



NEW YORK STATE SENATOR

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Executive Budget Outlines Innovative Action Plan to Build and Shape an Even Better New York

VELMANETTE MONTGOMERY January 21, 2014

Governor Andrew M. Cuomo today delivered his 2014 Executive Budget address, outlining a disciplined and innovative plan that allows for tax cuts that will create jobs, grow the economy and provide much-needed relief for struggling families.

New York has undergone a dramatic turnaround in the past three years. In 2011, the New York faced a \$10 billion budget gap, symptomatic of decades during which the State spent beyond its means. Budgets were chronically late and politics dominated policymaking.

But over the last three years, State government has reformed to deliver better, more efficient results for the people of New York. Out-of-control inflators were replaced with new measures of affordability and limited State spending growth to two percent. The government was reorganized to allow for the workforce to contract in a rational way, and negotiate new labor contracts appropriate to the State's fiscal condition, all while reducing debt and pension liability.

The State worked with partners in all sectors – public, private and nonprofit – to overhaul the Medicaid program through the Medicaid Redesign Team. New strategies for investments and economic growth were built from the ground-up by the Regional Economic Development Councils.

This year's Executive Budget is balanced while limiting spending growth to no greater than two percent. The current year is expected to end in surplus and with Governor Cuomo's steadfast commitment to fiscal responsibility, future surpluses are expected to grow.

The Executive Budget reduces spending in 2014-15 by nearly \$2 billion compared to prior projections, continuing the Governor's focus on spending constraint. These savings are recurring and expected to grow in value in the future years. The Budget also makes sizable new investments in education and health care, **including \$1.5 billion for a fully funded Universal Full-Day Pre-K program and \$720 million for an after school program over five years**, and a **\$2 billion Smart Schools bond act**.

Highlights of the Executive Budget:

- Holds spending increases below 2 percent for the fourth consecutive year.
- Reduces taxes by more than \$2 billion by 2016-17, using surpluses to be generated by the Governor's commitment to holding spending at 2 percent.
- Increases education aid by \$807 million, almost 4 percent, driving an average increase of nearly \$300 per student.
- Provides \$1.5 billion over a five year period to fund a statewide universal full day pre-K program.
- Authorizes \$720 million over a five year period to expand after school programs.
- Proposes a \$2 billion Smart Schools Bond Act to ensure that all of our children have access to the latest technology needed to compete on the global stage.
- Provides \$1.2 billion in capital funding to help hospitals, nursing homes and long term care facilities restructure to provide quality community based care.

The Executive Budget includes:

- All Funds spending of \$137.2 billion in the fiscal year that begins April 1, 2014, an increase of \$1.8 billion or 1.3 percent from 2013-14.
- State Operating Funds spending of \$92.03 billion, an increase of \$1.5 billion, or 1.7 percent. State Operating Funds exclude federal funds and long-term capital spending.

Tax Reforms:

The combination of effective budget management and adherence to the 2 percent spending limit will improve the State's fiscal position and allow for surpluses that can be used for tax relief. The 2014-15 Executive Budget contains proposals for continued improvement of New York's business climate and to provide additional tax relief for over-burdened families. These reforms will provide more than \$2 billion in tax relief by 2016-17.

These tax reforms will simplify the tax code and reduce taxes and assessments by almost \$500 million in 2014-15 and \$1.6 billion in 2015-16 on an All Funds basis.

- Corporate Tax Reform. The Executive Budget combines the corporate franchise and bank taxes to provide tax simplification and relief, and improve voluntary compliance. Further, the tax rate on net income is reduced from 7.1 percent to 6.5 percent, the lowest rate since 1968.
- Establish a 20 Percent Real Property Tax Credit for Manufacturers. To help lower the cost of conducting business for manufacturers and create jobs, the Budget provides a statewide refundable credit equal to 20 percent of property taxes paid by manufacturers who own property.

- Eliminate the Net Income Tax Rate on Upstate Manufacturers. To encourage the growth of manufacturing in Upstate New York the Executive Budget lowers the tax rate on income for Upstate manufacturers from the current 5.9 percent to zero in 2014 and thereafter.

- Eliminate 18-a Temporary Assessment for Industrial Customers, Accelerate Phase Out for All Others. At present, the temporary assessment on utilities is scheduled to be eliminated by March 2017. Recognizing the need for immediate relief, the Executive Budget eliminates the assessment on industrial customers in the next fiscal year and accelerates the phase-out for all other customers. The phase-out will save businesses and residents \$600 million over the next three years.

- Establish the Real Property Tax Freeze as a Personal Income Tax Credit. The Executive Budget freezes property taxes for two years, subject to two conditions. In year one (2014-15), the State will provide tax rebates to homeowners with qualifying incomes of \$500,000 or less who live in a jurisdiction that stays within the 2 percent property tax cap. In order for their homeowners to get the tax credit in the second year, school districts and local governments must continue to stay within the tax cap and must develop a plan for sharing or consolidating services and eliminating duplication and overlap that generates savings equal to three percent of tax levy within five years. When these plans are fully implemented, local governments and school districts could provide property tax relief of up to \$1 billion. The two year freeze will generate an average annual tax benefit of \$354 for 2.8 million beneficiaries. New York City residents are not eligible for the Freeze Credit because New York City is not subject to the Property Tax Cap.

- Establish the Residential Real Property Personal Income Tax Credit. The Budget creates a progressively distributed refundable tax credit against the personal income tax to provide targeted real property tax relief based on an individual homeowner's ability to pay. When fully phased in, the program, valued at almost \$1 billion, will benefit over 1.9 million

homeowners yielding an average benefit of \$500.

- Establish a Renter's Personal Income Tax Credit. To help defray the impact of escalating rental housing costs, especially for families, the Executive Budget creates a refundable credit for renters. When fully phased in the program will save \$400 million for approximately 1.3 million households. The average benefit for a family of four in New York City with income of less than \$50,000 would be about \$410.

- Reform the Estate Tax. The Executive Budget increases the exclusion threshold of the estate tax from \$1 million to eventual conformity with the Federal exemption amount, and reduces the top rate from 16 to 10 percent over four years.

Economic Development:

The Executive Budget provides an additional round of funding for the Regional Economic Development Councils and links them with START-UP NY to attract businesses from around the world, delivers on the promise of the “Buffalo Billion,” and makes strategic capital investments in Upstate projects. Coupled with the extensive tax relief and reform described above, these actions build upon the economic successes of the past three years to further expand economic opportunities for all New Yorkers.

- Launch Global NY. Global NY will link the Governor's START-UP NY and Regional Economic Development Council initiatives to attract international investment to Upstate and help New York companies export their products to international markets. In addition, a new international marketing campaign will leverage the powerful incentives of the START-UP NY program to grow the State's foreign exports and encourage direct foreign investment.

- Regional Economic Development Councils. The Executive Budget includes \$150 million in new economic development capital funding and \$70 million in State tax credits that will be

combined with a wide range of existing agency programs for a fourth round of REDC awards to fund regional priority projects.

- Full Delivery of Billion Dollar Commitment to Buffalo. The Executive Budget fulfills the Governor's \$1 billion commitment to revitalize Buffalo's regional economy by including \$680 million in new capital appropriations for the "Buffalo Billion" program. This amount 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 for the initiative.

- Genomic Medicine Network. As the next major investment of the "Buffalo Billion," the Executive Budget includes \$105 million for the State University of New York at Buffalo to partner with the NY Genome Center in New York City in a network that connects the medical community in New York City with the computational infrastructure at the University at Buffalo and the research community at Roswell Park Cancer Institute. This investment will accelerate the research and application of genomic medicine in New York.

- Nano Utica. The Executive Budget provides \$180 million to support the purchase of new equipment for a project at Nano Utica, the State's second major hub of nanotechnology research and development.

- Establish a School of Pharmacy at Binghamton University. The Budget includes \$10 million in capital resources to fund initial planning and development costs for a new School of Pharmacy at Binghamton University. This new school will help Binghamton continue to build its stature as a premier research university, expand enrollment, create jobs, increase economic activity in the region, and help meet health care workforce needs in the State

- Cornell University College of Veterinary Medicine. The Budget includes a \$5 million initial State investment to expand and upgrade infrastructure and teaching facilities at the Cornell

University College of Veterinary Medicine to accommodate larger class sizes.

- Onondaga Lake Communities Revitalization. The Budget proposes \$30 million to support economic development and infrastructure improvements critical to the revitalization of Onondaga Lake and its surrounding communities.
- Economic Transformation Program. The Budget provides \$24 million to support communities affected by the previously announced closure of four correctional facilities and any closure of juvenile justice facilities in 2014-15. In consultation with the Regional Councils, those communities will be able to use the funds to leverage private sector investments that create jobs and support initiatives that transform their economies.
- North Country Investments. The Budget authorizes \$10 million to support the Clarkson - Trudeau Partnership, \$12 million from reappropriations to refurbish and repair the Whiteface Mountain Veterans' Memorial Highway as well as enable projects to repair the castle, elevator and tollhouse, and \$9.4 million in new capital funding for Olympic Regional Development Authority (ORDA) Capital Improvements.
- New York Open for Business. Supported by \$50 million in New York Power Authority resources, the Open for Business initiative will continue to provide an enhanced marketing effort to demonstrate the benefits of investing and doing business in New York.
- Strengthening Consumer Protections. The Executive Budget contains proposals under the purview of the Department of Financial Services (DFS) aimed at strengthening consumer protections. These include protecting consumers from costly surprise out-of-network medical bills, curbing no-fault insurance fraud to lower auto insurance rates, lowering the cost of title insurance, and establishing a Student Protection Unit within DFS to serve as the consumer watchdog for New York's students.

Support for Public Education:

The Executive Budget reflects a strong commitment to improved student outcomes, sustainable cost growth, an equitable distribution of aid, and support for several key initiatives.

- **School Aid.** The Executive Budget provides an \$807 million increase in education aid for the 2014-15 school year, \$608 million of which is provided to school districts as formula-based school aid. High-need school districts will receive over 70 percent of the 2014-15 allocated increase.

- **Smart Schools.** The Executive Budget recommends a \$2 billion general obligation bond act, to be brought before voters in November 2014. Bond proceeds will fund enhanced education 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, Smart Schools will enable long-term investments in full-day pre-kindergarten through the construction of new pre-kindergarten classroom space.

- **Statewide Universal Full-Day Pre-Kindergarten.** The Executive Budget builds upon 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. The state will work with school districts to develop an implementation schedule. The State will move to provide support as fast as the district moves to implement its plan. Charter schools will be eligible for Pre-k funding.

- **After-school Programs.** The Executive Budget appropriates \$720 million over a five-year period to expand after-school programs across the State. An estimated \$160 million will be available in the 2015-16 school year, growing to \$200 million in the 2017-18 school year. These

funds will allow schools to add or expand after-school programs to provide more enrichment opportunities for students.

- Teacher Excellence Fund. The Executive Budget provides support to reward teacher excellence, and recruit and retain the most highly effective educators. In order to qualify, teachers must be rated as "highly effective" and will be eligible to receive up to \$20,000 in annual supplemental compensation through the Teacher Excellence Fund.

Protecting the Environment:

The Executive Budget increases the Environmental Protection Fund (EPF), maintains State funding for core environmental, parks and agricultural programs, expands outdoor recreational opportunities, and provides a new round of New York Works capital funding for environmental facilities. State agency and public authority funding will continue to make New York a leader in the clean tech economy, reduce the emissions that contribute to climate change, and allow the transformation of our transmission system to a distributed smart grid network.

- Environmental Protection Fund. The Budget includes \$157 million for the EPF, an increase of \$4 million from 2013-14 as a result of increased and improved enforcement of the unclaimed deposit program.

- Brownfield Cleanup and State Superfund. The Executive Budget includes legislation to extend the Brownfields Cleanup Program for ten years, with important reforms to protect taxpayers and promote brownfield redevelopment, particularly in Upstate New York. Under the reformed program, remediation tax credits will only cover actual cleanup costs and redevelopment credits will be available for sites that have been vacant for over a decade, worth less than the cleanup costs, or are priority economic development projects. In addition, the Budget includes a new \$100 million appropriation to extend the State

Superfund cleanup program, including \$10 million through the Environmental Restoration Program to address municipally-owned brownfields.

- Long Island Office of the Department of Public Service. Consistent with Governor Cuomo's landmark legislation to restructure and improve oversight of electric service on Long Island, the Executive Budget includes \$5.5 million in funding for 39 new employees and the creation of a new Long Island Office of DPS (DPS LI). The new office will be empowered to review utility rates and operations, including storm preparedness and performance, to ensure Long Island electric customers receive reliable utility service at just and reasonable rates. PSEG Long Island, the new utility operating the electrical grid on Long Island, is seeking to freeze rates at 2013 levels through 2015.

- New York Works Infrastructure Investment. The Executive Budget provides \$135 million of new appropriations for the next round of the New York Works capital program that will address a backlog of environmental capital needs and spur job creation and economic development statewide.

- Expand Opportunities for Hunting, Fishing and Other Activities. The Executive Budget continues the commitment to outdoor recreation through 50 projects to provide access to more than 380,000 acres of existing State lands for recreation, including boat launches, bird watching areas, trails, and hunting blinds, as well as the creation of new 3- and 5-year hunting and fishing licenses.

- Expand Access to New York Grown Agricultural Products. Building on last year's success, the Executive Budget includes \$1.1 million for the "Taste NY" program.

Assuring Quality Health Care for All New Yorkers:

The Executive Budget continues historic Medicaid reforms of the Medicaid Redesign Team that are achieving better health care outcomes at a more sustainable cost. The Budget supports more effective models of care, sustains the State's health benefit exchange, encourages regional collaborations among providers and communities, and makes investments in health care infrastructure and health information technology to transform the health care delivery system.

- Increase Medicaid Funding Consistent with the Spending Cap. The Executive Budget reflects the continuation of the Medicaid spending cap enacted in 2011-12 and recommends funding consistent with its provisions. The Budget achieves \$10.9 million in savings from public health and aging programs through program reforms, enterprise-wide efficiency measures, and general cost-control efforts.

- Transform New York's Health Care System. The Executive Budget takes the next step in the transformation of New York's health care system by providing capital funding for targeted investments that would complement projects supported by the Medicaid waiver, currently pending approval by the Federal government. By the end of 2014-15, the MRT will have generated over \$17 billion in Federal savings. The waiver will allow the State to reinvest up to \$10 billion of that savings into the transformation of New York's health care delivery system. Federal approval of the waiver is essential to fully implement the MRT action plan, strengthen health care infrastructure, reduce avoidable hospital admissions and respond to future expectations under the Affordable Care Act (ACA).

- Continue Implementation of MRT Recommendations. The Executive Budget continues the implementation of MRT reforms. These reforms represent the most comprehensive restructuring of the Medicaid program in State history, with initiatives designed to improve the full spectrum of health care services. A cost neutral package of new MRT initiatives is proposed to make critical investments in health care delivery. Investments are balanced by

savings resulting from targeted Medicaid integrity initiatives to eliminate fraud and abuse, improvements in benefits design, greater controls on pharmaceuticals, and compliance with Federal law that requires spousal support.

- Support the New York Health Benefit Exchange. Through January 17th, over 580,000 New Yorkers have completed applications and more than 326,000 have enrolled in coverage. Federal funding for the initial operations of the New York Health Benefit Exchange will end January 1, 2015, and the Executive Budget provides \$54.3 million in 2014-15, growing to \$148.3 million in State funding to sustain continued operations of the Exchange. These costs are more than offset by additional revenue generated by increased Exchange-related health insurance enrollment and enhanced Federal Medicaid payments authorized by the Affordable Care Act.

Higher Education:

The Executive Budget strengthens the ability of New York's public system of higher education to excel both academically and as an economic engine. New strategic investments will yield further academic gains, create employment opportunities, and connect graduates to jobs.

- Expand and Launch Another Round of NYSUNY 2020 and NYCUNY 2020. The Executive Budget includes \$110 million for a new and expanded round of NYSUNY 2020 and NYCUNY 2020 grants, \$55 million for each university system. Priority will be given to plans that use technology to improve academic success and job opportunities for students, leverage public-private partnerships through the START-UP NY program, and better connect students to the workforce.

- Offer a Science, Technology, Engineering and Math (STEM) Scholarship. The Executive Budget includes \$8 million in funding for a new STEM scholarship program. Full tuition

scholarships to any SUNY or CUNY college or university will be offered to the top ten percent of high school graduates if they pursue a STEM career and work in New York for five years.

- Connect the NY Youth Works Program to Community Colleges. To encourage more employers to hire inner-city youth, the Executive Budget will tie the occupational training component of the NY Youth Works Program to the Job Linkage Program.

Providing Opportunity for All New Yorkers:

The Executive Budget provides funding for core supportive services for needy populations, increases funding for child care subsidies that allow low-income individuals to seek or maintain employment, expands the availability of affordable housing across the State, expands efforts to serve Veterans and their families, and makes further investment in the Pay for Success program.

- Expand Affordable Housing Opportunities. New resources of \$100 million will be invested to create and preserve 3,000 affordable housing units in multi-family developments. This investment of Federal storm recovery funds in affordable housing will serve as a catalyst to attract private investment into the market by lowering mortgage costs and will lead to more affordable rents. The Executive Budget also continues and enhances the House NY program initiated in 2013-14 that invests \$1 billion over five years to preserve and create 14,300 affordable housing units statewide by adding \$40 million of capital funding.

- Create the Commission on Youth, Public Safety and Justice. New York is one of only two states that continue to prosecute 16- and 17-year olds through the adult criminal justice system. In 2014, the Governor will establish the Commission on Youth, Public Safety and Justice to make recommendations on how best to raise the age of juvenile jurisdiction, improve outcomes for youth, and promote community safety.

- Expand Pay for Success. The Budget increases its utilization of innovative social impact bonds from \$30 million, as authorized in the 2013-14 Budget, to a total of \$125 million. New initiatives will be undertaken in the areas of early childhood development and child welfare, health care, public safety, and developing solutions to reduce homelessness.
- Increase Child Care Funding. The Child Care Block Grant is made up of State, Federal and local funds. The Executive Budget increases total block grant funding by \$21 million to allow local social services districts to maintain child care subsidies in the face of increased costs for such services.
- Provide New Economic Opportunities and Improve Services for Veterans. The Executive Budget provides \$250,000 for the State to undertake a disparity study. This study will help achieve the Governor's commitment to providing these business owners with greater opportunity to secure contracts with the State.

Local Governments:

The 2014-15 Executive Budget continues Governor Cuomo's commitment to lowering property taxes, improving local government efficiency, and assisting distressed local governments while maintaining core local government assistance.

- Freezing Property Taxes. As described above, the Executive Budget includes a two-year freeze on property taxes for homeowners in school districts and local governments that stay within the property tax cap.
- Eliminating Duplicative and Overlapping Governments. Funding of \$39 million is included in the Executive Budget to provide grants to local governments for the implementation of consolidations and of regional services as well as tax credits to residents of local governments that fully dissolve or consolidate.

- Assisting Distressed Local Governments. Available funding for the Financial Restructuring Board is maintained at \$80 million to provide grants or loans to local governments that implement restructuring initiatives identified by the Board.

The Executive Budget continues the Governor's commitment to eliminate mandates on to local governments, school districts, and their taxpayers to provide real, recurring relief. The overall savings to local governments, over five years, will be \$4.6 billion. Such reforms include:

- Medicaid Relief. Medicaid is one of the biggest costs for counties and New York City. The State is absorbing the growth in the local share of Medicaid growth, saving counties and New York City \$1.2 billion over five years. Along with the expense growth, the State is also assuming Medicaid administrative responsibilities for counties. This will result in greater efficiencies and help achieve State and Federal health care reform initiatives.

- Pension Reform. In recent years, pensions have been one of the fastest growing costs for local governments and school districts. In 2012, a new pension tier was created in the State pension system that will save the State, local governments, and school districts \$80 billion over the next 30 years. In 2013, local governments and school districts were given the option to have a more stable pension contribution rate, which has greater predictability and allows locals to access the savings from the 2012 reforms.

- Affordable Care Act Funding Acceleration. The 2013-14 Budget used State funds to lower County Medicaid Cap contributions by \$86 million through an advancement of enhanced FMAP for the period January 1, 2014 through March 31, 2014 associated with childless adults under the Affordable Care Act. Over the next five years, counties and the City of New York will save a total of \$2.4 billion as a result of the ACA related enhanced FMAP.

· Early Intervention. Reforms to the Early Intervention program enacted with the 2012-13 budget will save local governments \$54 million over five years.

Caring for New York’s Vulnerable Citizens:

The Executive Budget supports expansion of community-based care, continues to strengthen the oversight of care provided to vulnerable persons, makes investments to improve the accountability of mental hygiene agencies, and ensures that individuals are served safely in the most integrated and cost effective setting possible. The Executive Budget proposals result in Mental Hygiene system funding of \$7.4 billion in 2014-15, an annual spending increase of \$62.4 million, or 0.9 percent.

· Enhancing Mental Hygiene Services. Proposed actions for the Mental Hygiene agencies include enhancing community mental health services, right-sizing and improving State-operated inpatient services, utilizing less costly and more programmatically appropriate in-state community residences, enhancing employment opportunities for individuals with disabilities, placing aggressive cost controls on agency operations, and maximizing payments from third-party payers.

· Helping Individuals Lead Full and Productive Lives. The Executive Budget continues funding to help divert individuals from prison to treatment programs, provides additional community mental health services for certain nursing home and adult home residents, and supports community residential and day services for individuals served by OPWDD.

Focusing on Emergency Preparedness and Crime Prevention:

The Executive Budget supports continued progress toward making New York more prepared for and resilient to future emergencies. Equally important, the Budget reflects an approach to public safety that is tough, smart and fair. These priorities, taken together, will ensure the

safety of all New Yorkers in the event of an emergency.

- Establish a State-of-the-Art Weather Detection System. The Division of Homeland Security and Emergency Services (DHSES) will collaborate with an academic partner to secure a private entity to establish and operate a state-of-the-art weather detection system – one of only six such systems in the nation. An initial capital investment of \$15 million is being sought from Federal funding related to Superstorm Sandy.
- Create a College of Emergency Preparedness, Homeland Security and Cybersecurity. The Executive Budget includes \$15 million in capital resources to fund initial planning and development costs for a new College of Emergency Preparedness, Homeland Security and Cybersecurity within SUNY.
- Equip Gas Stations with Back-up Power Capacity. New York is the first state in the nation with a comprehensive plan to ensure that power is maintained at strategically located gas stations in an emergency. This program is being extended to include approximately 241 Upstate gas stations within a half mile of exits on critical highways. Another \$3.1 million will be made available through Federal funding related to Superstorm Sandy.
- Expand State Strategic Fuel Reserves. To prevent future supply disruptions, the current strategic fuel reserve will be expanded statewide to serve emergency responders. The estimated \$10 million cost is expected to be supported by the New York Power Authority.
- Prepare Citizens for Emergencies. The Division of Homeland Security and Emergency Services, in collaboration with the National Guard, will offer emergency preparedness courses throughout the year to interested citizens, with a goal of training 100,000 citizens by March 31, 2015. Support for this initiative will come from Federal homeland security funds.

- Achieve Statewide Interoperable Communications. The State will invest another \$75 million toward statewide interoperable communications in 2014-15, including a new program distributing \$10 million in annual formula-driven grants to counties to support ongoing operations of public safety communications centers.
- Protect Against Gun Violence. A total of \$15.2 million will be invested through a new initiative called GIVE – Gun-Involved Violence Elimination to focus on reducing gun violence in New York’s communities. This program will be offered to the same communities currently receiving Operation IMPACT funding.
- New York State Protection Cloud. The State will invest \$10 million in shared technology for State and local law enforcement to eliminate barriers to effective information sharing, and support coordinated responses across jurisdictions. As local law enforcement agencies join the system over the next four years, savings to these participating agencies are expected to grow to \$12 million annually.
- Continue Right-Sizing Prison Capacity. The Executive Budget reflects the previously-announced closure of four prisons which will save \$30 million annually. Affected communities will be eligible for \$24 million in new economic development grants to ease the economic impact resulting from the closures.
- Stop Drunk Drivers. Under a proposed new law included in the Budget, drivers found guilty twice of driving while intoxicated or driving while impaired by drugs or alcohol within a three-year period will have their licenses suspended for five years. Drivers who have three such convictions in their lifetime will have their licenses permanently revoked.
- Crack-Down On Youth Texting While Driving. The Executive Budget includes legislation to intensify the efforts to curtail the prevalence of texting while driving by young drivers. Any

person under the age of 21 convicted of texting-while-driving will have their license suspended for one year.

Investing in a Safe, Reliable Transportation System:

The Executive Budget makes new capital investments to improve the transportation system, enhance its resiliency and create jobs, delivers an increase in aid for transit systems, and continues to implement initiatives to improve customer service at the Department of Motor Vehicles.

- Invest in Infrastructure through New York Works. The 2014-15 Executive Budget implements the second year of a two-year transportation program providing over \$3.4 billion for capital improvement of all modes of transportation infrastructure. The investments include \$225 million of New York Works funding to accelerate road and bridge projects, provide for project engineering, and improve transit, rail and aviation facilities.

- Increase Transit Aid Levels. The Executive Budget proposes \$4.8 billion of transit aid for systems throughout the State. Downstate systems, funded principally by dedicated taxes imposed in the region, will receive over \$4.6 billion, an increase of \$90.7 million. Upstate transit systems will receive \$175.9 million, an increase of \$2.3 million.

Reimagining New York for a New Reality:

The Executive Budget supports a strategy to transform New York's infrastructure, transportation networks, power systems, coastal protection, weather warning system, and emergency management, to better protect the State from future extreme weather.

The State is seeking the use of Federal funds appropriated for Sandy, Irene and Lee to implement this far-reaching program. With these resources, New York will rebuild the State's communities, homes, businesses, and infrastructure to restore the State's economy and

mitigate potential damage from future storms.

Restoring Public Trust:

The 2014-15 Executive Budget includes further reforms to ensure New Yorkers have confidence that their elected officials are serving them honestly and with transparency. These proposals include new anti-bribery and corruption laws, public financing of elections, campaign finance reform, independent enforcement and oversight at the Board of Elections, and disclosure of outside clients of State Legislators conducting business before the State. In addition the Budget provides \$200,000 to enable JCOPE to operate a hotline in which State employees or the public can report allegations of sexual harassment or other violations of the public trust by State officials.