

# ***AGC NYS 2015-16 New York State Budget Summary***

*Staff Contact: Walter Pacholczak, Vice President of Government Affairs*

## **Overview**

Infrastructure investment; education reform and funding; and state government ethics reform were the hot button issues of the 2015-16 budget process. AGC NYS and our partners at Rebuild NY Now orchestrated a major public relations and lobby campaign to educate lawmakers about the mounting infrastructure crisis and need to invest the \$5.4 billion financial settlement funds in roads, bridges and water systems. At the height of the campaign, more than 600 construction workers, Legislators, and business leaders rallied the New York State Capitol in support of increasing infrastructure investment. AGC NYS members from across the state struggled through a major snowstorm and treacherous driving conditions to send a strong message to the Governor and Legislators that the State Budget must have more funding for road, bridge and environmental infrastructure. Dozens of Legislators spoke to the crowd at one of the biggest rallies at the State Capitol in decades. The contributions of AGC NYS member companies and their employees paid significant dividends in the final budget agreement.

Senate Majority Leader Dean Skelos was a critical ally in the push to increase road, bridge and water infrastructure funding. Majority Leader Skelos along with Senators DeFrancisco, Robach, Ranzenhofer, and O'Mara solidified the Republican Conference to support infrastructure funding and key construction industry issues. Infrastructure investment supporters in the State Assembly included Assemblymembers Morelle, Otis, Mayer, Ryan, Palmesano, Fahy, McDonald, Lavine and others. This is the fifth consecutive on-time budget for Governor Cuomo who hailed the agreement as a budget every New Yorker can be proud of.

Highlights of the 2015-16 New York State Budget include significant infrastructure investments, reauthorization of design-build procurement, extension of DERA compliance requirements until December 2016, and a 10-year extension of the Brownfield Cleanup Program.

## **Table of Contents**

- I. Appropriations - NYS Capital Program by Agency and Authority
- II. Budget Article VII Bills - Proposed Legislation

## **I. Appropriations Bills**

### Major Capital Projects Including Settlement Funds – (S.2004C/A.3004C)

- Upstate Economic Revitalization Projects - \$1.5 billion
- Thruway Stabilization - \$1.285 billion (\$900 million Tappan Zee / \$400 million system wide)
- Metropolitan Transportation Authority - \$750 million
- Broadband - \$500 million
- Health Care – Kings County \$700 million. Oneida County \$400 million
- Downstate Economic Development - \$400 million
- Rural Health Care Grants - \$355 million
- Transportation projects in Oswego, Albany, Ogdensburg, and the Bronx - \$315 million
- Transformative Economic Development Projects - \$150 million
- Transportation, Upstate Transit, Rail, Airport, Port - \$115 million
- Penn Station Access - \$250 million
- Water Infrastructure - \$200 million
- Environmental Protection Fund - \$177 million
- Flood control, clean-ups, and environmental restoration projects - \$152.5 million
- Economic Development Projects on Long Island - \$150 million
- Municipal Restructuring - \$150 million
- Terrorism, Natural Disaster - \$150 million
- State Fairgrounds - \$50 million
- Roswell Park Cancer Institute - \$15.5 million
- Community Health Care Fund - \$19.5 million
- Information Technology - \$10 million
- Agriculture - \$50 million
- Fort Drum - \$25 million for improvements along Route 26 and \$1.5 million to purchase land
- Olympic and Ski Facilities - \$7.5 million

### **State and Municipal Facilities Program - \$385 million**

- Various Projects

### **New York State Department of Transportation**

DOT Capital Program (including state/local bridge program): The budget provides approximately \$7.2 billion in state Department of Transportation capital funds over two years. The budget includes \$1 billion in additional funds repair and replace roads and bridges including CHIPS/Marchiselli \$528M (record funding level) \$50M increase in EWRF. This is an increase of \$250 million from the Executive Budget proposal of \$750 million. An additional \$4.8 billion will be used to support the operation of public transportation systems across New York State.

## **New York State Thruway Authority**

- \$1.285 billion increase. (\$900 million Tappan Zee / \$400 million system wide)

## **State University of New York**

The enacted capital budget for SUNY includes \$288 million for educational facilities; \$142 million for community colleges; \$50 million for residence halls; \$55 million for SUNY 2020; and \$150 million for Regional Economic Development Councils.

## **City University of New York**

The enacted capital budget allocates \$168 million and \$55 million for CUNY 2020.

## **2015-16 Capital Budget by Agency and Authority**

<b>Agriculture and Markets</b>	5,500,000
<b>City University</b>	160,908,000
<b>Department of Corrections</b>	15,000,000
<b>State Education Department</b>	17,400,000
<b>Energy Research and Development</b>	12,500,000
<b>Department of Environmental Conservation</b>	771,900,000
<b>Office of Children and Family Services</b>	147,675,000
<b>Office of Temporary and Disability Assistance</b>	63,500,000
<b>Office of General Services</b>	242,000,000
<b>Department of Health</b>	1,150,600,000
<b>Homeland Security</b>	15,000,000
<b>Housing and Community Renewal</b>	91,200,000
<b>Office of Information Technology Services</b>	85,700,000
<b>Department of Law</b>	1,000,000
<b>Office of Alcoholism and Substance Abuse</b>	9,500,000

<b>Office of Mental Health</b>	312,472,000
<b>Office for People with Developmental Disabilities</b>	18,000,000
<b>Metropolitan Transportation Authority</b>	750,000,000
<b>Military and Naval Affairs</b>	39,200,000
<b>Department of Motor Vehicles</b>	199,255,000
<b>Olympic Regional Development Authority</b>	7,500,000
<b>Office of Parks, Rec, and Historic Preservation</b>	173,700,000
<b>State Police</b>	31,500,000
<b>State University of New York</b>	462,427,000
Critical Maintenance/REDC	200,000,000
Stony Brook Critical Maintenance	19,000,000
Binghamton School of Pharmacy	25,000,000
Community Colleges	143,329,000
Residence Hall pay-as-you-go	50,000,000
SUCF Operations	25,098,000
<b>Department of Transportation</b>	5,072,098,600
<b>Urban Development Corporation</b>	2,289,723,000
Binghamton School of Pharmacy	25,000,000
Clarkson-Trudeau Partnership	5,000,000
Cornell University College of Vet	19,000,000
NY2020 Challenge Grant (SUNY)	55,000,000
NY2020 Challenge Grant (CUNY)	55,000,000
NY Power Electronics Manufacturing Consortium	33,500,000
Western NY Economic Development Projects	2,223,000

Transformative Investment Program - Limited Projects	400,000,000
NY Works Economic Development Fund	45,000,000
REDC	150,000,000
Upstate Revitalization Account	1,500,000,000
<b>Worker's Compensation Board</b>	60,000,000.00
<b>Higher Education Capital Matching Grant Program</b>	30,000,000
<b>Nonprofit Infrastructure Capital Investment Program</b>	50,000,000
<b>Special Infrastructure Account, New York State</b>	3,050,000,000
NY Broadband Initiative	500,000,000
Municipal Restructuring	150,000,000
Rural Health Care Grants	355,000,000
Homeland Security	150,000,000
Penn Station Access	250,000,000
Thruway Stabilization Program/Tappan Zee	1,285,000,000
Community Health Care Revolving Capital Fund	19,500,000
Roswell Park	15,500,000
Transit Infrastructure Improvement	115,000,000
Agricultural Enhancement	50,000,000
Long Island Transformative Economic Development	150,000,000
Health Care Information Technology	10,000,000
<b>State and Municipal Facilities Program</b>	385,000,000
<b>Total</b>	<b>15,720,258,600</b>

## **II. Budget Article VII - Enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2015-2016 state fiscal year.**

Transportation, Economic Development & Environmental Conservation - (S.2008B/A.3008B)

**Transit Assistance Capital Fund** - Moneys in the transit assistance for capital investments fund shall, following appropriation by the legislature, be utilized for capital purposes, including, but not limited to the planning and design, acquisition, construction, reconstruction, replacement, improvement, reconditioning, rehabilitation and preservation of mass transit facilities, vehicles, related equipment and rolling stock with an average service life of no less than five years. (Part E)

**NYSDOT/Thruway Authority Shared Services** - A shared services agreement may be executed between the authority and the department only for an emergency situation or extreme weather conditions, to share employees, services or resources as deemed appropriate including, but not limited to, for the performance of work and activities by the department on the facilities and property under the jurisdiction of the authority, and for the performance of work and activities by the authority on the facilities and property under the jurisdiction of the department. (Part G)

**Diesel Emissions Reduction Act** - Any diesel powered heavy duty vehicle that is owned by, operated by or on behalf of, or leased by a state agency and state and regional public authority with more than half of its governing body appointed by the governor shall utilize the best available retrofit technology for reducing the emission of pollutants. The commissioner shall promulgate regulations for the implementation of this subdivision specifying that all vehicles covered by this subdivision shall have best available retrofit technology on or before December 31, 2016. (Part II)

**MWBE Disparity Study** - The director of the division of minority and women-owned business development in the department of economic development is authorized and directed to recommission a statewide disparity study regarding the participation of minority and women-owned business enterprises in state contracts since the amendment of this article to be delivered to the governor and legislature no later than February 15, 2017. (Part Q)

**Authorizes the Dormitory Authority to enter into certain design and construction management agreements** - DASNY is authorized to enter into management agreements with DEC and OPRHP to provide design and construction services. This bill would extend the sunset for the authorization from April 1, 2015 to April 1, 2017. (Part S)

**Major Oil Storage Facilities** - Increased the cap on the fund from \$25 million to \$40 million and rates for in-state storage from .1250 cpb to .1375 cpb – transshippers. (Part X)

**State Pollutant Discharge Elimination System (SPDES) Program Fees** - Increases operating permit program fees for all sources subject to the federal Clean Air Act (Title V facilities) and certain State Pollutant Discharge Elimination System (SPDES) program fees related to water pollution, and restructure state air quality control program fees, to ensure that sufficient funds are available for Department of Environmental Conservation (DEC) pollution control programs. (Part Y)

Various Laws - (S.4610A/A.6721A)

**"START-UP NY Airport Facility"** - Vacant land or space owned by the state of New York on the premises of Stewart Airport or Republic Airport shall be designated as eligible for the "START-UP NY" program. {The "START-UP NY" program exempts companies from business, corporate, sales, property, state or local taxes and franchise fees. And no income tax for the company or its employees.} (Part B)

**Design-Build** – Reauthorizes design-build procurement for the New York State Thruway Authority, Department of Transportation, Office of Parks, Recreation and Historic Preservation, Department of Environmental Conservation and the New York State Bridge Authority until April 1, 2017. Authorizes the designated state entity utilizing design-build procurement to consult with relevant local labor organizations and the construction industry. A report shall be submitted on or no later than June 30, 2016 to the Governor, Temporary President of the Senate and the Speaker of the Assembly by the New York state Urban Development Corporation containing information on each authorized state entity that has entered into a design-build contract pursuant to this act, which shall include, but not be limited to, a description of each project, procurement information including the short list of qualified bidders, the total cost of each project, the estimated cost and schedule savings of each project, an explanation of how the savings were determined, and whether a project labor agreement was used, and if applicable, the justification for using a project labor agreement. This bill does not include a mandated project-labor agreement on design-build procurement. (Part F)

**Water Infrastructure Improvement Act of 2015** - "Water quality infrastructure project" shall mean "sewage treatment works" as defined in section 17-1903 of the environmental conservation law or "eligible project" as defined in paragraphs (a), (b), (c) and (e) of subdivision 4 of section 1160 of the public health law. The Environmental Facilities Corporation shall undertake and provide state financial assistance payments, from funds appropriated for such purpose, to municipalities in support of water quality infrastructure projects. In awarding such state financial assistance payments, the Environmental Facilities Corporation shall consider and give preference to municipalities that meet the hardship criteria established by the environmental facilities corporation pursuant to section 1285-m of the public authorities law and projects that result in the greatest water quality improvement or greatest reduction in serious risk to public health. For the purposes of this act, the hardship criteria of section 1285-m of the public authorities law shall also apply to sewage treatment works defined in section 17-1903 of the environmental conservation law. (Part G)

**Dedicated Infrastructure Investment Fund** - The Dedicated Infrastructure Investment Fund shall consist of one account, the "Infrastructure Investment Account". Moneys in this account shall be kept separate and not commingled with any other moneys in the custody of the comptroller. Following appropriation by the legislature, moneys in the infrastructure investment account shall be available to finance projects, works, activities or purposes necessary to support statewide investments as appropriated by the legislature. (Part H)

**Health Care Facilities** - Establishes the health care facility transformation program in Kings and Oneida counties, the health care provider support program, and the capital restructuring financing program. (Part J).

Education, Labor & Family Assistance - (S.2006B/A.3006B)

**Brownfield Cleanup Program** – Extends Brownfields Cleanup Program for ten years. (Part BB)

Public Protection & General Government - (S.2005B/A.3005B)

**Office of General Services Emergency Contracts** - Extends until June 30, 2017 the authority of the Office of General Services (“OGS”) to enter into construction contracts without formal competitive bidding in certain emergencies and increases the threshold for this authority from \$300,000 to \$1,000,000. (Part M)

**Office of General Services Small Capital Projects** - Increases the authority of the Office of General Services (“OGS”) to delegate small capital construction projects to agencies and departments from those under \$50,000 up to those under \$150,000. (Part N)