



State of Opportunity

End of Year Report 2015

Governor Andrew M. Cuomo
December 2015

Contents

Overview	2
Fiscal Responsibility	4
Cutting Taxes for all New Yorkers	5
Strengthening the Economy to Create Jobs	6
Making Government Work	15
Lifting Up All New Yorkers	17
Improving the State’s Transportation Infrastructure	21
Improving and Reforming Education	25
Strengthening Our State’s Healthcare System	29
Investing in Affordable Housing	33
A Safer, More Just New York	36
Promoting Clean Energy and Protecting our Environment and Open Spaces	40
Storm Recovery and Rebuilding	45

Overview

Five years ago, Andrew M. Cuomo was sworn in as the 56th Governor of the State of New York. The Governor took the oath of office inside the State Capitol – an austere ceremony in recognition of the tough times that our state was facing. Decades of overspending had led to staggering budget deficits. Dysfunction had paralyzed state government and neglected the needs of Upstate communities. Skyrocketing taxes forced businesses out and young people away. And a weak economic base was exacerbated by the effects of the Great Recession, bringing unemployment to levels not seen since the Great Depression and feeding the cycle of decline in Upstate.

When Governor Cuomo took office, he pledged to make New York State the home of economic promise, fairness and opportunity. Now, five years later, New York has been transformed from a state of despair to a state of opportunity.

Under the leadership of Governor Cuomo, the state closed a \$10 billion budget deficit and recovered \$8.3 billion in financial settlements. We passed five balanced budgets in a row and held spending below 2 percent for the first time in modern political history. The state ended the 2014-15 fiscal year with a net operating surplus of \$190 million, even after making the maximum deposit allowable into the rainy day reserves, bringing the balance to \$1.8 billion. Because spending is down, taxes are at the lowest rates in a century. Today, everyone in New York pays a lower income tax rate today than they did five years ago. Jobs are at record levels and New York State has the best credit ratings in decades.

Since 2011, New York created more than 759,300 new private sector jobs, and the state is now home to 7.86 million private sector jobs in total – the most in history. Unemployment is down in every region of the state and overall, as of November 2015, the unemployment rate stands at 4.8 percent – the lowest level since 2007.

Governor Cuomo has proven what is possible when we make government work and put fiscal responsibility ahead of politics and partisanship. This past year has been the most constructive yet in building the new New York and continuing down the path to sustained growth and long-term prosperity.

In 2015, Governor Cuomo unveiled the new airport at LaGuardia, which creates a unified terminal, significantly expands space for flight operations and better connects the airport to public transportation. Construction is set to begin in 2016. The new Tappan Zee Bridge – the largest highway infrastructure project in North America – is on schedule and on budget, and roadway began to be poured onto the first span this fall. Moreover, this year Governor Cuomo committed to funding the largest MTA capital program in history at \$26 billion, which will put thousands of new, high-tech subway cars and buses on the roads and rails, build new stations in the Bronx, and make tunnels and stations more resilient in the face of extreme weather and future storms.

Governor Cuomo led the way in protecting college students against sexual violence on campus with the “Enough is Enough” campaign. The Governor achieved real reform in education – working to make our system the best in the nation – and secured record funding for New York’s public schools. Under the leadership of Governor Cuomo, New York became the first state with a \$15 minimum wage for fast-food workers and state employees, and the Governor is now leading the charge to expand it to all working families in New York.

The state’s Regional Economic Development Councils provided an unprecedented boost to Upstate communities. This year marked the fifth round of the REDC Awards, bringing the total funding to Upstate communities to \$4 billion over the past five years. Round V included the Upstate Revitalization Competition Initiative which, modeled after the success of the Buffalo Billion, awarded three Upstate regions a total \$1.5 billion to accelerate and expand economic growth and opportunity. Governor Cuomo embraced entrepreneurial government by building tax-free zones to combine the ambition of the private sector with the capacity of New York’s public research institutions, creating jobs and driving investment across the state.

In 2015, Governor Cuomo also unveiled the 2015 New York State Energy Plan, a collection of 43 targeted initiatives to make New York more energy efficient and increase the production of renewable resources like solar, wind and hydro-electricity. Key provisions of the energy plan will also help the state deliver on its Under 2 Memorandum, signed by Governor Cuomo with Vice President Al Gore, to commit the state to reduce its greenhouse gas emissions to limit global temperatures from rising above two degrees Celsius. The energy plan, which additionally mandates 50 percent of electricity used in New York must come from renewable sources by 2030, is part of the Governor’s ambitious \$16 billion state investment in clean energy.

Governor Cuomo’s work in this past year has been transformative for the people of New York. Combined with the administration’s bold progress over the previous four years – including the construction of 30,000 units of affordable housing, leading the way on marriage equality and enacting common sense gun control – the new New York is proving state government competence and ensuring progress and opportunity for millions.

But there is still more work to do. We need to continue to reduce the tax burden including local property taxes; build our economy, and create jobs, particularly in Upstate; ensure that all New Yorkers earn wages of a decent living and have adequate housing and we must provide the best education to our children. With the threat of terrorism omnipresent in New York, we need to take every necessary measure to ensure the public safety and protect our citizens. And we must continue to drive economic growth in every region of the state by making smart investments in our state’s most vital infrastructure.

The following report highlights some of the accomplishments of the past year.

Fiscal Responsibility

For the fifth year in a row, Governor Cuomo passed a timely, balanced budget that continues to build on New York's remarkable financial turnaround and reverse decades of dysfunction.

The 2015-16 budget allocated \$5.4 billion in financial settlements, which included \$4.6 billion for bold capital projects and forward-thinking infrastructure investments that will create jobs and position every region of the state for unprecedented economic growth.

The budget also included the historic \$1.5 billion Upstate Revitalization Initiative that will

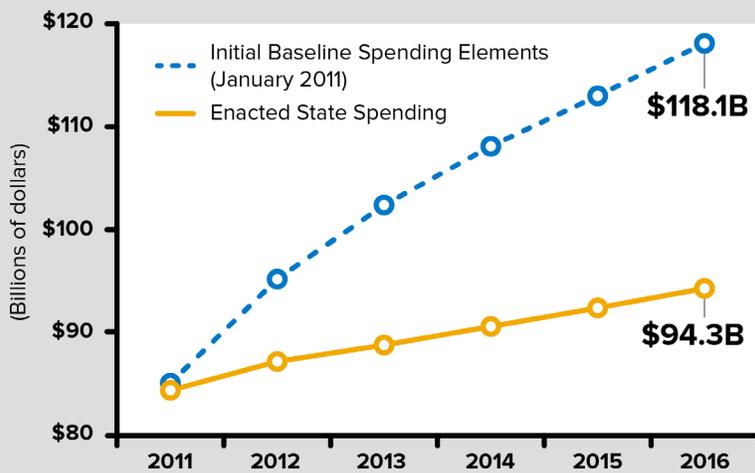
transform regions in Upstate New York; \$1.3 billion to stabilize the Thruway Authority and keep tolls down while funding critical repair and maintenance on our roads and bridges; and \$500 million to ensure that every New Yorker has broadband access by 2019 – the largest and most ambitious state broadband investment in the nation. Rather than using settlement monies for recurring expenditures, the state used one-time resources to responsibly fund one-time purposes, thus avoiding a future budget gap.

New York's renewed commitment to fiscal responsibility is paying off. We've seen the state's outstanding debt decline \$1.5 billion over the last five years, from \$55.7 billion in the 2010-11 fiscal year to \$54.2 billion in the

2014-15 fiscal year. For the first time in more than 50 years, outstanding debt declined for three consecutive years (2012-13 fiscal year through 2014-15 fiscal year). These achievements have been recognized by investors and the major credit rating agencies – Moody's, Fitch, and S&P all recently upgraded New York's General Obligation Bonds to their highest rating in decades.

The state closed the 2014-15 fiscal year by making the maximum deposit allowable into the rainy day reserves fund and bringing the balance to \$1.8 billion, or 2.9 percent of General Fund spending. In addition, \$500 million remains available for debt management. These responsible fiscal measures allowed the state to end the fiscal year with a \$190 million net operating surplus.

Fundamental Reforms Enabled Spending Restraint



State Operating Funds Spending
Baseline numbers are Division of Budget estimates as of January 2011

Cutting Taxes for all New Yorkers

Over the last five years, Governor Cuomo championed tax relief for New Yorkers, including the enactment of a 2 percent property tax cap; the lowest middle-class income tax rate in over 60 years; the elimination of the MTA payroll tax for more than 700,000 small businesses, the self-employed, and school districts; the creation of a new family tax relief credit; tax cuts for small businesses and manufacturers; changes to unemployment insurance and workers' compensation insurance; the launch of START-UP NY tax-free zones; reforms to the estate tax; and the lowest corporate income tax rate since 1968.

Property Tax Cut; Cap Extended: This year, Governor Cuomo worked with the State Legislature to extend the property tax cap for an additional four years. The Governor also signed into law a new progressive property tax credit that will provide more than \$1.3 billion over four years in direct relief to struggling New York taxpayers. In 2015, the property tax cap saved New York taxpayers \$4.5 billion. In the previous 10 years, property taxes grew at an unsustainable rate - more than double the rate of inflation. Since the cap was enacted in 2011, New York's property taxes have been held to an average growth rate of approximately 2 percent. The Governor further strengthened the property tax cap last year through the \$1.3 billion property tax freeze, which incentivized local governments and school districts to share services in order to reduce their financial burden on the taxpayer. In 2014, approximately 2.3 million taxpayers received property tax relief when their local school district stayed below the property tax cap. In 2015-16, additional relief will be provided to taxpayers whose school and local government complies with the cap and creates plans to save one percent of their tax levy per year over three years.

“Circuit Breaker” Property Tax Credit for NYC Residents: The Circuit Breaker Property Tax Credit, a 2014 initiative that provided a targeted form of relief based on need, continues to prevent households from being overburdened by property taxes. For New York City residents, legislation enacted this year extends the \$85 million, progressively structured “Circuit Breaker” program by four years. In order to broaden relief, qualifying homeowners and renters with incomes below the \$200,000 threshold are eligible to receive a refundable tax credit against the personal income tax when their property taxes or rent exceeds a certain percentage of their income.

Strengthening the Economy to Create Jobs

Working to strengthen our state's economy and create jobs for New Yorkers has been at the forefront of Governor Cuomo's efforts to create a stronger, more resilient New York. During Governor Cuomo's tenure, the state's economy added more than 759,300 private sector jobs. New York is now home to more than 7.86 million private sector jobs, the largest number in modern political history. Unemployment is down in every region of the state and as of November, the unemployment rate in New York stands at 4.8 percent - the lowest level in eight years.

Regional Economic Development Councils and Upstate Revitalization Initiative:

In December, Governor Cuomo announced \$2.25 billion in economic and community development funding through Round V of the Regional Economic Development Council initiative and the Upstate Revitalization Initiative. A centerpiece of the Governor's strategy to jumpstart the economy and create jobs, the REDCs were established in 2011 to transform the state's economic development approach from a top-down model to one that

is community-based and performance-driven. After five rounds of the REDC process, nearly \$4 billion has been awarded to more than 4,100 job creation and community development projects consistent with each region's strategic plan to support the creation or retention of more than 200,000 jobs.

The Upstate Revitalization Initiative awarded \$1.5 billion to three "URI Best Plan" regions: Central New York, Finger Lakes and the Southern Tier. Each of these regions will receive \$500 million over the next five years to support projects and strategies that create jobs, strengthen and diversify economies, and

generate economic opportunity within the region. In 2015, every region participating in the URI received a historic level of funding under the REDC process.

Saving and Creating Jobs: When global economic forces threatened to shut down major employers in New York State, Governor Cuomo stepped in and saved thousands of jobs, including 600 in Massena at Alcoa, 440 at Anheuser-Busch near Syracuse, and 1,000 at Kraft-Heinz in Upstate facilities. In recognition of Upstate being on the move, Governor Cuomo announced thousands of jobs at leading research and manufacturing businesses, including: Sora in Syracuse creating 420 jobs; Nano Utica ushering in nearly 2,000 jobs; 1366 Technologies in Batavia bringing 1,000 jobs; and the addition of the



\$600 million Photonic Institute in Rochester. Additionally, SolarCity announced it will create 1,500 construction jobs in Buffalo the coming months.

Support for Buffalo and Western New York: Governor Cuomo continued his commitment to Buffalo and Western New York through the unprecedented Buffalo Billion Initiative. Many Buffalo Billion projects are underway, with the development of several advanced manufacturing and innovation hubs anchored by major companies, including: the Buffalo High-Tech Manufacturing and Innovation Hub at RiverBend, anchored by SolarCity; the Buffalo Medical Innovation and Commercialization Hub for shared pharmaceutical research and development, anchored by AMRI; the Buffalo Information Technologies Innovation and Commercialization Hub, anchored by IBM; and the New York Genome Medicine Network at the University at Buffalo. These new, state-of-the-art hubs will bring thousands of good-paying, sustainable jobs to Western New York. Additionally, Buffalo Billion initiatives are working to address workforce training and development initiatives, entrepreneurship, tourism planning and development, waterfront development, and other strategic community revitalization and smart growth projects in Western New York.

World's Largest Business Idea Competition: This year, the state supported a second round of 43 North, a world-class business plan competition designed as part of the Buffalo Billion to catalyze Western New York's entrepreneurial ecosystem. Each year, winning companies share \$5 million in awards and set up shop in Buffalo to grow their businesses. More than 11,000 registrants from 117 countries and all 50 states competed this year. Eleven teams were selected and won prizes ranging from \$250,000 to \$1 million. In addition to funding, winners receive incubator space, mentorship, and introductions to leading venture capital firms. The third year of the competition will launch in early 2016.

Restore NY: The 2015-16 budget includes a \$25 million appropriation for the Restore NY Communities Initiative. Restore NY encourages community development and neighborhood growth through the redevelopment of blighted structures. Since the program's inception, more than \$200 million has been invested in the removal and restoration of blighted properties – particularly in urban centers and distressed cities throughout New York State.

Tax Free Zones: Governor Cuomo's START-UP NY initiative is transforming SUNY campuses and other universities across New York into tax-free zones to attract start-ups, venture capital, new business, and investments from around the world. This includes no income tax for employees and no sales, property, or business tax – and the benefit of partnering with the world-class higher education institutions in the SUNY system. To date, a total of 74 colleges and universities have been approved for participation in this tax-free initiative, including 60 Upstate and 14 downstate institutions. The program has established more than 432 Tax Free Areas representing more than 5.1 million square feet of space for new or expanding businesses. To date, there are 157 businesses participating in the program, committing to creating nearly 4,278 new jobs and investing over \$225 million in communities across New York State.

Global NY Initiatives: This year, Governor Cuomo led the first state trade mission to Cuba since President Obama announced the normalization of bilateral relations. The mission is leveraging New York's leadership to strengthen our economy, having already created partnerships in healthcare, education, and a JetBlue direct charter flight to Cuba from JFK Airport.

Global NY is rapidly changing the way New York businesses operate in the international economy. Over the last five years, 114 New York companies have used the Empire State Development State Trade and Export Promotion grant to participate in international trade activities, resulting in more than \$13 million in direct export sales. An additional 144 Export Market Assistant Service requests were implemented for companies interested in exporting to Canada, China, Europe, Israel, Mexico and South Africa.

Investing in Employee Productivity: Enacted as part of the 2015-16 budget, the Employee Training Incentive Program will provide up to \$5 million per year in tax credits to New York State employers for training investments that upgrade, retrain, or improve the productivity of their employees. The program may also provide tax credits for approved internship programs that provide training in advanced technologies.

Urban Youth Jobs Program: The Urban Youth Jobs Program helps at-risk youth aged 16 to 24 find job-readiness training, enter the workforce, and land a good-paying jobs. Together, the 2012, 2014, and 2015 New York Youth Works Programs have placed 30,089 young people in jobs at 1,541 businesses in urban communities with high youth unemployment. The jobs program, expanded from the New York Youth Works Program, doubles the annual allocation from \$10 million to \$20 million for program years 2015 through 2017 to provide wage subsidies to businesses, as tax credits, for hiring youth in targeted communities. Businesses that hire eligible individuals can receive wage subsidies up to \$5,000 for full-time employment, in increments of up to \$4,000 for the first year of employment and \$1,000 for the second year of employment; and \$2,500 for part-time employment and student hires, in increments of up to \$2,000 for the first year of employment and \$500 for the second.

New NY Broadband Program: The 2015-16 state budget established the New NY Broadband Program, an unprecedented \$1 billion investment to bring high-speed internet access to unserved communities in New York State by 2018. With a \$500 million state investment matched by the private sector, it is the largest and boldest state investment in broadband in the country.

The New NY Broadband Program builds on Governor Cuomo's record of investing \$70 million for broadband projects across the state since 2011. In June, New York held its third Broadband Summit, convening nearly 400 broadband leaders to discuss strategies for broadband deployment in New York and engage with broadband leaders from across the country. In September, the state issued a Request for Information and received a large number of responses from providers, consumer groups, stakeholders, and other interested parties that will shape the design of the program.

Investing in the New York State

Fairgrounds: This September, Governor Cuomo unveiled a sweeping \$50 million redesign plan of the New York State Fairgrounds in Onondaga County – transforming it into a year-round, premier multi-use facility. The plan includes a new multi-purpose exposition center, expanded festival stage for larger concerts, larger Midway and 325-site RV park. Demolition for the project will begin in early 2016.

Growing Taste NY: Taste NY is quickly becoming a leading ambassador for the Empire State brand, proving the unmatched quality of food and beverage grown in New York. Taste NY stores are already prominently positioned throughout the state, including at each of the Thruway's 27 rest

stops and Grand Central Terminal in New York City. The state took Taste NY to a new level this year, hosting more than 40 Taste NY events and opening four new stores, including Pattersonville Travel Plaza, Sloatsburg Travel Plaza, Broome Gateway, and San Juan, Puerto Rico – the first location outside of New York State. Additionally, the Taste NY Market at Todd Hill reached major milestone of \$1 million in sales in 2015.

Encouraging Growth in New York's Dairy Industry: Under the leadership of Governor Cuomo, New York State has emerged as a national leader in milk production and dairy processing. Since 2013, the Dairy Acceleration Program, a joint venture between the Department of Agriculture and Markets and the Department of Environmental Conservation, made \$2.4 million available to help dairy farmers develop individualized business plans, environmental improvement plans, and implementation of best practices. Grants are used to increase the efficiency of dairy farms in New York and decrease operating costs, with a preference for small to medium-size farms, or those with fewer than 300 cows. In addition, the program enables farmers to tap into the expertise of PRO-Dairy, the Cornell Cooperative Extension Network, and other agricultural programs to access technical assistance. The Dairy Acceleration Program builds on Governor Cuomo's "one stop shop" approach by providing a central access point for dairies looking to improve productivity.

Protecting and Enhancing Farmland and Agribusiness: This fall, Request for Proposals were issued on the Governors strategic initiative to protect farmland, agriculture and related businesses in the Hudson Valley. Building on historic levels of funding for farmland protection, this initiative is making \$20 million available to purchase farmland conservation easements to protect farming's future in the region. This is the first regional



The new New York State Fairgrounds

farmland protection initiative of its kind. The grant award application for farmland protection projects has been streamlined to help local land partners and farmers across the state dramatically reduce the contract timeframe and complete farmland conservation projects faster. In addition, Governor Cuomo announced in March that \$30 million will be available to 11 counties under the Southern Tier Agricultural Economic Development Initiative to support growth in farms and agribusinesses throughout the area. This \$25 million investment, with criteria that was announced in December, will help farmers increase agricultural production on farms, improve profitability and better manage environmental resources. Additionally, \$5 million in funding will target agricultural economic development projects such as farmers' market expansions, forest productivity projects, and investments to spur job creation in locations such as food processing plants in the Southern Tier.

Support for New and Beginning Farmers: Earlier this year, Governor Cuomo announced that 19 recipients would share more than \$610,000 as the inaugural group of awardees from the Governor's New Farmers Grant Fund. The newly created grant program

provides funding to early-stage farmers for projects that make their farms more profitable, and as a result, foster the continued growth of New York's agricultural sector. This funding creates opportunities throughout the state for expansion, diversification, and increased production on commercial farm operations, and supports innovative agricultural techniques and partnerships. Grants range from \$15,000 to \$50,000 and provide for up to 50 percent of total project costs. The 2015-16 budget included an additional \$1 million for the program. A Request for Applications for the 2015-16 round has been issued and grant awards will be announced in the spring.



Cultivating Our Wine, Beer, Cider, and Spirits Industries: Working collaboratively with the industry, New York charted a new path to grow our craft beverage industry by rewriting laws, relaxing regulations, creating new farm-based manufacturing licenses, launching aggressive promotional campaigns and implementing a multitude of business friendly reforms resulting in remarkable growth for the industry. New York is now home to nearly 900 wineries, breweries, distilleries, and cideries. Combined with distribution and retail, producers account for more than \$27 billion in economic impact and support tens of thousands of jobs statewide. In 2015, the State Liquor Authority issued 141 new manufacturing licenses, including eight cidery licenses (five farm cideries), 35 distilleries (28 farm distilleries and seven micro distillers), 25 winery licenses (four wineries, 16 farm

wineries, and five micro wineries), and 73 brewers (37 farm breweries, 26 micro-breweries, and ten restaurant breweries).

New York State ranks third in the nation in wine and grape production, second in apple production, and is home to three of the 20 top-producing breweries in the country. Since the first quarter of 2011, state support for agricultural producers has helped more than double farm-based beverage licenses. Under Governor Cuomo's leadership, the number of farm wineries in New York has increased by over 60 percent, from 195 in 2010 to 314 today. *Wine Enthusiast* recognized the Finger Lakes as one the top ten best wine travel destinations in the world for 2015.

Additionally, the number of microbreweries has increased by 233 percent, from 40 in 2010 to 133, and the new Farm Brewery Law has already resulted in 106 new licensees. The number of farm distilleries grew from 10 to 85 during Governor Cuomo's tenure. Brooklyn has the second largest concentration of distilleries anywhere in the world, with 20 licensed distilleries operating throughout the borough.

In October 2015, the Governor hosted the state's Third Wine, Beer, Spirits and Cider Summit, where further reforms were implemented, including increasing opportunities for sales, allowing manufacturers to collaborate in opening new craft beverage retail shops, and creating an industry working group that has already begun working to modernize the law to ensure our craft beverage businesses continue to grow and thrive.

Expanding New York's Film and

Television Industry: In 2015, the state issued \$410 million in tax credits for eligible film and television projects, resulting in \$1.87 billion of industry spending. Since the Post Production Tax

Credit was raised from 10 to 30 percent, seven post production companies have undertaken major expansions in New York, including Harbor Sound, which received \$550,000 in Excelsior Tax Credits for retaining 30 jobs and creating another 35. Additionally, 10 new



companies have begun operations in New York City and two have opened Upstate. Since 2011, the state has issued \$1.6 billion in tax credits to film and television production in New York, resulting in \$7.3 billion in industry spending and 525,201 hires.

Building on the nanotechnology corridor across Upstate, the new state-of-the-art film studio at the Central New York Hub for Emerging Nano Industries launched this summer. In April, SUNY Polytechnic Institute announced that Golden Globe Award winning television and film actor Ron Perlman will move his film production company, Wing and a Prayer Pictures, to the facility. Perlman's company will join the Film House, a California-based film and television company that will work to create at least 400 new high-tech jobs. Film House's "American Dresser" became the first production to shoot at the facility this year.

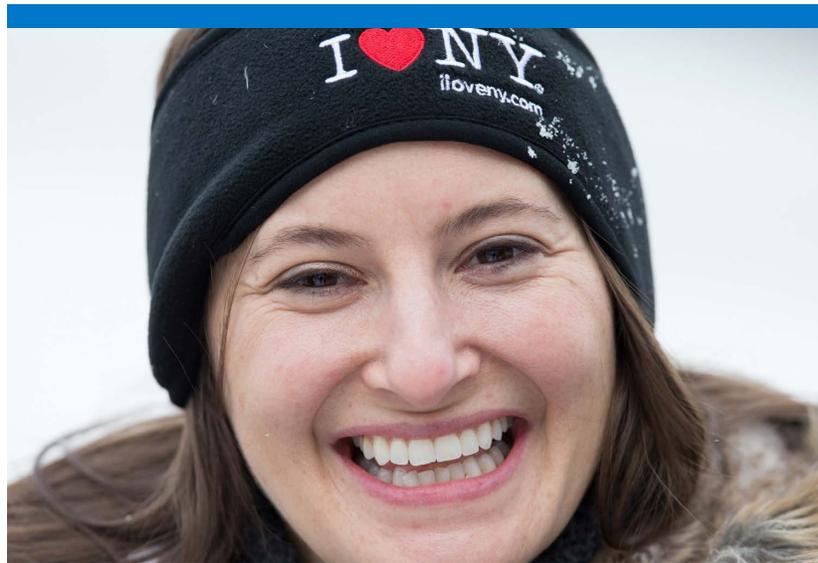
National Integrated Photonics Manufacturing Institute: In July, the Department of Defense selected New York State to lead a prestigious, multi-state Integrated Photonics Institute for Manufacturing Innovation. A \$110 million federal grant awarded to the SUNY Polytechnic-led "American Institute for Manufacturing Integrated Photonics" will support a high-tech consortium with business operations, a company incubator and accelerator, workforce training, and board of directors headquartered in the Sibley Building in downtown Rochester. New York State has committed \$250 million to the Institute over the next five years. The Sibley building will include a workforce development center, locating companies and the creation of incubator space as phase two of the project. Eastman Business Park will be the site of the project's manufacturing operations.

Historic Investments in Tourism; Historic Impact: Under Governor Cuomo's leadership, the state has tripled support for tourism with an unprecedented commitment of \$50 million, including \$25 million for the "I LOVE NY" tourism marketing campaign. For the first time in history, the economic impact of tourism exceeded \$100 billion. Round V of Governor Cuomo's REDC initiative made funding available for local and regional tourism initiatives along with \$12 million in Market NY grants that were announced to support projects that will increase tourism and create jobs across New York State, including tourism infrastructure improvements, marketing initiatives, new development projects, and multiregional collaborations.

The Governor led various events and initiatives to boost the Upstate economy, including the Adirondack Winter and Summer Challenges; a \$4 million investment to promote transportation linkages from New York City through partnerships with car rental, bus, and train companies; the Governor's Cup Wine competition; an effort to expand New York's global reach with representation and partnerships in key markets such as Australia and Puerto Rico; a focus on securing conferences and events, including funding to underwrite a percentage of costs incurred by municipalities successful in bringing new events to New York; a multi-agency, public-private working group to explore incentives and grant programs to encourage the development and improvement of lodging in areas where few facilities exist; and the promotion of outdoor recreation, agro-tourism, and heritage tourism through targeted marketing and specialized familiarization tours for travel journalists.

Promoting Tourism in the Catskills

Region: In October, during the Ride the Catskills motorcycle event to promote Catskills tourism, Governor Cuomo announced a \$7.3 million plan to modernize the gateway to Minnewaska State Park Preserve and better accommodate the growing number of visitors to the stunning Shawangunk destination. The Governor also announced the launch of a \$5 million Catskills tourism advertising campaign. Next summer Governor Cuomo will also host a Catskills Challenge that will include fly fishing, paddling, hiking and mountain biking.



Attracting International Visitors: In the past year, “I LOVE NY” hosted a trade mission to China and held a series of China-Ready and Australia-Ready workshops for tourism partners across the state. We also increased our presence with Brand USA, the nation’s cooperative destination marketing organization, to give New York State wider exposure in international markets.

Encouraging Innovation through Venture Capital Funding: New York State has emerged as the East Coast hub for innovation and entrepreneurship. Building on this momentum, the state has committed support to the entrepreneurial community through a series of targeted investments. Through these initiatives, the state has begun to impact different sectors throughout Upstate while encouraging start-ups and job growth in metropolitan areas.

The state’s targeted investment programs currently include: the New York State Innovation Venture Capital Fund, a \$100 million multi-stage fund; the Innovate NY Fund, a \$45 million seed-stage fund; and the Minority- and Women-Owned Business Investment Fund, a \$2 million seed-stage fund. As of this year, the management of these funds has been unified under New York Ventures; a newly formed entity intended to streamline the venture capital investment process.

Bio-Science Venture Capital Competition: In November, Governor Cuomo launched a \$5 million investment initiative to stimulate growth in the bio-science industry in New York. The centerpiece of the initiative is a multi-year venture capital competition to support the most promising startups in commercializing technologies developed within New York State universities and research labs. Starting in 2016, \$1 million in prizes will be awarded to promising companies following each round of competition.

Leading the Nation in Opportunities for Minority and Women-Owned

Businesses: Under Governor Cuomo’s leadership, the state has made great strides in contracting for minority and women-owned business enterprises. The state exceeded the Governor’s 2014 goal of 20 percent, awarding 23 percent of all applicable contracts for the 2014-2015 fiscal year to MWBEs, which translates into over \$1.69 billion.

In October 2014, Governor Cuomo increased the statewide goal to 30 percent—the highest of any state. In order to reach that goal, the state has continued to pursue an aggressive multi-pronged strategy to remove barriers to increasing the utilization of MWBE firms in state contracting.

Making Government Work

Comprehensive Ethics Reform: Governor Cuomo and the State Legislature enacted unprecedented reform through the nation's strongest and most comprehensive ethics and disclosure laws for public officials in history. For the first time, public officials will be required to disclose all outside earned income, from whom they receive it, the actual services performed, and whether there is any connection to the state, the office they hold, or their public duties. For the first time, campaign contributions for personal use will be banned and the requirement for disclosing independent expenditures has been expanded to include communications made within 60 days before a general or special election, and 30 days before a primary election that reference a clearly identified client. Lobbying laws were also extended to cover lobbying of municipalities that have a population of 5,000 or more (previously 50,000).



Expediting the Freedom of Information Law Appeals Process: In December, Governor Cuomo signed an executive order to expedite the Freedom of Information law (FOIL) appeals process. The order fast-tracks FOIL appeals by requiring that all state agencies file notice of an appeal, settle the record on appeal, and file a brief within 60 days, absent extremely complex matters outside agency control.

Medicaid Redesign: When Governor Cuomo took office, New York's Medicaid program was the largest and most expensive program in the nation, costing \$53 billion and growing at a rate of 13 percent per year. Today, Medicaid spending per recipient has dropped to its lowest level in 13 years, even as enrollment has grown to 6.1 million people and we have improved the quality of care in communities across the state. In December, State Medicaid Director Jason Helgeson was named 2015 Public Health Official of the Year by *Governing Magazine*.

Medicaid Fraud, Waste and Abuse Recoveries: The Office of the Medicaid Inspector General's efforts to detect fraudulent, abusive, and wasteful practices within the Medicaid program brought impressive recoveries in 2015. As a result of investigative, audit, and other activities, preliminary data shows that \$172 million was recovered in Medicaid overpayments through November of 2015. OMIG estimates it will recover a total of \$318 million in Medicaid overpayments in 2015.

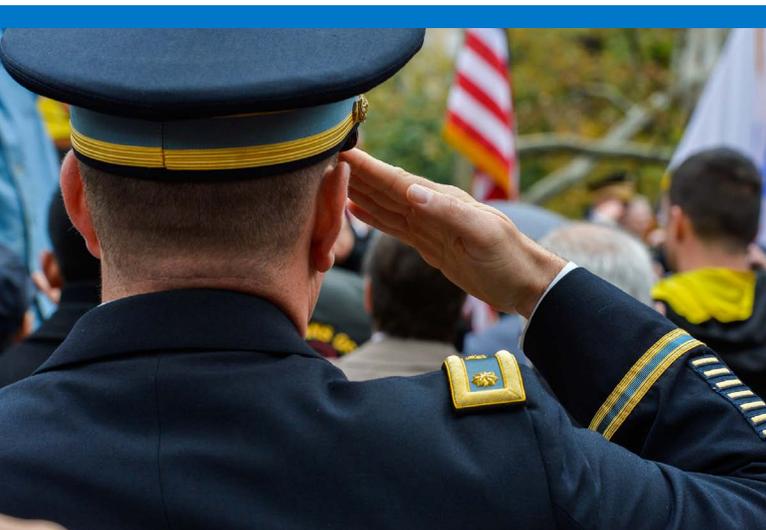
Preventing Unnecessary Medicaid Costs: OMIG's proactive cost-containment measures are delivering savings for New Yorkers. Through November, preliminary figures show that OMIG actions prevented \$620 million in unnecessary Medicaid expenditures. OMIG cost-containment measures will total approximately \$1.1 billion in 2015.

Reducing the Burden on Counties: Medicaid growth is a major cost driver for counties across New York State. To provide significant fiscal relief to local governments, the state took over 100 percent of the costs of Medicaid growth. The takeover by the state of a greater share of local Medicaid expenses saved counties and New York City over \$369 million during the 2015-2016 fiscal year.

Reforming Unemployment Insurance: As a result of the Governor's reforms, employers across New York State will realize an average savings of \$1,200 on their unemployment insurance costs this year. For more than a decade, New York State's system was broken and unable to withstand fluctuations in the economy without borrowing from the federal government. Today, the Unemployment Insurance system and trust fund are stable and operating at the highest year-end balance since 2007.

Boosting Businesses in New York Owned by Disabled Veterans: During its first six months of operation, the Division of Service-Disabled Veterans' Business Development certified 155 Service-Disabled Veteran-Owned Businesses (SDVOB), with more than 29

percent of them already engaged with state contracting. Forty-five SDVOBs have received over \$10 million in contract awards and disbursements. The Division was created by the Service-Disabled Veteran-Owned Business Act, signed by Governor Cuomo in 2014. The state is home to more than 900,000 veterans, 72 percent of whom served in combat. Governor Cuomo is committed to ensuring that New York is a national leader in providing the care and benefits that veterans and military families have earned.



Lifting Up All New Yorkers

Mario Cuomo Campaign for Economic Justice to Raise the Minimum Wage: In September, Governor Cuomo launched the Mario Cuomo Campaign for Economic Justice to fight for the most vulnerable New Yorkers by pushing to raise the minimum wage to \$15 an hour across the state. Raising the minimum wage is one of the single-most progressive actions we can take to help New York's hard-working families. No one who works a full-time job should be forced to live in poverty. That is why, in November, the Governor announced the minimum wage for state workers will rise to \$15 an hour, making New York the first state to enact a \$15 public sector minimum wage, effective December 31.

In September, Governor Cuomo and Vice President Biden announced a push to make New York the first state in the nation to adopt a \$15 per hour minimum wage. In total, more than 2.3 million New Yorkers, or roughly 1.4 million living outside of New York City and 927,400 living in New York City, would directly benefit from the Governor's proposal. December 31 marks the third annual phased increase of the minimum wage, to \$9, set forth by Governor Cuomo in 2013.

Wage Increases for Tipped Workers: In July 2014, the Governor directed the Department of Labor to convene a Wage Board to review and recommend any changes to the relevant regulations for food service workers and service employees (tipped workers) in New York State. In January, the Wage Board made its recommendations; the Acting Commissioner of Labor accepted the recommendations the following month. Wages for tipped workers will increase from their current rates of \$4.90, \$5.00 and \$5.65 – rates which have not increased since 2011 – to \$7.50 per hour on December 31, among the highest in the nation.

Wage Increases for Fast Food Workers: Noting the high rates of poverty among fast food workers in the state and across the country, Governor Cuomo called for a Fast Food Wage Board to be convened to make recommendations on an increase in the minimum wage for the fast food industry. In September, the Acting Labor Commissioner signed the official order, setting in motion the phased increase toward \$15 per hour beginning on December 31, when wages for covered fast food workers will rise to \$10.50 per hour in New York City and \$9.75 per hour for the rest of the state. An estimated 200,000 fast food workers are expected to benefit from this increase, which will have a positive impact on women and minorities.

Combatting Worker Exploitation in New York: In May, the Governor launched a multi-pronged Nail Salon Industry Task Force to establish new protections for nail salon workers, the majority of whom are immigrant women, and ensure that all rules and regulations are strictly adhered to within the industry. New regulations for nail salons include bond and insurance requirements, improved personal protective equipment and ventilation requirements, a review of chemical agents and required postings of cease and desist notices as well as a new Nail Salon Workers' Bill of Rights, available in 10 languages.

To date, the Nail Salon Task Force has conducted more than 1,300 inspections and found more than 2,600 violations, affecting approximately 4,000 workers.

Building on this groundbreaking initiative, in July, Governor Cuomo created a first-of-its-kind statewide Task Force to root out worker exploitation in a number of industries in New York



State. The Task Force comprises 12 state agencies and is supported by an Advisory Committee of labor advocates, business representatives, and academics, tasked with providing recommendations to address issues faced by exploited workers. The Advisory Committee held six fact-finding sessions throughout the state to hear testimony directly from workers, businesses, and experts in a variety of industries including car wash, retail, and agriculture. In October, the Governor announced the state's first-ever Anti Retaliation Unit and a Mediation Unit, which work to encourage workers to step forward with complaints and to expedite resolution of investigations.

The Task Force has launched more than 450 investigations into worker exploitation, finding more than 2,700 violations, including wage theft, failure to protect workers with mandatory Workers' Compensation coverage, and retaliation against workers who complain about violations of the law.

Nation's First Executive Action on Transgender Rights: In October, Governor Cuomo introduced regulations through New York State Human Rights Law that unequivocally bans harassment and discrimination against transgender people. These regulations affirm that all transgender individuals are protected under the state's Human Rights Law, and all public and private employers, housing providers, businesses, creditors and others should know that discrimination against transgender persons is unlawful and will not be tolerated anywhere in the state of New York. This action marked the first time in history that any governor has issued statewide regulations to prohibit harassment and discrimination on the basis of gender identity, transgender status or gender dysphoria.

Supporting People with Disabilities: In July, Governor Cuomo signed a law to extend the prohibition on discrimination against people with disabilities to include activities of state and local governmental entities. He also approved a bill that directs the New York State Office for People with Developmental Disabilities to examine state laws and regulations pertaining to military family members and suggest any necessary improvements to make those laws and regulations better serve the families of people with disabilities. The law also

directs OPWDD to study this issue in consultation with the Division of Military and Naval Affairs and the State Education Department.

Bringing Government to the People: Through the Capital for a Day initiative, Governor Cuomo used a whole-of-government approach by bringing his entire cabinet to local communities to meet with local residents, business leaders and partners in government to identify ways the state can be a partner in enhancing economic opportunity and strengthening communities with a locally tailored approach. In 2015, Capital for a Day brought state government to Rochester, Syracuse, and Utica.

Fighting Hunger: Governor Cuomo announced additional state funding to increase the monthly vegetable and fruit benefit for families participating in the Special Supplemental Food Program for Women, Infants and Children. Between April and November 2015, nearly two million checks valued at \$7.3 million were distributed to WIC participants through this initiative. Participation in the Child and Adult Care Food Program, which provides reimbursement for healthy meals and snacks to child care providers serving low-income families, grew by almost 6 percent in 2015, serving 340,000 children daily.

In fiscal year 2015-2016, the Governor showed his support for the emergency food network and infused an additional \$4.5 million into the system bringing the total state funding for the Hunger Prevention and Nutrition Assistance Program to \$34.6 million. This funding went to 2,400 emergency food providers and helped support the more than 3 million New Yorkers who access emergency food programs each year.

Free Meals to Boost Children's Nutrition during Summer Months: Governor Cuomo announced the availability of free summer meals sites throughout the state to provide children from low-income households with fresh, healthy food when schools are out of session. During 2015, the Summer Food Service Program served nearly 20 million meals at 2,890 sites throughout New York State; this was a 3.2 percent increase over the number of meals served in 2014.

Connecting Local Food to Local Schools: The 2015-2016 budget included \$250,000 for the Farm to School program, which promotes the purchasing of food from local farmers by school districts, while expanding access to healthy foods for students. Six projects have been awarded funding to help Pre-K through Grade 12 school districts across New York State strengthen Farm to School programs and increase the use of locally grown foods on school menus. Funding from the Farm to School program will be used to train school staff in food procurement and preparation, conduct outreach to producers, educate students, and purchase equipment for food transport, storage and preparation.

Expanding the Successful Unemployment Strikeforce: As of November, the Unemployment Strikeforce has placed more than 35,700 individuals in new jobs. After a successful pilot in the Bronx, the Governor is expanding the Unemployment Strikeforce to cover 10 additional areas with the highest unemployment rates in the state. The Strikeforce brings targeted job recruitment, career and business services to these areas. The Bronx

has seen a dramatic decrease in the unemployment rate, which has dropped from 9.0 percent in November 2014 to 6.9 percent in November 2015 – a decrease of 2.1 percent. There are now more Bronx residents – a total of 572,000 - working than at any point in the borough’s history.

Rochester Anti-Poverty Task Force: In response to an unprecedented community-wide effort to end poverty in Rochester and surrounding areas, Governor Cuomo appointed the Anti-Poverty Task Force to work in collaboration with local public, private, and non-profit leaders. More than 20 state agencies are represented on the Task Force, which is working with local leaders to build a comprehensive, integrated system of social supports that empowers impoverished families and helps them succeed. The state is now moving to phase two of the initiative where state agencies have responded to over 30 recommendations from the Task Force. At Governor Cuomo’s direction, the local task force played a role in the Rochester REDC competition, emphasizing the connection between reducing poverty and growing the economy.

Summer Jobs for Low-Income Youth: In 2015, Summer Youth Employment Program provided summer jobs to over 18,000 youth ages 14-20, with \$30 million in funding. Since 2011, the program has employed over 83,000 youth.

Improving the State's Transportation Infrastructure

Historic Investment in Mass Transportation: New York State has committed \$8.3 billion to the MTA Capital Program, which totals \$26.1 billion. The program outlines the next five years' worth of vital investments to renew, enhance and expand the MTA network. This investment – the largest in history – will facilitate major upgrades and expansion while making the system smarter and more resilient. This will mean a safer, stronger, more reliable transit system for people all over New York, which is crucial to support our growing economy.

The New Tappan Zee Bridge Rising through the Hudson: The new Tappan Zee Bridge continues to make remarkable progress toward completion in 2018. The \$3.98 billion design-build project championed by Governor Cuomo and overseen by the Thruway Authority remains on schedule and on budget. The project continues to have a significant economic impact for New Yorkers. More than 5,000 people and 622 New York-based subcontractors and suppliers have worked on the project to date and more than \$200 million in commitments have been made to disadvantaged business enterprises – a commitment that is still growing. The project's unprecedented community outreach plan has resulted in more than 700 meetings, direct engagement with more than 25,000 students, and \$9.6 million in grants to local residents most impacted by the construction.



Building Smarter and Better

Strengthening our Transportation Infrastructure: The Department of Transportation has completed all 112 projects in the NY Works Accelerated Bridge Program that began in 2012 and invested more than \$1.1 billion to rehabilitate and modernize the state's infrastructure. In addition, in 2015 the Department of Transportation completed key local projects including the \$11 million reconstruction and rehabilitation of Whiteface Mountain Veteran's Memorial highway; the \$135 million construction of the Prospect Mountain Interchange; the \$41 million design-build project to transform a segment of State Route 347; the \$23 million improvements to State Route 347 and State Route 112; and the \$42 million superstructure replacement of twin eight-span bridges carrying I-84 over the Delaware River.

Reforming the Port Authority: This year, Governor Cuomo signed into law a bill that codified comprehensive changes - many already undertaken by the Port Authority - to ensure that its functions are open and transparent. The bill included a number of reforms

recommended by the Special Panel regarding the Port Authority's overall organization and its role in the metropolitan region. These reforms were recommended by the Bi-State Special Panel on the Future of the Port Authority, which was convened by Governor Cuomo and New Jersey Governor Chris Christie in 2014.

Ahead of Schedule on the Major Deegan Expressway: Construction of the Major Deegan Expressway, or Interstate 87 in the Bronx, will be completed two years ahead of schedule. By using pre-cast components to rehabilitate the elevated portion of the highway deck, the Department of Transportation will save time on the pouring and curing of concrete. The project will now be completed by the end of 2017. To date, construction of the Major Deegan Expressway has created 1,767 jobs.

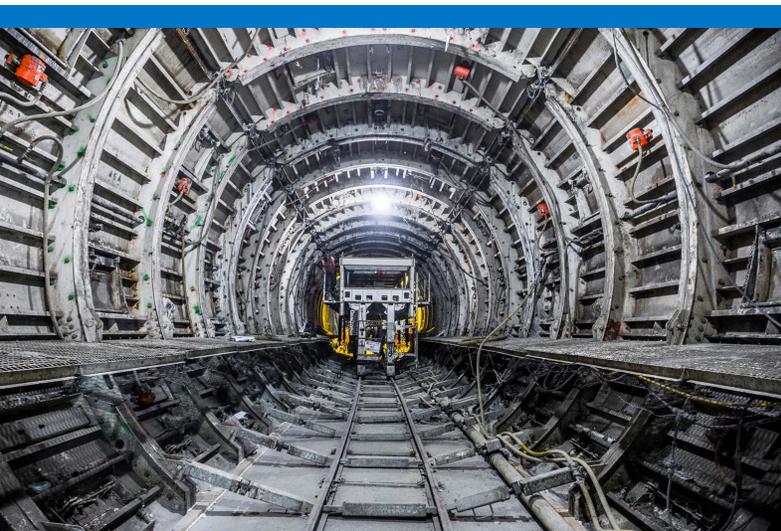
Goethals Bridge Replacement: The Goethals Bridge is being replaced as part of a public-private partnership with NYNJ Link. The partnership is responsible for designing, building, financing, and maintaining the new bridge, creating 5,855 jobs. The Port Authority will make payments to NYNJ Link based on performance targets set forth in the partnership agreement and will retain responsibility for setting and collecting tolls. Construction is underway and the Port Authority has taken significant steps to minimize the impact to the public. The project is scheduled to be completed by the end of 2017.

Kosciuszko Bridge Replacement: Construction remains on schedule for the \$555 million design-build project to replace the eastbound Kosciuszko Bridge which carries the Brooklyn-Queens Expressway (Interstate 278) over Newtown Creek. The bridge replacement has created 7,770 jobs to date. Traffic is expected to be shifted off the existing bridge and onto the new Queens-bound bridge by early 2017.

Investing in Intercity Rail

Building the Gateway Tunnel: In November, Governors Cuomo and Christie, together with Senators Schumer and Booker, announced a framework agreement to advance the Gateway Tunnel project. The project will increase trans-Hudson capacity for rail commuters into Manhattan while allowing for the repair of the existing tunnels, damaged by flooding during Superstorm Sandy.

The project will be directed by a newly established development corporation under the Port Authority, which will oversee the construction and execution of the project, in coordination with Amtrak and New Jersey Transit. The Port Authority is currently working to establish the development



corporation, and taking steps to expedite the environmental permitting process for the project as called for by the governors.

Encouraging Transit Efficiency to Provide Greater Service: In 2015, the MTA's continued focus on expense reduction has enabled it to cut annually recurring costs by more than \$1.3 billion. This has allowed the MTA to invest more than \$278 million in additional service and quality improvement investments this year.

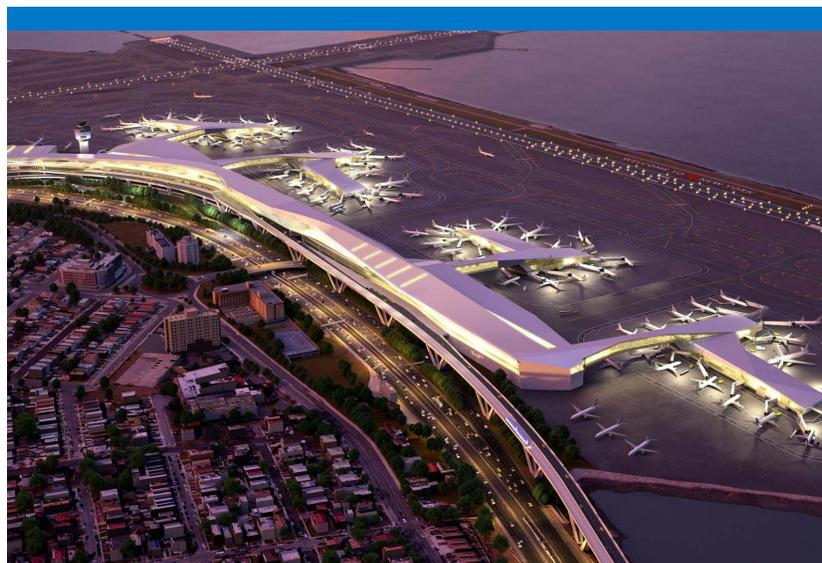
New 34 St-Hudson Yards 7 Subway Line Station Opens: The New 34 St-Hudson Yards 7 Subway Line Station opened to customers on September 13. The station is a modern marvel with 21st century amenities that has introduced subway service to the previously underserved Far West Side of midtown Manhattan, fostering transit-oriented development in an emerging mixed-use environment of commercial, retail, and housing space. The new station offers easy access for millions of annual visitors to the Jacob Javits Convention Center, the High Line Park, the newly opened Hudson River Park, and Hudson River ferries. The new station is the MTA's 469th subway station, and the first addition to the subway system in 26 years.

Expanding Connectivity for MTA Passengers: As of today, 146 of the MTA's 279 underground stations are connected to the Transit Wireless network. In 2015, the MTA and Transit Wireless launched the expansion of public safety and wi-fi services to 21 underground subway stations in the Bronx and 16 in Manhattan. By mid-2016 another 37 stations will be brought online, including the first stations in Brooklyn. In the near future, Transit Wireless plans to wire all 279 underground MTA stations.

Modernizing New York's Airports

A New Airport at LaGuardia:

In July, Governor Cuomo and Vice President Biden unveiled a vision for a comprehensive redesign of LaGuardia Airport, transforming the airport into a single, structurally unified main terminal with expanded transportation access, significantly increased taxiway space, and best-in-class passenger amenities. This \$4 billion project is expected to create 8,000 direct and 10,000 indirect jobs. Approval from the Board of Directors of the Port Authority of New York and New Jersey to begin construction is expected in the first part of 2016.



A New Vision for JFK: Committed to modernizing New York’s airports for the 21st century, the Governor announced that the TWA Flight Center Hotel at JFK Airport, a \$265 million construction project that will honor the airports golden jet age era, is expected to break ground next year, generating 3,700 jobs. The hotel is scheduled to open in 2018. The work of Governor Cuomo’s JFK Airport Advisory Panel is also currently advancing, with the Panel’s report scheduled to be released in mid-2016. The extensive rehabilitation of Runway 4L-22R, a northeast/southwest runway that handles about 25 percent of the airport operations annually, is well underway.

Supporting Local Transportation Infrastructure

Record Funding for Local Roads: The 2015-16 budget continues to provide record level funding to municipalities statewide to address local bridge and pavement needs. This includes \$438 million in core CHIPS funding and an additional \$50 million appropriation for Extreme Winter Recovery Funding.

Improving and Reforming Education

Since taking office, Governor Cuomo has been a strong advocate for New York students, working to make New York's education system the best in the nation by focusing on enhancing learning, encouraging innovation, and offering maximum opportunities for children and youth. The Governor has provided unprecedented support and innovative partnerships for community schools and ensured that state agencies address critical issues that affect a child's learning including nutrition, health care and homelessness.

K-12 Education

Common Core Task Force: In December, Governor Cuomo announced the final report and recommendations of the Common Core Task Force, a diverse group of educators, parents, education officials and state representatives charged with comprehensively reviewing the Common Core system and the way we teach and test our students. The Task Force recommended overhauling the Common Core system and adopting revised, locally-driven New York State standards in a transparent and open process to make sure all students are prepared to succeed in an increasingly competitive 21st century economy. The Task Force recommended that the results of state standards-aligned tests be solely advisory and not used to evaluate both teachers and students until the start of the 2019-20 school year to ensure the system is implemented completely and properly for the nearly 700 school districts, 5,000 schools, more than 200,000 teachers and 2.65 million students it will impact.



The Task Force's recommendations include:

- Overhauling the Common Core and adopting locally-driven, high-quality New York education standards with input from local districts, educators, and parents through an open and transparent process;
- Ensuring curriculum is age appropriate and allows educators flexibility for students with disabilities and English Language Learners;
- Establishing a transparent and open process by which state standards are periodically reviewed by educators and content area experts, since educators know their schools and students best;
- Requiring the state to create and release new and improved curriculum resources that educators can adapt to meet the needs of individual students;

- Engaging New York educators, not a private corporation, to drive the review and creation of state standards-aligned tests in an open and transparent manner;
- Minimizing student testing anxiety by reducing the number of test days and test questions and providing ongoing transparency to parents, teachers, and districts on test questions and student scores; and
- Ensuring that state tests account for different types of learners, including students with disabilities and English Language Learners.

Highest Level of School Aid in State History: In the last four years, the Governor has enacted budgets with school aid increases totaling \$4.3 billion. The 2015-16 budget includes an additional \$1.4 billion increase (6.1 percent), bringing school aid funding to its highest level ever at \$23.5 billion.

Expansion of High Quality Pre-K in High Needs Districts: In addition to the historic \$1.5 billion commitment to provide pre-kindergarten access for 4-year olds, the Governor dedicated \$30 million to expand high-quality half-day and full-day pre-kindergarten programs to 3 and 4-year-old children in 34 high-need school districts. Awards made in September are supporting 3,295 new 3 and 4-year-old students. Further, the Governor is supporting a \$3 million investment in QUALITYstarsNY, a rating and improvement system of early childhood centers, to ensure all pre-kindergarten settings are of the highest quality.

Transforming Failing Schools: There are currently 144 failing schools in New York that enroll approximately 100,000 students. The Education Transformation Act of 2015 provides the state with new options to turn these schools around and ensure that students are getting the quality learning and support they deserve. In the seventeen school districts that have an identified failing school, superintendent receivers have begun using their expanded powers to engage with the local community in the support and transformation of the school. These efforts are supported by \$75 million in additional funding for programs and related activities for 20 schools identified as persistently failing. Some of these activities include extending the school day, hiring additional staff, as well as beginning the transformation to community schools.

Investing in Innovative Technology for the Classroom: The Governor's proposed \$2 billion Smart Schools Bond Act investment in education technology was approved by New York State voters in November 2014; these funds will be targeted to support enhanced technology and internet connectivity in schools as well as additional classrooms, improved infrastructure, and technology-based security equipment in many schools. As of December, several dozen districts have already submitted plans that are under review.

Supporting Parental Choice in Education: In 2015, Governor Cuomo and the State Legislature increased funding for non-public schools and amended the charter cap to allow fifty additional charter schools to open in New York City. The agreement includes \$250 million in funding to reimburse non-public schools for the costs of performing state-mandated services. Twenty-seven new charter schools are expected to open in fall 2016.

Connecting High School, College and the World of Work through P-TECH:

Pathways in Technology Early College High School (P-TECH) is a new model of education that provides students with the opportunity to complete a high school diploma while earning an associate's degree at no cost to themselves or their families, mentoring by professionals, and an opportunity to be first in line for jobs at partnering businesses upon graduation. The 2015-16 budget includes \$3 million to add schools to the New York State P-TECH initiative. Seven new P-TECH partnerships were awarded this year, bringing the total number to 33 schools.

New York Mentoring Program: In October, Governor Cuomo announced the New York Mentoring Program, chaired by former First Lady Matilda Raffa Cuomo, through which adult mentors will provide career and life guidance to students at risk of failing out of school or currently in foster care. Partnerships with local corporations and businesses will pair mentors with students in an effort to make a difference and inspire countless children across the state.

Higher Education

Get on Your Feet Loan Forgiveness Program: To date, more than 2,300 New York residents who graduated from college this year have signed up for this program, which covers 100 percent of student loan payments while graduates are working to establish their careers in the state. In this innovative program, graduates pay nothing on their federal student loans for the first two years of repayment if their income is not high enough to cover their student debt without posing a significant financial hardship. For students who attended colleges in New York State, continue to live in the state following graduation, participate in the new federal Pay As You Earn (PAYE) loan repayment program, and earn less than \$50,000 annually, New York State will cover their loan payment.

SUNY and CUNY Investment and

Performance Funds: To promote student success and institutional excellence, Governor Cuomo began the process of shifting state support from an enrollment-driven formula to one that bases a portion of state aid on performance. This year, SUNY and CUNY received \$30 million in new investment and funds allocated to selected campuses based on their performance improvement plans that identify and implement best practices from around the systems. These plans include goals to improve access, completion rates, academic and post-graduation success, research potential, and community engagement.



Standardized Financial Aid Award Letters: Recognizing that the rising cost of college and sub-optimal student outcomes make college choice more critical than ever, New York created a standard financial aid award letter for colleges and universities to provide data regarding institutional performance in the areas of student access, degree completion, and post-graduation success. With this information, students and their families will know the total costs of an education, how much aid they will receive, and how much needs to be repaid. They will also be able to see how well other students have done once they graduated from the college they are considering.

Aligning Community Colleges within Regions: SUNY created regional planning councils to ensure that the 29 community colleges outside New York City collaborate with other colleges in the same region as well as stakeholders from state agencies, local government, and business. These councils will set program development, enrollment and transfer goals on a regional basis. This initiative will limit competition for students within a region, better align education and training program offerings to regional economic development goals and activities, and improve student outcomes.

Supporting Community College Students: SUNY has awarded \$1.5 million to three community colleges to bring healthcare services to campuses, assist students with transportation, provide additional resources for child/elder care, and augment existing academic and career development support. An additional \$1 million is available to CUNY for awards to community colleges. These institutions serve some of the state's most disadvantaged students and communities, and are more likely than four-year institutions to attract part-time and nontraditional students who are trying to balance, work, family, and other obligations with their education. Through the community schools initiative, students will now have the tools and support they need, both in and out of the classroom, to graduate.

Growing the New York State Master Teacher Program: An additional 80 educators from across the state were selected to join the New York State Master Teacher Program, adding to the 552 Master Teachers announced since the program began in 2013. Master Teachers are dedicated professionals who teach all levels of science, technology, engineering, and math courses, including Honors, Regents, and International Baccalaureate levels. They teach in urban, rural, and suburban districts. Nine of the 10 regional programs are paired with a SUNY campus to leverage the expertise of the university's faculty and partner with existing teacher preparation programs. Master Teachers share best practices with their peers through professional development activities and mentor new teachers.

Strengthening Our State's Healthcare System

NY State of Health: NY State of Health, the state's official health plan marketplace, was created to help New Yorkers gain access to quality affordable healthcare coverage. The rates for 2014 and 2015 were 50 percent lower than what individuals would have paid before creation of the marketplace in October 2013. As of December, more than 2.6 million New Yorkers enrolled in coverage; 92 percent of those enrolled reported being uninsured at the time of application. As a result, New York's uninsured rate has fallen to less than 6 percent as of June - its lowest point in decades. NY State of Health introduced the new Essential Plan for lower-income New Yorkers in 2016. The Essential Plan will lower premiums to \$20 or less a month and provide comprehensive benefits for hundreds of thousands of New Yorkers.

Compassionate Care Act: In July of 2014, Governor Cuomo signed the Compassionate Care Act, establishing a medical marijuana program for New York State. This past year, the Department of Health designated five registered organizations to manufacture and dispense medical marijuana products, launched the patient certification and registration system that allows qualified patients to purchase medical marijuana, and posted mandatory practitioner education on-line that is required for practitioners to register to certify patients to receive medical marijuana. Consistent with state legislation, the program is scheduled to become operational in early 2016.

Ending the AIDS Epidemic in New York State: On World AIDS Day, Governor Cuomo announced \$200 million in new funding towards HIV/AIDS efforts, supplementing the \$2.5 billion the state currently directs towards HIV/AIDS. In 2014, the Governor announced a plan to end AIDS as an epidemic in New York State with the goal of decreasing new HIV infections to 750 per year by 2020 and achieving our first ever decrease in HIV prevalence. Notable achievements include:

- No new cases of mother-to-child transmission in New York State over a twelve – month period –the first time since the outbreak of the AIDS epidemic in the state;
- Tripled pre-exposure prophylaxis (PrEP) utilization since the Governor's announcement in June 2014;
- The launch of the Medicaid Managed Care Program to promote patient linkage and retention in care. Approximately 6,000 HIV positive patients were identified through a match between New York State HIV Medicaid data and the New York State HIV/AIDS Registry;



- \$1 million in funding to New York City clinics that provide diagnoses and treatment of sexually transmitted diseases. This funding will be used to employ a ‘One-Stop STD Clinic’ model, which provides immediate access to PrEP and anti-retrovirals for newly diagnosed HIV-positive persons;
- \$3 million in funding toward the goal of linking up to 1,000 people from the populations at greatest risk for HIV/AIDS to PrEP;
- Initiated a PrEP Assistance Program and expanded targeted health care services to young men who have sex with men (MSM) and transgender persons.
- Launched a program to identify all out of care HIV-infected state prison inmates. Approximately 200 inmates have been identified who will receive public health linkage services to connect to anti-retroviral treatment; and
- Reviewed patient admission records across hospital emergency departments to ensure compliance with the mandatory offer of HIV testing to individuals ages 13-64.

State Health Innovation Plan: The State Health Innovation Plan (SHIP), an ambitious five-year strategic blueprint designed to give New Yorkers access to high-quality, coordinated care has developed building blocks necessary for the state to support innovations in health care delivery and to implement strategies to spread those innovations. In 2015, payers, providers and consumers, contributed expertise and guidance that has led to development of an advanced primary care model that will be the basis for care delivery and payment in a value-based system. Practitioners, payers and patients also identified a core set of measures to be used in evaluating the success of the advanced primary care model. To support this model, work had been initiated to better define the core competencies of and curricula available to educate persons functioning as care managers who will be a crucial part of the primary care delivery team.

Combatting the Growing Use of Opioids in New York: In 2014, the Division of Criminal Justice Services, the Department of Health, the Office of Alcoholism and Substance Abuse Services, Albany Medical Center, and the Harm Reduction Coalition collaborated in an initiative to train law enforcement personnel on the use of intranasal naloxone, a drug that saves lives by reversing the effects of overdoses caused by heroin or other opioids. The state, through programs registered with the Department of Health, provides naloxone to the officers at no cost. A total of 7,308 law enforcement officials have been trained since April 2014. As of December officers trained by the state have used naloxone 872 times.

New York State Delegation to Puerto Rico: A delegation of New York State officials traveled to Puerto Rico in October to work with the commonwealth in creating a health care transformation plan. The plan will focus on lowering costs and improving health outcomes in Puerto Rico’s Medicaid system. Governor Cuomo and the Department of Health staff returned to the commonwealth in early November to engage with stakeholders. The transformation plan will be submitted to the federal Centers for Medicare and Medicaid Services early in the new year.

Additionally, at Governor Cuomo's direction in an effort to strengthen New York's economic ties with Puerto Rico, Empire State Development opened the Office of Trade and Tourism in Old San Juan in November. Empire State Development is identifying and promoting mutual tourism and economic opportunities and includes a New York State Discovery Center, with a Taste NY and I LOVE NY store promoting New York products.

New Mobile Mental Health

Services: New mental health services have been developed in communities across New York State, including cost-effective and innovative mobile mental health teams, home-like residential programs, and early intervention services. Thus far, \$10.8 million has supported the creation of 154 (FTE) new mental health positions in communities serving approximately 2,547 new individuals.

Transforming New York's Residential Treatment System: Far too often we have heard from families and friends that their loved ones were sent home to detox or withdraw from heroin and/or prescription opioids in their bedrooms. The results of that approach are tragic as too many continued to abuse drugs and far too many have overdosed. Through residential redesign, the New York State Office of Alcoholism and Substance Abuse Services is transforming its residential treatment system to offer more flexibility for both patients and providers. Patients will now be able to access residential treatment for both long-term treatment as well as short-term crisis and respite treatment, including detox for those addicted to heroin and prescription opioids. Providers will now have maximum flexibility to use their beds and fill them based on who comes to them for help. This is another initiative that will assist our efforts to combat the heroin and prescription opioid epidemic.

Record Investment in Alzheimer's Disease Research and Care: The 2015-2016 budget included \$25 million in funding toward care and support services for individuals living with Alzheimer's Disease and other Dementias and their caregivers. This is the largest investment of this type by any state, ever. This investment will help reduce preventable emergency department visits and hospitalizations as well as delay or eliminate the need for institutional placement. Under this program, the Regional Caregiver Support Initiative has awarded \$1.5 million per year over five years to each of nine organizations to support caregivers through care and family consultations, support groups and training, and respite services.



Supporting Family Caregivers: In October, Governor Cuomo signed the Caregiver Advise, Record and Enable Act, which requires that hospitals allow patients to formally designate a caregiver before they leave the hospital, or are transferred to another facility. It also requires hospital workers to provide the caregiver with instruction or training on how to perform tasks for the patient at home, such as changing bandages or administering medication.

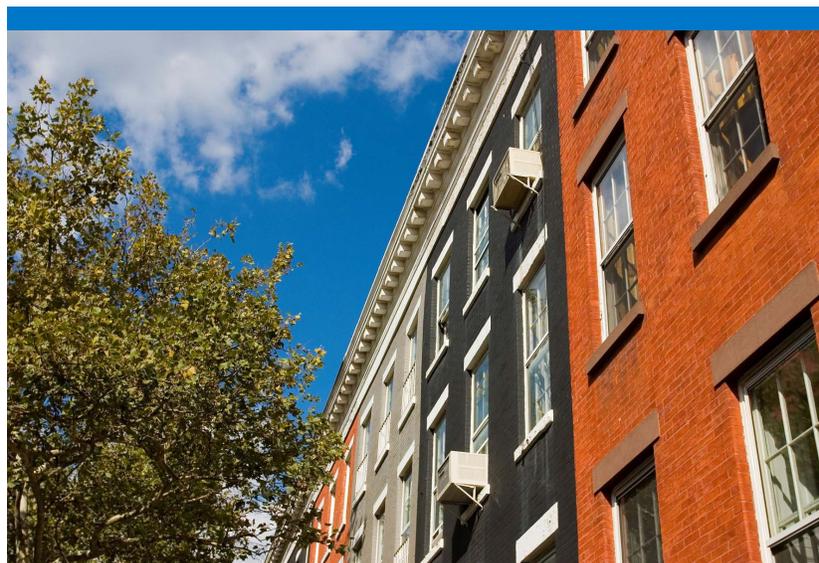
Investing in Affordable Housing

Expanding Investments in Affordable Housing Development: Governor Cuomo's five year, \$1 billion House New York program is the largest investment in affordable housing in at least 15 years. The state's commitment is continued in the 2015-16 budget with the provision of more than \$229 million for affordable housing capital programs including \$42 million to support the ongoing preservation of Mitchell-Lama units to ensure they remain affordable for the next 40 years. The state also programmed \$248 million in JP Morgan settlement proceeds to support various affordable housing and community development programs.

Through the JP Morgan settlement proceeds, New York State Homes and Community Renewal launched three new programs in 2015, the Middle Income Program for the development of mixed income housing, the Mitchell Lama Loan Program, and the Access to Home for Veterans program which assists Veterans with home repairs. The 2015-16 state budget also included \$63 million in capital funding for the Office of Temporary and Disability Assistance to develop homeless and supportive housing through the Homeless Housing Assistance and Program.

In 2015, more than 10,741 housing units were created and preserved, totaling more than 40,000 affordable housing units in the past five years financed by New York State Homes and Community Renewal. The homes are meeting critical needs around the state for moderate and low-income families, in addition to vulnerable New Yorkers with special needs, including seniors, veterans, survivors of domestic violence, as well as homeless and disabled families and individuals.

Investing in Homeless Housing and Services: The 2015-16 budget invests an unprecedented \$477.2 million in additional homeless services statewide over the next several years. This includes a \$60 million rental subsidy program for New York City, a \$2.5 million increase to enhance homeless services programs; a \$2.2 million increase for the Runaway and Homeless Youth Act; a \$1 million increase for the Emergency Needs of the Homeless Program; and a \$220 million reinvestment of youth facility billing savings to support rental assistance in New York City. Additionally, \$191.5 million from the JP Morgan Settlement proceeds will be used to support several initiatives including a new NY/NY IV



supportive housing agreement; rate enhancements to preserve existing supportive housing units; New York City's Living in Communities program to move working families out of shelter; and the HIV/AIDS rent cap in New York City.

Making Affordable Homeownership Opportunities Possible: This year the State of New York Mortgage Agency continued to increase the number of families assisted into single family homeownership. In 2015, there were 1,460 closed loans purchased from the originating lender, a 41% increase from 2014. As a way to make the program available to more New Yorkers, SONYMA launched an automated underwriting system, making the loan originations process more efficient and increasing the ease of use for participating lenders. Additionally, the Remodel NY program launched to address the needs of first time homebuyers purchasing properties in need of repairs, such as a new roof, furnace, appliances, or other work. The program enables buyers to finance the cost of those repairs into their mortgage up to the value of the house after the work is completed.

Affordable Homeownership Development Program: The Affordable Homeownership Development Program has awarded \$34.8 million in Local Assistance Program awards, which provide a wide range of services including the creation or preservation of over 2,100 units of affordable housing. Of this amount, the Affordable Homeownership Development program will invest over \$20 million to acquire and rehabilitate over 1,000 units; and \$10 million in Community Development Block Grant Program funds to assist 421 low to moderate income New Yorkers in the purchase or rehabilitation of a home.

Protecting New York's Tenants: The Rent Act of 2015 not only extended New York's rent laws, but once again strengthened them with provisions to protect future losses in affordable housing by increasing the high rent vacancy decontrol threshold from \$2,500 to \$2,700 and indexing the threshold to annual increases set by the rent guidelines board. The new regulations eliminated unit loss as a result of the increase by limiting drastic spikes in rent for units being vacated by a tenant paying a preferential rent to a range of 5-20% based on the longevity of the previous tenant; reduced the size of rent increases related to major capital improvements, saving tenants 12.5% to 22% in rental costs; and increased civil penalties for tenant harassment by landlords up to \$3,000 for each offense and up to \$11,000 for all violations where the owner harassed a tenant to obtain a vacancy.

Tenant Protection Unit: Created in 2012, Governor Cuomo's Tenant Protection Unit continues to proactively protect the nearly one million tenants in the rent stabilization system. The TPU has pursued landlords who failed to register their rent-regulated units and audited owners who filed for rent increases for apartment improvements they claimed to make. These actions have resulted in an additional 11,000 units being reclassified rent stabilization in 2015, a total of more than 47,000 units being reregulated since the unit was created, and the return of close to \$1.75 million dollars to tenants who were unknowingly overcharged. In addition, the TPU's successes continue to forge a path for addressing the pattern and practice of tenant harassment by owners throughout the City.

In August 2015, the TPU, Attorney General's Office and New York City Housing Preservation and Development joined forces to form a Real Estate Tax Compliance Program targeting 194 buildings that are receiving a partial property tax exemption under 421-a and violating rent registration requirements of the Real Property Tax Law and the Rent Stabilization Law and Code. The program will ensure that these units are properly registered and further protect rent-regulated tenants from systematic abuse.

Office of Faith Based Community Development: In 2015, New York State Homes and Community Renewal incorporated the Governor's Office of Faith Based Community Development Services to build on the Governor's commitment to nonprofits and focus specifically on building an effective network of faith-based organizations throughout the state to better serve New Yorkers. New York State Homes and Community Renewal hosted the first-ever series of Housing, Community, and Faith Based Development Conferences designed to empower nonprofit organizations to successfully partner with New York State to meet the state's housing, social service, and community revitalizations needs. To date, two conferences have been held in Utica and Rochester with over 200 members of faith-based and non-profit agencies participating. Several more regional conferences are planned for 2016.

A Safer, More Just New York

Combatting Sexual Violence on College Campuses

Enough is Enough: Sexual violence affects thousands of college students across the nation and in New York. Governor Cuomo has been a national leader on preventing and responding to campus sexual violence by sending a clear message that enough is enough. In July, alongside House Minority Leader Nancy Pelosi, the Governor signed legislation that included a new statewide definition of affirmative consent to sexual activity; requires campus amnesty for victims and bystanders reporting sexual violence; establishes a new “Students’ Bill of Rights;” standardizes procedures and options for victim reporting, confidential disclosure, and access to services; and institutes new training and assessment requirements. The bill also establishes and funds a new Sexual Assault Victims Unit within the State Police and provides new appropriations of \$4.5 million in additional funding for rape crisis centers across the state and \$1 million for colleges and universities.

Reducing Crime

Gun Violence Elimination and Prevention: Building on the Governor’s commitment to reduce gun violence in the state, the Division of Criminal Justice Services provided local communities with over \$16.3 million to combat and reduce gun violence through the Gun Involved Violence Elimination initiative. More than \$13.3 million was awarded to law enforcement agencies in the 17 counties that account for more than 80 percent of the violent crime reported outside of New York City. These grants support the implementation of programs to reduce gun violence and expand the use of crime analysis and evidence-based strategies. The Gun Involved Violence Elimination initiative also provides technical assistance to 20 police departments and their county law enforcement partners, including district attorneys, sheriffs, and probation departments. The Division also awarded approximately \$3 million to 10 communities through the SNUG Initiative to support neighborhood-based violence reduction programs that promote outreach and intervention to steer young people away from using guns to resolve disputes.

Additionally, this fall the Governor pushed to prevent known or suspected terrorists from purchasing guns in New York State. Governor Cuomo and Senator Schumer requested that the federal government officially add the U.S. Terror Watch List to the criteria for federal background checks.

Next Generation of State Police: This year, over 400 New York State Troopers graduated from the State Police Academy’s Basic School. These new members of the State Police represent the next generation of law enforcement officers and, after months of training, are fully prepared to prevent, detect, and deter crime and make New York’s roads safer than ever through increased targeting of dangerous driving behaviors.

Cracking Down on Distracted Driving: Governor Cuomo continues to crack down on dangerous driving behaviors throughout the state. To combat distracted driving, the Governor instructed the State Police to continue “Operation Hang Up,” a statewide campaign which targets drivers using handheld devices through increased enforcement with special marked and unmarked vehicle patrols, as well as checkpoints. During this year’s enforcement periods in April and November, the State Police issued nearly 3,500 distracted driving tickets. Throughout the state in 2015, more than 200,000 tickets were issued for distracted driving by all law enforcement agencies.

Restoring Trust in Justice

Special Prosecutor to Investigate Unarmed Civilian Deaths Involving Law Enforcement Officials: To restore faith in our justice system, the Governor issued an executive order in July that appointed the Attorney General as a special prosecutor in matters relating to the deaths of unarmed civilians caused by law enforcement officers. The Attorney General has already used this authority in at least one investigation.

Reducing Barriers for New Yorkers with Criminal Convictions

Re-Entry Council: The Governor’s Council on Community Re-Entry and Reintegration made 12 recommendations that would help people with criminal convictions who have served their time to better re-integrate into society, thus promoting public safety and helping to save taxpayer dollars. In September, the Governor accepted the recommendations, which have been fully implemented:

- New anti-discrimination guidance for New York-financed housing;
- Uniform guidelines that evaluate qualified applicants with criminal convictions for state occupational licenses;
- “Fair chance hiring” for New York State agencies;
- Amendments to 12 state licensing and employment regulations to reduce the barriers on people with criminal convictions;



- The formerly incarcerated are included as a target population for supportive housing;
- Streamlined application process for documents creating a presumption of rehabilitation;
- A path for people exiting state prison to obtain a Department of Motor Vehicle-issued ID;
- A job search effort aided by new technology donated by Apploi Corp;
- Individuals in state prison have ability to save more money to use after release;
- New housing and treatment capacity for mentally ill people leaving state prison;
- Efforts to enroll individuals leaving prison in health care coverage; and
- Individuals returning home are allowed to live with spouses and partners as long as an individualized determination finds no incidents of domestic violence involving those partners.

First in the Nation Pro Bono Clemency Program: Governor Cuomo is partnering with several organizations from the legal community to assist individuals in applying for clemency. Partnering organizations include the New York County Lawyers Association, the New York City Bar Association, the New York State Bar Association, the Legal Aid Society and the New York State Association of Criminal Defense Lawyers, which will help provide pro bono clemency petition services to individuals incarcerated by the Department of Corrections and Community Supervision. Although individuals may apply for clemency without the assistance of an attorney, assistance from a pro bono attorney will enhance the quality of an individual's application and present his or her best case to the Governor. The National Association of Criminal Defense Lawyers has agreed to assist in the implementation of the program by providing technical assistance and training of the pro bono attorneys. The Bronx Defenders will provide post-petition legal services with respect to benefits, housing, and employment, for successful petitioners.

Pardons for New Yorkers Convicted of Crimes at Ages 16 and 17: Governor Cuomo announced in December that he will use his pardon power to alleviate the barrier of a criminal conviction for people convicted of non-violent crimes committed when they were minors, and who have since lived crime-free for 10 or more years. This action, the first of its kind in the nation, advances the principles from his Raise the Age Campaign, which calls upon New York to join 48 other states in recognizing that 16 and 17 year old children do not belong in the adult court system. Of 16 and 17 year olds who committed misdemeanors and non-violent felonies since such records have been tracked by the state, approximately 10,000 have not been reconvicted after at least 10 years. Annually, approximately 350 people convicted as 16 and 17 year olds of misdemeanors and non-violent felonies remain conviction-free after 10 years.

Protecting Victims

Counseling for Grandchildren of Homicide Victims: The Governor signed legislation in August expanding reimbursement for counseling services through the Office of Victim Services to include grandchildren of homicide victims. Prior to this expansion, the law only recognized the eligibility of spouses, parents, stepparents, guardians, brothers, sisters, stepbrothers, stepsisters, children and stepchildren of the victim, as well as grandparents who lost their grandchild as the result of a homicide.

Protecting Vulnerable New Yorkers

Enacted Emergency Regulations Targeting the Sale of Synthetic Marijuana:

In November, the Department of Health enacted emergency regulations combatting the sale of synthetic cannabinoids in the state. The tougher regulations expand the existing list of banned substances to include new chemical compounds that drug producers have created since Governor Cuomo first targeted so-called synthetic marijuana in 2012.

Prohibiting Powdered Alcohol: In August, Governor Cuomo signed legislation prohibiting the sale of any powdered or crystalline alcohol product, also known as “palcohol.” This powdered, freeze-dried alcohol is sold in small bags and is intended to be mixed with water to create alcoholic drinks. It is readily portable and easy to conceal, which can increase underage youth access to this dangerous substance.

Legionnaires Outbreak: New York State experienced an outbreak of community acquired legionnaire’s disease in the South Bronx. The water from a cooling tower at a hotel was identified as the source. Governor Cuomo led a response that culminated in the adoption of emergency regulations by the Department of Health that will help prevent the spread of Legionella bacteria and protect New Yorkers by requiring building owners to maintain their cooling towers according to industry standards and manufacturer specifications, as well as register, inspect, certify, and regularly report to the state. In October, a similar outbreak was prevented at St. Joseph’s Hospital Health Center in Syracuse through the help of new state mandated testing. These steps will not only help prevent future outbreaks of Legionnaires’ disease but also expedite the public health response when case clusters or outbreaks occur.

Promoting Clean Energy and Protecting our Environment and Open Spaces

Ensuring a Clean and Renewable Future

2015 State Energy Plan: Under the leadership of Governor Cuomo, New York has taken bold steps to address climate change, setting some of the nation's most ambitious energy goals. The 2015 State Energy Plan, released in June, presents a comprehensive roadmap for the Governor's Reforming the Energy Vision strategy to overhaul outdated utility regulations and leverage state programs to build robust, sustainable clean energy markets. This strategy enables the state to reduce greenhouse gas emissions by 40 percent (from 1990 levels) and reduce energy consumption by 23 percent (from 2012 levels) by 2030.

Setting Clean Energy Standards: As world leaders convened in Paris earlier this month, Governor Cuomo took a State Energy Plan goal one step further and ordered regulators to require that 50 percent of all electricity in New York come from clean and renewable sources by 2030. This follows the Governor's signing of the "Under 2 MOU" in October, joining other cities, states, and countries in pledging to reduce greenhouse gas emissions in an effort to keep Earth's temperatures from rising by 2 degrees Celsius.

Pursuing a North American Carbon Market: New York's leadership has been integral to the success of the Regional Greenhouse Gas Initiative (RGGI), where the state led a nationwide effort to reduce RGGI's carbon emission cap by 45 percent in 2014. Building on these efforts and to maximize RGGI's impact, in October Governor Cuomo directed state agencies to engage RGGI partners as well as California, Quebec, and Ontario to explore the possibility of linking the successful carbon markets.

Solar Power for 150,000 Homes and Businesses by 2020: Since Governor Cuomo took office, the amount of solar deployed throughout New York State has grown 300 percent, a rate double the national average. With the Governor Cuomo's \$1 billion NY-Sun initiative and \$1 billion NY Green Bank, New York State will continue this momentum and bring solar to 150,000 more homes and businesses by 2020.



Improving Access to Shared

Renewables: Only 22 to 27 percent of residential roofs are well positioned to generate solar power. Other homeowners are simply not in the position to finance

a renewable energy project on their own. In July, the Public Service Commission created an opportunity for millions of New Yorkers to access renewables for the first time through the launch of Shared Renewables, a program that allows New Yorkers to partake in renewable energy regardless of their physical location. The program opened in October to projects that would provide benefits to the grid or where 20 percent of customers are low income. In May 2016, the program will expand to include all project proposals.

Renewable Energy at Every SUNY Campus by 2020: Also in October, the Governor announced that the State University of New York – the nation’s largest statewide public university system – will install renewable energy, including solar and other technologies, at each of its 64 campuses by 2020. This commitment builds on SUNY’s goals of improving its energy efficiency performance by 20 percent and reducing its greenhouse gas emissions by 30 percent by 2020.

Billion-Dollar Green Bank: New York’s \$1 billion Green Bank is the largest green bank in the nation. The Bank works to bridge financing gaps for promising clean energy projects. In 2015, NY Green Bank closed three deals that will enable greater deployment of residential solar and energy efficiency projects as well as small-scale wind on residential, agricultural, and small commercial properties. The \$49 million in Green Bank capital brought an additional \$179 million in financing from private sector partners. The NY Green Bank is one of the leading founders of the first global Green Bank Network, which will help accelerate the deployment of more than \$40 billion into global clean energy markets and clean energy projects both in New York State and around the world.

Clean Energy Vehicles: Governor Cuomo created the Charge NY initiative last year, announcing a statewide goal of installing 3,000 new electric vehicle charging stations by 2018. There are now more than 1,250 electric vehicle charging stations across the state, with contracts in place to bring the total to nearly 1,500. New York is working with partner states California, Connecticut, Maryland, Massachusetts, Oregon, Rhode Island and Vermont to reach a collective target of 3.3 million zero emission vehicles by 2025, which will improve air quality, protect consumers against volatile fuel prices, and promote job growth in the clean energy economy.

In December, New York joined the International Zero-Emission Vehicle (ZEV) Alliance, a collaboration of national and subnational governments working together to expand the global ZEV market and accelerate adoption of ZEVs. New York has set ambitious targets for ZEV deployment and will work with other participant jurisdictions in taking actions to achieve those targets.

Tapping Energy for Economic Development

ReCharge NY: Governor Cuomo’s statewide energy-for-economic development program provides low-cost power to businesses that commit to jobs and capital investment in New York and also includes a discount to residential agricultural producers. More than 670

business operations and over 70 not-for-profit organizations have been awarded over 776 megawatts of power that began flowing in mid-2012. In return for the lower cost electricity provided under contracts, the recipients committed to support over 401,000 jobs and undertake billions of dollars in capital investments.

The Western New York Economic Development Fund: This program is supported by net earnings recognized from the sale of unallocated and unused Expansion and Replacement power generated at the Niagara Power Project and invested in projects that support the region's economic development activities. Since May 2013, nearly \$30 million in grants have been awarded by NYPA's board of Trustees to 32 enterprises in the region, resulting in the retention or creation of more than 3,000 jobs.

Protecting our Environment and Open Spaces

Vetoed the Port Ambrose LNG Project: In November, Governor Cuomo vetoed the proposed Port Ambrose Liquefied Natural Gas Deepwater Port because of security and economic concerns as well as the project's potential to negatively impact off-shore wind development. The project required approval from both Governor Cuomo and New Jersey Governor Christie under the federal Deepwater Port Act.



Ban on High-volume Hydraulic Fracking in New York State:

Following an extensive scientific review, Governor Cuomo received the recommendation of the commissioners of the Department of Environmental Conservation and Department of Health to ban high-volume hydraulic fracturing, based on the conclusion that there are significant red flags and risks to public

health from the activity. In June, the DEC Commissioner issued a legally binding Findings Statement officially prohibiting high-volume hydraulic fracturing in New York State.

Brownfield Cleanup and State Superfund: Under Governor Cuomo's leadership, the 2015-16 budget extends the Brownfield Cleanup Program for ten years and includes important reforms to protect taxpayers and promote brownfield redevelopment, particularly in Upstate New York. The 2015-16 budget also provides \$1 billion to refinance the state Superfund cleanup program for 10 more years. The Superfund is instrumental in identifying,

investigating, and cleaning up hazardous waste sites throughout the state. The appropriation includes up to \$10 million per year for the Environmental Restoration Program to address municipally owned brownfields.

Increasing the Environmental Protection Fund: Underscoring Governor Cuomo's commitment to protecting open spaces, conservation and wildlife preservation, the 2015-16 budget included \$177 million for the Environmental Protection Fund, an increase of \$15 million from the previous year and a 32-percent increase since the Governor took office. Within the \$177 million, \$15 million will go to support statewide farmland protection activities; this represents a \$1 million dollar increase in funding over last year. Further, in continued support of farmland protection efforts adjoining Fort Drum, an additional \$1 million was provided to Tug Hill Tomorrow Land Trust.

Climate Change Mitigation and Adaptation: Under Governor Cuomo's leadership, New York has become a national leader in climate change mitigation through efforts that include the Regional Greenhouse Gas Initiative multi-state cap-and-trade program and the Reforming the Energy Vision strategy. New York State is also a leader in climate change adaptation, as the Governor's Office of Storm Recovery's resiliency initiatives are empowering communities impacted by recent natural disasters to not simply build back, but to build back better. Expanding upon these efforts, New York proposed the first-ever sea-level rise projections in November under to the Community Risk and Resiliency Act, which will ensure that major funding and siting decisions consider future climate risk.

In addition, the 2015-16 budget provided \$500,000 for the Department of Agriculture and Markets to implement the Climate Resilient Farms Program by developing strategies and support for New York farmers to improve resiliency and incorporate carbon management operationally. In October, the Governor bolstered this initiative with the launch of the \$1.4 million Climate Resilient Farms Grant Pilot Program, which funds agricultural projects that develop and implement best management practices to reduce greenhouse gas emissions and carbon sequestration. Additionally, funding is available to projects that help agricultural producers prepare for and better manage the impacts of climate change like increased heavy rain storm events and periods of drought.

Improving the Safety of Transporting Crude Oil: Under Governor Cuomo's direction, New York State leads the nation in implementing reforms to better protect communities and the environment from the risks associated with crude oil transport. Since Governor Cuomo initiated a targeted inspection campaign in 2014, the Department of Transportation and its federal partners have inspected 11,591 rail cars (including 9,583 crude oil tank cars) and 3,916 miles of track, uncovered 1,496 defects, and issued 20 hazardous materials violations.

In addition, the 2015-16 state budget included several measures to further prevent and prepare for potential crude oil incidents such as increasing the Oil Spill Fund cap from \$25 million to \$40 million and allowing up to \$2.1 million of the Fund annually to be used for prevention and preparedness measures. In October, the state also announced it will deploy

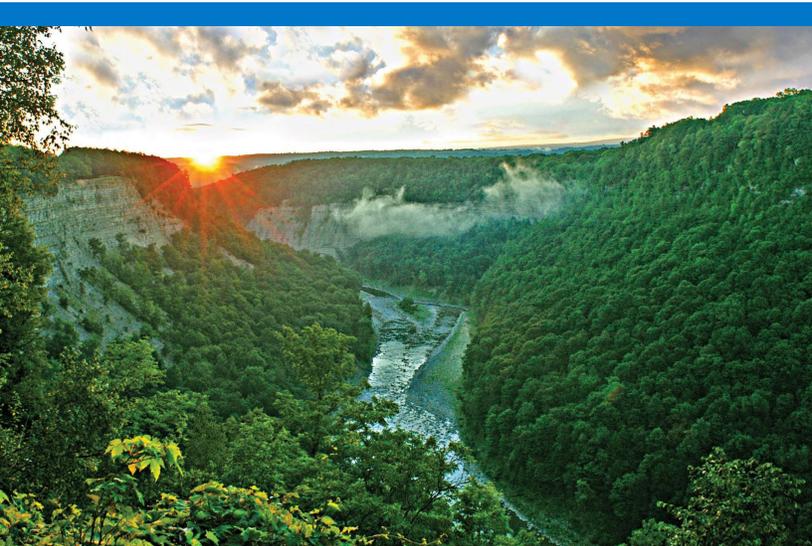
19 trailers equipped with a firefighting foam substance to local fire departments and county hazardous materials teams throughout the state for use when combatting fires and spills involving crude oil or other ignitable liquids.

Creating the Excelsior Conservation Corps: In September, Governor Cuomo launched the Excelsior Conservation Corps, a program that offers 18- to 25-year olds the opportunity to learn about environmental conservation through hands-on projects across the state. The 10-month program targets diverse membership and veteran engagement, and prepare participants for a career in the field. The program is funded through \$1.9 million in combined state and federal funding.

New York State Parks

Transforming New York State Parks and Historic Sites: The State Department of Parks, Recreation, and Historic Preservation has recorded the best attendance rates in over a decade with a 9.6 percent increase in summer attendance in 2015 from the year before

and a record-setting year for camping as more than 2 million people camped at 66 state parks campgrounds this year, surpassing the previous record set in 2014. State parks are getting national attention with Letchworth State Park voted “Best State Park in the Nation,” beating out 6,000 other state parks; Watkins Glen came in third. This year, the state invested \$110 as part of the NY Parks 2020 initiative, which will encompass \$900 million in public and private funding for state park improvements through 2020.



Clean Water Infrastructure

Financing Support for Clean Water Infrastructure Projects: This year, Governor Cuomo committed to providing an additional \$200 million in grants over three years to municipalities for wastewater and drinking water infrastructure. The funding will help municipalities undertake projects to benefit water quality. Also this year, New York State expanded its eligibility requirements, making it easier for more communities to receive interest-free loans. New York State consistently leads the nation in financing water-quality infrastructure. Working closely with local governments, New York annually commits double the investment in wastewater and drinking water infrastructure than any other state and is on track to surpass last year’s record-breaking investment of \$2.2 billion in water infrastructure.

Storm Recovery and Rebuilding

Governor Cuomo continues to address the long-term needs of victims of Superstorm Sandy, Hurricane Irene and Tropical Storm Lee while increasing our safety from future natural disasters. The Governor's efforts are focused in three primary areas: assisting in recovery and rebuilding for individuals, businesses and communities; improving the state's emergency preparedness and response systems; and upgrading the state's infrastructure to better withstand major weather incidents.

Building Back Better and Stronger: Homes, Businesses and Communities

NY Rising Community Reconstruction Program: Recognizing that top-down recovery efforts must be balanced by an assortment of bottom-up strategies, Governor Cuomo announced the NY Rising Community Reconstruction (NYRCR) Program in April 2013– a first-of-its kind participatory program which has grown to assist 124 storm-damaged communities. Through its Community Reconstruction Program, the state is setting a new standard for community participation in recovery and resiliency planning. More than 650 New Yorkers have worked together on 66 NYRCR Planning Committees to address their communities' specific needs in the aftermath of Sandy, Irene, and Lee and in anticipation of other extreme weather events. They've also shared more than 700 proposed project concepts at over 250 Public Engagement Events, during which thousands more community members have been able to provide feedback.

NY Rising Housing Recovery Program: The NY Rising Housing Recovery Program facilitates home repairs, rehabilitation, mitigation, and elevation for the owners of single-family homes. Thus far, the state has issued more than \$638.1 million to help 11,665 homeowners rebuild residences damaged by Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. Since April 2015, eligible property owners have additionally been able to take advantage of "Interim Payments" to bridge financing needs for up to 75 percent of total project costs as work progresses. To date, 2,166 homeowners have received approximately \$27.6 million in grant disbursements. Through the Interim Mortgage Assistance program, the state has provided mortgage assistance to 780 displaced homeowners at a cost over \$17.8 million.



The Rental Properties program maintains a commitment to assist low-to-moderate income tenants and generates essential and affordable housing resources to New Yorkers in need. To date, the rental properties program has paid over \$21.5 million to 559 applicants. The elevation initiative has provided \$473.4 million for optional elevation. The acquisition initiative has sent 1,198 purchase offers totaling \$447.98 million, 868 closings totaling \$341 million, sold 134 properties at auction to purchasers for redevelopment and elevation, and sold seven properties to municipalities to be used as open space, bringing in a total of \$20.7 million in program income, which will be used for other NY Rising projects. The buyout program has completed 108 demolitions, turning land, which is of high risk to flooding, back to nature.

NY Rising Small Business Recovery Program: As of December 2015, the NY Rising Small Business Recovery Program has awarded more than \$43 million in disaster recovery grants to nearly 1,000 applicants. Of the total funds awarded to date, the program has disbursed more than \$38 million to more than 950 applicants. The program stopped accepting new applications in May. The Small Business Recovery Program provides up to \$250,000 in grant assistance to small businesses impacted by Sandy, Lee and/or Irene.

Improving the State’s Emergency Preparedness and Response Systems

State Participation in the Intrastate Mutual Aid Program: This year, legislation was passed allowing New York State to participate in the intrastate mutual aid program. The program allows local governments, schools, and now the state, to respond to emergencies more efficiently by expediting the deployment of publically owned resources across multiple jurisdictions. Inclusion in the intrastate mutual aid program improves disaster response by allowing the state to accept assistance from local governments, including assets and personnel, to supplement the state’s response.

New York State Citizen Preparedness Corps: This ongoing program provides New York State residents with the tools and knowledge to prepare for, and respond to, all types of disasters. To date, more than 85,000 citizens have participated in the two-hour training seminars conducted throughout the State by the New York National Guard and experts from the Division of Homeland Security and Emergency Services. Through this program, citizens are more prepared to provide critical assistance in their own homes and communities whenever disaster strikes.

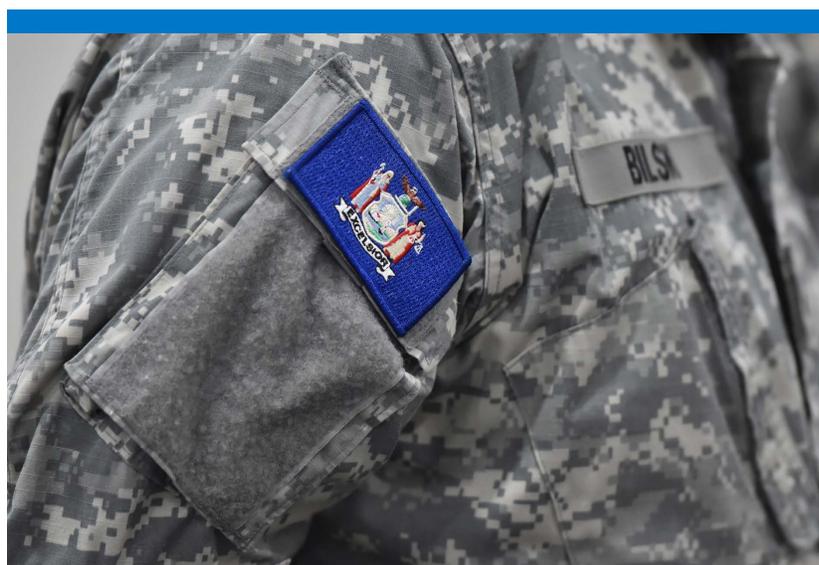
Creating the Nation’s First College of Emergency Preparedness: New York State has invested \$15 million in the nation’s first College of Emergency Preparedness, Homeland Security and Cybersecurity within the State University of New York at Albany. The school will complement current efforts to train for emergency managers and create comprehensive academic programs, research, and training opportunities for professionals, policy leaders, emergency managers, and first responders. The curriculum includes both academic and

professional aspects of emergency management, law enforcement, public and international affairs, counter terrorism, cyber security, and forensics, with practical training to be conducted at the state Preparedness Training Center in Oriskany. By late December 2015, 159 students enrolled in a minor concentration for Emergency Preparedness, Homeland Security, and Cybersecurity and will soon be able to enroll and attain a baccalaureate degree.

Emergency Management Certification and Training: The Emergency Management Certification and Training program was developed by the Division of Homeland Security and Emergency Services to support Governor Cuomo’s strategy of creating unified emergency management training, education, communication, and response protocols. The training is intended for public officials and other partners with a role in emergency management or disaster response. Additionally, DHSES developed an online refresher training for County Executives and Emergency Managers who have previously attended the certification program. Nearly 600 emergency management professionals received training in 2015.

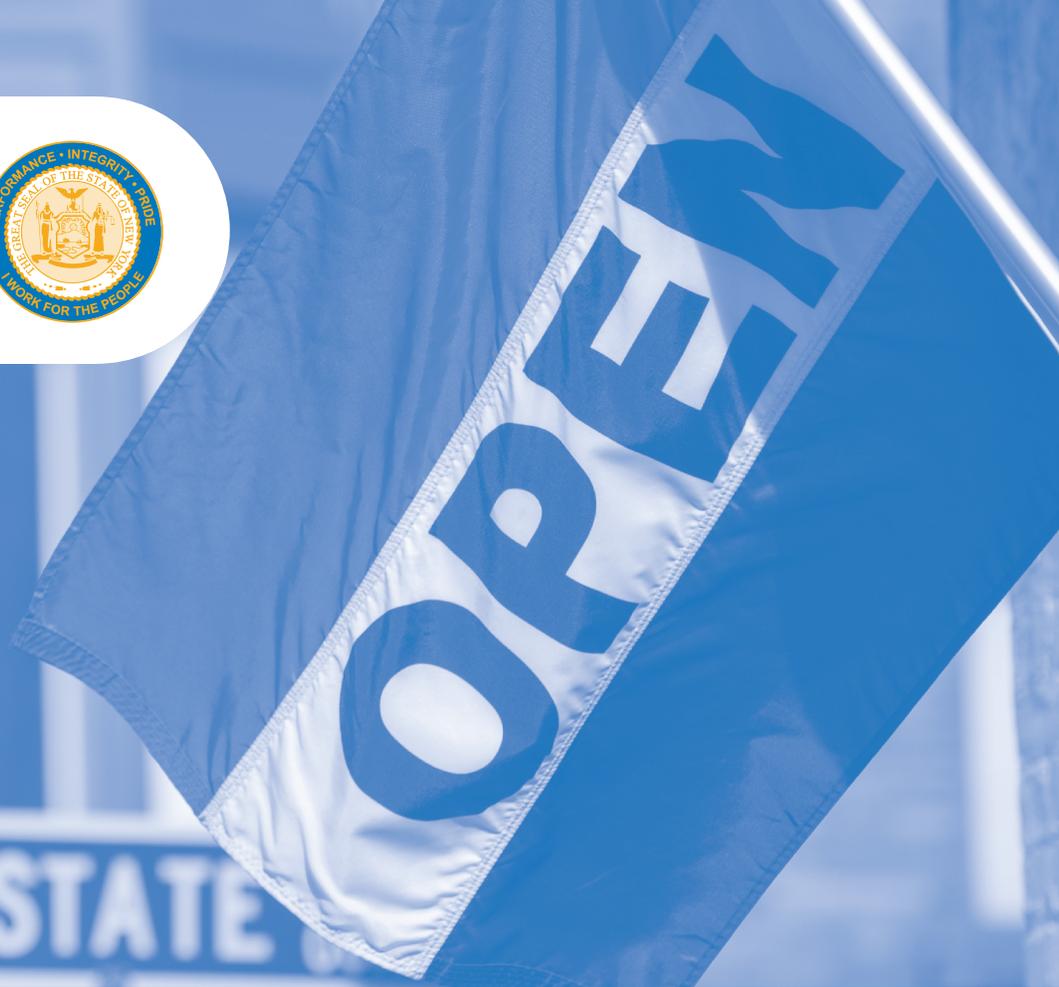
NY Responds: In August, Governor Cuomo announced the creation of NY Responds – a comprehensive new approach for coordinating and strengthening the state’s emergency preparedness. As part of NY Responds, for the first time ever, every county in New York State will have access to universal emergency management software. This software – provided at no cost to localities – will enable both local governments and state agencies to share vital information ranging from incident reports and resource requests to real-time tracking of assets and weather conditions. The system will integrate data from the state’s new 125-site Mesonet weather detection platform. Currently, 118 Mesonet sites have been identified for system installation with the first 21 sites approved for construction – 14 of which are complete and operational.

Additionally, the state supplemented its stockpile of emergency response resources with an additional \$50 million worth of equipment in advance of the winter storm season. This will include 130 SWAT plow trucks, 62 tow blowers, 16 snow plows, 16 loaders, 11 graders, 10 medium dump trucks with plows, eight truck blowers, and two high axel vehicles. The Department of Transportation assets have also been equipped with GPS units that will allow real-time monitoring to more effectively manage storm response across New York State.



Living Breakwaters: A \$60 million project to build out and provide critical defenses to the entire Tottenville coastline along Staten Island's South Shore with breakwaters — rocky sloped walls placed within the water column that can drastically dissipate destructive wave energy. The Living Breakwaters proposal uses man-made oyster reefs to help strengthen the breakwaters and break waves, while acting as a filtration system for oceans and providing habitat for finfish, shellfish and lobsters. In addition, the project incorporates a collaboration with the Billion Oyster Project, a long-term, large-scale plan to restore one billion live oysters to New York Harbor over the next 20 years and to educate thousands of students in New York City about the ecology and economy of their local marine environment.

Bridge Scour Program: The \$518 million Bridge Scour Program puts New York State at the cutting edge of innovative flood recovery and mitigation activities and is the product of an unprecedented collaboration between the State Department of Transportation, Division of Homeland Security and Emergency Services Governor's Office of Storm Recovery and dozens of local governments. The program will protect and strengthen 105 bridges across the state, assuring transportation access in emergencies and confirming New York's commitment to providing corridors for continued economic growth. Contracts for 85 of the 105 bridges were awarded by the end of 2015 and construction for all bridges is scheduled to be completed by the end of 2018.



State of Opportunity

End of Year Report 2015

Governor Andrew M. Cuomo
December 2015