



SFY2023-24 NEW YORK STATE BUDGET

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NEW YORK STATE BUDGET OVERVIEW

The FY24 New York State Budget (Budget) totals \$229 billion an increase of \$2 billion more than Governor Hochul's Executive Budget proposal. A 3.7 percent increase over FY23.

The Budget included capital funding increases, including \$2.4 billion for construction projects at State University of New York (SUNY) and City University of New York (CUNY), \$1.7 billion for a new Department of Health research laboratory, \$890 million for mental health housing, \$500 million for the Clean Water Infrastructure Act, \$446 million for Phase Three of the Hunts Point Interstate Access Improvement Project, \$400 million for the Environmental Protection Fund, \$100 million increase for the CHIPS and State Touring Routes programs, \$105 million to upgrade the State Emergency Operations Center, and others.

New laws in the FY24 New York State Budget include various taxes supporting the MTA, delaying the MWBE disparity study to 2024, increasing the minimum wage, zero-emission requirements for new construction, build public renewables, Belmont redevelopment, and other laws outlined in this budget summary.

Omitted from the FY24 Budget was the state Senate proposal to enact an annual \$2 billion increase to New York State Department of Transportation (NYSDOT) capital program. AGC NYS and Rebuild NY Now actively supported the state Senate proposal led by Transportation Committee Chairman Tim Kennedy. Despite the efforts of AGC NYS, Rebuild NY Now, and Senator Kennedy, the final agreement added \$100 million to the NYSDOT capital program, which does not adequately provide the funding to combat inflationary pressures of construction materials. The Governor and Legislators failed to reach agreements on affordable housing, increased penalties for toll violators, and materials price escalation.

SFY 2023-24 Enacted Financial Plan

Enacted Disbursements - Difference from Executive (\$ in Millions)				
	SFY 2022-23 Close-Out	SFY 2023-24 Executive	SFY 2023-24 Enacted	Change from 2022-23 - 2023-24
General Funds	92,799	106,933	108,085	15,286
State Operating Funds	123,750	125,184	127,157	3,407
State Funds	135,553	143,071	145,044	9,491
All Funds	220,461	226,991	229,039	8,578

FY24 CAPITAL PROGRAM – SUMMARY

New York State Department of Transportation

The Governor and Legislature included the funding levels contained in the second year of the agreed upon NYSDOT five-year \$32.8B Capital Program. In the months leading up to the adoption of the Budget, AGC NYS, Rebuild NY Now, and our partners warned the Governor, Legislators, NYSDOT, and the Division of Budget that the inflationary

pressures on the capital program would significantly diminish the number of construction projects resulting in poorer road and bridge conditions. AGC NYS, Rebuild NY Now and our partners supported a proposal passed by the state Senate adding \$2 billion annually over the remaining four-years of the NYSDOT capital program. The state Assembly responded with a proposal to add \$100 million in new capital. In the final days of Budget negotiations, the Senate continued to push for a significant increase, but the final agreement included a \$100 million addition.

New York State Department of Transportation ct'd

For the fourth consecutive year, the Budget increases local highway funding and since 2020-21 the state has increased funding for local highway programs by 45 percent. The 2023-24 Enacted Budget adds \$100 million in local highway funding, a \$60 million increase in CHIPS and an additional \$40 million for the State Touring Route (STR) program.

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Metropolitan Transportation Authority

- \$300 million in State aid for operating revenues.
- \$35 million in safety investments to protect riders.

State University of New York

- \$1.3 billion for SUNY State-operated campuses to upgrade campus facilities.
- \$106 million for SUNY community colleges.
- \$500 million state matching fund for contributions made to the endowments of SUNY's four university centers: Buffalo, Stony Brook, Albany, and Binghamton.

NYSDOT Capital Program (in Million \$s)	SFY Enacted 2020-21	SFY Enacted 2021-22	SFY Enacted 2022-23	SFY Executive 2023-24	SFY Enacted 2023-24
State/Local Construction	\$2,571	\$2,340	\$2,575	\$2,599	\$2,599
Signature	\$1,030	\$1,410	\$850	\$1,300	\$1,300
State/Local Construction/Signature	\$3,601	\$3,750	\$3,425	\$3,899	\$3,899
Engineering/Administration	\$994	\$732	\$1,039	\$1,041	\$1,041
Preventative Maintenance	\$360	\$360	\$391	\$391	\$391
Right of Way	\$37	\$67	\$75	\$75	\$75
Facilities/Equipment	\$32	\$32	\$37	\$37	\$37
Other Federal	\$25	\$25	\$26	\$26	\$26
Rail	\$72	\$72	\$90	\$90	\$90
Aviation	\$17	\$17	\$27	\$27	\$27
Non-MTA Transit	\$125	\$85	\$160	\$160	\$160
CHIPS/Marchiselli	\$477.8	\$577.8	\$577.8	\$577.8	\$637.8
Local PAVE-NY	\$100	\$150	\$150	\$150	\$150
Local POP	-	-	\$100	\$100	\$100
EWR	\$65	\$100	\$100	\$100	\$100
Local BRIDGE-NY	\$100	\$100	\$200	\$200	\$200
Local State Touring Route Program	-	\$100	\$100	\$100	\$140
Airport Program	\$100	-	\$150	\$0	-
NYSDOT Plan Total	\$6,106	\$6,168	\$6,648	\$6,974	\$7,074
State/Local Construction Total	\$4,443.8	\$4,777.8	\$4,652.8	\$5,126.8	\$5,226.8

State University of New York (SUNY), 2023/24 Enacted Budget, SUNY Capital (\$M)

Program	2023/24 Request	2023/24 Executive Budget	2023/24 Enacted Budget	Funding Source
SUNY-Wide				
- SUNY-Wide Digital Transformation Project	\$200.0	\$200.0	\$0.0	Bonded Capital (State Supported)
Educational Facilities				
- Base Critical Maintenance	850.0	650.0	650.0	Bonded Capital (State Supported)
- Building Enhancement/New Construction	700.0	100.0	470.0	Bonded Capital (State Supported)
- Research Facilities for UB and SB	0.0	200.0	200.0	Bonded Capital (State Supported)
Hospitals				
- Critical Maintenance & Strategic Needs	150.0	150.0	150.0	Bonded Capital (Hospital Supported)
Residence Halls				
- Pay-as-you-go Capital	75.0	75.0	75.0	Residence Hall Revenues
Community Colleges				
- 50% State Share	109.7	106.0	106.0	Bonded Capital (State Supported)
Total	\$2084.7	\$1481.0	\$1651.0	

City University of New York

- \$919 million for CUNY senior colleges to upgrade campus facilities.
- \$120 million for CUNY community colleges.

Housing

- \$135 million for the New York City Housing Authority.
- \$50 million for a Homeowner Stabilization Fund

Environment

- \$500 million for clean water grants.
- \$400 million for the Environmental Protection Fund.
- \$224 million for the South Shore Staten Island Seawall.
- \$17.5 million for the final design and construction of the Mamaroneck and Sheldrake River Flood Risk Management Project.

Economic Development

- \$150 million for Regional Economic Development Councils.
- \$30 million in total funding to support New York zoos, botanical gardens, and aquaria.

Public Safety

- \$105 million to upgrade the State Emergency Operations Center
- \$100 million for a new satellite crime laboratory for the State Police.

Health Care

- \$1.7 billion for the consolidation of Wadsworth Laboratories' five unconnected sites to one site on the W. Averell Harriman Campus in Albany by 2030.
- \$1 billion multi-year health care capital program. Includes \$500 million to support investments in technology and cybersecurity.

Mental Health

- \$890 million for mental health housing expansion.

NYRA

- \$455 million in capital authority for the Belmont Redevelopment project.

ARTICLE VII

TRANSPORTATION, ECONOMIC DEVELOPMENT, AND ENVIRONMENTAL CONSERVATION (S.4008- C/A.3008-C)

Part C – MTA Tax Increment Financing and Procurement Extender

Purpose: Extends provisions authorizing the creation

of “mass transportation capital districts” to facilitate Tax Increment Financing for Metropolitan Transportation Authority (MTA) capital projects and certain provisions governing MTA procurement.

Part Q – Increases the Top Metropolitan Commuter Transportation Mobility Tax Rate

Purpose: Increases the top Metropolitan Commuter Transportation Mobility Tax (“MCTMT”) rate from 0.34% to 0.60% generating approximately \$1.1 billion.

Part R – Casino Revenue for the Metropolitan Transportation Authority

Purpose: Dedicates fee and tax revenue from three proposed downstate casinos to the MTA. Estimates for licensing fees are \$1.5 billion and annual taxes are \$231 to \$413 million.

Part EE – Increases the Battery Park City Authority Bond Capacity

Purpose: Increases in the permitted amount of renewable and non-renewable outstanding debt for the financing of project costs for the Battery Park City project area to permit the Battery Park City Authority to perform critical infrastructure maintenance and resiliency-related work.

Part LL – Extends the Dormitory Authority of the State of New York’s ability to enter into design and construction management agreements.

Purpose: Extends the ability of the Dormitory Authority of the State of New York (DASNY) to enter into certain design and construction management agreements with the Department of Environmental Conservation (DEC) and the Office of Parks, Recreation and Historic Preservation (Parks) for an additional 5 years.

Part UU – Lead Service Lines

Purpose: Requires the Department of Health to coordinate with the Division of Housing and Community Renewal on the establishment of the registry, requires an audit of at least 10% of homes in the registry, permits homeowners to self-certify on the status of lead inspection, makes violations subject to enforcement actions within public health law, requires DOH to set standards for inspectors, and establishes a program sunset after three years.

Part CCC – MTA Capital Plan Dashboard

Purpose: Creates a separate section on the MTA’s capital program dashboard website to include individual project data for projects related to accessibility or resiliency. Requires posting of budget and financial plans; operating revenues and expenses; staffing; status of gap closing initiatives; status of capital projects; and requires the data in a single tabular data file accessible on the authority’s website and data.ny.gov.

Part FFF – MWBE Disparity Study

Purpose: Delays the delivery of the statewide disparity study to August 15, 2024.

Part HHH – Site Preparation for the Brownfield Redevelopment Tax Credit

Purpose: A taxpayer can claim a site preparation credit with respect to a site’s qualification for a certificate of completion in the taxable year following the taxable year where the certificate of completion was issued by the commissioner of environmental conservation pursuant to section 27-1419 of the environmental conservation law, where the taxpayer did not own the qualified site during the taxable year in which the certificate of completion was issued, but became the owner of the qualified site and paid the site preparation costs relevant to the credit claim in the taxable year after the certificate of completion was issued. The law takes effect immediately and shall apply to site preparation credit components of brownfield redevelopment tax credit claims filed for taxable years beginning on or after January 1, 2014, and before January 1, 2023.

Part III – Orange County Industrial Development Agency

Purpose: Authorizes the State Inspector General to appoint an independent monitor. The monitor shall have the power to review any modification to the industrial development agency’s uniform tax exemption policy.

EDUCATION, LABOR, AND FAMILY ASSISTANCE (S.4006-C/A.3006-C)

Part S – Minimum Wage Increases

Purpose: Increases the minimum wage for three years, after which the State’s minimum wage would increase at a rate determined by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). City of New York, Nassau, Suffolk, and Westchester a wage of not less than: \$16.00 on and after January 1, 2024, \$16.50 on and after January 1, 2025, \$17.00 on and after January 1, 2026. The remainder of state a wage of not less than: \$15.00 on and after January 1, 2024, \$15.50 on and after January 1, 2025, \$16.00 on and after January 1, 2026.

Part QQ – New York Power Authority - Renewable Energy Development

Purpose: Authorizes the New York Power Authority to plan, design, develop, finance, construct, own, operate, maintain, and improve, either alone, or jointly with other entities through public-private agreements renewable energy projects. All projects are deemed public work subject to a project labor agreement, apprenticeship requirements, and components and parts produced or made in whole or substantial part in the United States. By December 31, 2030, the production of electricity by seven small natural gas power plants in the Bronx, Brooklyn, Queens, Staten Island, and Brentwood are phased out.

Part RR – Zero-Emission Requirements for New Building Construction

Purpose: Prohibits the installation of fossil-fuel equipment and building systems, in any new building not more than seven stories in height, except for a new commercial

or industrial building greater than one hundred thousand square feet in conditioned floor area, on or after December 31, 2025, and the NYS Energy Construction Code (code) shall prohibit the installation of fossil-fuel equipment and building systems, in all new buildings after December 31, 2028. This section shall not be construed as applying to buildings existing prior to the effective date of the applicable prohibition, including to the repair, alteration, addition, relocation, or change of occupancy or use of such buildings; and the installation or continued use and maintenance of fossil-fuel equipment and building systems, including as related to cooking equipment, in any such buildings. In addition, the code shall include exemptions for the purposes of allowing the installation and use of fossil-fuel equipment and building systems where such are installed and used: for generation of emergency back-up power and standby power systems; in a manufactured home; or in a building or part of a building that is used as a manufacturing facility, commercial food establishment, laboratory, car wash, laundromat, hospital, other medical facility, critical infrastructure, including but not limited to emergency management facilities, wastewater treatment facilities, and water treatment and pumping facilities, agricultural building, fuel cell system, or crematorium, as such terms are defined by the code council.

Where the code includes an allowed exemption other than agricultural buildings, such exemption shall include provisions that, to the fullest extent feasible, limit the use of fossil-fuel equipment and building systems to the system and area of the building for which a prohibition on fossil-fuel equipment and building systems is infeasible; require the area or service within a new building where fossil-fuel equipment and building systems are installed be electrification ready, except with respect to servicing manufacturing or industrial processes; and minimize emissions from the fossil-fuel equipment and building systems that are allowed to be used, provided that the provisions set forth in this paragraph do not adversely affect health, safety, security, or fire protection. Financial considerations shall not be sufficient basis to determine physical or technical infeasibility. The code shall allow for exemption of a new building construction project that requires an application for new or expanded electric service when electric service cannot be reasonably provided by the grid.

“Fossil-fuel equipment and building systems” shall mean equipment, that uses fossil-fuel for combustion; or systems, other than items supporting an industrial or commercial process associated with a building that will be used for or to support the supply, distribution, or delivery of fossil-fuel for any purpose, other than for use by motor vehicles. “Electrification ready” means the new building or portion thereof where fossil-fuel equipment and building systems are allowed to be used which contains electrical systems and designs that provide sufficient capacity for a future replacement of such fossil-fuel equipment and building systems with electric-powered equipment.

Updates standards for the NYS Uniform Fire and Prevention Code to recognize that the decarbonization of new and existing buildings is closely related to the state's clean energy and climate agenda. Amends the public buildings law for the decarbonization of state-owned facilities. Authorizes \$30 million for the New York State Power Authority to establish a decarbonization plan for state-owned facilities.

Part TT – Climate Action Fund

Purpose: Establishes the Climate Action Fund with three distinct accounts: Consumer Action Climate, Industrial Small Business, and Climate investment. Funding is generated on the social cost for carbon established by the NYS Department of Environmental Conservation and NYS Energy Research and Development Authority. Moneys of the account shall be expended for the purposes of providing benefits to help reduce potential increased costs of various goods and services.

Establishes prevailing wage requirements, labor peace agreements, production of iron and steel in the United States, and apprenticeship requirements for certain climate risk-related and energy transition construction projects that receive at least one hundred thousand dollars of funds from the climate action fund. Exclusions include: privately owned construction work performed under a pre-hire collective bargaining agreement for all persons who will perform work on such a project, and which provides that only contractors and subcontractors who sign a pre-negotiated agreement with the labor organization can perform work on such a project; or construction work on one- or two-family dwellings where the property is the owner's primary residence, or construction work performed on property where the owner of the property owns no more than four dwelling units; or construction work performed on a multiple residence and/or ancillary amenities or installations that is wholly privately owned. Any public entity receiving at least five million dollars in funds from the climate action fund for a project shall be subject to section two hundred twenty-two of the labor law.

PUBLIC PROTECTION AND GENERAL GOVERNMENT (S.4005-C/A.3005-C)

Part R – Electronic Bidding

Purpose: Allows State agencies to require electronic submission of documents, including use of electronic signatures, for certain submissions and documents to modernize and increase efficiency of the procurement process and attract supplier diversity.

HEALTH AND MENTAL HYGIENE (S.4007-C/A.3007-C)

Part P – Transformative Health Care Capital Funding

Purpose: Establishes a statewide health care facility transformation program within the Department of Health for the purpose of transforming, redesigning, and

strengthening health care services. The program shall also provide funding in support of capital projects, debt retirement, working capital or other non-capital projects. Up to four hundred ninety million dollars of the funds appropriated for this program shall be awarded, without a competitive bid or request for proposal process, for grants to health care providers. Up to \$500 million shall be awarded, without a competitive bid or request for proposal process, for technological and telehealth transformation projects.

REVENUE (S.4009-C/A.3009-C)

Part X – Authorizes a Franchised Corporation's Payment Structure to Fund the Belmont Redevelopment Project

Purpose: Authorizes the New York Racing Association's (NYRA) payment structure to fund the \$455 million Belmont Redevelopment Project. Upon completion of the redevelopment project at Belmont, racing at Aqueduct would cease, allowing that land to revert to the State and be utilized in a more beneficial manner.

Part DD – New York False Claims Act

Purpose: Amends paragraphs (a) and (b) of subdivision 4 of section 189 of the state finance law. (a) This section shall apply to ~~[claims, records, or statements made under the]~~ tax law violations only if: (i) the net income or sales of the person against whom the action is brought equals or exceeds one million dollars for any taxable year subject to any action brought pursuant to this article; and (ii) the damages pleaded in such action exceed three hundred and fifty thousand dollars; ~~[and (iii) the person is alleged to have violated paragraph (a), (b), (c), (d), (e), (f) or (g) of subdivision one of this section; provided, however, that nothing in this subparagraph shall be deemed to modify or restrict the application of such paragraphs to any act alleged that relates to a violation of the tax law]~~ provided that for purposes of applying paragraph (h) of subdivision one of this section to a tax law violation, the person is alleged to have knowingly concealed or knowingly and improperly avoided an obligation to pay taxes to the state or a local government. (b) The attorney general shall consult with the commissioner of the department of taxation and finance prior to filing or intervening in any action under this article that is based on ~~[the filing of false claims, records or statements made under the tax law]~~ a violation of the tax law.

Part GG – Metropolitan Transportation Business Tax Surcharge

Purpose: Establishes a permanent rate for the metropolitan transportation business tax surcharge.