



DEMOCRATIC CONFERENCE / COUNSEL AND FINANCE

Date: April 1, 2017
To: Senate Democratic Conference Members
From: Counsel and Finance Staff
Re: State Ops Agreed-Upon Budget Bill Super-Highlights

The following provides analysis on the super-highlights of the 2017 agreed-upon state operations budget bill.

Agriculture, Environment and Parks

The Final Budget includes no significant state operations funding changes from the Executive Budget for agencies comprising the Agriculture, Environment and Parks programmatic area, other than a \$278,000 increase in a Department of Agriculture and Markets federal health and human services fund (increased from \$844,000 to \$1.2 million).

- Adirondack Protection Agency- \$4.6 million
- Department of Agriculture and Markets- \$109.6 million
- NYS Council on the Arts- \$4.4 million
- Department of Environmental Conservation- \$450.1 million
- Olympic Regional Development Authority- \$4 million
- Office of Parks, Recreation, and Historic Development- \$225.7 million
- Green Thumb- \$3.2 million
- Greenway Heritage Conservancy for the Hudson River Valley- \$166,000
- Hudson River Valley Greenway Communities Council- \$185,000

Economic Development and Energy

Department of Economic Development

The Final Budget accepts the Executive proposal of \$26.9 million for State Operations.

Department of Public Service

The Final Budget accepts the Executive proposal of \$95.7 million for State Operations.

Education

State Education Department

The Final Budget includes \$600.8 million for the State Education Department, the same amount of funding included in the Executive Budget proposal.

General Government

Board of Elections

The Final Budget includes no significant state operations funding changes from the Executive Budget for the State Board of Elections.

- BOE- \$11.6 million

Division of the Budget

The Final Budget provides an appropriation of \$50.7 million, representing a restoration of \$527,000 for additional contractual services.

Department of State

The Final Budget appropriates \$70 million in funding; an increase of \$600,000 for the Business and Licensing Services Program.

Gaming Commission

The Final Budget includes an All Funds appropriation of \$113.7 million in state operations funding for the Gaming Commission, an increase of \$100,000 from the Executive Budget. The additional funds relate to the administration and operation of the New York State Racing Fan Advisory Council, specifically, an increase of \$5,000 for supplies and materials, an increase of \$10,000 for travel expenses, and an increase of \$85,000 for contractual services.

The Final Budget includes no significant State Operations funding changes from the Executive Budget for the following agencies:

- Alcoholic Beverage Control- \$13.3 million
- Audit and Control- \$300.7 million
- Executive Chamber- \$17.9 million
- Lieutenant Governor- \$630,000
- Department of Financial Services- \$353.1 million
- Office of General Services- \$1.0 billion
- Office of Information Technology Services- \$768.4 million
- Department of Civil Services- \$55.5 million
- Public Employment Relations Board- \$4 million
- Deferred Compensation Board- \$892,000

Health/Medicaid

Department of Health

The Final Budget provides \$3.67 billion in All Funds support for State Operations reflecting an increase of \$98.2 million from the Executive Budget. This increase is attributed to the following:

- \$170 million in increased support under the Medical Assistance Administration Program, including a General Fund increase of \$12.3 million for personal service expenses and \$156.6 million for contractual services, and a Special Revenue Federal increase of \$1 million for non-personal services.

- This increase is offset by a reduction of \$71.7 million attributed to the elimination of the New York State of Health Program.

Office of Medicaid Inspector General

The Final Budget concurs with the Executive recommendation and provides \$50 million in All Funds support for State Operations.

Justice Center for the Protection of People with Special Needs

The Final Budget concurs with the Executive recommendation and provides \$53.9 million in All Funds support for State Operations.

Defunding Of Health Exchange

The Executive Budget proposed \$71.7 million in funding for the continued operation of the New York State of Health Insurance Exchange. The 3-way agreement removes this specific funding for the Health Insurance Exchange, but an increase in the Medicaid appropriation may cover this funding.

1. Why was the specific funding request of \$71.7 million for the New York State of Health Insurance Exchange removed?
2. Is there funding elsewhere in the Budget to ensure that the Health Exchange is able to continue to operate? Where is this funding and how much?
3. The NY State of Health Exchange allows New Yorkers to shop and compare health insurance plans and sign up for coverage through a commercial insurance plan, Basic Health Plan, or Medicaid.
4. 3.6 million New Yorkers have used NY State of Health Exchange to sign-up for Health Insurance. Nearly 1 in 5 New Yorkers have received health insurance coverage through NY State of Health.
5. Since the Exchange went live in 2013, New York's uninsured rate dropped from 10% to 5%.

Higher Education

Operating Aid

The Final Budget provides \$542 million in operating aid for CUNY Senior Colleges. The Final Budget provides \$996.8 million in operating aid for SUNY State Operated Colleges. This is the same amount of funding included by the Executive.

Rational Tuition Increase

The Final Budget includes language authorizing SUNY and CUNY to raise tuition. The State Operations three-way agreement provides authorization for a \$200 tuition increase. Article VII language should clarify the specific amount of the tuition increase authorization.

Opportunity Programs

The Final Budget includes restored funding for educational opportunity programs at SUNY and CUNY. Notable increases included in the State Operations Budget include:

- Additional \$5.4 million for EOP, this would bring total funding to \$32.2 million;
- Additional \$4.7 million for SEEK, this brings total funding to \$28.1 million; and
- Additional \$7 million for EOC with \$2 million for the ATTAIN Labs Program.

CUNY Hunter MFA Building

The Executive Budget included language allowing up to \$60 million in proceeds from the sale of the CUNY MFA building to be used for the support of CUNY Senior College expenses. The Final Budget includes language authorizing up to \$60 million in proceeds from the sale of any CUNY Building to be used for the support of CUNY Senior College expenses.

Joseph Murphy Institute

The Final Budget includes an additional \$1.5 million for the Joseph Murphy Institute, bringing total funding to \$3.8 million.

SUNY Hospital Subsidy

The Final Budget includes a \$9.3 million restoration for SUNY Hospitals Operating Aid. The Executive had cut \$18.6 million in the Executive Budget. The Final Budget restores half of the cut funding.

Housing

Division of Housing and Community Renewal

The Final Budget provides \$91.4 million for the Division of Housing and Community Renewal. This is a decrease of \$4.5 million, representing the elimination of funding for the Tenant Protection Unit (TPU). As in prior years, DHCR will fund the Tenant Protection Unit with discretionary funding.

Human Services

The Final Budget includes no significant state operations funding changes from the Executive Budget for agencies comprising the New York State Office for the Aging (SOFA), Office of Children and Family Services (OCFS), Office of Temporary and Disability Assistance (OTDA), Division of Human Rights (DHR) and Welfare Inspector General (OWIG) programmatic areas.

The Executive and both houses of the legislature concur on the following All Funds appropriations:

- SOFA- \$11.3 million
- OCFS- \$479.5 million
- OTDA- \$429.6 million
- DHR- \$18.2 million

- OWIG- \$1.3 million

Labor and Workforce

Department of Civil Service

The Final Budget provides \$55.4 million, the same amount of funding included in the Executive Budget Proposal.

Department of Labor

The Final Budget includes \$578 million in State Operations funding, the same amount of funding provided by the Executive Budget proposal.

General State Charges

The Final Budget increases All Funds appropriation for General State Charges by \$14.7 million, providing a total of \$4.04 billion.

Office of Employee Relations

The Final Budget includes State Operations funding in the amount of \$4.8 million, the same amount of funding provided in the Executive Budget proposal.

Public Employment Relations Board

The Final Budget includes \$3.9 million in funding for State Operations. This is the same amount of funding provided by the Governor in his Executive Budget proposal.

Workers' Compensation Board

The Final Budget provides \$195.43 million, the same amount of funding included in the Executive Budget proposal.

Local Government

Local Government Assistance

The Final Budget includes \$3.1 million for the New York State Financial Control Board. This is the same amount of funding included by the Executive in his Budget Proposal. Funds from this appropriation will continue efforts to provide recommendations and assistance to eligible local municipalities in several areas including improvements fiscal stability, management, and the delivery of public services.

Mental Hygiene

Developmental Disabilities Planning Council

The Final Budget concurs with the Executive recommendation of \$4.8 million in State Operations funding.

Office of Alcoholism and Substance Abuse Services

The Final Budget concurs with the Executive recommendation of \$121.2 million in State

Operations funding.

Office of Mental Health

The Final Budget includes \$2.3 billion in All Funds support, which is an increase of \$2.1 million over the Executive Budget, attributed to an increase of \$2.1 million for the forensic services program.

Office for People with Developmental Disabilities

The Final Budget includes \$2.2 billion in All Funds support for State Operations, reflecting an increase of \$840,000 over the Executive Budget. This increase in funding is attributed to pilot programs with state employee labor organizations during SFY 2017-18 in support of community based care opportunities.

Public Protection

Commission of Correction

The Final Budget provides \$3 million for the Commission of Correction, unchanged from the Executive proposal.

Department of Corrections and Community Supervision

The Final Budget provides \$2.85 billion for DCCS, which includes \$2.6 million in State Operations funding for the 7-day visitation period for maximum-security prisons. The Executive had eliminated 39 FTEs by reducing the number of days that visitors would be allowed at maximum security correctional facilities from seven to three days. This appropriation also includes the Executive's proposal for \$13 million in new Health Services funding for Hepatitis C and other programs.

Division of Criminal Justice Services

The Final Budget eliminates \$400,000 in the Administration program associated with \$300,000 for the development of a plan to create and implement a bail reform risk assessment tool and \$100,000 for a similar program associated with citizen's right to a speedy trial.

Division of Homeland Security and Emergency Services

The Final Budget provides \$70.2 million in overall funding including support for new NYC bridges and Tunnels counter terrorism exercises and the creation of the new cyber security program. This is the same amount of funding proposed by the Executive.

Division of Veterans Affairs

The Final Budget provides \$8.5 million in overall funding for the Division of Veterans Affairs, the same as the Executive proposal.

Office of Indigent Legal Services

The Final Budget restores State Operations funding for the Office of Indigent Legal Services in the amount of \$4.83 million. Thi funding is allocated as follows:

- \$1.27 million for the Hurrell-Harring implementation;

- \$1.25 million for the statewide implementation of Hurrell-Harring; and,
- \$2.31 million for the Indigent Legal Services Program.

The SDC supported the statewide implementation of the Hurrell-Harring decision and the restoration of State Operations funding for the Office of Indigent Legal Services.

Department of Law

The Final Budget includes \$19 million increase in funding for the Department of Law. This funding is allocated as follows:

- \$16.5 million for equipment, supplies and materials, and fringe benefits associated with the Counsel for the State Program; and,
- \$2.5 million in additional funds for nonpersonal service costs associated with the Medicaid Fraud Control Program.

Miscellaneous Public Protection Agencies

The Final Budget proposal concurs with the Executive proposal for the following State agencies:

- Division of Military and Naval Affairs- \$81.4 million.
- Inspector General (IG) - \$7.2 million
- Joint Commission on Public Ethics (JCOPE) - \$5.5 million
- Office for the Prevention of Domestic Violence- \$3.8 million
- Commission of Correction- \$2.9 million
- Interest on Lawyer's Accounts (IOLA) – \$1.9 million
- Commission on Judicial Conduct - \$5.5 million
- Judicial Screening Committees - \$38,000
- Judicial Nomination - \$30,000

Division of State Police

The Final Budget includes funding in the amount of \$41 million in new support for the operation of a permanent State Police Troop NYC. This proposal supported the deployment of 150 State Troopers providing additional security at airports and conducting counter-terror exercises at nine bridges and tunnels operated by the Metropolitan Transportation Authority. This Executive proposal had been rejected by both Majorities in their One-House budgets.

Transportation

Department of Transportation & Department of Motor Vehicles

The Final Budget includes no significant state operations funding changes from the Executive Budget for Transportation agencies including The Department of Motor Vehicles and The Department of Transportation.

- Department of Transportation- \$46.3 million
- Department of Motor Vehicles- \$89.2 million