



Enacted 2022-23 State Budget Summary

A few days after the start of the state fiscal year, the Governor and lawmakers agreed to a final budget. Overall, this budget is a positive for CSEA members across New York State. It includes positive changes for members in tiers 5 and 6, bonuses for healthcare and direct care workers, historic levels of school district funding, new funding for SUNY, and unprecedented investments in childcare.

We continue to review the enacted budget for additional details and will report additional details as needed.

Pension Reform

Fix Tier 6

Thanks to the activism of CSEA members, the enacted budget includes the first positive large-scale pension reforms in **over 20 years**. While we didn't get everything we wanted, these changes are a great first step to making public employment attractive again and helping to address significant staffing shortages at every level of government.

The enacted budget:

- Reduces from 10 years to 5 years the amount of time an employee in tiers 5 and 6 must work before becoming vested in their pension. This brings vesting in line with other pension tiers and the private sector. Fixing this inequality was the #1 priority for the CSEA members who responded to our pension reform survey in December; and
- For the next two years, a tier 6 employee's pension contributions will be calculated using base salary only, excluding all overtime worked. This will ensure that workers aren't penalized with higher pension contributions because of the mandatory overtime needed to provide essential services during the pandemic.

Both provisions go into effect immediately.

This victory was only possible because of the outstanding activism of CSEA members who sent over 25,000 emails and made over 1,200 phone calls to their legislators and the governor about the importance of pension reform. Thank you to each member who took action.

Our campaign to "Fix Tier 6" does not end today, but we have successfully opened the door to a conversation that has not even been possible in recent years.

Other Pension Reforms

- Allows former members of the military who were discharged for a qualifying condition, including PTSD, traumatic brain injury, and military sexual trauma, or for being LGBT, to buy back up to three years of pension credit for their military service. Previously, individuals in these categories were unable to buy back pension credit because they did not receive an honorable discharge. This legislation takes effect in April 2023.

Health Care Bonuses

The enacted FY2023 state budget creates a healthcare and mental hygiene worker bonus program to recruit and retain existing employees. Eligible employees can earn up to a maximum of \$3,000 - \$1,500 for each 6-month vesting period - over a one-year period. Employees who work fewer hours will be eligible for a prorated bonus.

This summary explains all eligibility qualifications that are in law. However, we expect guidance to be issued on this issue in the future. We will follow-up with any new information in the future.

Bonus Eligible Titles

Eligible employees include front line health care and mental hygiene practitioners, technicians, assistants, and aides that provide hands on health or care services to individuals. A detailed list that was included in the legislation can be found at the end of this document. The law gives deference given to the Department of Civil Service and agency heads to approve titles not listed.

Bonus Eligible Employers

An employee must be in an eligible title and work for:

- | | |
|---|--|
| 1. OMH | 8. Public schools |
| 2. OPWDD | 9. BOCES |
| 3. OCFS | 10. Public health districts |
| 4. DOCCS | 11. Municipalities (county, city, town, village, or school district) |
| 5. Not-for-profits licensed by any of these agencies, | 12. EMS |
| 6. All hospitals, including SUNY-operated facilities | 13. Homecare |
| 7. Nursing Homes | 14. Hospice |

Employee Status

Eligibility is open to any employee, regardless of whether they work full-time, part-time, salaried, hourly, or temporary. However, an employee must have a base salary (excluding overtime) of less than \$125,000.

Vesting Period

To become eligible for this program, an eligible employee must meet the hours threshold listed in the next section during two separate 6-month periods. Vesting could begin on October 1, 2021 for existing employees. Employees who began working after that date will begin their vesting period upon date of hire. Employees hired in the future can earn this bonus if they take a eligible job as late as March 31, 2023.

Required Hours

Eligibility is based on the weekly average number of hours worked during the vesting periods. The use of accruals or other leave, including but not limited to sick, vacation, or time used under the family medical leave act, will be credited towards the average number of hours worked per week during the vesting period.

<u>State Employees Hours Worked</u> <u>(weekly avg.)</u>	<u>Non-State Employees Hours Worked</u> <u>(weekly avg.)</u>	<u>Bonus Payment</u>
20-29	20-29	\$500
30-37.4	30-34	\$1,000
37.5 and more	35 and more	\$1,500

Eligibility Process

Employers will identify eligible employees from payroll records and apply for this funding on behalf of an employee. They will then remit payment to the employee. Employers must pay this bonus within 30 days of receiving the money from the state.

Other Items

Payments made under this program are not subject to state or local government income taxes (for example New York City). In addition, these funds do not count as income when calculating a person's eligibility for social service programs.

We expect additional guidance to be issued from the State regarding this program. We will issue updates as needed going forward.

Civil Service Reform

The Governor proposed several changes to the state civil service system, but the final budget only accepted one proposal that allows the department to authorize a shift differential payment in more situations. CSEA supported this proposal.

Proposals not included in the enacted budget include:

- Increased use of continuous recruitment examinations
- Allowing non-competitive and labor class employees to take promotional examinations without having to also have an open-competitive examination at the same time
- Allow 55-b and 55-c employees to transfer into competitive class positions without taking an examination

State Agencies / Authorities

Proposed Transfers

- The budget does not include the proposed transfer of oversight for the healthcare professions from the Office of Professions within the Education Department to the Department of Health. CSEA opposed this proposal because of the lack of details around its impact on the workforce.
- The budget also does not include the transfer of oversight of the National School Lunch Program from the Education Department to the Department of Agriculture and Markets.

Office of Mental Health (OMH)

- Restores \$10 million in funding to better staff OMH facilities and provide additional bed capacity.

Higher Education

State University of New York

The enacted budget provides:

- \$500 million in new SUNY and CUNY operating funding.
- \$60 million for strategic investments in State-operated campuses, statutory and contract colleges, SUNY hospitals, and community colleges.
- Funding to close the “TAP Gap” this year. The state had been scheduled to pay only 33% of the gap this year, phasing up to \$100% in FY25.
- \$68 million for debt service for the SUNY hospitals.

- \$150 million in capital funding for the SUNY hospitals for costs incurred prior to April 1, 2022.
- \$150 million to expand the Tuition Assistance Program (TAP) to support part-time students.
- Funding to establish childcare centers on all SUNY campuses.

Community Colleges

- A funding floor for community colleges to ensure that no community college will receive less funding than it received in 2021-22. Without this funding floor, community colleges would be facing the loss of over \$80 million due to enrollment declines.

Office of Parks, Recreation and Historic Preservation (OPRHP)

- The budget provides a \$140 million increase in funding to support New York's parks.

Unified Court System

- The budget enacts the Judiciary's budget request, which will support the hiring of additional staff including 500 court officers.

Other

The enacted budget:

- Elevates the Division of Veterans' Services to an Executive Department. All employees of the Division shall be transferred to the Department without any further examination or qualification to the same or similar titles and shall remain in their same bargaining units and retain their classification, status, and rights.
- Includes \$750 million for a new Wadsworth Laboratory.
- Does not include the "SLOW Act," which would have increased penalties for assaulting a highway worker or DMV worker and other efforts to increase work zone safety.

Local Governments

Funding

Aid and Incentives for Municipalities (AIM)

- Restores the state's responsibility for providing AIM payments to municipalities rather than funding payments from county sales tax revenues.

Public Health

- \$26 million in additional funding for County Public Health grants and \$19 million for local health departments to help pay for fringe benefit expenses to assist in the hiring and retention of staff.

Roads / Bridges

- Provides significant funding for local roads and bridges, including:
 - standard funding of the CHIPS and Marchiselli programs
 - \$100 million for “extreme winter recovery”
 - An additional \$100 million for local roads.
- The budget does not include the Executive’s proposal to increase the CHIPS bidding threshold that would have allowed municipalities to complete more work in-house.

Distressed Hospital Fund

- Eliminates the redirection of \$50 million in sales tax collections from counties outside of New York City for the local distressed hospital funding pool

Raise the Age

- Provides \$250 million in funding for counties and New York City for costs associated with “Raise the Age.”

Education

P-12

- The budget includes record funding for schools. The budget provides:
 - A \$2.1 billion (7.2%) increase in school aid over last year, including:
 - \$1.5 billion increase in Foundation Aid
 - An additional \$125 million to expand pre-kindergarten programs.
- The budget temporarily waives the income cap for public sector retirees that rejoin the public school workforce until June 30, 2023
- Schools will also be provided with funding through the proposed “Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022” for green energy capital costs.

Electric School Buses

- The enacted budget requires that school districts begin transition to zero-emission vehicle (ZEV) school buses beginning on July 1, 2027, with all buses being ZEV by 2035. School districts can apply for a one-time 24-month extender.
- To help pay for the significant costs of this program, at least \$500 million would be provided for the purchase or conversion of ZEV buses and supporting infrastructure

through the proposed “Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022” that voters will decide on the November 2022 ballot. Additionally, school districts will be able to finance the costs of the buses and related infrastructure over 12 years rather than the five years for current vehicles.

- Importantly, the budget includes CSEA-supported language ensuring that current workers will not be displaced or negatively impacted by these requirements. Additionally, employers will be required to issue a report on the impact procuring zero-emission vehicles would have on the workforce. Finally, the budget provides \$50 million in training funds for workers for renewable energy technologies. CSEA will work to ensure that members who maintain and operate buses have training opportunities available to them.

Libraries

The enacted budget provides:

- A \$5,500,000 increase over FY22.
- \$34 million in library construction aid, consistent with FY22 and \$20 million more than the Executive proposal.

Revenue

Personal Income Taxes

- The enacted budget accelerates the implementation of planned personal income tax reductions beginning in tax year 2023.

Property Tax Rebate

- The enacted budget includes a property tax rebate credit for homeowners earning up to \$250,000.

Gas Tax

- The budget suspends the state sales tax on motor fuels, the motor fuel tax, and the metropolitan commuter transportation district sales tax on motor fuels from June 1 through December 31, 2022. This will cut gas taxes by 16 cents per gallon.
- The State’s General Fund will be required to make up for the loss of revenue to the accounts normally funded by these taxes. The estimated cost is \$585 million.
- In addition, counties will have the option to stop collecting sales taxes on gas that is priced above \$4 per gallon. Counties previously had the option to stop collecting taxes on gas priced above \$2 or \$3 per gallon.

Healthcare

Hospital Funding

- \$3.9 billion to aid hospitals still struggling from the Covid-19 pandemic
- \$2.4 billion for healthcare infrastructure

COLA

- Provides a 5.4% cost-of-living-adjustment (COLA) to employees of not-for-profit providers who provide services licensed or regulated by OMH, OPWDD, OASAS, and OCFS.

Nurses Across New York

- Creates a loan repayment program for registered and licensed practical nurses who agree to work in underserved areas or with underserved populations for three years.

Homecare Wages

- Increase the minimum wage for homecare workers by \$3 per hour as follows:
 - October 1, 2022 - \$2/hour increase
 - October 1, 2023 - \$1/hour increase

Childcare

- Increase subsidy rates paid to providers to the 80th percentile
- Requiring 12-month eligibility determinations for parents
- Limiting family copayments to 10%
- Pay for 24 absences per year
- \$343 million for a second round of stabilization grants, of which at least 75% of which must be used for workforce initiatives
- Expands childcare subsidy eligibility for children in families with incomes up to 300% of the state income standard, provided they are at or below 85% of the federal poverty level (\$83,250 for a family of four).
- Expands childcare facilitated enrollment to Nassau and Suffolk Counties, in addition to existing programs.

Other

Environmental Bond Act

- The enacted budget proposes a \$4.2 billion “Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022.” Voters will have to approve this funding on the ballot in November 2022. Details of this proposal are discussed in other relevant sections of this summary.

Tax Expenditures

The enacted budget:

- Includes a requirement for the Department of Taxation and Finance to contract with an economic impact firm to analyze each tax credit, tax deduction, and tax incentive aimed at increasing economic development.
- Establishes a “database of deals” that requires the Empire State Development Corporation to maintain a searchable database of economic development awards.

Criminal Justice Reforms

The enacted budget:

- Expands the factors that judges must consider when setting bail to include history of gun use or possession, previous violations of orders of protection, and whether the charge caused serious harm.
- Expands offenses that are arrest-eligible and bail-eligible.
- Makes it easier to prosecute gun trafficking.
- Makes changes to the discovery statute to ensure cases aren’t automatically dismissed when belated discovery disclosures are made.
- Extends “Kendra’s Law” through 2027 and make amendments to make assisted outpatient treatment orders more effective.
- Allows judges to require mental health evaluations as a condition of pretrial release.
- Makes various investments in mental health and pretrial services.

COVID Relief

The enacted budget provides:

- \$800 million for the Emergency Rental Assistance Program.
- \$250 million for utility assistance.
- \$125 million for the Landlord Rental Assistance Program.

Other

The enacted budget:

- Legalizes to-go alcoholic drinks with food orders.
- Allows for the establishment of up to three new downstate casinos.
- Provides \$600 million to build a new football stadium for the Buffalo Bills.
- Provides \$500 million for offshore wind.
- Provides \$1.45 billion for broadband expansion.
- Allows fire departments that run ambulance services to charge fees to those that receive services.

Addendum A

Health Care Bonus Titles as Listed in Part ZZ Chapter 56 of the Laws of 2022

Physician assistants	Magnetic resonance imaging technologists	Licensed practical and licensed vocational nurses
Dental hygienists	Ophthalmic medical technicians	Mental Hygiene Worker
Dental assistants	Radiation therapists	Residence/Site Worker
Psychiatric aides	Dietetic technicians	Therapist – Recreation
Pharmacists	Cardiovascular technologists and technicians	Therapist - Activity/Creative Arts
Pharmacy technicians	Certified first responders	Therapist – Occupational
Physical therapists	Emergency medical technicians	Dietician/Nutritionist
Physical therapy assistants	Advanced emergency medical technicians	Therapy Assistant/Activity Assistant
Physical therapy aides	Paramedics	Nurse's Aide/Medical Aide
Occupational therapists	Surgical technologists	Counselor (OMH)
Occupational therapy assistants	All other health technologists and technicians	Manager (OMH)
Occupational therapy aides	Orderlies	Senior Counselor (OMH)
Speech-language pathologists	Medical assistants	Supervisor (OMH)
Respiratory therapists	Phlebotomists	Developmental Disabilities Specialist QIDP - Direct Care (OPWDD)
Exercise physiologists	All other health care support workers	Recovery Peer Advocate
Recreational therapists	Nurse anesthetists	Peer Professional - Non-CRPA (OASAS Only)
All other therapists	Nurse midwives	Developmental Disabilities Specialist/Habilitation Specialist QIDP-Clinical (OPWDD)
Orthotists	Nurse practitioners	Emergency Medical Technician
Prosthetists	Registered nurses	Case Manager (OMH)
Clinical laboratory technologists and technicians	Nursing assistants	
Diagnostic medical sonographers		
Nuclear medicine technologists		
Radiologic technologists		

Intensive Case Manager/Coordinator (OMH)	Job Coach/Employment Specialist (OMH and OPWDD)	Pharmacist
Nurse - Licensed Practical	Specialist (OMH)	Marriage and Family Counselor/Therapist
Nurse – Registered	Counselor - Alcoholism and Substance Abuse (CASAC)	Residential Treatment Facility (RTF) Transition Coordinator (OMH)
Psychologist (Licensed)	Counseling Aide/Assistant - Alcoholism and Substance Abuse	Crisis Prevention Specialist (OMH)
Psychologist (Master's Level)/Behavioral Specialist	Other Direct Care Staff	Early Recognition Specialist (OMH)
Psychology Worker/Other Behavioral Worker	Case Manager	Other Clinical Staff/Assistants
Social Worker - Licensed (LMSW, LCSW)	Counselor – Rehabilitation	Nurse Practitioner/Nursing Supervisor
Worker - Master's Level (MSW)	Behavior Intervention Specialist 1 (OPWDD)	Therapist – Physical
Mental Health Counselor (OASAS, OMH, OCFS)	Behavior Intervention Specialist 2 (OPWDD)	Therapist – Speech
Licensed Psychoanalyst (OMH)	Clinical Coordinator	Program or Site Director
	Intake/Screening	Assistant Program or Assistant Site Director

****Such titles as determined by the commissioner, or relevant agency commissioner as applicable, and approved by the director of the budget****