



2020-21 Executive Budget Summary

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Overview

FY 2021 Executive Budget Proposal Totals \$178.6 Billion

Governor Andrew Cuomo's proposed 2020-21 Executive Budget includes a spending plan of \$178.6 billion and legislative proposals with a direct impact on the construction industry. The Executive Budget includes: a two-year \$11.953B New York State Department of Transportation (2020-22) capital program which represents a \$3B increase over the current \$9.011B (2018-2020) program. The DOT's core capital program increases annually by approximately \$250M. The proposal also includes \$1.1B for the Van Wyck phases 2 and 3, Hunts Point, Bruckner Expressway, and \$1B to start the Interstate 81 project.

The NYSDOT 2020-22 capital program is part of the Governor's ambitious \$175B state-wide infrastructure plan that includes signature projects such as the Long Island Rail Road Second Track, Third Track and 39 modernized stations; new LaGuardia and JFK Airports; the East Side Access project; the Javits Center expansion; four new Bronx Metro-North stations in transit deserts; the Empire State Trail; modernization of the New York State Fair; resilient environmental infrastructure, and the \$1 billion New NY Broadband program.

Legislative proposals include: requiring prevailing wage on certain projects and establishing a eleven-member Public Subsidy Board; design-build authorization and other alternative project delivery methods; New York Buy American Act; CHIPS bidding threshold increased from \$250K to \$750K; highway worker and pedestrian safety; Thruway and Bridge Authority merger; legalizing cannabis; the \$3B "Restore Mother Nature Environmental Bond Act"; require Sexual Harassment Disclosure from State Contractors; Paid Sick Leave; and others.

The following summary provides a broad overview of projected capital appropriations and required legislation for infrastructure and general business proposals. The AGC NYS team will keep you apprised of negotiations with the Executive Chamber, Legislature, industry groups and forthcoming amendments to the Executive Budget. Upon final approval, AGC NYS will provide a complete summary of the 2020-21 New York State Budget.

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FY 2021 NYS Capital Program by Agency and Authority

ESTIMATED CAPITAL SPENDING INCLUDED IN STATE BUDGET (thousands of dollars)	
State Agencies	State Disbursements FY 2021
Adirondack Park	1,000
Arts and Cultural Facilities	5,000
Board of Elections	16,000
City University of New York	412,602
Department of Agriculture and Markets	20,165
Department of Correctional Services	340,646
Department of Environmental Conservation	1,116,282
Department of Health	789,132
Department of Law	1,818
Department of Motor Vehicles	283,213
Department of State	22,000
Department of Transportation	5,244,131
Division of Criminal Justice Services	25,000
Division of Housing and Community Renewal ¹	838,272
Division of Military and Naval Affairs	97,719
Division of State Police	55,853
Empire State Development	1,883,377
Energy Research and Development Authority ¹	21,569
Higher Education Facilities Capital Matching Grants	15,750
Homeland Security and Emergency Services	71,250
Hudson River Greenway	45,157
Hudson River Park Trust	15,000
Judiciary	25,700
Metropolitan Transportation Authority ¹	385,856
New York Power Authority ¹	30,500
Non Profit Capital Investment Program	18,000
NYS Economic Development Programs	62,652
Office for People with Developmental Disabilities	135,585
Office of Addiction Services and Supports	103,547
Office of Children and Family Services	25,804
Office of General Services	306,649
Office of Information Technology	163,329
Office of Mental Health	368,829
Office of Parks Recreation & History	168,739
Office of State Comptroller	2,806
Office of Temporary and Disability Assistance	126,707
Olympic Regional Development Authority	131,000
Special Infrastructure ²	625,460
State and Municipal Capital Facilities	260,000
State Education Department	559,340
State Equipment Financing	100,000
State University of New York	1,085,300
Workers Compensation Board	22,440
Spending Adjustment ³	(1,000,000)

ESTIMATED CAPITAL SPENDING BY AUTHORITIES NOT INCLUDED IN STATE BUDGET (thousands of dollars)	
Public Authorities ³	Authority Disbursements FY 2021
Albany Port District Commission	11,950
Battery Park City Authority	76,266
Buffalo and Fort Erie Public Bridge Authority	25,613
Capital District Transportation Authority	61,017
Central New York Regional Transportation Authority	6,721
Development Authority of the North Country	2,920
Energy Research and Development Authority ¹	2,800
Housing Finance Agency	1,126,686
Job Development Authority	7,931
Long Island Power Authority	767,564
Metropolitan Transportation Authority ¹	14,225,244
New York Power Authority ^{1,4}	693,196
New York State Bridge Authority	48,143
Niagara Frontier Transportation Authority	125,047
Ogdensburg Bridge and Port Authority	29,183
Port Authority of New York and New Jersey	3,615,240
Port of Oswego Authority	22,081
Rochester-Genesee Transportation Authority	37,204
Thousand Islands Bridge Authority	3,181
Thruway Authority ²	494,169
United Nations Development Corporation	2,000
Total- Public Authorities	21,384,156

¹ These agencies have both state and authority disbursements.
² Thruway Authority has both state and authority disbursements. On the state side they are captured in the Special Infrastructure agency.
³ Authority numbers are self-reported. Excludes conduit financing entities: DASNY, EFC and ESD.
⁴ NYPA authority numbers (non-state) are from the previous fiscal year.

TOTAL ESTIMATED CAPITAL SPENDING IN FY 2021 (thousands of dollars)	
Total- State Budgeted Capital Spending	15,029,179
Total- Public Authorities (Not in State Budget)	21,384,156
Total	36,413,335

Capital Spending by Function and Financing Source

CAPITAL SPENDING BY FUNCTION AND FINANCING SOURCE				
CAPITAL PROGRAM AND FINANCING PLAN				
FY 2020 AND FY 2021				
(thousands of dollars)				
	FY 2020	FY 2021	Annual	Annual %
	Current	Proposed	Change	Change
Spending				
Transportation	5,478,754	5,913,200	434,446	7.9%
Education	519,134	559,340	40,206	7.7%
Higher Education	1,417,261	1,513,652	96,391	6.8%
Economic Development	1,490,982	2,149,263	658,281	44.2%
Parks and Environment	1,198,942	1,301,021	102,079	8.5%
Mental Hygiene	623,089	607,961	(15,128)	-2.4%
Health	663,814	789,132	125,318	18.9%
Social Welfare	845,413	1,008,783	163,370	19.3%
Public Protection	608,588	590,468	(18,120)	-3.0%
General Government	368,127	530,418	162,291	44.1%
All Other ¹	772,181	65,941	(706,240)	-91.5%
Total	13,986,285	15,029,179	1,042,894	7.5%
Off-Budget Spending ²	(558,089)	(563,012)	(4,923)	
Financial Plan Capital Spending	13,428,196	14,466,167	1,037,971	7.7%
	FY 2020	FY 2021	Annual	Annual %
	Current	Proposed	Change	Change
Financing Source				
Authority Bonds	7,424,647	7,918,736	494,089	6.7%
Federal Pay-As-You-Go	2,195,787	2,168,500	(27,287)	-1.2%
State Pay-As-You-Go	3,979,480	4,093,854	114,374	2.9%
General Obligation Bonds	386,371	848,089	461,718	119.5%
Total	13,986,285	15,029,179	1,042,894	7.5%
¹	Accommodates potential under-spending projected to occur as a result of normal timing related to the delivery of capital projects as well as the implementation of capital efficiency plans at State agencies and authorities.			
²	Represents spending which currently occurs directly from bond proceeds held by public authorities.			

NYS DOT Capital Program

Governor Andrew Cuomo’s proposed 2020-21 Executive Budget includes a spending plan of \$178.6 billion and legislative proposals with a direct impact on the construction industry. The Executive Budget includes: a two-year \$11.953B New York State Department of Transportation (2020-22) capital program which represents a \$3B increase over the current \$9.011B (2018-2020) program. The DOT’s core capital program increases annually by approximately \$250M. The proposal also includes \$1.1B for the Van Wyck phases 2 and 3, Hunts Point, Bruckner Expressway, and \$900M to start the Interstate 81 project.

The 2020-2021 DOT Capital Program includes:

- Core DOT Highway Program \$2.701B
- PAVE-NY program continues at \$100M
- CHIPS and Marchiselli at \$478M
- BRIDGE-NY program continues at \$100M
- Rail grant program \$28M
- Light Rail Study/ Light Rail Grant Buffalo \$26M
- Electric Bus Capital Assistance \$20M

NYS DOT Capital Program	SFY Enacted 15-16	SFY Enacted 16-17	SFY Enacted 17-18	SFY Enacted 18-19	SFY Enacted 19-20	SFY Executive Budget 20-21	SFY Executive Budget 21-22
State/Local Construction	\$1,813	\$2,187.5	\$2,585.5	\$2,354	\$2,521	\$2,701	\$2,670
Van Wyck – Kew/Hunts Pt – Bruckner – I81	-	-	\$1,162	-	-	\$900	\$1,000
Engineering/Administration	\$617	\$731	\$773	\$778	\$582	\$994	\$890
Preventative Maintenance	\$365	\$371	\$373	\$356	\$360	\$360	\$370
Right of Way	\$62	\$67	\$67	\$45	\$67	\$37	\$47
Facilities/Equipment	\$18	\$18	\$18	\$32	\$32	\$32	\$32
Other Federal	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Rail	\$64	\$76.5	\$72	\$72	\$72	\$72	\$72
Aviation	\$14	\$21.5	\$17	\$17	\$17	\$17	\$17
Non-MTA Transit	\$57	\$84.5	\$84.5	\$85	\$85	\$131	\$125
CHIPS/Marchiselli/EWR/Local PAVE NY	\$528	\$578	\$643	\$643	\$643	\$578	\$578
Airport Program	-	\$200	\$0	\$0	\$0	\$100	\$0
Local Bridge Program	\$100	\$100	\$150	\$100	\$100	\$100	\$100
Plan Total	\$3,663	\$4,460	\$5,970	\$4,507	\$4,504	\$6,047	\$5,926

Metropolitan Transportation Authority Capital Program

The State's MTA STOA appropriation for operating assistance increases by approximately \$465M to a total of \$3.465B.

New Infrastructure Investments

Major new capital initiatives in the Executive Budget include new funding for the Restore Mother Nature Bond Act, DOT Capital Plan, and MTA 2020-24 Capital Plan.

- **Restore Mother Nature Bond Act.** The Capital Plan includes a \$3 billion environmental bond act focused on habitat restoration and flood reduction. The program will reduce flood risk and revitalize fish and wildlife habitats by connecting streams and waterways, right-sizing culverts and dams, restoring freshwater and tidal wetlands, reclaiming natural floodplains, upgrading fish hatcheries, preserving open space, and reducing contamination from agricultural and storm water runoff.
- **Transportation and Transit.** The Capital Plan provides \$11.9 billion for a new, two-year DOT Capital Plan for FYs 2021 and 2022 that will fund improvements to the State's roads, bridges, airports, rail facilities, ports and transit systems. Compared to the final two years of the last DOT Capital Plan, this represents an increase of \$3.0 billion, or 33 percent.
- **MTA Capital Commitment.** The Capital Plan includes a new, \$3 billion appropriation for the State contribution to the \$51.5 billion 2020-2024 MTA Capital Plan. In addition, the Governor and Legislature approved new revenues in the FY 2020 Enacted Budget that are expected to support an additional \$25 billion of the MTA Capital Plan.

The Capital Plan also adds and/or continues funding for the following:

- **Resiliency Initiative.** The Capital Plan continues funding for the recently announced Lake Ontario Resiliency and Economic Development Initiative. In May 2019, \$300 million was committed to strengthening infrastructure and promoting natural solutions along Lake Ontario and St. Lawrence River waterfronts. The REDI Commission, a multi-agency task force, has designated 133 projects for grants which were announced in October 2019.
- **Higher Education.** SUNY and CUNY campuses continue to receive support for their capital assets in the Capital Plan. Since FY 2012, the State has provided over \$10 billion in capital appropriations to maintain and improve campus facilities, including \$800 million for the SUNY and CUNY 2020 programs. The FY 2021 Capital Plan continues to provide funding for SUNY and CUNY campuses by adding an additional \$1.5 billion in State capital support for maintenance and preservation of campus facilities, hospitals, and other initiatives.
- **ORDA Capital Improvements.** The Capital Plan includes \$147 million in new capital funding for ORDA, including \$135 million for a modernization plan to support improvements to the Olympic facilities and ski resorts. Funding of \$10 million is provided for maintenance and energy efficiency upgrades, and \$2.5 million appropriated from the OPRHP budget as part of the New York Works initiative.

- **Affordable and Homeless Housing.** The FY 2021 Budget includes \$63 million in additional homeless housing capital funding to supplement the comprehensive housing plan.
- **Economic Development.** The Capital Plan provides nearly \$500 million in economic development grants across a number of programs, including REDC Round X, a fifth round of Downtown Revitalization grants, and support for investments in high technology, infrastructure, and manufacturing.
- **Empire Station.** The State has invested \$700 million to leverage a total of \$3 billion, from private sector and Federal partners, for the transformation of the James A. Farley Post Office building into the Moynihan Train Hall. Combined with renovations at the existing Penn Station, this will create a new Empire Station.
- **Parks 2020.** The Capital Plan includes \$110 million in New York Works capital funding to OPRHP.
- **Environmental Protection.** The Capital Plan contains \$300 million for the EPF, continuing the highest level of funding in State history, which was set in FY 2017. The expanded EPF will provide funding for: stewardship; agriculture programs; invasive species prevention and eradication; water quality improvement; municipal recycling; and an environmental justice agenda. Furthermore, this funding will establish new programs to help communities adapt to climate change through resiliency planning and infrastructure investments, and to reduce greenhouse gas emissions outside of the power sector.
- **Clean Water Infrastructure.** The Capital Plan continues a \$5.0 billion commitment for clean water by including a new installment of \$500 million to support drinking water infrastructure, wastewater infrastructure, and water quality protection.
- **Hazardous Waste Remediation.** The Capital Plan includes an additional \$100 million in authority for the State Superfund to remediate hazardous waste sites. This is part of a multi-year \$1 billion investment in the Superfund.
- **Health Care.** The total amount of capital support provided to health care providers is \$3.8 billion.

Executive Budget - Article VII Legislation

Transportation, Economic Development and Environmental Conservation – (A.9508/S.7508)

PART A – CHIPS Bidding Threshold Increase. The bill amends highway law to increase the Consolidated Local Street and Highway Improvement Program (CHIPS) competitively bid threshold from \$250,000 to \$750,000. The increase in the minimum competitive bid threshold is intended to mitigate the inflationary impacts on materials, labor, equipment and other construction related costs. The existing threshold was last adjusted in 2011.

PART D – Slow Down and Look Out for Highway Workers and Pedestrians Act of 2020 (The SLOW Act). This bill would enhance highway worker safety including: imposing tougher criminal penalties for perpetrators of violence against highway workers, motor vehicle inspectors and motor carrier investigators; require the immediate suspension of a perpetrator’s driver’s license for a period of no less than six months upon conviction; establish new criminal penalties for intrusion into an active work zone;

and directs the Governor's Traffic Safety Committee in consultation with relevant agencies, authorities, and local law enforcement, to design and implement a public outreach and awareness program designed to reduce incursions, accidents, and improve work zone safety.

PART E – Tandem Truck Access Routes - Thruway Cashless Tolling (AET/ORT). This bill would allow tandem trailers to operate on various routes proximate to the Thruway System in order to access Thruway tandem lots.

PART G – Thruway and Bridge Authority Merger. This bill would merge the New York State Bridge Authority and the New York State Thruway, creating a single toll collection and financing entity.

PART I – MTA Bond Cap Increase. This bill amends Public Authorities Law to increase the MTA's statutory bonding capacity to \$90.1 billion and extends their bonding authority until 2024.

PART J – Metropolitan Transportation Authority Procurement Reform. This bill makes permanent certain existing procurement provisions; reforms the MTA and NYCT's bidding processes; reforms procurement processes to allow the authorities to award contracts for new technology without a formal bidding process; alters advertisement procedures for bids; permits the use of existing contracts awarded by governments; and allows a once-yearly review of the Qualified Products Lists.

PART M – Toll Enforcement. This bill maximizes the collection of tolls owed to public authorities such as MTA Bridges and Tunnels and others with toll facilities in New York State.

PART DD – Make the Infrastructure Investment Act Permanent. This bill would make the Infrastructure Investment Act (the Act) permanent, expand design-build authorization to other alternative project delivery methods, and expand the current list of authorized entities that may utilize design-build contracts to include the Dormitory Authority of the State of New York (DASNY), the New York State Urban Development Corporation (UDC), New York State Office of General Services (OGS), the State University Construction Fund, the Battery Park City Authority, and the New York State Olympic Regional Development Authority (ORDA).

PART KK – Assisting Low-Income Communities with Financing Water Infrastructure Improvements. This bill would allow the Environmental Facilities Corporation (EFC) to offer municipalities 40-year financing through the Clean Water State Revolving Fund and/or Drinking Water State Revolving Fund for projects which qualify for zero-percent interest rates due to financial hardship.

PART QQ – Authorize the \$3 billion Environmental Bond Act of 2020 "Restore Mother Nature" to be submitted for voter approval in November of 2020. This legislation, the Environmental Bond Act of 2020 "Restore Mother Nature," would authorize the issuance of \$3 billion of bonds to finance environmental improvements that preserve, enhance, and restore New York's natural resources and reduce the impact of climate change. The Act would authorize the State to incur \$3 billion of debt in the form of tax-exempt general obligation bonds to be sold by the State Comptroller to finance capital projects to restore habitats and reduce flood risk; improve water quality; protect open space and invest in recreational infrastructure; expand the use of renewable energy to mitigate climate change; and other such projects that preserve, enhance, and restore the quality of the state's environment.

PART RR – Implement the Environmental Bond Act of 2020 "Restore Mother Nature". This bill would establish the \$3 billion Environmental Bond Act of 2020 "Restore Mother Nature" to be submitted to

voters in November 2020. This bill would allocate funding for approved projects to finance environmental improvements that preserve, enhance, and restore New York's natural resources and reduce the impact of climate change throughout the State.

PART WW – Amending the Environmental Conservation Law Relating to Ban Fracking. This bill would permanently ban fracking in New York.

PART CCC – Authorize the New York Power Authority to Form a Pure Captive Insurance Company. This bill would authorize the New York Power Authority (NYPA) to create a pure captive insurance company to manage risk and provide insurance coverage for risks that are not currently insured, not insurable on the traditional commercial markets, or prohibitively expensive to insure through commercial markets.

PART EEE – Make Permanent the New York Buy American Act. This bill would make the New York Buy American Act permanent.

PART FFF - Require Prevailing Wage to be Paid on Certain Private Construction Projects. This bill would require prevailing wage to be paid on construction projects that receive a substantial public subsidy, to ensure that public dollars going to construction projects support fair wages for workers on those projects. This bill would add a new section of the Labor Law, §224-a, to require prevailing wage to be paid on certain construction projects that are funded with public funds. This includes projects that are paid for with at least 30 percent public funds. A stop work order may be issued for failure to comply with or intentionally evade the provisions of the prevailing wage requirements. A public subsidy board would be empowered to examine and make any necessary adjustments to thresholds included in the bill, as well as determinations related to applicability of this section to projects undertaken with benefits stemming from certain programs.

PART GGG – Establish the New York Digital Marketplace Worker Classification Task Force. This bill would establish the New York Digital Marketplace Worker Classification Task Force, to provide recommendations for addressing the employment conditions and classification of workers in the modern on-demand economy.

Public Protection and General Government – (A.9505/S.7505)

Part Z – Establishment of SFS Procurement and Contracting Authority. This bill would authorize the Statewide Financial System (SFS) to issue procurements and contracts. The current statute does not provide SFS with the appropriate procurement and contracting authority, causing additional administrative work for external agencies. This bill would authorize SFS to complete this work internally, while maintaining that all procurements and contracts remain subject to approval by the Division of Budget and Office of the State Comptroller.

Part BB – Require Sexual Harassment Disclosure from State Contractors. This bill would amend state finance law to require bidders to provide reports on sexual harassment. This bill would further the State's efforts to target sexual harassment in the workplace and ensure accountability with entities that do business with New York state agencies. This bill would require that bidders on state contracts identify, *inter alia*, the number of adverse judgments or administrative rulings arising from allegations of sexual harassment during the preceding year; whether any equitable relief was ordered against the bidder in an adverse judgment or administrative ruling; the total number of settlements entered into

during the preceding year that relate to any alleged act of sexual harassment that occurred in the workplace of the bidder; and the total number of settlements entered into during the previous year that relate to any alleged act of sexual harassment committed by a corporate executive without regard to whether that behavior occurred in the workplace of the bidder. The bill would also require that such reports be provided to the Office of the State Comptroller and the Division of Human Rights and further require that the Comptroller prepare an annual report summarizing such data.

Revenue – (A.9509/S.7509)

Part BB – Enact the Cannabis Regulation and Taxation Act. This bill would create and amend existing laws to legalize adult-use cannabis, consolidate governance of all forms of cannabis and create a regulatory structure to oversee the licensure, cultivation, production, distribution, sale and taxation of cannabis within New York State.

Education, Labor and Family Assistance – (A.9506/S.7506)

PART J – Guarantee Access to Sick Leave. This bill would require all employers to provide sick leave to their employees each calendar year. Guaranteeing access to sick leave would help provide job and economic security to workers while simultaneously benefiting overall worker productivity. It would also help to combat disease transmission, prevent illness, and reduce healthcare costs. This bill would add a new section 196-b to the Labor Law to require: employers with 0-4 employees to provide five unpaid sick days each calendar year; employers with 5-99 employees to provide five paid sick days each calendar year; and employers with 100 or more employees to provide seven paid sick days each calendar year.