

PROGRAM BILL #2

GOVERNOR'S PROGRAM BILL

2025

M E M O R A N D U M

AN ACT making appropriations for the support of government; and providing for the repeal of such provisions upon expiration thereof

Purpose:

This bill provides appropriations to various State departments and agencies to permit certain payments due from April 1 to April 3, 2025, to be made absent enactment of the Budget appropriation bills submitted by the Governor for the State fiscal year beginning April 1, 2025.

Summary of Provisions:

Section 1 authorizes the Comptroller to utilize the appropriations contained in this bill, which relate to the 2025-26 State fiscal year, absent enactment of the 2025-26 Budget.

Section 2 provides \$279.9 million in appropriation authority for personal service payments scheduled to be made to State officers and employees on the payrolls scheduled to be paid between April 1, 2025, and April 3, 2025. This appropriation also includes payment for services performed by mentally ill or developmentally disabled persons who are employed in State operated special employment, work for pay or sheltered workshop programs.

Section 3 provides \$10.0 million in appropriation authority for nonpersonal service payments by various State agencies. It is the intent of this section to provide sufficient authorization for agencies to enter into contracts, the terms of which may continue beyond the life of this appropriation and for which payments for liabilities incurred beyond April 3, 2025 would be made subject to additional future appropriations.

Section 4 provides \$20.7 million in appropriation authority for payment of State employee and retiree fringe benefits and other fixed costs mandated by statute or collective bargaining agreements during the period April 1 to April 3, 2025. The appropriation amount includes the State's contribution to the Social Security payroll tax and the Metropolitan Commuter Transportation Mobility Tax.

Section 5 provides \$1.114 billion in appropriation authority for various payments made by the Department of Health to include: a) \$3.2 million for the Federal Food and Nutritional Services; and b) \$1.111 billion for the Medical Assistance Administration Program, jointly financed by State and Federal funds.

Section 6 provides \$165 million in appropriation authority for the unemployment insurance benefits. New appropriation authority is necessary due to daily new liabilities created by those filing unemployment insurance benefit claims.

Section 7 provides \$94.9 million in appropriation authority for the Commissioner of the Office of Mental Health to support not-for-profit residential providers of essential programs and services, including continuing temporary authority to operate programs.

Section 8 provides \$42,000 in appropriation authority for statutorily required payments to veterans experiencing homelessness.

Section 9 prohibits expenditures from all appropriations until certificates of approval have been issued by the Director of the Budget and filed with certain State officers.

Section 10 requires the Comptroller to transfer any expenditures made against these appropriations to the 2025-26 Budget appropriations after they have become law.

Section 11, the severability clause, provides that if any part of this Act be adjudged by any court of competent jurisdiction to be invalid, such judgment would not invalidate the remainder of the Act.

Section 12 provides that the bill takes effect immediately and is deemed to be in full force and effect on April 1, 2025, and, further, that the appropriations made in the bill will be deemed repealed upon the transfer of expenditures by the Comptroller pursuant to section 10 of the bill.

Statement in Support:

This bill will allow the State to make certain payments and incur certain liabilities during the period April 1 through April 3, 2025 on a timely basis, in the absence of an enacted budget for State fiscal year 2025-26.

Budget Implications:

Expenditures and disbursements made against these appropriations shall, upon final action by the Legislature on the appropriation bills submitted by the Governor for the support of government for the State fiscal year beginning April 1, 2025, be transferred by the Comptroller as expenditures and disbursements to such appropriations for State departments and agencies. Accordingly, this bill will have no additional impact on the State's 2025-26 Financial Plan.