



FY 2027 New York State Budget

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New York State Budget Overview

After a lengthy delay largely based on policy disagreements, Governor Hochul and Legislators reached a final agreement on the \$268.1 billion FY27 New York State Budget (FY27 Budget). The FY27 Budget increases capital funding for local roads and bridges, State University of New York, City University of New York, environmental infrastructure, and other construction. Policy agreements include expanding automated work zone safety enforcement to non-controlled access highways, auto insurance reforms, delaying the Climate Leadership and Community Protection Act, and targeted reforms to the State Environmental Quality Review Act.

Two types of budget bills are necessary for the FY27 New York State Budget:

- **Appropriation Bills:** Appropriation bills provide the legal authorization for all proposed spending from the funds managed by the State. These bills encompass the recommended funding for State operations, aid to localities, capital projects, and debt service, as well as legislative and judiciary bills.
- **Article VII Bills:** Article VII bills propose amendments to, or create new, state laws governing programs, savings, and revenues, as the Governor deems necessary. These bills encompass the recommended changes to law in the areas of: Education, Labor, Family Assistance, Health and Mental Hygiene, Transportation, Public Protection, General Government, the Environment, and Economic Development and Revenue.

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FY27 Capital Program Summary

S.9004-D/A.10004-D – Capital Projects

New York State Department of Transportation

- \$6 billion for the final year of the five-year NYSDOT Capital Plan, including \$2.8 billion for new construction bringing the total size of the plan to \$34.4 billion
- Reappropriates funding commitments to I-81, Livingston Avenue Bridge, Route 17 to I-86; and assessing the Oakdale Merge
- \$698 million for local roads CHIPS Program, an increase of \$50 million
- \$200 million for “Bridge NY” program and \$100 million for the Pave Our Potholes program
- \$90 million for passenger and freight rail projects
- \$44 million for the Passenger Rail Investment and Improvement Act (PRIIA)
- \$36 million for the competitive passenger rail, freight rail, and port preservation projects
- \$24 million in federal matching and competitive funding for airport capital projects

New York State Department of Transportation
 Five-Year Plan Construction Commitments - As Amended by Enacted Budgets
 \$ in billions

	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	Total - As Amended	Adopted Plan	Change	Percent Change
State Construction									
Core Highway/Bridge Program	\$2.475	\$2.529	\$2.533	\$3.469	\$2.767	\$13.773	\$12.974	\$0.800	6.2%
Priority Projects	\$0.950	\$1.370	\$1.970	\$0.110	\$0.000	\$4.400	\$4.400	\$0.000	0.0%
State Construction Subtotal	\$3.425	\$3.899	\$4.503	\$3.579	\$2.767	\$18.173	\$17.374	\$0.800	4.6%
Local Construction Programs									
PAVE NY/POP	\$0.250	\$0.250	\$0.250	\$0.250	\$0.250	\$1.250	\$1.250	\$0.000	0.0%
BRIDGE NY	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200	\$1.000	\$1.000	\$0.000	0.0%
CHIPS	\$0.538	\$0.598	\$0.598	\$0.648	\$0.698	\$3.080	\$2.690	\$0.390	14.5%
Marchiselli	\$0.040	\$0.040	\$0.040	\$0.040	\$0.040	\$0.200	\$0.200	\$0.000	0.0%
Extreme Winter Recovery	\$0.100	\$0.100	\$0.100	\$0.100	\$0.100	\$0.500	\$0.500	\$0.000	0.0%
State Touring Routes	\$0.100	\$0.140	\$0.140	\$0.140	\$0.140	\$0.660	\$0.500	\$0.160	32.0%
Local Construction Programs Subtotal	\$1.228	\$1.328	\$1.328	\$1.378	\$1.428	\$6.690	\$6.140	\$0.550	9.0%
Construction Total	\$4.653	\$5.227	\$5.831	\$4.957	\$4.195	\$24.863	\$23.514	\$1.350	5.7%

Metropolitan Transportation Authority

- \$75 million for design and engineering work at Jamaica Station and 2nd Avenue Subway

Economic Development

- \$2 billion for the Urban Development Corporation, including \$575 million for New York Works Economic Development; \$150 million for Regional Economic Development Councils; and \$100 million for electric readiness.
- \$1 billion for the Sustainable Future Program, including \$500 million for greenhouse gas emissions reduction; \$300 million for renewable energy; \$75 million for zero emission transportation; \$50 million for methane reduction; and \$75 million for other purposes

Department of Environmental Conservation

- \$3 billion for the Department of Environmental Conservation, including \$450 million, an increase of \$25 million for the Environmental Protection Fund; \$525 million, an increase of \$25 million for the Clean Water Infrastructure Act; \$175 million for a new statewide water infrastructure program for housing development, improvement, and rehabilitation; \$50 million for a new rural water infrastructure program for housing development, improvement, and rehabilitation; and \$114 million for New York Works.

Education Department

- \$203 million for schools and libraries

Energy

- \$90 million for the Energy Research and Development Authority

Health Care

- \$1.4 billion, including \$1 billion for the health care facility transformation program
- \$444 million for the Office of Mental Health
- \$143 million for the Office of People with Developmental Disabilities
- \$93 million for the Office of Addiction Services and Supports

Higher Education

State University of New York

- \$795 million for campuses, an increase of \$200 million

- Adds \$100 million for research facilities
- Adds \$100 million for campus funded projects
- \$100 million for state operated campus residence halls
- \$150 million for hospitals (\$50 million per hospital)
- \$128 million for community college local sponsor match

City University of New York

- \$514 million for campuses, an increase of \$200 million
- \$86 million for community college local sponsor match, an increase of \$29 million

Housing

- \$1.1 billion for the Division of Housing and Community Renewal
- \$153 million for the Office of Temporary and Disability Assistance

Office of General Services

- \$460 million for facilities maintenance and improvement of facilities

Office of Parks, Recreation and Historic Preservation

- \$662 million for maintenance and improvement of existing facilities

Olympic Regional Development Authority

- \$100 million, including \$25 million for Belleayre and \$75 million Olympic facilities

Public Protection

- \$603 million for the Department of Corrections and Community Supervision
- \$85 million for the Division of Criminal Justice Services
- \$104 million for the Division of Military and Naval Affairs
- \$199 million for the Division of State Police

Article VII

S.9006-C/A.10006-C – Education, Labor, Housing and Family Assistance

Part O – Expands the J51 renovation incentive to more cooperatives and condominiums and extends the program to 2036.

Part R – Extends the 421-a program for the River Ring project in Williamsburg Brooklyn.

S.9005-C/A.10005-C – Public Protection and General Government

Part F – Insurance Fraud. Expands the definition of “fraudulent insurance act” to include staging a motor vehicle accident in the second degree and simplifies the criteria for the various degrees of insurance fraud and health care fraud.

Part W – Workers’ Compensation. DA fraud units. Permits the Workers’ Compensation Board to assess and collect funding from businesses for grants to district attorneys’ offices to establish and maintain dedicated workers’ compensation fraud units.

Part X – Workers’ Compensation. Amends sections of Workers’ Compensation Law to permit all eligible, licensed New York State medical providers in good standing to treat workers’ compensation patients.

S.9008-C/A.10008-C – Transportation, Economic Development, and Environmental Conservation

Part D – Installation and Operation of Intelligent Speed Assistance Devices. Demonstration program in the city of New York. "Intelligent speed assistance device" shall mean a device installed on a motor vehicle utilizing technology to restrict the speed of the motor vehicle based on the maximum speed limits established pursuant to this chapter where such motor vehicle is being operated. Provided, however, that the following shall be exempt from the demonstration program authorized pursuant to this section: (a) motor vehicles owned or leased by the state, a governmental entity, a public authority, a county, town, city, village or any other political subdivision of the state; (b) motor vehicles owned or leased by a business entity that are routinely operated by two or more of such entity's workers, provided, however, that if a business entity assigns a vehicle to a single worker, and during the period of such assignment the vehicle has been made subject to an order for installation of an intelligent speed assistance device as set forth in subdivision three of this section, such particular vehicle shall be subject to the

provisions of this section; (c) licensed vehicles as defined in section 19-502 of the administrative code of the city of New York, regulated by the New York city taxi and limousine commission; and (d) authorized emergency vehicles. For purposes of this subdivision, the term "business entity" shall mean an entity organized under the laws of the state, or authorized to do business in the state, including but not limited to, business corporations, limited liability companies, partnerships, or not-for-profit corporations, but shall not include such entities organized or authorized that do not perform a bona fide business purpose, nor entities owned by a single person or household, including but not limited to single-member limited liability companies or single shareholder corporations. Whenever the administering agency determines that an owner of a particular motor vehicle has been found liable for monetary penalties following entry of a final decision or decisions in response to sixteen notices of liability issued within a period of twelve months with respect to such particular motor vehicle for failure of an operator thereof to comply with posted maximum speed limits in a school speed zone. Such administering agency shall send such owner no fewer than two written notices that they are required to install and maintain a functioning intelligent speed assistance device, of a model and type as specified pursuant to a local law or ordinance. Registration suspension.

Part G – Expands Photo Speed Violation Monitoring System. Expands the Automated Work Zone Speed Enforcement program to include all New York highways under the jurisdiction of the NYS Department of Transportation, NYS Thruway Authority, NYS Bridge Authority or the Triborough Bridge and Tunnel Authority.

Part I – "125 Street Subway Extension project" shall mean a project within the metropolitan commuter transportation district to be undertaken by the Authority to extend subway service westward from the northern terminus of the Second Avenue Subway Phase Two Project to the west side of Manhattan. Such project includes construction of a subterranean tunnel running from 125 Street and Lenox Avenue west along 125 Street past Broadway, and the construction of additional stations, and any ancillary facilities, connecting with north and south subway lines. The Authority shall conduct the applicable environmental review of all other components of the 125 Street Subway Extension project, including construction of the stations and any ancillary facilities.

Part R – State Environmental Quality Review Act Reform. Applies to qualifying housing, infrastructure, and other projects that meet specific criteria to be built more efficiently throughout the State. Creates additional accountability for local communities and project sponsors, by establishing a two-year timeline to complete an environmental impact statement.

Qualifying Housing: New York City: up to 250 units citywide and up to 500 units within medium and high-density areas; Urbanized areas outside of New York City: up to 300 units; and Nonurbanized areas: up to 100 units, and up to 20 units in areas that do not have zoning.

Clean Water Infrastructure, Public Parks and Trails, Green Infrastructure and NYC Public Schools: water infrastructure projects that avoid impacts to natural resources; nature-based storm water management; public parks and recreational bike/pedestrian paths on previously disturbed land; and New York City Public School buildings built by the School Construction Authority.

Part U – Farmingdale State College / Stony Brook Southampton / Suffolk County / SUNY ESF. Authorizes the transfer and/or repurposing of real property owned and maintained by the State University of New York (SUNY) and the Department of Transportation (DOT). In furtherance of the Governor’s housing agenda, the development of State-owned property could result in the development of approximately 15,000 units of new housing.

Part EE – Motor Vehicle Accident Liability. Caps damages for drivers engaging in criminal behavior at the time of the incident, to ensure drivers flouting the law — including uninsured motorists, drunk drivers, and drivers in the act of committing a felony. Improves statutory definitions to clarify what constitutes a ‘serious injury’ so that damages for pain and suffering or emotional distress are reserved for those able to objectively demonstrate that they have suffered a serious injury. Ensures that if a driver is found to be mostly at fault for causing an accident, they cannot sue their victims for outsized payments for damages. According to Governor Hochul, this change will put New York in line with most other states. Applies oversight on insurance companies rates, preventing excess profits, and returning savings to consumers. Creates new regulatory safeguards to prevent insurance companies from raising rates without seeking express approval from the Department of Financial Services. Prohibits insurance companies from setting rates based on extraneous, personal factors like homeownership status, occupation, education level or zip code.

Part NN – Long Island MacArthur Airport. "Long Island MacArthur Airport terminal and rail integration project" or "project" shall mean, in conformity with the requirements of this act, any and all phases of planning, development, financing, design, demolition, construction, expansion, improvements, operation, maintenance, and/or repair, which are undertaken, in whole or in part, under a lease, concession, and/or license for the improvement of the airport through development of a north passenger terminal, and any necessary or desirable facilities or improvements for such terminal and associated aviation or non-aviation purposes, including an intermodal interconnection to the Long Island Rail Road Ronkonkoma station. Requires a "Private design-build contract" which shall mean, in conformity with the requirements of this act, a contract for the design and construction of the project between a developer lessee and a single

contractor entity, which may be a team comprised of separate entities. Requires a project labor agreement. An award of a lease and development agreement to a responsive and responsible developer lessee shall be to an entity that is the lowest responsible bidder, or an entity which has been determined to have submitted the proposal that provides the best value to the town.

Part VV – Climate Change. "Carbon dioxide equivalent" means the amount of carbon dioxide by mass that would produce the same global warming impact as a given mass of another greenhouse gas over an integrated one-hundred-year time frame after emission. Extends the timeline for the Department of Environmental Conservation (DEC) to promulgate regulations to meet targets from 2024 to 2028; consideration of potential parameters for a “cap and invest” program; and increases the goal for disadvantaged communities to receive 45% of benefits with a minimum of 40%.

Part JJJ - District Galleria project located in the city of White Plains. Requires a project labor agreement.