

Financial Plan Overview

The Governor's Executive Budget proposal includes \$232.8 billion in All Funds disbursements, representing 0.5 percent growth or \$1.2 billion over State Fiscal Year (SFY) 2023-24 estimates. The Senate has put forth an All Funds spending plan that exceeds the Executive plan by \$13.4 billion or 5.8 percent, amounting to a \$14.6 billion or 6.3 percent increase over the current fiscal year estimate. The Senate's proposal allocates additional funds towards healthcare, higher and lower education, housing stability, and childcare.

The Senate projects total spending of \$246.2 billion for SFY 2024-25 on an All-Funds basis, representing a 5.8 percent or \$13.4 billion increase over the Executive proposal. This increase in spending is primarily due to the increase in funding in Medicaid, rejecting the Executive's proposal to cut Foundation Aid, and the Senate's housing plan proposal. In addition, the Senate Financial Plan realizes \$1.4 billion in re-estimated State tax revenues. The Senate proposal also anticipates All Funds receipts to total to \$239.5 billion, which is \$12.1 billion or 5.3 percent over the Executive proposal.

The Senate proposal estimates State Operating Fund spending at \$137.9 billion, representing an increase of 8.9 percent or \$11.3 billion over the current fiscal year. Moreover, the Senate's State Operating Fund spending exceeds the Executive proposal of \$129.3 billion by \$8.7 billion or 6.7 percent.

According to the Senate plan, General Fund spending is projected to be \$116.3 billion, representing an increase of \$12.8 billion or 12.4 percent from the current fiscal year. Additionally, the Senate proposal exceeds the Executive proposal of \$107.6 billion by \$8.7 billion or 8.1 percent in terms of General Fund spending.

The Senate Financial Plan maintains the State's two statutory reserves, the Rainy Day Reserve and the Tax Stabilization Reserve, with a combined total balance of \$6.3 billion. The Senate proposal includes an informal set aside of General Fund resources amounting to \$13.5 billion for economic uncertainty. The Senate Financial Plan projects that the reserves for SFY 2024-25 will total \$19.8 billion, which is equivalent to 14.3 percent of State Operating spending.

The Senate One House supports additional funding for the following major spending proposals:

- \$1.9 billion for Financially Distressed Hospitals and Safety-Net Hospitals, \$600 million over the Executive proposal.
- \$1.6 billion to increase Medicaid Rates Across the Board, for Hospitals, Nursing Homes, Assisted Livings Programs, and Hospice.
- \$945 million to help pay down the Unemployment Trust Fund deficit.
- \$750 million in Education Aid.
- \$250 million for the Housing Access Voucher Program.
- \$220 million in additional support for the establishment of a permanent Childcare Workforce Retention Grant program, for a total of \$500 million.
- \$210 million increase to Aid and Incentives to Municipalities.
- \$180 million to increase the State-Share of cost of living (COLA) adjustment for designated human services programs.

The Senate One House proposal includes the following new revenue proposals:

- Increase the Personal Income Tax Rate for the top two brackets to 10.8 percent and 11.4 percent.
- Increase the Corporate Franchise Tax for companies with a net business income of \$5 million or above to 9 percent for Tax Years before 2027.
- Create the Working Families Tax Credit which would provide a \$550 credit per child to single taxpayers making under \$75,000 and married taxpayers filing jointly making \$130,000. This new credit would replace the existing Empire State Child Credit providing a more generous credit (based on S.277-A).
- Extend the Real Property Tax Relief Credit for an additional three years and expand eligibility to receive the credit.
- Fully De-Couple NY from Qualified Opportunity Zone Program and to tax capital gains from investments in these zones in the same manner as other capital gains are taxed (S.543-A).
- Remove a number of tax breaks for the use of fossil fuels and dedicate revenues from the taxation of aviation fuel back to airport capital and operating expenses (based on S.3389).
- Increase the Solar Energy System Equipment Credit (S.3596-C) and conform these changes to the Geothermal Energy System Credit (S.8106).
- Repeal the Medical Cannabis Excise Tax.
- Increase the Firefighter and Ambulance Worker Tax Credit from \$200 to \$800.
- Create a payroll tax credit for independently owned media entities employing news journalists of 100 or fewer employees, capped at \$20 million annually (S.625-C).

One House Financial Plan Overview

(millions of dollars)

	SFY 2022-23	SFY 2023-24	SFY 2024-25	
	Results	Current Estimate	Executive	One House
State Operating Funds Disbursements				
Size of Budget	\$123,751	\$126,610	\$129,268	\$137,920
Annual Growth	5.4%	2.3%	2.1%	8.9%
Other Disbursement Measures				
General Fund (Including Transfers) ¹	\$92,799	\$103,489	\$107,586	\$116,329
Annual Growth	4.4%	11.5%	4.0%	12.4%
Capital Budget (Federal and State)	\$14,024	\$15,670	\$18,798	\$19,946
Annual Growth	-4.6%	11.7%	20.0%	27.3%
Federal Operating Aid	\$82,687	\$89,324	\$84,686	\$88,294
Annual Growth	7.1%	8.0%	-5.2%	-1.2%
All Funds	\$220,462	\$231,604	\$232,752	\$246,160
Annual Growth	5.3%	5.1%	0.5%	6.3%
Inflation (CPI) - Calendar Year	7.4%	3.5%	2.8%	2.7%
All Funds Receipts				
Taxes ²	\$113,729	\$104,864	\$107,524	\$116,013
Annual Growth	8.6%	-7.8%	2.5%	10.6%
Miscellaneous Receipts	\$31,842	\$31,000	\$27,994	\$27,994
Annual Growth	14.0%	-2.6%	-9.7%	-9.7%
Federal Receipts (Operating and Capital) ²	\$89,563	\$95,923	\$91,894	\$95,502
Annual Growth	-6.0%	7.1%	-4.2%	-0.4%
Total All Funds Receipts ²	\$235,134	\$231,787	\$227,412	\$239,509
Annual Growth	3.2%	-1.4%	-1.9%	3.3%
General Fund Cash Balance				
Rainy Day Reserve	\$6,256	\$6,256	\$6,256	\$6,256
Extraordinary Monetary Settlements	\$1,570	\$1,118	\$601	\$601
Economic Uncertainties	\$13,282	\$13,782	\$13,782	\$13,458
Timing of PTET/PIT Credit	\$14,358	\$13,873	\$14,329	\$14,329
Pandemic Assistance	\$245	\$0	\$0	\$0
All Other Reserves/Fund Balances	\$7,740	\$9,939	\$8,894	\$8,894
Debt Prepayment	\$0	\$0	\$0	\$0
Debt				
Debt Service as a % of All Funds Receipts ²	2.4%	2.7%	3.0%	1.3%
State-Related Debt Outstanding	\$55,911	\$55,915	\$64,367	\$65,515
Debt Outstanding as % of Personal Income	3.8%	3.6%	4.0%	4.1%
State Workforce FTEs - All Funds	171,422	186,953	186,820	186,820

¹ Includes planned transfer of Extraordinary Monetary Settlements from the General Fund to other funds for designated purposes.

² Excludes the impact of the Pass Through Entity Tax program which is expected to have no net Financial Plan impact across fiscal years.

SFY 2024-25 Executive to One House Budget Reconciliation

(millions of dollars)

	All Funds	State Funds	State Operating Funds	General Fund (including transfers)
Executive Budget Receipts				
Taxes, Executive Budget	\$107,980	\$107,980	\$106,494	\$54,679
Adjusted for One House Budget	\$8,489	\$8,489	\$8,489	\$8,489
Taxes, One House Budget	\$116,469	\$116,469	\$114,983	\$63,168
Miscellaneous Receipts, Exec Budget	\$27,994	\$27,410	\$19,167	\$3,634
Adjusted for One House Budget	\$0	\$0	\$0	\$0
Misc. Receipts, One House Budget	\$27,994	\$27,410	\$19,167	\$3,634
Federal Receipts, Executive Budget	\$91,894	\$3,695	\$3,690	\$3,645
Adjusted for One House Budget	\$3,608	\$0	\$0	\$0
	\$95,502	\$3,695	\$3,690	\$3,645
<i>Transfers from Other Funds</i>	<i>\$55,480</i>	<i>\$55,457</i>	<i>\$50,044</i>	<i>\$44,453</i>
<i>Transfers to Other Funds</i>	<i>(\$55,732)</i>	<i>(\$53,338)</i>	<i>(\$52,924)</i>	<i>(\$9,270)</i>
<i>Use of Fund Balance</i>	<i>\$4,803</i>	<i>\$2,877</i>	<i>\$2,961</i>	<i>\$1,430</i>
<i>Bond and Note Proceeds</i>	<i>\$1,507</i>	<i>\$1,507</i>	<i>\$0</i>	<i>\$0</i>
One House Budget Receipts	\$246,022	\$154,076	\$137,920	\$116,329
Executive Budget Disbursements				
Local Assistance Grants	\$182,695	\$100,077	\$94,772	\$77,425
ATL Adjustments	\$11,545	\$7,937	\$7,937	\$7,784
One House, Enacted Budget	\$194,240	\$108,014	\$102,709	\$85,209
State Operations, Exec Budget	\$26,026	\$23,159	\$23,159	\$14,214
SO Adjustments	\$577	\$577	\$577	\$577
State Operations, One House Budget	\$26,603	\$23,736	\$23,736	\$14,791
General State Charges (GSC)	\$8,708	\$8,315	\$8,315	\$7,059
Offsetting Adjustments				
GSC, Enacted Budget	\$8,708	\$8,315	\$8,315	\$7,059
Debt Service	\$3,022	\$3,022	\$3,022	\$0
Offsetting Adjustments			\$138	
Debt Service, One House Budget	\$3,022	\$3,022	\$3,160	\$0
Capital Projects	\$12,301	\$9,841	\$0	\$0
Net Capital Change	\$1,148	\$1,148		
Capital Projects, One House Budget	\$13,449	\$10,989	\$0	\$0
General Fund Transfer to Other Funds				\$8,888
Net Change				\$382
All Other, One House Budget	\$0	\$0	\$0	\$9,270
Total Disbursements	\$246,022	\$154,076	\$137,920	\$116,329

SFY 2024-25 Spending (millions of dollars)				
	SFY 2023-24	SFY 2024-25	Change	Percent
All Funds	\$231,604	\$246,022	\$14,418	6.23%
State Funds	\$138,844	\$154,076	\$15,232	10.97%
State Operating Funds	\$126,610	\$137,920	\$11,310	8.93%
General Fund*	\$96,311	\$98,698	\$2,387	2.48%

* General Fund excluding transfers

Summary of State Operations Spending Adjusted for One House Budget				
Function	General Fund (excluding transfers)	State Operating Funds	State Funds	All Funds
Economic Development	89	437	437	453
Education	94	201	201	354
Health	723	1,051	1,051	1,996
Higher Education	305	7,890	7,890	8,247
General Government	1,551	1,886	1,886	1,923
Local Government Assistance	0	0	0	0
Mental Hygiene	3,459	3,481	3,481	3,521
Parks and Environment	324	525	525	576
Public Protection	3,655	3,826	3,826	3,953
Social Welfare	454	597	597	1,156
Enacted Budget Receipts	367	431	431	464
Elected Officials	2,903	3,219	3,219	3,266
All Other*	866	195	195	695
Total Spending	14,792	23,737	23,737	26,604

*These amounts include offsetting transactions between funds

Summary of Local Assistance Spending Adjusted for One House Budget				
Function	General Fund (excluding transfers)	State Operating Funds	State Funds	All Funds
Economic Development	416	491	1,016	1,115
Education	33,726	40,320	40,709	48,758
Health	28,786	36,596	37,226	106,194
Higher Education	3,576	3,576	3,609	3,609
General Government	173	351	441	500
Local Government Assistance	1,005	1,005	1,005	1,005
Mental Hygiene	4,588	4,834	5,173	5,635
Parks and Environment	5	11	295	718
Public Protection	703	1,182	1,220	3,836
Social Welfare	8,315	8,321	9,902	15,226
Transportation	340	5,232	6,855	7,551
Elected Officials	178	301	301	301
All Other*	3,398	486	258	(210)
Total Spending	85,209	102,707	108,012	194,238

*These amounts include offsetting transactions between funds

Reserve Balances		
SFY 2024-25 Projected		
(millions of dollars)		
	Executive	One House
Statutory Reserves		
Rainy Day Reserve Fund	\$4,638	\$4,638
Tax Stabilization Reserve Fund	\$1,618	\$1,618
Contingency Reserve Fund	\$21	\$21
Community Projects	\$23	\$23
Unofficial Reserves		
Economic Uncertainty	\$13,782	\$13,458
Timing of PTET/PIT Credits	\$14,329	\$14,329
Debt Management	\$1,860	\$1,860
Labor Settlements/Agency Operations	\$3,215	\$3,215
Undesignated Fund Balance	\$3,775	\$3,775
Extraordinary Monetary Settlements	\$601	\$601
One House Budget Reserves	\$43,862	\$43,538

Major Local Government Impact Estimate	
(millions of dollars)	
Increase AIM	\$210
Sojourner Truth and Franny Reese State Parks	\$0.4
SUNY New Paltz	\$0.3
Village of Washingtonville	\$0.3
Work Force	
All Funds Work Force, Fiscal Year 2023 Actuals (3/31/2023)	171,422
All Funds Work Force, Starting Estimate (3/31/24)	186,953
All Funds Work Force, Ending Estimate (3/31/25)	186,820
Net Change Year-over-Year - Executive Budget	-133
Net Change Year-over-Year - Senate One House Budget	-133