

## 4.7.21

### Notes from Governor Cuomo's Budget Briefing:

#### Overall Budget:

- Gov. called FY 2022 budget the "most important" he has done, is a 3-year COVID Recovery Plan
- Gov. said NY needs to "capitalize" on recovering from COVID more quickly than other regions
- COVID management, relief, and the future of the state are priorities
- Federal aid received is \$12.6 billion
- New state revenue is \$5 billion
- Budget includes PIT surcharge, corporate franchise tax surcharge
- These will result in \$3.5 billion for first year, \$4.3 billion in the second year, will only be in effect for three years
- Does not include capital gains tax or estate tax, Gov. said those taxes will only harm the state
- Gov. added these tax changes assume the repeal of SALT, and would reduce net taxes in the state if SALT is repealed
- Gov. said U.S. House and Senate have committed to repealing SALT, which Gov. called "essential" for taxpayers

#### COVID Management:

- State will continue with testing, vaccinations
- Budget includes \$15 million towards public education campaigns to improve vaccine compliance
- Increasing access to telehealth
- Funding for the New York Public Health Corps, which will hire up to 1,000 public health corps fellows specializing in rapid-response
- Gov. announced NYS Citizen Health Corps Training in partnership with Cornell to train residents on public health
- State will launch 24-hour urgent care centers to address mental health and addiction services

#### COVID Relief:

- Budget includes \$2.4 billion in emergency rental assistance program
- Investing in public housing, including \$100 million to reuse vacant commercial space in NYC as affordable housing
- \$1 billion in assistance for small businesses, arts & entertainment
- Lowering taxes for middle class - reducing personal income tax, which will save over \$2.2 billion this year
- \$2.3 billion in federal funding allocated for childcare
- Repaying \$600 million withheld from state workers during the pandemic
- Creates program to provide payments to excluded workers
- Comptroller DiNapoli and AG James will review the program prior to implementation to prevent fraud
- \$50 million in funding for Nourish NY program

#### COVID Recovery:

- \$29 billion investment in green energy for offshore wind program, green energy superhighway, electrification of non-MTA buses
- Gov. said green energy agenda includes over 100 projects, including new energy grid
- \$220 million for NY Works Economic Development Fund, \$100 million for DRI awards
- Public Safety Reforms: 450 of 497 localities have submitted police reform plans
- Legalization of recreational marijuana will raise \$350 million annually
- Mobile sports betting will generate \$500 million annually, which will go directly to the state
- No new casinos will be authorized, Gov. said this is to keep politics out of casino licensing
- \$29.51 billion in state school aid for 21-22, \$105 million to expand access for full-day pre-K
- \$7.7 billion for higher ed, \$247 million for opportunity programs, \$88 million to increase TAP
- Increasing access to broadband - \$15 per month for low-income customers mandated
- ConnectED NY Emergency Fund created to provide 50,000 students with free internet access
- Funding for job training through SUNY and CUNY
- Investments to address systemic injustice
- Funding to improve voting, election process
- \$3 billion to restore Mother Nature Bond Act, will be on the ballot next year
- Nursing Home Reforms to ensure patients prioritized over profits

- \$311 billion investment in infrastructure projects

Q&A:

On potential backpay for schools that had funding withheld:

- Mujica stated pay was withheld throughout the year to preserve spending, and will be paid back as a result of federal aid being received
- School districts will get a total of \$10 billion, state will also supplement by fully funding Foundation Aid

On exclusion of Oneida Indian Nation from participation in mobile sports betting:

- Servers required to be located in upstate licensed casinos, if Indian Nation servers are selected, they can be placed at casinos

On the exclusion of Gateway tunnels project from presentation:

- Gov. said Gateway tunnels are "essential", train lines will be added in Empire Station, and the facility will be improved
- Empire Station project anticipates Gateway Tunnels be completed
- Gov. said previous agreement was that NY and NJ will fund half of project and the federal government funds half, and this is still in place but funding has not come through yet

On unemployment insurance, small business relief:

- Mujica said there is no change in tax status for unemployment benefits, which are subject to state tax
- Mujica added on small business package, which is about \$1 billion, \$ 800 million would be grants
- The program is designed to supplement federal grants available for small businesses, main goal is to get people back to work
- ESD will develop guidelines for the program

On whether it was appropriate for the Gov. to prioritize testing for his family during the pandemic:

- Gov. said he was not involved in the testing program "at that level"
- Gov. added anyone who came to his office was tested, including his family
- Gov. declined to comment further, citing Assembly investigation

On why legislative leaders are not present today for a joint presentation, as has been done in the past:

- Gov. cited concerns over COVID, cited that Speaker Heastie was recently diagnosed with COVID

On whether Gov.'s recent controversies made it difficult for him to negotiate the budget:

- Gov said all of his initial priorities for this budget have been met, though he compromised with leaders throughout the process
- Gov. repeated the challenges involved in this particular budget