



NEW YORK STATE SENATOR

Eric Adams

## Letter to Constituents: Budget Update - Budget Extenders

ERIC ADAMS May 11, 2010

### **Budget Update- May 11,2010: Budget Extenders**

Dear Constituents:

The Senate Majority Conference is working to give New Yorkers a fair and responsible budget that controls spending, provides property tax relief, creates jobs, and protects our investment in critical services. **Budget extenders** enact emergency appropriations that preserve the essential functions of government and protect the vital services on which New Yorkers rely. Years of pass-the-buck politics engaged in by the *previous* majority has forced our state to the brink of fiscal disaster; your Senate Majority Conference is making the tough choices and smart cuts that will give New Yorkers an intelligent budget that they can afford.

Items included in the Emergency Appropriation (Budget Extenders):

- \$3.601 billion in All Funds appropriation.
- \$837.79 million of this amount is General Funds appropriation.
- \$1.45 billion for payments to Medicaid providers including:
  - o \$311 million for nursing home services
  - o \$261 million for managed care services
  - o \$234 million for long term care services
  - o \$190 million in federal funds for reimbursement of Medicaid services provided, including services provided at State facilities operated by the Office of Mental Health, the Office of Mental Retardation and Developmental Disabilities, and the Office of Alcoholism and Substance Abuse Services
  - o \$172 million for hospital inpatient services
  - o \$137 million for pharmacy services

- o \$67 million for non-institutional and other spending
- o \$54 million to offset General Fund payments for Medicaid
- o \$30 million for outpatient and emergency room services
- o \$29 million for clinical services
- o \$12 million for transportation services
- o \$7 million for dental services
- \$195 million for Unemployment Insurance Benefits
- \$160.41 million for employees including troopers, guardsmen, corrections officers, nurses and social service workers who care for veterans, homeless, and disabled
  - o Withholds the collectively bargained general salary increase (4%) and imposes a one-day furlough on Executive branch employees
- \$90 million for capital transportation projects funded through the American Recovery and Reinvestment Act- ARRA (additional \$10 million added to the appropriation in the first five extenders to make payments on the Federal share of liabilities incurred for ARRA capital infrastructure projects) including:
  - o \$50 million for contracts approved prior to April 1, 2010 where payments must be made from April 1, 2010 to May 16, 2010 (additional \$10 million)
  - o \$40 million for contracts approved from April 1, 2010 to May 16, 2010
- \$60 million for non-ARRA transportation capital construction projects that are 100% federally funded and do not have any State share of funding
  - o \$40 million of the appropriation (continuation of previous extender) applies only to construction contracts approved prior to April 1, 2010
  - o \$5 million has been added for payment of liabilities incurred from April 1st through April 11th on contracts approved prior to April 1, 2010 for Federally-funded projects that have a State share of funding
  - o However, the only Federally-funded projects with a State share of funding eligible are those that have already been deemed eligible for funding with the use of bond proceeds, and only to the extent the bond proceeds are available
  - o \$20 million in a new appropriation is provided to authorize DOT to pay the liabilities on new contracts approved in the period from April 1, 2010 through May 16, 2010, but only for projects 100% Federally-funded, with no State share
- \$60 million for Social Security Insurance for eligible aged, blind and disabled

- \$40 million for the Child Health Plus (CHP) program
- \$20 million for emergency health and safety projects to ensure the safety of citizens across the state isn't put in jeopardy by needless delays to capital improvements
- \$15.67 million for the Social Security Contribution Fund for payroll taxes
- \$2 million for Medicaid payments for family-based providers of Family Care Services

Items excluded from the Emergency Appropriation (Budget Extenders):

- 4% salary increase collectively bargained with state workers and agreed to by the Executive and state employee unions for the current workforce contract
  - It is expected the salary increases will be disbursed retroactively sometime in the current state fiscal year once the final budget has been enacted
- This bill does not include authorization for any funding for State Parks and historic sites that had been identified for closure by the Executive in his SFY 2010-11

The Senate minority caucus is promoting a “poison pill” that would effectively shut down government and deny essential services to millions of New Yorkers. State government shutdowns in Michigan, Minnesota, New Jersey, Pennsylvania, and Tennessee have had disastrous consequences, such as furloughs of state employees (including state police!), cancellation of classes at state universities, suspension of lottery operations, closing of state parks, halts in all highway construction, and moratoriums on issuance of driver's licenses.

The attempt by the minority to close down our State government is irresponsible and hypocritical. An examination of their performance in ten of their last twelve years in control reveals **late** budgets (they used 97 budget extenders totaling \$73 billion), **swollen** budgets (an almost 100% increase, or doubled budget!), **violated** spending caps, **bloated** state debt (to an outrageous \$54 *billion*), and **soaring** annual debt service (another doubling!!). And skyrocketing property taxes during their reign of incompetence forces New Yorkers to pay almost double (yes, another double for their resume) the national average for local taxes.

Your Senate Majority Conference is laboring diligently to correct the years of ineptitude and ineffectiveness that have so grievously exacerbated our present fiscal crisis. I will keep you informed of our progress. I am dedicated to your welfare and wellbeing.

Very truly yours,

Eric Adams  
**NYS Senator**

**District #20**