



Built to Lead

End of Session Report 2016



Governor
Andrew M. Cuomo



Overview

Over the last six years, New York has risen from a state of despair to a state of opportunity. But with all that has been accomplished, New Yorkers are not immune to the problems vexing our nation today – from crumbling infrastructure to a growing sense of income inequality. These are challenges that require bold vision and ambition to overcome – and under the leadership of Governor Andrew M. Cuomo, New York State is showing the nation the way forward.

Six years ago, before Governor Cuomo took office, New York State was reeling from the Great Recession. The unemployment rate – at 8.9 percent – was unacceptably high. The State had a \$10 billion budget deficit, and decades of rising taxes and uncontrolled government spending were forcing families and businesses to leave the state.

Today, after the close of the 239th Legislative Session, New York is in a dramatically different position. State government is actively practicing fiscal discipline while making strategic investments that keep our economy growing and creating jobs.

New York State is built to lead.

Step one to promoting growth is to cut taxes and control spending. During Governor Cuomo's administration, State spending increases have consistently been held below two percent for six straight years – the first time in recorded history. The biggest tax burden on New Yorkers is local property taxes; New Yorkers pay more in property taxes than they do in income taxes. To incentivize local governments to slow the growth of expenditures, New York State instituted a two percent property tax cap.

The results are dramatic and prove the strength of our economy. By the end of this year, New York State will have cut or avoided enough taxes to save New Yorkers \$114 billion. Corporate income taxes are at the lowest rate since 1968; the manufacturers tax is the lowest rate since 1917; and statewide personal income tax rates are lower for every bracket than in 2010. The State has a \$3 billion surplus and each of the State's credit ratings are the highest they've been in decades. During Governor Cuomo's time in office, more than 794,000 private sector jobs have been created, growing the private sector workforce to more than 7.9 million. The unemployment rate is at its lowest point since fall 2007 – 4.7% as of May 2016 – and below the national average.

New York has regained its footing – now we must regain our ambition. A core priority of Governor Cuomo's 2016 agenda is the Built to Lead infrastructure and development program – an unprecedented and ambitious initiative to transform our state and set the stage for success into the next century. With \$100 billion in projects moving forward, New York is modernizing JFK, Stewart and Republic Airports, constructing a new airport at LaGuardia, increasing the capacity of its public transportation systems, renovating Penn Station, expanding the Javits Convention Center, building a new Tappan Zee Bridge, and investing more in roads, bridges and tunnels than ever before – all to keep New York's economy growing into the next century while creating 250,000 construction jobs.

The Governor's regional strategy for economic growth continues to succeed across the state; by the start of 2016, the state's ten Regional Economic Development Councils had awarded more than \$4 billion to support more than 4,100 projects and 200,000 jobs in New York. The \$1.5 billion Upstate Revitalization Competition, announced last year by Governor Cuomo, is already powering comprehensive plans to accelerate economic growth in Central New York, the Finger Lakes Region and the Southern Tier. To increase the momentum, the FY 2017 Budget invests \$750 million for Round VI of the Regional Councils plus an additional \$100 million to transform promising urban centers into thriving downtowns.

Our economic progress must now be sustained for generations of New Yorkers to come, and high-quality education is at the heart of a healthy future. The State Budget provides \$24.8 billion in school aid – the most in history and an increase of 6.5 percent over last year's level. The State Budget fully ends the Gap Elimination Adjustment this year and invests \$175 million to transform failing schools into community schools.

New York State's economic success through fiscal discipline is matched by a record of progressive action. In times of great national uncertainty, Governor Cuomo brought divided houses together – becoming the first large state in the nation to pass marriage equality and enacting the nation's toughest gun safety law through the SAFE Act. These are significant advancements, but New Yorkers demand and deserve even greater socioeconomic certainty. This year, New York State passed unprecedented legislation to ensure fairness for millions – becoming the first state in the country to institute a statewide \$15 minimum wage and establishing 12 weeks of paid family leave, the most robust policy in America.

The State Budget also includes a \$20 billion commitment to build or preserve 100,000 units of affordable housing and 6,000 units of supportive housing to combat homelessness and secure quality homes for thousands of families across the state. New York State is investing \$300 million in the Environmental Protection Fund, the highest level of funding in history; \$200 million to support communities' water infrastructure; \$130 million to enhance State parks and lands. The State Budget also provides funding to train a generation of clean energy workers who will support the State's unprecedented commitment to go coal-free by 2020.

This year, in partnership with Governor Cuomo, the State Legislature also passed transformative legislation to: enact the nation's most robust breast cancer prevention measures for women; create safer rail crossings across the state; modernize the State's Prohibition-era liquor laws; combat the heroin and opioid epidemic; and restore the public's trust in government by Citizens United and reforming our lobbying laws. These actions not only show that government is working, but instill confidence that government is performing.

Though challenges remain – communities across New York are still grappling with aging water infrastructure, the State Legislature must continue to act to restore the public's trust, and we must continue to demand Washington passes comprehensive federal gun legislation – the breadth of success achieved this Legislative Session proves that, once again, New York is built to lead the nation forward. The following report highlights many of these accomplishments.

I. Controlling Spending, Reducing Taxes, and Improving Efficiency

Under the leadership of Governor Andrew M. Cuomo, the State of New York is in the best financial position in decades, and the FY 2017 State Budget maintains fiscal discipline by holding State spending below two percent. For the sixth consecutive year, Governor Cuomo, working with the State Legislature, passed a timely and balanced budget while cutting taxes and making strategic investments in schools, housing, health care, and infrastructure.

Enacted Sixth Timely and Balanced Budget.

The FY 2017 State Budget provides \$24.8 billion to schools, an increase of \$1.5 billion, or 6.5 percent, and Medicaid will grow at the indexed rate of 3.4 percent, consistent with the statutory index. The FY 2017 Budget supports critical statewide infrastructure investments, including a new \$55 billion State Transportation Plan that commits \$27.14 billion for Department of Transportation and Thruway programs, and \$27.98 billion for the Metropolitan Transportation Authority.

Invested Settlement Funds Prudently.

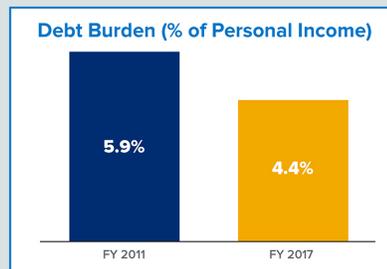
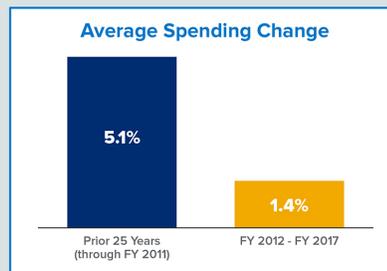
From FY 2015 through FY 2017, the State received a total of \$8.7 billion in financial settlements from

financial institutions and insurance companies for violations of various State and/or Federal laws. Governor Cuomo has prudently directed these funds towards capital investments and nonrecurring expenditures. Instead of using unplanned settlement monies for operating expenditures, the State will invest in new infrastructure projects which will create jobs and position every region of the state for unprecedented economic growth.

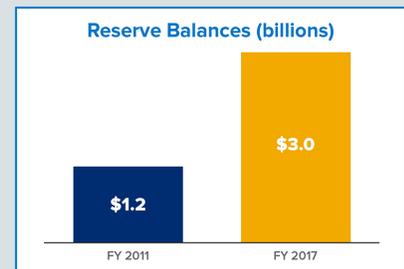
Kept Spending Growth to 2 Percent.

The fiscal discipline of two percent spending growth is the hallmark of New York's financial turnaround and has completely changed the state's trajectory. The large deficits that previously plagued the budgeting process have been replaced with operating surpluses used to fortify the financial plan, bolster reserves, and lower taxes for middle class New Yorkers. By the conclusion of FY 2016, New York prepaid \$1.6 billion worth of FY 2017 expenses. The State ended FY 2016 with a General Fund cash balance, excluding monetary settlements, of \$2.6 billion. Rainy day reserves are at \$1.8 billion – the highest in the history of the state – and an additional \$500 million is available for debt management.

A Stronger, More Sustainable New York



- Spending is down
- Debt is down
- Reserves are up



Lowered Debt for Four Years in a Row. State-related debt outstanding has declined during this administration from \$55.7 billion in FY 2011 to \$52.1 billion in FY 2016. For the first time in the modern history of New York, debt outstanding dropped for four years in a row (FY 2013 through FY 2016). The State currently has the most favorable debt to personal income ratio since the 1960s. Even with major capital investments in transportation, housing, health care, and economic development, the ratio is expected to improve further over the five-year capital plan.

Lowest Middle Class Tax Rates in 70 Years. The FY 2017 Budget lowers Personal Income Tax rates for middle class New Yorkers. With the middle class tax cuts of 2012, rates were lowered from 6.85 percent to 6.45 percent for taxpayers in the \$40,000-\$150,000 income bracket, and to 6.65 percent in the \$150,000-\$300,000 income bracket.

Under the new reforms, the rate will drop even further beginning in 2018 and will continue to drop all the way to 5.5 percent when the cuts are fully phased in - benefitting 6 million filers who save an average of \$698. The new lower tax rates will save middle class New Yorkers nearly \$6.6 billion in just the first four years, with annual savings reaching \$4.2 billion by 2025.

The middle class tax cut continues New York State's record of significant tax relief under Governor Cuomo. Once fully phased in, the new middle class tax rate will be the lowest in more than 70 years. That is in addition to New York now having the lowest corporate tax rate since 1968 and lowest manufacturers tax rate since 1917.

II. Built to Lead: New York State's Infrastructure & Development Program

Largest Transportation Plan in History. Much of Upstate New York relies on a resilient and efficient transportation infrastructure to continue attracting investment and creating jobs. The State's unprecedented \$27.14 billion investment in Department of Transportation and Thruway programs will ensure stronger State and local roads and bridges for years to come. The plan includes three new initiatives: BRIDGE NY, PAVE NY, and the Extreme Weather Infrastructure Hardening Program, in addition to \$2 billion in Thruway Stabilization funding which supports capital investments across the entire Thruway system, and which will allow the Authority to freeze tolls until at least 2020.

Largest MTA Capital Plan in History. New York's economic growth depends on the ability for people to efficiently move within the New York City region, but public transit ridership is nearing capacity and the system is in need of significant repair and hardening. The MTA's \$27.98 billion, 5-year Metropolitan Transportation Authority Capital Program is the largest investment plan in MTA infrastructure in history. The Capital Program, which includes \$8.3 billion in new funding from New York State, modernizes and expands the MTA network, including building four new Metro-North stations in underserved areas of the Bronx with service to Penn Station, extension of the Second Avenue Subway to East Harlem, a new fare payment system, advancement of the East Side Access project to bring Long Island Rail Road riders into Grand Central Terminal, and a second track along 18 miles of the LIRR between Farmingdale and Ronkonkoma. The MTA is

also moving forward on development of a third track on one of the busiest sections of the Long Island Rail Road to increase capacity and speed up commutes.

The new Capital Program will purchase nearly 1,000 new subway cars, 300 commuter rail cars and 1,700 state-of-the-art buses equipped with Wi-Fi and USB charging ports. The plan also provides financing for the Governor's plan to reimagine and renovate 31 subway stations throughout the New York Metropolitan area to enhance customer experience, with improved lighting, wayfinding signs and modern finishes. The renovated stations will offer charging stations; all underground subway stations are targeted to have cellular connectivity and Wi-Fi by the end of this year.

New York State's two transportation capital programs, together totaling \$55 billion, are projected to create more than 130,000 jobs.

New Tappan Zee Bridge Rising. Following decades of inaction, the new Tappan Zee Bridge is rising above the surface of the Hudson River. The \$3.98 billion design-build construction project remains on budget and scheduled to open in 2018. Among the notable recent progress is the construction of the bridge's eight 419-foot main span towers, which as of this spring are already higher than the Tappan Zee's roadway. Installation of the main span cables will begin this summer. Cashless tolling has started on the Tappan Zee, and the former toll plaza in Tarrytown has been demolished. Drivers now have four open southbound lanes from the bridge.

Breaking Ground on the New Airport at LaGuardia. New York is about to welcome a brand new airport to replace LaGuardia Airport in Queens. This spring, the Port Authority and LaGuardia Gateway Partners entered into a 35-year lease agreement for a \$4 billion public-private partnership under which LaGuardia Gateway Partners - a consortium including a leading global airport operator, infrastructure investor, and construction firm - will design, build, finance, operate and maintain the western portion of the airport. Construction will include a new central hall and supporting infrastructure.



This spring, Governor Cuomo was joined by Vice President Joe Biden for a ceremonial groundbreaking to initiate construction. This marks the first critical phase of Governor Cuomo's vision to create an entirely new LaGuardia Airport with an architecturally unified overall design.

Demolition is starting immediately, and the first new facilities will begin opening to the public in 2018. Delta Airlines has affirmed its plans for redevelopment of their facilities at LaGuardia on a parallel track, and planning is also underway for an AirTrain, ferries and improved transit access to the airport. All construction activities are being coordinated so that flight operations can continue without interruption.

Planning for the New Gateway Tunnel. Two Amtrak and commuter rail tunnels that connect New York City and the northeast to New Jersey and points south under the Hudson River are in desperate need of repair. Under the leadership of Governor Cuomo, the Port Authority is working with Amtrak, New Jersey Transit, and U.S. Department of Transportation to fund the design and construction of the new tunnels. The replacement is already underway – this spring, the Federal Railroad Administration and New Jersey Transit launched the expedited Environmental Impact Statement process for the replacement tunnels and soon, the Gateway Development Corporation is expected to become formally incorporated, clearing way for design and construction of the tunnels.

Imagining the New Empire Station Complex. Penn Station, in its current form, lacks the capacity and aesthetics worthy of the most trafficked transportation hub in New York City. In January, Empire State Development, in partnership with Amtrak and the MTA, issued a solicitation for the development of the new Empire Station Complex, a world-class transportation facility that will include a revamped Penn Station and the future Moynihan Train Hall in the James A. Farley Post Office Building. The vision for the Empire Station Complex dramatically enhances passenger experience, utilizes space more efficiently, and funds transportation infrastructure primarily through private investment. This solicitation seeks to engage private sector development partners to redevelop the LIRR and Amtrak concourses at Penn Station with upgraded retail space while making significant improvements that benefit the passenger experience, as well as lease and redevelop the Farley Building and construct the Moynihan Train Hall to serve both the LIRR and Amtrak.



Expanding Javits Convention Center. Today, Javits Convention Center is the busiest convention center in the nation – but with booming West Side development and record tourism to New York City, the Empire State has to grow to stay ahead. The 1.2 million square foot expansion of Javits will cement New York’s status as the premier destination for large scale, world-class events and create 4,000 full-time jobs. The addition will result in five times more meeting space and create the largest ballroom in the Northeast. The New York Convention Center Development Corporation has released a Request for Proposals to three pre-qualified

Design-Build teams that will compete for a contract to complete the expansion. Bids are due this fall.

Modernizing Our Airports. Airports are the gateways to the global economy, and revitalizing airports is critical to ensuring continued investment and job growth in Upstate communities, from Plattsburgh to Newburgh and Albany to Buffalo. The \$190 million Upstate Airport Economic Development and Revitalization Competition will provide funding to support upgrades to airports supporting commercial passenger or cargo traffic. Upgrades may include the development of retail and conference space, enhanced highway and transit access, terminal expansion and rehabilitation, improved security-screening, state-of-the-art boarding concourse and concession areas, and on-airport projects to develop aviation-related technology incubators. Airports are eligible to receive up to \$40 million. An additional \$10 million will be made available for statewide projects under the Governor's core aviation capital program.

Improving Safety at Rail Grade Crossings. Motor vehicle accidents at rail grade crossings are a completely avoidable tragedy, and more must be done. According to the Federal Railroad Administration, there were 244 fatalities and 967 injuries from crossing collisions across the country in 2015. To improve safety at rail grade crossings and reduce the risk of collisions between trains and motor vehicles in New York State, new legislation requires coordinated and more frequent inspections of traffic control devices at grade crossings, increases fines for railroad companies who fail to report incidents, aligns state law with federal reporting requirements with respect to railroad bridge inspections, and increases penalties for repeat offender drivers who ignore safety laws and requirements. The Governor will also launch a pilot program to improve driver awareness and behavior at railroad grade crossings across the state.

Deploying the New NY Broadband Program. Growth of the 21st century global economy is centrally based on the availability of high-speed internet – but many communities in Upstate New York lack access to broadband. Under the leadership of Governor Cuomo, New York is leading the nation with the largest and most ambitious state investment in broadband deployment: \$500 million in state funds that is expected to leverage an additional \$500 million in private sector funds, for a total investment of \$1 billion. The goal of the Broadband Program is to ensure that every New Yorker has access to high-speed internet by 2018, with speeds of at least 100 Mbps (ten times the FCC standard) and 25 Mbps in the most remote areas of the state. The Program will prioritize projects in underserved areas, libraries, and schools. The first phase of projects funded by the New NY Broadband Program will be announced this summer.

In January, the Public Service Commission issued an order approving the merger of Time Warner Cable and Charter Communications conditioned upon certain provisions that contribute to expanded broadband access. Under the agreement, the company will make a \$14.99 per month, 30 Mbps broadband service available for the first time across the state for eligible low-income households; free broadband service to 50 community institutions in unserved or

underserved areas; extend the combined companies' network to as many as 145,000 new homes and businesses; and enhance the combined companies' network to provide broadband speeds of 100 Mbps to all customers by the end of 2018 and 300 Mbps by the end of 2019.

III. Strengthening the Upstate Economy

Investing in Regional Economic Development. Governor Cuomo's regional, bottom-up approach to economic development is working. Over the last five years, the Regional Economic Development Councils (REDCs) have awarded nearly \$4 billion to over 4,100 projects that support more than 200,000 jobs in communities across New York State. To keep the momentum going, the FY 2017 Budget includes a sixth round of REDC funding, including \$750 million in capital funds, tax credits, and other resources for priority projects across the ten regions. This includes \$175 million in Empire State Development capital grants, \$70 million in Excelsior Tax Credits, and \$505 million in program funds from eleven New York State agencies.



Attracting Jobs and Millennials to Downtown.

Vibrant urban centers are attracting millennials and retirees to the cores of cities. The new \$100 million Downtown Revitalization Initiative is designed to transform communities ripe for development into neighborhoods where the next generation of New Yorkers will want to live and work. The program will invest \$10 million into ten downtown neighborhoods across the state. The downtown areas will be selected by the state's Regional Economic Development Councils.

Activating the Upstate Revitalization Initiative. The State's Buffalo Billion initiative in Western New York proves the success of a targeted, strategic regional investment. To duplicate the model's success, the

Upstate Revitalization Initiative invests \$1.5 billion across three regional plans for economic growth: the Finger Lakes, Central New York, and the Southern Tier. To complement these investments, the FY 2017 Budget includes \$200 million to support an additional four Upstate regions: Capital Region, Mohawk Valley, Mid-Hudson, and North Country. Each region will receive \$50 million to support projects focusing on economic development and job creation.

Promoting Growth in Western New York. The brightest days are still ahead for Western New York, strengthened by the State's commitment to the region through the Buffalo Billion initiative. This year, Governor Cuomo announced additional investments in the region to create more jobs and continue the region's positive economic trajectory.

In February, the Governor announced Athenex's \$1.62 billion expansion to become a global leader in pharmaceutical research and advanced manufacturing. The company's investment will create 900 jobs in Dunkirk and 500 jobs in Buffalo over the next ten years. Construction was

completed on the \$24 million U.S. Customs Commercial Building at the Peace Bridge, which will significantly decrease traffic congestion and facilitate more efficient customs processing.

Other projects announced this Legislative Session include: the replacement of an underutilized two-mile stretch of the Robert Moses Parkway North in Niagara Falls with the Niagara Scenic Parkway including open space, scenic



overlooks and recreational trails to improve access to the waterfront; the Western New York Workforce Training Center project reached an important milestone to redevelop underutilized property in the Northland Corridor into a new workforce training facility; the year three launch of 43North, the \$5 million competition to attract entrepreneurs from around the world; and the round two launch of the \$30 million Better Buffalo Fund, which is dedicated to projects that encourage density and growth along transportation corridors and revitalize neighborhood commercial districts.

Significant progress was made this year on the Buffalo High-Tech Manufacturing and Innovation Hub at Riverbend; the Buffalo Medical Innovation and Commercialization Hub for shared pharmaceutical research and development; the Buffalo Information Technologies Innovation and Commercialization Hub; and Buffalo Manufacturing Works, which provides manufacturers the support to innovate, expand into new markets and boost productivity. The 2017 State Budget also provides \$30 million to expedite initial construction of converting the Scajaquada Expressway into an urban boulevard in Buffalo, with bicycle and pedestrian amenities.

Breaking Ground at Nano Utica. The nanotechnology corridor, chiefly from Albany to Buffalo, is continuing to create jobs and investment through its unique university-industry partnerships in Upstate New York. The FY 2017 Budget includes \$585 million to support key elements of the Nano Utica initiative, which is projected to create 4,000 or more jobs over the next decade, including SUNY Polytechnic Institute's new 360,000 square foot state-of-the-art computer chip fab at the Marcy Nanocenter. Construction on the fab began this spring; when completed, the location will be home to ams AG's advanced sensor manufacturing, generating more than \$2 billion in private investment and more than 1,000 new jobs in the Mohawk Valley.

Building on Key Strengths in the North Country. New York State is the only state in the nation that has hosted two winter Olympic Games. Lake Placid, host of the 1932 and 1980 Winter Olympic Games, today serves as a destination for professional athletics training and tourism. This spring, USA Luge announced it will keep its national headquarters in Lake Placid where it will continue to drive significant economic growth, create well-paying jobs, and inspire the next generation of Olympians in New York State. Empire State Development will invest \$1 million in the marketing and promotion of USA Luge, including \$200,000 per year over five years to support the association’s televised events. Additionally, \$5 million in State funds, through the Olympic Regional Development Authority, will support the creation of a new world-class start ramp facility. The FY 2017 Budget also included \$12 million to fund the continued research partnership between Trudeau Institute in Saranac Lake and Clarkson University.



Assisting New York Businesses Export to Global Markets.

Ensuring businesses have access to the world’s markets is vital to New York State maintaining its role in the global economy. Under the leadership of Governor Cuomo, New York State established the \$35 million Global NY Fund to provide loans and grants to help small and medium sized businesses go global. The Fund expects to disburse \$2 million in grants this year alone. In addition to the Fund, Global NY continues to lead New York companies on country-specific trade missions to find new export sales. In 2016, Global NY will lead four trade missions to Israel, Europe, China, and Canada that will include some 50 companies.

In May, Global NY led a trade mission to Kunshan, China where twelve New York companies exhibited their products at the China Import Expo. Global NY also helped Rochester become one of four national sites to host events in June prior to the SelectUSA Investment Summit in Washington, DC. SelectUSA helps states attract more FDI into the United States through organized events.

IV. Investing in Tourism

Reaping Dividends from I LOVE NY. Governor Cuomo has made growing the state’s tourism industry a priority – especially in Upstate New York. Over the last five years, the State has invested a record \$150 million to promote tourism – and the commitment is paying dividends. Tourism in New York State is now at record levels, bringing with it increased spending and more jobs; the economic impact of the industry is now over \$100 billion annually. The FY 2017 Budget includes \$50 million for the LOVE NY campaign, which is an increase of \$5 million from last

year. The funding will support summer, fall and winter advertising campaigns and special events such as Governor’s Challenges. The first Catskills Challenge will take place this summer.

Creating Economic Opportunity Through Mixed Martial Arts. At the beginning of this year, New York State was the only state in the nation to ban competitive mixed martial arts (MMA). At the same time, MMA has the potential to boost local economies across the state by attracting out-of-state athletes and fans. In April, the Governor signed legislation authorizing competitive MMA, and ensuring mixed martial arts contests will be supervised either by the New York State Athletic Commission or by a sanctioning entity approved by the Commission. MMA’s expansion into New York is projected to yield more than \$137 million in economic activity, roughly half of which is expected to be spent Upstate.

Reconfiguring and Rebuilding the New York State Fairgrounds.

The New York State Fairgrounds is a tourism magnet for Upstate New York, but many of the facilities are outdated and the Fairgrounds have undergone no major, Fairgrounds-wide renovations in over a half-century. The State is investing \$50 million to transform the Fairgrounds into a premier, year-round, multi-use facility. In May, the Governor celebrated the completion of the redesigned Main Entry Gate and progress on the rest of the plan, which includes a 315-site RV park, 15 acres of flexible park space, and various safety improvements. It also includes a larger 15-acre Midway that will feature new rides, attractions and improves the visitor experience with cell phone charging stations and resting areas.



Growing Local Economies Through County Fairs. County fairgrounds provide a hub for communities to showcase the best of New York’s agriculture and entertainment. To enhance fairgrounds across the state, the FY 2017 Budget includes \$5 million in capital funds for county fairs to repair or renovate fairground buildings. Each county fair is eligible to apply for up to \$200,000 for improvements. Local fairs are important to the fabric of many Upstate communities and serve as the headquarters for education about agriculture and rural life.

V. Maximizing Agriculture and Beverage Production

Modernizing the Alcoholic Beverage Control Law. Many of the rules within New York State's Alcoholic Beverage Control Law were created in the Prohibition era, rendering them today



outdated and in some cases, detrimental to growing the beverage and retail sectors. Legislation passed this Session overhauls the law, allowing alcohol to be sold earlier on Sundays and streamlining licensing, and also includes common sense provisions to increase sales, such as allowing producers to sell wine in refillable growlers and liquor stores to sell gift wrapping.

This legislation builds upon Governor Cuomo's progress made over the past five years, including enacting the Craft New York Act that simplifies regulations for the beverage industry and has resulted in an unprecedented, three-fold increase in licensed wineries, breweries, distilleries, and cideries over the last five years.

Promoting York State Grown Foods. Food labeling can be confusing for consumers – and there is a lack of reliable, familiar tools to indicate whether food is safe and local. New York State Grown and Certified High Quality Foods will help consumers identify producers that adhere to best practices in food handling and environmental stewardship, and provide an opportunity for New York's producers to take advantage of the growing demand for healthy, local foods. The program will also clarify labeling terms through regulation, strengthen enforcement against companies mislabeling food products, and increase product sampling and testing.

Growing Taste NY. In more than three dozen locations statewide, Taste NY is boosting local economies by promoting New York's world-class agriculture to millions of visitors. Last year, Taste NY sales tripled over the previous year. The FY 2017 Budget includes \$1.1 million to further grow and expand the program, including opening four new stores within the State Parks system. To kick it off, Governor Cuomo cut the ribbon this spring on two new Taste NY locations at Jones Beach: a new Taste NY café in the renovated West Bathhouse, and a new Taste NY Bar at the Nikon Theater as part of a partnership with Live Nation.

Providing New Tax Relief for New York's Farmers. New York State is a leader in food production, and our farms are vital to our state's future. To ensure that New York farmers can afford to remain competitive, the 2017 State Budget provided a tax credit per farm employee from tax year 2017 to 2021. Tax credits will begin at \$250 in 2017 and increase gradually until they reach \$600 per employee in 2021. The tax credits will increase job opportunities on New York farms as the minimum wage is gradually increased during this time. Credits can be claimed for employees who work at least 500 hours per year.

Investing in Southern Tier Agriculture. Agriculture is a vital economic driver for the Southern

Tier. To support the region's robust sector, the \$25 million Southern Tier Agricultural Enhancement Program awards projects designed to help farms and agribusinesses expand and grow their operations. This spring, Governor Cuomo announced \$1.1 million for two projects: a one-stop Agriculture Development Center and a Taste NY Market in Broome County, and Cornell University's Stocker Cattle training and research initiative.

VI. Designing a Clean Energy Economy

Adopting an Aggressive Clean Energy Standard. New York State is leading the nation in executing the most ambitious clean energy policies. This spring, Governor Cuomo called for the establishment of the Clean Energy Standard to create an enforceable mandate of New York's ambitious target of supplying 50 percent of the state's electricity from renewable sources by 2030. The Clean Energy Standard is expected to generate \$2 billion in energy and environmental benefits through the creation of renewable energy projects and greenhouse gas reductions.

Committing \$5 Billion to the Clean Energy Fund. While a market exists for renewable and clean energy, the ability to finance research and production requires assistance in order for New York State to meet its energy goals. This spring, New York State authorized the 10-year, \$5 billion Clean Energy Fund – the largest public commitment to growing the clean energy economy in the history of the state. The Fund supports the deployment of clean energy technologies like solar, wind, storage, fuel cells, and energy efficiency. The Fund includes a \$1 billion commitment to solar, over \$2 billion for energy efficiency and other energy saving solutions, funding for the nation's largest green bank, and over \$700 million in energy R&D over the next decade. Over the lifetime of the projects, these investments will lead to an estimated \$39 billion in energy bill savings for New Yorkers. The Clean Energy Fund will leverage \$29 billion in private investment.

Bringing Energy Efficiency to More Homes and Businesses. Promoting energy efficiency in homes and businesses not only brings New York State closer to its energy goals, but also saves consumers money. Since 2012, the State has helped more than 112,000 homes and businesses become more energy efficient, saving customers \$341 million annually. In February, the New York State Energy Research and Development Authority launched new incentives for businesses, homeowners, and renters to make their buildings more energy efficient. These programs will invest approximately \$165 million over the next three years to help over 360,000 homes and property owners better understand their energy use and replace inefficient systems and appliances with energy-saving upgrades. Additionally, in May, the Authority announced \$27 million of this funding will serve multifamily affordable housing as part of the Governor's commitment to retrofit 100,000 units of affordable housing by 2025.

Expanding Access to Solar. New York is becoming a global destination for solar research and production, and the deployment of solar panels is a key pillar of the Governor's clean energy commitment. In 2013, New York State committed \$1 billion to New York's solar industry through the NY Sun Initiative. Over the past four years, the State has invested \$363 million in solar projects, installed solar at 30,000 homes and businesses, and grown the statewide solar market nearly 600 percent. Seizing on this momentum, this year Governor Cuomo pledged to bring solar to 150,000 more homes and businesses by 2020.

Developing Advanced Offshore Wind Plan. New York State's 127 miles of coastline offers significant potential to develop clean, offshore wind power. In January, Governor Cuomo announced a commitment of \$5 million to develop a comprehensive Offshore Wind Master Plan to engage with community members, environmental advocates, and industry partners as the state develops a path forward for the siting of offshore wind turbines. In June, NYSERDA announced its intent to bid into a federal auction for an 81,000-acre wind lease area for power development off the coast of Long Island. By taking this action, NYSERDA will seek to ensure offshore wind power in New York is developed at the lowest possible cost for consumers.

Increasing Renewable Energy on State Properties. The number of State-owned properties across New York presents a tremendous opportunity to show the local community the way forward on using renewable energy while saving taxpayer dollars. This spring, Governor Cuomo announced the launch of a new solar parks initiative between New York Power Authority and the New York State Office of Parks, Recreation and Historic Preservation. The agencies signed an agreement to assess and potentially develop solar installations at state parks on Long Island and the Hudson Valley. The New York Power Authority has committed to invest \$1.5 billion in clean energy projects at state and municipal properties, contributing to the State's goal of improving efficiency by 20 percent by 2020. Since setting the goal in 2012, New York State has already reduced energy bills by nearly \$40 million. Further, the Governor has pledged to bring clean, renewable power to each of SUNY's 64 campuses by 2020. Already, over 70 percent of SUNY's campuses are in compliance with this goal.

Building More Microgrids. Constant access to electricity is more important than ever before, and New York State is committing to help communities install standalone energy systems that can operate independently in the event of a power outage, or microgrids. The NY Prize competition is a first-in-the-nation initiative that has already awarded funding to 83 communities across the state to conduct microgrid feasibility studies. This spring, NY Prize launched its second phase, which will provide \$8 million in total to eight communities to support microgrid design and engineering plans. The eight microgrids being developed through NY Prize will help ensure power reliability during outages and emergencies, and help communities achieve their clean energy and energy affordability goals.

Tapping Clean Energy Innovation. New York State is home to some of the most advanced university research in the world. Tapping this intellectual capital, this fall Governor Cuomo announced the Energy to Lead competition to challenge the state's colleges and universities

to develop innovative plans for clean energy projects on their campuses and in their local communities. Student-led coalitions competed for three \$1 million awards to support the implementation of their projects. In May, the finalists were announced: Bard College, SUNY Broome College, and SUNY University at Buffalo. The plans will lead to the creation of on-campus renewable energy projects, and will help serve Governor Cuomo's goal of bringing renewable energy to all SUNY campuses by 2020.

Training the Clean Energy

Workforce of Tomorrow.

As New Yorkers rapidly move to adopt clean energy at their homes and businesses, the need for talented clean energy experts will grow significantly. In anticipation of the demand, Governor Cuomo has committed the State to training 10,000 New Yorkers for new opportunities in the clean energy economy by 2020. As of this spring, the New York State Energy Research and Development Authority had already provided

nearly 2,000 workers with advanced training in the growing solar industry, and expects to train a total of 7,300 workers by year's end in solar and other clean energy sectors. In June, SUNY will issue a request for proposals for a \$15 million Clean Energy Workforce Opportunity program, giving students and faculty at SUNY campuses statewide access to the skills and tools they need to take advantage of emerging clean job opportunities in their region.



VII. Building Opportunity Through Education

Investing More in Education Than Ever Before. New York is committed to supporting schools, teachers, and students throughout the state because the strength of our future depends on the abilities of our next generation. The FY 2017 Budget provides \$24.8 billion in School Aid, the highest amount in history and a 6.5 percent increase over last year. The funding will support almost 700 school districts and 2.8 million students in Pre-K through 12th grades.

Eliminating the Gap Elimination Adjustment. The Gap Elimination Adjustment was first enacted in 2010 to combat the drastic worldwide financial recession by temporarily reducing school aid to close the State's budget deficit. As a result, school districts were forced to cut programs, services, and personnel. The FY 2017 Budget completely eliminates the \$434 million Gap Elimination Adjustment, providing greater support to every school district in New York State.

Establishing Community Schools. Creating partnerships between schools and communities is crucial to providing students with health and social services, and improving student learning and overall success. The FY 2017 Budget provides \$175 million to assist failing and high-needs schools to transform into community schools. Funding will support services that are unique to each school and address their individual needs including: before-and-after school programs, summer learning activities, medical care, dental care, and other social services. Providing students, parents, and communities with various supports is an investment that maximizes parent involvement and student achievement and builds stronger communities overall.

Expanding Pre-Kindergarten. Studies show that high quality early education programs have positive long-term benefits, and the earlier in life children can participate in these programs, the better our education system can work to ensure opportunity for all. The FY 2017 Budget provides \$24 million in funding to support quality Pre-Kindergarten programs to our youngest New Yorkers. Of the \$24 million, \$22 million will create between 2,000 and 2,500 additional Pre-Kindergarten slots for three-year-old children in high-need areas and \$2 million will enable the QUALITYstarsNY program to expand its reach and serve more than 500 early childhood sites across New York State.

Supporting Public Charter Schools. Charter schools are an important, high quality education option for families across New York State. Today, 256 charter schools serve more than 115,000 students in the state. In order to hire top-tier teachers and staff, the FY 2017 Budget increases charter funding by up to \$450 per pupil. Furthermore, the FY 2017 Budget permanently extends the calculation of facilities aid for NYC charter schools ensuring adequate access to classroom space.

Improving School Safety. New York's approximately 5,000 school buildings are places where we send our sons and daughters to learn almost every day. We expect them to be safe. To ensure that school buildings have implemented the most up to date school safety plans, we passed legislation in the budget to require review and implementation of new school safety measures, including updated safety drills for students, appointment of a district emergency response coordinator, school emergency plans coordinated with law enforcement and additional staff training measures.

Awarding Excellent Teachers in the Empire State. Outstanding teachers engage students in the classroom and motivate and inspire them to be lifelong learners. In May, Governor Cuomo created The Empire State Excellence in Teaching Program to identify and reward New York's outstanding teachers. Selected teachers will receive \$5,000 to support their continued professional growth. For the first year, the program will award sixty outstanding teachers, teaching diverse subjects including science, history, reading, special education, and music.

Expanding CTE and Early College High Schools. For many students and families, a college education is beyond their financial reach. Early college high school programs in New York State have been providing students who are traditionally underrepresented in postsecondary education with the opportunity to earn college credits while in high school, free of charge. The

2017 State Budget provides \$3 million to expand Early College High School programs and \$1 million to support the expansion of Career and Technical Education (CTE) programs for English language learners and students with disabilities, as well as increase gender diversity in CTE.

Investing in Public Higher Education. Last year, the State established the SUNY and CUNY Investment and Performance Fund to help SUNY and CUNY colleges complete performance improvement plans. With the plans now complete, the FY 2017 Budget includes \$30 million to support investments in faculty and implement changes such as improved academic advising and services for veterans and other student populations that will improve student access, completion and post-graduation success. The Governor has also asked for an efficiency study of both CUNY and SUNY to help both systems identify additional cost-saving measures and redirect savings into improving educational outcomes for students.



Supporting Diverse Needs of Community College Students. Many community college students have additional significant commitments or challenges while completing higher education, such as daycare and transportation. The FY 2017 Budget includes \$1.5 million for the innovative Community College Community Schools program, which helps students reach their educational goals by providing comprehensive support including child and elder care, health care, family counseling, transportation, and employment assistance.

Expanding Cybersecurity Professionals. The demand for trained cybersecurity professionals is rapidly growing for government, business, and private clients. To grow the talent pool and attract interest into the field, SUNY and CUNY will provide up to 50 tuition scholarships to individuals pursuing study related to cybersecurity issues this year. Scholarship recipients will agree to work in cybersecurity jobs in the public sector for at least five years in New York State.

Connecting Students to Apprenticeships. Students who gain real-world experience in the field of their study are more likely to become permanently employed in that field. The FY 2017 Budget includes \$5 million for up to 2,000 students to receive instruction through new apprenticeship opportunities in the SUNY and CUNY systems. This innovative program will combine the on-the-job training associated with traditional apprenticeships with rigorous classroom work resulting in an Associate's degree or academic certificate in fields, such as semiconductor manufacturing and renewable energy.

VIII. Preserving Our Environment



Committing to a Record \$300 Million Environmental Protection Fund.

The Environmental Protection Fund (EPF) supports programs that make New York cleaner and greener. The FY 2017 Budget provides \$300 million for the EPF, the highest level in state history and an increase of \$123 million. The EPF advances farmland and open space conservation, municipal recycling and solid waste management, municipal parks and waterfront revitalization, water quality improvement, and an aggressive environmental justice agenda. Further, the EPF provides \$22 million for

new climate change mitigation and adaptation initiatives, including grants and rebates for municipalities to undertake resiliency projects and transition to clean vehicles. The EPF supports more than 350,000 jobs and EPF-supported industries generate approximately \$40 billion every year.

Increasing Farm Resiliency. The State's record EPF includes \$2.5 million for the second round of the Climate Resilient Farming Grant Program, which alleviates the environmental impact of agriculture and increases the resiliency of farms throughout New York. This year during Earth Week, the State announced 11 winning projects across five Upstate regions that will reduce greenhouse gas emissions, promote energy savings, and improve water and soil quality.

Doubling Our Investment in Water Infrastructure. Like much of our nation's infrastructure, drinking and wastewater systems of many New York localities are in need of repair. To assist municipalities in making critical water system improvements, the State passed the Water Infrastructure Improvement Act of 2015. The FY 2017 Budget doubles funding for the Act to \$400 million, helping local governments advance approximately \$2 billion in local drinking water and waste water infrastructure investments while creating an estimated 33,000 construction jobs. This record funding complements the efforts of the Governor's Water Quality Rapid Response Team to ensure clean, safe drinking water for all New Yorkers.

Protecting and Preserving Farmland. Farmland is an asset to New York State's economy and food security. Over the last five years, the State has awarded more than \$211 million for 324 projects that intend to protect more than 80,000 acres of farmland across the state. This includes nearly \$18.4 million for the Hudson Valley Agricultural Enhancement Program, the first-ever regionally targeted funding program for farmland preservation. In May, the Department awarded 28 projects through the Program that will preserve more than 5,600 acres of farmland.

Additionally, the FY 2017 Budget increased the statewide Farmland Protection Implementation Grant Program by \$5 million to a total of \$20 million. The program is funded through the EPF. In May, the State awarded more than \$163,000 to two towns (Mentz and Ossian) and three counties (Albany, Madison, and Niagara) to develop or update their farmland protection plans.

Promoting Anaerobic Digester Technology. Many farms in New York State use anaerobic digesters to capture methane, as well as to reap environmental benefits – such as protecting water quality, improving air quality, reducing solid waste, and generating renewable energy. In the vast majority of cases they are considered equipment not subject to the real property tax, but in one instance an unsustainable assessment threatened the future use of this technology. The FY 2017 Budget includes legislation ensuring that any new anaerobic digester that qualifies for a permanent property tax exemption will receive that exemption, including those digesters that sell electricity back to the grid. NYSERDA has also supported the use of anaerobic digestion technology by providing farms with incentives for digester installations. A total of \$18 million will be awarded this year alone. In addition, the FY 2017 Budget increases the size of digesters eligible for net metering credits from 1 to 2 MW, allowing farmers with large digesters to sell more power back to the grid.

IX. Combatting Terrorism and Enhancing Public Safety

Reducing Gun Violence. Gun violence is a national epidemic and an avoidable tragedy. New York State is leading the way with the SAFE Act and taking more guns off the streets. In February, Governor Cuomo announced more than \$13.3 million in funding for local law enforcement agencies to continue fighting gun violence through the Gun Involved Violence Elimination (GIVE) initiative. Now in its second year, GIVE provides technical assistance, training, and funding for personnel and equipment in the 17 counties that collectively report 85 percent of the violent crime in the state outside of New York City. The State also invested technology and equipment to open a new Crime Analysis Center in Niagara County which will increase law enforcement intelligence and analysis, improve data-sharing, and enhance the state's international border security.

Protecting Domestic Violence Victims. Victims of domestic violence need and deserve comprehensive support and protection. In 2013, the New York State Office for the Prevention of Domestic Violence funded a successful pilot program for domestic violence program providers to coordinate with local police agencies, district attorney offices, probation departments, and human service agencies to identify domestic violence cases at highest risk for serious injury or death through evidence-based tools that are nationally recognized. The FY 2017 Budget provides the Office \$200,000 to fund two more pilot programs; awards will be announced this summer.

Reducing Crime Through Education. Studies show that prisoner education and vocational training helps individuals secure employment upon their release, considerably reducing recidivism.¹ This year, the Department of Corrections and Community Supervision (DOCCS) is using \$7.5 million in criminal forfeiture funds from the Manhattan District Attorney to expand

college-level education programs for inmates, at no cost to taxpayers. DOCCS is also hiring more teachers, which will allow more individuals who obtain their high school equivalency and enhance their prospects of success after release from prison. In addition, DOCCS is adding psychologists to assess the learning needs of inmates below the functional literacy level and develop education plans to meet their individual aptitudes.

Adopting New Technologies to Make Prisons Safer. The development of enhanced technology presents opportunities to further ensure safety, security, and accountability across the prison system. An advanced system to detect contraband, for example, is now operational in 48 correctional facilities, and the Department is expanding their use to every facility in the state. To better monitor inmates, DOCCS is deploying thermal imaging devices and heartbeat monitors throughout the prison system. And to ensure the safety of inmates and correction officers alike, DOCCS has initiated a body-camera pilot in three facilities.

Protecting New Yorkers against Cybercrime. In addition to the State working to increase the number of cybersecurity experts, New York is actively equipping industries to protect themselves against computer-based threats. The Department of Financial Services is already working closely with federal regulators and industry experts to develop cybersecurity regulations for the financial and banking industries, and this summer, the Department of State and the national Better Business Bureau will provide free cybersecurity training to small businesses and individuals throughout the state.



Investing in Enhanced Training and Equipment for Law Enforcement.

The ever-present threat of terrorism and new-age style of mass violence requires the State Police and NYPD to maintain quality and effective resources. New York State has dedicated \$4 million to New York State Police, along with \$4 million to the NYPD, to procure additional counter-terrorism training, new rifles, body armor, and ballistic helmets to ensure they are properly equipped to respond to emerging terrorism threats in New York City and across the state. Additionally, the State has established a \$6 million grant program to help local

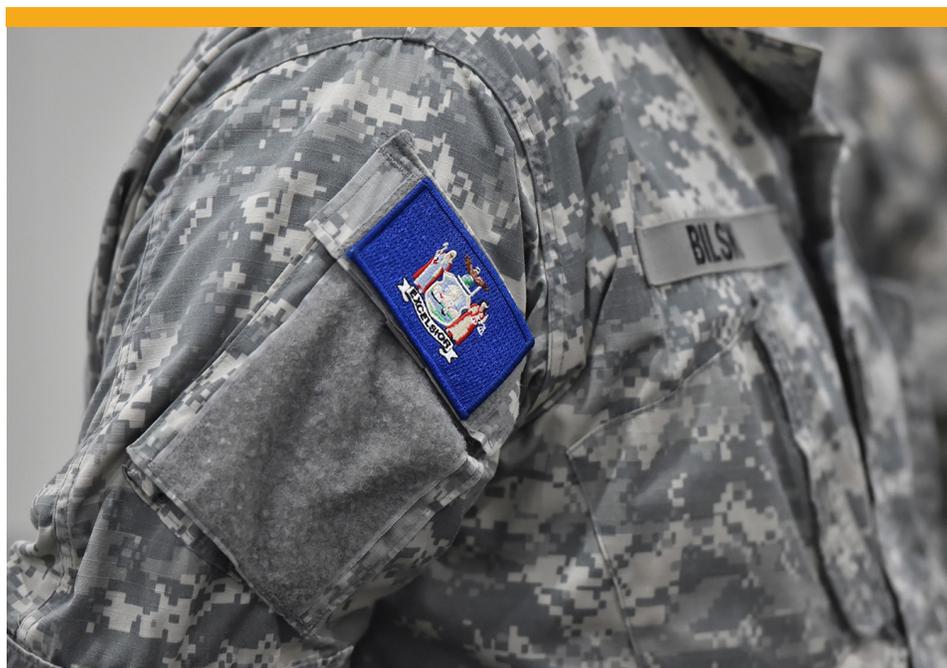
law enforcement agencies meet their needs.

¹ The Council of State Governments Justice Center (2013). Integrated Reentry and Employment Strategies: Reducing Recidivism and Promoting Job Readiness. Retrieved on June 14, 2016 from <https://www.bja.gov/Publications/CSG-Reentry-and-Employment.pdf>.

Strengthening Counter-Terrorism Intelligence and Analysis Capabilities. To better protect New Yorkers, New York State is centralizing its intelligence gathering operations. This January, Governor Cuomo accepted former NYPD Commissioner Ray Kelly’s recommendation to consolidate the intelligence analysis components of the Office of Counter-Terrorism in the State Police. In March, the Governor signed legislation to allow this consolidation, which will increase the efficiency of the State’s counter-terrorism functions within the New York State Intelligence Center.

Establishing Permanent Statewide Law Enforcement

Presence. To protect against the threat of terrorism at major gathering points and infrastructure interests in the New York City region, the State Police, the National Guard, and the Metropolitan Transit Authority are expanding the Governor’s 2014 counter-terrorism surge with additional resources. The State is also establishing a permanent State Police presence in New York City and deploying specially-trained uniformed State Troopers who will partner with investigators to strengthen law enforcement in the New York City metro area.



Conducting Targeted Security Assessments Throughout the State. Effectively combatting the threat of terrorism requires every level of the community to cooperate. The FY 2017 Budget invests \$1.3 million to conduct “Red Team” counter-terrorism exercises in all 16 Counter-terrorism Zones. The exercises are designed to increase local awareness of the evolving terrorist threat and leverage the expertise of state, federal, and local law enforcement and counter-terrorism agencies. Four exercises have started and all 16 will be completed by the end of the year.

X. Achieving Social and Economic Justice

Enacting a \$15 Minimum Wage for New York. The minimum wage is designed to provide a worker with a decent living – yet, a full-time worker who has a family of four and is earning the minimum wage is automatically in poverty. This year, Governor Cuomo signed into law the

nation's first \$15 statewide minimum wage.

Workers will experience increased pay according to which region of the state they work in:

- For workers in New York City employed by large businesses (those with at least 11 employees), the minimum wage will increase to \$11 at the end of 2016, then another \$2 each year after, reaching \$15 on 12/31/2018.
- For workers in New York City employed by small businesses (those with 10 employees or fewer), the minimum wage will increase to \$10.50 at the end of 2016, then another \$1.50 each year after, reaching \$15 on 12/31/2019.
- For workers in Nassau, Suffolk and Westchester Counties, the minimum wage will increase to \$10 at the end of 2016, then \$1 each year after, reaching \$15 on 12/31/2021.
- For workers in the rest of the state, the minimum wage will increase to \$9.70 at the end of 2016, then another \$0.70 each year after until reaching \$12.50 on 12/31/2020 – after which will continue to increase to \$15 on an indexed schedule to be set by the State Budget Director in consultation with the Department of Labor.

More than 2.3 million workers are projected to experience higher wages, injecting \$15.7 billion in the economy.



Instituting 12 Weeks of Paid Family Leave. No one should be forced to choose between a paycheck and caring for a loved one. The United States is one of the only industrialized countries that does not have a nationwide paid family leave law. This spring, New York State passed the most comprehensive paid family leave program in the nation. When fully phased-in, employees will be eligible for 12 weeks of paid family leave in order to care for an infant or a family member with a serious health condition or to relieve family pressures when someone is called to active military service. Benefits will be phased-in beginning in 2018 at 50 percent of an employee's average weekly wage, capped to 50 percent of the statewide average weekly wage, and fully implemented in 2021 at 67 percent of an employee's average weekly wage, capped to 67 percent of the

statewide average weekly wage. New York's paid family leave program will be funded entirely through a nominal payroll deduction on employees; so it costs businesses – both big and small – nothing. Employees are eligible to participate after having worked for their employer for six months.

Supporting Minority-Owned and Women-Owned Businesses. Under the leadership of Governor Cuomo, New York State has made great progress in increasing contracting for minority and women-owned business enterprises (MWBEs). The State exceeded the Governor's MWBE contracting goal of 20 percent in 2013, and in 2014 the Governor increased it to 30 percent – the highest of any state. In 2016, the State launched the MWBE Investment Fund, a \$2 million equity investment fund that will support innovation, job creation, and high-growth entrepreneurship throughout New York State. The Fund's objective is to invest in early-stage NYS certified MWBEs and MWBEs that are in emerging technologies and have a proprietary product or service.

In February, Governor Cuomo launched the MWBE Certification Campaign to encourage minority and women business owners to certify with the State and take advantage of current and upcoming procurement opportunities worth billions of dollars. Under the Governor's leadership, the State has certified more than 4,300 MWBEs and recertified more than 3,600 MWBEs. In 2014, the Governor pledged to increase MWBE certification by an additional 2,000 businesses, in 2016, the State has exceeded that goal. As a result, the number of State-certified firms has more than doubled in just five years. Keeping with his commitment to MWBEs and the small business community, Governor Cuomo has pledged to certify another 2,000 firms over the next two years.

Investing in Affordable Housing Development. Secure housing for all New Yorkers is a central pillar to maintaining vibrant communities and keeping New York State's economy strong. The FY 2017 Budget includes a record \$20 billion commitment to build or preserve 100,000 units of affordable housing and 6,000 units of supportive housing to combat homelessness. This year, the State continued progress toward the preservation and creation of nearly 14,300 affordable housing units under the Governor's \$1 billion House New York program. This includes the preservation of 8,600 middle-income Mitchell-Lama units that will remain affordable for the next 40 years. In 2015, New York set a record for financing the creation or preservation of more than 11,000 affordable homes and apartments and was the #1 bond issuer in the nation with \$2.5 billion issued. This year's Unified Funding housing round provided more than \$122 million in awards for affordable housing developments across the state. The low-interest loans, grants and tax credits will build or preserve nearly 2,000 affordable apartments and are expected to leverage more than \$450 million in public and private resources.

Reducing “Zombie” Properties and Helping New Yorkers Stay in Their Home. Bank-owned foreclosed properties pose a significant threat to economic health and public safety of local communities, driving down property values and serving as hotbeds for criminal activity. This Session, the Legislature passed new provisions that will help prevent people from losing their homes, and combats the blight of vacant and abandoned bank-owned properties, also known as “zombie homes,” by expediting the rehabilitation, repair and improvement of these properties.

Additionally, the new \$22 million Neighborhood Revitalization Program will help subsidize and finance the purchase and renovation of up to 500 foreclosed and abandoned properties

for low- and middle-income New Yorkers. Financed with JPMorgan Chase settlement funds, Neighborhood Revitalization Program home purchases allow qualified low- and middle-income buyers to receive up to \$20,000 in additional funds for home improvements with zero interest and no increase mortgage payments. Loans are forgiven over time. The Neighborhood Revitalization pilot program is being implemented in the Capital Region, Finger Lakes, Hudson Valley, Long Island and New York City.



Strengthening Tenant Protections. The Tenant Protection Unit, formed in 2012 by Governor Cuomo, plays an important role in preserving rent-regulated housing and proactively safeguarding the rights of rent-regulated tenants. Through the Tenant Protection Unit, the State has returned over 50,000 apartments to rent regulation and returned \$2.5 million in overcharges to tenants. This spring, the Unit has referred three separate investigations for criminal prosecution, leading to the arrest and indictment of two landlords. Additionally, in May, the Unit assisted with an ongoing investigation of the owner of 140 apartment buildings throughout Manhattan. After reviewing records and interviewing tenants, the Unit made a formal criminal referral to the State Attorney General that resulted in a 20-count indictment on charges of Grand Larceny, Criminal Tax Fraud and Falsifying Business Records.

Redefining Customer Service. To improve government-citizen assistance, New York State's Human Services Call Center makes available real customer service representatives when New Yorkers contact a State agency. Call Center Representatives are answering more than 1 million calls per year for 30 bureaus within 10 State agencies, providing New Yorkers with one-stop access to a broad array of information and services.

XI. Fighting Poverty

Investing Record \$10.4 Billion to Combat Homelessness. As part of the \$20 billion commitment for affordable housing and homelessness, New York State is launching a \$10.4 billion Homeless Action Plan to combat homelessness statewide. Phase one is already underway, which includes a Request for Proposals for 1,200 units of supportive housing. The RFP is the first phase of the \$2.6 billion plan to develop 6,000 units of supportive housing over the next five years. Additional components of the Action Plan include: addressing inadequate shelter housing in New York City by providing the City with more than 500 beds in underused State and State-licensed facilities for the homeless; having completed inspections of all 916 homeless shelters in the state and taking action to improve the conditions in homeless shelters so facilities are safe, clean and well-maintained; and having created an Interagency Council on Homelessness to explore targeted solutions to homelessness and recommend best practices

and policies to meet the ongoing needs of communities and individuals.

Completing Inspections to Assess the Conditions at Homeless Shelters. Until this year, annual State inspections of all homeless shelters was not required by law. At the direction of Governor Cuomo, this spring the State inspected all 916 homeless shelters across New York State and uncovered deficiencies in 97 percent of them. The deficiencies jeopardize the health, safety, and quality of life of shelter residents. In response, the State took a series of steps including requiring that deficiencies found be resolved within defined deadlines, requiring emergency shelters to develop security plans and report security incidents to the State, and reviewing per diem rates for all types of shelters which varied widely.

Toughening Oversight of Homeless Shelters. Thousands of New Yorkers, including families with children, sleep in homeless shelters each night. They deserve a shelter that is clean, safe, and where they are treated with dignity. At the direction of Governor Cuomo, the Office of Temporary and Disability Assistance (OTDA) implemented new regulations to enhance the State's ability to oversee and inspect shelter conditions and to more closely monitor shelter security measures across the state. The new regulations allow OTDA to

impose immediate measures in the case of serious and continuing health and safety violations, allow OTDA to review and approve the rates for all types of shelter, and strengthen oversight of security requirements to increase the safety of children, families, and adults in homeless shelters. In addition, Governor Cuomo signed legislation authorizing OTDA to designate a temporary operator for homeless shelters where the current operator has been found to have significant financial, operational issues, or issues that pose a danger to the safety of shelter residents.

Creating Interagency Council on Homelessness. To take a comprehensive look at homelessness statewide, the State has established the Interagency Council on Homelessness. The Council will work with service providers and local governments over the next two years to identify issues, develop solutions, and establish best practices in preventing and addressing homelessness. The Council is co-chaired by the Governor's Interagency Coordinator for Not-for-Profit Services and HCR Commissioner, and will issue its first report this fall.





Targeting Poverty Reduction Efforts.

Despite economic growth and success in many parts of the state, pockets of persistent poverty remain. To administer the intense coordination and local expertise required to effectively combat poverty, Governor Cuomo established the \$25 million Empire State Poverty Reduction Initiative to ensure that communities have the resources necessary to confront poverty in a meaningful way. Through the Initiative, the State will fund 16 local anti-poverty task forces in communities across the state that will identify priority issues and neighborhoods, engage local residents, and develop a plan for addressing poverty. The participating cities are:

Albany, Binghamton, the Bronx, Buffalo, Elmira, Hempstead, Jamestown, Newburgh, Niagara Falls, Oneonta, Oswego, Rochester, Syracuse, Troy, Utica, and Watertown.

Launching Empire Service Corps. To better connect talented young New Yorkers with local nonprofit organizations that work to address poverty, hunger and homelessness, the State launched the Empire Service Corps this spring. The Empire Service Corps will place 80 AmeriCorps members in the 16 municipalities selected for the Empire State Poverty Reduction Initiative, plus 110 AmeriCorps members in other cities throughout the state.

Increasing Access to Affordable and Healthy Food. The availability of affordable, healthy food is important to ensuring New Yorkers have the nutrition they need. To enhance access to high quality food, the State is advancing recommendations of the Anti-Hunger Task Force, including to decrease the stigma associated with using the Supplemental Nutrition Assistance Program by making Electronic Benefits Transfer cards appear more like debit cards. The FY 2017 Budget increases funding for the State's emergency food providers by \$4.5 million as part of a commitment to \$22.5 million in emergency food funding over the next five years. The FY 2017 Budget also continues funding to increase enrollment in the Child and Adult Care Food Program and a Farm to School initiative that brings fresh, locally-grown produce to schools.

Expanding Eligibility for Food Assistance. To give more New Yorkers the resources they need to obtain affordable food, New York State is expanding eligibility for the Supplemental Nutrition Assistance Program. Effective July 1, households with earned income at or below 150 percent of the federal poverty limit will be eligible for SNAP benefits. This expansion, from 130 percent of the FPL, is estimated to deliver up to \$688 million in additional federal SNAP benefits to as many as 750,000 working New York households annually, with an estimated annual positive economic impact of as much as \$1.2 billion.

Creating Council on Hunger and Food Policy. Governor Cuomo established the New York State Anti-Hunger Task Force in 2013 to research issues related to hunger, and develop recommendations for the State to consider. To permanently continue the work of the Task Force, New York State has created the New York State Council on Hunger and Food Policy. The Council will provide guidance to state policymakers on how to address hunger and improve access to healthy, locally-grown food for all New York State residents. Council members will include experts and leaders in the fields of agriculture, food policy, hunger prevention, and healthcare.

Extending the Reach of Nonprofit Providers of Human Services. Nonprofit human services providers play a crucial role in ensuring the most vulnerable New Yorkers receive the services they need. Many organizations work in partnership with State agencies, such as the Office of Mental Health and Office of Children and Family Services, to maximize their effect on the community. To support the important work these organizations perform, the FY 2017 Budget includes a \$15 million increase in funding.

Increasing Self-Sufficiency for Public Assistance Clients. Before this year, a family receiving public assistance in New York was unable to own a newer car without their public assistance grant being reduced and therefore often operated a typically less reliable vehicle. To help families, the FY 2017 Budget increased the public assistance automobile resource limit for the first vehicle from \$4,650 fair market value to \$10,000 in FY 2017, to \$11,000 in FY 2018, and to \$12,000 in FY 2019 and future years. These changes went into effect on May 16, 2016.

Assisting Young Adults Transitioning from Foster Care. Vulnerable youth who exit foster care are especially challenged in finding educational and career opportunities. To connect State agencies, business leaders and colleges with these youth, the State established Pave the Road to Independence. The partnership will be a crucial resource for improving the lives of young people in the foster care system. The Office of Children and Family Services has already engaged major foundations and experts in workforce development, and Pave the Road to Independence will hold its first convening of stakeholders this summer.

Supporting Foster Parents and Youth. Foster care can be a difficult time in the development of a child because experiences vary widely amongst families. To develop a series of uniform expectations, the State enacted the foster parent “reasonable and prudent parent standard.” The standard provides increased access to regular childhood experiences like school dances and field trips for children and youth in foster care, which they previously were unable to participate in without explicit permission from foster care agencies. The standard also mandates that caregivers, including foster parents and voluntary agencies, make decisions for children and youth in their care to participate in activities as appropriate to their age and development.

Protecting the Elderly and Vulnerable Adults from Financial Exploitation. New York State has seen an alarming increase in the number of cases of financial exploitation of elderly and vulnerable adults in recent years. According to a 2011 study, 42 of every 1,000 adults over age 60 are financially exploited costing an estimated \$1.5 billion each year, yet only one in 44 cases is reported to authorities. To prevent and intervene in cases of financial exploitation, the

Office of Children and Family Services Bureau of Adult Protective Services has been awarded a federal grant of \$300,000.

XII. Ensuring Fairness for All

Keeping People Out Of Prison. In many criminal justice cases, incarceration is not the most effective form of rehabilitation when an individual does not pose a likely threat to public safety. One other way, Alternatives to Incarceration, is a series of programs designed to keep people out of prison, improve public health and safety, and save taxpayer dollars. Alternatives to Incarceration programs include counseling, cognitive behavioral therapy, and substance abuse treatment. The FY 2017 Budget invests an additional \$1 million to expand and modernize these programs in Upstate jurisdictions to focus on high-risk and high-need populations.

Expanding the County Re-Entry Task Forces. The transition from prison back into a community is challenging for both the former inmate and their friends and family. To ease the transition, New York State is expanding County Reentry Task Forces, which develop area-specific strategies to reintegrate those released from prison back into their communities. The FY 2017 Budget secured an additional \$1 million for DCJS to serve more people through the program. The funding also enables counties to employ reentry coordinators who work with police departments, community supervision agencies, and mental health and social service providers to identify gaps in service and address needs, such as housing, employment, and substance abuse treatment.

Banning Conversion Therapy. “Conversion therapy” is an ill-informed practice intended to change an individual’s sexual orientation or gender identity, and therefore is especially harmful to LGBT youth. This year, Governor Cuomo announced a comprehensive set of regulations banning public and private health care insurers from covering conversion therapy in New York State, and prohibiting various mental health facilities from engaging in the practice with minors.

Protecting Transgender Rights. Federal antidiscrimination laws fail to offer the same degree of protections for transgender persons as New York State law. In January, the Division of Human Rights adopted

new regulations to provide protections for transgender persons from discrimination on the basis of sex. Under New York State’s Human Rights Law, which offers heightened protections,



gender dysphoria is considered a medical condition that falls within the broad definition of disability. Under this broad classification, transgender persons gain the right to reasonable accommodation in the workplace.

Cracking Down on Housing Discrimination. Far too often in New York State, potential renters and homebuyers are unfairly discriminated against by landlords and sellers. This year, Governor Cuomo announced a new initiative to strengthen New York State’s anti-discrimination efforts with regard to housing by establishing a fair housing enforcement program. The enforcement program roots out discrimination in rental and home sale transactions by engaging “fair housing testers,” who act as potential renters or home seekers and test for discriminatory bias amongst sellers and landlords. If discrimination is uncovered, the Division of Human Rights will file a complaint and prosecute the case. The Division of Human Rights is also working with the Department of State to identify and revoke the license of any real estate broker who is found to discriminate against potential renters or buyers.

Prohibiting Discrimination on the Basis of Association. Potential renters and homebuyers also, too commonly, face discrimination based on their associations. This year, the State issued new regulations to clarify that it is unlawful to discriminate against individuals because of their personal relationships or associations. These regulations ensure that all New Yorkers recognize their right to rent or buy residential or commercial space, or patronize stores, restaurants or theaters, regardless of the race, color, creed, national origin, sexual orientation, disability or other protected characteristic of their family members, associates or clients.

Enforcing New York’s Human Rights Law: Between January and June of this year, the Commissioner of the Division of Human Rights has issued 187 orders, awarding nearly \$2 million in monetary benefits to complainants in discrimination cases.

XIII. Closing the Skills Gap and Train Youth

Expanding Employment Opportunities for Youth. To better connect urban youth with stable, good-paying jobs, New York State established the Urban Youth Jobs Program in 2012. Since its creation, the program has helped 2,166 New York businesses hire 31,234 young adults in communities with high youth unemployment. The FY 2017 Budget expands the successful program by \$10 million to \$30 million for the original 13 targeted regions with high youth unemployment – including Albany, Brookhaven, Buffalo, Hempstead, Mount Vernon, New Rochelle, New York, Rochester, Schenectady, Syracuse, Utica, White Plains, and Yonkers – and allots an additional \$20 million for young people who live outside of the original targeted regions.

Creating the Nation’s First State Pre-Apprenticeship Program. To further connect disadvantaged young people in need of work with businesses in need of qualified workers, New York State established the nation’s first Pre-Apprenticeship Program. The program recruits approximately 100 young adults to join a State Registered Apprenticeship program, and then connects them with State-contracted businesses in need of labor.



Expanding the Unemployment Strikeforce.

The Unemployment Strikeforce, launched in the Bronx in 2014, strategically targets jobseekers facing barriers to employment – such as at-risk youth, the formerly incarcerated and long-term unemployed – to ensure they have both access and the skills required for local jobs. In the Bronx, the Unemployment Strikeforce contributed to a dramatic decrease in its unemployment rate – from 11 percent in April 2013 to just 6.6 percent this April. This spring, the number of Bronx residents working is the highest in the borough’s history. This year the Governor expanded the Unemployment Strikeforce to Western New York cities of Buffalo, Lackawanna, and Niagara Falls.

Training New Yorkers for Middle Skills Jobs.

Labor experts are expecting a shortage of adequately trained candidates to fill “middle-skill” jobs – positions that require more than a high school diploma, but less than a four year degree – in the coming years. Over the next seven years, New York is projected to add nearly 150,000 middle skills jobs, contributing to middle class security through nearly \$730 billion in wages. In anticipation of this demand, New York State established the \$3 million Middle Skills Job Training initiative, which provides funding to Regional Economic Development Councils to target job training in specific growth industries.

Reimagining Career Centers. New York State’s 96 Career Centers serve as a central hub for job seekers in communities across the state. However, many Career Centers are outdated and display a myriad of various government branding. New York State is reimagining the Career Centers in state-of-the-art career opportunity centers, equipped with Wi-Fi and upgraded technology. All Career Centers across the state will adopt a standard logo by the end of this year, making individual centers identifiable to the public as part of one, statewide system.

XIV. Protecting New York’s Workers

Defending Exploited Workers. New York has zero tolerance for environments where workers’ rights are marginalized by their employers and their voices go unheard. Under the leadership of Governor Cuomo, New York State is ensuring that workers have access to job opportunities at businesses that provide safe and healthy work environments for their employees. In July 2015, the Governor launched the Exploited Worker Task Force to investigate allegations of abuse and hold abusers accountable. The Exploited Worker Task Force has launched 750 investigations to date, revealing more than 3,200 violations. The cases involve more than 3,300

workers. Employers were cited for violations including wage theft, retaliation against those who complained, and lack of mandatory workers' compensation coverage.

Securing Lost Wages. Too many workers are denied the hard-earned pay they deserve by employers who do not follow the law. Since taking office, the Governor has signed the Wage Theft Prevention Act to increase penalties against employers who violate workers' rights and made a commitment to aggressively enforce the state's prevailing wage laws. In just the first quarter of this year, New York State returned \$10.2 million in stolen wages to more than 17,000 workers. These recoveries exceed the \$9 million the State recouped during same time last year and indicates that the State is projected to break last year's record of \$31.5 million in recovered stolen wages.

Safeguarding Good Practices in the Nail Salon Industry. One industry where workers are particularly vulnerable to unlawful practices is the nail salon industry. To protect these workers, the Nail Salon Industry Enforcement Task Force – created at the direction of Governor Cuomo last year – enacted a series of nail salon industry reforms, ranging from surety requirements to protective equipment standards to posting notices. As of May, the State has directed 143 nail salons to pay \$2 million in unpaid wages and damages to 652 employees.

Protecting World Trade Center Volunteers. The World Trade Center Volunteer Fund, which has provided benefits to nearly 1,900 people to date, exhausted its federal funding earlier this year. The brave men and women who selflessly stepped up to help others in the wake of terrorism deserve our full support. The FY 2017 Budget includes additional support to cover the cost of lost wages and health care expenses for volunteers who contracted illnesses at the World Trade Center site in the year after September 11, 2001.

Creating the Advisory Council on Diversity and Inclusion. Diversity is intrinsic to New York's workforce, yet many minority groups are unable to access the employment opportunities available to them, including those within State government. Under the leadership of Governor Cuomo, New York State has made significant strides in creating opportunities for minority communities. To expand it further, this spring New York State created the Advisory Council on Diversity and Inclusion, which is tasked with presenting recommendations to increase minority representation within the State government workforce.

Passing Veterans Pension Credits: This year, New York State passed legislation allowing more veterans working in the public sector the ability to obtain up to three years of credit towards their public pensions for time served in the military. The legislation allows all veterans, regardless of when and where they served, to receive this benefit from the State in gratitude for their service. It also incentivizes veterans to seek employment with the State because it allows them to retire three years earlier at the higher pension.

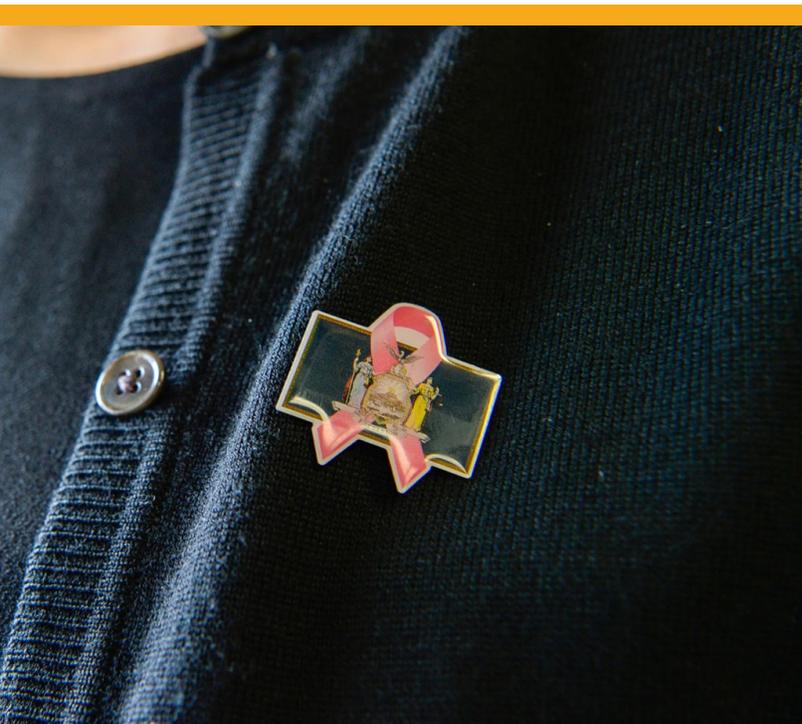
Enabling a Seamless Transition for Working Military Spouses. To ensure a seamless transition for military families who frequently move, New York State passed legislation that will allow military spouses who demonstrate to the Department of Education that they hold a professional license in good standing from another state to use those licenses in New York for six months after they

move. In addition, the legislation expedites their license application with the State Department of Education.

XV. Promoting a Healthier New York

Combatting the Heroin and Opioid Crisis. Heroin and opioid addiction is a national epidemic that continues to plague families in communities across New York State; heroin overdose is the leading cause of accidental death in the state. Governor Cuomo has made it a priority to enact the nation's most aggressive plan to combat heroin and opioid abuse, and secured nearly \$200 million in the FY 2017 Budget to get it done. This Session, working with Governor Cuomo, the State Legislature passed a package of bills that attack the root of the problem and ensure greater care for those who are addicted.

The legislation: limits the over-prescription of opioids; remove barriers to access for inpatient treatment and medication; limits opioid prescriptions for acute pain to a 7-day supply in accordance with recent CDC guidelines; requires prescribers to complete three hours of education on addiction, pain management, and palliative care every three years; and requires pharmacists to provide consumers with information about the risk of addiction from prescribed opioids. The legislation also ends prior authorization to allow for immediate access to treatment and allows for greater access to medications; mandates insurance coverage for overdose-reversal medication; and extends supports for individuals transitioning from treatment to recovery.



Improving Access and Coverage for Breast Cancer Screenings. Breast cancer is the most commonly diagnosed cancer and the second leading cause of cancer deaths among women in New York State. Screening for breast cancer, which includes mammography, can increase the detection of the disease at an early stage, when treatment is most effective. However, structural barriers, such as lack of convenient office hours, have a significant impact on a woman's ability to be screened. This Session, working with Governor Cuomo, the State Legislature passed new legislation to improve access and coverage for breast cancer screening.

The legislation:

- Requires 210 hospitals and clinics to offer extended screening hours at least four hours per week for women who have difficulty scheduling mammograms during the typical workday.
- Eliminates annual deductibles, co-payments, and co-insurance payments for all screening mammograms.
- Eliminates cost-sharing for diagnostic imaging for breast cancer, including diagnostic mammograms, breast ultrasounds, and breast MRIs for women at high risk for breast cancer.
- Allows public employees in New York City four hours of leave each year for breast cancer screening, thereby receiving the same benefit as all other public employees statewide.

These actions will work in concert with the \$91 million included in the FY 2017 Budget, which will increase awareness and screening for breast cancer, establish a public awareness campaign and community outreach programs, support patient navigators, and fund mobile mammography vans across the state.

Preparing New York Against Zika Infection. The Zika Virus is a global health challenge that is already affecting people, including expectant mothers, in New York. In January, the Department of Health's Wadsworth Center Laboratory developed testing to detect Zika Virus infection in blood and urine. Since then, samples have been received for 4,968 individuals – travelers returning from endemic areas or the pregnant partners of returning travelers.

As of this June, the State Department of Health has identified 183 positive cases, of which 130 cases are New York City residents. The State Department of Health has provided expert advice by phone to over 3,200 concerned citizens, health care providers, and individuals who have tested positive for Zika, and launched a series of initiatives to combat the virus, such as distributing larvicide, custom Zika Virus Prevention Kits for pregnant women, and a robust public awareness campaign.

Ending the AIDS Epidemic. Since the onset of the AIDS epidemic, New York State has been leading the fight against the disease with comprehensive prevention and care systems. In 2014, Governor Cuomo announced a new plan to end the epidemic, including a Pre-Exposure Prophylaxis Assistance Program (PrEP-AP), which provides a daily pill to reduce the risk of HIV infection to at-risk individuals who are under insured or uninsured. The State's early responses to the epidemic have led to important milestones, including a 40 percent reduction in new cases, a reduction in the proportion of new cases involving drug users, from 54 percent to just 3 percent, and for the first time since the start of the epidemic, zero reported cases of HIV transmission from mother to child in a calendar year.

The FY 2017 Budget doubles funding to end the AIDS epidemic by \$10 million to a total of \$20 million. Other important changes during this Legislative Session included removing age limitations to HIV testing and other measures to expand access to testing; allowing Registered Nurses to screen persons at increased risk of syphilis, gonorrhea and chlamydia; and allowing

physicians and nurse practitioners to prescribe non-patient prescriptions for a pharmacist to dispense a 7-day starter pack of HIV post-exposure prophylaxis medications.

Testing School Water for Lead Contamination. Lead poisoning is extremely harmful to young children and may cause permanent brain damage. Schools in New York are not currently required to test their drinking water for lead, or notify parents or government officials of results. Legislation passed this Session makes New York the first state in the nation to put a requirement in statute that mandates periodic testing of drinking water in schools, reporting to parents and local and state entities, and provides guidance for remediation to ensure availability of clean and safe drinking water in every school. The State will fund a portion of the testing and remediation costs and will reimburse these costs on an expedited schedule in emergency situations.

Supporting Local Hospitals. Hospitals serve as healthcare safety nets for communities across New York State, while also generating a significant local economic impact. However, because of the rapidly changing healthcare environment that has begun to move patient care out of traditional inpatient settings, many hospitals are no longer financially viable. The State Department of Health has been working with 30 hospitals over the last two years to develop long-term financial sustainability plans to position these facilities for the future. Since 2014, the State has provided more than \$600 million for hospitals to jump-start their financial sustainability plans; \$450 million more is available through the balance of FY 2017.

Additionally, to ensure hospitals are able to provide critical services to their communities, the State Department of Health has awarded more than \$600 million in capital funding for projects tied to these sustainability plans, and will be administering another \$700 million for capital projects in support of the transformation plans for hospitals in Central and Northeastern Brooklyn. The FY 2017 Budget provides an additional \$195 million for healthcare providers to strengthen access to critical services.

Meeting Prevention Agenda Goals. Every New Yorker deserves quality access to healthcare, regardless of their race, ethnicity, gender or age group. The Prevention Agenda 2013-2018 is New York State's blueprint for improving the health of New Yorkers and reducing disparities among racial, ethnic, and socio-economic groups. As of this spring, 25 of the 96 Prevention Agenda objectives were met, including the rate of age-adjusted hospitalizations for adults, the rate of hospitalizations due to falls for people over 65, the percentage of cigarette smoking among adults with incomes less than \$25,000, the adolescent pregnancy rate, the rate of gonorrhea cases among women, and the percent of adolescents reporting use of alcohol on at least one day in the past 30 days.

Preventing Overdoses Among Former Inmates. Studies indicate that newly released former inmates have very high rates of mortality from drug overdoses.² The State Department of Health AIDS Institute, Department of Corrections and Community Supervision, and the Harm

² Binswanger, Ingrid et al (2007). Release from Prison — A High Risk of Death for Former Inmates. The New England Journal of Medicine. Retrieved on June 14, 2016 from <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2836121>.

Reduction Coalition are collaborating to provide opioid overdose prevention training to incarcerated individuals whose release dates are approaching. At the time of their release, individuals wanting a naloxone kit will receive one, along with their usual course of medications. This spring, nine correctional facilities were already training in the new program with the goal of all 54 State correctional facilities practicing. More than 1,200 parolees have received overdose kits.

Redesigning Medicaid. Medicaid costs, like many healthcare costs, continue to rapidly rise. Recognizing the need to control spending growth and improve health care results, the Delivery System Reform Incentive Payment (DSRIP) program is one of New York State’s most significant Medicaid redesign initiatives. The DSRIP program allows the State to invest \$7.3 billion of Medicaid savings over five years toward the transformation of the healthcare system. Through DSRIP, providers collaborate by forming a Performing Provider System to implement innovative projects to improve healthcare services and reduce avoidable hospital use by 25 percent over five years. In the beginning of its second year, DSRIP has already awarded nearly \$1.2 billion to 25 Performing Provider Systems statewide. Major objectives for this year include: continued project implementation, increased focus on workforce planning and retraining, deployment of IT-enabled tools for Performing Provider Systems, and support for value-based payment pilots.

Ensuring Safe Drinking Water.

Drinking water contamination across the Northeastern United States can be linked to pollution by former industrial facilities. To protect New York communities, this spring Governor Cuomo created the Water Quality Rapid Response Team. The Team is charged with developing the nation’s leading water quality program and preparing a comprehensive action plan to address water quality issues raised by municipalities and concerned citizens. The action plan will include recommendations to strengthen existing drinking water, groundwater, and surface water protection programs in New York.



Providing Modern, One–Stop Health Insurance Shopping. In many cases, health insurance enrollment can be a burdensome and confusing task, dissuading individuals from seeking the

coverage they need and deserve. To reduce the number of uninsured New Yorkers, Governor Cuomo established New York State of Health by Executive Order in 2012. New York State of Health is a state-of-the-art web-based customer service center, where for the first time, New Yorkers no longer needed to visit a government office to sign-up for healthcare.

New York State is on the trajectory to reach its goal of reducing the number of uninsured New Yorkers by 1 million by the end of 2016 through the program. Since New York State of Health was implemented, premium rates for individuals and families have fallen by 50 percent, and the uninsured rate at 4.9 percent is down 50 percent from 2013 – the lowest in decades. This year, the program introduced the Essential Plan for low income New Yorkers, allowing consumers to pay even less for comprehensive coverage.

Improving Services for Persons with Developmental Disabilities. While New York State has made great strides in expanding services for the developmentally disabled, the most vulnerable New Yorkers deserve even more opportunities for success. This spring, the Office for Persons with Developmental Disabilities convened a Transformation Panel – including persons with developmental disabilities, their family members, service providers and advocates – to make recommendations regarding the future of New York State’s service delivery system for individuals with intellectual and developmental disabilities. In February, the Panel released its report, “Raising Expectations, Changing Lives,” and provided 61 recommendations in the areas of service delivery, system design and sustainability. In response to the recommendations, the Office is already moving forward with several initiatives, including a new online dashboard indicating services provided by region, a comprehensive five-year housing strategy, and a Learning Institute for not-for-profit providers to address challenges in meeting complex behavioral and medical support needs.

Expanding the Farm to School Program. Millions of students rely on school lunches for a large portion of their daily nutritional intake. To ensure the food that New York students eat is healthy and locally grown while strengthening connections between farms and schools, last year Governor Cuomo launched the Farm to School Program. The program serves students Pre-K-12 and operates in both school districts and through several educational partners. This year, the State is investing up to \$500,000 to expand the program’s reach and increase the capacity of additional schools across New York to purchase from local farms.

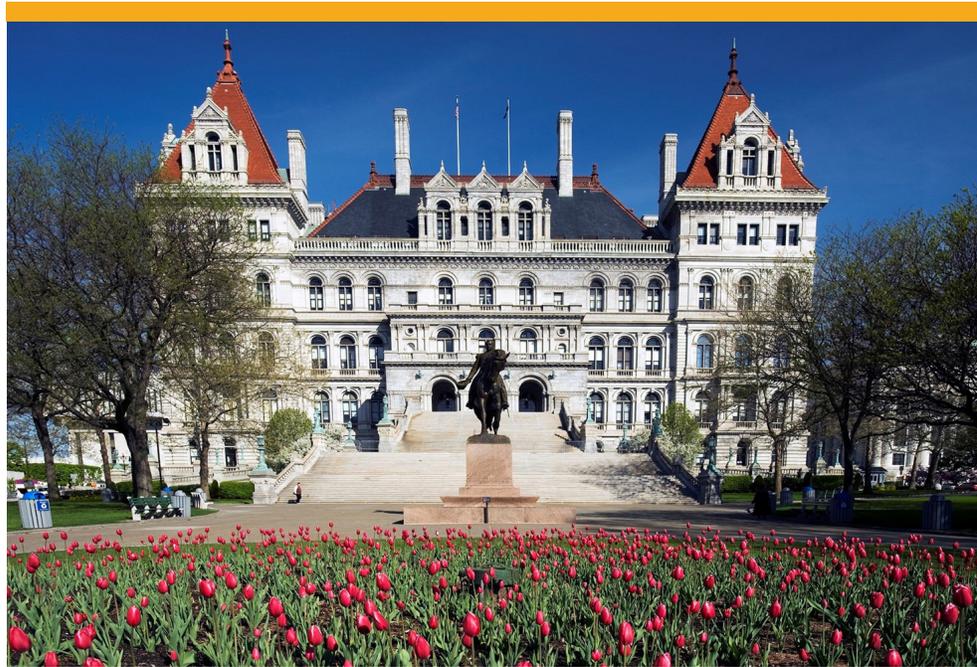
XVI. Restoring the Public’s Trust

Ending Coordination in Political Campaigns. The Supreme Court’s 2010 Citizens United decision unleashed a torrent of dark money into electoral politics. By permitting entities to receive and spend unlimited amounts of funds on elections, the Court bestowed unlimited power on society’s most powerful individuals and entities, and revoked what little power ordinary citizens had left in their electoral process. New legislation prevents candidates, their family, or former staffers from forming independent spending groups, and requires independent spenders to report the identity of anyone exerting control over the group, as well as any former staffers and immediate family members of candidates. New legislation also strengthens the definition of “coordination” between independent expenditures and candidates and defines

specific scenarios as expressly prohibited coordination.

Lobbying Disclosure Reforms.

New legislation lowers the financial threshold for reporting by organizations that lobby on their own behalf from \$50,000 to \$15,000 and requires those lobbyists to disclose their source of funding to the Joint Commission on Public Ethics; lowers the size of a donor's contribution that triggers disclosure to the Joint Commission on Public Ethics from \$5,000 to \$2,500; and increases fines for lobbyists entering into contingency agreements, which are currently prohibited, from \$1,000 to up to \$10,000 or the amount of the fee, if greater.



Disclosure Requirements for Political Consultants. For the first time, political consultants providing services to sitting elected officials or candidates for elected office will be required to register with the state and disclose their other clients.

Political Relationship Disclosure Reforms. New legislation requires 501(c)(4) organizations, which are entities that can engage in unlimited lobbying, to disclose financial support and in-kind donations from 501(c)(3) organizations, which are organizations that are not permitted to engage in political activity. This reform prevents organizations from corrupting the political process and utilizing funds that are not intended for political purposes.

JCOPE Reforms. New legislation explicitly excludes communications with journalists, including editorial boards, from the definition of lobbying and excludes these communications from lobbying regulation. The legislation also provides greater due process rights for persons under investigation by the Joint Commission on Public Ethics, including notice of the charges and an explicit opportunity to be heard on those charges.

Pension Forfeiture. Public officers who violate their duty to the people of New York State will no longer be compensated with pensions paid for by taxpayers. Under new legislation, any public officer who is convicted of corruption will be prohibited from collecting a pension earned during public service. The Legislature will adopt a joint resolution that will require legislators or policymakers to forfeit their pensions if convicted of crimes related to their public office, regardless of when they entered public service or were elected to office.



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