



NEW YORK STATE BLACK, PUERTO RICAN, HISPANIC, AND ASIAN LEGISLATIVE CAUCUS
Assemblyman N. Nick Perry, Chairman

THE PEOPLE'S BUDGET BUDGET EQUITY XXV

PRELIMINARY ANALYSIS OF THE
GOVERNOR'S EXECUTIVE BUDGET 2017-2018



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**Message from Chairman
Assemblyman N. Nick Perry
SFY 2017-2018**

As the Chairman of the fifty-five member New York State Black, Puerto Rican, Hispanic, and Asian Legislative Caucus, it is with pride and purpose that we present to the governor, the legislature, and the citizens and residents of our great state and the communities we serve, The People's Budget: Budget Equity XXV. This document makes very clear that the Caucus stands with the people of New York in leading our communities to a society that is more equitable, just, balanced, responsible, empowered, and progressive.

As 2017 marks the beginning of great uncertainty and concern over federal policies and their impact on our state, the Caucus understands that our role becomes much more vital. Not only must we continue to advocate for the expansion of opportunities for our communities, but we must be vigilant in our efforts to protect the gains that have been achieved. We must strengthen our resolve to be the voice for the voiceless and marginalized. And as our membership has grown, so too must our ability to unite towards the common goal of empowering all the people that we represent across the state.

While New Yorkers resist demagoguery and divisiveness, we are in a position to serve as examples to the nation for the type of progressive policies that will both protect and expand opportunities. Previously enacted policies such as a raise in the minimum wage, paid family leave, and targeted education funding for young men of color are national standards. The Caucus will continue to leverage its power so that we enact new, bold policies such as fulfilling the financial commitment to public education, true tuition-free college that assists students with non-tuition costs, funding immigration services, and finally raising the age of criminality.

In The People's Budget, we conduct a preliminary analysis of the governor's budget proposal, followed by our articulation of the legislative and budgetary proposals that will best enable us to support our mission of rehabilitating our communities, strengthening family life, and making the legislative process responsive to the needs of all New Yorkers.

The New York State Black, Puerto Rican, Hispanic, and Asian Legislative Caucus thank you for taking the time to review this year's publication. Constituents should take the opportunity to reach out to their local Member of the legislature in order to voice their support and share their concerns. On behalf of all of the Members of our Caucus, I assure that your voice will be heard.



ACKNOWLEDGEMENTS

We would like to express special appreciation to all of the Legislators, staff and community groups who have contributed to this publication. Without their talents and commitment, Budget Equity XXV would not have been possible.

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We thank the following for their contributions to the content of this document:

Alliance for Quality Education

Riders Alliance

The Osborne Association

Fiscal Policy Institute

PRELIMANARY ANALYSIS OF THE 2017-2018 EXECUTIVE BUDGET



The Executive Budget: HIGHLIGHTS

- **All Funds Spending:** Adjusted All Funds spending for State Fiscal Year (SFY) 2017-18 is estimated at \$152.3 billion, for growth of 3.4 percent. This amount excludes \$570 million in Federal disaster aid for Superstorm Sandy and \$9.3 billion in additional Federal aid for the Affordable Care Act. When these amounts are considered, the All Funds total is estimated at \$162.2 billion, for growth of 3.8 percent.
- **State Operating Funds Spending:** The Executive's estimate of 1.9 percent growth in State Operating Funds remains below the two percent spending benchmark with total disbursements reaching \$98.06 billion. This spending benchmark was first instituted in SFY 2011-12.
- **General Fund Spending:** The Executive estimates that General Fund disbursements for SFY 2017-18 are expected to total \$72.3 billion; a growth of \$2.3 billion or 3.3 percent.
- **Closing the SFY 2017-18 Budget Gap:** The Executive Proposal includes a series of recommendations that are intended to close an estimated \$3.5 billion General Fund budget gap in SFY 2017-18. The Executive proposes to close this gap with \$2.7 billion in spending reductions and \$828 million in revenue actions.
- **Out-year Budget Gaps:** The Executive's forecast for out-year budget gaps in the Mid-Year report were estimated at \$7.1 billion for SFY 2018-19, \$8.9 billion for SFY 2019-20, and \$6.8 billion for SFY 2020-21. Under the Executive's Budget, out-year gap estimates have been revised to provide a balanced budget in SFY 2017-18, with surpluses of \$692 million in SFY 2018-19, \$2.1 billion in SFY 2019-20, and \$5.0 billion in SFY 2020-21. Notably, these surpluses are dependent on the extension of a tax surcharge on millionaires, combined with unidentified cuts related to the Executive's adherence to the two percent spending benchmark.
- **Monetary Settlements:** The State has received \$9.4 billion in settlement funds from financial institutions since SFY 2014-15. The Executive allocates an additional \$1.4 billion in previously unbudgeted settlement funds in the proposed budget. This includes \$1.2 billion in capital initiatives and a \$150 million deposit to the Rainy Day Reserve Fund.
- **General Fund Reserves:** The Executive estimates the SFY 2017-18 General Fund closing balance will be \$5.6 billion, including \$1.9 billion in the Rainy Day Reserve Fund.

Spending Changes

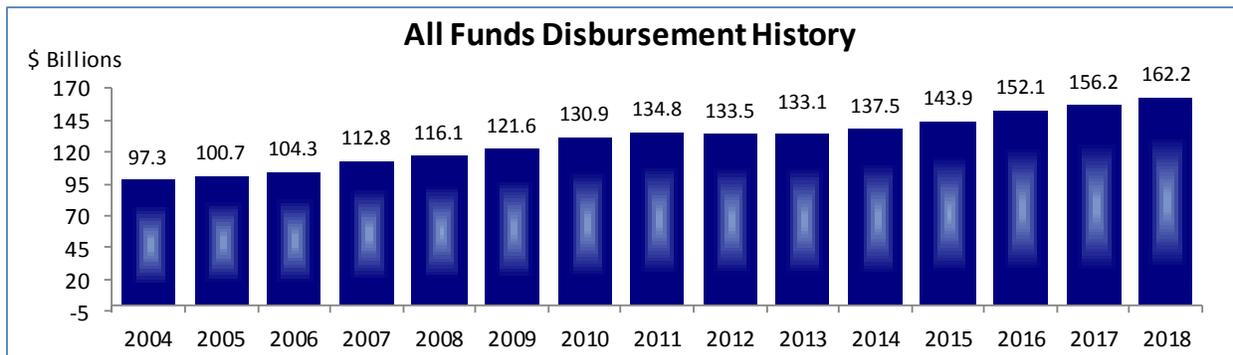
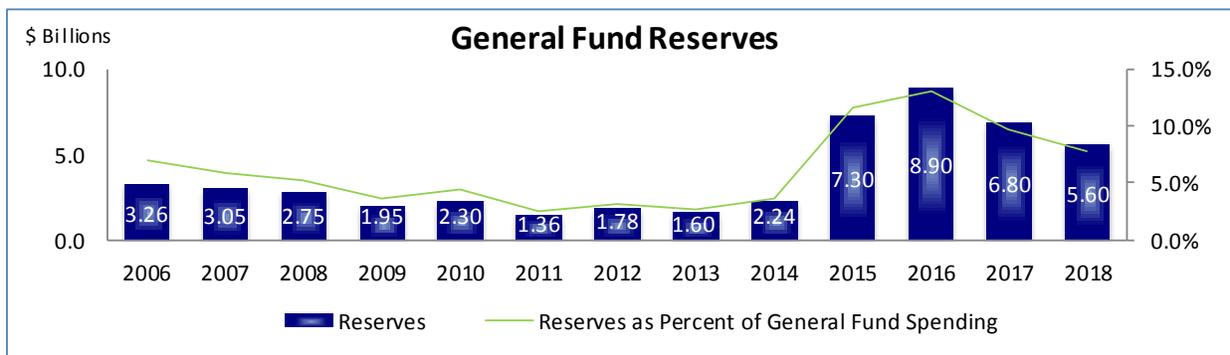
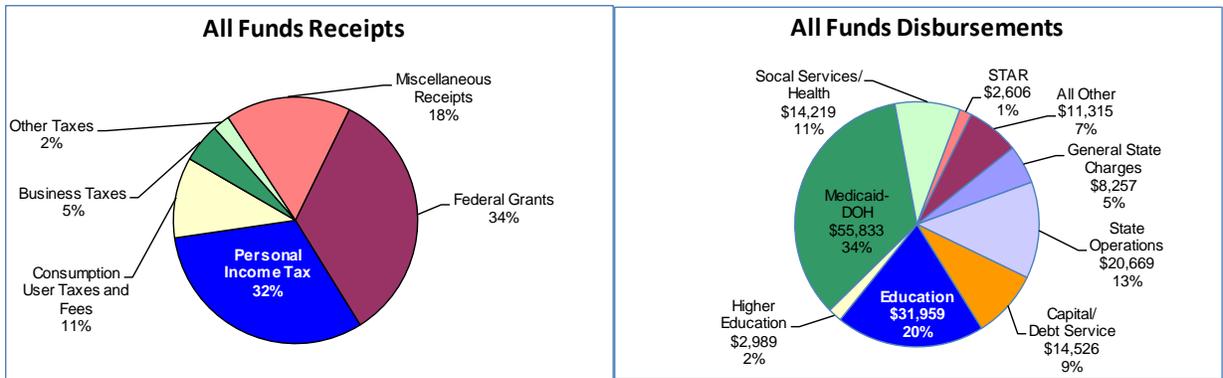
- **Agency Operations:** The Executive gap-closing plan holds departmental operations spending flat for a savings of \$624 million. This includes an extension of the NYPA loan payment (\$193 million); the implementation of proposed Agency Financial Management Plans (\$500 million); and other savings related to agency operations and fringe benefits. Total agency operations savings are offset by reserving funds for future labor agreement costs (\$496 million).
- **Local Assistance:** The gap closing plan also reduces local assistance spending by \$1.6 billion. Local assistance savings include, among other things, targeted STAR reforms; consolidation of health care programs and the transfer of OPWDD spending to the Medicaid Global Cap; the use of asset sale proceeds to offset State support to CUNY; and the majority of items previously discussed in relation to the two percent benchmark.
- **Debt Management:** Spending reductions also include \$580 million in debt management initiatives through the prepayment of SFY 2017-18 expenses in SFY 2016-17 (\$280 million) as well as continuing competitive bond sales and refundings that meet the State's savings criteria.
- **New Initiatives:** The Executive proposes \$122 million in new spending initiatives for SFY 2017-18. Among these initiatives are the Excelsior Scholarship to allow students of families making up to \$125,000 per year to attend college tuition-free at all public universities in New York State; Juvenile Justice Reform to raise the age of juvenile jurisdiction from 16 to 18; and enactment of the DREAM Act to extend student financial assistance to undocumented immigrant students pursuing higher education in New York State.

Tax Actions

The Executive proposes \$830 million in new tax actions in SFY 2017-18 including the extension of the current income tax rate for millionaires for three additional years. This would result in an additional \$683 million in revenue in SFY 2017-18, growing to \$4.5 billion in SFY 2019-20. The Executive also proposes new tax actions that require online marketplace providers to collect and remit sales tax on behalf of all vendors that sell to New York State residents.

Combined with these new tax actions, the Executive maintains that spending cuts resulting from adherence to the two percent benchmark of \$2.5 billion in SFY 2018-19; \$4.8 billion in SFY 2019-20; and \$6.7 billion in SFY 2020-21 will result in surpluses in the out-years.





Source: NYS Division of the Budget.

The People's Budget: HIGHLIGHTS

The 2017-2018 Executive Budget takes some positive steps in acknowledging and addressing the needs of struggling low-income and working class families in New York State, as well as in making the investments that will be good for all New Yorkers. In many critical human infrastructure investment areas, however, rigid adherence to a two percent spending cap is blocking real progress. The following are a series of recommendations to bolster New York's economy and to ensure more broadly shared prosperity. New York has the greatest level of income inequality in the nation. We must do more to create enhanced opportunities for struggling families.

Reduce Income Inequality

- Increase the State Earned Income Tax Credit
- Increase the Child and Dependent Care Credit
- Execute the Supportive Housing Initiative Memorandum of Understanding
- Implement Home Stability Support Program to Reduce Homelessness
- Reform Unemployment Insurance
- Increase Funding for the Empire State Poverty Initiative
- Expand Investments in Early Childhood Development and Child Care
- Increase Funding for Universal Pre-Kindergarten
- Increase Funding for After-School Programs

Restore Balance to the State/Local Fiscal Relationship

- Move Toward Having the State Carry a Fair Share of Joint State/Local Costs
- Scrap the State Spending Cap
- Eliminate or Amend the Property Tax Cap
- Increase K-12 School Aid and Maintain the Foundation Formula
- Restructure and Expand the State Takeover of County Medicaid Costs

Invest in the State's Economic Vitality

- Reform and Curtail Business Tax Credit Programs
- Excelsior Scholarship Program and Increased Aid to SUNY and CUNY
- Expand Transitional and Public Service Jobs
- Fund the Promised Legal Defense for Immigrants
- Enact the New York State DREAM Act
- Fund English Language Programs
- Help Refugee Resettlement Agencies Bridge the Trump Administration Funding Gap

Make the State Tax System More Progressive

- Adopt the 1% Plan for New York Tax Fairness
- Fix "Corporate Tax Reform"
- Fairly Tax Carried Interest



The Executive Budget: EDUCATION

- **General Support for Public Schools (\$961 million):** The Executive proposes an increase of \$961 million or 3.9 percent for School Year (SY) 2017-18, increasing total aid from \$24.64 billion to \$25.61 billion. This amount includes \$918 million in School Aid and \$50 million in competitive grants.

- **School Aid (\$918 million):** The Executive proposes a School Aid increase of \$918 million. This allotment is made up of: \$427.8 million for Foundation Aid (including a \$50 million set-aside for Community Schools); \$340.6 million for the reimbursement of expense based aids; and \$150 million for an unallocated Fiscal Stabilization Fund.

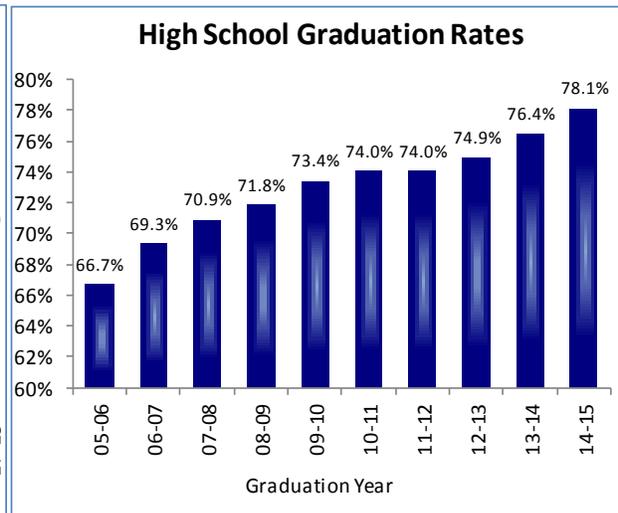
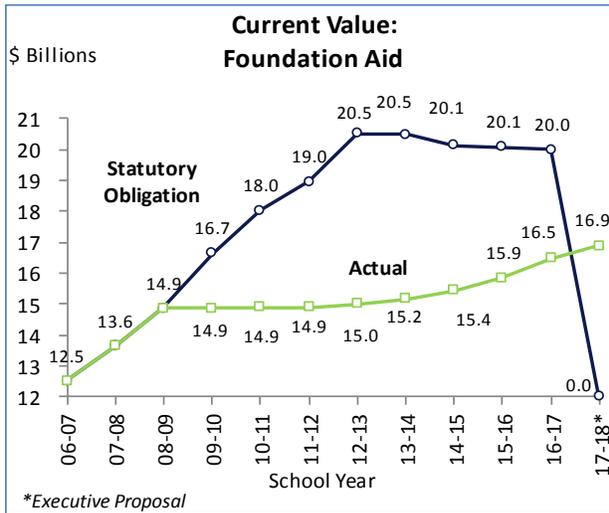
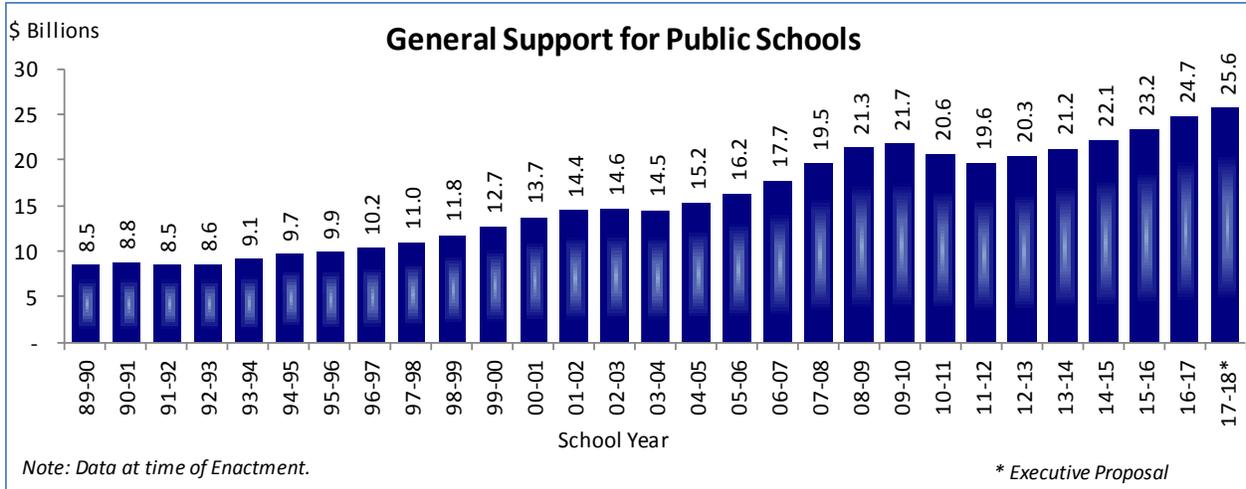
- **Foundation Aid:** The Executive eliminates the State's statutory financial obligation to school districts for future Foundation Aid which at present would be estimated at \$4.3 billion.

- **New Grant Programs:** The Executive proposal includes \$50 million in support of the following initiatives: after school programs (\$35 million); Early College High Schools (\$5.3 million); Prekindergarten (\$5 million); Advanced Placement Test Assistance (\$2 million); Master Teachers Program (\$2 million); Empire State Excellence in Teaching Awards (\$400,000); and Cyberbullying Prevention (\$300,000).

- **Charter Schools**
 - **New York City Charter School Cap:** The Executive proposes to increase the number of charter schools that can operate in New York City.
 - **New York City Charter Facilities Aid:** The Executive would also require the NYC school district to pay a larger portion of charter facility costs.
 - **Charter School Transitional Aid (CSTA) (\$22 million):** The Executive proposes to end the current reimbursement to school districts for supplemental charter tuition in SY 2018-19 and instead would step down reimbursement through the CSTA to fewer districts.

- **Mayoral Control:** The Executive proposes a three-year extension of mayoral control in New York City, which is set to expire in June of 2017.

- **State Education Department (SED) Inspector General:** The Executive proposes to establish an Inspector General with jurisdiction over SED, who would be appointed for a five-year term by mutual agreement between the Assembly and the Senate.



General Support for Public Schools

AID CATEGORY	2016-17 School Year (\$ in Millions)	2017-18 School Year (\$ in Millions)	\$ Change (\$ in Millions)	% Change
Formula-Based Aids				
Foundation Aid	16,474.28	16,902.10	427.82	2.60
Excess Cost - High Cost	596.27	607.52	11.25	1.89
Excess Cost - Private	376.69	399.13	22.44	5.96
Reorganization Operating Aid	7.63	7.34	(0.29)	(3.80)
Textbooks (Incl. Lottery)	177.10	179.08	1.98	1.12
Computer Hardware	37.50	38.24	0.74	1.97
Computer Software	45.28	46.27	0.99	2.19
Library Materials	18.78	19.31	0.53	2.82
BOCES	866.82	881.00	14.18	1.64
Special Services	251.50	262.09	10.59	4.21
Transportation	1,734.92	1,830.43	95.51	5.51
High Tax	223.30	223.30	0.00	0.00
Universal Prekindergarten	414.28	415.56	1.28	0.31
Academic Achievement Grant	1.20	1.20	0.00	0.00
Supplemental Education Improvement Grant	17.50	17.50	0.00	0.00
Charter School Transitional Aid	32.90	38.87	5.97	18.15
Full-Day Kindergarten	4.70	1.80	(2.90)	(61.70)
Academic Enhancement Aid	9.57	9.57	0.00	0.00
Supplemental Public Excess Cost	4.31	4.31	0.00	0.00
Building Aid/Reorganization Building	2,910.26	3,088.60	178.34	6.13
Total Formula-Based Aids	24,204.79	24,973.22	768.43	3.17
Grant Programs				
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher-Mentor Intern	2.00	2.00	0.00	0.00
Student Health Services	13.84	13.84	0.00	0.00
Roosevelt	12.00	12.00	0.00	0.00
Urban-Suburban Transfer	7.90	7.90	0.00	0.00
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	26.23	30.23	4.00	15.25
Incarcerated Youth	17.25	17.50	0.25	1.45
Bilingual Education	15.50	15.50	0.00	0.00
Education of OMH / OPWDD Pupils	60.00	61.00	1.00	1.67
Special Act School Districts	2.70	2.70	0.00	0.00
Chargebacks	(51.50)	(51.75)	(0.25)	0.49
BOCES Aid for Special Act Districts	0.70	0.70	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.15
Native American Building	18.24	5.00	(13.24)	(72.59)
Native American Education	45.38	46.20	0.82	1.81
Bus Driver Safety	0.40	0.40	0.00	0.00
Total Grant Programs	294.93	287.51	(7.42)	(2.51)
Total Formula-Based Aids and Grant Program:	24,499.72	25,260.73	761.02	3.11
Performance Grants	144.47	194.47	50.00	34.61
Fiscal Stabilization Fund	0.00	150.00	150.00	100.00
School Year Total	24,644.19	25,605.20	961.02	3.90

Other Public Elementary and Secondary Education Programs

	SFY 2016-17	SFY 2017-18	\$ Change (\$ in Millions)	% Change
	Enacted (\$ in Millions)	Exec. Request (\$ in Millions)		
Supplemental Basic Charter School Tuition Payments	42.40	64.00	21.60	50.94
Expanded 3 & 4 Year-Old PreKindergarten	0.00	5.00	5.00	100.00
Empire State After School Grants	0.00	35.00	35.00	100.00
Advanced Placement Fees for Low-Income Students	0.50	2.00	1.50	300.00
Early College High School Programs	0.00	5.30	5.30	100.00
Computer Science Master Teacher Awards	0.00	2.00	2.00	100.00
Empire State Excellence in Teaching Awards	0.00	0.40	0.40	100.00
Prevent Cyberbullying Initiative	0.00	0.30	0.30	100.00
East Ramapo School District	0.00	1.00	1.00	100.00
NYC Student Assistance for Specialized High Schools Test	2.00	0.00	(2.00)	(100.00)
Community Schools	75.00	0.00	(75.00)	(100.00)
My Brother's Keeper	18.00	18.00	0.00	0.00
Targeted Prekindergarten	1.30	1.30	0.00	0.00
Children of Migrant Workers	0.09	0.09	0.00	0.00
Adult Basic Education	1.84	1.84	0.00	0.00
Adult Literacy Education	7.29	6.29	(1.00)	(13.68)
Lunch/Breakfast Programs	34.40	34.40	0.00	0.00
Nonpublic School Aid	234.02	180.98	(53.04)	(22.66)
Nonpublic School Safety Equipment	15.00	15.00	0.00	0.00
New York State Center for School Safety	0.46	0.46	0.00	0.00
Health Education Program	0.69	0.69	0.00	0.00
Academic Intervention Services, Nonpublic	0.92	0.92	0.00	0.00
Extended School Day/School Violence Prevention	24.34	24.34	0.00	0.00
Primary Mental Health Project	0.89	0.89	0.00	0.00
Summer Food Program	3.05	3.05	0.00	0.00
Consortium for Worker Education	13.00	11.50	(1.50)	(11.54)
Charter School Start Up Grants	4.84	4.84	0.00	0.00
Smart Scholars Early College HS Program	1.47	1.47	(0.00)	(0.34)
Student Mentoring and Tutoring Program	0.49	0.49	0.00	0.00
Postsecondary Aid to Native Americans	0.60	0.60	0.00	0.00
NYS Historical Association—National History Day	0.10	0.00	(0.10)	(100.00)
Small Govt. Assistance to School Districts	1.87	1.87	0.00	0.00
Math and Science High Schools	1.84	1.38	(0.46)	(24.89)
County Vocational Education and Extension Boards	0.93	0.93	0.00	0.00
Center for Autism and Related Disabilities –SUNY Albany	1.24	0.74	(0.50)	(40.32)
Just for Kids – SUNY Albany	0.24	0.24	0.00	0.00
Say Yes to Education Program	0.35	0.35	0.00	0.00
Nat'l Board for Professional Teaching Standards	0.37	0.37	0.00	0.00
Teacher Resource Centers	14.26	4.28	(9.98)	(70.00)
Deferred Action for Childhood Arrivals	1.00	1.00	0.00	0.00
Rochester School Health Service Grants	1.20	0.00	(1.20)	(100.00)
Buffalo School Health Service Grants	1.20	0.00	(1.20)	(100.00)
Henry Viscardi School	0.90	0.00	(0.90)	(100.00)
New York School for the Deaf	0.90	0.00	(0.90)	(100.00)
Costs Associated with Section 652 of the Labor Law	1.10	6.20	5.10	463.64
Executive Leadership Institute	0.48	0.00	(0.48)	(100.00)
BOCES New Technology School Initiative	0.20	0.00	(0.20)	(100.00)
Supplemental Valuation Impact Grants	1.25	0.00	(1.25)	(100.00)
New York City Community Learning Schools Initiative	0.75	0.00	(0.75)	(100.00)
Grants to Certain School Districts and Other Programs	54.85	0.00	(54.85)	(100.00)
Prior Year Claims/Fiscal Stabilization Grants	45.07	45.07	0.00	0.00
Total	612.69	484.58	(128.11)	(20.91)



The People's Budget: EDUCATION

Campaign for Fiscal Equity

2017 marks the tenth year since New York State's highest court, the Court of Appeals, ruled that the state is violating students' constitutional right to a "sound, basic education." This lawsuit, brought by parents, is the Campaign for Fiscal Equity (CFE). The New York State Constitution guarantees students a "sound, basic education;" yet for the last 10 years, New York has been in violation of the court order in CFE by failing to adequately fund schools in needy communities. While the CFE ruling was specific to New York City, in 2007 the governor and the legislature enacted a statewide solution that promised a \$5.5 billion increase in basic operating aid (also known as Foundation Aid) phased-in over four years. After a decade, \$4.3 billion is still owed to our students.

The governor's budget proposal would provide an increase of only \$428 million in basic foundation aid for the schools, less than 10% of the current \$4.3 billion gap between the amounts appropriated for the current year and the amounts called for in the foundation aid formula. Further, the governor proposes to eliminate the foundation-aid formula altogether. The Caucus stands in firm opposition to this proposal and advocates for making a serious down-payment on meeting the commitments of what remains of the Campaign for Fiscal Equity settlement by increasing aid by at least \$2 billion and distributing it through the foundation formula. This would ensure funds are targeted to high-needs school districts with high child poverty rates. The foundation formula should be maintained, not eliminated as proposed by the governor.

Community Schools

The Community Schools Act would establish a state grant program to fund the planning and implementation of the community school model in low performing schools. The Act will provide the opportunity for schools to fully engage students, parents, teachers, school leaders and communities in developing a comprehensive plan that meets their students' needs and improves educational outcomes; the act will also provide funding to implement this plan.

Schools in low-income communities are struggling to provide their students with a quality education and the opportunity to succeed in school and life. Many of the difficulties faced by schools are tied to the challenges in their communities: the impact of poverty on families and communities has a direct effect on school and student success.

Many of our schools are not equipped to address the needs of all of their students, nor are they able to address the desires of the parents and families. As long as these needs go unmet, students are much less likely to succeed at school.

Although many services and benefits are available for low-income children and families, they are often not well-coordinated and connected to the school system. Community Schools integrate academics, services and supports in order to meet the full spectrum of student needs. These schools become hubs for their communities, providing students and families with a broad spectrum of services and supports easily accessible through the schools. The availability of additional help increases the potential for success for the impacted students. This comprehensive community-based approach improves student outcomes and leads to stronger families and healthier communities.

Community Schools are also cost-effective. They conveniently bring existing services and private entities to the schools where students are already located, leveraging local, state, federal and private dollars to better meet student and community needs.

Community schools provide an engaging and culturally relevant curriculum, a positive school climate, wrap around health, social and emotional services, positive discipline practices such as restorative justice, and transformational parent and community engagement. There is no single program that will turn around our schools - only a comprehensive approach will succeed. Community schools provide that comprehensive solution to the many challenges faced by public schools in low-income communities, and have been proven to deliver high-quality educational opportunities and improved educational outcomes.

This measure appropriates two hundred fifty million dollars (\$250,000,000), or so much thereof as may be necessary, to the education department from any moneys in the state treasury in the general fund to the credit of the local assistance account not otherwise appropriated, and made immediately available, for the purpose of carry out the provisions of the act for the 2017-18 school year.

College and Career Readiness

In an effort to ensure a family's ZIP code does not determine whether they have access to challenging college credit-bearing coursework in high school—a state investment must be made in a partnership with the College Board to both increase access to Advanced Placement (AP) courses and to remove financial barriers to AP exams for low-income students. Students who engage in AP coursework and take the associated exams are more likely to graduate college on time or early, saving New York families more than \$136 million in college costs in 2016. The Caucus advocates for \$15 million for the development of a comprehensive grant program that supports districts—especially those serving low-income students—in building or expanding their AP programs and AP STEM course offerings. We also ask the \$2 million currently included in the Executive Budget to provide AP exam fee waivers for low income students be maintained.



Early Childhood Education

In order to expand access to Pre-K initiatives throughout Long Island we are requesting that school districts on Long Island are given their fair share of funding in 2017. This funding should not be solely based upon high needs school districts. There are many school districts on Long Island whom have already rolled out their pre-K programs and are in need of additional funding. According to a recent study by the Childcare Council of Suffolk (CCCS), there are currently 8,506 state-funded Pre-K seats available for children on Long Island which equates to 27% of pre-school aged children. Furthermore, 60 out of 123 school districts have state-funded pre-K, which represents 48% of Long Island school districts. More than half of Long Island is not benefitting from Pre-K services that our children should be entitled to. This shortage of seats causes an extreme disadvantage for our children.

The Long Island Pre-K Initiative (“Initiative”), which is comprised of Nassau BOCES, Eastern and Western Suffolk BOCES, and the Child Care Councils of Nassau and Suffolk have conducted a two-year study to show that the creation of a Pre-K Technical Assistance Center would be an excellent attribute to Long Island’s educational needs. In order to bring this initiative to fruition, we are requesting an annual grant of \$500,000 in order to establish a Regional Pre-K Technical Assistance Center for Long Island. This center would be a model for all of New York State to mimic. It would provide school districts with the tools needed to access community-based partners that could lend support, grant opportunities, and develop their Pre-K curriculum adequately.

Increase Funding for After-School Programs

After-school programs provide safe, educational space for children to go after the school day ends in urban, suburban, and rural communities. Successful high-quality after-school programs increase student engagement and attendance, as well as improve test scores and reduce negative behaviors, among other benefits. The 2017-2018 Executive Budget invests an additional \$35 million in public after-school programs in the state’s 16 Empire State Poverty Reduction Initiative (ESPRI) communities. This new funding will create an additional 22,000 spots for students in after-school programs. With these new investments, more students in ESPRI communities will receive after-school care in the 2017-18 school year.

School-to-Prison Pipeline

For far too long, schools across the country and right here in New York turned to zero-tolerance school discipline policies using harsh and punitive discipline and policing for young people. Approaches to discipline and safety in schools, criminalized normal youthful behavior and created a school-to-prison pipeline pushing students in front of police officers, prosecutors, and judges instead of guidance counselors, social workers and principals. The racial disparities in suspensions, expulsions, and arrests in schools have created two very different learning experiences for Black and Latino youth, LGBTQ youth, and students with disabilities and their

white peers. In New York City, Black students are close to four times more likely to receive a short-term suspension and seven times more likely to receive a long-term suspension. Black girls are eight times more likely to be suspended more than once, and students with learning disabilities are more than three times as likely to be suspended. In 2017, Black and Latino students account for 90% of all students who are arrested and 91% of all students who receive a summons. Black students account for only 27% of all students but 60% of all students who are arrested and 58% of all students who receive a summons. These alarmingly high racial disparities are mirrored throughout the state.

In 2014, the Department of Education and Department of Justice released guidelines recommending school districts, “explicitly reserve the use of suspensions, expulsions, and alternative placements for the most egregious disciplinary infractions that threaten school safety.” Efforts to end the school-to-prison pipeline have swept across legislatures in states like Illinois, California, Maryland, and Massachusetts. New York can and must join the fight to end the school-to-prison pipeline by limiting the use of harsh and punitive discipline and providing social and emotional support to students by expanding the use of restorative practices. We propose to dedicate \$50 million dollars to support safe and healthy schools for New York students through competitive grants to develop or expand school models, practices, or staff training programs that reduce reliance on suspension, expulsion, and school-based arrest, reduce disparities in school discipline, and provide a safe and supportive school climate.

Adult Literacy Education

We urge the Assembly to provide \$17.2 million to support the Adult Literacy Education (ALE) program, which supports English for Speakers of Other Languages (ESOL) and High School Equivalency (HSE) classes via the New York State Education Department (NYESD). Currently funded at \$7.3 million, ALE is designed to help New Yorkers gain the language skills and credentials needed to integrate into their communities and increase their employment and earnings potential.

Despite the State’s immigrant population growing by over 386,000 people between 2005-2013 alone, our State’s investment in ALE has essentially remained unchanged for the last decade and the current funding level only offers opportunities to roughly 7,500 adult learners each year. With New York State currently home to 3.5 million adults that lack English proficiency and/or a high school diploma, New York is in a state of crisis. These New Yorkers represent a significant portion of our workforce and lack the basic skills needed to compete and succeed in the job market. With the recent rise in xenophobic rhetoric, attacks, and federal policy actions, New York must make this small investment to open up opportunity for these newcomers. The better the English skills of immigrants and refugees the more job ready contributing members of society they will be. They also need English skills to assist their children with their homework



and communicate with their children's teachers. By investing in a strong system of community based adult literacy programs, New York can truly help welcome and integrate all new comers.

At the same time, native born New Yorkers that never learned to read or write, and young adults that left high school but now realize they need a diploma, can also benefit from these important programs. In addition, support for ALE is more critical than ever as the New York State Education Department has estimated that recent changes to the federal Workforce Innovation and Opportunity Act (WIOA) will cost New York State roughly \$9 million annually with the elimination of the English Language Civics portion of WIOA. The adult literacy classes provided through ALE by community based organizations, libraries, community colleges and volunteer groups are a lifeline to thousands of New Yorkers and springboard to greater opportunity. With a renewed investment in ALE our State can capitalize on the potential of hard working New Yorkers seeking to build better lives for themselves and their families.

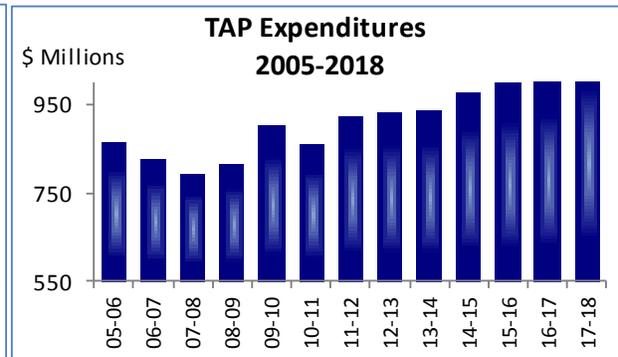
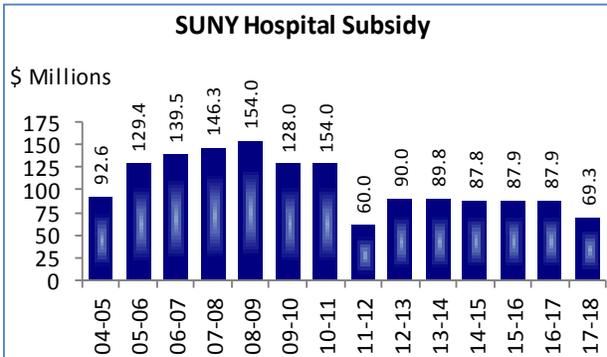
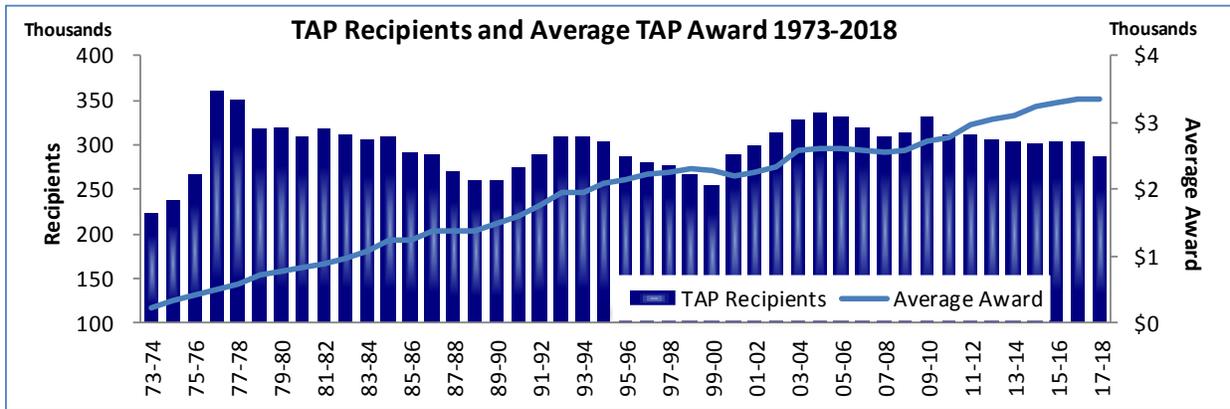
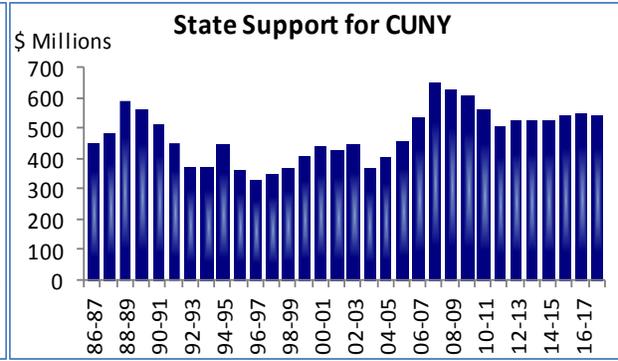
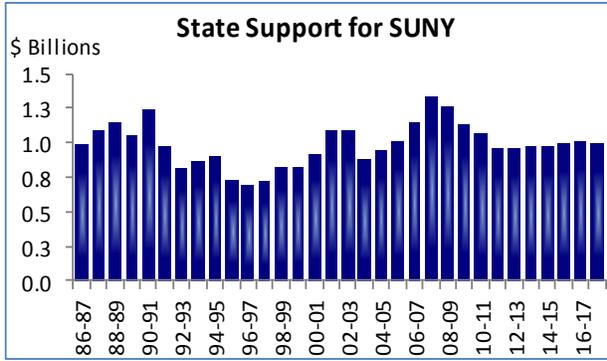
Library Funding

The Caucus recognizes that libraries are a core component of our state's educational infrastructure. The governor's budget, however, proposes a +4% increase in education funding while cutting library aid by -4%. These cuts would leave library funding at year-2000 levels; and for the tenth consecutive year, would leave library funding far short of what Educational Law mandates. State library aid is the only education program still suffering from recession-era funding. Since 2007, more than \$110 million in state library funding has been withheld. The Caucus strongly urges that the governor's cut in library aid be reversed.

The Executive Budget: HIGHER EDUCATION

- **Excelsior Scholarship:** The Executive proposal would allow New York State residents with family incomes of up to \$125,000 to attend both SUNY and CUNY tuition free, after assistance through Tuition Assistance Program (TAP) and Pell grants are considered. Students must take 15 credits or more per semester to qualify. The proposed plan is set to be phased in over the next three years, and cost \$163 million annually, when fully phased in.
- **NY SUNY 2020/NY CUNY 2020 Extension:** The Executive proposal would allow SUNY and CUNY to increase tuition by an amount up to \$250 on an annual basis for each of the next five years.
- **DREAM Act:** The Executive proposal would enact the DREAM Act, allowing undocumented immigrants to apply for state college tuition assistance.
- **CUNY Foundations:** The Executive proposal would redirect \$35 million in funds from CUNY foundations to pay for tuition assistance and other programs at CUNY and would create new oversight for foundations.
- **SUNY and CUNY Foundations:** The Executive proposal would expand the State Inspector General's jurisdiction to include SUNY and CUNY Foundations.
- **Independent College Tuition Growth:** The Executive proposal would make independent colleges' eligibility to receive Bundy Aid or Tuition Assistance Program funds contingent upon their ability to constrain annual tuition increases to \$500 or the Higher Education Price Index, whichever is higher.
- **Opportunity Programs:** The Executive proposal would eliminate \$23.8 million in funding for various opportunity programs.





The People's Budget: HIGHER EDUCATION

Funding and Educational Opportunity Programs

The Executive Budget provides for an increase in support for SUNY of nearly 5.5 percent during SFY 2017-18 and a funding increase for CUNY nearly 12.7 percent. A portion these support increases comes from the Executive Budget envisioning both of New York's public universities increasing tuition by \$250 per year for each of the next five years. The Executive Budget also proposes requiring the non-profit CUNY Foundations to pay \$35 million towards underwriting the additional state support included in the proposal.

The most widely reported initiative incorporated in the Executive Budget is known as the Excelsior Scholarship program. As proposed, the Excelsior Scholarship will cost \$124 million in SFY 2017-18 and initially provide free tuition to full-time SUNY and CUNY students with a family income of \$100,000 or less. This program is partially funded by dollars that have been historically committed to the Tuition Assistance Program (TAP). The DREAM Act is also funded with \$27 million in the Executive Budget, funds that appear to have been redirected from TAP as well.

The Executive Budget does not account for rising costs and freezes Community College Base Aid at the current \$2,697 per full-time equivalent student level squeezing the resources available for CUNY Community Colleges such as the two that primarily serve my district; Bronx Community College and Hostos Community College. The proposed budget also sharply reduces state funding for childcare at community colleges with support being reduced to just \$1 million – a more than 50 percent reduction.

The Executive Budget dramatically reduces funding for all educational opportunity programs (EOP, HEOP, STEP, CSTEP, Foster Youth Initiative, Graduate Diversity Fellowships and the Liberty Partnership) by \$23.8 million – a dramatic reduction in support for these already underfunded programs.

The Caucus offers strong support for a funding growth rate commensurate with rising costs for both of New York's public university systems. It should also advocate for a Community College Base Aid growth rate commensurate with rising costs, support the doubling of funding for community college childcare funding and a ten (10) percent increase from current year levels for all educational opportunity programs.

New York Legal Education Opportunity Program

Beginning with adoption of the FY2015-16 budget, our State committed to reinvigorating NYLEO with the infusion of \$500,000 resulting from an Assembly add. A vital aspect of any successful strategy to diversify the ranks of the legal profession in New York, NYLEO needs a



recurring funding stream of support and the Caucus is strongly supportive of a \$500,000 per year annual state appropriation for this purpose.

Barbara Clark Scholarship

With the growing cost of student debt averaging at \$25,000 reflecting the growing cost of higher education, we can see that our high school graduates are in need of financial assistance. Today more than ever it is vital to minimize the cost of education, so that tomorrow's New York State workforce are using their hard earned dollars to participate in the economy, as opposed to paying back large amounts of student debt.

Originally the New York State Lottery was established in order to fund our state's education. As reflected in the New York State Gaming Commission's lottery division year-end reviewed for Fiscal Year 2014-2015, we can see that as sales and net wins increase, the amount of school aid does not increase at a proportional rate. This distribution of lottery funds is unacceptable for several reasons (1) the purpose of the lottery fund is first and primarily to fund education, not to promote gambling (2) our New York State higher education students need funding.

New York State Martin Luther King, Jr. Scholarship

While commendable, the governor's Excelsior Scholarship proposal is limited in its scope. It does not address the pressing needs of lower-income students, and it does not adequately address the issue of education inequality. In response, the Caucus calls for the creation of a fund that will aid lower-income students with paying for non-tuition costs such as school fees, books, room and board, and childcare. This scholarship would go far in providing more students with access to education by lifting the financial hurdles that far too many lower-income and working students face.

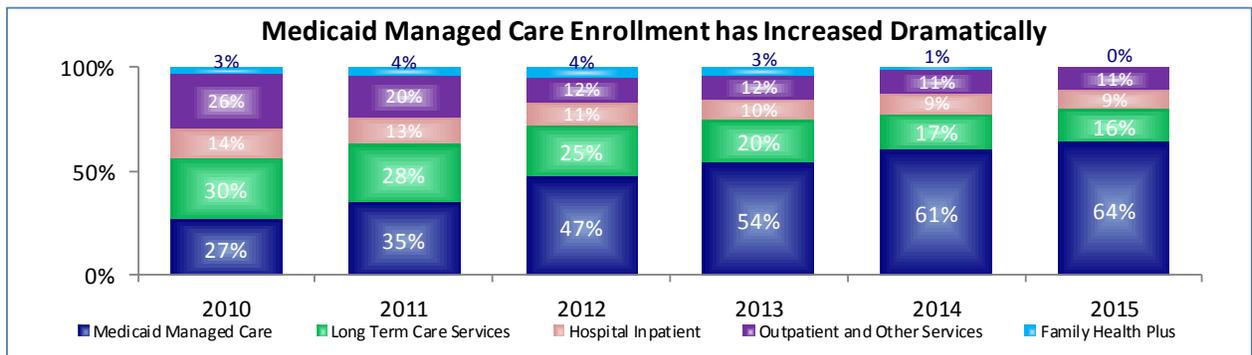
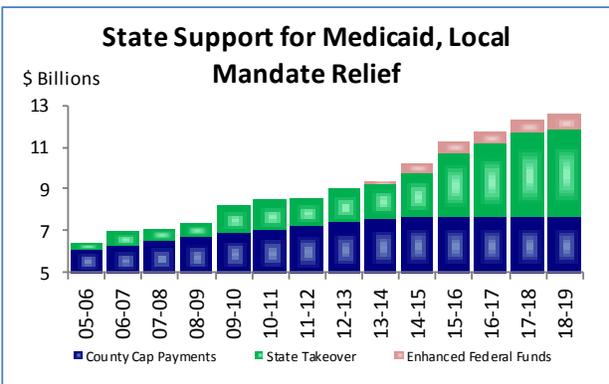
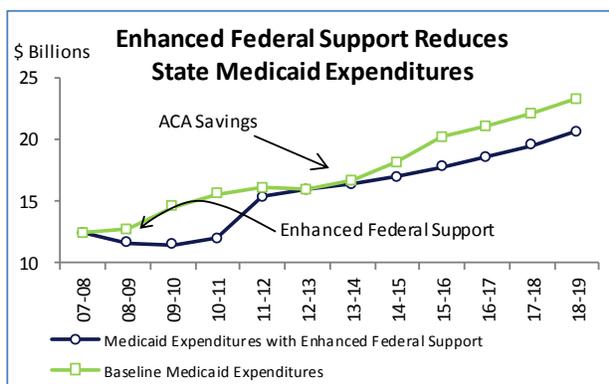
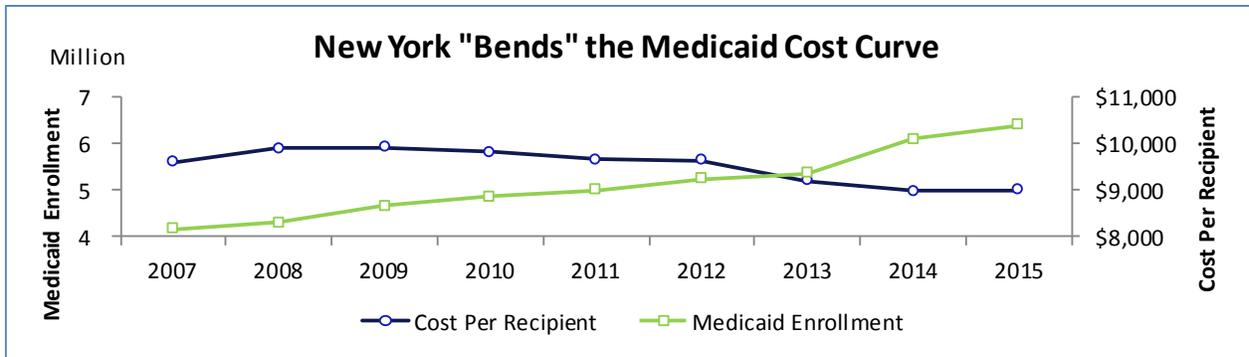
Free Community College

The governor's Excelsior Scholarship plan, although well intended, is not adequately funded, will hurt community colleges and small private colleges, and will do little if anything at all to help low-income students and their families. In contrast, the NY Promise Bill (A0929), which allocates \$450 million, will be able to help more families because the cost to fund community college tuition is lower; thus, dollars will go further. This proposal would help low-income and middle-income families because it will provide grants up to \$1,000 to help offset additional costs, and it will allow families to save more money over time. It will ultimately help baccalaureate colleges because many students will transfer after two years, debt-free. As with the America's College Promise initiative introduced by the Obama administration in 2015, this bill would allow many students who would have otherwise not attended college or who may have chosen a more expensive college. Starting a free community college tuition initiative could provide a win for everyone since it would allow a gradual phase-in to a full city and state four-year free college tuition policy.

The Executive Budget: HEALTH

- **Extension of the Medicaid Global Cap:** The Executive proposal continues the cap on Medicaid spending through the Department of Health (DOH) and limits these expenditures to \$19.39 billion in State Fiscal Year (SFY) 2017-18 and \$20.19 billion in SFY 2018-19.
- **Medicaid Redesign Team (MRT) Recommendations:** In addition to the initiatives implemented over the prior six years, the Executive proposes a cost-neutral series of new MRT initiatives for SFY 2017-18, which includes cost containment actions, new Federal costs, and financial plan relief.
- **Limiting the Costs of Prescription Drugs:** The Executive proposes to limit the impact of prescription drug prices on the Medicaid program and private insurance by: establishing price ceilings for certain high cost prescription drugs under the Medicaid program; establishing a surcharge on high-priced drugs which would be used to lower insurance premiums; and requiring the Department of Financial Services to regulate the practices of Pharmacy Benefit Managers.
- **Minimum Wage:** The Executive includes a total of \$284.6 million in State share funding to support direct care provider costs associated with the increase in the State's minimum wage, including \$255.4 million in the Department of Health and \$29.2 million in the Office for People with Developmental Disabilities, the Office of Alcoholism and Substance Abuse Services, the Office of Mental Health, and the State Education Department.
- **Essential Health Care Provider Capital:** The Executive proposes \$500 million in new capital support for essential health care providers, including a minimum of \$30 million for community-based providers and \$50 million for Montefiore Medical Center.
- **Consolidate Public Health Programs:** The Executive Proposal would consolidate 39 public health appropriations into four pools, and then reduce funding by 20 percent, or \$24.6 million.
- **Test and Monitor Drinking Water:** The Executive proposes to require every public water system to be tested for the presence of emerging contaminants once every three years; to require the testing of private wells as a condition of sale of any residential property; and require testing for leased residential properties once every five years.





The People's Budget: HEALTH

Coverage

New York has enrolled 2.8 million people into health care coverage through the New York State of Health Marketplace due to the Affordable Care Act (ACA) but as many as 433,000 New Yorkers are unable to access comprehensive coverage because of their immigration status. A small set of these low-income immigrants are eligible for State-only funded Medicaid. These are mostly immigrants with Deferred Action for Childhood Arrival (DACA). But around 10,000 low-income (138-200% of the federal poverty level) immigrants who have this same DACA status are ineligible for the Essential Plan. Ensuring EP coverage will help them access to high-quality, affordable care, and help them lead healthy, productive lives.

New York State should commit \$20.2 million to provide Essential Plan coverage to low-income immigrant New Yorkers who are permanently residing under color of law (PRUCOL) and meet the Essential Plan income guidelines but are ineligible for federal Essential Plan funding because of their immigration status. The Caucus supports legislation to allocate sufficient resources to cover all New Yorkers, including all immigrants regardless of their status, under a state-funded Essential Plan.

Child Health Plus Expansion

The Child Health Plus (CHP) program is a model universal coverage program for New Yorkers through age 18. It is the main reason that New York has one of the lowest child uninsured rates in the country at just 3%. As such, CHP is an ideal platform for offering equal access to coverage to those who are ineligible for Medicaid or New York State of Health Marketplace coverage. The Caucus supports expanding CHP by increasing the upper age limit from 18 to 29 through an allocation of \$81 million. This change would allow for health coverage of 90,100 more New Yorkers, bringing us closer to establishing health coverage as a right throughout New York State.

Department of Health – Diversity in Medicine

Health workforce diversity is recognized as an important strategy to improve cultural competence in health care and ultimately to reduce health disparities. However, some racial and ethnic groups are substantially underrepresented in health professions compared to their presence in the general population. Populations that are underrepresented in medicine (URIM) include Blacks/African Americans, Hispanics/Latinos, and American Indians/Alaska Natives. In 2014, according to recent studies by the Center for Health Workforce Studies (CHWS) at the University at Albany, URIMs made up only 9 percent of the physician workforce, but approximately 35 percent of New York State's population.

URIM physicians are more likely to practice in a primary care specialty, serve Medicaid patients, and work in areas of the state that are federally designated as primary care shortage areas. Race



concordance between the patient and physician results in longer visits and increased patient satisfaction, and language concordance has been positively associated with adherence to treatment among racial and ethnic groups; ultimately leading to better health outcomes.

The Caucus supports the highly effective Diversity in Medicine Program by advocating for the following changes and additions to Governor Cuomo's proposed budget: (1) the continuation of the current line item in the budget for the Diversity in Medicine Program; (2) the expansion of current Diversity in Medicine programs; and (3) the creation of a medical school scholarship initiative for graduates of the NYS-funded Diversity in Medicine program.

1. The governor's budget pools a number of workforce programs, including the DOH Diversity in Medicine Program, together in the Aid to Localities section and proposes a 20 percent cut. It is imperative that we create a line item devoted to fully funding the Diversity in Medicine program to ensure that this valuable program continues to operate. If Diversity in Medicine were to remain in the Workforce Pool and take a cut, it would be devastating to the program. In addition, if the program were to be reliant on a DOH sponsored RFP process, the programs' admission processes, which align with the medical schools' admissions processes, would not be able to recruit students. Thus they would be forced to shut down.
2. The NYS legislature has had the foresight to invest in medical school diversity programming since 1985 and the results have been significant. The programs support students historically URIMs – including racial and ethnic minorities, and students from educationally and economically underserved areas. The proposed increase of \$400,000 would return the program to its FY 2008-2009 (pre-recession) funding allocation and allow for meaningful expansion of the program. The Diversity in Medicine programs currently funded through the NYS Department of Health include:
 - a. Four AMSNY-sponsored Post-Baccalaureate Premedical programs, which provide added support and academic enrichment for medical school applicants who are identified as promising prospects, but were not accepted on the first try. A student who completes the program is guaranteed acceptance into medical school. This includes the University at Buffalo Post-baccalaureate program, which has operated for 25 years. More than 400 students have successfully completed the program and are practicing physicians - a success rate of 93 percent. The three other AMSNY-sponsored Post-baccalaureate programs offer Master's Degrees as well as conditional acceptance into New York State medical schools. These programs, which were established in 2009, also have a 93 percent success rate.

- b. The Pathways to Careers in Medicine program at The City College of New York (CCNY), which enhances students' research skills in preparation for medical, science and graduate health professional schools.
 - c. The Learning Resource Center at the CUNY School of Medicine, which since its inception, has provided thousands of counseling hours and support to students during their medical education. The CUNY School of Medicine is unique in that it admits students directly from high school and reduces the length of their medical education by two years.
 - d. The Physician Career Enhancement Program at Staten Island University Hospital, which provides guidance and support for economically and educationally underserved high school students.
3. Establish a new medical school scholarship initiative to support URIMs. For most students, paying for a medical education is a daunting challenge. Across the country, the median level of debt for the class of 2015 was \$183,000 – excluding accrued interest. In 2015, 81 percent of medical school graduates left with student loan debt. At the cost of \$400,000, this initiative would support ten scholarships for prospective medical students who successfully complete one of the NYS-funded Diversity in Medicine Post-baccalaureate programs. The scholarship is to be indexed to the current cost of medical school tuition at the State University of New York. In order to receive a scholarship, the student must agree to work in a medically underserved area of New York State. This scholarship initiative would help support ten URIM students through a NYS medical school and in effect, help alleviate the health disparities of some of New York's most underserved communities.

The need for diversity programming in medicine could never be greater as New York continues to transform its health care system, all the while seeking to create a more patient-centered approach to care. We remain impressed by the tremendous work programs like the Post-Baccalaureate Program at University of Buffalo and by the University's long-standing commitment to increasing opportunities for minorities in medicine.

This modest increase in funding could have significant impact on the next generation of New York's physicians, and ultimately increase access to and improve quality of health care for underserved populations in New York.

Medicaid

The state should build on the takeover of all county increases in Medicaid costs by starting to provide additional relief for low-wealth counties who bear a greater financial burden relative to



their ability to sustain the local cost share. One of the best ways to relieve the pressure of high property taxes on middle-income households and small businesses would be to have the state gradually pick up the entire local share of Medicaid costs over a period of time.

Healthcare for Low-Income and Working Families

The Executive Budget erodes access to health care for many New Yorkers by once again seeking to rescind the “prescriber prevails” protections from fee-for-service Medicaid and Medicaid Managed Care for all drug classes except atypical psychotics and antidepressants. This would adversely impact access to needed medications for many New Yorkers including those living with HIV/AIDS and Lupus. It would also dramatically impact the quality of care for those on Medicaid who are undergoing organ transplants or living with blood disorders.

The Executive Budget proposes to consolidate and reduce public health funding and would dramatically impact the ability of New York’s School-Based Health Centers to provide essential healthcare services to children. This proposal would eliminate funding lines for 39 discrete health programs while reducing the total funds committed to healthcare by \$24.6 million.

The Caucus stands on record supporting a full restoration of \$21 million in funding for School-Based Health Centers which would keep support at current year levels.

Community Health Advocates

Designated in 2010 as New York’s health consumer assistance program, CHA provides one-stop shopping for health insurance consumers and uninsured people who need help understanding and using their coverage and accessing health care—no matter the type of coverage they have (e.g. Medicare, commercial, union). Every year, CHA serves approximately 40,000 consumers throughout the State. Since 2010, CHA has assisted over 281,000 New Yorkers, more than 32,000 through their helpline, and saved approximately \$21 million for New Yorkers in health insurance and health care costs.

At its height, CHA was funded at \$7 million (federal grants under the ACA) and provided services through 27 community-based organizations and 34 small business serving groups. In 2015, federal funding for consumer assistance programs ended. Since then, CHA has been funded by the Legislature and the Executive, with the governor providing \$2.5 million and the Legislature providing additional resources. In the 2016-17 State budget, CHA was funded at \$3.25 million, which, despite an increased investment from the Legislature, represented an 18 percent funding cut across the network. Two agencies were forced to drop out of the network as they were unable to operate their programs in a financially sustainable manner.

To ensure that the CHA network is there to assist our constituents as they face fear and uncertainty, as well as potential dramatic changes to health insurance programs from

Washington, the Caucus supports \$1.5 million to CHA in addition to the Executive's \$2.5 million in the 2017-18 State Budget.

Nurse Family Partnership

The Caucus supports \$3 million in additional funding to the governor's proposal of \$3 million in order to help low-income, first-time mothers improve their health and the health of their newborn.

Donor Breast Milk

There is currently no system available to reimburse a medical care facility for medically necessary prescribed donor human breast milk provided to recipients of medical assistance.

The Caucus supports language stating that the New York State Department of Health shall reimburse a medical care facility for prescribed medically necessary donor human breast milk to preemies that:

- have a documented birth weight of one thousand five hundred grams or less or
- have a congenital or acquired intestinal condition, and are therefore at a high risk for development of feeding intolerance, necrotizing enterocolitis (NEC) and/or infection
- be 52 weeks adjusted age or younger

Coverage for donor breast milk shall be not less than the reasonable cost of such milk procured from a certified milk bank, plus reasonable processing and handling fees.

For every 28 children who receive exclusive milk diets, 1 case of NEC requiring surgery is prevented at a cost of approximately \$398,000. Based on New York State live birth data, the roughly 3,500 infants who would be eligible for this treatment under the new legislation would save the state an estimated \$10.5 million in direct hospitalization costs.

Providing reimbursement for donor milk from a certified milk bank for use in feeding extremely high risk, very low birth weight infants will provide neonatal physicians with a successful, cost-effective method for helping our state's babies and low income families prevent the catastrophic effects of NEC.

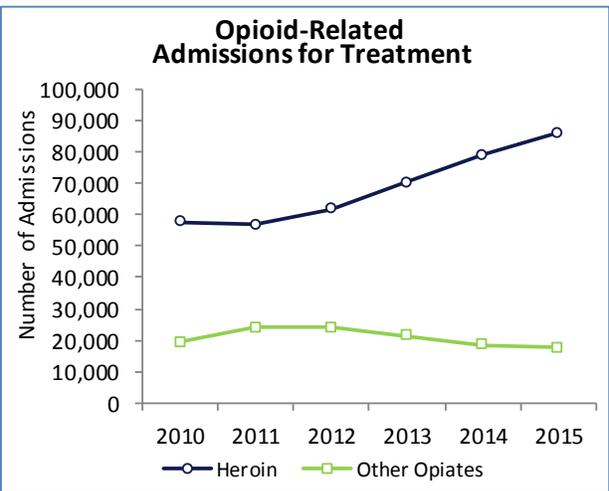
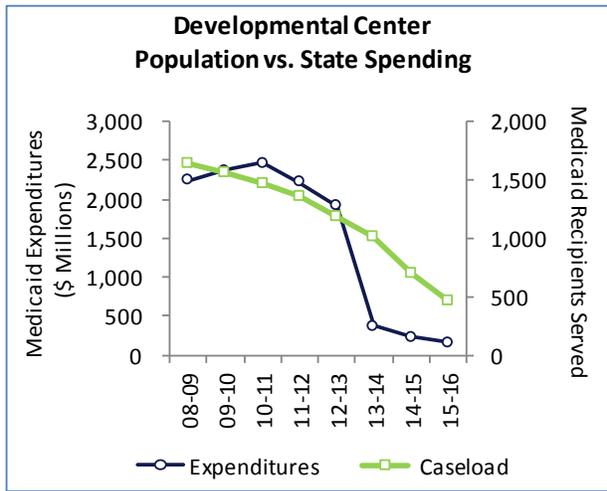
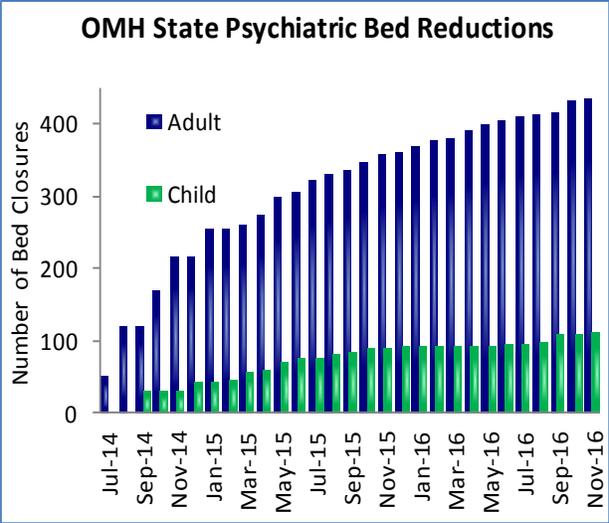
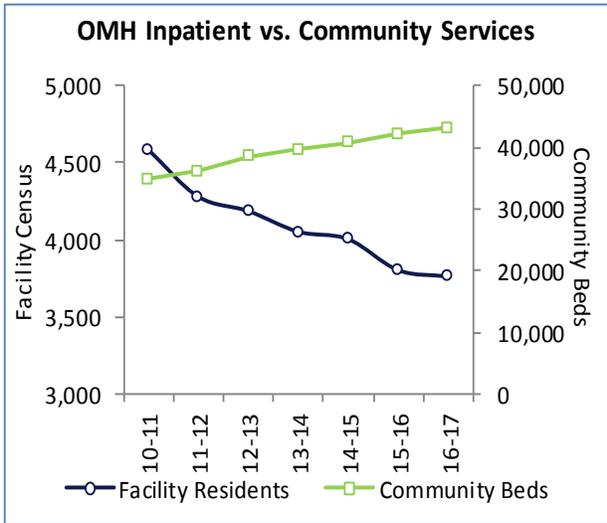
Disease

The Caucus calls for \$2 million in funding for Sickle Cell research, outreach, and services to our communities. Additionally, consistent with plans previously supported by the Caucus, we seek increased funding to care for those battling Lupus, Hepatitis, HIV/AIDS, and other infectious disease.



The Executive Budget: MENTAL HYGIENE

- **Office of Mental Health (OMH) Facility Downsizing and Reinvestment:** The Executive proposal includes \$5.26 million in savings related to the elimination of an additional 100 State-operated inpatient beds. To increase services in the areas impacted by this downsizing, \$5.5 million is provided for community reinvestment, or \$110,000 per bed. In addition, the Executive would transition individuals from State-operated clinics to not-for-profit providers and authorize the Hutchings Psychiatric Center to partner with another hospital in the region.
- **OMH Housing Programs:** The Executive proposal would eliminate 140 State-operated residential beds and use a portion of the savings to establish 280 supported housing beds. In addition, the Executive would provide \$10 million to support an increase in rental subsidies for OMH supported housing programs.
- **Jail-Based Restoration Programs for Felony Defendants:** The Executive proposal includes \$1.3 million in net savings related to the development of specialized units in local jails to restore felony-level defendants to competency, to provide a less costly alternative to state psychiatric facilities.
- **Office for People with Developmental Disabilities (OPWDD) Service Expansions:** An increase of \$30 million would support the creation of new service slots for individuals with disabilities living at home or in residential school settings, and a new \$3 million would support community-based services for 156 additional individuals that are expected to transition out of institutional settings.
- **Opiate Abuse Prevention and Treatment Programs:** A total \$200 million is included to support programs related to heroin and opiate abuse, an increase of \$30 million from State Fiscal Year (SFY) 2016-17 levels. This additional funding would support the expansion of a variety of existing programs and support the development of urgent access centers and recovery high schools.
- **Minimum Wage:** The Executive includes a total of \$284.6 million in State share funding to provide support to direct care providers costs associated with the increase in the State's minimum wage, including \$255.4 million in the Department of Health, \$14.9 million in OPWDD, \$4.6 million in the Office of Alcoholism and Substance Abuse Services (OASAS), \$3.5 million in OMH, and \$6.2 million in the State Education Department. The Executive proposal does not include similar funding for other not-for-profits that contract with the State.



The People's Budget: MENTAL HYGIENE

Mental Health Investments

\$12,000,000 for Gun Violence Prevention Program and Mental Health in Schools

Currently many of our schools are dealing with mental health incidents that are materializing themselves through gun violence. A major reason why the encounters persist is the lack of preventative care and identification of the mental health illnesses. Instead of addressing the illnesses schools have resorted to militarizing their teaching environments with more school security and metal detectors. Creating a safe school environment is important however we must simultaneously attempt to address the root of many of the gun violence problems in our communities, mental health issues.

Additional educational and personnel resources to schools in need in order to have round the clock support for students who may be dealing with circumstances that require professional care. By increasing the amount of social workers in our schools this program believes that it would be able to improve not only the amount of care provide to our students, but also the quality of care.

Social Work Investment

People in need of services, including the homeless, victims of domestic violence, children and at-risk families, immigrants and refugees, people who are currently or formerly incarcerated, as well as people in need of behavioral health programs, have multiple, complex needs, including trauma informed care.

In order to provide quality services that address the unique needs of each individual, assessments and interventions need to be appropriately and effectively implemented. Ideally, maintaining a well prepared, well-educated and trained human services work force requires licensed social workers in critical positions where there is direct contact with clients. There are numerous systems not sufficiently staffed as a result of inadequate financial resources and inability to fully implement the 2002 social work licensure statute, resulting in a bi-furcated system of care.

In order to address this inequity among systems, and to enhance the capacity of human service programs to have professional social work staff, especially in situations where diagnosis and treatment of serious mental illness is required, we are proposing the Social Work Investment Initiative.

- In 2002, after at least 28 years of negotiation between the legislature, stakeholder provider groups and trade associations, the practice of social work became one of the state's licensed professions. In doing so, a minimum standard of education, experience and exam requirements was established to assure that individuals providing mental health services, specifically, the diagnosis and treatment of mental illness were qualified to do so. Just prior to the passage of such legislation, several state agencies noted they would

need time to move their workforce into compliance. As such, a temporary exemption from licensure (of 6 years beyond the delayed effective date, of 2004) was included in the law for individuals in the employ of programs and services regulated, operated, funded or approved by the Office of Mental Health (OMH), the former Office of Mental Retardation and Developmental Disabilities now the Office for People With Developmental Disabilities (OPWDD), the Office of Alcoholism and Substance Abuse Services (OASAS) and local mental hygiene or social service districts. The list of “exempt agencies” was subsequently amended to add the Office of Children and Family Services (OCFS), the Department of Health (DOH), the State Office for the Aging (SOFA) and the Department of Corrections and Community Supervision (DOCCS).

- Three additional extensions have been passed since the agencies reported they were unable to meet the dates for compliance, the last one passing in the 2015-16 budget giving the agencies until July 1, 2018 to meet the licensing requirements passed in 2002. This issue was promised to be taken up this year, however, to our great disappointment, it was not included in the Executives Budget Proposal.
- \$4 million Loan Forgiveness Program for Social Workers specifically working in a currently exempt setting in an effort to mitigate the reportedly high rates of staff turnover in exempt agencies. Such an initiative would not supplant the current loan forgiveness program available to a broader array of social workers.
- \$18 million incentive program for currently exempt agencies to increase the number of licensed social workers available to provide supervision. This will provide for a stronger career track and also reduce reported staff turnover. Based on the Executive’s budget estimation that the cost of full compliance with the social work licensing law would be \$360 million we have estimated that to hire a sufficient number of licensed supervisors in key service sectors that the governor’s office has identified would be 5% of this amount, or \$18 m. The cost was arrived at by assuming supervisors comprise 10% of the staff reflected in the total amount. It was further assumed that only 50% of the supervisors would need to be replaced by licensed staff.
- \$500,000 for the development and distribution of culturally sensitive and ESL test preparation to assist those who are vulnerable to, or have already, failed the exam.
- \$250,000 for the development and implementation of a workforce data collection survey to be utilized (upon mandate) by the NY State Education Department at registration and re-registration of all Article 154 licensees (Licensed Clinical Social Workers and Licensed Master Social Workers). This will assist us in better understanding where licensees are currently working and where gaps persist.



State Mental Health Workforce

The New York State government spends approximately \$7.05 billion annually to support its mental hygiene agencies. This executive budget also includes \$1.3 million in savings pertaining to the development of specialized units in local jails to restore felony-level defendants to competency, in order to provide a less costly alternative to state psychiatric facilities. This allocation negatively impacts thousands of prisoners awaiting drug treatments, and mentally ill individuals that were placed in prison due to deinstitutionalization. An epidemic has evolved where the use of prisons as de facto mental hospitals needs to be addressed. In 2013, a report by the Treatment Advocacy Center found that there are more people with severe mental disabilities in prisons than in hospitals. Funding in the mental hygiene budget should be allocated to increasing services for New York State residents that are currently being affected by this hardship.

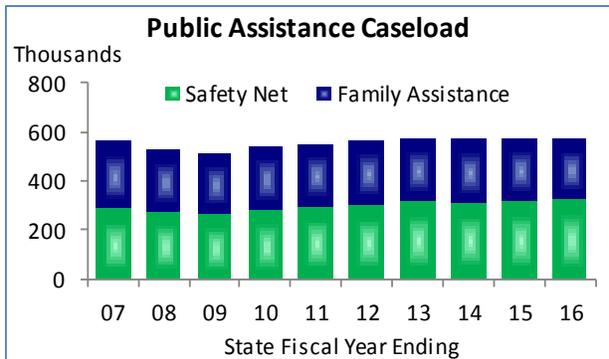
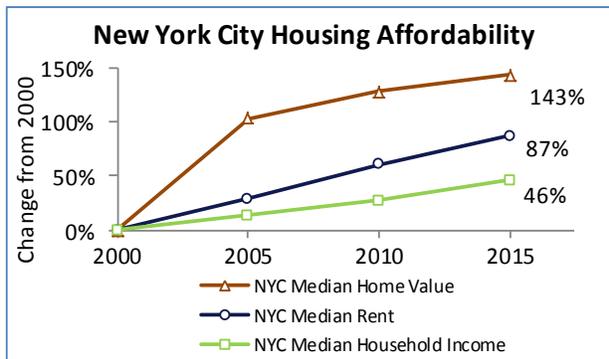
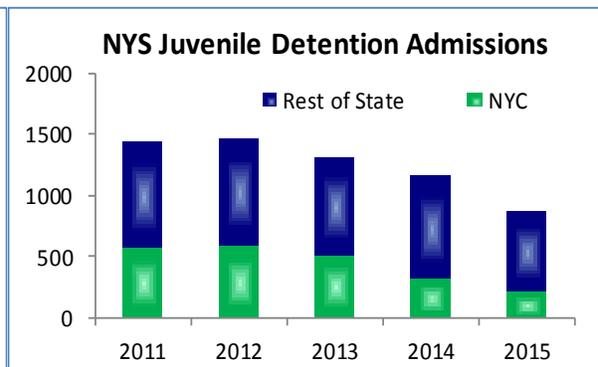
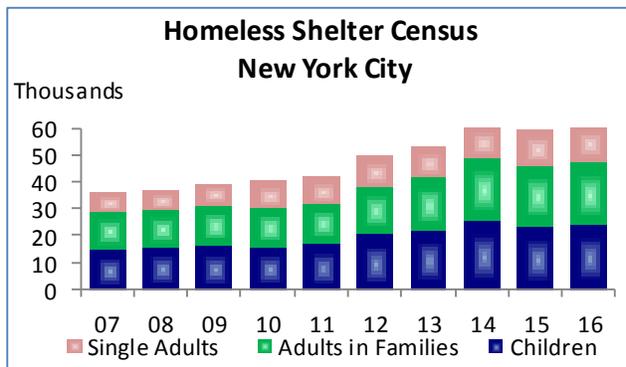
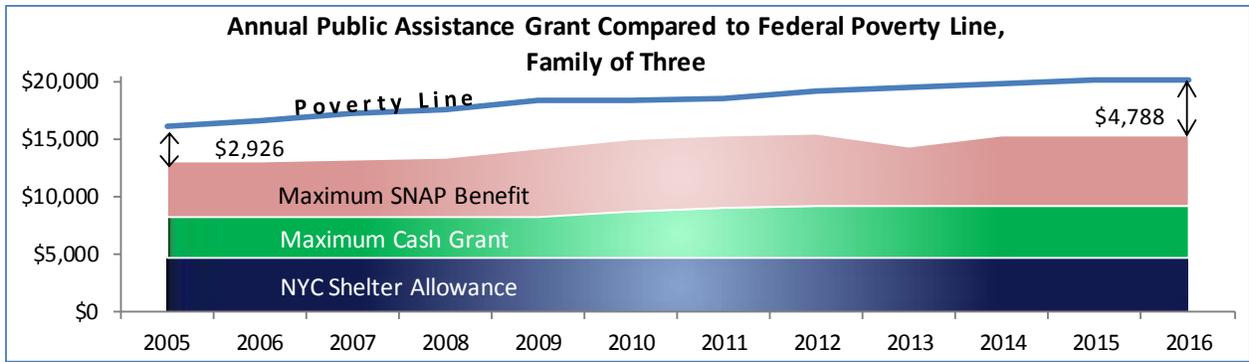
The root cause of the problem is the continuing closure of state psychiatric hospitals. Prior to 1970, the practice of routinely confining the mentally ill to prison was regarded as inhumane and problematic. In today's society deinstitutionalization has been re-implemented and funded by both state and federal governments. Many of our jails and prisons house the population of mentally ill patients that were affected by the closing of psychiatric hospitals. In order to address the current problem correctional facilities should be required to follow state regulated mandates to provide hospital level care to these individuals. A decrease in funding to mental health facilities would cause a downward spiral for mentally ill patients that were placed in prison and entitled to receive proper treatment. Many correctional facilities are not equipped to provide adequate care for their mentally ill inmates. Certain measures must be implemented to ensure that all mentally ill New York State residents receive the appropriate level of care. That begins with increasing funding directly to our mentally ill inmates. We cannot prosper knowing that thousands of mentally ill inmates are living in deplorable conditions while, under the supervision of New York State government.

The Executive Proposal would eliminate an additional 100 State-operated inpatient beds. According to CSEA, the Executive Budget will reduce the Office of Mental Health (OMH) workforce by another 353 full-time employees, and actually eliminate 240 State-operated beds. They expect many state-operate outpatient clinics to be closed based on this Executive Budget Proposal. We cannot diminish our state workforce.

The Executive Budget: HUMAN SERVICES

- **Child Care:** The Executive provides \$806 million for child care subsidies, representing no net change from State Fiscal Year (SFY) 2016-17. In order to maintain funding, the Executive would require \$27 million in Federal Title XX funds, which counties may currently use at their discretion for eligible human services programs, to instead fund child care.
- **Affordable and Supportive Housing Five-year Capital Plan:** The Executive proposal includes a new capital appropriation of \$526.5 million to supplement \$1.97 billion appropriated in SFY 2016-17. These combined appropriations of \$2.5 billion would build 6,000 units of supportive housing and build or preserve 100,000 units of affordable housing over the next five years.
- **Temporary Assistance for Needy Families (TANF) Spending:** The Executive provides \$36 million for the Summer Youth Employment Program, \$3 million for Non-Residential Domestic Violence Services, and \$3 million for the Nurse Family Partnership, and proposes to eliminate \$19.4 million in support for TANF initiatives advanced by the Legislature in SFY 2016-17.
- **Affordable New York Housing Program (421-a):** The Executive provides legislation to make various changes to the 421-a program, including modifying affordability requirements, construction wage requirements, and benefits for large rental projects in certain areas of New York City, including extending the tax abatement period to 35 years. This proposal would repeal the authority of New York City to enact laws implementing and modifying the program.





The People's Budget: HUMAN SERVICES

Public Assistance

The Executive Budget incorporates an assumed reduction of 4,393 recipients in the public assistance caseload statewide. This assumes a continued positive trend in the rate of growth in job creation during SFY 2017-18 that may not be sustainable and it is important for the state budget to fully fund the public assistance needs of all New Yorkers during this period of sustained economic stress.

Child Care

Protecting access to quality affordable childcare is essential to building a stronger economy and expanding opportunities for all New Yorkers. With federal and state standards for childcare providers becoming more rigorous, it is essential to include an investment of at least \$56 million in health and safety programs for childcare providers as part of the FY2017-18 enacted budget.

Child Care & Development Block Grant (CCDBG)

Long Island working families deserve their fair share; low-income families are not receiving their proper funding of the CCDBG. We must work together to make childcare assistance a priority in order to help low-income families on Long Island. According to the Suffolk County Department of Social Services, the CCDBG does not adequately appropriate funds to low-income areas of Long Island that are in desperate need of funding. Long Island is viewed as an affluent two-county union, however there are an array of townships that are comprised of low socio-economic households that are not being factored into the CCDBG grant allocation.

Summer Youth Employment Program

The Executive Budget includes \$36 million in TANF funds for the much needed Summer Youth Employment Program (SYEP). Unfortunately this funding level will still leave SYEP well short of being able to ensure that all youth applying for summer jobs will have a slot available to them. It is critical for all of New York's youth to have the opportunity to participate in a well-funded and properly supervised employment program during their teenage years. The Caucus offers strong support for treating SYEP as an entitlement-style program which is sufficiently funded to accommodate the employment needs of all applicants.

Expand Transitional and Public Service Jobs

Widen access to transitional employment to better assist welfare recipients and the unemployed, while protecting against the displacement of existing public sector workers.

Employment and Training Opportunities

The Consortium for Worker Education (CWE) provides essential training and workforce development programs that have had a positive impact on 43,000 workers throughout New York



City. With training programs providing industry-recognized credentialing that leads to living-wage jobs in the fields of transportation, A/C refrigeration, systems maintenance, health care, advanced computer programming and the building trades, CWE is an essential resource and needs funding of \$2 million to fund one thousand (1,000) credentials.

One Fair Wage

The signature New York State accomplishment of the \$15 minimum wage was a big win for working families across New York State. While the Caucus is proud of our leading role in finally enacting this policy, we understand that some of New York's most vulnerable and low-wage workers will not benefit from the improved policy.

The sub-minimum wage for tipped workers is an unjust subsidy afforded to restaurants, hospitality, nail salons, and carwashes on the backs of working people, allowing these employers to pay wages far lower than the minimum when customers voluntarily leave tips. This system makes workers more vulnerable to wage theft and sexual harassment that is pervasive in these industries. The Caucus supports eliminating the sub-minimum wage for tipped workers.

Reform Unemployment Insurance

The Executive Budget includes legislation to reform unemployment insurance for part-time workers. While that is an important step in the right direction, the state also needs to accelerate the phase-in for the maximum weekly benefits and accelerate an increase in the taxable wage base. New York's average weekly unemployment insurance benefits are below the national norm, even though average weekly wages are second highest in the country.

Increase Funding for the Empire State Poverty Initiative

The Executive Budget includes no new funding for the 16 Empire State Poverty Initiative communities. The cities included in the initiative would still be eligible for state funding from the prior year's \$25 million grant pool (to be used with matching private funding for anti-poverty programs). While we applaud the initiative, it's imperative that it is funded on a level commensurate with the magnitude of the challenges local communities face, including extraordinarily high child poverty and concentrated overall poverty.

Wage Theft

This year's budget should implement a well-resourced effort to eliminate wage theft in our state. We can support and protect workers who report wage theft by substantially increasing penalties for retaliation, including revoking the right of exploitative employers to do business, and by adequately staffing the NYS Department of Labor (DOL). Moreover, the agency should be resourced to allow it to investigate the full 6 year statute of limitations period for all workers.

Workplace Schedules

The Caucus supports legislation that aims to aid the lives of low- to mid-wage workers by providing them with at least seven days advanced notice of work schedules. This advance notice allows workers to plan for childcare, healthcare and other important family matters in a way that they may not currently be able to under current New York State law. At hiring, workers would also be provided with a statement as to the minimum monthly hours for which they would be scheduled to better plan for the financial aspects of their lives. Employers would face penalties from DOL and private causes of action for their failure to adhere to these provisions.

Retirement

Today, about 52 percent of New York's private sector employees do not have access to employer-based retirement plans. Worse, those employed by small businesses with less than 100 employees are 71 percent less likely to offer retirement savings programs. The lack of retirement savings expands across all age groups, earnings and education levels, and is heightened by race and ethnicity. Minorities comprise nearly 47 percent of those in New York State without a retirement plan. It is projected in New York State that almost 34 percent of those nearing retirement are at risk of living in poverty. The Secure Choice Savings Act would provide employees of smaller businesses access to much needed retirement saving options.

Citizens Committee for New York City

The Citizens Committee for New York City provides community and school improvement grants for volunteer group projects. The Caucus advocates for funding from the Legislature in the amount of \$300,000 for this worthwhile initiative.

Cultural Sustainability Fund

During a time of looming threats to our local cultural organizations from the Federal government, the Caucus deems it important to find ways to strengthen these much-needed institutions. Thus, we are calling for a statewide sustainability fund for cultural organizations in the amount of \$50 million.

Aging

The Caucus supports the governor's initiative to implement actions to make New York the first Age-Friendly state by designing opportunities within the regional economic development framework for regions to pursue funding to develop sustainable planning, including universal design features, assessing communities' livability index ratings, and implementing priority projects within the eight Age Friendly/Livable Community principles. Further, we must ensure that the enacted state budget includes a \$25 million increase for the State Office for the Aging to eliminate waiting lists.



The People's Budget: HOUSING

New York is in an official housing crisis, with the population growing faster than the housing stock and rents rising every year. This lack of affordable housing contributes to the gap between rich and poor New Yorkers and prevents growth of our state's middle class. Partially due to this affordable housing crisis, the homeless population in New York City is hitting record levels, with close to 63,000 homeless people, 24,000 of which are children. As a community, we must be the agents of change that ensure all New Yorkers have equal opportunity. And that starts with providing quality and affordable housing for all.

Quality and affordable housing is necessary to protect people and families across the state. Studies have shown that safe, clean and properly maintained housing not only benefits children socially and emotionally, but can have positive impacts on their health. For adults, secure housing makes it easier to find job opportunities and create a foundation for positive community change and subsequent growth.

Homeless individuals and families, by contrast, are at a high risk of illness, criminal exploitation and victimization. People who live on the streets suffer injury and death from exposure to the elements, and children and adults alike experience chronic hunger. In New York City alone, 1.4 million residents rely on soup kitchens and food pantries, and one in five children are food insecure, and do not know where their next meal is coming from. This hurts our communities, and the economy of our state. The average cost to shelter a family in a New York City homeless shelter is close to \$38,000 per year, but creating supportive permanent housing saves taxpayers \$10,000 to \$12,000 per person annually. We must look towards long-term solutions, which will save our state money and create untold positive effects across the state.

The Legislature must continue to support and expand affordable housing activities and increase housing opportunities for families across the State. The current housing plan as proposed by the governor's budget, provides for \$2.5 billion over five years, and an average of \$539 million per year. The Executive budget also leaves \$1.7 billion which was unallocated from previous years, on the table. The Legislature must ensure that these funds are used wisely, so that funding will reach the New Yorkers who are most in need of affordable housing.

Possible changes to the 421-a program allow the Legislature a unique opportunity to examine how this program is actually impacting New Yorkers. The Caucus will consider the benefits of the program relative to the costs it creates with the tax abatements given to developers. The Caucus must ensure the programs currently providing New Yorkers with affordable housing have the means and ability to continue their good work.

421-a Program

The 421-a program is undergoing possible changes this year. This \$2.8 billion dollar tax abatement for developers is meant to encourage the construction of rent-regulated affordable housing. However, this program provides a large cost to taxpayers with few benefits for the New Yorkers who are the most in need of affordable housing. Due to the high levels of affordability and Area Medium Income calculations, housing that was being constructed was not accessible to low-income New Yorkers. If the program continues, we must take a closer look at these affordability bands so that New Yorkers are not spending tax money on housing that is not actually affordable.

As changes are made to the 421-a program, the Legislature must take an evidence-based approach. We must know what housing is created at what affordability levels, and we must ensure that these buildings are truly rent stabilized. The current 421-a program that is proposed does not contain this information, nor does it provide rent stabilization guarantees.

Mitchell-Lama

Since its creation in the 1950s, the Mitchell-Lama program has provided affordable housing to moderate-income and low-income New Yorkers around the State. Mitchell-Lama provides housing for nearly 120,000 families in around 250 developments. As market-rate housing has become more expensive, owners of these developments have bought out of the Mitchell-Lama program, thereby ending the income-based rental or sales restrictions that cover their buildings.

This can have a devastating impact on the families living in these developments, as rents often increase drastically when their existing Mitchell-Lama leases expire. As a Caucus that represents thousands of low- and middle-income constituents, we must aid in creating incentives to revitalize participation in the Mitchell-Lama program. We must also commit to finding avenues that help to preserve existent housing constructed under the program.

Many times, Mitchell-Lama properties are sold off to raise money for repairs. That is why it is critical that the state support these needed repairs and provide the funding needed. Now is the time to be funding Mitchell-Lama Rehabilitation at higher levels, not cutting funding to the program by one million dollars. It is critical that we protect Mitchell-Lama tenants by ensuring that developments operate within the current guidelines of the existing program and support developments with the funding necessary to keep these homes up-to-date.

Rent Regulation

Rent regulation laws are divided into two categories, rent stabilization and rent control. Currently, rent stabilization laws exist in New York City, as well as Nassau, Rockland, and Westchester counties. A vast majority of the 2.5 million New York residents protecting by rent



regulation laws live in New York City, and one million rent regulated units exist within the five boroughs.

These represent almost half of the City's rental units. In the current budget negotiations period and the remaining legislative session, the Caucus will make it a priority to address critical issues, including vacancy deregulation, rent increases for major capital improvements and individual apartment improvements, preferential rents, other allowable rent increases, and other issues that have a substantial, depleting effect on the stock of rent regulated units. Hand in hand with this is making sure any 421-a program that is passed will support rent regulation, and not allow unlimited rent increases by developers. By taking these measures, we will help to secure the future of the rent regulated housing stock in benefit of all New Yorkers.

Mortgage Foreclosure Prevention

The Caucus will work to support mortgage foreclosure prevention activities. The presence of foreclosed homes has a generally negative effect on surrounding communities, and very little has been done to address who is responsible for these empty homes. Last year the governor signed legislation to create services to maintain "zombie homes" and it is our job to ensure that these services are implemented in communities with many abandoned and foreclosed properties.

While we work to support families struggling to keep their homes, we will also work within state law and with banks to take responsibility for foreclosed homes and "zombie properties" that depress property values, decrease neighborhood income, and can become a site of blight and abandonment within our neighborhoods.

As we address the problem of foreclosed properties, we must also take steps to ensure we are helping families stay in their homes. That is why there is legislation to ensure that anyone facing foreclosure is provided with an attorney to defend them. Foreclosures are not automatically assigned a free lawyer, which leads many in our communities without recourse to fight for their home.

Reduction in the Homeless Population

Homelessness does not represent the failures of individual, and can often find its origins in the absence and inaccessibility of social and economic supports. The Caucus will continue to work aggressively to reduce homelessness across New York. Communities throughout the State have seen significant increases in homelessness, and the Caucus intends to help develop resources and initiatives, that, in their diversity, provide multi-layered solutions to the problem.

In New York State, the New York City Housing Authority along with other public housing authorities must work proactively to target their local homeless populations. While there was a strong commitment of funds last year to be put towards homeless housing, more work needs to

be done. The state must fund current homeless housing programs at higher levels. The Executive Budget plans to increase support for homeless programs by less than a million dollars. If the state is truly committed to ending the homelessness epidemic, the budget needs to include more funding for programs that are already working with homeless people.

Public Housing Support

Public housing developments statewide and those in New York City in particular, suffer from a stunning lack of capital support. Many of these public housing developments have fallen into serious disrepair and the support they have received has consistently fallen short of their need. There are budget line-items that are going towards NYCHA developments, but these may not be enough to make the necessary repairs to buildings that thousands of New Yorkers rely on. The state and city must commit to funding NYCHA repairs and developments at a level that will bridge gaps and take care of deficits that many public housing developments are facing.

The inclusion of \$500 million dollars for NYCHA capital repairs is a necessary step forward to supporting the needs of families in NYCHA developments across the city. As we face potential changes to federal aid to public housing, it will become even more necessary for the state to step up and continue to put funds towards renovating units. Further, it is vital that these funds be allocated to NYCHA directly, rather than require approval from DASNY and HCR—a process that impedes a timely start to these capital projects.

Some of the \$1.7 billion in unallocated funds from previous years should be put towards repairs, as NYCHA buildings age and repairs become even more necessary. It is essential to fully fund NYCHA’s existing capital project backlog for a more effective and fiscally sound response to the pressing needs of families living in the Authority’s housing.

Settlement House Program

As one of the few sources of flexible funding available for neighborhood-based organizations, the Settlement House Program (SHP) allows organizations to provide vital programming that would otherwise not be possible due to gaps created by conflicting federal, state and local funding requirements. This flexible funding is particularly important as there is uncertainty surrounding potential cuts to various sources of federal funding for social services under the new presidential administration. The settlement houses funded through SHP provide a wide array of services, including treatment and counseling services for sexually abused children, programming for youth too old for child programming, but not yet old enough for traditional teen programs such as the Summer Youth Employment Program, culturally competent domestic violence and prevention services, parent engagement and family literacy programs, skill-building support for homeless youth, college preparation assistance, workforce training, and eviction prevention and case management services for families at risk of homelessness. The Caucus calls for the



inclusion of \$4 million in the FY2017-2018 budget in order to provide funding for 48 settlement houses across the state.

Low-Income Housing Tax Credit

The Caucus supports increasing the State Low-Income Housing Tax Credit to support the financing of affordable housing developments. In the face of possible federal tax cuts, it will be even more important for the state to step up and ensure that low-income housing is protected. The Caucus recommends an increase in the amount of salable tax credits, which would augment the available funding for affordable housing construction. The Caucus also supports an increase the amount of federal low-income housing tax credits that are allocated to New York State.

The Executive Budget: ENVIRONMENTAL, AGRICULTURE & ENERGY

- **Clean Water Infrastructure Act of 2017:** The Executive Budget includes a new \$2 billion for water infrastructure improvement projects over five years, at a rate of \$400 million per year. Eligible project types include drinking water, waste water, and water source protection projects. The Executive also proposes legislation to require public water systems to test for emerging contaminants and for private water systems to be tested when the property is sold.
- **Environmental Protection Fund (EPF):** The Executive proposes to maintain funding for the EPF at \$300 million. Allocations include \$40.9 million for solid waste programs, \$86.8 million for parks and recreation, \$150.6 million for open space programs, and \$21.7 million for climate change programs.
- **State Superfund Program:** The Executive proposal continues to fully fund the State's Superfund Program with a \$100 million appropriation, including funding for the Environmental Restoration Program.
- **Empire State Trail:** The Executive proposal includes a multi-year appropriation of \$200 million for the Empire State Trail, including \$53 million in SFY 2017-18. The Empire State Trail will be constructed over three years and add 350 miles of new trails.
- **Clean Energy Standard (CES):** In August 2016, the Public Service Commission (PSC) adopted the CES, which includes subsidies to achieve a goal of 50 percent renewable energy by 2030. Through this action, the PSC also ordered New York State energy ratepayers to contribute \$965 million over the next two years to subsidize upstate nuclear power plants. The Executive also proposes to develop up to 2,400 megawatts of off-shore wind power by 2030.
- **Closure of Indian Point Nuclear Facility:** The Executive announced plans to close the Indian Point Nuclear Facility by 2021. This facility currently produces approximately 25 percent of the electrical power for New York City and Westchester County.
- **Staten Island Sea Wall:** The Executive proposal includes \$151 million for the state match to an Army Corps of Engineers project to install sea walls along the south shore of Staten Island.



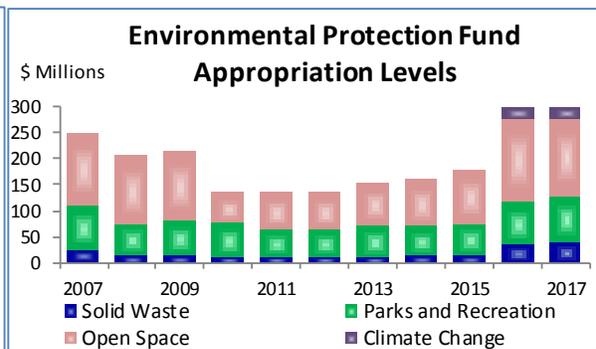
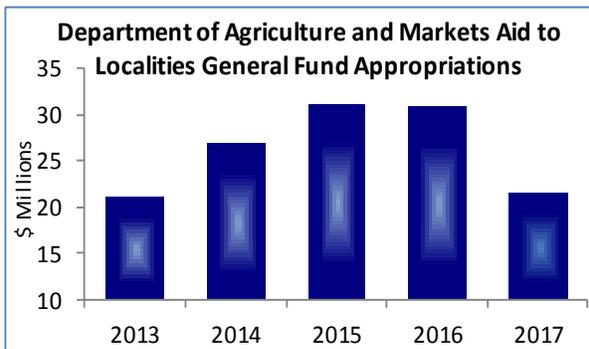
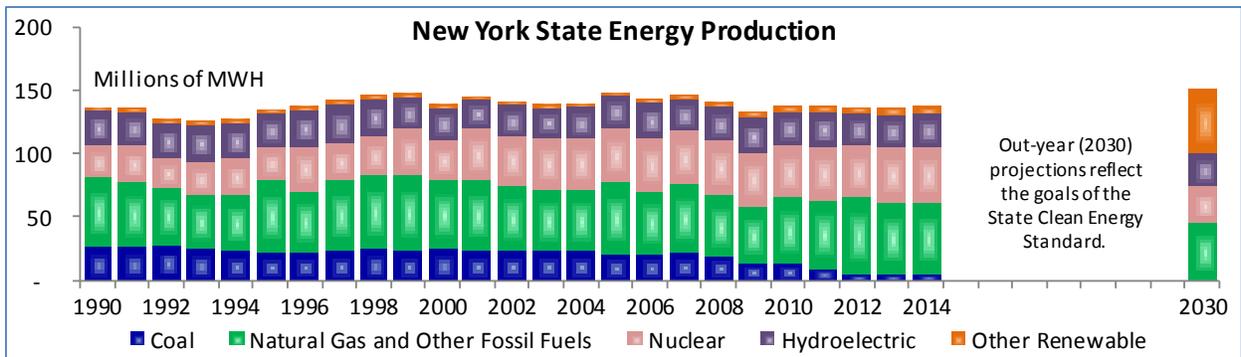
The People's Budget: ENVIRONMENTAL JUSTICE

Environmental Protection Fund (EPF)

The 2017-18 Executive Budget proposes to maintain the EPF at \$300 million dollars. This funding would continue to support programming for solid waste, parks and recreation, and open spaces; and will not only help reduce the energy loads, but will increase air quality and provide opportunities for economic development. The Caucus supports and applauds the Executive Budget's efforts on the issue of environmental justice.

Financial Assistance to Businesses

The Caucus advocates for an inclusion of \$50 million in the FY2017-2018 budget to restore and expand the Financial Assistance to Businesses (FAB) program through the New York State Environmental Facilities Corporation's Small Business Environmental Assistance Program. This fund would assist dry cleaners and nail salons as they undergo a mandated, costly transition to environmentally-friendly machinery and ventilation systems.



The Executive Budget: TRANSPORTATION

- **Department of Transportation (DOT) Capital Plan:** The Executive proposal includes an additional \$1.2 billion in State Fiscal Year (SFY) 2017-18 for the five-year DOT Capital Plan. This additional funding includes \$564 million for the JFK Airport Revitalization and an additional \$600 million to accelerate capital projects including: a study of I-81 in Syracuse; the replacement of the Scajaquada Expressway (Buffalo) and the Kosciuszko Bridge (NYC); and the revitalization of the 17/32 Interchange in Woodbury.
- **Continued Funding of Local Capital Construction Programs:** The Executive proposal would continue appropriation levels of \$438.1 million for the Consolidated Highway Improvement Program (CHIPs) and \$39.7 million for the Marchiselli program. The Executive continues funding of \$100 million for PAVE NY, distributed through the CHIPs formula. The Executive also provides municipal support with continued funding of \$100 million for the Bridge NY program.
- **Maintenance of MTA Capital Plan Support:** The Executive maintains the state commitment of \$7.3 billion for the 2015-19 MTA Capital Plan by making the third of five \$1.47 billion appropriations.
- **Transit Operating Assistance:** The Executive recommends \$4.988 billion in annual support for transit systems, including the MTA, reflecting a decrease of \$7.2 million or 0.1 percent from SFY 2016-17.
- **Ride Hailing:** The Executive Proposal includes Article VII language to provide a legal framework for allowing ride-hailing services to operate outside the City of New York.

The People's Budget: TRANSPORTATION

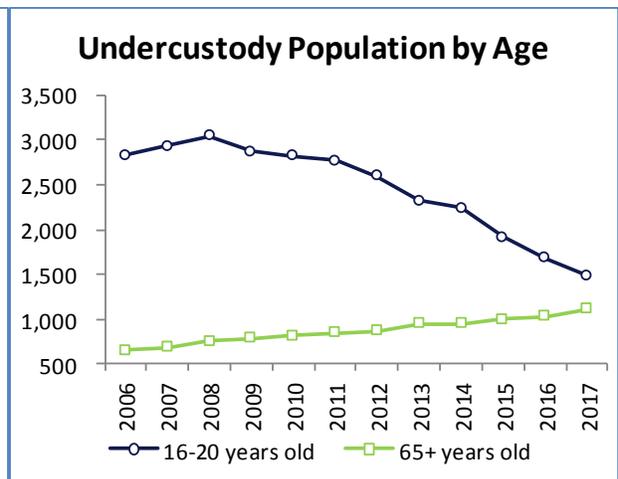
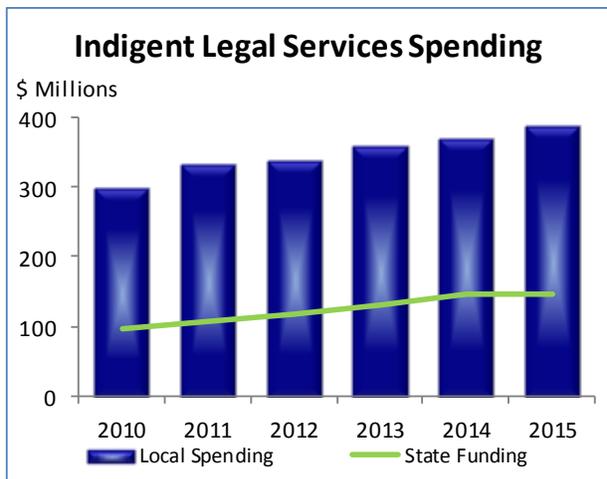
Payroll Mobility Tax

The Caucus supports the restoration of \$65 million of PMT (Payroll Mobility Tax) replacement funds that the Executive Budget proposes to cut. In 2011, governor Cuomo and the legislature promised to make up MTA funding that would be lost due to restructuring the Payroll Mobility Tax; for the first time, the Executive Budget proposes to break that promise. Subway delays have tripled since 2012, costing New Yorkers valuable time and threatening some workers with being docked pay or fired. Fares are increasing again in March, a particular burden to low-income families. The state should not back away from its promise to fund public transportation.



The Executive Budget: JUSTICE

- **Indigent Legal Services Settlement:** An additional \$8.68 million would be provided to continue implementation of the *Hurrell-Harring* settlement agreement, including support for caseload relief and staff. The Executive would also extend these reforms statewide over a six year period, for a total state cost of \$250 million when fully implemented.
- **Raise the Age of Juvenile Jurisdiction:** The Executive Budget would raise the age of juvenile jurisdiction to 17 in 2019 and to 18 in 2020, and would provide services for 16 and 17 year olds who are involved in the juvenile justice system.
- **Sentencing and Parole Reform:** The Executive proposal includes language to allow the Department of Corrections and Community Supervision Commissioner to set conditions of parole in certain instances, establish earned reductions during post-release supervision, increase limited credit time allowances, and expand determinate sentencing for non-violent offenses.
- **Counter-Terrorism Activities:** The Executive proposal includes \$203 million over four years to support the deployment of National Guard and State Police officers at New York City transit hubs, bridges, tunnels, airports, and other critical infrastructure.
- **Emergency Preparedness and Response Initiatives:** The Executive proposal includes \$4.8 million to support a variety of new homeland security initiatives, including training and preparedness programs for first responders and the establishment of a Cyber Incident Response Team to provide cybersecurity support to state entities, local governments, critical infrastructure, and schools.
- **Hate Crimes Task Force:** The Executive proposal includes \$1 million to establish a statewide Hate Crimes Task Force, which would work with county officials, district attorneys, local police departments and other key stakeholders to identify bias related trends and discriminatory practices within each county.



The People's Budget: JUSTICE & IMMIGRATION

Fund the Promised Legal Defense for Immigrants

Governor Cuomo boldly promised legal assistance to immigrants, a desperately needed service as the federal government prepares to cast a very wide net in immigration enforcement. However, the Executive Budget lacks any funding to make this promise a reality. There are about 817,000 unauthorized immigrants in New York State. At a rough estimate, \$30 million could provide legal services for 10,000 a year, and \$60 million could provide services for 20,000 a year. The governor and the legislature should evaluate the need and provide adequate funding to make this promise a reality.

Enact the New York State DREAM Act

The state DREAM Act would allow “dreamers”—undocumented immigrants who came to New York as children—to apply for the state’s Tuition Assistance Program (TAP). The governor’s inclusion of this measure in the Executive Budget is welcome. Leading it through the legislature would not only send the message that New York is a state that welcomes immigrants, but a state in which talent is valued as well. The Executive Budget estimates the cost at \$19 million in FY 2017 and \$27 million in future years. This is a very small cost to the state with a very high return on investment.

Help Refugee Resettlement Agencies Bridge the Trump Administration Funding Gap

The Trump Administration’s 120-day stoppage in refugee resettlement and plan to cut the number of refugees accepted next year in half is a real threat to upstate New York’s resettlement agencies. Upstate cities have come to rely on these agencies as anchor institutions. These institutions provide assistance to refugees, workforce development aiding employers, and services to a wide range of people beyond what their federal funding supports. The agencies are themselves employers, renters or owners of property, and they provide a stream of people to rent homes that might otherwise stay empty. The state could bridge the 120-day gap for roughly \$1.6 million, and address the full year’s shortfall for just \$2 to \$3 million.

CRIMINAL JUSTICE PACKAGE

Wrongful Conviction Reform (A.4239, Lentol)

- This proposal has been advanced and passed by the Assembly several times in past years;
- The bill would require the recording of interrogations in certain cases, including A-1 felony offenses and violent felony offenses; and
- Enact a series of new requirements for photographic arrays and live-lineup procedures designed to protect against suggestiveness and help assure the accuracy of eyewitness identification.

Raise the Age (A.4876, Lentol)

- This proposal has been advanced and passed by the Assembly several times in past years and has been included in one-house budget resolutions;
- This bill would raise the age of criminal responsibility from 16 to 18;
- It would also prohibit the placement of anyone under the age 18 in any adult jail or prison;
- Youth charged with certain serious offenses would start in a newly established youth part within the adult criminal court but could be removed to family court;
- The bill would provide for conditional sealing of certain criminal convictions;
- The bill would also raise the age of juvenile delinquency to 12 (unless the charge is murder, in which case, 10), from the current age which is 7; and
- The bill would also make more services available for youth in family court, limit detention and placement of low-level juvenile delinquents, allow for continued placement of PINS in limited circumstances, require probation to seek adjustment of juvenile delinquency cases, and require family support centers to be available throughout the state.

Special Prosecutor (A.4878, Perry)

- This proposal was part of a bill that passed the Assembly in 2015;
- This bill would create the office of the special prosecutor within the Department of Law (the AG) to investigate and prosecute criminal cases against police and peace officers where a person dies as a result of an encounter a police or peace officer.
- In such cases, the bill would also require the court to disclose the charges and the legal instructions submitted to the grand jury. The court would provide the prosecutor an opportunity to be heard on the matter and the court would be required to redact any identifying information before disclosure.

Grand Jury Reform (A.4877, Heastie)

- This proposal was part of a bill that passed the Assembly in 2015;
- The bill is designed to increase transparency in grand jury proceedings when the court determines it is in the public interest;
- Specifically, the bill would allow a court to release the grand jury record in cases where a felony indictment is dismissed and the public is already likely aware of both the existence of the grand jury proceedings and the identity of the named defendant. The record would be subject to redaction of personal identifying information before release. The court would be required to provide the prosecutor and any other relevant agency an opportunity to be heard on the issue of disclosure; and
- The bill would require the court to consider a variety of factors in determining whether or not disclosure is appropriate including the impact on current or future criminal investigations, the privacy rights of the jurors, and any threats to public safety.



- Additionally, it would allow the judge to be present in the grand jury room, and to assign an interpreter to interpret testimony for grand jury witnesses who are not proficient in the English language;

Ban Racial Profiling by Law Enforcement (A.4879, Bichotte)

- This bill passed the Assembly in 2015, 2014, 2013, and 2011;
- This bill would prohibit law enforcement officers from using racial and ethnic profiling during the performance of their duties;
- Specifically, it would require law enforcement agencies to adopt written policies prohibiting racial profiling, to develop procedures for complaints and corrective action, and to collect and report data about the agency's motor vehicle and pedestrian stops; and
- It would also establish a mechanism for either an individual or the AG to seek injunctive relief and/or an action for damages against any law enforcement agency that engages in racial profiling.

Discovery Reform (A.3056, Lentol)

- This bill has passed the Assembly since 2014;
- This bill would establish the power of a court to order disclosure by the prosecution of relevant property (evidence) that is shown to be material to preparation of the defense, whether or not the prosecution intends to introduce the property at trial; and
- The prosecution would continue to have effective tools to limit disclosure when needed, such as a motion for a protective order under the Criminal Procedure Law.

Expansion of Judicial Diversion (A.4237, Richardson)

- This bill was included in the Assembly's one-house budget resolution in 2016;
- This bill would expand the availability of judicial diversion for drug treatment to include offenses such as conspiracy in the fourth and third degrees (where the underlying crime is otherwise eligible for diversion), auto stripping in the second and first degrees, and identity theft in the second and first degrees. According to legal defense practitioners, these non-violent crimes are commonly committed by individuals needing money to support their substance use disorder;
- It would change the term "substance *abuse*" as it currently reads in the Criminal Procedure Law to "substance use," terminology that is defined in the DSM-5 and is utilized by psychiatrists, psychologists, and substance abuse treatment professionals.

Record Sealing in Marijuana Possession Cases (A.2142, Peoples-Stokes)

- This bill passed the Assembly in 2016;
- The bill would provide for the automatic sealing of records of low-level marijuana convictions (possession of a small amount in a public place which is either burning or open to public view) and prohibit a waiver of such sealing as part of a plea agreement;
- Allow a person convicted such offenses, prior to the effective date of the bill, to apply to have the record of such convictions sealed. In the absence of such application, the record would be suppressed by DCJS and OCA in a criminal record background check;
- This bill also provides that a person convicted of marijuana possession in the fifth degree shall not receive an increase in the maximum fine for a subsequent conviction under the basic marijuana possession statute.

Speedy Trial Reform (A.3055-A, Aubry)

- This bill passed the Assembly in 2016;
- This bill would enact a modest reform of the speedy trial provisions in the Criminal Procedure Law, primarily by allowing the court to inquire as to whether the prosecution is, in fact, “ready for trial” when the prosecution claims readiness, and thereby stops the “speedy trial clock;”
- Also, the bill would eliminate generalized court congestion, in most circumstances, as a basis for further delay.

Charitable Bail (A.4880, Blake)

- This is a new proposal, but expands on a law enacted in 2012;
- This bill would enable more charitable bail organizations to provide assistance to indigent persons in need of such services;
- It would reduce the certification fee required for non-profit organizations from \$1,000 to \$500;
- It would raise the monetary amount that such organizations may provide in bail assistance to \$5,000; and
- It would allow such organizations to contribute bail for misdemeanor and felony offenses, and remove the geographical restriction that an organization may only operate in one county.

Solitary Confinement Reform (A.1905-A, O’Donnell)

- This bill passed the Assembly in 2015;
- This bill would provide that solitary confinement should be used as a measure of last resort and used for the minimal period necessary to maintain order and discipline; and
- Prohibit the placement of certain vulnerable inmates in solitary confinement including those under 21 years of age, mentally ill inmates, or disabled inmates.



Ban the Box (A.2343, Aubry)

- This bill passed the Assembly in 2015;
- This bill would establish that conditional offers of employment must be made prior to an employer inquiring whether an applicant has a criminal history.
- This provision would not apply when a criminal background check is required or permitted by law.

Prison Visits

The Caucus opposes the executive plan to reduce visiting days at maximum security prisons. Instead of reducing the visit schedule, the state should expand visiting days at medium security facilities, reinstate transportation for visitors, and consider proximity to children and families in the prison assignment algorithm, making visiting and the transfer and transportation of those incarcerated much less costly for both families and DOCCS. At the very least, New York should maintain its current visiting schedule. New York has been able to close prisons and bring down crime, at least in part because of successful correctional strategies. Families from downstate urban areas already took the brunt of these successes when most prisons that closed were in and around New York City. Given the size of the DOCCS budget, and relatively small savings that is realized (especially compared to the negative impact on families), this seems like a largely symbolic cost-cutting measure that is anything but symbolic to those whose visits will be curtailed.

Alternatives to Incarceration

Hope House on Crotona Park is a six-year pilot program for a first-of-its-kind, secure Alternative to Incarceration for those with serious mental illness accused of certain felony level crimes. To be located in the Bronx, Hope House will accept men and women between the ages of 18-35 from all five New York City boroughs who will live at Hope House for up to two years as part of a voluntary, residential diversion program mandated by a court. This effort will treat and stabilize clients in a secure, therapeutic environment, offering round the clock residential and security staff with additional program and clinical staff for daily psychological, substance use, job, and after-hours therapeutic programming. If successful, the program can be replicated across the state. The Caucus advocates for \$500,000 in capital funding to support this effort, and calls on the support of executive agencies to break ground on this pilot.

The People's Budget: MWBE

Minority and Women Business Enterprises

In our great State of New York, we continue to make impressive strides to increase economic opportunity and equality for women and diverse communities of color. With a population comprised of nearly 18% African American, more than 18% Hispanic, and over 51% women, New York has an incredible opportunity to diversify representation and increase access when it comes to doing business in the state. Moreover, there are tremendous opportunities to increase the amount of contracts, capital, and resources to our minority and women owned businesses. We are excited by the progress that began in 2011 when Governor Cuomo established a statewide team to eliminate barriers and expand participation of Minority and Women Business Enterprises (MWBEs).

The team set an ambitious goal of 20 percent for procurement. Moreover, further progress was demonstrated by the announcement in October of 2014 of having achieved an impressive 25 percent MWBE participation rate. The latest goal of 30 percent brings us even closer to achieving equal opportunity and equality for minority and women owned firms and create jobs in the great state of New York. We support the governor's proposal to require local governments receiving state funds to meet the statewide goal and have introduced legislation to that end.

Unfortunately, due to a lack of comprehensive data, mandatory oversight and required reporting, MWBE goals across all state funding streams are not at the levels we need for parity. We must also tackle the lack of transparency in order to capture the total impact of state funding and goal achievement on the MWBE business landscape. Moreover, the other sad reality is that fraud in misrepresenting a business owner as a MWBE firm occurs all too frequently. With no clear mechanism to penalize said firms, another opportunity is presented for positive reform to be enacted through budget and policy proposals.

The Executive notes the 30 percent goal for New York's MWBE state contract utilization is the highest in the nation. However, under state law, that goal only applies to contracts issued by state agencies and authorities. It does not apply to state funding given to localities such as cities, towns, villages and school districts. This amounts to approximately \$65 billion each year. The Executive proposes legislation to expand the MWBE goal to such localities and entities that subcontract with them. This, in turn, will leverage the largest pool of state funding in history to battle discrimination and create new opportunities for minority and women owned businesses. The Caucus supports this measure.



Given the aforementioned context, the desire for greater MWBE participation that leads to increased economic and social progress, the need for tangible reform of increased oversight, transparency, metrics-based reporting, accountability, penalty for fraud and deception and ensuring increased opportunity and resource distribution, we propose the following items:

1. Extend the authorization for the Minority and Women-owned Business Enterprise (MWBE) program.
2. Require localities receiving state funding to meet the 30 percent MWBE goal.
3. Set the 30 percent MBWE goal for all state funding including money management, all procurement, remaining federal package funding for reconstruction costs for Superstorm Sandy and future dispersal of federal and settlement funds. Moreover, we call for the same 30 percent MWBE goal on all emergency projects after the initial emergency has been stabilized due to not all agencies monitoring job order contracting (JOCs) to ensure MWBE utilization does occur.
4. Determine oversight and enforcement process of MWBE goals including but not limited to a dedicated procurement officer tasked with MWBE implementation, public hearings administered by the Committees on Governmental Operations and/or Oversight, Analysis and Investigation and monthly and annual metrics based reporting.
5. Determine oversight and enforcement to monitor all state agencies for compliance and make reports to legislature. The assigned procurement officer must have a direct reporting relationship to the Commissioner or the President of the overseeing entity.
6. Establish a third party entity in charge of reviewing MWBE data and set aside funding for said entity to conduct research, data analysis, reporting and recommendations for future actions based upon said metrics.
7. Pass and implement legislation to install penalties for MWBE fraud including a mechanism to identify and track said cases and the rescinding of contracts and rewards due to fraud.
8. Pass and implement legislation to install penalties for MWBE fraud including a mechanism to identify and track said cases and the rescinding of contracts and rewards due to failure to meet MWBE goals.
9. Require all procurement contracts to contain anti-discrimination clauses.
10. Increase transparency in the procurement and funding selection process including, but not limited to, considering implementing a “Rooney Rule” as exists in the National Football League so that one of the finalists must be a MWBE finalist.
11. Immediately review state contracts to determine how to unbundle state contracts to increase opportunities for MWBE firms.
12. Mandate utilization of joint ventures with MWBE participation to ensure that they are not only gaining increased access to capital and contracting but equally learning from other firms in order to grow in scale, strengthen expertise and promote collaboration.
13. Establish a MWBE goal and mandatory participation for firms utilizing 421A tax incentives and any project utilizing state tax credits or incentives.

14. Establish subcategory utilization goals and benchmarks to clearly identify the different data points for minority owned, minority woman owned, woman owned and lastly veteran owned business.
15. Develop a scorecard system to evaluate agency execution and attainment of established procurement goals.
16. Conduct an impact analysis of the state's Strategic Sourcing initiative on the MWBE business community's growth.
17. Extend the 30 percent mandate to increase MWBE participation in state contracting to the Tier 1 level for Public-Private Partnerships and super-sized contracts
18. Allow large-scale MWBEs that exceed the personal net worth and size threshold to qualify for the 30 percent state agency goal.
19. Increase the number of minority and women-owned firm participants in each pension fund by requesting the Office of the State Comptroller (OSC) work with the Division of Minority and Women Owned Business Development to recognize and accept the state's MWBE certification.
20. Require the Division of Minority and Women Owned Business Development ("DMWBD") to promulgate regulations requiring all state agencies to commission a three-year growth plan to increase MWBE utilization and release this report to members of the legislature.
21. Support the development of not-for-profit organizations that provide education and advocacy for socially or economically disadvantaged businesses in the construction industry, the investment management and financial industry, empowering them to grow and create good paying jobs. The education should include rationale on why emerging contractors have traditionally not qualified for surety and bank credit or RFP qualifications. Incubating strong, well-managed minority owned construction and investment management firms will have significant economic impact on communities of color across our state.
22. Establish loan programs that include access to bonding for those MWBEs that are unable to obtain them from private sources.
23. Establish a quick pay program that pays MWBEs in 15 days, decreasing the need for capital.
24. Provide procurement, bid packaging and bonding assistance.
25. Monitor and evaluate the number of contracts awarded to certified MWBEs by location annually.
26. Significantly increase the MWBE utilization with the Department of Corrections given the size of the contracts and funding.
27. Implement a Managed Services model so that smaller firms could potentially be bundled together, managed by a larger firm to increase the chances for competition.
28. Implement a "Design Build" strategy as a way to strengthen Public-Private Partnerships instead of a "Design Bid Build" approach.
29. Establish a prequalification system to strengthen MWBEs prior to the bidding and procurement process.

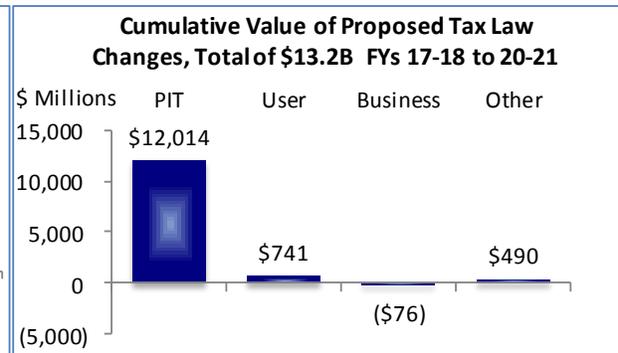
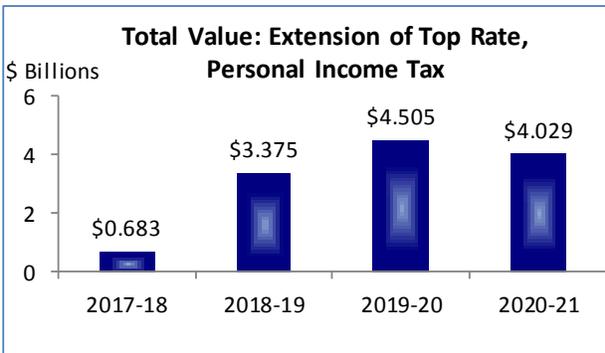
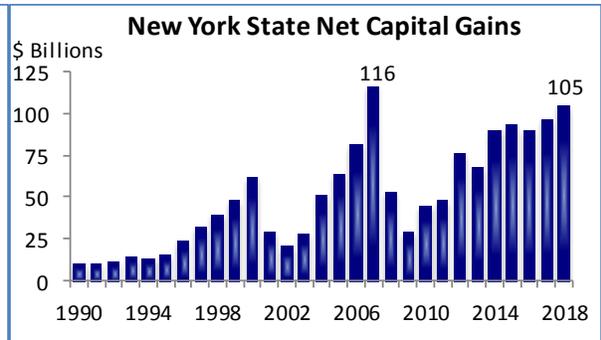
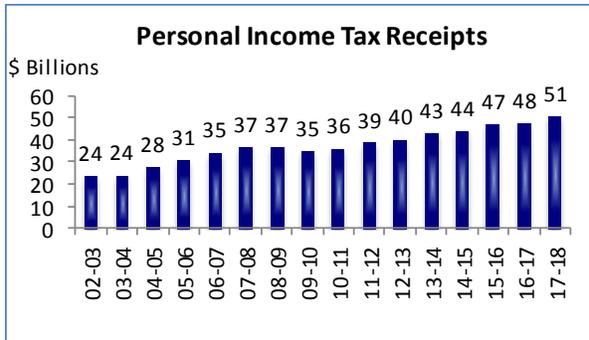
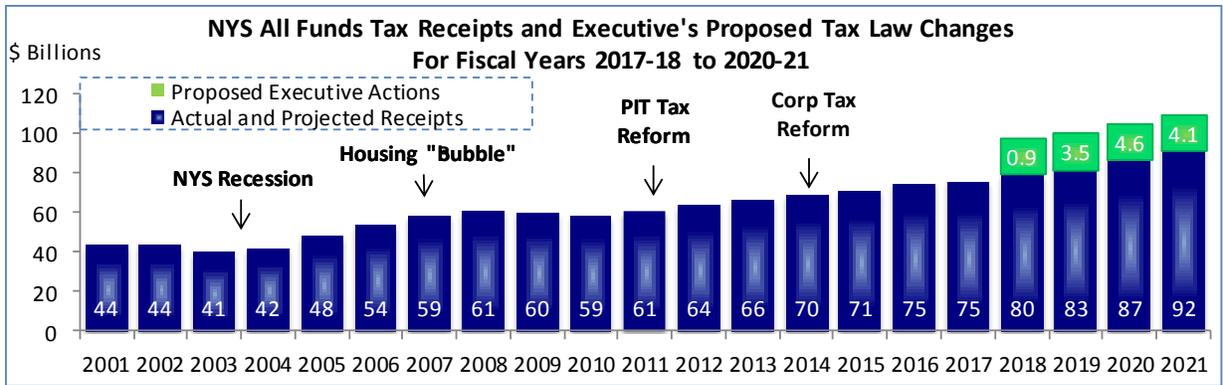


30. Establish a certification database to make it more easily accessible to learn of available firms and their qualifications.
31. Establish a mentor-protégé mechanism to help strengthen and grow emerging MWBEs so they are further prepared to become larger companies and increase their competitiveness.
32. Create a strategy to promote Mergers & Acquisitions to increase the size and competitiveness of MWBEs.
33. Establish a Working Group separate from the governor's taskforce to evaluate MWBE related procurement processes and implement best practices across all state Agencies.

The Executive Budget: TAXATION

- **Tax Cuts and Credits:** The Executive proposes tax credits for new and established life science businesses; enhances the child and dependent care credit for middle-income families; and expands the current workforce training credit.
- **Tax Reforms:** Executive reform proposals: require online marketplace providers (e.g., Amazon) to collect sales tax irrespective of the seller's location; establish an Excelsior business tax program; allow transportation network companies (e.g., Uber and Lyft) to operate in the state and impose an assessment fee; reform the taxation of cigars; close several loopholes (sale of co-ops, sales tax related entities, non-resident asset sales); and tax and regulate e-cigarettes and related vapor products.
- **Enforcement Initiatives:** The Executive proposes to: require medical practitioners to be compliant with state tax obligations before receiving excess malpractice coverage; expand jeopardy assessments to the cigarette tax; and close the real estate tax loophole.
- **Tax Law Extenders:** The Executive proposes to extend the current personal income tax top bracket for three years; extend the film credit for three years; and extend the current Urban Youth Jobs program.
- **STAR Actions:** The Executive proposes to: convert the NYC STAR PIT tax reduction benefit to a state credit; cap STAR benefits at existing levels; and require mandatory participation in the income verification program for enhanced STAR.
- **Gaming Initiatives:** The Executive proposes to: reprivatize the New York Racing Association; reform charitable gaming; extend certain existing provisions and rates for one year; alter local gaming aid distribution; and expand lab testing providers for horses.
- **Fee Actions:** The Executive proposes to establish a Taste-NY alcohol permit; establish a motion picture theater alcohol permit; and apply the current public safety communications surcharge to prepaid devices.





The People's Budget: TAXATION

Increase the State Earned Income Tax Credit

The state EITC is currently set at 30 percent of the federal EITC; increasing it to 40 percent would help lift many hard-working families out of poverty. State EITC benefits should also be expanded to aid workers not raising children in the home, as well as those ages 21-24 and 65-66, and to increase amounts for childless couples.

Increase the Child and Dependent Care Credit

New York's low- and moderate-income families should receive enhanced child and dependent care credit benefits. The governor's proposal increases the average credit for middle income families by 123 percent, but provides no adjustment for families with incomes below \$50,000. Doubling the credits (a 100 percent increase) would benefit nearly 200,000 struggling families with incomes below \$50,000 at a cost of approximately \$142 million. Such an adjustment would disproportionately benefit blacks and Latinos, who are heavily concentrated among the state's low-income families. The child and dependent care tax benefit enhancements should be effective this tax year (2017) to begin providing immediate relief to New York's working families.

Move Toward Having the State Carry a Fair Share of Joint State/Local Costs

Restore the state's role as a reliable partner to local governments. Rather than assisting local governments, the state has put them in a precarious position. First they had to choose between raising taxes and cutting local services, and more recently, only had the option to cut services with the false promise of huge savings through consolidation and other efficiencies.

Scrap the State Spending Cap

Eliminate the governor's self-imposed two percent cap on state spending. State tax revenues, total wages, and personal income are projected to grow by more than 2 percent over the next four years. There is no reason to hold annual spending growth below two percent if it means that we are under-investing in education, poverty reduction, and other critical needs. The Division of the Budget projects inflation of 2.7 percent in 2017 and 2.6 percent next year. This unforced austerity—that is, budget decisions driven by policy choice rather than by the economy—has already caused the state to underinvest in several critical areas. The continuation of the cap serves only to guarantee further harmful cuts to local governments, education and human services programs.

Eliminate or Amend the Property Tax Cap

The property tax cap should be eliminated, as it is the wrong solution to the state/local tax problem. Short of being eliminated, there are modifications that would at least minimize its damage to schools and local governments. The cap should, at the very least, be amended to allow for a simple majority override, rather than requiring a 60 percent supermajority. The cap should



also have exclusions for local expenditures for emergencies, capital improvements, infrastructure, and increased school enrollment. If the cap is to remain in place, the state should make the cap a true two percent cap, rather than tying it to inflation, ensuring that local governments and school districts can have greater certainty in their local funding.

Reform and Curtail Business Tax Credit Programs

Reduce the amount of money ill-used in the name of economic development and redirect it to bolster economic growth. Tax credits have tripled to \$1.9 billion in the past decade, yet they have a negligible impact on job creation. The governor's own tax commission recommended curtailing the scattershot use of tax credits. These funds can be better used to create jobs if invested in infrastructure or picking up more costs the state currently pushes down to the local level.

Adopt the 1% Plan for New York Tax Fairness

New York's overall state and local tax system is regressive. The state personal income tax should be made more progressive to offset regressive property tax, sales tax, and other taxes. Governor Cuomo has proposed extending the current millionaires' tax for another three years. An extension, however, does not go far enough and instead the Caucus proposes that the state expand the number of brackets and make the new structure permanent. We need a plan that retains the middle class tax reductions passed in 2016, and generally increases tax rates slightly for the richest 1 percent of New York's taxpayers. If the millionaires' tax is not extended, the richest 1 percent of families in New York State would get a \$3.7 billion tax windfall, and our communities would feel the greatest loss from this cut in revenue.

Fix "Corporate Tax Reform"

Changes should be made to improve the corporate tax reform that was enacted in 2014. The changes were meant to be revenue neutral, but in fact will end up costing well over \$500 million annually. To make up for this lost revenue, the state should make permanent the 0.15 percent capital base alternative tax rate and raise the cap to \$10 million, and should enact the investment tax credit reforms Governor Cuomo proposed in 2014.

Fairly Tax Carried Interest

Authorize New York City to tax carried interest on the same footing as the income of thousands of smaller businesses, and modify the state nonresident personal income tax to include New York income received from investment management services, which is currently not taxed.