



Building on Success End of Year Report 2014

Governor Andrew M. Cuomo

December 2014

Overview

Four years ago, Andrew M. Cuomo was sworn in as the 56th Governor of New York. When he assumed office, the state faced daunting challenges. Its economy lagged behind much of the nation. New York had experienced devastating job losses and the exodus of businesses, particularly upstate. Out-of-control spending caused staggering State budget deficits. While the crises mounted, Albany remained hopelessly mired in gridlock. The State government, once a national model, had become a national disgrace. And after years of scandal and dysfunction, the government had lost the trust of its people.

Many skeptics argued that the state was beyond repair, its best days behind it. But Governor Cuomo believed that if any state could make a comeback, it would be New York.

In his first State of the State address, Governor Cuomo set forth a transformational plan to restore New York to greatness. He pledged that he would once again make our state the home of economic promise, fairness, and opportunity. He has worked tirelessly during his tenure to make that pledge a reality.

Under Governor Cuomo's leadership, New York has experienced a renaissance that was unimaginable just a few short years ago. The Governor, working with the Legislature, put the State on a course of fiscal stability with the passage of four, on-time, honestly balanced budgets. Over the past four years, state spending growth has been held to below two percent, the lowest rate of spending growth over a four-year period in over 50 years. After four years of responsible fiscal leadership, Governor Cuomo turned the \$10 billion budget deficit that existed when he came into office into a projected multi-billion dollar surplus. The State ended the 2013-14 fiscal year with a net operating surplus of \$625 million. The State's actions have been recognized by all three financial rating agencies, which raised New York's credit rating for the first time since the 1970s.

Controlling spending has allowed the State to control taxes and create jobs. As a result of Governor Cuomo's leadership, every New Yorker pays a lower income tax rate and the middle class has the lowest income tax rates in more than 60 years. The corporate tax rate dropped from 7.1 percent to 6.5 percent, its lowest level since 1968. The tax rate for manufacturers was reduced to zero, the lowest rate since the tax was put in place in 1917.

Additionally, the Governor has made controlling property taxes one of his highest priorities. In 2011, he won enactment of the first statewide property tax cap in history. As a result, New York's property taxes have been held to an average growth rate of approximately two percent during the past two years, less than half the rate of growth over the previous ten years. This spring, the Legislature enacted the next phase of the Governor's property tax plan, which reimburses qualifying New York State homeowners for increases in local property taxes. Over three years, the program will result in over \$1.5 billion in direct property tax relief.

New York State created over 500,000 new private sector jobs in the past four years, and the state now has over 7.6 million private sector jobs, the highest level in its history. Unemployment is down substantially in every region and the overall rate, as of November 2014, stands at 5.9 percent, a decline of 2.4 percent in four years, and the lowest level in six years.

Governor Cuomo achieved these results by a complete redesign of the State's economic development program through his Regional Economic Development Councils. The Councils bring together stakeholders from each of the ten regions of the state to develop long-term strategic plans based on each region's specific priorities and unique resources. The Regional Economic Development Councils have awarded over \$2.9 billion for job creation and community development that will create and retain over 150,000 jobs. As part of this regional economic approach, the State's historic \$1 billion investment in the Buffalo area economy is helping to create thousands of jobs and spur billions in new investment and economic activity and has turned around the long-declining regional economy. The Governor also launched START-UP NY, a groundbreaking initiative designed to transform SUNY campuses and university communities across the state into tax-free zones that attract new businesses and encourage existing ones to expand. Companies participating in the program operate completely tax-free – including a waiver of income taxes for employees, and of sales, property, and business taxes for employers. As of December 2014, there have been a total of 46 businesses approved for participation in the START-UP NY program. These businesses project the creation of almost 1,900 net new jobs and \$89 million in investment.

New York has begun to reclaim its place as the progressive capital of the nation, leading the country with issues such as: marriage equality, sensible gun control legislation, an increased minimum wage, and a strong commitment to affordable housing and healthcare. The Governor has brought unprecedented investments and innovations to public education at all levels, including significant increases in school aid, a high quality universal pre-K program, a statewide teacher and principal evaluation system, and a focus on bringing the best technology to our school children.

Governor Cuomo has taken a national lead on addressing the impact of extreme weather and the long-term needs of the victims of Superstorm Sandy, Hurricane Irene, and Tropical Storm Lee while securing our safety from future natural disasters. Much of the efforts have been funded by \$30 billion in federal aid that Governor Cuomo fought to obtain for relief efforts. The Governor's work is 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 in the future.

While we have achieved much, what is most important is that by working with the Legislature and the people of New York, the Governor has changed the culture of Albany. Together we have replaced dysfunction with performance, gridlock with action, and the demands of special interests with policies that serve the people.

Our work in the year that has just concluded builds on the achievement of the past three years and sets a four-year record of unmatched progress toward our goal of creating a new New York. While we have made great progress, great challenges face us as we look ahead to the next four years. We need to continue to control our taxes including local property taxes; build our economy, and create jobs, particularly in upstate; further transform our education system to ensure that every child is prepared to take their place in the 21st century economy; ensure we have a criminal justice system that is just for all our people; increase our readiness for the escalating threats of terrorism, severe weather, and biological challenges like Ebola; and win the battle to make our state a place of fairness and opportunity for all.

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

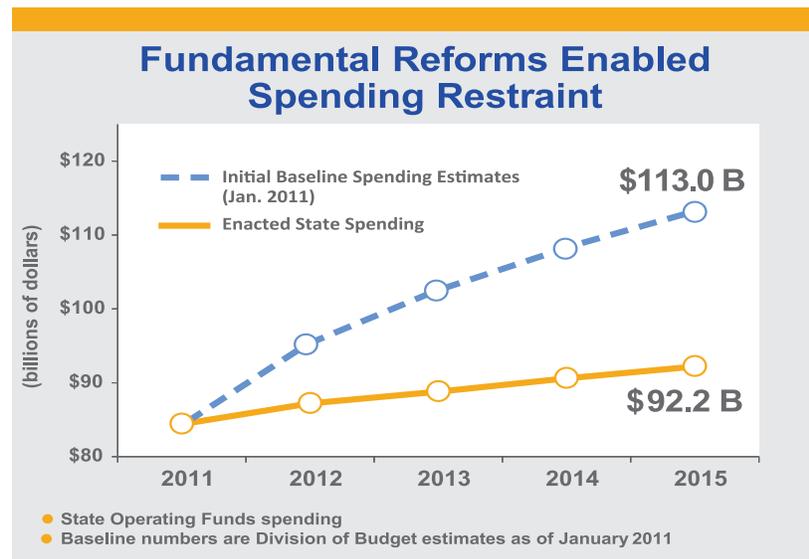
I. Fiscal Responsibility

Governor Cuomo continued to make remarkable progress in restoring New York's fiscal integrity and stability. For the fourth consecutive year, the budget was passed on time, reversing decades of dysfunction. The new budget maintains the fiscal discipline that has characterized the last four years by holding the growth in spending below two percent, while also making broad tax cuts and targeted investments that will transform our schools and ensure safer, cleaner, and fairer communities.

The State ended the 2013-14 fiscal year with a net operating surplus of \$625 million. General Fund reserves grew to \$2.24 billion. The State is on-track to end 2014-15 with a sizeable surplus in the General Fund due to a series of financial settlements reached with banks and insurance companies. These funds will be utilized in a fiscally responsible way. Possible uses will include one-time allocations to replace aging infrastructure, rebuild upstate cities, and help local governments cut costs and lower property taxes. By adhering to the two percent spending benchmark, the State will continue to accrue surpluses in future years.

Before Governor Cuomo came into office, New York had a long history of overtaxing and overspending. In the previous 50 years, the annual State Budget grew faster than income 60 percent of the time (or three out of every five budgets), and spending grew at an average rate of approximately seven percent, compared to income growth of 6.2 percent. If spending and income had grown at the same rate, spending today would be approximately \$40 billion below its current level. With the adoption of the two percent spending benchmark, the unsustainable trend has been reversed. Since 2011, State spending has grown more slowly than income every year and at its slowest rate in 50 years.

These achievements contributed to the upgrading of New York's credit rating by all three major rating agencies. In June, Moody's Investor Services upgraded New York's General Obligation bonds to Aa1, their highest rating of the State since 1964, and Fitch Ratings upgraded New York to AA+, their highest rating ever for the State. In July, Standard and Poor's upgraded New York's GO bonds to AA+, their highest rating since 1972.



II. Cutting Taxes for Every New Yorker

2014 builds upon the last three years of tax relief, with the enactment of a property tax cap, the lowest middle-class tax rate in over 60 years, elimination of the MTA payroll tax for more than 700,000 small businesses and the self-employed, creation of a new family tax relief credit, tax cuts for small businesses and manufacturers, reforms to unemployment insurance and workers compensation insurance, and the launch of START-UP NY tax free zones.

Lower Taxes for Homeowners: The 2014-15 budget includes a new \$1.5 billion program to provide direct property tax relief to New York homeowners. It also addresses one of the primary drivers of the state's high property taxes – the excess number of local governments. The Property Tax Freeze Credit is designed to give local governments and school districts incentives to share services and reduce their financial burden on the taxpayer. In 2014, about 2.5 million taxpayers received property tax relief when their local school district stayed below the property tax cap. In the next two years, additional relief will be provided to taxpayers in school districts and local government jurisdictions that comply with the cap and put forward plans to save one percent of their tax levy per year over three years.

For New York City residents, the budget creates a new \$85 million, progressively structured, tax relief program. Qualifying homeowners and renters will be eligible for a refundable tax credit against their personal income tax if their property taxes or rent exceed a certain percentage of their income.

New York's outdated estate tax is literally a "move to die" tax, which perversely encourages elderly New Yorkers to relocate to other states. The tax places a special burden on small family-owned businesses. The budget addresses this problem by raising the threshold for the estate tax from \$1 million to the federal exemption level, which is currently \$5.3 million. This change will take place over the course of several years.

Reducing Taxes to Create Jobs: The budget also includes reforms to bring more out-of-state companies to New York, creating jobs and generating revenue that can be invested in state programs to benefit New Yorkers. The budget contains the most significant improvements to New York's business tax system in nearly three decades. The tax code is simplified, the tax on business assets is phased out, and the business net income tax rate is reduced from 7.1 percent to 6.5 percent, the lowest rate since 1968. Governor Cuomo has dramatically improved the business climate for manufacturers by lowering the tax rate on income for all manufacturers from the current 5.9 percent to zero in 2014 and thereafter, and establishing a 20 percent real property tax credit for manufacturers who own or lease property. As a result of these actions, New York is already a more attractive place for manufacturing firms to do business.

Lastly, the budget accelerates the phase-out of the 18-a temporary assessment for all energy customers, saving businesses and residents \$600 million over the next three years.

III. Strengthening the Economy to Create Jobs

Working to strengthen our state's economy and create jobs for New Yorkers has been Governor Cuomo's highest priority.

Since Governor Cuomo took office, Empire State Development, the State's economic development agency, has approved incentive packages totaling nearly \$1.6 billion and has secured pledges to create and retain approximately 248,000 jobs and to leverage nearly \$12.8 billion in private investment in the state.

New York State had gained over 500,000 new private sector jobs over the past four years, and the state now had over 7.6 million private sector, the highest number level in our history. New York is number two in the nation in net new job creation since the recession.

Unemployment is down substantially in every region and the overall rate, as of November 2014 stands at 5.9 percent down 2.4 percent in four years, and the lowest level in six years.

START-UP NY: Governor Cuomo's game-changing initiative is transforming State University of New York (SUNY) campuses and other universities across the state into tax-free communities that can attract start-ups, venture capital, new business and investments from across the world. The program is enticing companies to bring their ventures to upstate New York or to start new companies within New York by offering new businesses the opportunity to operate completely tax-free – including no income tax for employees and no sales, property or business tax – while also partnering with the world-class higher education institutions in the SUNY system.



To date, a total of 61 colleges and universities have been approved for participation in the tax-free initiative (49 upstate and 12 downstate; 42 out of 66 SUNY schools, 15 private institutions and four CUNY campuses), establishing more than 346 Tax Free Areas representing over 4 million square feet of space for new or expanding businesses.

So far, 46 businesses are participating in the program, committing to creating nearly 1,900 new jobs and investing almost \$90 million in communities across New York State. The 2014-2015 budget also expanded START-UP NY to include as automatically eligible the campuses of four prisons scheduled for closure this year: Butler Correctional Facility, Chateaugay Correctional Facility, Monterey Shock Incarceration Correctional Facility, and Mount McGregor Correctional Facility.

Regional Economic Development Councils: The budget included a fourth round of funding to the Regional Economic Development Councils (REDC), the Governor’s model to replace the old “top-down” bureaucratic approach to economic development. The REDCs competed for up to \$150 million in capital funds and \$70 million in Excelsior Tax Credits for priority projects in their regions. Together with additional funding from 12 New York State agencies, \$709 million in economic development resources was awarded to over 850 projects in the fourth round of the REDC process announced in December. After four rounds of the program, almost \$3 billion has been awarded for job creation and community development projects consistent with each region’s strategic plan, resulting in the creation and retention of more than 150,000 jobs.



3-D Printing, SUNY New Paltz

SUNY and CUNY 2020 Challenge Grant

Program: The Governor added \$55 million for a fourth round of the SUNY 2020 Challenge Grant Program and \$55 million for a second round of the CUNY 2020 program to provide competitive grants for projects that connect economic development and academic excellence.

Generating Jobs, Supporting Localities and Schools through Resort Casinos:

The State Gaming Commission named members to the Gaming Facility Location Board, which determined the site

selection for up to four Upstate casinos authorized by the upstate New York Gaming Economic Development Act. The Board issued a Request for Applications for casinos in the spring and held a series of public hearings on the applications as part of their extensive review. In December, the Board recommended three proposals, one each from Seneca, Sullivan and Schenectady counties, to the State Gaming Commission. With a combined capital investment of more than \$1.3 billion, it is expected that the three casinos will create more than 3,600 permanent jobs.

Support For Buffalo And Western New York: The Governor continued his commitment to Buffalo and Western New York through his Buffalo Billion initiative. The 2014-2015 budget fulfilled the Governor’s \$1 billion commitment to revitalize Buffalo’s regional economy by including \$680 million in new capital appropriations. This complements \$150 million in prior-year capital appropriations and \$170 million in tax credits reserved from the Excelsior Jobs program to provide the full \$1 billion promise.

Major Buffalo Billion projects are already underway, with the development of several hubs to be anchored by major companies: the Buffalo High-Tech Manufacturing and Innovation Hub at Riverbend; 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 University at Buffalo. These new state-of-the-art hubs will bring thousands of new jobs to Western New York.

Additional Buffalo Billion initiatives address workforce development, tourism plan development, waterfront development, and other strategic community revitalization projects within the city of Buffalo and surrounding areas.

The New Stadium Working Group, established as part of the 2013 Ralph Wilson Stadium 10-year lease, convened for the first time this past spring. The group is exploring options for development and construction of a new stadium in Western New York to serve as a home for the Bills, a catalyst for economic growth, and a premier sports and entertainment venue for the region. This 21-member group includes representatives from the State government, Erie County and the Buffalo Bills.

Last May, Governor Cuomo officially designated the Buffalo Harbor State Park as the 180th New York State Park and the first in Buffalo. Buffalo Harbor State Park will receive an initial investment of \$15 million for improvements and enhancements, which will help propel the revitalization of the city's waterfront. The designation is tied to the official transfer of 340 acres of land on Buffalo's Outer Harbor from the Niagara Frontier Transportation Authority to the State. The land will be used to create a destination playground, picnic pavilions, and a redesigned break wall at the marina, which will feature a pedestrian walkway overlook, fishing access, and seating.

Economic Transformation Program: This year's budget allocated \$32 million to support communities impacted by the closure of New York State correctional and juvenile justice facilities. The funding builds on \$50 million provided in 2011 to various communities impacted by facility closures to leverage private sector investments to create jobs and support initiatives that will help transform the economies of these communities.

Youth Works Expansion: Governor Cuomo proposed and enacted increased funding for the highly successful New York Youth Works Program for at-risk youth. Funding has been expanded from \$6 million to \$10 million for each of the program's four years and will help young people find job-readiness training, get them into the workplace, and help them succeed in their jobs. In 2012, the program helped 1,270 New York businesses hire 12,866 at-risk young people across New York.

Businesses will continue to be offered a wage subsidy of up to \$3,000 in the form of tax credits to help employ youth from at-risk communities. The business must retain workers for at least six months and is eligible for an additional tax credit of up to \$1,000 for the next six months, as well as another \$1,000 if the young worker is retained for a full second year of employment.

Connecting to the Future: With more than \$70 million awarded for broadband projects during Governor Cuomo's administration, this commitment represents the largest broadband funding in the nation, and allows New York to strengthen the capacity of broadband services across the State. The funding will enable broadband service to be expanded to approximately 160,000 households, 8,500 businesses, and 400 anchor institutions – many without any means to access the Internet.

In June 2014, New York State held its second Broadband Summit, which was expanded in scope and size, bringing together more than 300 broadband leaders to learn about broadband best practices, discuss strategies to address remaining barriers to broadband access and use, and to network with other leaders. New to the 2014 Broadband Summit was the state's first Broadband Champion Awards.

Promoting Recreation and Tourism

As a result of the Governor's commitment to tourism, the industry has seen an increase in spending, State and local tax revenue, visitors, and employment. In 2013, New York's tourism industry generated direct spending of \$59.2 billion, producing an estimated \$7.5 billion in state and local taxes. The number of visitors to New York is estimated to have increased by 8.8 million to nearly 219 million, a 4.2 percent increase since 2012. As the fourth largest employment sector in New York, the tourism industry also added 28,500

jobs in 2013 for a total of over 832,000 jobs and almost \$18 billion in wages.

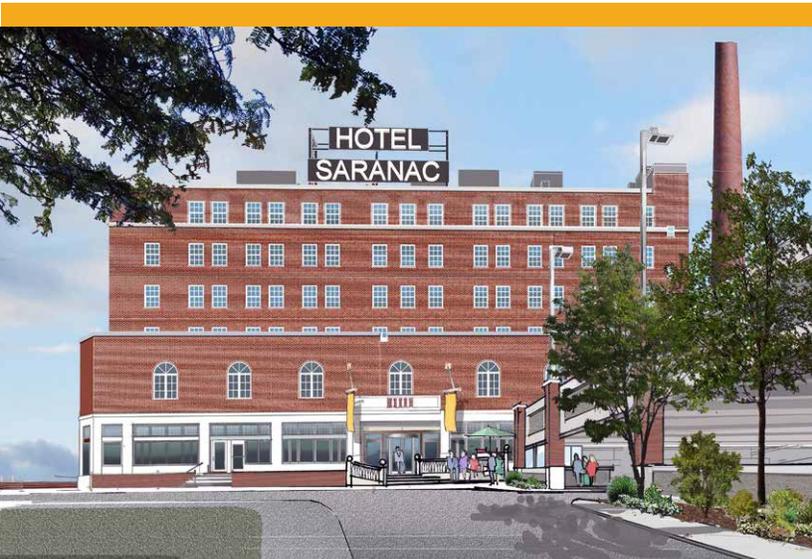
Today, one out of every 12 jobs in New York is tourism-related.

Building on the momentum from last year, Governor Cuomo held the second tourism summit in May 2014, where he announced the State's commitment of \$45 million to promote statewide tourism, create jobs, and attract even more visitors. This 50 percent increase in State funding over the last year makes New York's tourism initiatives the largest State-funded program in the nation. The Governor also unveiled a new advertising campaign featuring Billy Joel, Meryl

Streep, Robert De Niro, Vanessa Williams, Michael Strahan, Steve Buscemi, and Ed Burns.

Governor Cuomo recognizes the importance of the \$11 billion outdoor recreation industry and held a series of events highlight New York's vast natural resources. He created and hosted two Adirondack Challenges, a summer multi-sport event, and the Adirondack Winter Challenge, a diverse set of winter sporting events set in Lake Placid. In addition, he hosted the Bassmaster Governor's Challenge on Owasco Lake to demonstrate the state's vast fishing resources. Last winter, Governor Cuomo also held an event in the Tug Hill region to highlight New York's snowmobiling opportunities.

In addition, the Governor announced a series of initiatives to build on the success of the first summit, including: expansion of the state's global reach through increased representation and partnerships in key markets such as Australia and China; the launch of an I LOVE NEW YORK bus to bring visitors from New York City to New York State ski slopes, wineries, breweries and special events; activations at events across the state to



acquire consumer data, bolster events as tourism draws, and promote tourism statewide; and a campaign to promote outdoor tourism, including a hunting, fishing and wildlife app, camping discounts, and a partnership with the Campground Owners of NY to represent New York at RV shows nationwide.

The Taste NY program was launched in 2013 to highlight New York food and beverage products at special events, tourism destinations, and stores throughout the state. Over the past year, more than 60 Taste NY events were held and New York-made products can now be found in nine stores, including four major New York airports, along the New York State Thruway and Taconic State Parkway, and in Grand Central Terminal in New York City. To further promote our farm-based beverages, a new Taste NY marketing and branding program is being created with New York liquor stores. New designation signage for Taste NY, will also help promote agritourism and our farm beverage sector along the Thruway and major routes.

The New York State Fair increased attendance by 113,990 over 2013 – the largest one year increase in attendance. The Fair also set two all-time daily attendance records of 120,617 and 122,870 on its final weekend. On the Midway, a new record in gross sales of \$2.95 million was set and revenue paid to the Fair by the midway operator set a new record of \$1,594,508. These records were made possible by new leadership and cross coordination between state agencies.

Additionally, Empire State Development's New Farmers Grant Fund, in consultation with the New York State Department of Agriculture and Markets, will administer the program. The budget provided \$614,000 for assistance to new and early stage farmers and to encourage farming as a career path to sustain and grow agribusiness across New York State.

Strengthening our Film and Television Industry

New York State continued its commitment to making our State the leader in the film and television industry by enacting several enhancements and related credits under the New York State Film Tax Credit Program. Since 2011, the State has issued \$1.06 billion in tax credits toward motion picture, television series, and television pilot production in New York, resulting in \$5.03 billion in film and TV industry spending. With over three months to go in the 2014-2015 fiscal year, the State issued \$271 million in tax credits for eligible projects, resulting in \$1.2 billion of film and TV industry spending in the State.

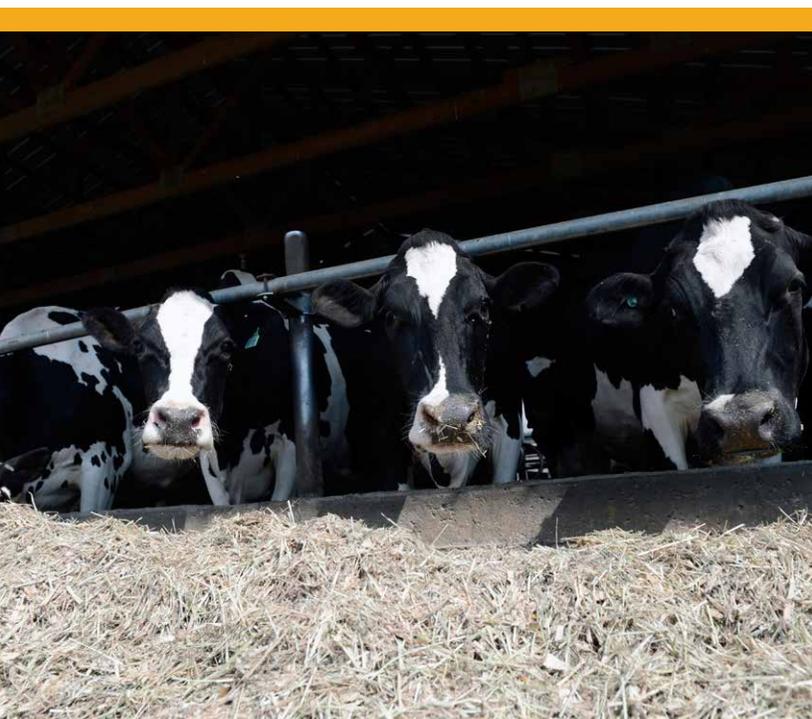
The expansion of the Post Production Tax Credit program also led to a record number of 65 applications for the program in 2013-2014, with twelve new and seven existing New York State post production companies having undertaken significant expansions since July 2012. With over three months to go in the 2014-2015 fiscal year, 57 applications for the post-production tax credit have been submitted. In February, New York State and Broadway Stages, one of New York City's premier full-service film, television, and music video production companies announced plans to purchase the former Arthur Kill Correctional Facility on Staten Island and invest at least \$20 million to transform the site into a film, television, and music production facility. The company plans to construct five new sound stages, aiming to create 800 jobs over the next two years and as many as 1,500 in the next five.

Governor Cuomo also unveiled plans in March for a new Central New York Hub for Emerging Nano Industries in Onondaga County, which will specialize in providing advanced visual production research and education to support upstate New York's rapidly growing film and television industry. The facility will use nanotechnology to drive innovations in the computer generation imagery, animation, and motion capture technology that is used in film and television production. The Film House, a California-based film and television company, will be the facility's first tenant, moving its headquarters, production, post-production and distribution operations to Syracuse. The project will create at least 350 new high tech jobs and 150 construction jobs.

In addition, the Governor announced that Walt Disney Company, Marvel, and Netflix Inc. will principally film four TV series and one mini-series in New York State, representing the biggest production commitment in the state's history. The Walt Disney Co. will spend \$200 million over three years filming, which began last summer and will create at least 3,000 jobs in New York State, including up to 400 full time jobs.

Expanding New York's Dairy Industry

Under Governor Cuomo's leadership, New York reclaimed its status as the number three producer of milk in the country. The strong growth represents the fifth consecutive year that New York has registered an increase in milk production.



In 2012 and 2013, New York led the nation in the production of yogurt. The state also doubled its yogurt production from 2010 to 2013, from 369 million pounds in 2010 to 741 million pounds in 2013. New York's share of total U.S. yogurt production rose from 8.8 percent in 2010 to 15.7 percent in 2013. The yogurt industry has also driven the growth of employment within the state's dairy sector, which demonstrated a 16.4 percent increase between 2010 to 2013.

New York is also number one for cream cheese and cottage cheese production in the country. The Dairy Acceleration Program, a joint venture between the Department of Agriculture and Markets and the Department of Environmental Conservation, made \$1 million available

in funding to help dairy farmers develop individualized business and environmental plans. This grant program seeks to increase the efficiency and production of dairy farms in New York State, with an emphasis on small- to medium-size farms (under 300 cows) and those seeking to expand. This is the first time that these two agencies have come together to provide coordinated assistance to dairy farms under a single program.

In addition, the program will enable farmers to tap into the expertise of the Cornell Cooperative Extension network and other agricultural programs to expand their businesses and increase production on their farms. The Dairy Acceleration Program will build upon Governor Cuomo's "one stop shop" approach by providing a central point of access to technical assistance for those dairies looking to expand or improve productivity.

In 2014, Governor Cuomo convened a second Dairy and Yogurt Summit to determine how to continue upon this success. At the Summit, new initiatives were launched including review of the Federal Margin Protection Program designed to help dairy farmers in times of low milk prices to determine if the State has a role to play in increasing farmer participation, expansion of State procurement of yogurt, a dairy training facility at SUNY Cobleskill, and the creation of a renewable energy task force for agriculture.

Strengthening Agriculture

Governor Cuomo has been leading the effort to break down barriers that farmers face with state government, creating the SILO Task Force ["Strategic Interagency taskforce on Lessening Obstacles to agriculture"], a statewide programmatic and regulatory review committee consisting of state agencies and nine external, business, and advocacy organizations to evaluate current impediments to production agriculture. The SILO task force met five times, with the final meeting held on October 17, 2014.



The Task Force was designed to improve how state agencies interact with farmers to ensure that they are communicating regularly, to help coordinate their interactions with the farming community, and when possible, to lessen requirements when dealing with farmers. The Task Force's work included conducting an in-depth review of over 50 critical issues of concern to farmers, holding extensive dialogue with respective agencies, and making recommendations for action. State agencies were called to action throughout the process, and many initiated change immediately following the dialogue with the farmer members. Some topics of discussion included: farmworker housing inspections, agricultural use value assessments, capital improvements to equine facilities at fairs, navigating the multitude of regulations and requirements placed on farmers, pesticide regulations and interference of utility lines with production practices.

The Governor has also worked to preserve farmland for agriculture, announcing \$17.6 million to protect 6,440 acres of farmland, and is soon to award a contract for a farmland protection project in the Fort Drum area.

In October, the Beginning Farmers Taskforce, a group that examines the barriers to establishing an agricultural operation and the assistance that is available, held its first meeting. Partnering with Empire State Development, the working group consists of agency representatives, lenders and financial institutions, land resource specialists, and select groups or individuals that represent the “new, beginning” farmer.

In addition, the agency has re-convened the Pride of New York advisory group to promote labeling and marketing of New York foods and the Advisory Committee on Agriculture, which advises on matters of agricultural land use.



A year-end summit was held to improve and promote upstate-downstate connections for food and agriculture, emphasizing procurement, access to markets for producers, increasing access to fresh food for underserved communities, and improving the food and agricultural infrastructure between upstate and downstate.

Building Our Wine, Beer, Cider and Spirits Industries

New York is home to nearly 600 wineries, breweries, distilleries and cideries, which, combined with distribution and retail, account for more than \$27 billion in economic impact each year and support tens of thousands of jobs statewide. The state ranks third in the nation in wine and grape production, second in apple production, houses the second most distilleries and three of the 20 top-producing breweries in the country. Since the first quarter of 2011, State actions to support agricultural producers have contributed to an 83 percent growth in farm-based beverage licenses.

Over the past three years under Governor Cuomo’s leadership, the number of farm wineries in New York has increased by 46 percent, from 195 in 2010 to 285 today. The number of microbreweries has increased by 133 percent, from 40 in 2010 to 93, and the new farm brewery law, effective January 2013, already has resulted in 32 new licensees. The number of New York cideries in production has also seen growth – today, there are 24 hard cider producers across the state.

Improved Licensing: The new farm brewery and cidery licenses signed into law by Governor Cuomo, developed with stakeholder and industry input, encourage the use of New York-grown agriculture products. The farm brewery license has reignited statewide production of hops and barley, and the state’s farm distillers have renewed interest in production of small grains.

In addition, dozens of newly licensed craft beverage producers have emerged all across New York as a result of the State’s efforts to simplify licensing and retailing regulations. Craft beverage applications are being fast-tracked and producers may now open up new branch stores statewide, conduct product tastings, and sell their products at county fairs and the New York State Fair.

Craft New York Act: Last June, through Governor Cuomo’s leadership, the Legislature enacted a law to further strengthen and assist New York State’s vibrant craft beverage producers. The Craft New York Act is a set of reforms to raise production limits and lower licensing fees for craft manufacturers, expand marketing opportunities, and increase retail outlets where small craft manufacturers can sell, serve, and offer samples of their products.

Governor’s Second Beer, Wine, Spirits and Cider Summit: At the April summit, the Governor announced a new marketing and promotional commitment, with the State committing \$2 million in direct spending to support the industry’s growth via a \$1 million targeted advertising campaign and \$1 million in tourism promotion funding. Additionally, the State will launch a \$2 million grant program that matches \$2 million in industry contributions for the marketing and promotion of wine, beer, spirits, and cider produced in New York State.

Following the summit, the State Liquor Authority adopted changes, effective immediately, to eliminate unnecessary paperwork and clarify standards on brand label registrations; eliminate a bond requirement for farm wineries; reduce costs for manufacturers and wholesalers with multiple licenses by allowing them to deliver all their products in one shipment; and provide guidance to the industry concerning the new “roadside farm market law.”



Expanding Opportunities and Resources for Minority-Owned, Women-Owned and Small Business Enterprises

Continue to Expand Opportunities for MWBE Businesses: Under Governor Cuomo's leadership, the State has made great strides in contracting for minority- and women-owned business enterprises (MWBEs). Exceeding the Governor's goal of 20 percent, state agencies increased MWBE contracts to 25.12 percent, a significant jump from the 10.3 percent when the Governor took office. This resulted in \$1.96 billion in contracts for MWBEs, the largest of any state in the country. The Governor increased the statewide goal to 30 percent in October 2014 – the highest of any state.

The State's success is due to an aggressive multi-pronged strategy to remove barriers to increase the utilization of MWBE firms in State contracting. The State was also able to significantly increase the pool of certified MWBEs, adding 2,123 firms between January 2011 and January 2014.

The Governor also addressed credit barriers to MWBE participation in State contracting. Small business and MWBE contractors leveraged over \$40 million in surety bonding capacity as a result of training, credit facilitation, and surety bond collateral support. The Governor also launched the Bridge to Success Loan Program, where MWBE certified firms can now receive working capital through a \$20 million fund to perform on State contracts.

Mentoring For Small Business: Small businesses comprise 98 percent of all businesses in New York and employ more than half of the state's private sector workforce. Access to hands-on business coaching from experienced professionals and successful entrepreneurs enables small businesses and MWBEs to secure expert guidance critical for growth and success.

In May, the Governor announced Business Mentor NY, a comprehensive digital platform to provide real world guidance to small businesses from business professionals, building on recovery efforts from Superstorm Sandy, Hurricane Irene, and Tropical Storm Lee. Business Mentor NY is the State's first large-scale, hands-on mentoring program to help entrepreneurs and small businesses overcome challenges and spur economic growth.

Immigrant Entrepreneurship Training: The Immigrant Entrepreneurship Training Series, launched in April, helps immigrants across the state start and grow businesses. More than 100 immigrant entrepreneurship seminars will be held throughout the state in the coming year.

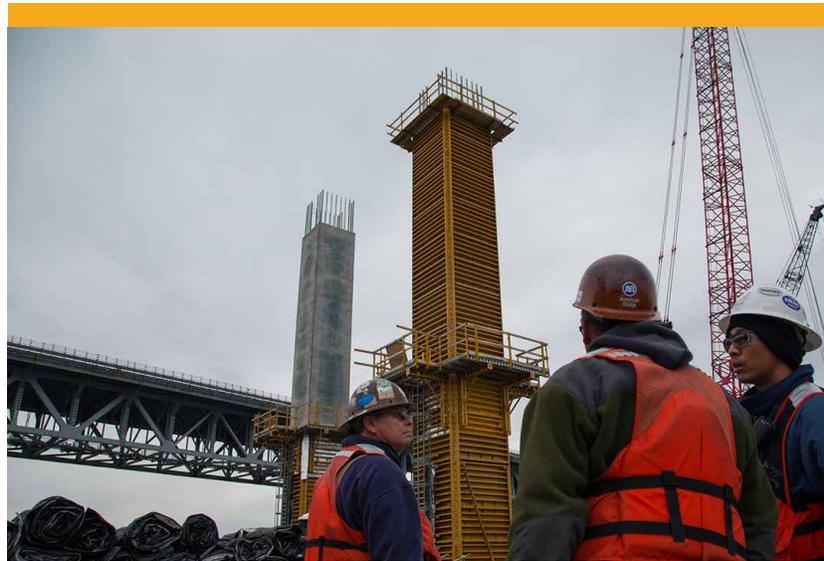
Businesses Owned By Disabled Veterans: Governor Cuomo is committed to ensuring that New York is a national leader in providing the care and benefits that veterans and military families have earned. The state is home to more than 900,000 veterans, 72 percent of whom served in combat. However, veteran reintegration into the economy has lagged.

Recognizing this problem, Governor Cuomo proposed and signed the Service Disabled Veteran-Owned Business Act, establishing a six percent goal, double the federal government's goal, for participation in State contracts by these businesses, in addition to other measures to support disabled veteran-owned companies. The legislation creates the Division of Service Disabled Veterans' Business Development within the Office of General Services, which will oversee the program and certify eligible businesses.

IV. Improving the State's Transportation Infrastructure

New NY Bridge Project Rising in the Hudson

The New NY Bridge (NNYB) project to replace the Tappan Zee continues to make remarkable progress on its way to completion in 2018. The \$3.9 billion design-build project championed by Governor Cuomo remains on schedule and on budget. The New York State Thruway Authority's contractor, Tappan Zee Constructors, LLC (TZC) has now driven 70 percent of the production piles that will form the new foundation of this 100-year Hudson River crossing between Westchester and Rockland Counties. After focusing on underwater work for nearly a year, the first vertical pier columns rose above the Hudson in September. The pile caps that will hold the iconic open towers of the twin-span new bridge are also in place. In October, Governor Cuomo toured the project site by boat and welcomed the I Lift NY super-crane. One of the world's largest floating cranes, the I Lift NY is key to helping save more than \$1 billion on the project compared to early cost estimates. The crane allows large sections of the new bridge to be pre-fabricated offsite in a safer, more efficient manner.



Building Smarter and Better

Completion of All 112 NY Works Accelerated Bridge Projects: In February, Governor Cuomo announced that all 112 NY Works accelerated bridge projects have been completed and opened to motorists. The opening of the Western Gateway Bridge (Route 5) over the Mohawk River between the City of Schenectady and the Village of Scotia in Schenectady County marks the final project to be finished.

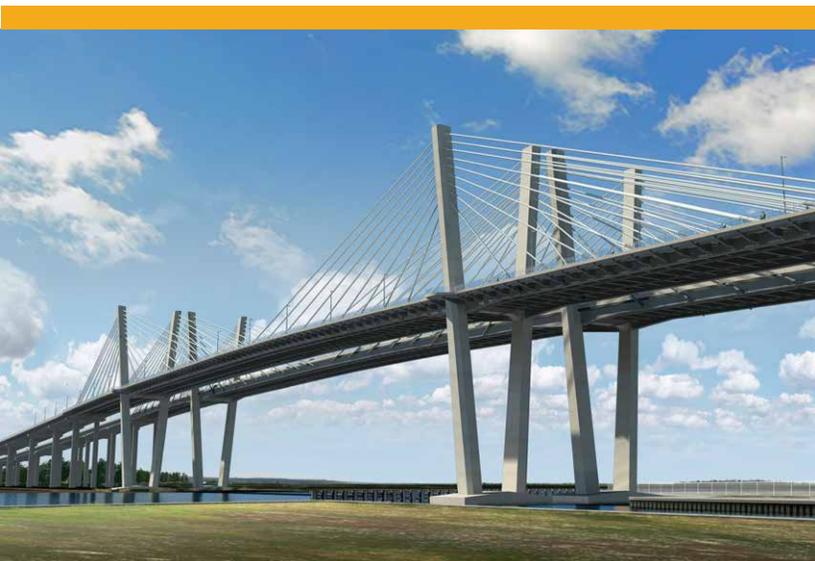
Enacted as part of the 2012-2013 budget, Governor Cuomo's NY Works program allotted \$212 million to address bridge deck and structural replacement or rehabilitation needs on 112 bridges across New York State. That included a total of 32 bridge projects contracted through the design-build process, all of which are now substantially complete. Work also included rehabilitating 77 bridges and replacing three bridges through the traditional contract bid process. Those projects were completed late last year.

NYSDOT is completing the final year of the two-year capital program approved in SFY 2013-14. By March 31, the Department will have committed 100 percent of the construction funds provided for in that program. To date, the funds included for the current year will allow the Department to repair, rehabilitate and/or replace more than 1,400 and improve 1,300

lane miles of pavement. In addition, funds included in the Transportation Memorandum of Understanding for rail, aviation, and transit have been awarded, and will be either under construction or in the procurement process

Goethals Bridge Replacement: In May, Governor Cuomo announced the formal start of construction on the \$1.5 billion Goethals Bridge replacement project. The project,

proceeding on schedule and on budget, is being constructed in compliance with Buy America provisions for steel and other materials.



Design Build Successes: Since the enactment of the Infrastructure Investment Act, NYSDOT has awarded 10 design-build contracts valued in excess of \$800 million, including the Department's largest ever single contract, the \$550 million Kosciuszko Bridge, saving an expected 3 years on project delivery time. These projects are underway throughout the state, and the results are overwhelmingly positive: projects are being delivered significantly

sooner and on-budget, and jobs are being created. In addition to these 10 contracts, there are currently 12 more under procurement, totaling an additional \$300 million.

Kosciuszko Bridge Replacement: This May, a Design-Build Team was selected for this \$555 million dollar project, the largest single contract the New York State Department of Transportation has ever undertaken, and construction began this summer. The team will replace the eastbound Kosciuszko Bridge, which carries the Brooklyn-Queens expressway (Interstate 278) over Newtown Creek between Brooklyn and Queens.

Progress at the World Trade Center: The Port Authority of New York and New Jersey (PANYNJ) has continued to make significant progress in completing its commitments at the World Trade Center (WTC) site and the revitalization of Lower Manhattan, including completion of its sale of the WTC retail interests to the Westfield Group for a combined \$1.4 billion in proceeds; turnover of space at 1WTC to Condé Nast to begin its office fit-out for occupancy later in 2014; completion of the 9/11 Museum; and the opening of the newly reconstructed Port Authority Trans-Hudson (PATH) platforms and concourses at the WTC Hub transit center.

Historic 10-Year Capital Plan for the Port Authority Approved: On February 19, 2014, PANYNJ approved a ten-year, \$27.6 billion Capital Plan. The Plan renews the PANYNJ's focus on its core transportation mission, with significant investments in state of good repair projects and aviation infrastructure. The projects in the Plan will drive a total of 126,000 "job years" and \$29 billion in economic activity in the region. This is the first long-range Capital Plan the

PANYNJ has adopted since 2007. Following the passage of the ten-year Capital Plan, the PANYNJ Board authorized in March a \$1.0 billion project to replace the 592 suspender ropes on the 82-year old George Washington Bridge – one of the largest projects in the plan.

Initiatives to Improve Freight Movement in the Region: In September, the Port Authority authorized a project to modernize and improve the Cross-Harbor float barge system that moves cargo between New Jersey and Brooklyn, providing an efficient, environmentally friendly alternative to truck transport for cargo headed to East-of-Hudson markets in New York and Long Island. Additionally, in November, the Port Authority in conjunction with the Federal Highway Administration, published a draft Tier 1 Environmental Impact Statement analyzing long-term alternatives for addressing the challenge of expected growth in freight in the region.

Winter Snow and Ice Control

The winter season started early with the November Lake Effect Snow Storm in Western New York. This unprecedented storm resulted in the largest winter deployment of personnel and equipment in the department's history. At its peak almost 1,000 NYSDOT staff mobilized more than 600 pieces of heavy equipment, including snowplows, loaders, and large snow blowers from as far away as Suffolk County. More than 70 percent of the NYSDOT personnel and equipment deployed to assist impacted towns, counties, and cities with response and recovery were from outside of the affected area.

The State estimates more than \$46.6 million in response costs and infrastructure damage verified as a result of the storm. In December, Governor Cuomo requested and was granted Physical Disaster Declaration by U.S. Small Business Administration, making available various forms of financial assistance to homeowners, renters, small businesses and nonprofits to repair or replace property damaged or destroyed as a result of the extreme weather.

The 2014-2015 enacted budget also included \$40 million in State funding to help local governments make necessary repairs to highways and bridges following this year's exceptionally harsh winter, a special one-time allocation to compliment the \$438 million in existing State support for local transportation infrastructure. All counties, cities, towns and villages in the State received capital assistance through the program.

Safety On Commuter Railroads

Safety is paramount to transportation systems and the MTA adopted this year a series of measures to improve the safety of its railroad operations. The new measures included: creation and hiring of a Chief Safety Officer; reductions in maximum authorized speeds; modifications to the signal system at five critical curves and five moveable bridges so that compliance with these speed reductions is enforced automatically; radar observations and event recorder downloads to ensure locomotive engineers are complying with authorized speeds, with all fleets to be fully equipped by the end of the year; and inward- and outward-facing cameras to assist in incident investigations.

Modernizing New York's Airports

In October, the Governor called for a comprehensive plan to revitalize JFK International, LaGuardia, Stewart, and Republic Airports. Together with the Port Authority, New York State launched a Master Plan Design Competition for JFK and LaGuardia this December. The Master Plan Competitions call for comprehensive re-envisioning of both airports, including state of the art facilities, customer service and amenities, transit and access improvements.

LaGuardia: The Governor has implemented an international design competition to transform and modernize LaGuardia Airport for the 21st Century. This effort will build upon investments already made by Delta, new parking facilities and a more resilient electrical infrastructure. All will enhance how LaGuardia operates by improving transportation options, providing best in class amenities, and ensuring more efficient air traffic.

JFK: The Port Authority has taken near-term concrete steps to revitalize the air cargo business. The PANYNJ has finalized a 27-year lease with ARK Development to develop and operate a state-of-the-art animal handling cargo facility at JFK. This \$48 million public-

private partnership is part of a larger long-term effort to revitalize JFK as a premier air cargo hub for the country. The airport is already experiencing a growth of international cargo.

Stewart: The Port Authority is developing a plan to attract additional business, including cargo, warehousing, and logistics, to Stewart Airport. The business attraction plan was released in December following the Governor's announcement.

Republic: The Governor directed the NYS Department of Transportation to issue a Request for Information in conjunction

with Empire State Development to identify parties interested in serving as a new operator for Republic Airport, in addition to proposing to create a tax-free START-UP NY Zone at Republic.

Transportation Workforce Achievements

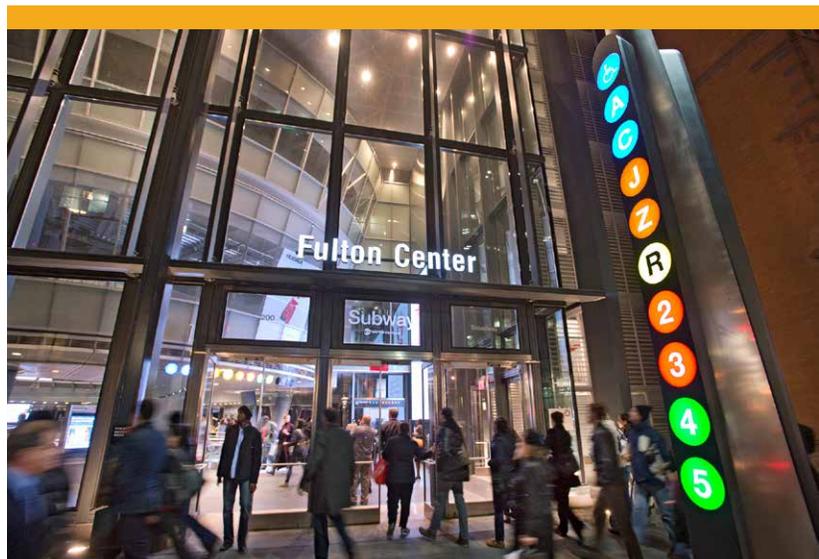
Union Deals: This spring, a deal was finalized between the MTA and Transportation Workers Union Local 100, its largest employee union. The new agreement, which runs from January 16, 2012, through January 15, 2017, provides for wage increases of eight percent over the term of the contract. In July, the MTA reached a labor agreement with a coalition of eight Long Island Rail Road unions. The agreement, which averted a crippling strike that would have devastated the Long Island economy, included a 17 percent wage increase over a term of six and a half years and provided for the first time for health care contributions from all employees in the coalition unions.



PANYNJ Minimum Wage: On April 23, 2014, PANYNJ adopted a formal policy for an increased minimum wage for all workers at third party contractors and subcontractors working at its facilities, starting with PANYNJ's three major airports. The wage policy calls for an immediate \$1/hour increase to those making less than \$9/hour, with an increase to \$10.10 by 2015. The policy also calls for Martin Luther King, Jr. Day as a paid holiday. While PANYNJ and its direct contractors already pay these higher wages, the policy will now ensure fair wages for the thousands of workers of subcontractors of tenant businesses, such as the airlines.

Improving Customer Experiences

MTA Wireless Service: In October, MTA and Transit Wireless completed the second phase of a project to install wireless and Wi-Fi service in subway stations. Through this public-private partnership, all 277 underground stations are expected to be wired by 2017. Phase II covered 29 underground stations in Queens and 11 stations in Manhattan, building upon the 36 Manhattan stations that were included in Phase I. Work is already underway to bring an additional 39 underground subway stations on line by spring of 2015.



Fulton Center Opens: In November, the \$1.4 billion Fulton Center opened on November 10. This new transit hub, which integrates five stations serving the 2, 3, 4, 5, A, C, J, Z and R lines, was funded with \$847 million from a special appropriation that was awarded after the September 11 attacks and by an additional \$423 in American Recovery and Reinvestment Act funds.

Real-Time Information: In March, the MTA's BusTime expanded to Brooklyn and Queens, completing its installation citywide. Through BusTime, MTA customers can get the locations of buses in real time via smart phone, web and text.

Redesigned Department of Motor Vehicles (DMV) Website: The DMV's website had not seen a complete redesign since 1998. In February, 2014, its new website went live and has already seen about a 10 percent increase in customer usage. Site visitors can find the information they need more easily, reducing office visits and calls. Moreover, the DMV has implemented an online reservation system, providing customers with the ability to reserve appointments at State-run DMV offices and further reduce the time needed to process transactions in person.

New ny.gov: Underscoring the Governor's commitment to "people first," the launch of the new NY.gov made the State website more user-friendly. Better design, content, and search tools have allowed the site to be optimized for mobile devices, accessible to different ability levels and languages, scalable to support high traffic, and easier to access outstanding customer service. This first update since 1998 has catapulted the State from having a web design that was once one of the worst in the nation to being a leader and standard bearer.

V. Improving and Reforming Education

Since taking office, one of the Governor's highest priorities has been to reform New York's education system by focusing on improving performance and encouraging innovation.



K-12 Education

Highest Level of School Aid in State History: In the last three years, the Governor has enacted budgets increasing funding for education by \$2.9 billion. The 2014-2015 enacted budget includes an additional \$1.1 billion increase, bringing state education funding to its highest level ever.

High-Quality Universal Full-Day Pre-Kindergarten: In 2014-15, the Governor built on the success of the first-ever State-funded full-day pre-kindergarten program by committing to invest \$1.5 billion over five years to support the phase-in of a

statewide Universal Full-Day Pre-Kindergarten program. In August 2014, this program awarded \$340 million to support full-day pre-k slots and quality enhancements through a competition that emphasized quality, innovation and creativity. Pre-kindergarten funding was awarded to 81 school districts and Community Based Organizations statewide, opening full-day classroom slots to nearly 37,000 children. In December 2014, New York received a \$25 million grant award from the federal government - and is eligible for up to \$100 million over four years - to expand access to high-quality full day pre-kindergarten in high need communities.

Reforming Common Core Implementation: The Governor believes that it is in everyone's best interest to have high, real world standards for learning and to support the Common Core, while concurrently making sure that our students are not unfairly harmed by its implementation. Based on the recommendations of the Common Core Implementation Panel, in March 2014 the Governor and Legislature enacted a reform package that immediately improved the implementation of the Common Core standards by banning standardized "bubble tests" for young children, prohibiting districts from including students' Common Core test scores on their permanent record and official transcript for five years, using instructional time for teaching and learning – not over-testing, and establishing strict data protection and security requirements while ensuring that appropriate educational and operational data-sharing can continue.

Teacher and Principal Evaluation: The Governor has a strong commitment to putting the most effective teachers in the classroom. Even after the State passed legislation mandating teacher evaluations statewide, school districts - for years - simply failed to implement. Under the

Governor's leadership in tying school aid increases to implementation, in the 2013-14 school year, every school district across the State instituted a performance-based teacher evaluation system. This represented a sea-change in local practice across the state, and lays the groundwork for the State to continue to improve the evaluation system so that it is a rigorous, accurate, and reliable measure that will allow districts to meaningfully differentiate between educators.

Smart Schools: The \$2 billion "Smart Schools Bond Act" investment in education technology proposed by Governor Cuomo was approved by New York State voters in November 2014. Funds will support enhanced technology in schools, with eligible projects including infrastructure improvements to bring high-speed broadband to schools and communities in their school district and the purchase of classroom technology for use by students. Additionally, the Smart Schools Bond Act will enable long-term investments in full day pre-kindergarten through the construction of new pre-kindergarten classroom space, replacing classroom trailers with permanent classrooms, and making investments in high-tech school safety programs. In October 2014, the Smart Schools Commission appointed by the Governor issued a final report with recommendations on how schools can most effectively invest proceeds from the Bond Act based on input received from the public and other stakeholders at a series of symposia held throughout the state.

Protecting Choice for NYS Students: The 2014-15 budget increased tuition funding for charter school students over three years. The budget also promoted the growth of charter schools by addressing their facility needs and allowing charter schools to apply for pre-kindergarten funding. In addition, charter schools will be held to high standards for fiscal accountability, with auditing by the New York State or New York City Comptroller.

Public-Private P-Tech Partnerships: Governor Cuomo brought together businesses, higher education and K-12 schools to create a statewide initiative to prepare students for high-skill jobs in the Science, Technology, Engineering and Math (STEM) fields. NYS P-TECH provides high school students with a mentor and an associate degree at no cost, and puts them first in line for jobs at partnering businesses when they graduate. The 2014-2015 enacted budget includes \$5 million to add additional schools to the NYS P-TECH initiative. Ten new P-TECH partnerships were awarded this year, bringing the total number to 26.

Higher Education

Making College More Affordable: For the first time in 14 years, New York State increased funding for the maximum Tuition Assistance Program (TAP) award – the State's major financial aid program for college tuition grants. The maximum TAP award is now \$5,165, a \$165 increase in the maximum award of \$5,000 per student, the first increase since 2000.

STEM: To encourage the best and brightest students to build their future in New York and to help employers fill critical math and science jobs, Governor Cuomo created a new scholarship program for the top 10 percent of students in each high school. These students will receive full tuition scholarships to any SUNY or CUNY college or university if they pursue a STEM career and work in New York for five years. In its first year, this new scholarship program has enrolled 678 students.

VI. Providing Affordable Housing For New Yorkers

Governor Cuomo's \$1 billion House New York program represents the largest investment in affordable housing in at least 15 years. In 2014, the State continued progress toward the preservation and creation of nearly 14,300 affordable housing units. This includes the preservation of 8,600 middle-income Mitchell-Lama units that will remain affordable for the next 40 years.

The new Rural and Urban Communities Investment Fund (CIF) Program supports mixed-use affordable housing development with commercial, retail or community facilities to

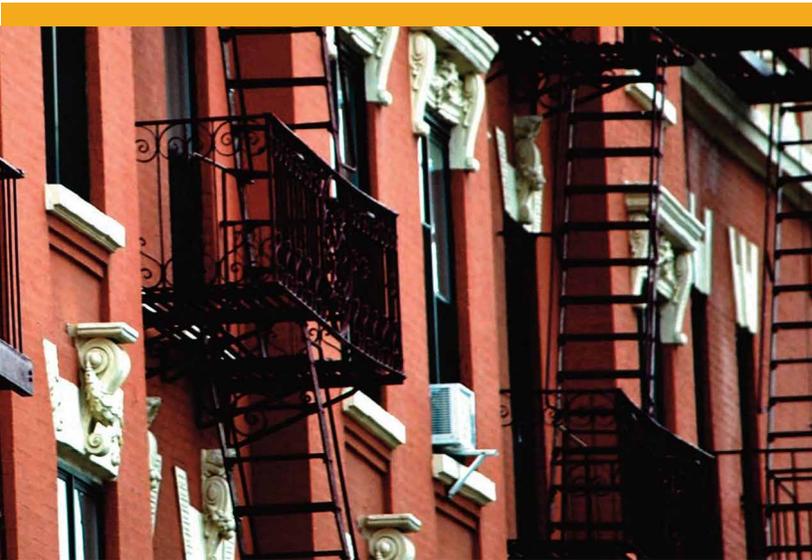
strengthen the financing and viability of affordable housing projects. More than \$3.4 million in CIF awards have been made and millions in additional funding requests are under review.

The State has increased investment in the Low Income Housing Trust Fund Program, the Homes for Working Families program, the Main Street program, and doubled the annual budget of the Office of Temporary and Disability Assistance's Homeless Housing and Assistance Program.

Protecting New York's Tenants: In 2014, Governor Cuomo's Tenant Protection Unit (TPU), which he created in

2012, continued to proactively protect tenants in nearly one million rent-regulated homes. The TPU has pursued landlords who failed to register their units and audited owners who had filed for rent increases for apartment improvements they had claimed to make. These actions have resulted in the re-stabilization of almost 30,000 units and over \$200,000 returned to tenants who were unknowingly overcharged. Other 2014 TPU accomplishments include:

- Entered into an unprecedented agreement with Castellan Real Estate Partners/Liberty Place Property Management, who were harassing and intimidating Spanish-speaking tenants. The settlement provides for monitoring of the landlord's business practices for up to three years, creating a fund to compensate tenants who were wrongfully removed from their homes, and requiring that all communication to tenants be in both English and Spanish.
- Investigated the patterns and practices of landlords accused of harassing tenants or making apartments unlivable by damaging kitchens and bathrooms.
- Implemented new rent regulations that require itemized bills to substantiate individual apartment improvements, curbing the ability of landlords to arbitrarily move units out of rent regulation.



VII. A Safer New York

Combating Heroin and Other Opioid Use

In June 2014, Governor Andrew M. Cuomo signed a series of laws designed to help address the growing heroin and opioid epidemic in New York State. These laws, coupled with previously announced efforts, will curb heroin and prescription drug misuse and abuse on the following fronts:



Insurance: This legislation will give more people access to the help they need by requiring insurers to follow nationally recognized treatment standards. Where inpatient substance use disorder coverage is denied, patients will also continue to receive insurance coverage for treatment even during an appeals process. A workgroup composed of patients, parents, providers, and managed care organizations is working to identify strategies to ensure that the right care is provided using a medical necessity, level of care utilization review that is focused on quality care and services for the patient.

Public safety: This legislation elevates the penalties for practitioners and pharmacists who abuse their position by illegally selling controlled substances to patients. The legislation amends the Penal Law to increase the penalty for criminal sale of a controlled substance by a practitioner or pharmacist from a Class D felony with a maximum sentence of two and half years to a Class C felony with a maximum sentence of five and a half years. The legislation also gives law enforcement more tools to prosecute organized criminal activity by adding the sale of prescription drugs to the Enterprise Corruption Act.

Education: Pursuant to this legislation, the State Education Department (SED) will provide guidance to local school districts regarding its middle and high school health education curriculum that includes information on drugs, alcohol and tobacco to make sure it's relevant and up to date. SED is developing a Memorandum of Understanding with the Office of Alcoholism and Substance Abuse Services (OASAS) to work collaboratively on the development of this guidance document.

Protecting our children: Young people alleged to be suffering from a substance use disorder, which could make them a danger to themselves or others, can be assessed by an Office of Alcoholism and Substance Abuse Services certified provider as part of Person In Need of Supervision (PINS) diversion services.

Public awareness: The State allocated \$1 million for a multi-faceted statewide public awareness campaign led by the Office of Alcoholism and Substance Abuse Services. In September, the Combat Heroin campaign was launched, and included public service announcements, a digital and social media campaign, and a new website. Since the launch, the Combat Heroin campaign has had more than 11 million Internet views and over 240,000

website page views. To reach an even broader audience, in December, Governor Cuomo announced the next phase of the campaign, launching public service announcements to be aired in movie theaters across the state.

Saving Lives: In April, the State Department of Health (DOH), Office of Alcoholism and Substance Abuse Services and Division of Criminal Justice Services (DCJS) began a partnership with Albany Medical Center and the national Harm Reduction Coalition to offer training to first responders 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 is also providing agencies that send their officers to these trainings with supplies of naloxone at no cost. To date, 1,353 law enforcement officers – including 457 instructors – attended the state-sponsored training. Another 530 officers have been trained by instructors who are approved to teach the course as a result of attending the state-sponsored training. Officers trained by the State have administered naloxone 82 times, resulting in 57 lives saved. In addition to law enforcement training, DOH and OASAS offer naloxone training to community members. Since 2006, DOH and OASAS have trained more than 36,000 people combined, and report more than a thousand lives saved.

Partnership for Success: New York State was awarded more than \$8 million in federal funds in September 2014 to help prevent prescription drug misuse and abuse, heroin use, and heroin/prescription opioid overdose among people ages 12 to 25 and to increase awareness about the dangers of using and becoming addicted to these drugs.

Reducing Gun Violence

Gun Involved Violence Elimination (GIVE): \$13.2 million was awarded to law enforcement agencies in 17 counties, including 20 police departments in those counties that account for more than 86 percent of the violent crime reported outside of New York City. The grants will go toward programs and community efforts focused on reducing gun violence, shootings, and firearm-related homicides. The GIVE initiative builds upon the important work done over the 10 years of Operation IMPACT. GIVE expands the use of crime analysis and evidence-based strategies among law enforcement agencies in cities across New York State. For the first time, the State also hosted an evidence-based policing symposium, at which nationally recognized experts detailed strategies proven to reduce shootings and firearm-related homicides. The conference, attended by more than 250 law enforcement professionals, was part of an ongoing effort by the State to provide GIVE participants with technical assistance to help them implement strategies and programs to reduce gun violence in their communities and save lives.

SNUG Initiative: The State has awarded approximately \$3.1 million to 10 communities across New York to fund neighborhood-based violence reduction programs that promote street-level outreach and intervention to steer young people away from using guns and gun violence to solve problems. Programs in Albany, Bronx, Buffalo, Hempstead, Mt. Vernon, Rochester, Syracuse, Troy, Wyandanch and Yonkers, received the grant funding, which will be administered by the Division of Criminal Justice Services.

Increasing Enforcement

State Police Academy Class: In August 2014, the State Police Academy began training the next generation of New York State Troopers. The class of 226 troopers is scheduled to graduate the Academy and start their field training in February 2015. The graduating class will be fully trained and prepared to enforce the law, prevent crime, and make our roads safer with a focus on the most dangerous driving behaviors, including distracted driving and DWI.

Distracted Driving: Distracted driving continues to be a major contributor to motor vehicle collisions across the State and Governor Cuomo has made combating distracted driving a high priority. During the first quarter of 2014, Troopers issued more than 10,000 tickets for cell phone use and texting while driving. Legislation was also passed in this year's budget to suspend the license of a driver under 18 years

old, or older than 18 years old who has been issued a license for less than six months, who is convicted of using a cell phone or texting while driving, effective November 1, 2014.



A More Efficient and Effective Justice System

Raise the Age: New York remains one of the only two states in the nation whose age of criminal responsibility—the age at which youths are treated as adults—is just 16. As a result, in 2013, over 33,000 16 and 17 year olds in New York had their cases handled in adult criminal court, where they are less likely to receive the services they need. In his 2014 State of the State address, the Governor proposed establishing a commission to “Raise the Age,” to help ensure that young people have the opportunity to become productive and successful adults. On April 9th, the Governor announced members of the Commission on Youth, Public Safety & Justice, which will provide concrete, actionable recommendations regarding youth in New York’s criminal and juvenile justice systems. The Commission created a roadmap to bring New York in line with national norms and to put it in the forefront of progressive adolescent justice policy through implementation of effective justice system responses.

Enabling Statute for Local Jail Compliance with the Prison Rape Elimination Act:

Governor Cuomo signed legislation to enable local jail compliance with an essential element of the federal Prison Rape Elimination Act (PREA). PREA National Standards require separate housing assignments for inmates under 18 years of age. This new law to make county jails more capable of complying with both State and federal requirements will prove to be a major cost-saving measure.

Moreover, DOCCS has made significant progress in reaching substantial compliance with the national standards. Within the first six months of the year, DOCCS will be nearly fully compliant with the standards.

Board of Parole: Continuing the progress made with the merger of the New York State Department of Corrections and the Board of Parole, the Board approved new regulations that set forth the statutory factors the Board must consider when making a release decision.

Alternatives to Incarceration Program Funding: More than \$5 million was awarded to 23 programs across the state to strengthen or create programs aimed at reducing crime and avoiding further victimization. Those programs include alternatives to incarceration, alternatives to jail detention, and programs for individuals incarcerated in local jails, with the goal of helping offenders re-enter and remain in the community after they have served time.

Results First: In an effort to promote programs that return the highest rate of public safety at the lowest cost to the taxpayer, the State is implementing a computerized cost-benefit analysis tool called Results First. The program uses correctional research and evaluations to perform simulations that quantify how much public safety a particular criminal justice intervention will produce.

Reentry Council: In July, the Governor announced the formation of the New York State Council on Community Re-Entry and Reintegration to address obstacles formerly incarcerated people face upon re-entering society. Building on the success of the earlier “Work for Success” and “Pay for Success” employment programs for formerly incarcerated people, and using evidence-based strategies, data-driven analysis, and a large network of advisors and partners, the Re-Entry Council aims to alleviate additional collateral consequences individuals face upon release from prison.

Protecting Victims

Request For Proposal Issue: The Office of Victim Services (OVS) was one of the first state agencies under the Grants Reform initiative to utilize the Grants Gateway system for its latest procurement. This procurement resulted in OVS awarding \$36.2 million in funding on evidence-based principles to 230 victim assistance providers throughout New York State, far above the 186 programs that were previously funded under the last grant cycle. This solicitation includes two new funding priorities for OVS: young men of color and Native Americans. New three-year contracts with successful applicants became effective October 1, 2014.

High Risk Project: The Office for the Prevention of Domestic Violence has initiated a pilot project in the City of Schenectady that creates a High Risk Team for domestic violence cases. The Team will identify cases as high risk, using domestic violence risk assessment tools, and will provide intensive attention to those cases in an effort to increase accountability for offenders and safety for victims. Responses will range from providing pre-trial services to offenders to offering home visits by police to assure victim safety.

VIII. Ethics Reform

As part of the 2014-2015 budget, Governor Cuomo proposed comprehensive ethics reform following up on the landmark reforms he enacted in 2011. Most of the reforms he proposed were enacted into law including:

- **Reforming New York's Bribery Law:** New York law will, for the first time, mirror federal law and punish individuals who attempt to bribe a public official but don't succeed because the official does not agree to be bribed. Bribe giving and bribe receiving penalties were also increased across the board.
- **Creating the New Crimes of "Corrupting the Government" and "Public Corruption":** New laws were enacted that hold accountable anyone – whether or not they are a public official – found to have engaged in schemes to defraud the State or local government and also enhance penalties for all offenders convicted of stealing from or defrauding the government through the crime of Corrupting the Government.
- **Lifetime Ban from Serving Government and Benefitting from Government Contracts:** Under the newly enacted laws, any person convicted of any one of the new felony public corruption crimes or bribe giving or receiving will be permanently debarred from holding any elected or civil office, serving as a registered lobbyist, receiving certain tax benefits, or doing business with the State. Individuals convicted of certain misdemeanors face debarments for similar activities for shorter period of time.
- **Reducing the Influence of Money in Elections by Providing Matching Funds for Political Campaigns:** The Budget legislation put in place New York State's first-ever program to provide matching funds for a political campaign thereby reducing the influence of money in politics. The program – in effect for the 2014 Comptroller's race – is modeled after New York City's successful 6:1 matching funds program.
- **Independent Enforcement Unit at Board of Elections:** The budget legislation created a new, independent enforcement division headed by a chief enforcement counsel, who is appointed to a 5-year term and vested with authority to investigate violations of the Election Law. It also created a separate compliance unit to ensure that candidates comply with reporting requirements.
- **New Disclosure Requirements for Political Donations:** The law now requires increased transparency by mandating more frequent reporting of independent expenditures and the sources of the contributions that make them possible, and expanding the definition of the kinds of communications that warrant such increased reporting.
- **New Disclosure Requirements for Outside Clients:** New legislation will mandate disclosure by Legislators and other State employees of clients and customers who have been referred to them or firms with which they are affiliated through registered lobbyists.

IX. Strengthening Our State's Healthcare System

New York State of Health: The New York State of Health, the State's official health plan marketplace, was created to assist New Yorkers with gaining access to quality affordable healthcare coverage. The approved rates for 2014 and 2015 are more than 50 percent lower than what individuals would have paid before creation of the marketplace in October 2013. In its first open enrollment period, **nearly 1 million New Yorkers** enrolled in coverage. More than 80 percent of those who have enrolled to date were uninsured at the time of application. The second year open enrollment period began in November 2014, and in its first month enrolled more than 225,000 new people.

Medical Marijuana: Governor Cuomo worked with the Legislature to enact the Compassionate Care Act, establishing a medical marijuana program for New York State. The legislation includes provisions to ensure medical marijuana is reserved only for patients with serious conditions and is dispensed and administered in a manner that protects public health and safety. On December 31, proposed regulations required by the Compassionate Care Act will be published in the *State Register*, and the public will have 45 days to comment before finalized.

- **Medical Marijuana Reserved for Patients with Serious Conditions:** To ensure medical marijuana is available only to patients with serious conditions who can most benefit from the treatment, the legislation establishes a certification and registry process for physicians to administer the drug. To be prescribed medical marijuana, a patient must receive a certification from a licensed practitioner who must register with the Department of Health (DOH) and be qualified to treat the serious condition for which the patient is seeking treatment. The serious conditions for which medical marijuana can be prescribed are cancer, HIV/AIDS, ALS (Lou Gehrig's Disease), Parkinson's Disease, multiple sclerosis, damage to the nervous tissue of the spinal cord with objective neurological indication on intractable spasticity, epilepsy, inflammatory bowel disease, neuropathies, Huntington's Disease or as added by the commissioner of DOH.
- **Administering Medical Marijuana Safely:** To ensure medical marijuana is in the hands of only individuals in need and their health care provider, Registry Identification Cards will be issued by DOH to certified patients. The card would contain any recommendation or limitation on form or dosage imposed by the practitioner as well as other information. The Department would be able to suspend or revoke the card of a patient who willfully violates any provision of the new law. In addition, any form of medical marijuana not approved by DOH is prohibited, and under no circumstances would smoking be allowed. DOH will issue guidelines regulating the allowed dosage amounts and patients would not be allowed to possess an amount of medical marijuana in excess of a 30-day supply.
- **Tough Penalties for Individuals and Physicians Who Abuse Medical Marijuana Program:** The legislation makes it a Class E felony for a practitioner to certify an individual as eligible to facilitate the possession of medical marijuana if he or she knows or reasonably should know the person who is asking for it has no need for it. The legislation also makes it a misdemeanor for recipients of medical marijuana to sell or trade the medical marijuana, or retain any marijuana beyond what is needed for treatment for their own use or the use of others.

Ending the AIDS Epidemic in New York State: In June, Governor Cuomo announced a three-point plan to end AIDS as an epidemic in NYS by identifying all persons with HIV who remain undiagnosed and linking them to health care; by linking and retaining persons

diagnosed with HIV to health care and getting them on anti-HIV therapy to maximize HIV viral suppression so they remain healthy and prevent further transmission; and providing access to Pre-Exposure Prophylaxis for high-risk people to keep them HIV negative.

The goal of the initiative is to decrease new HIV infections to 750 per year by 2020. The effort to end AIDS as an epidemic in New York will build on the State's successes over the last 30 years, including the virtual elimination of mother-to-child HIV transmission; a 96 percent reduction in new HIV diagnoses due to injection drug use since the mid-

1990s; a 40 percent reduction in new HIV cases in the last decade; and a dramatic reduction in deaths due to HIV/AIDS. The Governor's Ending the Epidemic Task Force has made significant progress toward developing a blueprint to implement his three-point plan. It is expected to finalize its work in January 2015.

Medicaid Redesign Team (MRT) Medicaid Waiver Approved: Due to the savings the State created as a result of the MRT, \$8 billion has been made available from the federal government to transform health care delivery for Medicaid members. As a result of this groundbreaking new waiver, vital provider services will be preserved and providers will be held accountable for improving patient outcomes. The Interim Access Assurance Fund, part of the waiver funding, provides up to \$500 million to safety net hospitals to prevent disruption of critical services.

Highest Medicaid Recoveries In the Nation: In February 2014, Governor Cuomo announced the largest single year of recoveries of taxpayer dollars in the history of the Office of the Medicaid Inspector General (OMIG). OMIG recovered more than \$879 million dollars in 2013. This brings the three-year total under Governor Cuomo's leadership to more than \$1.76 billion recovered from Medicaid providers that inappropriately billed Medicaid and individuals who received services to which they were not entitled – a 36 percent increase over the previous three years. OMIG's recoveries are the highest on record for any state Medicaid program integrity unit in the United States—ever.



Preventing Unnecessary Medicaid Costs Saves Taxpayers Hundreds of Millions:

OMIG's proactive cost-containment measures are delivering savings for New Yorkers. In the first six months of 2014, preliminary figures show that OMIG actions prevented \$943 million in unnecessary Medicaid expenditures. Over the same period, OMIG's compliance monitoring activities accounted for \$30.8 million of these avoided costs.

Partnering with Local Government: Since 2013, OMIG's focus on forging stronger partnerships with local governments across New York State has yielded impressive results. Through the first six months of this year, the OMIG county demonstration program's identified audit findings totaling \$12.8 million have already surpassed last year's full-year total by approximately \$5.6 million, an increase of 77 percent over 2013's final figures.

MRT Supportive Housing: "Supportive housing," which is housing coupled with appropriate individual-based services, is an innovative and cost-effective model of care designed to provide an integrated solution for both housing and health care needs. New York State is a trailblazer in the Medicaid supportive housing arena, and is making one of the largest investments in the country using state-only Medicaid dollars to fund supportive housing.

The MRT supportive housing program has invested \$388 million since 2011 and provides housing to over 8,000 high cost Medicaid members.

Medicaid Coverage for Transgender Care and Services: In December, Governor Cuomo announced new regulations to include transgender health care services under New York State's Medicaid program. The proposed regulations provide treatment for hormone therapy and gender reassignment surgery for persons who have referrals from medical professionals. Referring medical professionals will have to document that a patient who has persistent gender dysphoria has received appropriate hormone therapy a minimum of one year, has lived a minimum of one year in the gender role consistent with the person's gender identity, and has received mental health counseling.

X. Helping All New Yorkers

Expanding Employment Opportunities for People with Disabilities: On September 17, 2014, Governor Andrew M. Cuomo issued Executive Order #136 establishing the Employment First Commission, which is tasked with creating an Employment First policy for New York, making competitive, integrated employment the first option when considering supports and services for people with disabilities. The initiative aims to increase the employment rate, and decrease the

poverty rate, for New Yorkers who are receiving services from the State, as well as register 100 businesses as having formal policies to hire people with disabilities as part of their workforce strategy.

Worker with Developmental Disability

Tax credit program: The 2015-16 State Budget includes the Worker with Developmental Disability Tax credit program, which provides \$6 million in tax credits annually for businesses to hire individuals with developmental disabilities. To qualify, an employee must have a developmental disability as defined by Mental Hygiene law; have an individualized education program, or be a current sheltered workshop employee; and be a new hire. Employers must be approved by the New York State Department of Taxation and Finance.

Increase in Child Care Funding:

To address the need for affordable child care among low-income, working families, Governor Cuomo announced more than \$794 million in child care subsidies, an increase of \$55 million

(7.45 percent) over the previous fiscal year. Before 2014, allocations held steady at approximately \$739 million for five years.

Targeted Human Services Cost of Living Adjustment: The budget allocates \$122 million for a two percent salary increase for State-funded direct care and support workers. The increase will take effect January 1, 2015. Another two percent salary increase will begin April 1, 2015 and will also include clinical staff.



Housing Assistance For People Living With HIV/AIDS: Under a new affordable housing protection, public assistance recipients living in New York City who are permanently disabled by HIV/AIDS will pay no more than 30 percent of their income toward their rent. Without this protection, more than 10,000 New Yorkers living with HIV/AIDS in New York City pay upwards of 70 percent of their disability income on rent.

Assisting Our Veterans: In March, Governor Cuomo held the first New York State Veterans and Military Families Summit. He was joined by U.S. Department of Veterans Affairs Assistant Secretary Dr. Tommy Sowers, along with leaders and representatives from veterans groups, military bases, educational institutions and private businesses. The group discussed how New York can improve services for veterans and military families. The Governor announced multiple initiatives that will provide veterans and military families greater access to affordable housing, employment and educational opportunities throughout the state.

Additionally, the Governor led the effort to enact new legislation to assist members of the military and their families transferring to and from active duty military installations in New York. The Governor's bill implements the Military Interstate Children's Compact, easing the administrative, placement and coursework challenges that children of military families encounter when transferring from an out-of-state public school to one in New York. The bill also provides in-state tuition rates at SUNY schools for veterans who are honorably discharged and are using their GI Bill education benefits. And the bill expands eligibility for the State's enhanced burial allowance to service members who die outside of a combat zone from wounds received in a combat zone.

Pay For Success /Social Impact Bonds: In December 2013, New York launched the nation's first state-led Social Impact Bond project. In this type of public-private partnership, the State sets performance goals, private investors provide the funds for the program, and the State repays investors based on the program's performance. The State only makes payments if an independent evaluation concludes that the goals have been achieved. The State selected three target areas for the project: Nurse Family Partnership; DOCCS employment; and Juvenile Justice diversion.

Saving SNAP Benefits: On February 7, 2014, President Obama signed the Agriculture Act of 2014 ("the Farm Bill") which raised the minimum Home Energy Assistance Program (HEAP) benefit required for an enhanced SNAP benefit from \$1 to \$20. In New York, this change would have reduced SNAP benefits for approximately 300,000 households by an average of \$127 per month. To mitigate the impact of the bill, Governor Cuomo increased the State's minimum HEAP payment to \$21. This action preserved \$457 million in SNAP benefits for vulnerable New Yorkers.

Combating Hunger: Nearly 14 percent of New York households struggle with hunger, and at least 1 million New York children live in households that do not have consistent access to food. Yet nearly one in four New Yorkers who is eligible for the Supplemental Nutrition Assistance Program (SNAP) do not receive benefits.

Governor Cuomo created the New York State Anti-Hunger Task Force to combat hunger, and improve access to locally grown and produced fresh foods. The task force, chaired by Margarett Purvis of the Food Bank of New York City, is developing strategies to:

- Increase participation in federally funded programs like SNAP, school breakfast and school lunch.
- Use public/private partnerships to increase outreach and leverage the power of government, businesses and the nonprofit sectors working together to combat hunger.
- Improve access to quality, healthy food through the use of New York farm products and locally produced goods.



Integrated Eligibility System:

The information technology that supports programs such as Health Exchange, Public Assistance and SNAP is out-of-date and difficult to use. In 2014, the State leveraged federal funding to begin the re-design of these systems to better serve New Yorkers.

XI. Building the Energy Infrastructure and Utility System of the Future

In April, Governor Cuomo unveiled an initiative to fundamentally transform the state's electricity market through a shift in utility regulation. The effort, launched by the Public Service Commission (PSC) as the Reforming Energy Vision, initiates a public process to examine changes aimed at increasing customer choice, improving system efficiency, and promoting increased use of energy efficiency and clean generation technologies.

Protecting Consumers

Phasing Out Utility Surcharge: Governor Cuomo worked with the Legislature to accelerate the reduction of the 18-a temporary surcharge for utility customers. All electric, gas, steam and water customers will benefit from the accelerated phase-out, which aims to alleviate high energy bills, such as those experienced by many consumers across the state this past winter. It will save businesses and residents approximately \$600 million over the next three years.

Cable Mergers: In May, the PSC announced it commenced its review of Comcast Corporation's proposed merger with Time Warner Cable, Inc. to determine whether the proposed transaction will be beneficial for Time Warner customers, as well as the state as a whole.

In April, Governor Cuomo signed legislation to strengthen review of proposed cable mergers by the PSC to ensure such transactions benefit New York consumers. Under the revised law, companies must demonstrate that the merger would serve the public interest.

Ensuring a Clean and Renewable Energy Future

Green Bank: Governor Cuomo announced the launch of the New York Green Bank, which will help to catalyze the private market for clean energy. It is the largest green bank in the nation, with an initial capitalization of \$210 million for the \$1 billion initiative, using a self-sustaining business model. In October, the Governor announced the first set of Green Bank transactions, which will stimulate over \$800 million for clean energy projects.



Solar Energy: In April, Governor Cuomo announced a nearly \$1 billion commitment to NY-Sun over the next decade to aid industry growth and sustainability. In addition to providing long-term certainty, the program has been redesigned to be more responsive to changes in market conditions. As more solar projects are installed and the costs for each project

decrease, the level of State incentives will decline at a predictable and transparent rate, which will help the solar industry become self-sustaining in the long term.

Since launching the NY-Sun program in 2012, Governor Cuomo has quadrupled the amount of customer-sited solar power installed annually in New York. The New York solar market now employs over 5,000 highly skilled jobs across 422 companies statewide. The NY-Sun program includes the recently launched K-Solar program, which provides free site assessments to school districts to determine whether or not solar energy is suitable for their facilities. Of the nearly 700 school districts in the state, close to 200 have taken advantage of this offer.

Clean 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 over 1,000 electric vehicle charging stations across the state, with contracts in place to bring the total to nearly 1,400. 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.



Tapping Energy for Economic Development

ReCharge: Governor Cuomo's statewide energy-for-economic development program provides low-cost power to businesses that commit jobs and capital investment in New York and will soon include a discount to residential agricultural producers. More than 650 business operations and 73 not-for-profit organizations have been awarded over 768 megawatts of power that began flowing in mid-2012. In return for the lower cost electricity provided under contracts, the recipients committed to support more than 393,000 jobs and undertake billions of dollars in capital investments.

Western New York: The Western New York Economic Development Fund uses revenue from the Niagara Power Project to invest in projects that support business growth in the area. Since May 2013, nearly \$21 million in grants has been awarded to 28 enterprises in the region, resulting in the retention or creation of more than 3,100 jobs.

Northern New York: In June, the Legislature and Governor created the Northern New York Power Proceeds Allocation Board to fund economic development projects that create or retain jobs in the region. The Board will coordinate with the New York Power Authority to recommend awards for businesses and not-for-profit customers in exchange for capital investment and job commitments.

XII. Preserving our Environment and Open Spaces

Prohibiting Hydrofracking in NYS: Governor Cuomo accepted the decision to prohibit high-volume hydraulic fracturing by Department of Health Commissioner Howard Zucker and Department of Environmental Conservation Commissioner Joe Martens. Dr. Zucker completed his public health review and determined there are significant red flags and risks to

public health from the activity. DEC Commissioner Martens will issue a legally binding Findings Statement early next year prohibiting high-volume hydraulic fracturing in New York State.

Unprecedented Investment in Clean Energy and the Environment: Governor Cuomo has committed more than \$16 billion to environmental and clean energy programs, the boldest commitment by a first-term governor in a generation. His investment in infrastructure, resiliency, clean energy and environmental programs directly benefit both the environment and economy.

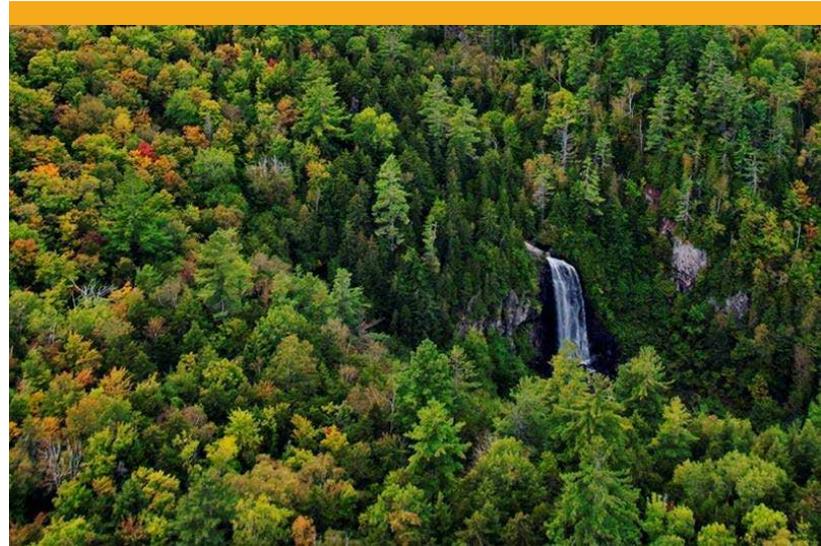


Transforming NY's Parks and Historic Sites: Since taking office, Governor Cuomo has committed approximately \$900 million to upgrade key parks and open space facilities such as roads, visitor centers, restrooms, playgrounds, dams and boat launches through NY Works and capital funding. The first three rounds of the New York Works funds leveraged a \$421 million investment in the park system, making improvements at 109 state parks and sites. Also, the State recently added Buffalo Harbor State Park, the first State Park in the city of Buffalo, as well as the Franklin D. Roosevelt Four Freedoms State Park in New York City, and has achieved the best attendance rates in over a decade.

In May, the Governor once again sponsored I Love My Park Day in May. Volunteers turned out in numbers twice as large as the year before. 6,000 volunteers contributed 12,000 hours to complete 120 cleanup, improvement, beautification and stewardship projects at 78 State parks and historic sites.

Mitigating Climate Change: New York led a multi-state effort to reduce the carbon emission cap established under the Regional Greenhouse Gas Initiative (RGGI) by 45 percent. Under New York's leadership, nine Northeastern and mid-Atlantic states agreed to set a 91 million ton emissions cap in 2014, declining 2.5 percent a year through 2020. Governor Cuomo's reinvestment of \$400 million in the initiative's auction proceeds is expected to reduce carbon pollution by 2.9 million tons, while promoting greater energy efficiency, ultimately providing \$1.3 billion energy bill savings and creating thousands of jobs across the Regional Greenhouse Gas Initiative partner states.

Preserving the Adirondack Park: The Governor's purchase of 69,000 acres of former Finch Pruyn lands and other properties represented the largest addition to the State Forest Preserve in the Adirondack Park in more than a century. In February, the Governor approved the classification of key tracts, including the Essex Chain of Lakes, OK Slip Falls, and miles of wild upper Hudson River, ensuring their continued protection. With these acquisitions the State is balancing the need to protect the Park's priceless natural resources for the generations to come with efforts to expand tourism opportunities and recreational access that will benefit local communities and create community connectivity.



Increasing the Environmental Protection Fund: Underscoring Governor Cuomo's commitment to protecting open spaces, conservation and wildlife preservation, this year's budget included \$162 million for the Environmental Protection Fund (EPF),

an increase of \$9 million from the previous year and 17 percent more than the 2011-2012 budget. The EPF is the State's core funding source for projects such as: purchasing land for the New York State Forest Preserve; restoring historic sites; conserving farmland; restoring habitats; cleaning up waterfront property; recycling programs; supporting the stewardship of public lands for managing trails and lands; protecting natural resources; preserving wildlife habitats; and making critical capital improvements at parks and campgrounds.

Promoting Hunting and Fishing Recreational Activities: The Governor launched the New York Open for Hunting and Fishing Initiative to improve recreational activities for sportsmen and sportswomen and to boost tourism opportunities throughout the state. The 2014-15 budget allocates \$6 million for 50 new projects to provide access to approximately 380,000 acres of existing State lands for recreation, including boat launches, bird-watching areas, trails and hunting blinds, and \$4 million for upgrades and improvements to fish hatcheries statewide. Governor Cuomo also reduced sporting license fees and simplified the license structure.

The Governor introduced the "Adventure Series," which transforms an individual's driver's license into an Adventure License by allowing sportsmen and women with lifetime licenses, as well as individuals holding Lifetime Empire Passports and those with Boater Safety Certificates, to have icons added to their drivers' licenses so they do not need to carry separate documents. The budget also authorizes Adventure license plates for licensed sportsmen and women.

In addition, the budget authorizes crossbow hunting, increases the number of authorized free fishing days from two to eight and authorizes DEC to offer 10 days of promotional prices for hunting, fishing and trapping licenses.

“New York Works” for Environmental Resources: Since 2011, Governor Cuomo has provided more than \$400 million for direct environmental projects such as dam repairs, coastal resiliency, wastewater upgrades, and park investments as well as to invest in recreational infrastructure, e-Business and plugging of abandoned oil and gas wells, and to provide grants for municipal brownfield cleanups and water quality improvement projects for wastewater treatment systems.

Fighting Illegal Ivory and Rhinoceros Horn Trade: Governor Cuomo worked with the Legislature to enact a law to restrict the market for ivory articles and rhinoceros horns. The bill prohibits transactions involving these materials with very limited exceptions and increases the criminal and civil penalties for individuals in violation. Demand for unlicensed wildlife products like ivory and rhinoceros horns are driving many species toward extinction and creating an economic incentive for this illegal activity. This law will help deter that trade in New York by expanding the scope of materials that are considered illegal and strengthening penalties to further discourage violations.

Financing Support for Clean Water Infrastructure Projects: Protecting New York’s jewel, its water supply, is a top priority for Governor Cuomo. Using innovative financing, the New York State Environmental Facilities Corporation (EFC) has invested \$2.3 billion in both drinking water and wastewater infrastructure. This marks the 25th anniversary of New York’s Clean Water State Revolving Fund (CWSRF), with more than \$1.6 billion in new project financings, \$625 million in refinancings and \$10 million in green infrastructure for 130 local governments across the state.

Increasing Resiliency and Improving Water Quality on Long Island: Governor Cuomo initiated a series of actions to bolster coastal resiliency against future storms on Long Island by improving local water quality and reducing harmful nitrogen pollution. Identified \$383 million in funding for proposed sewer projects in Suffolk County and advanced \$97 million to Nassau County for upgrades to the Bay Park sewage treatment plant.

Improving the Safety of Transporting Crude Oil: Under Governor Cuomo’s direction, New York State leads the nation on reforms to better protect New York’s communities and environment from the potential risks associated with the transport of crude oil. As a result of Executive Order 125, state agencies implemented 66 actions to strengthen standards, regulations and procedures to make the transport of crude oil by rail and water in New York safer, and to improve spill preparedness and response.

XIII. 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 securing our safety from future natural disasters. Much of the State's efforts have been funded by \$30 billion in federal aid that Governor Cuomo fought to obtain for relief efforts. 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: Homes, Businesses and Communities

Superstorm Sandy Subway Recovery:

In September, regular weekday service on the G train resumed between Long Island City and Greenpoint following an extensive "Fix and Fortify" project to repair the damage caused by

Superstorm Sandy. Also in September, subway service resumed through the Montague Tube, which carries the R train between Manhattan and Brooklyn, following a \$250 million recovery project necessitated by the storm. The project, which involved the replacement of 11,000 feet of track, 30,000 feet of concrete and terra cotta duct banks, 75,000 feet of power cable and 200,000 feet of communications cable, was completed ahead of schedule and under budget.

NY Rising Community Reconstruction Program: Through its Community Reconstruction Program, the State is setting a new standard for community participation in recovery and resiliency planning. More than 600 New Yorkers have worked together on 50 Reconstruction Committees to address their communities' specific needs in the aftermath of Sandy and in anticipation of other extreme weather events. They've shared around 600 proposed projects at over 200 Public Engagement Events during which thousands more community members have been able to provide feedback. This year the State has designated an additional 22 communities to develop their own plans and apply for \$80 million in federal funds to implement approved projects.



NY Rising Housing Recovery Program: This program facilitates home repairs, rehabilitation, mitigation and elevation for the owners of single-family homes. All told, the State has issued more than \$280 million to help 6,388 homeowners rebuild residences damaged by Superstorm Sandy, Hurricane Irene, and Tropical Storm Lee. Additional programs serve the owners of multi-family rental properties and individual owners of co-ops and condos. The rental properties program not only benefits property owners, but preserves essential affordable housing for New Yorkers in need.

In February 2014, the State began disbursing money through the Interim Mortgage Assistance program to families who have accrued housing costs beyond what was originally covered. Since that time, the State has provided mortgage assistance to 524 displaced homeowners at a cost of approximately \$8.3 million.

The State has also made 815 offers and disbursed \$200 million to purchase properties that were substantially damaged in the storms. Through these buyouts and acquisitions, the State is addressing locations that experience flooding severe enough to put homes, residents and emergency responders at high risk.



NY Rising Home Buyout and Acquisitions Program:

Staten Island: Operating an Enhanced Buyout Program in the Ocean Breeze, Oakwood Beach and Graham Beach neighborhoods of Staten Island, the State has offered impacted homeowners the pre-storm value of their homes, plus a 10 percent enhanced buyout bonus. The State has closed on 304 substantially-damaged properties totaling \$123.6 million.

Nassau and Suffolk Counties: On Long Island, through the Acquisition Initiative, the State has closed on 128 properties at a total value of \$51 million. This includes 72 properties in Nassau County valued at more than \$28.2 million and 56 properties in Suffolk County valued at \$22.8 million. Through the Long Island Buyout Program, the State has closed on 57 properties at a value of \$19.9 million

NY Rising Small Business Recovery Program: With grants of \$50,000 or more, as well as low-interest loans, the Small Business Program supports independently owned and operated small businesses that suffered losses as a result of Superstorm Sandy, Hurricane Irene or Tropical Storm Lee. The program helps them renovate facilities, repair or replace equipment and inventory, and provides working capital so they can remain in business. As of October 2014, the State had provided 638 small businesses with a total of \$20.8 million in grants, helping 6,490 positions to be retained.

Also, through its Business Mentor NY initiative, the State offers free mentoring services for small businesses navigating the rebuilding process. In May, Governor Cuomo launched an online platform for the program. The website allows small business owners to browse profiles and contact potential mentors directly. There are currently more than 200 professionals, including lawyers, accountants, consultants and field experts, who have volunteered to serve as mentors.

Improving Readiness, Emergency Preparedness, and Response Capabilities

Under Governor Cuomo, New York is building a world-class emergency management and response network. The Governor has invested in an array of emergency preparedness initiatives. These include establishing a state-of-the-art weather detection system, equipping gas stations with back-up power, expanding the State's strategic fuel reserve, preparing citizens for emergencies and developing interoperable public safety communications. In addition, under the Governor's direction, the 2014–2015 budget created a new College of Emergency Preparedness, Homeland Security and Cybersecurity within SUNY.

Fuel Resiliency: The Governor has taken steps to boost New York's fuel resiliency in the wake of Superstorm Sandy. In October 2013, Governor Cuomo launched the nation's first State-based strategic gasoline reserve on Long Island. The \$10 million pilot program was designed to provide three million gallons of gasoline for motorists and first responders in the event of a fuel emergency. This year, the Governor announced the creation of an upstate reserve for first responders. The federal government has since followed suit, announcing plans to build its first gasoline reserves in the New York Harbor and New England.

Last year, the Governor enacted the nation's strongest back-up power requirements for gas stations in strategic downstate locations, and pledged up to \$17 million to help stations improve their capacity to stay open during storms. Since then, the New York State Energy Research and Development Authority has issued over 900 grants to gas stations through this program. The 2014-2015 budget expands funding eligibility to include strategically located upstate gas stations that would like to participate.

Issuing Emergency Management License Plates For Emergency Response Vehicles:

In April, the Governor announced that the DMV will issue New York State emergency management license plates. The red and white plates, which will carry an Emergency Management indicator, will be given to a limited number of vehicles registered to state agencies and political subdivisions such as counties, cities, towns and villages. This will ensure that key vehicles have immediate access to locations impacted during a state emergency and are given priority for assets such as emergency fuel supplies.

New York State Citizen Preparedness Corps: This program was created to provide residents with the tools to prepare for any type of disaster. Working with a training program prepared by the Division of Homeland Security and Emergency Services, the Division of Military and Naval Affairs created a joint task force of New York Army and Air National Guard personnel to provide the two-hour training program to audiences across the state

Creating the SUNY College of Emergency Preparedness, Homeland Security and

Cybersecurity: New York State will soon be home to the nation's first college of emergency preparedness. The school will grant advanced degrees in both academic and professional aspects of law enforcement, security, public and international affairs, counterterrorism, emergency management, cybersecurity and forensics. The college will be funded initially with \$15 million in State capital resources.

Emergency Management Certification and Training: This is a certification for those with a role in emergency management or disaster response in New York State. County Chief Executives and County Emergency Managers must complete the training in order for their counties to remain eligible for grants administered by the Division of Homeland Security and Emergency Services.

Upgrading Infrastructure To Better Withstand Major Weather Incidents

The NY Rising Infrastructure Program leverages local resources and invests in a range of projects to transform the State's infrastructure, transportation networks, energy supply and coastal protections, and to enhance its ability to predict and prepare for extreme weather events. In 2014, additional progress was made on certain key initiatives, including:

Grid Resiliency: In February, Governor Cuomo announced an agreement with the Federal Emergency Management Agency (FEMA) to strengthen Long Island's electric system. The Governor secured approximately \$1.4 billion to dramatically improve the Long Island power grid by elevating substations, sectionalizing switches and moving strategic power circuits underground. Thanks to the FEMA funding, these essential improvements to reduce power outages can be made without an increase in rates.

NY Prize: In his 2014 State of the State address, the Governor announced the NY Prize, a \$40 million competition to create community-scale power grids statewide. These microgrids are independent electric-generating and distribution systems which can operate in tandem with existing utility infrastructure under normal conditions or, in the event of emergency, can disconnect and operate independently to keep the lights on.

Hazard Mitigation Measures: Last June, Governor Cuomo called on governments and nonprofit organizations across the state to submit applications for projects to rebuild smarter, stronger, and more sustainable communities in the wake of recent natural disasters. To date, projects totaling nearly \$1 billion dollars have advanced to the final stage for federal review and approval. These projects include coastal protection measures like integrated flood management systems. They use both hard interventions, such as tide gates, bulkheads and seawalls; and green measures, such as dunes, tide maritime forests, breakwater reefs, tidal wetlands and earthen levees. Projects also address vulnerable structures, such as hospitals; hardening assets; and providing backup power alternatives. The State has been approved for over \$500 million in federal funding to retrofit and/or upgrade over 100 bridges to withstand the effects of scour, so they may better sustain extreme weather conditions.

Building on Success End of Year Report 2014

Governor Andrew M. Cuomo
December 2014

