



## DEMOCRATIC CONFERENCE / COUNSEL AND FINANCE

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Date: April 3, 2017  
To: Senate Democratic Conference Members  
From: Counsel and Finance Staff  
Re: Appropriations Budget Extender Super-highlights

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The following provides a brief analysis of the proposals within the Governor's Appropriations Extender bill put before the Legislature for enactment.

The overall emergency appropriation is based on the Three-Way agreed to items without any legislative adds using the Governor's 30-Day amendments (A version) budget bills for State Operations, Aid to Localities and Capital Projects. The period covered under this emergency appropriation is from April 1 to May 31, 2017. There is no walkthrough provided to determine the overall rationale of the Executive emergency appropriation. Agencies are included in the same form and organized as in the appropriation bills.

As a general matter, the appropriations for Aid to Localities and State Operations are a fractional amount of the yearly appropriation, representing a stop-gap measure until late May. On the other hand, the Capital Projects allocations mostly provide full funding as proposed in the Executive Budget. According to the Division of the Budget, this is due to certain legal and technical needs of such projects to have clear full-year funding authorization in order to allow the project to move forward.

### **Agriculture, Environment and Parks**

#### **Department of Agriculture and Markets**

##### **State Operations**

The Extender provides \$19.9 million for the Department of Agriculture and Markets operations. This represents 18.2% of the appropriations proposed in the Executive Budget.

##### **Aid to Localities**

The Extender eliminates Department of Agriculture and Markets Aid to Localities program funding, providing only reappropriations. The Executive Budget had provided a total of \$41.5 million for this purpose.

##### **Capital**

The Extender includes the full Executive Budget proposal of \$56.2 million for Department of

Agriculture and Markets capital funding. This appropriation primarily consists of \$52.5 million in new NYS Fairground renovation capital.

## Department of Environmental Conservation

### **State Operations**

The Extender provides \$75 million for Department of Environmental Conservation operations. This represents 16.7% of the appropriations proposed in the Executive Budget.

### **Aid to Localities**

The Extender concurs with the Executive Budget and provides no Aid to Localities funding within DEC appropriations, providing only reappropriations.

### **Capital**

The Extender provides \$3.4 billion in capital appropriations for DEC. This is an increase of \$500 million over the Executive Budget, consisting of a 3-way agreed upon funding increase to water quality infrastructure funding. Notable appropriations include:

- \$2.5 billion water infrastructure funding- This appropriation includes the 3-way agreed upon language for how the money would be spent, however, consistent with the agreement, \$1 billion of this funding is to be spent pursuant to the NYS Water Infrastructure Improvement Act of 2017 – which is not included in the extenders.
- \$300 million Environmental Protection Fund- The EPF internal spending categories and line items are as proposed by the Executive.

## Office of Parks, Recreation and Historic Preservation

### **State Operations**

The Extender provides \$37.6 million for OPRHP operations. This represents 16.7% of the appropriations proposed in the Executive Budget.

### **Aid to Localities**

The Extender eliminates OPRHP Aid to Localities appropriations, including only reappropriations. The Executive Budget had provided \$9.3 million, consisting of federal and special revenue accounts.

### **Capital**

The Extender provides \$187.7 million in capital appropriations for OPRHP. This is a \$31 million reduction from the Executive Budget proposal of \$208.7 million. These cuts include various specialty sub accounts of the State Parks Infrastructure Fund (SPIF). However, the Extender does

include the full \$120 million proposed in the Executive Budget for NY Works capital funding.

Empire State Trail: The Extender eliminates proposed \$200 million in capital appropriations for the Empire State Trail. The Executive Budget and 3-way Draft Capital Budget each appropriated \$123 million for this purpose to the Hudson River Valley Greenway Communities Council and \$77 million to the NY Power Authority.

## **Economic Development**

### **Department of Economic Development**

#### **State Operations**

The Extender provides \$8.4 million for State Operations for the Department of Economic Development. This 31.2% of the Executive proposal of \$26.9 million.

#### **Aid to Localities**

The Extender provides \$16.7 million for Aid to Localities for the Department of Economic Development. This amount is 27.3% of the Executive proposal of \$61.3 million. This funding includes:

- \$1.45 million for the Centers of Excellence (\$145,388 for each center)
- Centers for Advanced Technology (\$2.3 million)
- Technology Development Organization Matching Grants (\$231,000)
- Industrial Technology Extension Service (\$153,500)
- SUNY Polytechnic Institute and RPI Focus Center (\$501,000)
- High Technology Matching Grants Program (\$1 million)
- NY State Innovation Hot Spots and NY State Incubators (\$834,000)
- Marketing and Advertising (\$1.9 million)
- Training and Assistance Program (\$8.2 million)

### **Urban Development Corporation**

#### **Aid to Localities**

The Extender provides \$17.9 million in Aid to Localities for the Urban Development Corporation. This amount is 16.7% of the Executive proposal of \$107.6 million.

This funding includes:

- MWBE Development and Lending Program (\$106,000)
- Federal Community Development Financial Assistance Program (\$250,000)
- Entrepreneurial Assistance Program (\$295,000)
- Retention of professional football in Western New York (\$768,000)
- Urban and Community Development Program (\$568,000)
- Empire State Development Fund (\$4.4 million)

- Advertising for Open for Business, Global NY Initiative, Excelsior Business Program/formerly START-UP NY (\$11.6 million)

## **Capital Projects**

The Extender provides \$2.39 billion for Capital Projects for the Urban Development Corporation, which is 100% or the same as the Executive proposal. The Extender includes the following:

Rejects the following Executive proposals (Note: while these items are omitted in the Extender, the total Capital Projects funding amount equals the Executive proposal which included these programs):

- Life Sciences Laboratory Public Health Initiative (\$150 million);
- New York Works Economic Development Fund (\$199 million); and
- Orlando LGBT Terrorist Attack Memorial (\$1 million).

Accepts the following Executive proposals:

- Clarkson-Trudeau Partnership for biotech industry in North Country (\$5 million);
- NY SUNY 2020 Challenge Grant Program (\$55 million);
- NY CUNY 2020 Challenge Grant Program (\$55 million);
- New York Power Electronic Manufacturing Consortium (\$33.5 million);
- Retention of professional football in Western New York—Buffalo Bills (\$2.278 million);
- Market NY Program (\$8 million);
- Regional Economic Development Council Initiative (\$150 million);
- Cultural, Arts and Public Spaces Development Fund (\$10 million);
- Kingsbridge National Ice Center (\$108 million); SDC supports this funding;
- Moynihan Station Project (\$700 million);
- Life Sciences Initiative (\$300 million);
- SUNY Polytechnic Strategic Projects Program (\$207.5 million);
- Drinking Water Upgrade for the City of Auburn & the Town of Owasco (\$2 million); and
- Buffalo Billion Squared (\$400 million); SDC supports this funding.

## **Energy & Telecommunications**

### **Department of Public Service**

#### **State Operations**

The Extender provides \$18.6 million in State Operations for the Department of Public Service. This amount is 19.5% of the Executive proposal of \$95.7 million.

#### **Aid to Localities**

The Extender provides no funding in Aid to Localities for the DPS.

## New York State Energy Research and Development Authority (NYSERDA)

### **Capital Projects**

The Extender accepts the Executive proposal for Capital Projects of \$15.6 million for NYSERDA.

### **Education**

#### State Education Department

The emergency appropriation provides approximately 16% of the overall appropriation. For example, the State Education Department emergency appropriation is \$98.5 million or 16.4% of the \$600.8 million overall appropriation for 2017-2018.

### **Aid to Localities**

The emergency appropriation provides \$5.5 billion or 16.1% percent of the overall Aid to Localities appropriation of \$34.4 billion. The following programs are included within the \$5.5 billion appropriation:

- \$4.39 billion for School Aid;
- \$11.5 million nonpublic;
- \$60 million for Summer School Special Education
- \$175 million for preschool special education

### **Capital Projects**

The emergency appropriation includes \$42.4 million or 100% of the overall Capital projects amount included in the Executive Budget proposal.

### **General Government**

#### **General Government**

#### ***State Operations***

##### Alcoholic Beverage Control

The Executive's 2 month appropriation Extender, allocates \$2.5 million in the All Funds account, which is 18.45% of the Final Budget proposed allocation of \$13.3 million in State Operations.

##### Department of Audit and Control

The Executive's 2 month appropriation Extender, allocates \$51.5 million in the All Funds

account, which is 17.13% of the Final Budget proposed allocation of \$300.7 million in State Operations.

#### Division of the Budget

The Executive's 2 month appropriation Extender, allocates \$5.2 million in the All Funds account, which is 10.34% of the Final Budget proposed allocation of \$50.2 million in State Operations.

#### Department of Civil Services

The Executive's 2 month appropriation Extender, allocates \$11.3 million in the All Funds account, which is 20.28% of the Final Budget proposed allocation of \$55.5 million in State Operations.

#### State Board of Elections

The Executive's 2 month appropriation Extender, allocates \$2.9 million in the All Funds account, which is 25% of the Final Budget proposed allocation of \$11.6 million in State Operations.

#### Executive Chamber

The Executive's 2 month appropriation Extender, allocates \$2.5 million in the All Funds account, which is 14.19% of the Final Budget proposed allocation of \$17.8 million in State Operations.

#### Office of the Lieutenant Governor

The Executive's 2 month appropriation Extender, allocates \$104,000 in the All Funds account, which is 16.51% of the Final Budget proposed allocation of \$630,000 in State Operations.

#### Department of Financial Services

The Executive's 2 month appropriation Extender, allocates \$64.5 million in the All Funds account, which is 18.26% of the Final Budget proposed allocation of \$353.1 million in State Operations.

#### Office of General Services

The Executive's 2 month appropriation Extender, allocates \$206.5 million in the All Funds account, which is 20% of the Final Budget proposed allocation of \$1 billion in State Operations funding.

### Office of Information Technology Services

The Executive's 2 month appropriation Extender, allocates \$153.7 million in the All Funds account, which is 20% of the Final Budget proposed allocation of \$768.4 million in State Operations funding.

### Public Employment Relations Board

The Executive's 2 month appropriation Extender, allocates \$807,000 in the All Funds account, which is 20.26% of the Final Budget proposed allocation of \$4 million in State Operations funding.

### Department of the State

The Executive's 2 month appropriation Extender, allocates \$13 million in the All Funds account, which is 18.60% of the Final Budget proposed allocation of \$69.4 million in State Operations funding.

### Deferred Compensation Board

The Executive's 2 month appropriation Extender, allocates \$179,000 in the All Funds account, which is 20% of the Final Budget proposed allocation of \$892,000 in State Operations funding.

### General State Charges

The Executive's 2 month appropriation Extender, allocates \$2.6 billion in the All Funds account, which is 64% of the Final Budget proposed allocation of \$4 billion in State Operations funding.

### ***Aid to Localities***

#### Department of Audit and Control

The Executive's 2 month appropriation Extender, allocates \$32 million in the All Funds account, which is the same as the Final Budget proposed allocation of \$32 million in Aid to Localities funding.

#### Department of Financial Services

The Executive's 2 month appropriation Extender, allocates \$10.3 million in the All Funds account, which is 16.75% of the Final Budget proposed allocation of \$61.2 million in Aid to Localities funding.

#### Department of State

The Executive's 2 month appropriation Extender, allocates \$12.5 million in the All Funds

account, which is 16.67% of the Final Budget proposed allocation of \$74.8 million in Aid to Localities funding.

### ***Capital Projects***

#### Department of Audit and Control

The Executive's 2 month appropriation Extender, reappropriates \$6 million for the purposes of services and expenses related to the acquisition and development of technology for the IT INITIATIVE PROGRAM. This is the same reappropriations proposed in the Final Budget for Capital Projects funding.

#### Office of General Services

The Executive's 2 month appropriation Extender, allocates \$137 million in the All Funds account, which is 54.9% of the Final Budget proposed allocation of \$249.6 million in for Capital Projects funding.

#### Office of Information Technology Services

The Executive's 2 month appropriation Extender, allocates \$85.7 million in the All Funds account, which is the same as the Final Budget proposed allocation of \$85.7 million in for Capital Projects funding.

#### Department of Taxation and Finance

### **State Operations**

The Extender provides \$83.289 million regarding State Operations for the Department of Taxation and Finance. This represents 18.4% of the Executive Budget recommendation of \$451.593 million.

#### Division of Tax Appeals

### **State Operations**

The Extender provides \$581,000 regarding State Operations for the Division of Tax Appeals. This represents 19.1% of the Executive Budget proposal of \$3.040 million.

#### State Board of Elections

The extender provides \$2.894 in operating funds. The original Executive proposal for the agency was \$11.5 million.

#### State Gaming Commission



The extender provides \$19.951 million in All Funds under this proposal. The original Executive agency proposal, which both houses accepted, provided \$113.6 in All funds for the year. The new appropriation for the Racing Fan Advisory Council has been reduced from \$100,000 to \$34,000.

## **Health/Medicaid**

### **Department of Health**

The emergency spending appropriation provides \$274.33 million in All Funds support for State Operations, including the following:

- \$32.68 million for the Administration Program;
- \$32.68 million for the Center for Community Health Program;
- \$5 million for the Center for Environmental Health Program;
- \$23.64 million for the Child Health Plus Program;
- \$2.16 million for the Elderly Pharmaceutical Insurance Coverage Program;
- \$10.06 million for the Essential Plan Program;
- \$2.55 million for the Health Care Reform Act Program;
- \$24 million for the Institutional Management Program;
- \$1.33 million for the Medical Marijuana Program;
- \$105.34 million for the Office of Health Insurance Program;
- \$10.98 million for the Office of Primary Care and Health Systems Management; and
- \$12.42 million for Wadsworth Center for Laboratories and Research Program.

The emergency spending appropriation provides \$1.17 billion in All Funds support for Aid to Localities, including the following:

- \$150.69 million for the Center for Community Health Program;
- \$614.50 million for the Center for Environmental Health Program;
- \$271.96 million for the Child Health Plus Program;
- \$693.89 million for the Essential Plan Program;
- \$24 million for the Institutional Management Program;
- \$53.33 million for the Office of Health Insurance Program;
- \$166.67 million for the Office of Primary Care and Health Systems Management; and
- \$613.67 million for Wadsworth Center for Laboratories and Research Program.

It should be noted that there is no new appropriation authority for the Medical Assistance (Medicaid) Program.

The emergency spending appropriation provides \$187.62 million in All Funds support for Capital spending. This level of funding represents the full year appropriation contained in the SFY 2017- 18 Final Budget.

## **Higher Education**

The emergency appropriation provides the following amounts for Higher Education Agencies in the Extender Budget.

### **State Operations**

- The Extender Budget provides CUNY with \$253.9 million in fiduciary funds for the CUNY Senior College Operating Fund. This is the same amount appropriated in the Executive Budget.
- SUNY did not receive any funds from the State in the Executive's Extender Budget.
- The Executive provides \$129,690 for the College Choice Tuition Savings Program. This is a reduction of 80% over what was included in the Executive's Budget.

### **Aid to Localities**

- The New York State Council on the Arts did not receive any funds from the State in the Executive's Extender Budget.
- CUNY did not receive any funds from the State in the Executive's Extender Budget.
- Independent Colleges would receive \$10.5 million under the Executive's Extender Budget. This is 30% of what this fund would receive under the Executive Budget.
- The Higher Education Services Corporation did not receive any funds from the State in the Executive's Extender Budget.
- SUNY did not receive any funds from the State in the Executive's Extender Budget.

### **Capital Projects Budget**

- CUNY would receive \$401.6 million in Capital Projects funding. There are no reductions or changes from the Executive Proposal.
- SUNY would receive \$889.2 million in All Funds Capital Projects funding. There are no reductions or changes from the Executive Proposal.

## **Housing**

### **Division of Housing and Community Renewal**

#### **State Operations**

The Extender allocates \$18.9 million in funding for state operations. This represents 20% of overall appropriations included in the Executive Proposal.

- Includes \$1.9 million to the Finance & Development Community Development Program
- Includes \$67,000 for the Office of Community Renewal
- Includes \$4.6 million to the Office of Housing Preservation Housing Program (OHP)
- Includes \$944,000 for OHP-LOW Income Weatherization Program
- Includes \$8.7 million for OHP-RENT Administration Program
- Includes \$2.5 million for Office of Professional (OPS) Services Administration Program
- Includes \$231,000 in OPS-Housing Information System Program

#### **Aid to Localities**

The Extender allocates \$15.6 million in funding for aid to localities. This represents 18% of overall appropriations included in the Executive Proposal.

- Includes \$8 million for the OCR-Small Cities Community Development Block Grant Program
- Includes \$6.5 million for the OHP-Low Income Weatherization Program
- Includes \$1.1 million for the OHP- Periodic Subsidies Local Area Program

## **Capital Projects**

The Extender concurs with the Executive Proposal providing \$623 million for capital projects. As in the Executive proposal, the extender eliminates the \$2 billion Memorandum of Understanding for Affordable and Homeless Housing Plan from the SFY 2016-2017 Enacted Budget but preserves the funding associated with this appropriation within reappropriations in the SFY 2017-18 Executive Budget. In addition, the extender adds \$527 million to the Affordable and Homeless Housing Plan; providing a total of \$2.5 billion.

In accordance with the 3-way agreement, the extender provides a lump sum for the \$2.5 billion in capital funds for the Housing and Homelessness Plan but does not provide any specific details as to how that money will be spent by DHCR. A final MOU may be forthcoming but details are unavailable.

## **Labor and Workforce**

### **Department of Labor**

The budget extender appropriates to the Department of Labor \$121.59 million, approximately 21% of the Executive Budget proposal of \$578 million.

The extender also allocates in aid to localities \$663.634 million, approximately 21% of the Executive Budget proposal of \$3.1 billion. While this amount includes the necessary authorization for unemployment insurance payments and federal workforce funding, no funding has been allocated for training programs out of the proposed \$15 million legislative adds from the general fund.

### **Workers' Compensation Board**

The extender appropriates \$50.29 million to the Workers' Compensation Board, approximately 25.7% of the proposed \$195 million allocation in the Executive Budget for state operations. The Board is also provided the full reappropriation for the \$60 million capital initiative passed in the 2015 budget for a modernization program.

## **Local Government**

### **Aid to Localities**

The Budget Extender contains a \$41,139,000 All Funds appropriation, about 5 percent of the Executive's proposal of \$815 million. This includes \$11,139,000 in General Fund support to Local Governments in the form of Aid and Incentives to Municipalities (AIM) Base Level Grants, about 1.6 percent of the \$715 million in the Executive's proposal and the agreed-upon Aid to Localities bill. It also includes the \$30 million in Fiduciary Funds contained in the Executive and agreed-upon bills to cover contingency appropriation requirements. All other appropriations, including funding for the Citizen Empowerment Tax Credit, Citizens Re-Organization Empowerment Grant, Aid to Municipalities with Video Lottery Gaming Facilities, Village Per Capita Aid, and Miscellaneous and Small Government Assistance, have been omitted.

The Budget Extender includes \$417,000 for the Financial Restructuring Board, about 16.6 percent of the Executive's \$2.5 million proposal.

### **Mental Hygiene**

#### **Justice Center for the Protection of People with Special Needs**

The emergency spending appropriation provides \$8.99 million in All Funds support for State Operations for the Program Oversight Program.

The emergency spending appropriation provides \$109.00 million in All Funds support for Aid to Localities for the Community Support Program.

#### **Department of Mental Hygiene**

The emergency spending appropriation provides \$100 million in All Funds support for State Operations, for the Patient Income Account.

#### **Office of Alcoholism and Substance Abuse Services**

The emergency spending appropriation provides \$23.55million in All Funds support for State Operations, including the following:

- \$10.64 million for the Executive Direction Program; and
- \$12.91 million for the Institutional Services Program.

The emergency spending appropriation provides \$127.11 million in All Funds support for Aid to Localities, including the following:

- \$104.16 million for the Community Treatment Services Program; and
- \$22.96 million for the Prevention and Program Support Program.

The emergency spending appropriation provides \$68.00 million in All Funds support for Capital spending.

## Office of Mental Health

The emergency spending appropriation provides \$380.33 million in All Funds support for State Operations, including the following:

- \$18.34 million for the Administration and Finance Program;
- \$249.81 million for the Adult Services Program;
- \$41.38 million for the Children and Youth Program;
- \$54.55 million for the Forensic Services Program; and
- \$16.25 million for the Research in Mental Illness Program.

The emergency spending appropriation provides \$364.57 million in All Funds support for Aid to Localities, including the following:

- \$300.86 million for the Adult Services Program; and
- \$63.71 million for the Children and Youth Program.

The emergency spending appropriation provides \$374.47 million in All Funds support for Capital spending.

## Office for People with Developmental Disabilities

The emergency spending appropriation provides \$407.26 million in All Funds support for State Operations, including the following:

- \$21.48 million for the Central Coordination and Support Program;
- \$263.92 million for the Community Services Program;
- \$116.66 million for the Institutional Services Program.; and
- \$5.20 million for the Research in Developmental Disabilities Program.

The emergency spending appropriation provides \$376.72 million in All Funds support for Aid to Localities for the Community Services Program.

The emergency spending appropriation provides \$86.00 million in All Funds support for Capital spending. This level of funding represents the full year appropriation contained in the SFY 2017-18 Final Budget.

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## **Transportation**

### Department of Transportation

#### **State Operations**

Total State Ops appropriations for the Department of Transportation (DOT) are more than \$12 million, or roughly 26% of its total proposed appropriations of \$46 million for the year.

## **Aid to Localities**

Total ATL appropriations for DOT are more than \$759 million, or roughly 14.6% of its total proposed appropriations of \$5.197 billion for the year in the 30-Day Amendments.

## **Capital Projects**

Total Capital Projects appropriations for DOT are roughly \$5.6 billion, or roughly 84% of the total proposed appropriations of \$6.65 billion for the year in the 30-Day Amendments.

The appropriations line for Federal Capital remains at 100%, while the Special Revenue line for Federal programs (operating) is funded at 33% and the State's Capital Projects Funds are at roughly 76% of total proposed funding. The agreed-upon adds have been removed.

## Department of Motor Vehicles

### State Operations

Total State Ops appropriations for the Department of Motor Vehicles (DMV) are more than \$10 million, roughly 11.4% of its total proposed appropriations of \$89 million for the year.

## **Aid to Localities**

Total ATL appropriations for DMV are roughly \$3.6 million, or nearly 17% of its total proposed appropriations of \$21.8 million for the year.

## **Capital Projects**

Total Capital Projects appropriations for DMV are \$56 million, or more than 24% of its total proposed appropriation of \$231.4 million for the year.

## Metropolitan Transportation Authority

### **Aid to Localities**

The Extender language does not include an appropriation for MTA in Aid to Localities. The Executive's proposed appropriation was \$2.46 billion. It is an appropriation that actually serves as a contingency to keep MTA operations funded if the 2018-19 State Budget is not enacted on time.

### **Capital Projects**

Total Capital Projects Appropriations for MTA are \$1.467 billion, which is the full amount of the Executive's proposed budget. It does not include the \$65 million to offset the Payroll Tax offset reductions that was included in the three-way agreed language shared by the Senate

Majority.