

# Executive 2023-24 State Budget

## Joint Legislative Budget Testimony



**NYSAC**  
— NEW YORK STATE —  
ASSOCIATION OF COUNTIES



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## Introduction

**Thank you for the opportunity to speak to the State Legislature’s Joint Budget Committee on Local Government. My name is Stephen Acquario, and I am the Executive Director of the NYS Association of Counties.**

**Counties have many issues to consider in every state budget. We are the state’s administrative arm and responsible for implementing many state programs as well as financing a large share of these programs.**

**Counties in New York, including New York City, have fiscal requirements under state law that most counties across the nation do not have to address. The extra responsibilities placed on counties by the state shows up in our local budgets and levels of taxation.**

**The long trend of the state imposing significantly higher costs on its local governments compared to most other states is a major part of the affordability crisis we face in New York.**

**It is not unusual for a typical homeowner in this state to spend up to half of their mortgage on property taxes. For many homeowners, far more of their mortgage payment is dedicated to property taxes than paying down principal or interest. This is in a low interest rate environment – as interest rates rise and property taxes increase - housing and rental affordability will slip through the fingers of more and more families in New York.**

**When high costs are imposed on local governments by the state the affordability crisis gets worse, not better. For renters and homeowners alike we have the same outcome, when local government costs grow, affordability is increasingly threatened.**

**While there are many proposals counties like in the budget, I am going to focus most of my oral remarks on one issue – Medicaid cost shifts. These cost shifts overwhelm everything else in the budget for county taxpayers.**

**The full written testimony will address the budget in more detail, and we encourage members and staff to review the testimony and follow up with us and your county elected officials on the overall impact back in your districts.**

### Intercepting Federal Medicaid Savings

**The Governor is proposing an administrative action to intercept \$625 million in federal Medicaid savings currently received by counties and New York City to help pay for**

**overspending in the state’s Medicaid program. This intercept would be effective April 1, 2023.**

**The budget documents present this as “Utilize Available Federal Funding” with a reference that this will cost counties (\$280 million), including NYC (\$345 million), \$625 million annually in total. We have included NYSAC’s estimate of the county-by-county impact at the end of this section.**

**As a proposed administrative action there is no appropriation or Article VII language to review. The budget simply states that there is \$625 million in available federal revenue, to be used to fill state budget holes in the Medicaid program.**

**The proposal is presented as if this is “found” federal funds that are being leveraged to fund Medicaid expansion. To be blunt, these dollars are being taken from local taxpayers, and then used for state spending purposes.**

**This action leaves an immediate \$625 million hole in county budgets, and continues on a recurring annual basis through FY 2027. These are not found resources. This if federal funding being taken from the counties who have used it to control local property taxes.**

**For 20 years the federal government has provided enhanced Federal Medical Assistance Percentage (eFMAP) funding to states and localities in New York. The state has passed through the savings to counties and New York City consistently during this period.**

**For 20 years counties have used these federal savings to pay for local services and reduce property taxes, as intended by Congress. These savings have been shared with counties based on the proportionate share paid into Medicaid each time an eFMAP has been enacted by Congress. Every Governor since 2003 has provided these savings using the same formula. Governor Hochul is proposing to end this practice.**

**The minimum four-year cost to local taxpayers from this administrative action is between \$2.5 billion and \$2.9 billion according to the Governor’s budget. By making it an administrative action, it bypasses the Legislature’s direct involvement and authority. We strongly encourage the Legislature to reject this concept in its entirety in their budget negotiations with the Governor.**

**Based on our analysis, this single cost shift to local taxpayers is the largest revenue action proposed in the Governor’s Medicaid budget and one of the largest in the entire state budget. It is also the single biggest, and most abrupt cost shift (effective in a several weeks) to county taxpayers in recent memory.**

**By SFY 2027 the state cost shift from this action is equivalent to an average property tax increase of 7 percent statewide and as high as 14 percent in some counties.**

	Annual Cost of		Annual Cost of
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County	Losing Federal ACA eFMAP Benefit	County	Losing Federal ACA eFMAP Benefit
ALBANY	\$8,115,656	ONONDAGA	\$13,231,175
ALLEGANY	\$1,270,213	ONTARIO	\$2,101,476
BROOME	\$4,936,147	ORANGE	\$9,181,461
CATTARAUGUS	\$2,175,544	ORLEANS	\$1,059,034
CAYUGA	\$1,839,564	OSWEGO	\$3,134,290
CHAUTAUQUA	\$4,035,782	OTSEGO	\$1,346,092
CHEMUNG	\$2,585,982	PUTNAM	\$1,236,573
CHENANGO	\$1,272,283	RENSSELAER	\$4,369,678
CLINTON	\$2,250,959	ROCKLAND	\$8,734,377
COLUMBIA	\$1,423,509	ST. LAWRENCE	\$3,080,553
CORTLAND	\$1,299,358	SARATOGA	\$3,148,899
DELAWARE	\$1,112,320	SCHENECTADY	\$4,387,003
DUTCHESS	\$5,413,130	SCHOHARIE	\$729,961
ERIE	\$26,639,482	SCHUYLER	\$481,242
ESSEX	\$880,023	SENECA	\$775,278
FRANKLIN	\$1,299,024	STEUBEN	\$2,499,717
FULTON	\$1,798,034	SUFFOLK	\$31,915,576
GENESEE	\$1,231,039	SULLIVAN	\$2,601,457
GREENE	\$1,238,646	TIOGA	\$1,039,254
HAMILTON	\$82,521	TOMPKINS	\$1,524,820
HERKIMER	\$1,743,352	ULSTER	\$4,619,504
JEFFERSON	\$2,550,765	WARREN	\$1,572,639
LEWIS	\$645,791	WASHINGTON	\$1,442,218
LIVINGSTON	\$1,199,286	WAYNE	\$1,830,007
MADISON	\$1,430,691	WESTCHESTER	\$27,750,971
MONROE	\$23,032,067	WYOMING	\$692,563
MONTGOMERY	\$1,549,349	YATES	\$543,257
NASSAU	\$29,936,400	<b>57 Counties</b>	<b>\$281,000,000</b>
NIAGARA	\$5,793,588	<b>NYC</b>	<b>\$345,000,000</b>
ONEIDA	\$7,190,423	<b>Total Costs</b>	<b>\$626,000,000</b>

It is the strong view of NYSAC that congress intended these federal savings be shared with counties proportional to the amount they contribute toward the nonfederal Medicaid match. Since 2003, the state has shared the funds proportionally based on our analysis of savings we have received during periods when an enhanced federal Medicaid match was enacted by Congress.

Enacted in 2011, the Medicaid statutory cap for all 62 counties is \$7.6 billion. The Medicaid statutory cap for the 57 counties outside of New York City is \$2.25 billion. This has saved counties and local taxpayers billions of dollars since its enactment and made housing more affordable. Counties and local taxpayers greatly appreciate the relief provided by the state.

## COVID eFMAP

Now I will shift to the other additional federal Medicaid resources being sent to the state and shared with our counties.

The state budget updates its earlier estimates in regard to federal savings derived from the COVID eFMAP that congress enacted in response to the pandemic. As part of the end of year federal appropriation bill Congress wrote into statute the wind down of the +6.2 percent COVID eFMAP.

Beginning April 1, 2023, the COVID eFMAP will be reduced over the next three quarters:

- 5 percent through June 30,
- 2.5 percent through September 30, and
- 1.5 percent through December 31.

The Financial Plan previously reflected eFMAP through March 31, 2023. The end result is that the continuation of the enhanced federal savings beyond the end of SFY 2023 will provide about \$1.826 billion in total federal fiscal relief to New York State. The Financial Plan estimates about \$1.5 billion of this will accrue to the state and \$326 million will be passed through to the counties and New York City during SFY 2024.

The state has not yet passed through any COVID eFMAP savings provided by the federal government beyond what has been recognized by the state through December 31, 2022. This means counties and New York City should see additional federal savings related to the January-March 2023 quarter and the wind down described above (equivalent to about 2.25 quarters in total during SFY 2023-24). In addition, the state still needs to reconcile the 20 percent savings share they have withheld over what will soon be 3.5 years of COVID eFMAP availability and reimburse counties in full. We urge the Legislature to ensure these unreconciled funds are provided to counties.

## Taxation & Finance Related Issues

### Local Sales Tax Permanency

In an effort to shore up local government finances and to ensure revenue stability and certainty for local governments going forward, the Executive Budget grants permanent local sales tax authority for all counties and cities at their existing rates or up to 4 percent.

As such, local governments would no longer need to seek and receive the State's approval to extend their existing rates or increase their rate to no more than 4 percent.

All local governments will still be required to seek and receive temporary approval by a majority vote of the local government's governing body in order to impose additional sales tax above the current statutory 3 percent threshold.

**NYSAC strongly endorses this proposal.**

### Changes to In Rem Foreclosure

The Budget proposes that when a tax delinquent property is foreclosed upon by the county and sold, any money the county receives that exceeds the liability amount (e.g., overdue taxes, penalties, interest, mortgage liens, etc.) will be returned to the property owner, minus applicable administrative costs to the local government. Effective October 1, 2023, and would apply to tax enforcement proceedings commenced on and after that date.

**NYSAC strongly opposes this proposal as presented and we encourage the Legislature and the Executive to pull this proposal from the Budget and work with counties and other municipalities that enforce tax foreclosure laws so we can develop a more workable solution.**

**The proposal is replacing a tax foreclosure system that has been in place for over 30 years, including a large volume of case law in support. Care needs to be taken when changing longstanding public policy, especially without debate and when the law in question is complex, in order to prevent unintended consequences.**

The legislation, as drafted, vastly expands the scope of work of the current tax foreclosure enforcement officer. With the requirement to settle all outstanding liens tax enforcement officers would be required to take on the role of banks and others that hold mortgages and other liens, real estate professionals, property management and more.

The proposal also does not clearly define administrative costs; nor what to do in certain circumstances in relation to settling proceeds like divorce, deceased owners, bad title or multiple owners, how do we determine if a lien is valid, what to do if bankruptcy is declared after settlement, what if liens are discovered after settlement, among others.

**Adjustments need to be made to the proposal to ensure success and that we clearly focus on the core issue, at a minimum the legislation should:**

- **Narrow the scope by applying it only to owner occupied parcels;**
- **Remove provisions requiring the settlement of other outstanding liens as it forces a public servant to act as an agent of what is usually a for-profit entity (banks and other mortgage lenders) that has its own professional staff to settle liens;**
- **Clarify what are included as administrative costs;**
- **Require the state to become the guarantor of unpaid taxes for all taxing jurisdictions that experience tax delinquencies under the proposed process; and**
- **Establish an effective date that is no earlier than January 2025 so necessary amendments can be incorporated, and state regulations can be put in place and stakeholders can be educated on the changes.**

**In addition, the Legislature should consider the creation of a state financed Homeowners Assistance Fund modeled after the federal proposal in place during COVID to help taxpayers most in need so they can avoid tax foreclosure.**

#### **Pension Amortization Reform**

This Executive Budget would amend sections 19-a and 319-a of the Retirement and Social Security Law. First, The Budget would allow employers to use reserve funds to reduce their pension bill in years they are eligible to amortize a portion of their bill. Under current law, the employer's contribution rate must exceed the system's graded rate to access their reserve funds. However, some employers, such as those with a higher proportion of Tier 6 employees, are precluded from accessing their reserve funds because their contribution rates are below the system's graded rate. This amendment would change the requirement from the system's graded rate to the employer's graded rate, providing uniformity for all employers.

Second, it would lower the maximum amount in an employer's reserve account from 100% of payroll to an amount that does not exceed the employer's previous year's contribution amount. This



amendment provides a more realistic amount for employers to be precluded from future reserve deposits.

Finally, it would allow employers to exit the Contribution Stabilization Program or the Alternative Contribution Stabilization Program, subject to approval by the Comptroller and provided all prior year amortizations are paid in full, including interest. Beginning the fiscal year following termination, the employer would not be permitted to make a graded payment. Any existing reserve fund assets would be used to reduce future annual bills up to the amount the employer would have been able to amortize if still in the program. The employer would be permitted to re-enter the regular Contribution Stabilization Program only if eligible to amortize, provided all reserve fund assets are depleted.  
**NYSAC strongly endorses this proposal.**

#### Prohibit the Sale of All Flavored Tobacco Products and Increase Excise Tax by \$1 per Pack

The budget proposes to end the sale of flavored tobacco products, this is primarily targeted at menthol cigarettes which are estimated to be about 40 percent of all cigarette sales statewide.

The state financial plan is assuming that on a full annual basis this would reduce state sales tax revenue by \$100 million. Local sales tax would also decline commensurate with lower tobacco sales in each county. Master Settlement Agreement (MSA) payments could also be impacted going forward due to any reduction in sales volume of the participating manufacturers.

The current \$4.35 per pack excise tax on cigarettes would increase by \$1 and is estimated to reduce state sales tax collections by \$22 million annually. A local loss in sales tax due to this provision would be expected as well. Effective September 1, 2023.

**NYSAC's public health officials strongly endorse this proposal. We strongly encourage the state to impose safeguards to prevent a large shift to black market sales of banned products that could occur under this proposal.**

## State Spending by Functional Areas

Below is an interim analysis of how the SFY 2024 Executive Budget impacts county programs, services, and operations. NYSAC will continue to review the specifics of the proposals.

### Agriculture

#### Agriculture and Markets Local Assistance Funding

The Executive Budget includes \$47.8 million for local agriculture assistance, compared to \$53 in the FY 2023 State Budget. The Governor also proposes \$20 million for non-point source pollution control, farmland preservation, and other agricultural programs.

**NYSAC requests the SFY 24 Enacted Budget include \$53 million in appropriations.**

#### Modify the Investment Tax Credit for Farmers

The Executive proposes to make the investment tax credit fully refundable for eligible farmers for five years through 2027. Currently, the ITC is refundable for new businesses only, and an eligible farmer with little or no taxable income generally cannot receive the full benefit.

**NYSAC supports this proposal.**



## Community Colleges & Higher Education Tuition Assistance

### Community College Funding Floor

The Executive Budget will maintain a funding floor for community colleges at 100 percent of prior year funding. Without a funding floor, community colleges would face a \$138 million (22 percent) loss in formula aid due to enrollment declines.

**NYSAC strongly endorses this proposal.**

## Economic Development

### Enable Localities to Reclaim Certain Vacant and Abandoned Homes

The Executive Budget includes legislation to clarify and improve the process by which localities can legally certify certain vacant residential properties are abandoned with the intent of facilitating municipalities' ability to take ownership of hazardous properties.

**NYSAC supports this proposal.**

### Tourism Promotion Matching Grants

The Executive Budget includes \$2.45 million for matching grants to assist counties and municipalities in local tourism efforts.

**NYSAC supports this proposal.**

## Environment

### Clean Water Infrastructure Funding

The Executive Budget includes \$500 million in clean water infrastructure funding to bring the State's total clean water investment to \$5 billion since 2017.

**NYSAC supports this proposal.**

### Environmental Protection Fund

The Executive Budget includes \$400 million for the Environmental Protection Fund (EPF) to support projects that work to mitigate the effects of climate change, improve agricultural resources, protect water sources, advance conservation efforts, and provide recreational opportunities.

**NYSAC supports this proposal.**

### Waste Reduction and Recycling Infrastructure Act

The Executive Budget includes legislation to create a statewide extended producer responsibility (EPR) program that will transfer the responsibility of end-of-life management for packaging and paper products back onto the producer. This legislation will provide relief to local governments while incentivizing producers to reduce waste and use packaging that is easier to recycle.

**NYSAC strongly supports this proposal.**

### Clean Up Forever Chemicals Initiative

The Executive Budget would expand the Environmental Restoration Program (ERP) to allow available state appropriations to support municipalities in investigating and remediating municipally owned sites contaminated with PFAS and emerging contaminants. It would also make technical amendments

to disqualify municipalities that deliberately caused contamination, allow for settlement funds a municipality receives to be used as the local match, and broaden the eligibility criteria for projects under ERP. The Budget includes \$60 million to fund the first year of this Clean Up “Forever Chemicals” initiative.

**NYSAC supports this proposal.**

Establish the Hazard Mitigation State Revolving Loan Fund

The Executive Budget includes legislation to create the New York State Hazard Mitigation State Revolving Loan Fund to provide low-interest loans to local governments for mitigation projects. The federal Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act requires the establishment of this dedicated fund for New York to receive and administer loans via capitalization grants from the Federal Emergency Management Agency (FEMA).

**NYSAC supports this proposal.**

Lead Service Line Replacement

The Executive Budget amends Local Finance Law to allow New York State to use federal Bipartisan Infrastructure Law (BIL) funding to replace entire lead service lines. This would include portions of lines that may cross private property boundaries, a requirement of BIL funding. New York State is anticipated to receive \$115 million annually for the next five years in BIL funding to inventory and replace lead service lines in public water systems. Municipalities, school districts, and district corporations will be able to access low-cost financing options through the Environmental Facilities Corporation (EFC).

**NYSAC supports this proposal.**

Department of Taxation and Finance Solar and Wind Energy System Appraisal Model Not Subject to the State Administrative Procedure Act (SAPA)

The Governor’s proposal would ratify the prior adoption of the solar and wind energy system appraisal model that was not subject to the State Administrative Procedure Act (SAPA).

In 2021 the Department of Taxation and Finance (DTF), in consultation with the New York State Energy Research and Development Authority, was given the authority to develop and publish an appraisal model for solar and wind energy systems. The law contained specific public comment periods to be followed by DTF prior to publishing the appraisal model.

DTF appraisal’s model is currently subject to litigation which in part claims DTF failed to comply with the SAPA. This proposal seeks to state that DTF was required to comply with the notice and public comment requirements but was not required to comply with the SAPA. Additionally, the proposal would also allow the use of the past appraisal model in 2023 without the need to once again engage in a notice and public comment period. **NYSAC remains concerned over state actions that usurp local decision making and home rule authority. Also, the assessment model developed provides highly reduced assessments based on the investments being made. The state should consider third party valuation models regarding more accurate assessed values. Finally, the state must ensure that owners of these solar and wind facilities are held accountable for cleanup and restoring the property to its original use when the equipment reaches the end of its useful life.**

## Suffolk County Water Quality Restoration Act

The Executive Budget proposes to amend the County Law to enact the Suffolk County Water Quality Restoration Act. Suffolk County currently has 27 sewer systems. This bill would give the Suffolk County Legislature the authority to create a county-wide wastewater management district through the consolidation of existing unsewered areas and existing town and village sewer systems. **NYSAC supports this proposal.**

## General Government

### County Clerk DMV Fee Retention.

The Executive Budget proposes to increase the retention rate for county clerk offices that perform DMV transactions, from the current 12.7% for in-office transactions and 3.25% for online transactions, to a flat 10.75% for all transactions. As more transactions are shifting to online based, the proposed rate change is projected to increase revenue that is retained by counties by \$13 million annually. The chart on the following page outlines the net benefit per county. **NYSAC supports this proposal; however, any county that would receive a loss in revenue should be made whole.**

County	SFY 24 Budget Proposal		
	Total	Incr. from SFY 23	% Change
Allegany	\$ 266,651.75	\$ 82,607.19	45%
Broome	\$ 1,287,118.89	\$ 347,297.22	37%
Cattaraugus	\$ 681,237.48	\$ 118,038.06	21%
Cayuga	\$ 610,134.83	\$ 109,530.49	22%
Chautauqua	\$ 988,742.38	\$ 181,939.28	23%
Chemung	\$ 462,764.48	\$ 186,547.68	68%
Chenango	\$ 330,384.29	\$ 83,945.68	34%
Clinton	\$ 805,784.37	\$ 143,817.01	22%
Columbia	\$ 771,901.98	\$ 112,520.80	17%
Cortland	\$ 402,662.11	\$ 66,911.03	20%
Delaware	\$ 510,224.75	\$ 63,355.80	14%
Dutchess	\$ 2,307,703.02	\$ 1,074,989.21	87%
Erie	\$ 5,404,244.42	\$ 1,859,208.15	52%
Essex	\$ 323,153.53	\$ 61,587.76	24%
Franklin	\$ 916,161.47	\$ 123,036.62	16%
Fulton	\$ 526,178.56	\$ 110,829.96	27%
Genesee	\$ 546,817.62	\$ 136,818.16	33%
Greene	\$ 926,056.44	\$ 55,844.51	6%
Hamilton	\$ 117,636.46	\$ 9,392.38	9%
Herkimer	\$ 555,253.30	\$ 98,027.70	21%
Jefferson	\$ 794,554.96	\$ 171,939.12	28%
Lewis	\$ 247,030.84	\$ 34,321.78	16%
Livingston	\$ 469,704.63	\$ 113,512.66	32%
Madison	\$ 1,565,667.46	\$ 102,767.87	7%
Monroe	\$ 4,494,238.98	\$ 1,483,239.60	49%
Montgomery	\$ 369,766.74	\$ 90,746.96	33%
Niagara	\$ 1,726,564.57	\$ 428,799.90	33%
Oneida	\$ 1,057,071.53	\$ 437,229.76	71%
Ontario	\$ 832,028.28	\$ 234,255.02	39%
Orange	\$ 3,029,838.48	\$ 1,372,172.25	83%
Orleans	\$ 411,452.93	\$ 64,728.99	19%
Oswego	\$ 1,285,748.63	\$ 216,908.24	20%
Otsego	\$ 340,692.10	\$ 103,270.19	43%
Putnam	\$ 1,640,311.12	\$ 433,619.88	36%
Rensselaer	\$ 1,103,614.27	\$ 309,399.04	39%
St Lawrence	\$ 3,727,772.09	\$ 191,246.07	5%
Saratoga	\$ 3,148,414.19	\$ 517,349.09	20%
Schnectady	\$ 792,388.12	\$ 356,360.60	82%
Schoharie	\$ 341,694.49	\$ 59,646.26	21%
Schuyler	\$ 175,894.84	\$ 34,323.92	24%
Seneca	\$ 299,817.73	\$ 35,989.76	14%
Steuben	\$ 767,217.59	\$ 201,421.99	36%
Sullivan	\$ 702,380.45	\$ 192,635.76	38%
Tioga	\$ 396,325.86	\$ 84,878.87	27%
Tompkins	\$ 563,387.96	\$ 127,818.62	29%
Ulster	\$ 1,242,799.56	\$ 415,644.32	50%
Warren	\$ 634,432.53	\$ 131,646.72	26%
Washington	\$ 675,982.77	\$ 145,067.97	27%
Wayne	\$ 703,723.17	\$ 164,201.15	30%
Wyoming	\$ 281,703.80	\$ 57,716.00	26%
Yates	\$ 195,336.14	\$ 39,265.89	25%

## Cybersecurity

The Executive Budget proposes to increase cybersecurity funding by \$42.6 million to support continued efforts to strengthen cyber defense and response efforts, including an expansion of Cyber Analysis Unit funding for the State Police and the establishment of a specialized Industrial Control System Assessment Team to enhance resiliency of critical infrastructure facilities across the State.

**NYSAC supports this proposal.**

## Expand Continuous Recruitment

The Executive Budget includes \$7.8 million for the Department of Civil Service (DCS) to expand the titles eligible for continuous recruitment, which would increase the pool of qualified candidates at any given time. Candidates would no longer have to wait for an exam to be offered and a list to be posted. The legislation would streamline the examination process, make it easier and more efficient for candidates, and provide recruitment flexibility to the State and municipalities.

**NYSAC supports this proposal.**

## Human Services

### Increase Support for Code Blue.

The Executive Budget proposal increases funding for the Code Blue program by \$7 million to support local districts in their protection of homeless individuals from exposure-related conditions during inclement winter weather and will simplify the approval process for these critical investments.

**NYSAC supports this proposal.**

## Judiciary and Court Related Matters

### Provide a Market-Rate of Interest on Court Judgments.

The Executive Budget proposal would allow for a variable market-based interest rate, providing mandate relief for local governments and lower State taxpayer costs.

Currently, the interest rate on judgments is established at a fixed rate of as much as 9 percent annually. The new rate would be calculated at the one-year United States treasury bill rate. This is calculated based on the weekly average one-year constant maturity treasury yield for the calendar week preceding the date of the entry of the judgement. This is the same rate permitted for civil money judgments recovered in federal district court.

We estimate that this action could potentially save counties up to \$2.5 million. **NYSAC strongly supports this proposal.**

## Office of Indigent Legal Services & Legal Defense

### Doubling the 18-B Assigned Counsel Program

**The Executive Budget would increase the assigned counsel program rates in New York City and other downstate counties (Suffolk, Nassau, Westchester, Rockland, Putnam, Orange, Dutchess, Ulster, and Sullivan) to \$158 per hour, and would increase the rates in upstate counties to \$119 per hour.** This bill would also increase the cap on total compensation for time expended providing representation to \$10,000 for New York City and downstate counties, and \$7,000 for upstate counties.

NYSAC estimates the negative financial impact to counties and NYC is approximately \$150 million.

**NYSAC believes the state should meet its federal and state constitutional requirements and pay 100 percent of the proposed increases.**

## Personnel / Labor / Civil Service/Public Pensions

### Continuous Recruitment.

The Executive Budget includes provisions to allow agencies to continuously recruit for a variety of titles, add to the pool of qualified candidates at more regular intervals, and create a more efficient and modernized exam process. Continuous recruitment exams offered on an ongoing basis will be held via a hybrid of online training and experience exams, multiple choice exams via remote proctoring (online), and computer-based testing centers. **NYSAC supports this proposal.**

## Public Health & Nursing Homes

### Article Six Funding

The Executive Budget includes \$230 million in Article Six funding for local health departments to provide core public health services, compared to \$189 million in SFY 2023. This reflects the fully annualized increase to base grants and the allowance of fringe benefits as an eligible expense (up to 50% of eligible personnel costs).

**NYSAC urges the Legislature to restore New York City's reimbursement for expenses beyond their Article 6 base grant from the current 20% to 36% and provide sufficient funding for this increase.**

### Lead Poisoning Prevention and Assistance Program

The Executive Budget includes \$14.6 million for the Lead Poisoning Prevention and Assistance Program. This appropriation is insufficient for counties to fulfill the requirements of the State's 2019 decision to lower the elevated blood lead level (EBLL) to 5 ug/dl and does not restore the 2021 administrative cuts to the Childhood Lead Poisoning Prevention Program.

**In addition to the funding required for the Governor's new Article VII lead proposal (described below), we respectfully request \$36.4 million in additional appropriations to fully fund the 2019 lowering of the EBLL and \$2.4 million to restore administrative cuts.** All monies should be appropriated for the Lead Poisoning Prevention and Assistance Program under the Department of Financial Services (DFS) and distributed to LHDs through existing grant mechanisms.

### Lead Poisoning Prevention in High-Risk Areas Outside of New York City

The Executive Budget proposes to require the NYS Department of Health (NYSDOH) to develop a registry for all residential dwellings with two or more rental units built prior to 1980. All residential dwellings qualifying for the registry would have to be certified as free of lead paint hazards based on inspections conducted on a tri-annual basis. To support this proposal, the Executive Budget and Financial Plan includes approximately \$18.5 million in FY 2024 and \$18.5 million in FY 2025.

We estimate that the 17 full-service local health departments (LHDs) affected by these new requirements will require at least \$17.4 million for costs associated with public health sanitarians,

clerical staff for data entry, fringe benefits, supplies, travel, EPA certifications, hearing officers, XRF lead testing machines, and dust wipe testing. Additionally, we estimate the cost for the two partial-service counties affected by these new requirements to be \$2 million.

**NYSAC respectfully requests that the Legislature amend the Article VII proposal to provide counties with immunity from liability** (e.g. “No governmental unit or agency shall be subjected to civil liability arising from this section”).

**Additionally, we urge the Legislature to amend the appropriation language to ensure counties have the resources necessary to comply.** All monies should be appropriated for the Lead Poisoning Prevention and Assistance Program under the Department of Financial Services (DFS) and distributed to LHDs through existing grant mechanisms to support implementation of the expanded mandate. As such, we respectfully request that \$17.4 million from the existing \$18.5 million appropriation in State Operations be suballocated to LHDs through the Lead Poisoning Prevention and Assistance Program (in Aid to Localities under DFS). We further recommend that at least \$2 million from the State Operations appropriation be earmarked for NYSDOH to perform environmental health services in the covered partial-service counties.

### Banning Fentanyl Analogs

The Executive Budget proposes to amend the Public Health Law to include controlled substances that are represented to be other controlled substances. It would encompass illicit fentanyl pressed into tablet form to appear, for example, like Food and Drug Administration (FDA)- approved controlled substance medications. The Executive Budget would also add criminal sale of an imitation controlled substance in the fifth, third, and first degree to the definition of “drug trafficking felony” in the Penal Law and create stricter penalties for the sale or possession with intent to sell imitation-controlled substances.

**NYSAC supports this proposal.**

### Discourage Tobacco Use

The Executive Budget would increase the excise tax on cigarettes from \$4.35 to \$5.35 and prohibit the sale of all flavored tobacco and vapor products. The Budget would also amend the Tax Law to explicitly provide that a retail dealer who refuses an inspection would be subject to a one-year suspension of its certificate of registration to sell cigarettes and tobacco products. For a second such refusal within three years, the retail dealer’s certificate of registration would be permanently revoked.

**NYSAC supports this proposal and urges the Legislature to also prohibit the sale of flavored cannabis vapor products to reduce their appeal to minors. To protect children, youth, older adults, and others vulnerable to unintentional cannabis exposures, we further recommend that New York State prohibit the sale of cannabis-infused beverages, inhalable products that are flavored or marketed using flavor-indicating names, and flavored rolling papers.**

### Public Safety

Revitalizing Emergency Medical Services (EMS) and Medical Transportation.

- Ensuring emergency transportation providers are appropriately reimbursed for trips, by increasing Medicaid reimbursement for more complex patients,



- Establishing a working group to recommend ways to expand access to non-emergency medical transportation,
- Establishing nine regional EMS organizations that can better coordinate all the EMS agencies and providers operating within their region
- Establishing a statewide EMS disaster response system that can rapidly deploy personnel and equipment when and where it is needed during an emergency,
- Allowing EMS providers to perform expanded clinical care in the community, and,
- Permitting ambulances to treat patients in place or take patients to urgent care clinics without sacrificing payment for the trip, decreasing the number of unnecessary emergency room visits.

**NYSAC supports this proposal.**

#### Double the State’s Gun Involved Violence Elimination (GIVE)

The Executive Budget includes \$18.2 million in additional State funding, for a total of \$36.4 million, to support 20 police departments in 17 counties that account for more than 80 percent of the violent crime that occurs in New York State outside of New York City. GIVE supports local grant awards that advance New York State’s shooting and homicide reduction strategic efforts.

**NYSAC supports this proposal.**

#### Funding for Discovery Reform

The Executive Budget includes \$40 million to support discovery reform. This funding will continue to bring to scale the staffing, services, and technologies needed to ensure that criminal cases are processed effectively and efficiently.

**NYSAC supports this proposal.**

#### Pretrial Services

The Executive Budget includes \$20 million in support for pretrial services. This funding supports probation and community-based providers that divert unnecessary detention while simultaneously keeping communities safe.

**NYSAC supports this proposal.**

#### Volunteer Firefighter Training Stipend

The Executive Budget includes \$10 million to provide a State-funded stipend to volunteer firefighters who complete foundational training as well as funds for DHSES to administer the program and enhance their training capacity.

**NYSAC supports this proposal.**

#### Create NY Emergency Services IP Network

The Executive Budget includes \$20 million to assist counties in transitioning to Next Generation 911 via a fiberoptic cable network that would connect to a single Public Service Answering Point in each county.

We were pleased and encouraged that the Governor’s Executive Budget Proposal mentioned NG 911 and includes \$20 million in the Aid to Localities Budget Proposal (A3003/S4003). However, we are concerned about the amount of money allocated and how this money will be spent. In order to create and maintain a sustainable NG 911 System in New York State our association recommends:

- Review and Update the State Next Generation 911 Plan created by all 911 stakeholders back in 2019.
- Accompany the \$20 million with legislation requiring New York State to own the build out and control a statewide ESInet
  - This will avoid a county-by-county patchwork system of multiple ESInets preventing counties from working effectively and efficiently.
- Allow counties to have a primary and secondary connection to the ESInet.
- The \$20 million should be allocated annually to ensure the creation and maintenance of an adequate and sustainable NG 911 system.
- The State should issue a Request for Information to gather feedback from ALL the public safety stakeholders to understand what is needed for a successful buildout of NG 911 in New York State.

## Transportation

### Local Highways and Bridges

The Executive Budget continues the State’s record commitments to funding local highway and bridge projects. Funding for the Consolidated Highway Improvement Program (CHIPS) and the Marchiselli program is maintained at last year’s level of \$577.8 million. The budget provides the second year of an annual \$100 million for the local Pave Our Potholes program, \$150 million in highway aid through the PAVE NY program, \$100 million for extreme winter recovery aid, and \$200 million to fund local projects from the BRIDGE NY program. These programs are further improving conditions on State and local roads and bridges.

**NYSAC supports this proposal.**

## Veterans

### Joseph P. Dwyer Funds

The Executive Budget includes \$7.715 million for the Joseph P. Dwyer funds.

**NYSAC supports this proposal.**

<b>Joseph P. Dwyer Grant Allocations (SFY 24)</b>	
Albany County	\$105,000
Allegany County	\$100,000
Broome County	\$185,000
Cattaraugus County	\$185,000
Cayuga County	\$100,000
Chautauqua County	\$185,000
Chemung County	\$100,000
Chenango County	\$100,000

Clinton County	\$52,500
Columbia County	\$100,000
Cortland County	\$100,000
Delaware County	\$100,000
Dutchess County	\$185,000
Erie County	\$185,000
Essex County	\$100,000
Fulton County	\$100,000
Genesee County	\$80,000
Greene County	\$100,000
Hamilton County	\$100,000
Herkimer County	\$100,000
Jefferson County	\$185,000
Lewis County	\$100,000
Livingston County	\$100,000
Madison County	\$100,000
Monroe County	\$185,000
Montgomery County	\$100,000
Nassau County	\$185,000
Niagara County	\$185,000
Oneida County	\$105,000
Onondaga County	\$185,000
Ontario County	\$100,000
Orange County	\$185,000
Orleans County	\$52,500
Oswego County	\$100,000
Otsego County	\$100,000
Putnam County	\$185,000
Rensselaer County	\$185,000

Rockland County	\$185,000
Saratoga County	\$185,000
Schenectady County	\$105,000
Schoharie County	\$100,000
Schuyler County	\$100,000
Seneca County	\$100,000
St. Lawrence County	\$100,000
Steuben County	\$100,000
Suffolk County	\$185,000
Sullivan County	\$185,000
Tioga County	\$100,000
Tompkins County	\$100,000
Ulster County	\$185,000
Warren and Washington Counties	\$185,000
Wayne County	\$100,000
Westchester County	\$185,000
Wyoming County	\$52,500
Yates County	\$100,000
University at Albany School of Social Welfare	\$210,000
NYC	\$400,000

## Workforce Development

### Increases Funding for the Summer Youth Employment Program

New York State's Summer Youth Employment Program introduces youth to the workforce and helps them acquire skills that can be used to improve school performance and future career outcomes. The Executive Budget proposes to increase the allocation to local social services districts for this program by \$37 million.

**NYSAC supports this proposal.**

## Expand Access to Child Care

The Executive Budget proposes to expand access to child care by establishing a new tax credit for the creation and expansion of child care to incentivize and assist the creation of new child care opportunities. Businesses that create new child care seats or expand existing child care would receive a refundable tax credit.

**NYSAC supports this proposal.**