-house bill. The Senate resolution lists out several schools for the Blind and Deaf that received additional funding. This may be the case, but the budget bill has a \$4 million lump sum appropriation for all schools.

Article VII

Charter Schools

The Senate adds language that removes the limit on the number of school charters the State may issue and authorizes charters that have since gone inactive to be reissued for the opening of new schools.

The Senate rejects Executive provisions relating to altering supplemental basic charter school tuition aid. The Senate also proposes language to allow charters to receive an additional charter school tuition amount of \$400 per pupil.

The Senate also increases the amount of Charter Schools Facilities Aid from 30% to 40% of the base aid calculation, and advances language to provide for additional charter school building aid outside the city of New York.

Foundation Aid

The Senate largely accepts the Executive proposal of foundation aid without providing for a full phase-in. As for the community schools set aside the Senate modifies the request so that the funds may be used for after school programs, mental health services and personnel, or other programs aimed at increasing academic achievement.

School Level Budget Reporting

The Senate modifies the Executive proposal that mandates school districts over 125,000 report expenditures at the school level. The Senate would retain the school-level reporting mandate, but uncouple the failure to report from disqualification for increased state aid. The Senate modification also does not require the approval of DOB and the Commissioner of State Education.

School Safety Legislation

The Senate proposes a package of provisions to prevent school gun violence. Budget proposals include the following:

- Two Active Shooter Drills;
- Personal Safety Alarms for Teachers and other school personnel;
- School Resource Officer Program that provides aid for schools that hire school resource officers;
- Requests for Security Review and Assessment, mandates quicker turnaround by the NYS school safety improvement teams and allows charters to make requests;
- Comprehensive Security Aid, Building Aid for Security Upgrades -if suggested by a Security Review and Assessment, and Funding for Technology Security and Safety Hardware;
- Provisions regarding a report on school counselors, social workers, and psychologists that would lead to recommendations and grant funding to increase the placement of specialized aids in schools; and
- Employment and aid to hire Mental Health Program Coordinator.

NOTE: Most of the funding would be available to public, non-public, BOCES and charter schools.

Special Education Summer School State Aid

The Senate rejects the Executive proposal changing the allocation of aid to Special Education Summer School tuition payment amount.

Expense Based Aids

The Senate rejects the Executive proposal capping expense-based aids such as transportation and BOCES at 2%.

State Aid Overpayments

The Senate adds language allowing for overpayments in State aid to first be offset by any State aid that a district is owed.

Commissioner Programs

The Senate tasks the commissioner of education to create or administer several new programs:

Youth Violence Pilot Program

The Senate adds language directing the commissioner of state education to establish a pilot program in schools that have measurable risk factors, such as high absenteeism, high rate of suspensions, and a designation of a persistently dangerous school to prevent youth violence with an accompanying aid grant to employ mental health professionals.

Prevention of Child Sexual Exploitation

The Senate adds language directing the commissioner of state education to develop a program curriculum in relation to prevention of child sexual exploitation in grades kindergarten through eight to be made available for use by schools.

Peace/Conflict Resolution Pilot Program

The Senate adds language directing the commissioner of state education to provide for peace/conflict resolution centers within school districts. A pilot program would start with five school districts with at least one in NYC. The program would focus on peer moderation of conflicts and promotion of peaceful school communities.

Limits on Board of Regents Power

The Senate adds language that would require the Regents, prior to making any rule, regulation, amendment, or repeal, to request a fiscal impact statement from the division of budget.

New York State Teacher Loan Forgiveness Program

The Senate adds language that would grant student loan forgiveness awards to teachers working in either an area with a teacher shortage, a hard to staff district, or if the teacher is economically disadvantaged.

Economic Development

Department of Economic Development

The Senate concurs with the Executive All Funds appropriation of \$26.2 for State Operations.

The Senate modifies the Executive proposal for Aid to Localities by adding \$30.2 million for a total of \$86.62 million. The Senate provides funding for the following initiatives:

- \$10.18 million for the Centers for Advanced Technology;

- \$610,000 for the Technology Development Organization Matching Grants Program for a total of \$1.99 million;
- \$4 million for the NYS Incubators at NYU Tandon, RIT and SUNY Oswego;
- \$1.2 million for the Local Tourism Promotion Matching Grants Program for a total of \$5 million.
- \$80,000 - Dream It Do It Western New York, Inc;
- \$200,000 – Regional Economic Gardening Program to develop pilot programs that will stimulate investment in the state economy by providing technical assistance for expanding businesses in the Finger Lakes region;
- \$300,000 - Chautauqua Regional Economic Development Corporation related to the 2018 LECOM/PGA Health Challenge Golf Tournament;
- \$3 million - Broome County Community Charities related to a 2018 professional golf tournament;
- \$250,000 - Finger Lakes Tourism Alliance;
- \$150,000 - North Country Chamber of Commerce related to the North American Center of Excellence for Transportation Equipment program;
- \$100,000 - Thousand Islands and Lake Ontario Tourism; and
- \$150,000 – Finger Lakes region wine tourism.

The Senate modifies the Executive proposal for Aid to Localities for the Centers of Excellence with the following:

- Adds \$8 million for the Centers of Excellence pursuant to a plan approved by the Director of the Budget;
- Restores \$500,000 for the Albany Center of Excellence in Data Science in Atmospheric and Environmental Prediction and Innovation; and
- Adds \$1 million for the New York Medical College Center of Excellence in Precision Responses to Bioterrorism and Disaster.

The Senate concurs with the Executive proposal for the following Aid to Localities programs:

- \$921,000 for the Industrial Technology Extension Service;
- \$3 million for the SUNY Polytechnic Institute Colleges of Nanoscale Science and Engineering Focus Center and RPI Focus Center;
- \$6 million for the High Technology Matching Grants Program;
- \$5 million for the New York State Innovation Hot Spots and New York State Incubators;
- \$3.57 million for the Taste NY Program; and
- \$9.47 million for the Training and Business Assistance Program.

Urban Development Corporation

The Senate provides Aid to Localities appropriations totaling \$67.78 million, a reduction of \$25.1 million or 27.0% from the Executive proposal.

The Senate concurs with the following Executive proposals for Aid to Localities:

- \$635,000 for the Minority-and Women-Owned Business Development Lending Program;
- \$1.49 million for the Federal Community Development Financial Institutions Program;
- \$4.6 million for the retention of professional football in Western New York;

- \$3.4 million for the Urban and Community Development Program in economically distressed areas;
- \$26.18 million appropriation for the Empire State Economic Development Fund; and
- \$10.3 million for Market NY.

The Senate rejects the Tourism/Economic Development Promotion funding of \$44.5 million.

The Senate adds the following for Aid to Localities:

- \$200,000 for the Entrepreneurial Assistance Program for a total of \$1.96 million;
- \$1 million - High Performance Computing Consortium;
- \$2 million – Center State Grants for Growth;
- \$100,000 - Downtown Committee Festival in Onondaga County;
- \$200,000 - Auburn Welcome Center;
- \$250,000 - Brooklyn Academy of Music;
- \$750,000 – New York Wine and Culinary Center;
- \$1.5 million - Food Innovation Center at the Geneva Experiment Station;
- \$500,000 - New York Education and Research Network;
- \$250,000 - Adirondack North Country Inc.;
- \$250,000 - Watkins Glenn International;
- \$5 million - Military Base Retention;
- \$250,000 - Orange County Partnership;
- \$1.5 million - Digital Media Gaming Hubs;
- \$1 million – Beginning Farmers NY Fund;
- \$2 million - Cancer Research Center at SUNY Stony Brook;
- \$75,000 - Association of Community Employment Programs for the Homeless, Inc.;
- \$50,000 - Asian Americans for Equality;
- \$75,000 - Black Institute Inc.;
- \$100,000 - New Bronx Chamber of Commerce;
- \$550,000 - Bronx Overall Development Corp;
- \$250,000 - Kingsbridge Riverdale Van Cortland Development;
- \$400,000 - CenterState CEO;
- \$150,000 – Staten Island Economic Development Corporation; and
- \$1 million - Off Track Betting Broadcasting.

The Senate provides an appropriation for Capital Projects of \$905.3 million, a reduction of \$360 million or 28.5% from the Executive proposal. The Senate concurs with the following Executive proposals:

- \$5 million for the Clarkson-Trudeau Partnership;
- \$2.3 million for the retention of professional football in Western New York;
- \$8 million for Market New York;
- \$200 million for the New York Works Economic Development Fund; and
- \$600 million for the Life Science Laboratory Public Health Initiative, but the Senate modifies the Executive proposal on the condition that a site for the project is publically announced prior to the passage of the Budget.

The Senate adds the following for Capital Projects:

- \$100 million - Build Now Shovel Ready Program;
- \$5.5 million - Tonawanda Industrial Stabilization Project;
- \$250,000 - Renovation of the Yaddo Mansion in the town of Saratoga Springs;
- \$2 million - Lumberyard Contemporary Performing Arts Center in the village of Catskill;
- \$5 million - Richard Gilder Center for Science, Education, and Innovation at the American Museum of Natural History;
- \$2 million - revitalization of downtown Niagara Falls;
- \$12 million - Fort Drum Railhead; and
- \$750,000 - Renovation of the Newburgh Armory.

The Senate rejects the following Executive proposals for Capital Projects:

- \$150 million for the Regional Economic Development Council Initiative; and
- \$300 million for the High Technology Innovation and Economic Development Infrastructure Program.

Article VII

- The Senate omits the Executive proposal to extend the sunset provision of the MWBE program for 5 years, to December 31, 2023, as well as other changes.
- The Senate concurs with the Executive proposal for a one-year extension providing the Urban Development Corporation authorization to administer the Economic Development Fund.
- The Senate concurs with the Executive proposal for a one-year extension to provide the Urban Development Corporation with general loan powers.
- The Senate rejects the Executive proposes to expand the authorization to use design-build contracts to the following state agencies – the Dormitory Authority (DASNY), the Urban Development Corporation (d/b/a Empire State Development), the Office of General Services (OGS), the Department of Health (DOH), and the Olympic Regional Development Authority (ORDA) - for the capital projects located in the state and related to physical infrastructure.
- The Senate proposes new language relating to Recharge New York Power by stating that if such Recharge NY market power comes from authority sources, the use of that power should be at least 8% less than default service.
- The Senate proposes new language to reform the Regional Economic Development Council with various provisions including: REDC members would be subject to the same conflict of interest and code of ethics as all public officers and complete financial forms as public officers; REDCs would be subject to Open Meetings Law and FOIL; and other reforms.
- The Senate proposes new language to create a searchable database for economic development funding and projects.
- The Senate proposes new language to make the expiration date for new applications for START-UP NY by December 31, 2018 instead of 2020 and to require a final report.

- The Senate proposes new language. Subpart A: Create the New York State Innovative Energy and Environmental Technology Program. Subpart B: Provide assistance to certain small businesses engaged in the dry cleaning or appearance enhancement business.
- The Senate proposes new language to create the Community Development Revolving Loan Program.

Energy & Telecommunications

Department of Public Service

The Senate concurs with the Executive All Funds proposal of \$95.42 million.

New York Energy Research and Development Authority

The Senate concurs with the Executive All Funds proposal for capital projects appropriations in the amount of \$17 million.

New York Power Authority

The Senate concurs with the Executive proposal for State Operations funding of \$215 million.

Article VII

- The Senate rejects the Executive proposal to authorize certain expenses associated with the Department of Health's public service education program to be reimbursed by a cable television assessment, and authorize expenses certain agencies associated with the oversight of utilities to be reimbursed by a utility assessment.
- The Senate proposes new language to require the Public Service Commission to retain an independent auditor to conduct audits of private water utility companies prior to and after rate changes are approved by the Public Service Commission.
- The Senate proposes new language to require all customers of electric corporations have the opportunity to purchase electricity services and natural gas services from any supplier of electricity and natural gas. The Senate proposes to codify energy service companies (ESCOs) to provide oversight and accountability, which would include penalties.
- The Senate proposes new language to establish the New York State Clean Energy Tech Production Program. (S.1225-B/GRIFFO Same as A.1705-B/Woerner on Third Reading Calendar and passed Senate last year 59-1)
- The Senate proposes new language to set the rate of credit per kilowatt hour for the farm waste generating equipment customer-generators, which includes the anaerobic digestion of agricultural waste.
- The Senate proposes new language to direct the PSC to conduct a study and report on time-of-use plans offered by gas and electric utilities.
- The Senate rejects the Executive Budget proposes to authorize NYSERDA to finance its Energy Research, Development and Demonstration Program, its Energy Policy and Planning Program, the DEC climate change program and the Department of Agriculture and Markets' Fuel NY program, from an assessment on gas and electric corporations, not to exceed \$19.7 million. In addition, NYSERDA is authorized to transfer \$825,000 to the

University of Rochester laboratory for laser energetics. Last year's Enacted Budget had the same provisions.

- The Senate proposes new language regarding the examination of the Green Bank in terms of its finances, management, return on investment and other information.
- The Senate proposes new language to require the PSC and NYSERDA to provide that Green Bank funds include programs assisting certain building owners, including multi-family building owners and hospitals, with installing energy efficient upgrades. (S2455-A/HAMILTON No Same as advanced to Third Reading this year and passed Senate last year 59-1)
- The Senate proposes new language relating to mobile cellular devices. NYSERDA should develop and maintain an application compatible with cellular devices and should use the mobile cellular devices to determine the distance, driving directions, and location of the nearest electric vehicle charging station.
- The Senate rejects the Executive proposal to authorize the NYPA to develop renewable energy projects, purchase renewable energy, and allocate and sell that renewable energy to public entities and its current customers. This proposal would have advanced the goals of the State's Clean Energy Standard.
- The Senate proposes new language to establish the Indian Point Tax Stabilization Fund for neighboring communities to prevent increases in the real property tax levy resulting from decreases in revenue due to the coming closure of the Indian Nuclear power plant.
- The Senate proposes new language to exempt from taxation combined heat and power generating equipment.
- The Senate proposes new language to enact the "New York Microgrids Act." (S.4490-A/HAMILTON Same as A.9852/Cusick reported from Senate Corporations, Authorities and Commissions this year and past Senate last year 57-3; NAY: Hoylman, Krueger, Squadron)

Environmental Conservation

Accepts Proposed \$300 Million Environmental Protection Fund

The Senate accepts the Executive's \$300 million Environmental Protection Fund proposal but makes limited modifications to internal programmatic funding lines. Notable modifications include:

- Restores ZBGAs from \$12.5m to \$15m;
- Provides new line items of \$500,000 for emerging contaminant testing lab capacity at SUNY Stony Brook, and \$125,000 for water quality monitoring of Manhasset Bay, Hempstead Harbor, Oyster Bay Harbor and Cold Spring Harbor; and
- Reduces State Land Stewardship from the Executive's proposal by \$3.5 million to \$31.6 million (which is still above last year's \$30 million approp).

\$5 Million Emergency Contaminant Contingency Fund

The Senate amends reappropriation language within the \$2.5 billion Clean Water Infrastructure Act of FY 18 to direct up to \$5 million to the Department of Health for an emerging contaminant contingency fund. This fund would be used pursuant to recently established drinking water quality statutes that were enacted in response to PFOA, PFOS, 1,4 Dioxane and other emerging

contaminants that do not have actionable state or federal maximum contaminant levels but have been found to present a public health threat.

Related Environment Tax Provisions

The Senate omits Revenue Bill proposals that would (a) defer certain brownfield and historic preservation tax credits (Part S) and (b) change the process by which the State makes property tax payments on State-owned lands to local governments from an annual assessment to a PILOT with fixed annual increases (Part F). The Assembly also rejects these provisions in its one-house budget.

\$23 Million RGGI Sweep

The Senate accepts the Executive's \$23 million sweep of RGGI proceeds to the General Fund, but does not increase this sweep or appear to reprogram RGGI funds for non-related purposes, as has been the case in years past. For reference, last year the Governor proposed the same \$23 million RGGI sweep and the Senate Majority responded by increasing total RGGI sweeps to \$108 million.

\$5 Million in New Legislative Adds

The Senate provides fourteen new legislative adds to DEC's budget which range from \$140,000 for pesticide applicator fee parity to \$1 million each for Catskill Park personnel and DEC climate change programming.

Empire Forests for the Future Initiative

The Senate proposal modifies the Executive proposal to create a new private forest tax exemption known as "480-b." The Senate proposal allows municipal corporations with privately owned forest lands to apply for state assistance to offset any possible loss of tax revenue. The proposal also expands what would be considered a qualifying forest management practice, and increases the percent of land eligible for tax exemption for those in a forest certification program.

Long Island Central Pine Barrens

The Senate replaces the Executive's proposal with the original bill language, S.6157-B/A.7722-B of 2017, which passed the Senate and the Assembly in 2017.

Petroleum Transfer Fee Exemption

The Senate proposes to exempt bulk petroleum storage facilities located within one mile of a similar major bulk storage facility in an adjoining state from increases to petroleum transfer fees. These transfer fees go towards the State Oil Spill Fund. The Senate Resolution frames this as allowing certain facilities to stay competitive with out-of-state facilities. While one facility in New York has allegedly struggled to maintain operations due to the fee increase, this fee increase was approved in the 2015-16 budget in order to increase the State Oil Spill Fund.

Paint Stewardship Program

The Senate proposes to include a paint stewardship program in the budget. The program would require that all producers of architectural paint for household use to manage post-consumer paint by establishing means to collect, transport, reuse, recycle, and/or burn for energy the paint waste.

Crossbow Hunting

The Senate proposal allows twelve year olds to hunt with a crossbow during special archery season with a parent or guardian. The proposal also allows for hunting fish with a crossbow, crossbow hunting during longbow season, hunting of bear with a crossbow by non-residents, and reduces the minimum distance from 250 feet to 150 feet from which a crossbow may be discharged in relation to certain structures.

Harmful Algal Bloom Funding Report

The Senate proposal supports the Executive's proposal to award funding to combat harmful algal blooms. However, this proposal requires the commissioners of the Department of Agriculture and Markets, Department of Health, and Department of Environmental Conservation to issue a report ten days after the awarding of funds to explain why each lake was selected.

Expands Available Techniques for Controlling the Wildlife Population

The Senate proposes to allow an employee of any state, federal or local government agency acting in their official capacity, or any person acting pursuant to a permit issued by the Department of Environmental Conservation, to use hunting techniques to control the wildlife population that are otherwise prohibited by law. The Senate Resolution labels this simply as relating to wildlife damage management.

Ethics & Campaign Finance Reform

The Senate did not take any action whatsoever to accept, reject, or modify any of the proposals contained in the Executive's "Good Government and Ethics Reform" stand-alone Article VII bill. That bill was introduced on January 18, 2018 (S7510) but has not been amended to date. Despite taking no action on the Executive GGER budget proposal, the Senate does include language in its budget resolution stating that the Majority is open to discussing proposals to increase access to voting. Any proposal to increase turnout such as early voting however, must include funding for county boards of elections. The Senate resolution notes the Majority's continued opposition to the Executive proposal to enact public financing of elections and reform the State FOIL laws.

General Government

Division of Alcoholic Beverage Control

The Senate concurs with the Executive proposal, recommending an All Funds appropriation of \$13.3 million.

Audit and Control

The Senate proposes an \$8.1 million decrease to the Executive proposal, allocating an All Funds budget recommendation of \$346.2 million.

State Operations

- The Senate rejects the Executive proposal by decreasing funding by \$3.4 million, recommending an appropriation of \$314.2 million.

Aid to Localities

- The Senate concurs with the Executive proposal of \$32 million.

Capital Projects

- The Senate rejects the Executive proposal, fully eliminating the Executive's recommendation for a new allocation of \$4.7 million to fund the IT Initiative Program.

Division of the Budget

The Senate rejects the Executive proposal and recommends an All Funds appropriation of \$50 million, which is an increase of \$827,000 over the Executive budget proposal.

- State Operations: The Senate rejects the Executive recommendation, increases the appropriation by \$827,000 and proposes an allocation of \$50 million.

Department of Financial Services

The Senate rejects the Executive recommendation, appropriates in All Funds \$405.8 million decreasing the allocation by \$27.5 million from the Executive proposal.

State Operations

- The Senate rejects the Executive budget recommendation and decreases the allocation by \$14.4 million, appropriating \$353.7 million. This reflects a decrease of:
 - \$4 million – Administration Program
 - \$3 million – Banking Program
 - \$7.3 million – Insurance Program

Aid to Localities

- The Senate rejects the Executive proposal and decreases the recommendation by \$13.2 million in funding support of the Insurance Program. The Senate proposes a \$52.1 million in funding.

Office of General Services

The Senate concurs with the Executive All Funds recommendation of \$1.21 billion.

Office of Information Technology Services

The Senate concurs with the Executive recommendation in an All Funds appropriation of \$854.6 million.

Department of State

The Senate rejects the Executive proposal, and provides an All Funds appropriation of \$148.8 million, which is an increase of \$900,000 over the Executive proposal.

Capital Projects

- The Senate rejects the Executive recommendation to provide \$100,000 in additional funding for the Downtown Revitalization Initiative. The Senate increases the Capital

Projects appropriation by \$1 million to fund the Irish Cultural and Historical society of the Mohawk Valley.

State Board of Elections

The Senate rejects the Executive's 30-day amendment to provide \$7 million in funding for early voting and other voting reforms.

Article VII

Student Loan Servicers

The Senate rejects the Executive's Proposal to license and regulate student loan servicers, set standards for student debt consultants, and prohibit state agencies from suspending/denying the issuance of professional licenses for individuals behind or in default on their student loans.

Miscellaneous

- The Senate adds a legislative proposal previously voted on by the Senate that would prohibit the imposition of DFS regulations that seek to regulate and prohibit title insurance agents from utilizing premium funds for the purposes of inducing business. A similar bill passed earlier this year in the Senate.
- The Senate modifies Part Q of PPGG to create a new on-premises hotel license for hotels without full service. The Executive proposes amending the Alcohol Beverage Control Law ("ABCL") to permit hotels that do not have a sit down restaurant to serve alcohol via room service and stock said beverages in mini fridges. The Senate modifies this part to accept the Executive proposal and also adds languages permitting bed and breakfasts to sell alcohol.
- The Senate accepts the Executive proposal to create a new alcohol license for production and sale of mead and braggot.
- The Senate rejects the Executive proposal to create a new exporter license for alcoholic beverages. This proposal would have created a new license for businesses that only purchase and export NYS made alcohol and do not sell to wholesalers or retailers in-state
- The Senate adds a new part to allow patrons to consume alcohol in a leisure district. This proposal, which is similar to S4592A/Funke, adds a new section of law to the Alcohol Beverage Control Law ("ABCL") to allow patrons of licensed establishments by the SLA to remove and carry an open container within the boundaries of an open leisure district.

Health

Department of Health

The Senate proposes \$2.68 billion in All Funds support for State Operations, which reflects a decrease of \$1.2 billion, as follows:

- \$1.13 billion reduction under the Medical Assistance Administration Program due to the rejection of the two-year appropriation; and
- \$68.85 million reduction is attributed to the elimination of operating funds for the New York State of Health Program (the exchange).

The Senate proposes \$78.16 billion in All Funds support for Aid to Localities, a decrease of \$70.80 billion from the Executive recommendation. This decrease is primarily attributed to the rejection of the two-year appropriation for the Medical Assistance Administration and Medical Assistance Programs. Highlights of proposed changes are as follows:

Public Health:

- Provides \$9.18 million to reject the Executive’s proposal to consolidate 30 public health programs into four pools and provides discrete appropriations for these programs at last year’s level;
- \$4.94 million to reject the Executive savings proposals for the Early Intervention;
- Provides \$13.15 million and rejects the Executive’s proposal to transfer family planning services to the Department of Financial Services;
- Provides \$5.4 million for evidenced based cancer services;
- Provides \$200,000 for ALS Association of Greater new York Chapter;
- Provides \$20,000 for American Italian Cancer Foundation to provide mobile care services;
- Provides \$25,000 for the Chayim Aruchim
- Provides \$1,060,000 for comprehensive eating disorders;
- Provides \$150,000 for Chai Lifeline, Inc.
- Provides \$100,000 for dental demonstration program;
- Provides \$25,000 for Epilepsy Foundation of Northeastern New York;
- Provides \$25,000 for Ezras Cholim Yad Ephraim
- Provides \$25,000 for Mekimi;
- Provides \$100,000 for the New York Cancer Center;
- Provides \$25,000 for Chasdei Lev;
- Provides \$5,000 for Lupus Alliance of Upstate New York;
- Provides \$1,500,000 for Family Health Centers-Sunset Park Health Council Inc.
- Provides \$25,000 for Guardians of Sick (Bikur Cholim Chesed Org;
- Provides \$10,000 for the Jewish Crohn's and Colitis support group;
- Provides \$40,000 for Maimonides Medical Center;
- Provides \$10,000 for New York Community Hospital of Brooklyn, Inc.;
- Provides \$1 million for Asthma study in Brooklyn and Manhattan;
- Provides \$1.2 million for the Senate task force on lyme and tick borne disease;
- Provides \$5 million for women’s health services;
- Provides \$5 million for the Joint Senate Task Force on Heroin and Opioid Addiction;
- Provides \$500,000 for the establishment of a court ordered guardianship demonstration program;
- Provides \$300,000 for SAFE telehealth pilot program;
- Provides \$6.89 million to restore funding to the Empire Clinical Research Investigator Program;
- Provides \$500,000 for the physician loan repayment and practice support programs;
- Provides \$300,000 additional diversity in medicine program;
- Provides \$1.5 million for community health advocates;
- Provides \$225,000 for Alzheimer’s disease resource center;
- Provides \$100,000 for Alliance for donation;

- Provides \$252,000 for Center for Liver Transplant;
- Provides \$725,000 for Alliance for donation;
- Provides \$225,000 for Center for Liver Transplant;
- Provides \$200,000 for Iroquois Health Care Association – Take a Look Tour for physician residents;
- Provides \$900,000 for premium health, Inc.;
- Provides \$125,000 for HSS Screening and Early Detection, Inc.;
- Provides \$40,000 for Maimonides medical center;
- Provides \$450,000 for education and outreach program for financial coordinators at kidney transplant programs in New York State; and
- Provides \$50,000 for the internal lymphatic disease patient registry and repository.

The Senate reduces the Medical Assistance Administration Program by \$1.41 billion and rejects the two-year appropriation for Medicaid spending. Under the Medical Assistance (Medicaid) Program, the Senate reduces funding for this program by \$69.45 billion. Highlights of these changes are as follows:

- \$68.30 billion reduction is attributed to the rejection of two-year appropriations;
- \$25.14 million in savings for hospital inpatient services;
- \$54.43 million in savings for hospital outpatient and emergency room services;
- \$10.31 million in savings for clinic services;
- \$7.5 million in additional funding for children’s behavioral health services;
- \$17.23 million in savings for nursing home services;
- \$400,000 in additional funding for certain residential health care facilities;
- \$145.56 million in savings for long term care services;
- \$134.78 million in savings for managed care services;
- \$11.62 million in savings for pharmacy services;
- \$2.20 million in savings for transportation services
- \$6.28 million in additional funding for transportation services;
- \$5.64 million in additional funding for dental services;
- \$256.36 million in savings from non-institutional and other spending;
- \$3.6 million in additional funding for LTC system point of entry;
- \$190.40 million in additional funding for Health Homes Programs;
- \$86.74 million in additional funding for the Medical assistance program;
- \$2.72 million in additional funding for Workforce recruitment and retentions for personal care- New York City;
- \$224,000 in additional funding for workforce recruitment and retention for personal care rest of state; and
- \$1 million in additional funding for rate increases for certified home health agencies, long-term home health care programs, managed long-term care plans operating demonstrations for recruitment and retention of health care workers.

The Senate proposes \$702.9 million in Capital funding, which is a \$75 million increase over the Executive Budget. This increase is attributed to the following:

- Provides \$75 million in additional funding for the Health Care Facility Transformation Program for a total of \$500 million, including the following sub

allocations:

- \$70 million for community based providers;
- \$60 million for residential health care facilities; and
- \$25 million Assisted Living Programs.

Office of Medicaid Inspector General

The Senate concurs with the Executive recommendation of \$50 million in All Funds support for State Operations.

Justice Center for the Protection of People with Special Needs

The Senate concurs with the Executive recommendation of \$55.76 million in All Funds support for State Operations.

The Senate concurs with the Executive recommendation of \$649,000 in Aid to Localities funding.

In the text of the Budget resolution, the Senate also acknowledges the future cuts to DSH and the need to involve stakeholders in a process to distribute these future cuts

Article VII

Health-Related Taxes

The Senate rejects the proposal to impose a 10 cent per fluid milliliter tax on vapor products used in an e-cigarette or vaping device and rejects the proposal to impose a surcharge on the first sale of an opioid in the state.

The Senate further rejects the proposal to impose a 14 percent surcharge on the net underwriting gain from the sale of health insurance in New York State.

Healthcare Facility Transformation Program

The Senate modifies the Executive proposal by increasing the total amount of capital funds available to \$500 million (from \$425 million) and increases the set-asides for community-based providers to \$70 million (from \$60 million), assisted living programs to \$25 million (up from \$20 million), and \$60 million for nursing homes (up from \$45 million). In addition, a new “carve out” of \$25 million is set aside for home care providers.

Lead Testing

The Senate rejects the Executive’s proposals related to lead testing and remediation and instead adds language to increase blood lead screenings for children entering kindergarten and requires the state to establish a statewide plan for lead service line replacements.

Retail Practices

The Senate modifies the Executive’s proposal to authorize health services in retail locations by for-profit providers to a different framework of “limited services clinics” that does not have a requirement that the clinic must have a “collaboration” agreement with a local hospital or doctor.

Medicaid Pharmacy Provisions

Rejects the extension of the Prescription drug cap (currently expires in 2019) and adds multiple provisions related to restricting the prescribing of opioids, authorizing “drug take back” programs statewide, and developing programs to treat and prevent opioid abuse.

The Senate accepts the following Executive Budget proposals:

- Adding fentanyl and synthetic cannabinoids to controlled substance list;
- Authorizing pharmacists to administer the flu vaccine to children, but sets a sunset date on the authorization for December 31, 2021;
- Allow Executive to make changes to Child Health Plus if funding is reduced;
- Extension of Excess Medical Malpractice Program;
- Elimination of hospital resident work hours;
- Discontinuance of the COLA for DOH providers;
- Criminal history and background checks for Health Home employees; and
- Extends indigent care pool for two years (instead of one) and increases the floor for a hospital having its pool funding reduced to 20% (Governor would set floor at 17.5%).

The Senate rejects the following Executive Budget proposals:

- Reduction in capital for hospitals/ nursing homes and hospital quality pool, and penalties on poorly performing nursing homes;
- Restricting managed long term care eligibility but modifies provisions to require MLTC enrollees in nursing homes for more than 3 months to transition to fee-for-service (Executive budget set the time frame at 6 months);
- Elimination of spousal refusal protections and the reduction of the community spouse allowance;
- Elimination of prescriber prevails and increase in Medicaid co-pay for over-the-counter drugs;
- Comprehensive medication management;
- Expanding the scope of practice for Nurse Anesthetists;
- Physician misconduct provisions; and
- Early Intervention Reforms.

The Senate adds the following provisions:

- Emergent contaminant contingency fund to help support public water systems to obtain temporary water supply sources, water filtration systems or remediation measures if a contaminant exceeds acceptable levels;
- Establishes a court ordered guardianship demonstration program;
- Requires lactation rooms in public buildings, insurance coverage for pasteurized donor human milk, and diaper changing stations in restrooms;
- Prohibit sexual assault survivors from being billed for sexual assault exams, prohibit insurance from imposing co-pays on forensic exams, require forensic rape kits to be transferred to a centralized location for at least 20 years, creates a sexual assault survivor bill of rights, and a statewide sexual offense evidence tracking system; and
- Changes definition of “large employer” for health insurance purposes from 100 to 50.

Organ Donation

The Senate advances new language to expand the living organ donation tax credit for any unreimbursed travel and lodging expenses, lost wages or child care costs related to organ donation to also include a donor's spouse (up to \$10,000).

Body Imaging Scanners At Prisons

This new provision would authorize the use of body imaging scanning that uses ionizing radiation for screening inmates at correctional facilities. All inmates may only be subjected to up to 50% of the annual exposure limits, but inmates under 18 may only be exposed to 5% and pregnant women may not be subjected to the body imaging.

Higher Education

Community College Base Aid

The Senate increases community college base aid by \$100, from \$2,747 to \$2,847 per full-time-equivalent student for both SUNY and CUNY. This results in a \$6.3 million CUNY funding increase, for a total of \$238.5 million, and \$12.1 million SUNY increase, for a total of \$453.5 million.

Dream Act

The Senate rejects the Governor's proposal to allow undocumented students eligibility to receive TAP. This rejection of the Dream Act results in a \$27 million decrease in the total TAP appropriation.

Higher Education Opportunity Programs

The Senate accepts the Governor's reductions for the following programs:

- \$4.7 million reduction of the Search for Education, Elevation and Knowledge (SEEK), bringing total funding to \$23.4 million;
- \$225,000 reduction for the College Discovery Program, bringing funding to \$1.1 million;
- \$2.5 million reduction for the Accelerated Study in Associate Programs (ASAP), ASAP was funded at \$2.5 million in FY 18,
- \$187,500 elimination of the CUNY Pipeline Program;
- \$5.4 million reduction for the Educational Opportunity Programs (EOP) providing only \$26.8 million in funding;
- \$7 million reduction for the the Educational Opportunity Centers (EOCs) providing only \$55 million for the program;
- \$3 million reduction for the Liberty Partnership Program, bringing overall funding to \$15.3 million;
- \$5.9 million reduction for the Higher Education Opportunity Program providing funding in the amount of \$29.6 million;
- \$2.6 million reduction to the Science and Technology Entry Program providing overall funding in the amount of \$13.1 million;
- \$2 million reduction of the Collegiate Science and Technology Entry Program bringing overall funding to \$9.9 million; and

- \$3 million reduction to the Foster Youth Initiative providing overall funding of \$1.5 million.

Open Educational Resources

The Senate rejects the Governor's proposal to provide \$4 million to SUNY and \$4 million to CUNY for purchasing open educational resources for high-enrollment courses.

Bundy Aid

The Senate rejects the proposal to discontinue Bundy Aid and restores funding to FY 18 levels in the amount of \$35.1 million.

Capital Projects Funding

The Senate provides CUNY an additional \$55 million over the Executive proposal. The additional aid is allocated to the 13 different CUNY Senior Colleges for use on any project.

The Senate provides an additional \$255 million over the Governor's proposal to SUNY. This additional funding is lined out for campus projects at the SUNY State Operated Campus. The Senate includes an additional \$35.6 million for the State's 50% share of community college projects. Among those included is \$20.4 million for the Fashion Institute of Technology.

The Senate rejects the Governor's proposal to shift SUNY Hospital operating subsidies to the Capital projects budget.

Article VII

The Senate proposes a number of miscellaneous provisions relating to higher education funding and reporting:

- Eliminates non-resident and out-of-state students higher fee
- Enhanced tuition awards available for private proprietary colleges
- Compile a report on BOCES Community College collaboration
- Eliminates requirement that STEM awards be available only to New York state high school students attending a public college, includes private colleges
- Report on costs associated with Federal Title IV compliance

Housing, Construction and Community Development

Division of Housing and Community Renewal

State Operations

The Senate rejects the \$4.5 million appropriation for the Tenant Protection Unit.

Capital Projects

The Senate adds \$25 million in additional funding for supportive housing units.

Aid to Localities

The Senate adds \$10 million each to the Affordable Independent Senior Housing and Resident Advisor Program (Senate-added ELFA, Part CC) and to the Manufactured Home Park Preservation Fund.

In addition, the Senate adds reappropriations totaling \$71.2 million. These reappropriations for various programs were not included in the Executive Budget recommendation. Lastly, the Senate modifies a reappropriation of \$19.6 million to correspond with the New York Access to Home for Heroes Program.

Article VII

Lead Paint

The Senate Majority rejects the Executive proposal for State oversight of lead paint abatement and mitigation. Instead, the Senate Majority strengthens screening requirements for children in preschool or kindergarten and increases educational outreach to guardians. This language also requires the Department of Health to establish a statewide plan to replace the entire length of residential lead service lines, from the municipal water main to the residence, in an effort to reduce the amount of lead in drinking water.

Attorney General

The Senate Majority accepts the Executive proposal to add reverse mortgages to the definition of home loans for purposes of providing foreclosure protections except where the default is triggered by the death of the last surviving borrower unless their spouse or last successor in interest reside on the property.

The Senate Majority adds a new notice requirement for mortgage loan servicers commencing legal action against the borrower of a reverse mortgage home loan, and provides the form language.

Office of the Comptroller

The Senate Majority establishes the “deceased police officer, firefighter and emergency medical services family housing assistance program” to pay up to \$1,000 per month to surviving spouse or dependent of police officers, firefighters or EMTs who die in the course of their duties.

Division of Homes and Community Renewal

The Senate Majority rejects the Executive proposal to require mobile and manufactured home park owners to register all residents of the park with HCR for purposes of administering the STAR exemption program.

The Senate Majority establishes the affordable independent senior housing assistance program for adult care facilities to provide programmatic support to promote healthy living for eligible residents.

The Senate Majority provides specific authorization to the Housing Trust Fund on how to create and operate the home repairs to the elderly (RESTORE) program. The legislation directs HCR to contract with entities to issue grants or loans for the actual costs of the Residential Emergency Services to Offer (HOME) Repairs to the Elderly (RESTORE) Program. The programs already exist under HCR, but this legislation would make changes to the current program.

The Senate Majority creates the Access to Home for Heroes programs, which authorizes grants to retrofit housing to be accessible for income eligible disabled veterans.

The Senate Majority budget allows investors who have obtained state low-income housing tax credits (SLHTCs) for a development project to sell, transfer or assign to any other party involved in the project. Prior to the transfer, the taxpayer must submit a statement describing the amount of the credit and the proposed recipient, and any other information required by the commissioner. The credits could be sold multiple times to multiple buyers, but would stay with the project they were allocated for.

The Senate Majority adopts the SCRIE rollback act, to provide the Senior Citizen Rent Increase Exemption (SCRIE) benefit retroactively to seniors from the time they became eligible, at age 62. The rent reduction provided by retroactive eligibility would roll back the rent cap to what it would have been at the time the senior became eligible, but only by 2 years.

The Senate Majority amends the SCRIE for New York City so that if the rent is less than the maximum rent or the legal regulated rent (a preferential rent) for the unit at the time the tax abatement certificate is issued, then any increases in maximum rent or legal regulated rent has to be calculated from the actual amount paid at the time the tax abatement certificate was issued. In effect, this sets the legal increases from the preferential rent amount, instead of the maximum rent or legal regulated rent.

Mortgage Insurance Fund (MIF)

The Senate Majority proposes to utilize excess Mortgage Insurance Fund (MIF) reserves as follows:

- \$23.7 million for Rural Rental Assistance;
- \$14.5 million for Neighborhood Preservation Programs, with a \$250,000 carve out for the Neighborhood Preservation Coalition;
- \$6.25 million for Rural Preservation Programs, with a \$250,000 carve out for the Rural Preservation Coalition;
- \$6.5 million for Homeless Housing Programs;
- \$4 million for Access to Home, which provides financial assistance to property owners to make dwelling units accessible for low- and moderate income persons with disabilities; and
- \$3.6 million for the HOME/RESTORE program which pays for the cost of emergency repairs to eliminate hazardous conditions in homes owned by the elderly when the homeowners cannot afford to make the repairs in a timely fashion.

New York City

The Senate Majority authorizes an exception to the floor area ratio (FAR) of certain dwellings in New York City by a zoning resolution. The legislation would allow the City, through its zoning amendment procedure, to enact zoning resolutions to increase the floor area ratio.

The Senate Majority budget amends J-51 benefits by increasing the average assessed valuation of certain multiple dwellings, buildings, or structures, including certain condominiums and cooperatives from \$30,000 to \$50,000 for tax abatement purposes related to property improvements or alterations for fire protection and health hazards, and extending it from 2019 to 2022.

NYCHA

The Senate Majority requires the City Planning Commission and the New York City Housing Authority to establish the NYCHA Repair Certificate Program that would provide zoning benefits to developers that perform capital repairs to housing projects.

The Senate Majority authorizes the New York City Council to oversee the activities of the New York City Housing Authority, and requires that a standing committee of the City Council must review the activities of NYCHA regularly and hold at least one hearing on NYCHA activities annually.

The Senate Majority creates an Office of Independent Monitor to oversee New York City Housing Authority (NYCHA) activities involving capital assets, including all NYCHA construction and development. If the Independent Monitor discovers issues, the office would have the authority to direct NYCHA to address them.

The Senate Majority directs the New York City Housing Authority and the department of information technology and telecommunications of the city of New York to establish a 311 hotline to receive public housing complaints. Currently, 311 hotline calls are received and processed by HPD, however, calls regarding NYCHA are referred directly to a NYCHA office because NYCHA complaints are not under the purview of HPD.

Human Services

New York State Office for the Aging (SOFA)

Community Services for the Elderly (CSE) Program

The CSE program provides non-medical community-based services to frail, low-income seniors helping them to remain at home.

- The Senate adds \$500,000 in funding for the CSE grant program.

Program Restorations

- The Senate provides funding for the following SOFA programs:

- \$200,000 for Lifespan of Greater Rochester;
- \$100,000 for LiveOn-NY.

Office of Children and Family Services (OCFS)

Ella McQueen Reception Center

- The Senate rejects the Executive proposal to close the Center and restores funding to reflect the change.

Child Care

- The Senate increases the General Fund child care program assistance by \$10.1 million.
- The Senate provides General Fund child care facilitated enrollment assistance as follows:
 - \$500,000 for Manhattan, Bronx, Brooklyn, Staten Island and Queens;
 - \$500,000 for Onondaga County; and
 - \$1 million for Erie County.

Close to Home (CTH) Initiative

- The Senate concurs with the Executive proposal to eliminate \$40.1 million in State reimbursement to the City of New York associated with CTH costs..

Child Welfare Services Cap-New York City

- The Senate concurs with the Executive proposal to cap reimbursement to New York City for child welfare costs, including child preventive and protective services. This will result in the loss of \$129 million for the City of New York. Funding will be capped at \$320 million.

Advantage After School Program

- The Senate provides an additional \$2.5 million for the Advantage After School Program.

Additional Program Restorations

- The Senate adds and restores funding for the following programs:
 - \$1.4 million for 2-1-1 New York;
 - \$1 million for the NYS Alliance of Boys & Girls Clubs;
 - \$1.5 million for Community Voices for Youth and Families of Long Island;
 - \$1 million for the New York State YMCA Foundation;
 - \$850,000 for the Youth Development Program (YDP); and
 - \$50,000 for Helen Keller Services for the Blind.

Office of Temporary and Disability Assistance (OTDA)

Homelessness

- The Senate rejects appropriation language to allow the State to withhold public assistance funding if counties fail to comply with emergency regulations requiring a Homeless Outreach and Services Plan.

Supplemental Security Income (SSI)

- The Senate provides an additional \$20 million for State payments for eligible blind, aged and disabled persons related to SSI.

Disability Advocacy Program (DAP)

DAP provides legal representation for individuals whose federal disability benefits have been denied or may be discontinued.

- The Senate provides an additional \$750,000 for DAP.

Temporary Assistance for Needy Families (TANF) Program

The TANF program is designed to help needy families achieve self-sufficiency. The State receives block grant money to design and operate programs that accomplish the purpose of the program.

- The Senate reduces TANF support for child care by \$4 million to allow TANF funds to support restorations and new initiatives. The Senate adds \$10.1 million in OCFS general funds to offset the decrease.
- The Senate provides TANF funding to support the following legislative initiatives that were eliminated in the Executive Budget:
 - \$3.6 million for Child Care Facilitated Enrollment; and
 - \$400,000 for ACCESS.

Pay for Success

- The Senate concurs with the Executive proposal to fund \$69 million for Pay for Success.

Article VII

Close to Home Initiative (CTH)

The Senate Majority accepts the Governor's proposal to extend the juvenile justice "Close to Home" initiative for an additional five years until March 31, 2023.

Closure of Ella McQueen Reception Center

The Senate Majority rejects the Governor's proposal to allow the Office of Children and Family Services (OCFS) to close the Ella McQueen Reception Center with thirty days' notice. The closure of the Center is projected to save \$5.4 million in FY 19 Executive Budget and result in a reduction of 58 FTEs.

Youth Development Program Extender

The Senate Majority accepts the Executive Budget proposal for a straight three-year extender of the Youth Development Program until December 31, 2021.

Extender of OCFS Authority to Contract with BOCES

The Senate Majority accepts the Governor's proposal to extend OCFS' authority to contract with the Board of Cooperative Educational Services (BOCES) for educational services for three more years, until June 30, 2021.

Authorization Granted to DASNY to Provide Capital Construction Services to OCFS

The Senate Majority Assembly accepts the Governor's proposal to include the Office of Children and Family Services (OCFS) to the list of eligible entities to whom the Dormitory Authority of the State of New York (DASNY) is authorized to provide capital design and construction services.

Authorization of Pass-Through of Any Federal SSI and COLA

The Senate Majority accepts (with modifications) the Governor's proposal to statutorily raise the personal needs allowance (PNA) and monthly Supplemental Security Income (SSI) standard of need for various New Yorkers who receive this assistance. This is an annual budgetary occurrence and will take effect December 31, 2018.

The Senate Majority modifies the Governor's proposal for individuals receiving enhanced residential care by raising the base monthly amount (starting on April 1, 2018) and continuing with a monthly increase of \$120 (or \$240 for couples) each year until 2022. This language closely mirrors S.2137 (Serino).

Authorization for Rental Subsidies for Public Assistance Recipients Living with HIV/AIDS

The Senate Majority rejects the Governor's proposal to allow all local social services districts, outside of New York City, to opt-in to limit a public assistance recipient's rental contribution to 30% of their unearned/earned income, if the recipient is diagnosed with HIV or AIDS. Under current Social Services law, only New York City is permitted to offer this rent benefit to recipients with HIV or AIDS.

Elimination of Human Services Cost of Living Increase (COLA)

The Senate Majority accepts the Governor's proposal to eliminate the statutory cost of living increase (COLA) for human services agencies for FY 19 (April 1, 2018 through March 31, 2019). The Executive projects the elimination of a 1.9% COLA will save the state \$19.12 million.

Expansion of Current Eligibility Criteria under SCRIE/DRIE Programs

The Senate Majority proposes new language expanding the eligibility criteria for the Senior Citizen Rent Increase Exemption (SCRIE) program to now include individuals paying a maximum rent or legal-regulated rent that exceeds 50% of the combined income of all members residing in the household. Currently, this rent exemption benefit is only available to seniors over the age of 62) and people with disabilities, under the SCRIE and Disability Rent Increase Exemption (DRIE) programs respectfully.

Local Share of Raise the Age Implementation

The Senate Majority eliminates language included in last year's Raise the Age (RTA) implementation that allowed the Director of the Budget to waive any local share of expenditures associated with Raise the Age, upon demonstration of financial hardship. Currently, the local counties and the City of New York are not required to contribute a local share of eligible expenditures that would not have occurred but for the RTA implementation. The state is to assume 100% of all costs.

Establishment of Interagency Clearinghouse for Adult Abuse Reporting

The Senate Majority proposes new language establishing an interagency clearinghouse for reporting various types of abuse for vulnerable adults. The hotline is to be staffed 24/7 and receive telephone or electronic reports of allegations, which are then transmitted to the appropriate state or local social services agency. This language is identical to S. S.7557 (Serino).

Youth Violence Prevention Task Force

The Senate proposes new language that will create the Youth Violence Prevention Task Force. Comprised of seven members appointed by the Governor and legislative leaders, the task force is tasked with studying and evaluating the effectiveness of current and existing programs related to the prevention of youth violence. A report is due to the Governor and legislative leaders by December 1, 2019. A similar bill has been sponsored by Senator Hamilton.

Judiciary

The Senate denies a \$25 million in appropriation authority and provides a supplemental appropriation to provide funding for new court officers to be distributed in geographically balanced manner for areas experiencing increased gang-related workload.

Judicial Timekeeping

The Majority rejects the Executive Proposal to require state-paid trial judges to certify monthly that they worked 8-hour days.

Civil Asset Forfeiture Reform

The Majority rejects the Executive Proposal for civil asset forfeiture reform to prohibit bringing proceedings against non-criminal defendants. The Majority says it is "open to further discussion of reforms."

Child Victims Act

The Majority rejects the Executive Proposal for the Child Victims Act to extend the criminal and civil statutes of limitations for sexual offenses against a child. The Majority says it will consider modifications to the proposal, and "supports meaningful reforms of criminal and civil statutes of limitations for child sex crimes and associated claims. The Senate believes that prospective reforms to the criminal and civil statute of limitations would help prevent child sex abuse in the future. Further, the Senate remains committed to ensuring that law enforcement is provided with necessary resources to investigate and prosecute criminal sexual abuse of children."

Judgment Interest Rates

The Majority rejects the Executive Proposal to lower the interest rate on judgments from 9% to the federal treasury note rate.

Secretary of State Expedited Handling Fees

The Majority accepts the Executive Proposal to extend authority of the Secretary of State to charge fees for the expedited handling of documents.

Service of Process on Business Entities

The Majority rejects the Executive Proposal to shift the burden of mailing process on business entities from the Secretary of State to the plaintiff.

Co-op Transfer Report Filing

The Majority rejects the Executive Proposal to require the filing of a transfer report with the Department of Taxation and Finance on the transfer of a cooperative housing unit or shares.

Cap on Tobacco Company Undertakings for Appeals

The Majority advances a new proposal to limit to \$250 million the undertaking a tobacco company must post to appeal a money judgment. The proposal provides that for civil litigation involving a tobacco manufacturer, successor, or affiliate, the maximum aggregate undertaking required by all appellants to stay the execution of a judgment generally may not exceed \$250 million. The cap would apply to both participating manufacturers and non-participating manufacturers that did not sign the 1998 Tobacco Master Settlement Agreement. The court can impose a higher requirement if there is sufficient proof that the company is dissipating assets to avoid payment of the judgment. The bill does not limit the amount of a money judgment award against a tobacco company. This proposal is identical to S.3129 (DeFrancisco).

Labor and Workforce

Department of Labor

Aid to Localities

The Senate adds \$14.4 million, cumulatively, to various training programs broken down as follows:

- \$805,000 for displaced homemaker services;
- \$200,000 for the New York Council on Occupational Safety and Health (Long Island);
- \$200,000 for the Building Trades pre-apprenticeship program located in Rochester administered by the Workforce Development Institute (WDI);
- \$200,000 for the Building Trades pre-apprenticeship program located in Nassau County administered by WDI;
- \$250,000 for the Building Trades pre-apprenticeship program located in Western New York administered by WDI;
- \$3 million for a manufacturing initiative administered by the AFL-CIO WDI;
- \$100,000 for Rochester Tooling and Machining Institute;

- \$200,000 for the AFL-CIO Cornell Leadership Institute;
- \$300,000 for the Domestic Violence Program of the Cornell University Labor Extension School;
- \$300,000 for the Worker Institute at the Cornell School of Industrial and Labor Relations;
- \$900,000 for YouthBuild Programs in NYS;
- \$350,000 for the Western New York Council on Safety and Health;
- \$1.3 million for the New York State Manufacturers Intermediary Apprenticeship Program;
- \$980,000 for Chambers of Commerce located in Tioga County, Greater Olean, Hornell (Steuben County), Plattsburgh, Tompkins County, Greater Binghamton, and Brooklyn (Kings); \$30,000 for the Office of Adult and Career Education Services;
- \$300,000 for the Summer of Opportunity Youth Employment Program;
- \$100,000 for the Lesbian, Gay, Bisexual and Transgender Community Center;
- \$500,000 for the Solar Energy Consortium;
- \$4 million for the NYS AFL-CIO WDI;
- \$200,000 for the NYS Pipes Trades Industry United Association, and
- \$400,000 for the AFL-CIO WDI in partnership with Paul Smith's College.

The Senate also adds in \$1.8 million in reappropriations, which were left out of the Executive Budget, but were included as part of the enacted FY 18 budget.

General State Charges

State Operations

The Senate rejects the Executive proposals that would cap the Medicare Part B premium and eliminate the reimbursement related to the Income Related Monthly Adjustment Amount made on behalf of state employees and instead adds \$2.6 million to fund these costs. In addition, the Senate rejects the Executive proposal that would require the rate of interest paid upon any judgment or accrued claim to be calculated at a rate equal to the weekly average one-year Treasury yield.

The Senate adds \$3 million for payments associated the deceased police officer, firefighter and emergency medical services family housing fund; \$372,000 for additional state contributions to the police and fire retirement system pension accumulation fund; \$13.4 million for additional state contributions to the employees' retirement system pension accumulation fund for death benefits for state correction officers; \$2.5 million for additional state contributions the police and fire retirement system pension accumulation fund for disability retirement for certain members; and \$21,000 for additional payments to the towns of McDonough and Preston in Chenango County.

The Senate modifies the General State Charges spending and uses that amount, \$116.3 million, to be allocated to appropriations and accompanying offsets for fringe benefits of certain state employees. Similar language is added in a Miscellaneous section, but that amount is listed at \$205.7 million.

The Senate denies an Executive proposal to create a new Office of Workforce Development, and the Senate also denies the creation of a \$175 million Consolidated Funding Application through the Regional Economic Development Councils. Both of these proposals were part of the Executive's State of the State address, but were not explicitly included in the Executive Budget.

Article VII

Public Employees

The Senate rejects the Executive proposals to cap or eliminate reimbursement of Medicare Part B and higher-income IRMAA premiums. The Senate also makes the following changes that would provide new benefits to public employees in the following ways:

- Provides enhanced benefits to SUNY Police officers, including 75% final average salary retirement benefit to SUNY Police who are injured while on the job in the same manner as police covered by accidental disability retirement and a presumption that heart disease was caused by the on-the-job work of a SUNY Police employee. Both bills have passed the Senate in previous years with minimal opposition.
- Allow families of corrections officers who pass away while on the job and would have otherwise been entitled to take a service retirement benefit on or before the date of their death may elect to receive a lump sum payment of the total value of the employee's pension reserve if that amount were greater than the standard death benefit. The actuary estimates this proposal would cost the state \$13.2 million in one-time costs, though the provision has a five year sunset so the cost may be greater outside of the five year window.
- New language that would provide that all new police and fire employees of New York City shall be covered by Tier 2, and would allow all members enrolled in Tier 3 or Enhanced Tier 3 an opportunity to join Tier 2. This provision would provide significantly enhanced benefits to New York City Police and Fire employees.
- Adds language that clarifies that a court officer assaulted in the line of duty will be presumed to have suffered an accidental disability qualifying for 75% final average salary retirement.
- Provides sheriffs or correction titles in Nassau County to be eligible to receive a performance of duty retirement benefit if they are assaulted by a civilian visiting a correctional institution. Similar legislation has passed previously and been vetoed by the Governor.
- Retroactively ensures that state retirees who retired prior to 2011 will not be subject to the increased health care retirement costs that were imposed on retirees after being negotiated for the collective bargaining units of the state in 2011.
- Provide coverage for Medicare Part D (prescription drug coverage) as part of the care provided to state retirees over the age of 65 to be reimbursed by the state.
- Raises the cap on annual earnings for a retired police officer re-employed as a school resource officer from \$30,000 to \$50,000. This item was considered as part of the Senate Majority "school safety" proposal this year.

Secure Choices Retirement

The Senate accepts the proposal to establish a “public option” retirement savings account for private sector employees without access to such options through their employers, though the Senate utilizes the pre-existing legislation (S.4344B/Savino) in lieu of the Governor’s plan. The primary difference is that the Senate would establish a new “Secure Choices Savings” Board to be made up of representatives of the Executive, Legislature, and Comptroller, while the Governor had proposed administering the program through the Deferred Compensation Board.

Miscellaneous

- The Senate accepts the proposed modifications to the New York Youth Jobs Tax Credit program.
- The Senate accepts the Governor’s proposed reforms to the State Insurance Fund investments.
- The Senate adds legislation (S.5696/Savino) to remove the exemption for NYCHA from the state’s mold assessment licensing law. This bill has previously passed the Senate.
- The Senate does not address the public works expansion bill in the budget bills, but in its resolution states that the Majority “supports having a discussion” about updating the definition of public works.

Local Government

Aid to Localities

The Senate proposes a net increase of \$20.5 million over the Executive’s All Funds appropriation for Local Government Assistance. The Senate concurs with Executive Budget’s \$35 million appropriation for the continuation of Citizen Empowerment Tax Credits and Citizens Reorganization Empowerment Grants, a \$4 million appropriation for the continuation of Local Government Efficiency Grants, and provides an additional of \$14.3 million (2%) to the Executive’s proposed \$715 million in Base Level Grant funding.

The Senate concurs with the Executive proposal to provide \$225 million in State Matching Funds for localities that demonstrate real savings under the County-wide Shared Services Initiative. The Senate concurs with the Executive’s provision of \$28.9 million in Aid to Municipalities with Video Lottery Gaming Facilities, with \$19.6 million for the City of Yonkers and the remaining funding to other qualifying municipalities.

The Senate provides an additional \$6.2 million to the Executive’s \$2.25 million in Miscellaneous Financial Aid, including \$742,500 to Seneca (\$340,000), Cayuga (\$92,500) and Franklin (\$310,000) Counties to mitigate real property tax shortfalls due non-payment by the Cayuga and St. Regis Native American Nations. The additional funding also includes:

- \$1.6 million to the Niagara County IDA for use to fund downtown economic development initiatives within the City of Niagara Falls;
- \$1.3 million to certain municipalities for expenses related to police and fire services associated with institutions of higher education;
- \$500,000 for payment to the Town of Ashford; and
- \$2 million for the Small Business Assistance Program.

The Senate concurs with the Executive's provision of \$217,000 in Small Government Assistance.

Article VII

New York City Tax Reform Commission

The Senate adds new language to establish the New York City Tax Reform Study Commission to provide recommendations on reforming the local real property tax system in the city of New York due on or before 01/01/20. The commission will consist of 11 members with 1 appointed by the Minority Leader of the Senate (S.1379).

NYCHA Repair Certificate Program

The Senate adds new language to establish the NYCHA Repair Certificate Program, which would provide zoning benefits to developers that perform capital repairs to housing projects. This bill was also included in last year's Senate one-house budget proposal. Ten members voted in the negative on the floor in 2017 and were generally opposed to allowing private developers to make their own deals without going through the normal city process (S.1990).

Commission on Roosevelt Avenue in Queens

The Senate adds new language to establish the Commission on Roosevelt Avenue to study and make recommendations relating to crime, economic development and quality of life between 49th and 114th street in Queens. The commission must be composed of 15 members. (S.1379).

Shared Town Justices

The Majority modifies the Executive Proposal to allow adjacent towns to share more than one town justice by eliminating the requirement that the towns be adjacent.

Citizen Empowerment Tax Credits

The Majority accepts the Executive Proposal to limit eligibility for Citizen Empowerment Tax Credits to the reorganization of local governments created prior to 2018 and limiting the annual aid for villages that vote to dissolve after 2017 to the lesser of \$1 million or the village's property tax levy.

County Land Use & Zoning Functions

The Majority rejects the Executive Proposal to allow local governments to delegate land use and zoning functions to the county.

Countywide Shared Services Panels

The Majority rejects the Executive Proposal to make countywide shared services panels permanent.

Sick Leave for Municipal Employees Related to WTC

The Majority advances a new proposal to allow New York City employees to take line of duty sick leave for conditions developed due to participation in World Trade Center rescue, recovery,

and cleanup activities and provide a procedure for public authorities and non-NYC local governments to seek reimbursement for World Trade Center-related line of duty sick leave from the Civil Service Commission. This proposal is identical to S.6898-B (Golden).

Taxation of State Lands in Bowman Lake State Park

The Majority advances a new proposal to subject state-owned land in the towns of McDonough and Preston (Chenango County) that comprises a portion of Bowman Lake State Park to property taxation for all purposes. This proposal is identical to S.7585 (Akshar).

Funds for Firefighter Training

The Majority advances a new proposal to allow local governments to recoup the expense of sending a firefighter to training school from another municipality if the other municipality hires the firefighter within three years of graduating from training. This proposal is identical to S.7050 (Ortt).

Volunteer Firefighters/Ambulance Workers Death Benefits

The Majority advances a new proposal to require the Workers' Compensation Board to pay volunteer firefighter and ambulance worker death benefits within 90 days of the claim filing, unless the employer or insurance carrier files a notice of controversy. The Majority would also require the Workers' Compensation Board to conduct outreach services to inform people about assistance available with death benefit application procedures. This proposal is identical to S.1195 (Avella).

Collection of School Taxes

The Majority advances a new proposal to authorize school boards to simply inform a town receiver of taxes that the school board will collect its own taxes, rather than requiring an agreement between the town board and the school board. This proposal is identical to S.7921 (Carlucci).

PILOTs in the Property Tax Cap

The Majority advances a new proposal to require the Commissioner of Taxation and Finance to include the change in assessed value for properties exempt from taxation under a PILOT agreement when calculating the allowable increase in the property tax levy due to new construction under the tax cap formula. This proposal is identical to S.2122-A (O'Mara), which the Governor vetoed last year.

Uniform Wireless Facilities Siting

The Majority rejects the Executive Proposal to impose uniform wireless facilities siting procedures and fees on local governments. The Majority states in its resolution that it "supports making the State accessible for the installation of small cell wireless facilities with proper local authority."

Brownfield Opportunity Areas

The Majority accepts the Executive Proposal to eliminate the pre-nomination study and authorize state assistance for pre-development activities for Brownfield Opportunity Areas.

Community Services Block Grant Local Share

The Majority accepts the Executive Proposal to repeal the local share requirement for federal Community Services Block Grants.

Indian Point Tax Stabilization Fund

The Majority advances a new proposal to create an “Indian Point Tax Stabilization Fund” which would distribute funds to Westchester County, Town of Cortlandt, Village of Buchanan, and the Hendrick Hudson Central School District to prevent increases in property taxes due to the closure of Indian Point. The Legislature would appropriate money to the fund. The Indian Point Closure Task Force would develop a plan to distribute the funds. The distributions would not be considered in the property tax cap calculations for those jurisdictions.

Property Tax Exemption for Combined Heat & Power Generating Equipment

The Majority advances a new proposal to expand the property tax exemption for “micro-combined heat and power generating equipment.” Currently, the exemption is only available to systems owned, leased or operated by a residential customer, but the Majority would allow the exemption for systems serving a residential or commercial customer if it is located at the customer’s premises. The Majority would increase the maximum electrical/thermal output for an eligible system from 10 kilowatts to 15 megawatts and decrease the required efficiency from 80% to 60%. This proposal is identical to S.6762-B (Griffo).

IDA Assistance for Agricultural Producers

The Majority advances a new proposal to allow industrial development agencies to provide financial assistance and tax exemptions for agricultural projects. This proposal is identical to S.2388 (Larkin).

Authorize IDAs to Provide Loans, Grants, and Early-Stage Equity Funding

The Majority advances a new proposal to allow industrial development agencies to provide loans and grants to any private or public corporation and to allow industrial development agencies to provide seed and early-stage equity funding to any legal entity. For seed and early-stage equity funding, entity has to be in the IDA’s municipality and must return the funds if the entity leaves the municipality within a time period established by the IDA. This proposal is identical to S.6230 (Gallivan).

Lake Ontario Flood Relief Program

The Majority modifies the Executive Proposal to allow flexibility in the use of unspent funds in the Lake Ontario Flood Relief grant program by adding several new subparts.

- Subpart A: The Majority would increase the grants available for residential recovery from \$15 million to \$90 million, which could also be transferred between the various Lake Ontario recovery grant programs.
- Subpart B: The Majority would allow the recovery grants to be used for repairs and restoration to docks, identical to S.7274 (Ritchie).
- Subpart C: The Majority would authorize the Governor, at the request of an impacted local government, to deploy the National Guard for the Lake Ontario-St. Lawrence River

Flood Prevention, Response and Recovery Program, paid for by the State. The Program would provide services to people, homeowners, business owners, employees, and localities affected by the flooding.

- Subpart D: The Majority would include “school safety infrastructure projects” as a “project” under the NYS Urban Development Corporation Act. The Majority would also authorize the State to pay for Empire State Development bonds to finance infrastructure projects under the Lake Ontario Flood Prevention, Response, and Recovery Program.
- Subpart E: The Majority would create a “NYS Lake Ontario-St. Lawrence River Flood Prevention, Response, Recovery and Mitigation Task Force” to determine what measures should be taken to enhance flood prevention, recovery, response, management and mitigation in that area.

Cap on STAR Benefits

The Majority rejects the Executive Proposal to cap STAR Benefits at current levels.

Mandatory Enhanced STAR Income Verification

The Majority rejects the Executive Proposal to make participation in the Enhanced STAR Income Verification Program mandatory.

Property Tax Technical Fixes

The Majority accepts the Executive Proposal to: repeal expired property tax freeze credit provisions; remove out-of-date references; require county consent for local governments allowing partial payments of property taxes where the county provides property tax collection services; prevent married couples from claiming STAR benefits on two houses; extend the deadline for the Department of Taxation & Finance to apply inflation indexes to Enhanced STAR amounts in districts levying taxes on prior year assessment rolls; and allow municipalities to grant a 5-day extension on property tax payment deadlines for Enhanced STAR Credit recipients.

Cap on Property Tax Growth on State Land

The Majority rejects the Executive Proposal to cap the growth of property taxes on state-owned lands at 2% or the rate of inflation, whichever is less.

Telecommunications Mass Property Assessment Ceilings

The Majority accepts the Executive Proposal to extend state assessment ceilings for telecommunications mass property for four years.

School Tax Exemption for Seniors

The Majority advances a new proposal to allow school districts to cap and eliminate school taxes for homeowners who are over 65 years old and eligible for the Enhanced STAR Exemption. The Majority would also allow school districts to cap school taxes for homeowners over 70. The taxes would be capped in the first year of eligibility and then decline 10% per year until the homeowner owed nothing. The Majority would allow participating school districts to recoup 100% of their lost tax revenue from the Department of Education. Finally, the Majority’s

proposal would increase and make permanent the Property Tax Relief Income Tax Credit available for homeowners making under \$275,000 whose school exceeds the tax cap.

Make Property Tax Cap Permanent

The Majority advances a new proposal to make the property tax cap permanent. This proposal is identical to S.1207 (Flanagan).

Small Business STAR Exemption

The Majority advances a new proposal to make small businesses eligible for the STAR Exemption. The small business would have to be a sole proprietor, LLC, partnership, or S-corporation with less than 20 employees and a gross business income of less than \$350,000, or a corporation with less than 20 employees and a gross business income of less than \$500,000. The base figure for the STAR Exemption would be \$10,000 in 2019-20, \$20,000 in 2020-21, and \$30,000 thereafter. This proposal is similar to S.1116-A (Akshar).

Public Utility Security Camera Property Tax Exemption

The Majority advances a new proposal to provide a property tax exemption for security cameras installed on public utility property. This proposal is identical to S.6671 (Golden).

Agricultural Lands Property Tax Exemption

The Majority advances a new proposal to extend for 10 years a property tax exemption available for structures and buildings essential to the operation of lands for agricultural or horticultural use. The exemption is scheduled to expire on January 1, 2019. It provides a 10-year exemption equal to any increase in value attributable to the construction of such buildings.

Town of Palm Tree

The Majority advances a new proposal to provide for the election of town officers, adoption of the town budget, and functional effective date of the town government for the newly created Town of Palm Tree. The proposal also authorizes building aid for school districts whose boundaries change after August 1, 2017, resulting in a net loss of property tax revenue exceeding \$500,000. This is necessary to account for the Monroe-Woodbury School District reducing its boundaries to account match the increase in the Kiryas Joel school district's enlargement to become coterminous with the Town of Palm Tree.

Mental Health

Developmental Disabilities Planning Council

The Senate concurs with the Executive recommendation of \$4.76 million in All Funds support for State Operations.

Office of Alcoholism and Substance Abuse Services

The Senate concurs with the Executive's recommendation and provides \$135.47 million in All Funds support for State Operations.

The Senate provides \$589.3 million in All Funds support for Aid to Localities, an increase of

\$27.8 million over the Executive recommendation. This increase is attributed to the following:

- Provides \$15 million for services and expenses related to additional prevention, treatment, and recovery services; and
- Provides \$12.8 million for services and expenses related to substance abuse disorder treatment in local jail based settings.

The Senate provides \$100 million in Capital funding for OASAS, an increase of \$10 million over the Executive recommendation. This increase is to expand substance abuse supports and services, including treatment recovery and prevention services.

Office of Mental Health

The Senate provides \$2.29 billion in All Funds support for State Operations, an increase of \$6 million over the Executive recommendation, which is attributed to the following:

- \$5.5 million for additional services and expenses related to the operation of inpatient psychiatric centers; and
- \$500,000 for additional services and expenses related to salary enhancements for nurses working in state-operated psychiatric centers.

The Senate provides \$1.55 billion in All Funds support for Aid to Localities funding, an increase \$16.54 million over the Executive recommendation. Details of the funding increase are as follows:

- Provides \$5.5 million for additional community mental health services;
- Provides \$5 million for additional residential services support;
- Provides \$3.53 million for the Joseph P. Dwyer Veteran Peer to Peer Program;
- Provides \$500,000 for Crisis Intervention Teams;
- Provides \$500,000 for Crisis Services;
- Provides \$400,000 for FarmNet;
- Provides \$275,000 for Children's Prevention and Awareness Initiatives;
- Provides \$175,000 for South Fork Mental Health initiative;
- Provides \$100,000 for North Country Behavioral Healthcare Network;
- Provides \$100,000 for Mental Health Association in New York State, Inc;
- Provides \$450,000 for Veterans Mental Health Training Initiative to be conducted by the Medical Society of the State of New York, the New York State Psychiatric Association and the National Association of Social Workers New York State Chapter. The breakdown is as follows:
 - \$150,000 for New York State Psychiatric Association;
 - \$150,000 for Medical Society of the State of New York; and
 - \$150,000 for National Association of Social Workers New York State Chapter.

The Senate provides \$434.47 million in Capital funding, which is an increase of \$10 million over the Executive recommendation. This increase provides funding for Children's Behavioral Health Services.

Office for People with Developmental Disabilities

The Senate includes \$2.2 billion in All Funds support for State Operations, which is consistent

with the Executive recommendation.

The Senate includes \$2.41 billion in All Funds Support for Aid to Localities funding, which is an increase of \$2.46 million over the Executive recommendations. The Senate offers the following modifications:

- Provides \$2 million for Managed care preparation and support program;
- Provides \$200,000 for Special Olympics New York, Inc.;
- Provides \$100,000 for Best Buddies International, Inc.;
- Provides \$100,000 for In the Driver's Seat; and
- Provides \$55,000 for the Developmental Disabilities Alliance of Western New York.

The Senate provides \$111.4 million in Capital funding, which is an increase of \$15 million over the Executive recommendation. Highlights of the additional funding are as follows:

- Provides \$10 million to purchase equipment, or infrastructure necessary to support the transition to managed care; and
- Provides \$5 million to purchase equipment of infrastructure necessary to provide telemedicine services to people with developmental disabilities.

Human Services COLA

The Senate accepts the proposal to defer the Human Services COLA for one year for OMH, OPWDD, and OASAS providers.

Direct Care Worker Raises

The Senate includes provisions to continue the annual 3.25% raises to direct care workers through 2022.

Psychology, Social Work and Mental Health Licensure

The Senate accepts with modifications, the provisions relating to clarifying the tasks that may be performed by people employed by OMH, OPWDD, OASAS, DOH, SOFA, OCFS, OTDA and DOCCS that do not require licensure for psychology, social work, and mental health services.

Jail Based Restoration

The Senate rejects the proposal to allow local jails to create mental health units to restore felony defendants to competency.

The Senate adds the following provisions:

- Prohibits the co-location of sex offenders at the same location as children's psychiatric centers and prohibits the Western NY Children's Psychiatric Center from being collocated with another facility; and
- Requires the State to give notice to local governments and labor organizations at most 24 months prior to commencing service reductions at state operated psychiatric hospitals.

The Senate adds provisions to:

- Permanently carve-out Traumatic Brain Injury waiver enrollees from managed care; and

- Expand notification from 45 days to 180 days before the closure or transfer of an Individualized residential alternative to labor organizations and the legislature.

The Senate adds the following provisions to:

- Authorize for-profit agencies to provide OASAS funded substance abuse treatment;
- Create a certification process for substance use disorder peer support services;
- Prohibit deceptive acts and practices for substance abuse disorder treatment;
- Create Family support and recovery services demonstration program, with one program in western NY and another on Long Island;
- Authorize assisted outpatient treatment for substance abuse (Kendra’s Law for substance abuse);
- Create a substance use disorder ombudsman; and
- Develop a jail-based substance use disorder treatment and transition services program.

Parks and Cultural Affairs

Rejects NY Works Park System Capital

The Senate rejects the Executive’s \$92.5 million appropriation for NY Works infrastructure improvements. This rejection has become an annual exercise in response to the Executive failing to provide a project list for the proposed funding. Thus far, State Park funding has each time been restored in the Enacted Budget with no project list provided.

The Senate does however provide a new \$1.3 million capital appropriation for Camp Morty as well as \$300,000 for park access improvements within the Catskill Park.

Hudson River Park

The Senate rejects the Executive’s proposed \$50 million capital appropriation to the Hudson River Park Trust to begin completion of unfinished stretches of the waterfront park.

Olympic Regional Development Authority

The Senate accepts the Executive’s proposal to increase State operational support to ORDA by \$6 million to a total of \$10 million, and provide \$60 million for capital projects (in addition to \$38 million provided in FY 18).

Public Protection

Department of Corrections and Community Supervision

The Senate provides additional funding for State Operations:

- \$2.5 million for a new program providing correctional officers with pepper spray, K-9 units, body cameras, fixed cameras, metal detectors, body scanners and other security instruments.

The Senate denies without prejudice the following initiatives:

- \$750,000 i savings from the elimination of personal service reimbursement to counties from transporting state-ready inmates;

- \$305,000 increase for three Parole Board members; and,
- \$128,000 for the expansion of merit time and credit time allowance programs.

Division of Criminal Justice Services

The Senate modifies the Executive proposal for Aid to Localities by restoring funding for the following programs:

- \$3 million for regional SNUG programs;
- \$700,000 for Regional SNUG Operations within Bronx County;
- \$450,000 for Regional SNUG Operations within Richmond County;
- \$400,000 for Regional SNUG Operations within Onondaga County;
- \$147,000 for rape crisis centers;
- \$250,000 for Regional SNUG Operations within Kings County;
- \$950,000 for civil or criminal domestic violence or veterans legal services program;
- \$600,000 for indigent legal parolee program;
- \$2 million for Westchester County Policing; and,
- \$730,000 for law enforcement and emergency services equipment enhancements.

Division of Homeland Security and Emergency Services

The Senate modifies the Executive Budget proposal as follows:

- Provides \$2.7 million for the American Red Cross.
- \$10 million for the purchase of 21st century counter terrorism technology; including drones with offensives and defensives capabilities and advance weapon detection system.

Miscellaneous Public Protection

State Operations

The Senate adds \$200 million for services and expenses to prevent, deter, or respond to acts of terrorism, disasters, or other emergencies.

Article VII

Speedy Trial Reform

The Senate One-House proposal rejects the Governor's proposed speedy trial reforms and proposes no alternative.

Bail Reform

The Senate One-House proposal rejects the Governor's proposed reforms to the cash bail system and proposes no alternative.

Discovery Reform

The Senate One-House proposal rejects the portion of the Governor's discovery reform proposal that affects criminal procedure. However, the Senate One-House proposal accepts the portion of the Governor's proposal that creates a new Class A misdemeanor for tampering with a witness

through social media, and the scheme that enhances penalties for witness tampering and intimidation.

For the previous three proposals, the Senate Majority states in their budget resolution text that they are open to negotiation on Speedy Trial, Bail and Automatic Discovery reform, as long as any proposals are aimed at creating a fair criminal justice system and do not sacrifice public safety.

Expanded Merit Time and Limited Credit Time Allowances

The Senate One-House proposal rejects the Governor's proposal to expand Merit Time Allowances and Limited Credit Time Allowances.

Expansion of Available Licenses for People with Criminal Convictions

The Senate One-House proposal rejects the Governor's proposal to remove certain licensing restrictions for people with criminal convictions.

Geriatric Parole

The Senate One-House proposal rejects the Governor's geriatric parole proposal and proposes no alternative.

Gay and Trans Panic

The Senate One-House proposal rejects the Governor's proposal to remove extreme emotional distress based on disclosure of a person's gender, gender identity, or sexual orientation as a defense to Murder in the Second Degree.

Prohibits Sexual Contact Between Police and Detainees

The Senate One-House proposal accepts the Governor's proposal to make sexual contact between a law enforcement officer and a person he or she knows or reasonably should know to be detained or under arrest per se non-consensual.

State Police Administrative Subpoena Authority

The Senate One-House proposal accepts the Governor's proposal to allow the superintendent of the New York State Police to issue administrative subpoenas for certain internet and computer records in limited cases involving sexual crimes against children.

Restrictions on Certain Sex Offenders Near Pre-Kindergartens and Kindergartens and in Temporary Housing and Homeless Shelters

The Senate One-House proposal accepts the Governor's proposal to prohibit Level Two and Three sex offenders from being placed in temporary housing or homeless shelters that house children, and from being within 1,000 feet of a pre-kindergarten or kindergarten.

Penalty Enhancers for the Possession and Sale of Drugs

The Senate One-House proposal would enact several penalty enhancements for the possession and sale of controlled substances, all of which are identical to bills that have recently passed the Senate. These include enhanced penalties for selling controlled substances on the grounds of a

drug treatment facility (S.1127, Akshar); penalty enhancers for the possession and sale of drugs containing heroin (S.880, Ortt and S.2744, Golden); and penalty enhancers for drugs containing carfentanil (S.623, Boyle).

Prison Contraband Screening Plan

The Senate One-House proposal would enact S.7582-A (Helming), which will likely pass the Crime Victims, Crime and Correction Committee on March 14. This bill would require DOCCS to enact a plan for screening out contraband. The bill was introduced in response to DOCCS establishing a pilot program that would require care packages to be purchased through third-party vendors, and the subsequent public backlash that resulted in the cancellation of the pilot program.

Violence in Schools and School Resource Officers

The Senate One-House proposal would enact two bills by Senator Gallivan that are intended to address school shootings. The first, S.1144-A, would grant peace officer status – although not the ability to carry a firearm – to retired police officers who are working as school resource officers. The second, S.2521, would treat making a false report of a school shooting equivalently to making a false bomb threat. The proposal would also enact S.2881 (Tedisco), which enhances penalties for certain assaults, sex crimes, and kidnapping when conducted on school grounds.

Division of Homeland Security and Emergency Preparedness/Division of State Police

This bill provides State Police who are investigators or senior investigators, or a station commander, zone commander, zone sergeant, first sergeant, captain or major for 3 years or more, the right to a hearing if they are being considered for removal or a demotion, except in instances when the reduction in rank is based solely on reasons of the economy, consolidation or abolition of functions, or curtailment of activities.

The Senate Majority adds shootings to the definition of terrorism in the Penal Law and codifies the New York State Intelligence Center in the Division of State Police, under the direction of the Governor.

The Senate Majority sets aside up to \$34 million annually from the Public Safety Communications Surcharge collected from wireless communications customers who purchase wireless communications services in New York State for the support and operation of the Division of Homeland Security and Emergency Preparedness.

Division of Military and Naval Affairs

The Senate Majority modifies the Executive proposal to establish an Armory Rental Account enterprise fund but adds a reporting requirement on the Adjutant General detailing each armory capital project, and all activities held at each armory.

Racing, Gaming & Wagering

NYRA & Nightracing

The Senate modifies changes to NYRA operating provisions in Part EE, Revenue to allow a deduction of 365 days worth of actual operating expenses rather than just 45 days from the amount of money sent to the state as part of NYRA's franchise fee. The Executive had proposed 90 days in the Executive budget proposal. In addition, the Senate concurs in authorizing NYRA to conduct thoroughbred racing at Belmont Park on Thursdays, Fridays, and Saturdays after sunset, until 10:30pm. Such races would have to coordinate start times with racing operations at the Yonkers Harness track. The Senate also accepts the Executive proposal to create a new committee to review equine testing and research.

Breeding Funds for Equine Aftercare

The Senate modifies Part FF pertaining to the use of Breeding Funds for Equine Aftercare. This proposal amends the Racing law to allow funds from the Thoroughbred Breeding and Development fund as well as the Agriculture and NYS Horse Breeding Development fund ("Breeding Fund") to be used for the aftercare of retired racehorses, up to 3%. The Executive proposal did not include a cap on the total amount of funds that could be dedicated for this purpose. Each respective fund would have the authority to determine what amount, in any, would be used to support and promote this ongoing care. This proposal is revenue neutral.

Simulcasting Rates

The Senate modifies Part GG regarding extension of simulcasting rates for another year. Simulcasting rates have been extended on a year-to-year basis in the budget each year thereafter. The Senate also proposed extending, for an additional year the authorization for placing "pick six" bets and several other types of wagers as well.

VLT Transfer Language

The Senate rejects the Executive proposal to eliminate transfer language for video lottery gaming. The Executive proposes repealing "hold harmless" transfer language in current law, which was initially included as part of the Upstate Gaming Economic Development Act of 2013. At the time of its enactment, this statute was intended to maintain "base revenue" from video lottery gaming for education in light of casino gaming coming online and reducing the amount of revenue generated from VLTs due to increased gaming competition. The Executive argues the transfer is cumbersome and does not have the intended effect. Moreover, since gaming revenue ultimately goes towards education aid anyway, the provision is redundant.

The Senate modifies Part II to streamline & amend tax rates that apply for VLT operators. This proposal amends various statutes that set the tax rates for Video Lottery Terminals (VLT) and the distribution of monies derived from Video Lottery Gaming. The Executive proposes to overhaul this entire section of law, consolidate several of these statutory funding streams into one category and update several provisions that currently relate in an excess distribution to the Saratoga and Finger Lakes facilities. The Senate amends this proposal in a manner to benefit upstate VLT facilities.

Senate One House Racing, Gaming, and Wagering New Proposals

Dealer Controlled Electronic Table Games

This proposal, which is similar to S6835/Bonacic, amends the Racing, Pari-Mutuel Wagering & Breeding Law to include a new term for "Dealer-controlled electronic table game". These table games are operated by a live dealer in which the outcome is determined by the actions of the dealer, that uses electronics as part of the game's operation in connection with the collection and payoff of wagers, but not to determine the outcome. These games often use electronic betting terminals at blackjack and roulette tables which help to save space around the table. A live dealer is still present to operate each turn of the wheel or card deal. This distinction is important to note since table games are taxed at a different rate than slot machines.

Free Play Allowance Credits

This proposal, which is similar to S6647a/Helming, sets the level of "free play" credits allowable under law at VLT facilities as the same rate for commercial casinos that are located within the same region. The amount of "free play" allowance credits for commercial casinos however, is not in statute, and is instead set by the state Gaming Commission. As such, it is entirely possible that the amount of free play allowed may differ between all these different gaming facilities.

Online Poker

This proposal, which is similar to S3898/Bonacic, creates a statutory and regulatory framework for the State Gaming Commission ("the Commission") to license and implement Texas Hold'em and Omaha Hold'em online poker games. The proposal would only allow these two types of online games. The games could be played between persons physically located in the state or as permitted by the Commission through potential compact agreements with other states such as Delaware, New Jersey, and Nevada that also allow online poker. The Commission would be required, within 180 days following enactment, to promulgate regulations, and 180 days thereafter, authorize up to 11 licenses to companies that wish to operate online gaming platforms.

Participation in Games of Bingo by Minors

This proposal, which is similar to S6837/Ortt amends section 486 of the General Municipal Law to allow those under the age of eighteen to play bingo, when accompanied by an adult. Under current law, no person under the age of eighteen may play bingo.

Disposition of Vendor Fees for Certain VLT Facilities

This proposal, which is similar to S6405/Bonacic ensures that the Nassau OTB "designated" VLTs and the VLTs operated by Suffolk OTB make their racing industry support payments regardless of the performance of the machines operated by Resorts World at Aqueduct. This goal is accomplished by repealing language in current law that references the 2013 levels for racing support levels.

Disposition of Regional OTB Revenue to Counties

This proposal, which is similar to S7532/Bonacic, amends the Racing, Pari-Mutuel Wagering and Breeding Law to allow OTBs to distribute net revenue to counties on a date of their choosing, as determined at their respective organizational meetings. Such distributions would still have to occur on an annual, bi-annual, or quarterly basis, not later than 30 days after the close of the calendar year, close of the bi-annual year, or calendar quarter. Under current law,

OTBs must distribute net revenue, after payment of all corporate costs on a quarterly basis, not more than 30 days after close of the calendar quarter.

Creates a Racing Fan Advisory Council

This proposal amends the state Racing, Pari-Mutuel Wagering and Breeding Law ("RPWBL") to establish in statute, a racing fan advisory council within the Commission. This proposal is nearly identical to S3158 (Bonacic). The council would be composed of five members, none of whom can be officers or employees of the Gaming Commission, nor lobbyists or officers from tracks, regional OTB's, or any horsemen's association. The Chair of the Commission would appoint all five members, with one each coming at the recommendation of the Assembly and Senate committees on racing and wagering, respectively. Members would serve for a period of five years. The council would be able to request assistance from the Commission.

Advisory Council on Retired Racehorses

This bill, which is similar to S7691/Valesky amends the Racing Law to establish a new advisory council on retired racehorses within the state Gaming Commission. The council would have a broad focus on any retired racehorse, whether standardbred or thoroughbred. The council would be made up of 13 appointed members who would serve fixed five year terms.

Sports Betting

This proposal, which is similar to S7900/Bonacic, amends the Racing Law to create a more robust statutory framework for sports betting and institutes a tax on such gaming activity. The bill also repeals the current prohibition on wagering on collegiate events that take place in New York or which involve a New York college team.

Sports betting would only be permitted at authorized casinos and played by those 21 or older who are physically present in the state. The bill also authorizes mobile sports wagering via the internet and on electronic devices such as computers and cellular phones. Casinos would be authorized to contract with separate agents to conduct any or all aspects of sports wagering, including electronic platforms. Operators could also contract with third party global risk management companies to provide direction, management, consultation, and instruction for the purposes of managing risks and setting point spreads, odds, and betting lines. A sports wager is defined as a wager on a sporting event, or portion thereof, or the individual performance statistics of athletes participating in a sporting event, or a combination through a system of wagering.

Sports betting would be taxed at the rate of 8.5% on gross revenue. In addition, up to 1/4 of 1% of the amount wagered on sporting events, up to a maximum of 2% of gross sports wagering revenue. Professional sports organizations such as the NBA, NFL, MLB, NHL, NCAA, etc... could apply to the Gaming Commission annually for disbursement of these funds on a pro rata basis based on wagers on each sport to cover integrity related costs and expenses. Eligible expenses would include integrity monitoring, investigation expenses, and any other expenses as approved by the Gaming Commission.

Any casino which chooses to offer sports betting would be required to submit an annual report to

the Gaming Commission.

Workers' Compensation Insurance for Horsemen

This proposal, which is similar to S7745a/Bonacic, builds upon last year's changes to the JICF by allowing the New York Racing Association (NYRA) to establish a separate account to be held on deposit in trust for the New York Thoroughbred Horsemen's Association (NYTHA) to use as collateral to secure workers' compensation insurance coverage. The funds would come from the unpaid purse cushion, and the amount to be transferred would be agreed upon by NYRA and NYTHA. The proposal also allows JICF in 2018 to continue to use up to \$2 million from the NYRA unpaid purse cushion account without it counting against the 2% of purses that may be deducted from the owners' share of purses to pay for workers' compensation procured by JICF.

Revenue and Taxes

The Senate rejects the following revenue items proposed by the Executive:

- Caps the annual growth in STAR benefit to 0%.
- Makes participation in the Income Verification Program (IVP) mandatory for enhanced STAR recipients.
- Requires filing RP-5217 for co-ops and co-op shares.
- Requires manufactured home park owners/operators to report additional information to the Department of Housing and Department of Taxation and Finance.
- Reforms the process for determining amounts of taxes due on taxable State-owned lands.
- Allows the Department of Taxation and Finance access to depending and child care data from other State agencies.
- Closes the carried interest tax loophole and to tax carried interest income of hedge fund and private equity investors as ordinary income.
- Provides the Department of Taxation and Finance with the right to appeal adverse Tax Appeals Tribunal decisions.
- Clarifies residency requirements for taxpayers that spend part of the year as a resident and part of the year as a non-resident.
- Defers business related tax-credit claims.
- Amends the refund and joint liability provisions of the real estate transfer tax.
- Improves cigar tax enforcement.
- Discontinues the energy services company sales tax exemption and to collect sales tax from businesses that purchase energy from Energy Service Companies (ESCOs).
- Increases the sales tax exemption for vending machines from \$1.50 to \$2.00 only for machines that have the option to collect payment from a credit or debit card.
- Implements an Internet fairness conformity tax.
- Imposes a health tax on vapor products of 10 cents per liquid milliliter.
- Imposes a surcharge on the first sale of an opioid in the state.
- Imposes a 14 percent surcharge on the net underwriting gain from the sale of health insurance in New York State.
- Eliminates the Video Lottery Gaming (VLG) hold harmless transfer provision.

- Establishes charitable contribution funds supporting health and education which allows donations to these funds to be claimed as a property tax credit at the local level.
- Establishes a statewide voluntary employer-based compensation and payroll tax system.

The Senate adds the following new items:

- A limited school property tax reform for seniors that is phased in in over 11 years.
- The existing State property tax cap is made permanent.
- The Section 186a gross receipts utility tax is phased out over 4 years.
- Reduces the assessment payments made by public utility companies to fifty percent amount, found in Section 18-A of the Public Service Law. This section authorized an assessment on utilities to fund the operations of energy-related agencies and authorities such as the Department of Public Service and the New York State Energy Research and Development Authority. Beginning April 1, 2020, the assessment is reduced to zero percent and the costs of the department and commission will be paid for by the state treasury.
- The existing deduction for taxable pensions (\$20,000) is increased over four years.
- A permanent 2% State Operating Fund spending cap.
- A new State tax credit for residents of Jericho, Oyster Bay, and Hempstead that would cover the costs of increasing water bills.
- Small Business tax reductions.
- STAR Program exemption provided for small businesses.
- Expansion of the existing minimum wage tax credit.
- Modifications to the existing State Hot Spot tax credit Program is included. Temporary employees are added to the Program.
- Manufacturing business tax reductions.
- Exempts public utility security cameras or devices used in providing police force or public security office access to recorded information from real property or ad valorem taxes.
- Exempts tangible personal property and services sold by a cemetery for the exclusive use on the grounds and in the buildings of the cemetery corporation from State sales tax. Creates an amnesty program for cemetery corporations and requires the Commissioner of Taxation and Finance to submit a report regarding the amnesty program. (Part BBB)
- Extends the credit for the rehabilitation of historic property from before January 1, 2020 to January 2025. Changes the calculation of the credit to from being equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historical structure under section 47 of the federal internal revenue code to twenty percent of qualified rehabilitation expenditures with respect to a certified historic structure located within the state. This credit cannot exceed \$5 million dollars. (Part CCC)
- Establishes a clinical preceptorship credit. Preceptor clinicians include licensed physicians, physician assistants, certified registered nurse anesthetists, and nurses. A preceptor clinician who provides preceptor instruction as part of a clinical preceptorship may receive a credit of one thousand dollars for each one hundred hours of preceptor instruction. This credit cannot exceed three thousand dollars during a single tax year.
- Establishes a television writers' and directors' fees and salaries credit. The credit is equal

to thirty percent of the qualified television writers' and directors' fees and salary costs paid in the production of a qualified film. This credit cannot exceed fifty thousand dollars for any one writer or director of a television show pilot or episode and cannot exceed one hundred and fifty thousand dollars for any one specific writer or director.

- The Federal mine depletion allowance in NYC is revived.
- Expands the living organ donation tax credit for any unreimbursed travel and lodging expenses, lost wages or child care costs related to organ donation to also include a donor's spouse (up to \$10,000).
- Increases the maximum amount of the musical and theatrical tax credit from \$4 million to \$6 million in any calendar year. This credit will expire on March 31, 2023.
- The Senate provides for a pilot program that would allow employees of certain approved employers to deposit a portion of their income into an account for the repayment of college loans with their employer also making a contribution. For an employer to be approved to participate in this pilot program that employer must be jointly certified by the commissioners of education and taxation and finance. The pilot program would only be available to mid-size employers by application. For participating these employers would receive a tax credit for the amount they apply to their employees who contribute to the account, capping at 100% of the employees contribution.
- Establishes a residential fuel oil storage tank credit for the permanent closure and installation of a below-ground or above-ground residential fuel oil storage tank used to provide heating fuel for up to a four-family residence. The credit is equal to the costs of removal or permanent closure of an existing residential fuel oil tank and the purchase and installation of a new fuel of oil tank. This credit cannot exceed five hundred dollars and this credit may be allowed only one per particular residence.
- Institutes a new tax deduction program for student loan debt.
- Increases the long-term care tax credit from the original rate of twenty percent for a policy rider to a life insurance policy. The credit is equal to forty percent if the insured is less than forty years of age at the end of the tax year for the first four policy years; thirty percent if the insured is less than fifty years of age and more than forty years old at the end of the tax year for the first four policy years; or twenty percent if the insured is fifty-five or more years of age at the end of the tax year, and for all others who have had a life insurance policy for five years or more.
- Establishes the New York agriculture and rural jobs credit. This new credit program is available to companies that invest in rural parts of the state, as well as businesses involved in agriculture. This credit would apply to rural areas outside of cities and towns with populations more than fifty thousand residents. Credits may be issued by the Department of Taxation and Finance in an amount up to \$100 million for an eligible investment authority or more than \$65 million in credits for eligible capital contributions. This credit program would be available to businesses who have less than \$15 million in net income and employ fewer than two hundred and fifty employees.
- Establishes an exemption for school buses and parts, equipment, lubricants, and fuel purchased and used in the operation of school buses. Allows for the rejection to any extension of a current contract or new contract for transportation if the amount paid for by a school district does not reflect savings from the sales tax exemption on school buses, parts, equipment, lubricants, and fuel used in the operation of school buses.

- Establishes the Educational Affordability Tax Credit, which would allow taxpayers to receive a tax credit up to \$875,000 for contributions to educational programs, school improvement organizations, local education fund or various certified education funds. The maximum amount of credits issued would be \$150 million in 2019, \$225 in 2020, and in 2021 the maximum amount of credits would be \$300 million. In addition, taxpayers are eligible for a \$200 tax credit for the purchase of approved education materials for use in a non-public home setting. In addition, teachers and other school instructors teaching in a school setting are eligible for the same \$200 tax credit. This would also allow families with incomes below 725% of the poverty line to receive tax credits for the payment of tuition at approved private or parochial schools. The maximum credit would be the lesser of 12% of the total per pupil expenditure by the State, or 15% of the total tuition paid to the qualified school. One half of the annual cap will be available for qualified contributions made to public education entities (including charters), school improvement organizations (non-profits which use 90% of qualified contributions received under this act to assist public schools and public school districts), and local education funds (non-profits established for the purpose of supporting educational programs in at least 1 public school or school district which uses 90% of qualified contributions received under this act to support public schools or public school districts) and one half of the annual cap will be available to educational scholarship organizations (non-profits which use 90% of qualified contributions received under this act for scholarships to eligible pupils for use at no fewer than three qualified schools). Qualified schools can be public or nonpublic schools (including religious schools from Pre-K through High School).
- Expands the definition of “table game” to include dealer-controlled electronic table games, other than a slot machine. A “dealer-controlled electronic game” is defined as a table game operated by a live dealer in which the outcome is determined by the actions of the dealer, that uses electronics as part of the game’s operation in connection with the collection and payoff of wagers, but not to determine the game outcome.
- Allows video lottery facilities to receive the same percentage of free play allowance credits as the nearest commercial casino.
- Allows New York State to authorize up to eleven licenses to implement interactive gaming in the state. Interactive gaming means the conduct of games through the use of the internet or other communications technology that allows a person to place wagers electronically and use computer information to display the game, game outcomes, and other similar information. Eligible applicants for a license include entities licenses by the state to operate video lottery gaming and has experience in the operation of interactive gaming and entities licensed by the state to operate class III gaming facility.
- Allows persons under the age of eighteen to be permitted to pay any game or games of bingo if they are accompanied by an adult.
- Amends the statutory formula currently used for the calculation of racing support payments for the operation of video lottery gaming at VLT facilities at both the Nassau and Suffolk Off-Track Betting Corporations. This bill ensures that Nassau OTB VLTs and the VLTs operated by Suffolk OTB make their racing industry support payments regardless of the performance of the machines operated by Resorts World at Aqueduct.
- Provides Off-Track Betting Corporations flexibility one the timing of payments to counties. These corporations can determine in payments to the counties occur on an

annual, bi-annual, or quarterly basis. These payments cannot be divided more than thirty days after the close of the calendar year, the close of bi-annual year, or calendar quarter.

- Establishes the Racing Fan Advisory Council and an advisory council on retired horses
- Amends the Racing Law to create a more robust statutory framework for sports betting and institutes a tax on such gaming activity. The bill also repeals the current prohibition on wagering on collegiate events that take place in New York or which involve a New York college team. Sports betting would only be permitted at authorized casinos and played by those 21 or older who are physically present in the state. The bill also authorizes mobile sports wagering via the internet and on electronic devices such as computers and cellular phones. Sports betting would be taxed at the rate of 8.5% on gross revenue.
- Permits the New York Jockey Injury Compensation Fund to continue to use up to \$2 million from the New York Racing Association (“NYRA”) unpaid purse cushion to pay for the cost of workers’ compensation insurance procured by the NYJICF. In addition, the Assembly proposes to enable the establishment of a separate account to be used by New York Thoroughbred Horsemen’s Association solely as collateral to secure workers’ compensation insurance coverage.
- A new Sales tax exemption of tire equipment inflation is provided.
- Extends real property tax exemptions for specified agricultural use.
- Allows families to make a qualified withdrawal from their child's 529 College Savings Plan to pay for cost associated with k-12 non-public tuition. This proposal would change the state’s tax code to match the changes made under through enactment of the Federal Tax Cuts and Jobs Act.
- Includes combative sports in the imposition of tax on professional boxing, sparring, or wrestling match or exhibitions in the state. The tax is three percent of the gross receipts from broadcasting rights and gross receipts from digital streaming over the Internet. The tax may not exceed fifty thousand dollars for any match or exhibition.
- Allows taxpayers to make a gift to the State’s General Fund.
- A new Digital Media Gaming State Tax credit is provided.
- Limits the cash bond tobacco companies must pay before an appeal is heard on a lawsuit.
- Requires that occupancy charges from room rentals in NYS are redistributed to promote tourism.

Modifies Executive Proposals

- Increases the amount of reserves kept by the New York Racing Association from ninety days of operating expenses to three hundred and sixty-five days and modifies the provisions relating to the creation of an advisory committee on equine drug testing and research.
- The Senate modifies the Executive proposal to allow breeding funds to be used for equine aftercare but limit the amount of funds to three percent
- Modifies the calculation of the additional commission. The Senate advances language that will allow vendor tracks located within forty miles of a Native American class III gaming facility to be entitled to receive an additional hold harmless commission. The Senate also proposes to remove free play allowance credits from the calculation of the total amount wagered on video lottery games, total amount wagered after payout of prizes, the vendor fees payable to the operators of video lottery gaming facilities, fees

payable to the video lottery gaming equipment contractors, or racing support payments.

- Changes are made to the Executive 30 Day amendment proposal that insures the repatriated income that is taxed according to the 2017 Federal Tax reform cannot be used as a deduction and exemption. In these modifications, the Senate Republicans decouples from Federal tax structure for Gilti provisions (global intangible low-tax income) so business can continue to receive the exemption at the state level. This modification also decouples from the Federal Tax Act on deduction for FDIC expenses

Accepts Executive Proposals

- The Senate accepts the Executive proposal to make technical amendments to property tax laws.
- The Senate accepts the Executive proposal to extend the law authorizing the State to determine the assessment ceiling for telecommunication property for four years.
- The Senate modifies the Executive proposal to extend the statute of limitations on amended tax returns to three years instead of one year.
- The Senate accepts the Executive proposal to provide for employee wage reporting consistency between the Departments of Taxation and Finance and Labor: require employers to file individual employee gross wages and withholding amounts on a quarterly basis instead of on annual basis.
- The Senate accepts the Executive proposal that eliminates the requirement that businesses pay sales tax on food they resell and then apply for a tax credit from the state. Under this proposal, food service businesses would be able to purchase all products that they resell tax-free.
- The Senate accepts the Executive proposal to allow warrantless tax debt to be assessed against unclaimed funds: give the state the ability to collect fixed and final tax debt from the unclaimed funds held by the state Comptroller without filing a warrant.
- The Senate accepts the Executive proposal to maintain the current Empire State Child Credit benefit by using the calculation for the credit that was effective before the federal tax reform of December of 2017. The federal changes altered the refundability, eligible income ranges and value of the child credit. The proposal eliminates the adverse fiscal impact (estimated at \$500 million) that this component of federal tax reform would otherwise have on the state.
- The Senate accepts the Executive proposal to extend the Hire-a-Veteran Tax Credit for two years. The credit available to employers is capped at \$5,000 for each veteran hired, but that amount rises to \$15,000 for each disabled veteran that is hired. The credit would be extended through 2020.
- The Senate mostly accepts the Executive proposal to enhance the New York Youth Jobs Program to provide a 50% increase in the amount of tax credits available for employers who hire and employ at-risk youth on a full-time or part-time basis, but removes the ability to promulgate regulations on an emergency basis.
- The Senate accepts the Executive proposal to convert the veterinarian drug sales tax credit for livestock into a sales tax exemption for veterinarian and farmer livestock drug sales.
- The Senate accepts the Executive proposal to relieve non-controlling and non-managing members of limited liability corporations (LLCs) or limited partnerships (LPs) from

liability for the entire sales tax debt of the business. The current statutory obligation is to hold all owners of the LLC or LP equally responsible for the sales tax debt. This proposal codifies current Tax Department practice.

- The Senate accepts the Executive proposal to make technical changes to the local sales tax distribution laws to ensure conformity to the general provisions.
- The Senate accepts the Executive proposal allowing for night time horse racing at Belmont Park.
- The Senate accepts the Executive proposal to extend certain horseracing tax rates and simulcasting provisions for one year.
- The Senate accepts the Executive proposal to simplify the Video Lottery Gaming (VLG) rate.
- The Senate accepts the Executive proposal decoupling from certain personal income tax provisions in the federal tax code to allow taxpayers to utilize all the itemized deductions that were available in 2017. Additionally, the provision would preserve the standard deduction for single filers.

Transportation and Public Authorities

CHIPS

The Senate provides a \$65 million increase to CHIPS aid bringing the total FY 19 appropriation to \$542.8 million, which includes flat Marchiselli funding of \$39.7 million.

NY Works

The Senate provides a \$62 million increase to NY Works capital appropriations as follows:

- \$50 million restoration for bondable costs related to local bridge repair and construction;
- \$10 million for capital projects at Stewart and Republic Airports;
- \$1 million study on usage and location of X-Lite Guardrails; and
- \$1 million study on extending the LI Motor Parkway east from Winchester Blvd to Little Neck Parkway in Queens County.

Rejects Transfer of Department Operations from the DHBTF to the General Fund

The Senate rejects Executive proposals to shift support for multiple DOT (\$376m) and DMV (\$17.4m) operational programs, including snow and ice removal and multiple safety inspection programs, from the Dedicated Highway and Bridge Trust Fund to State Operations. The Senate also denies the Executive proposal to add 89 DMV staff to accommodate projected workload increases due to licensing cycles.

Non-MTA Capital Projects

The Senate provides an additional \$20 million for non-MTA capital purposes including costs of mass transportation projects and facilities, bringing total funding to approximately \$104.5 million.

Mass Transit Operating Aid

The Senate provides an additional \$27 million in DOT local mass transit operating aid, which is distributed as a 5.2% increase to each recipient. This equates to a \$16.3 million increase for

non-MTA downstate systems and \$10.7 million for upstate systems. Specific increases are as follows:

Downstate Non-MTA Operating Aid

- Rockland County - \$180,971
- Staten Island Ferry - \$1,765,456
- Westchester County - \$2,963,237
- Nassau County - \$3,583,984
- Suffolk County - \$1,394,035
- NYC DOT - \$4,717,894
- Formula Aid - \$1,711,351

Upstate Transit Systems

- CDTA - \$1,920,831
- CNYRTA - \$1,753,389
- RGRTA - \$2,128,970
- NFTA - \$2,765,590
- Formula Aid - \$2,114,292

Metropolitan Transportation Authority

The Senate concurs with the Executive proposal to fund the MTA, including the provision of \$368 million to comprise the “State share” of the Subway Action Plan (plus a projected \$60 million from PMT acceleration) and shifting the \$1.4 billion Payroll Mobility Tax off the State Budget to instead be collected and disbursed directly by the MTA.

Verrazano Narrows Bridge Commercial Vehicle Rebate

The Senate provides an additional \$3.5 million for costs associated with increasing the Verrazano Narrows Bridge residential rebate program.

Rural Medical Transportation Program

The Senate provides \$4 million for the Commissioner of Transportation to develop and submit a plan to the Governor and legislative leaders recommending equitable distribution for rural public transportation systems negatively impacted by changes in Medicaid reimbursements (non-emergency medical transportation) related to the Medicaid Redesign program.

Article VII

Department of Transportation

- The Senate rejects language imposing mandatory suspensions of motor carriers with US DOT-issued out of service orders.
- The Senate rejects language authorizing DOT to include “commercial” facilities at rest stops.
- The Senate accepts language authorizing the Public Transportation Safety Board to withhold funding to transit systems as an enforcement mechanism. This includes the

NFTA and MTA subway systems. The Executive asserts this language is necessary to receive federal transit funding.

- The Senate rejects language authorizing the imposition of semiannual \$120 inspection fees for non-public passenger motor carriers.
- The Senate rejects language authorizing DOT to charge for use of its right of way and create a small cell wireless program.

Thruway Authority

- The Senate rejects language exempting the Thruway Authority from public competitive bidding requirements for purposes of leasing its fiber optic system.

Department of Motor Vehicles

- The Senate modifies an omnibus traffic safety proposal (which largely includes bills it routinely passes like prohibiting youthful drivers from engaging in hands-free calls and expanding the definition of mobile phone usage), as well as the backseat seatbelt requirement. It includes railroad crossing camera enforcement language, but eliminates the provision dedicating the revenues to the local government. Reduces the fine from \$250 to \$100.
- The Senate modifies the proposal to extend the autonomous vehicle testing program to eliminate the requirement that a motorist operate a vehicle with one hand on the wheel immediately rather than in 2020.
- The Senate accepts the proposal to create an online pre-licensing or “five hour” program for driver’s license applicants.
- The Senate modifies the proposal to divert motor vehicle revenue streams to the Dedicated Highway and Bridge Trust Fund (DHBTF) by rejecting it in its entirety, and accepts the proposal to move MTA Payroll Tax revenues off-budget with a new condition that the revenue stream cannot be used to securitize bond issuances.

Metropolitan Transportation Authority

- The Senate rejects the proposal to authorize the MTA to use tax increment financing without the City of New York’s authorization.
- The Senate modifies the provision requiring the City of New York to cover capital costs for the New York City Transit Authority to eliminate that requirement, but retains language obligating the City of New York to provide a matching appropriation to any State appropriation made pursuant to a disaster declaration.
- The Senate rejects the proposals to speed up several MTA procurement procedures and exempt more contracts from lowest competitive bid requirements.
- The Senate rejects the proposal to be implementing the Fix NYC panel’s recommendations regarding enforcement of blocking the box violations, parking placard abuse, and equipment to lay the framework for imposing a surcharge on for-hire vehicles.

The Senate one-house includes a variety of bills that frequently pass the house without any movement in the Assembly:

- Creating the New York Microgrids Act, directing NYSERDA to establish a microgrids grant program in an attempt to reduce electricity rates. NYSERDA already operates the

NY Prize program, which focuses on reducing costs, improving resiliency, and spurring innovative partnerships. It emphasizes microgrid usage. (S.4490-A/Hamilton) Passed with objection from Senators Hoylman, Krueger, and Squadron in 2017.

- Directing NYSERDA to develop a mobile app showing where the nearest electrical vehicle charging station is located.
- Authorizes municipalities to send parking tickets by mail. There were two negative votes and seven AWRs on this bill, S.4310/Amedore, in the Transportation Committee earlier this year. AAA of NYS opposes this language as drafted due to the lack of due process protections.
- Requires DMV to issue only Real ID-compliant licenses and non-driver identification cards. This legislation received 19 negative votes in 2017 because it was viewed as a privacy encroachment and as an alternative way of preventing undocumented immigrants from getting driver's licenses. Last year's budget already included language preparing the State to issue more Real ID-compliant licenses. Senators Alcantara, Hamilton, and Peralta all voted against this bill in 2017.
- Imposes a minimum penalty of \$300 and/or 30 days' incarceration for traffic infractions resulting in serious bodily injury or death. This bill, S.1670/Funke, was criticized by Senators Hassell-Thompson and Krueger for being misaligned with the harm caused.
- Adds a toll exemption for residents of Kings County who use the Verrazano-Narrows Bridge, modeled after the exemption authorized for Richmond County residents. Senator Krueger opposed this bill in 2016 (S.1744 currently).
- Adds a modification permitting ATVs to weigh 1500 pounds dry weight, a 50% increase. This proposal is opposed by environmental groups like Environmental Advocates and the Adirondack Council. Identical legislation passed 36-24 in 2013, with bipartisan objection, and has not been back on the floor since. (S.1909/Ritchie)
- Adds language directing funds to the STOP-DWI program to close an unfunded mandate and assist with ignition interlock oversight.
- Expands interagency coordinating committee on rural public transportation and requires analysis of transportation options such as transportation managers.
- Eliminates the requirement that DMV notify vehicle registrants that their information will be furnished to a contracting party, and eliminates the requirement that DMV tell vehicle registrants how to have their information deleted. (S.2584/Gallivan)
- Enacts the "toll payer protection act" to require expedited notice of a payment due by text or email and provide various protections against late fees. (S.7344-A/Carlucci)
- Creates a toll advisory task force for evaluating the Thruway Authority's rates and discount options. (S.5092/Carlucci)
- Provides 10% discount on license renewal fees for senior citizens.
- Updates the arterial maintenance reimbursement for inflation.
- Requires DOT to study extension of Long Island Motor Parkway bikeway in Queens. (S.1566/Avella) DOT points out that this is a City issue and that it does not have jurisdiction.
- Imposes mandatory 60-day suspension for two speeding violations in school zone within 18 months. S.336/Peralta.
- Creates the "Guardians for schools" distinctive license plate and dedicates any resulting service charge revenues to school security measures. This was S.7847/Tedisco, which

received negative votes from Senators Hoylman, Kavanagh, Krueger, and Rivera during the Majority's gun safety rollout.

- Requires DOT to promulgate rules regarding X-Lite guardrails, specifically naming the company and product being targeted. (S.5427-A/Young). This bill poses constitutional concerns as a potential "bill of attainder" for targeting a specific company, and it also appears to be moot as the Sponsor announced on her website that DOT already committed to eliminating this type of guardrail.
- Expands definition of authorized emergency vehicle to include human organ delivery vehicles.
- Creates a database of deals for economic development projects. (S.6613-B/Croci) Supported by good government groups like Reinvent Albany.
- Amends the Public Authorities Control Board (PACB) enacting law to require additional information on loan terms, job projections, funding sources, and so on. (S.7697/DeFrancisco) It is unclear why the PACB could not already attach such stipulations as a condition to voting on a measure.
- Requires ESDC to create a community development revolving loan program to provide low-interest loans or loan guarantees in low-income neighborhoods. ESDC already has a host of revolving loan funds for these purposes, including the Microenterprise Fund and Small Business Revolving Loan Fund. (S.7703/Hamilton).
- Authorizes New York City to use design-build for the Brooklyn-Queens Expressway triple cantilever project. However, the bill also adds a requirement that a police officer be assigned to every school in the City of New York unless there is a state of emergency.
- Requires the Comptroller to withhold \$428 million in sales and use taxes assessed by the City of New York and pay it to the MTA, ostensibly to cover its "share" of the Subway Action Plan. Senators Hoylman and Kavanagh opposed this bill in committee, and Senators Benjamin and O'Mara were AWRs. (S.7658/Klein).

Miscellaneous

- Establishes a complete count commission to improve New York's census collection practices. (S.5809-A/Klein)

Design-Build

The Senate rejects the proposal to expand and extend design-build authorization to DASNY, DOH, ORDA, OGS, and ESDC.

The Senate includes a proposal to authorize New York City to use design-build for the Brooklyn-Queens Expressway, but included in that authorization is the proposal requiring placement of NYPD officers at every school in the City.

DASNY

The Senate rejects the proposed extension of the authorization for DASNY to create subsidiaries for purposes of insulating itself from liability related to taking control of distressed entities.

The Senate also adds the Cerebral Palsy Associations of New York State and its non-profit members to the list of entities eligible to receive Dormitory Authority financing and technical assistance. An array of cerebral palsy associations are already covered under current law.

Veterans Affairs

Division of Veterans Affairs

The Senate modifies the Executive Budget proposal by restoring funding for the following programs:

- \$300,000 for Warrior Salute program;
- \$250,000 for the Legal Services Hudson Valley Veterans Family Advocacy Project;
- \$250,000 for the New York State Defenders Association Veterans Defense Program;
- \$250,000 for Veterans Outreach, Inc. Center Monroe County;
- \$125,000 Senate Republican Conference for New York State Veterans of Foreign Wars United State Field Service Operations;
- \$100,000 for the Legal Services Hudson Valley Veterans Family Advocacy Project in *Westchester*;
- \$100,000 for SAGE Veterans' project; and,
- \$50,000 for the Vietnam Veterans of America New York State Council.

Article VII

The Senate Majority accepts the Executive proposal to extend the Hire-a- Vet tax credit program to 2020.

Women's Agenda

Sexual Harassment

The Senate does not include any provisions related to sexual harassment in their one-house budget proposal. In the resolution text, the Senate claims to “modify” the Executive proposal on sexual harassment but provides no additional details as to its modifications.

Restrictions on Firearms for Domestic Abusers

The Senate One-House proposal eliminates the Executive's proposal to expand restrictions on the abilities of domestic abusers to possess firearms. The Senate Majority states that it supports the protection of domestic violence victims and will consider the Governor's proposal to limit access to firearms for abusers. No additional language was included in the One-House bills that addressed firearms for domestic abusers.

New Sexual Extortion and Revenge Porn Crimes

The Senate One-House Proposal eliminates the Executive's proposal to create new crimes of Sexual Extortion and Unlawful Publication of Sexual Images.

Health-Related Provisions

The Senate does include provisions in other bills related to diaper changing stations in restrooms, lactation rooms in public buildings, the storage of forensic rape kits at hospitals, and the creation of a sexual assault survivor bill of rights, and a study relating to insurance coverage for in vitro fertilization.. In the budget resolution, the Senate "notes" that the Comprehensive Contraception Act was not included because it is "already in regulations" (regulations from January 2017 that mirror most of the Act do not cover the full Contraceptive Coverage Act).