



This Week in New York

Covering New York State and City Government

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“Every record has been destroyed or falsified, every book rewritten, every picture has been repainted, every statue and street building has been renamed, every date has been altered. And the process is continuing day by day and minute by minute. History has stopped. Nothing exists except an endless present in which the Party is always right.”
-George Orwell, 1984-

In the News – New York State



New York State’s \$212 Billion Spending Plan

The New York State Legislature this week approved a \$212 billion spending plan for 2021-2022, a treasure trove of funding fueled by the federal COVID-19 bailout money, high earner and corporate tax increases, and mobile sports betting revenue. Following passage late Wednesday, the plan was delivered to Governor Andrew Cuomo for consideration.

Senate Majority Leader Andrea-Stewart Cousins, Assembly Speaker Carl Heastie, and the Governor announced a three-way budget agreement on Tuesday and the Legislature worked to pass the 10-bill package over the next two days. The deal focused on increasing funding for education and health care and aimed to aid the state's economy in its recovery from the COVID-19 pandemic.

Following passage of the budget legislation, State Comptroller Thomas DiNapoli lauded the plan, asserting that “helping struggling New Yorkers is essential for an equitable recovery.” However, the Comptroller emphasized the importance of long-term sustainability.

“While much of the new resources may be temporary and necessary to meet current needs, it is important that spending not grow to unsustainable levels,” Comptroller DiNapoli explained. “The state must plan for the end of emergency federal aid and use new tax resources to fund essential services, to once again begin contributing to rainy day funds and to reduce projected out-year gaps. Long-term alignment of recurring revenues with recurring spending is essential to putting New York’s fiscal house in order.”

Provisions of the spending initiative include:

Education:

General:

- **School Districts:** State aid to school districts will increase to \$29.5 billion, a \$3 billion increase from the prior year.
- **Foundation Aid:** The State will increase aid by \$1.4 billion in 2021-2022 under a commitment to fully fund the aid formula over the next three years.
- **Emergency Federal Assistance to Nonpublic Schools:** The Budget includes \$500 million of federal funding for emergency assistance to nonpublic schools, prioritizing schools that serve high proportions of low-income children. These funds will support pandemic-related costs such as personal protective equipment, educational technology, and redeveloping instructional plans for remote or hybrid learning and to address learning loss.
- **Aid for Pandemic-Related School District Transportation Costs:** Under the Budget, school districts will be reimbursed for the cost of delivering school meals and instructional materials during pandemic-related school closures in spring 2020 and for the costs of keeping transportation employees and contractors on standby during the initial short-term closures prior to the announcement in May 2020 that school buildings would be closed for the remainder of the 2019-20 school year.

Higher Education:

- **Public Tuition:** The Budget called for a three-year tuition freeze for SUNY and CUNY.
- **Tuition Assistance Program (TAP):** The maximum TAP award will increase by \$500. In addition, the Budget commits to eliminating the TAP gap in 4 years by setting up additional recurring operating aid to SUNY and CUNY.
- **Unrestricted Aid to Private Colleges and Universities:** The Budget restores \$35 million in Bundy Aid to support private colleges and universities.

Health Care:

General:

- **Medicaid:** The Budget restores the \$415 million in originally proposed Medicaid cuts.
- **Pharmacy Benefit Program:** The Budget delays carveout of the Medicaid prescription drug benefit for two years.
- **Telehealth:** The plan will increase access to telehealth services by allowing certain unlicensed staff (e.g. Credentialed Alcoholism and Substance Abuse Counselors) to deliver substance use disorder services; expanding covered telehealth providers; eliminating location requirements, and providing a \$3 million capital grant program to support telehealth infrastructure needs of rural providers and those serving vulnerable populations.
- **Urgent Care Centers for Mental Health and Addiction Services:** The Budget authorizes the launch of Urgent Care Centers for mental health and addiction services. Center will be open 24/7/365 and accept all admissions without referral, including direct drop-offs by law enforcement and other first responders.

Nursing Home Care:

- **Prioritize Patient Care:** The Budget includes legislation to help ensure facilities are prioritizing patient care. Reforms establish minimum thresholds for nursing home spending of 70 percent of revenues on direct resident care and 40 percent of revenues on resident-facing staffing and caps profits at five percent. Excess revenues recouped by the State will be deposited into the existing nursing home quality pool for further investments for nursing homes to meet high quality standards.

Infrastructure, Transportation & Environment:

- **\$311 Billion Infrastructure Plan:** The State Budget continues New York's \$311 billion infrastructure plan: \$211 billion in 2020-24 and \$100 billion in 2015-2019. In 2021-2022, the plan increased by \$36 billion with the inclusion of elements of the Midtown West Redevelopment of New York City beginning with Penn Station, Belmont Station Redevelopment, a \$3 billion environmental bond act, transportation programs, and additional supportive, affordable, and public housing.
- **Public and Private Green Economy Investments:** New York will launch a Green Energy program that will initiate more than \$29 billion in public and private investment across the state and create 12,400 megawatts of green energy. The investments include the “largest offshore wind program in the nation,” plans to make New York a “global wind energy manufacturing powerhouse,” constructing a green energy “transmission superhighway,” a public-private partnership to build nearly 100 renewable energy projects, and supporting transit agencies' transition to electric busses.
- **Transportation:** Transportation infrastructure investments totaled \$350 million including:
 - \$100 million increase for CHIPS.
 - \$100 million in new funding for Extreme Winter Recovery funding.
 - \$50 million increase for PAVE-NY.
- **Environment:** The Budget authorizes the \$3 billion Restore Mother Nature Environmental Bond Act of 2021 (2022 general election ballot).

Small Business/Cultural Rebuilding Efforts

- **Small Business:** The Budget invests \$1 billion in New York’s small businesses to supplement federal aid: providing \$800 million for small business grants and \$200 million in small business tax credits.
- **Arts/Cultural Affairs:** 2021-2022 funding provides \$40 million for the Arts and Cultural Organization Recovery Grant Program.
- **Restaurants:** The Pandemic Recovery and Restart Program creates a \$35 million Restaurant Return-to-Work Tax Credit.
- **Music and Theater:** The Budget expands the amount available for the New York City Musical and Theatrical Production Tax Credit to \$100 million over two years.

Rent Relief & Protections/Housing:

- **Rental Assistance:** Finalized budget deal creates a \$2.4 billion Emergency Rental Assistance Program to provide assistance to those impacted by the COVID-19 pandemic, regardless of immigration status. This includes payments for 12 months of back rent and utilities and three prospective months of rent and one year of eviction protection.
- **Property Conversion:** The Budget affords \$100 million to convert hotel and vacant property into affordable housing and \$25 million for blighted home rejuvenation.
- **Public Housing:** New York invests \$200 million for NYCHA and \$125 million for public housing across New York State.

Revenue Initiatives:

Mobile Sports Betting

- **Request for Applications:** The Gaming Commission will issue a request for applications (RFA) to at least two betting platforms and a minimum of four operators to solicit bids for licenses to conduct mobile sports betting in New York. The State will issue a request for applications to platform providers by July 1. Applications will be due 30 days after. Platforms which opt to partner with a Native American tribe or nation will be given additional points in the bidding/scoring process.
- **Fees:** Platform providers would be charged a one-time \$25 million fee to the state. This money would be directed to the state lottery fund for education aid.
- **Revenue:** This proposal is expected to increase education revenue by \$99 million in SFY 2021-22, \$357 million in SFY 2022-23, and reach \$500 million in SFY 2025-26.

Personal Income Tax

- New Yorkers making \$1 million in annual revenue and joint filers earning more than \$2 million in annual revenue would see their current state income tax rate rise from 8.82% to 9.65%.
- New Yorkers making between \$5-\$25 million in annual revenue would see their tax rate increase from 8.82% to 10.3%.
- New Yorkers making more than \$25 million would see their tax rate increase to 10.9%.

Corporate Franchise Tax

- Rate will increase from 6.5% to 7.25% for three years. Companies making less than \$5 million in income will see their rate stay at 6.5%.

Capital Base Test

- Rate will be reinstated at a rate of 0.1875%. This will exempt coops, manufacturers, and small companies.

Workforce Initiatives:

Cost of Living Increase for Human Service Workers

- The Budget includes \$46.2 million to provide a 1 percent COLA to not-for-profits licensed, certified, or otherwise authorized by OPWDD, OMH, and OASAS. These additional resources will support the community-based programs that provide essential services and supports to people with developmental disabilities, mental illness and/or substance use disorder. The Budget also provides \$5.6 million for a 1 percent COLA increase for other human services agencies, including SOFA, OTDA, and OCFS.

Early Retirement Program for New York City Workers

- The Budget includes an early retirement proposal which allows the City of New York and the Board of Education of the City of New York to offer a temporary retirement incentive to their employees, as well as to provide an age 55/25 years temporary incentive for certain public employees. Incentive benefits include one month of additional service time for each year served up to three years. Employers must opt into the program and workers must be considered eligible.

Excluded Worker Fund

- The Budget launches the \$2.1 billion Excluded Worker Fund to provide one-time unemployment benefits to workers who lost employment or income during the COVID-19 pandemic but were ineligible for Unemployment Insurance or other federal benefits who lost employment or income during the COVID-19 pandemic. The funding will be split into two tiers:
 - **Tier 1:** Excluded Workers can receive \$15,600 (calculated at \$300 per week for 52 weeks). These workers must show a valid Individual Taxpayer Identification Number (ITIN), or a letter from an employer, valid pay stubs, W-2, and other documentation.
 - **Tier 2:** Excluded Workers can receive \$3,200 (the same amount of federal stimulus payments) if they can certify their identity, residency, and show alternative proof of work-related eligibility.

Public Employee Salary Increase

- The Budget funds \$600 million in public employee salary increases that were deferred during the pandemic. In April of 2020, New York State froze scheduled 2% pay increases. The initiative fully funds the scheduled salary increases and retroactive pay to approximately 120,000 state workers, including management confidential employees.

Labor Protections in Energy Projects

- Budget language ensures labor protections on State Renewable Energy Credit projects through the expansion of prevailing wage, labor peace, Buy American, and Buy New York procurement preferences.

In the News – City



NYS Budget Includes State Tax Exemption for Beneficiaries of COVID-19 Family Benefit Program

The 2021-2022 New York State Budget includes a State tax exemption for families receiving the Metropolitan Transportation Authority's (MTA's) \$500,000 COVID family death benefit. The program began in April 2020 and has awarded \$62 million in approved direct payments to the families of MTA employees who died from COVID-19.

According to MTA President Patrick Foye, more than 150 members of the MTA workforce have passed away due to COVID.

In April 2020, the MTA, Transport Workers Union Local 100, and the Transport Workers Union of America, reached an agreement establishing a COVID-19 death benefit for TWU members who died after being infected. Under the agreement, and the side letter, the MTA will pay \$500,000 in a lump sum to the spouse, beneficiary, or estate of each deceased member who was in active service on or after February 1, 2020. The TWU agreement extends the COVID-19 death benefit to members of four TWU Locals: Local 100, Local 106, Local 2001, and Local 2055.

"We can't bring back our heroic co-workers but we can make sure their families are taken care of," Local 100 President Tony Utano said when reaching the original agreement. TWU first called for the Line of Duty benefit (\$500,000 instead of the \$50,000 Active Duty benefit) on March 26 after it suffered its first fatality to the virus, Conductor Peter Petrassi.

Part RR of the Budget Revenue Bill (S2509C/A3003C) contains the following provision:

- 1 Section 1. Subsection (c) of section 612 of the tax law is amended by
- 2 adding a new paragraph 44 to read as follows:
- 3 **(44) Any death benefit, to the extent includible in federal adjusted**
- 4 **gross income, paid to the taxpayer in a lump sum pursuant to the COVID-**
- 5 **19 family death benefit program established by the metropolitan trans-**
- 6 **portation authority in two thousand twenty; provided, however, this**
- 7 **subtraction shall not exceed five hundred thousand dollars and shall not**
- 8 **apply to any benefit payable under such program other than a lump sum**
- 9 **death benefit.**
- 10 § 2. This act shall take effect immediately and shall apply to taxable
- 11 years beginning on or after January 1, 2020.

Briefs

Governor Signs Legislation Ending Immunity for Health Care Providers

Governor Andrew Cuomo this week approved legislation to repeal the Emergency or Disaster Treatment Protection Act which granted immunity and protection to health care facilities and health care professionals while they were treating COVID-19 patients.

The law, Chapter 96 of the Laws of 2021, was sponsored by Senator Alessandra Biaggi and Assemblymember Ron Kim. It went into effect immediately upon signature April 6th but does not apply retroactively.

NYC Test & Trace Corps Launch Aftercare to Support New Yorkers Living with Long-Term COVID

The NYC Test & Trace Corps this week launched the AfterCare program to support New Yorkers living with the long-term effects of COVID-19.

Long COVID is a collection of symptoms that develop during or following a confirmed or suspected case of COVID-19, that continue for weeks or months afterward. It is estimated that Long COVID affects approximately 10% of those with COVID.

The AfterCare program connects Test & Trace clients with ongoing health and social needs to resources and referrals including NYC Health + Hospitals COVID-19 Centers of Excellence.

Mayor de Blasio Appoints Vicki Breen as Chair of Hudson River Park Trust

Mayor Bill de Blasio this week appointed Deputy Mayor Vicki Been as the new Chair of the Hudson River Park Trust. Deputy Mayor Been succeeds Basil Seggos, who replaced Chair Diana Taylor in September 2020.

The Trust is responsible for operating and maintaining the Park; advancing the Park's design and construction; promoting environmental stewardship; providing free or low-cost recreational and educational activities; and ensuring the Park's financial self-sufficiency.

Been has served as New York City's Deputy Mayor for Housing and Economic Development since 2019. In her role, she oversees the work of over 20 agencies, including the New York City Department of Parks and Recreation. She served as the Commissioner of the Department of Housing Preservation and Development from 2014 to 2017.

City Clean Up Corps to Hire 10,000 Workers to Clean NYC

New York City has launched the City Cleanup Corps (CCC), an economic recovery program to directly create 10,000 jobs and make New York City the “cleanest, greenest city in the United States.” Federal stimulus funding will be used to fund the program.

The CCC will immediately begin revitalizing New York City’s public spaces and neighborhoods, beautifying parks and green spaces, and bringing art to the City’s open spaces. This will include a citywide graffiti removal campaign, pressure washing sidewalks, designing murals, tending to community gardens, and maintaining Open Streets.

Hiring will begin in April, with 1,000 New Yorkers hired this month. More than 7,700 positions will be posted in July and build to 10,000. Hiring will take place across 10 different City agencies, including Department of Parks & Recreation (Parks), Department of Transportation (DOT), New York City Housing Authority (NYCHA) and Department of Environmental Protection (DEP).

The CCC’s work will focus on key areas identified by local communities and elected officials, business districts, and the 33 neighborhoods hit hardest by the COVID-19 pandemic as identified by the City’s Taskforce on Racial Equity and Inclusion.

New York City Releases New COVID-19 School Closure Rules

Mayor Bill de Blasio announced yesterday that New York City schools will now close only if there are four or more COVID-19 cases among students and staff that are traced back to a known exposure within the school. The new rule replaces an earlier directive which closed school buildings if there were two or more cases.

“We believe this new approach is going to keep everyone safe, but also keep schools open a lot more steadily,” Mayor de Blasio said at a press briefing. “The vast majority of closures won’t happen any more under this approach.”

Coming Up

New York State

Monday April 12th

Senate Independent Redistricting Commission Meeting, Online (<https://www.nysenate.gov/>), 10:00 a.m.

Tuesday April 13th

Joint Public Hearing: To discuss and receive input from stakeholders on the Climate and Community Act (CCIA), Online (<https://www.nysenate.gov/>), 10:00 a.m.

Joint Public Hearing: Diversifying Agriculture and Addressing Food Justice Alongside Continuing Inequalities on Our Food Systems, Online (<https://www.zoom.com/>), 1:30 p.m. – 4:00 p.m.

New York City

Monday April 12th

Committee on Parks and Recreation, (Virtual Room #1), 1:00 p.m.

Tuesday April 13th

Committee on Immigration, Remote Hearing (Virtual Room #1), 10:00 a.m.

Committee on Youth Services, (Virtual Room #2), 11:00 a.m.

Wednesday April 14th

Committee on Technology, Remote Hearing (Virtual Room #1), 1:00 p.m.

Friday April 16th

Committee on Education, Remote Hearing (Virtual Room #1), 10:00 a.m.

**“We believe in the ideas of family, mutuality,
the sharing of benefits and burdens
for the good of all, feeling one another’s pain,
sharing one another’s blessing
recognizing that at the heart of the matter
we are bound to each other.”**

-Mario M. Cuomo-

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