



NEW YORK STATE SENATOR

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## IDC invests in hardworking New York families in State Senate one-house budget resolution

JEFFREY D. KLEIN March 11, 2015

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*Senate resolution includes key IDC proposals for infrastructure upgrades, job growth, affordable housing, college affordability and paid family leave*

Albany, NY — As the State Senate Coalition announced its \$139.7 billion one-house budget resolution on Wednesday, State Senate Coalition Co-Leader Jeff Klein (D-Bronx/Westchester) and the members of the Independent Democratic Conference unfurled key achievements for New York’s hardworking families.

Paid family leave, a major infrastructure repair and jobs program, affordable housing, aid for working families, help for seniors and a state tax deduction for college loan repayment were chief among the IDC’s “*Invest NY*” policy proposals to be adopted in the senate’s 2015-16 one-house resolution.

“Once again, I’m proud to deliver for New York State’s hardworking families in this year’s State Senate budget resolution. The IDC knows that investing in New Yorkers is the best way to move this state forward. We put forth concrete ideas that will generate over 135,000 jobs and rebuild infrastructure across the state. While the IDC values hard work, it also recognizes the need for time off from employment in life’s best and worst times. That’s why it’s so important that paid family leave is included in our one-house resolution so that no

New Yorker has to choose between their bank account or taking care of a loved one. Most of all, we're proud that this resolution contains so many of the IDC's proposals that will aid our seniors, help college students, continue to fund UPK and child care subsidies, develop much needed middle-income housing and rehabilitate the deplorable conditions in NYCHA developments," **said State Senate Coalition Co-Leader Klein.**

"This one-house resolution delivers for the hardworking middle class families throughout New York State. I am pleased that this budget shows our commitment to education by providing \$1 billion in Gap Elimination Adjustment relief. I am also glad that this resolution makes upstate infrastructure projects a priority, as well as, addressing many of the concerns of our senior citizens," **said Independent Democratic Conference Deputy Leader David Valesky (D-Oneida).**

"The IDC stood up for New York State's families and successfully fought for an agenda that works for them. Families will benefit from paid family leave, increased child care funding, college affordability initiatives and middle-class affordable housing plans. The IDC's robust jobs creation and infrastructure vision will also revitalize our state. This budget addresses the needs of our seniors by reducing costs to those living on fixed incomes and by providing needed services for elderly New Yorkers," **said State Senator Diane Savino (D-Statens Island/Brooklyn).**

"The State Senate's one-house budget resolution provides for New York State's working families by bringing meaningful property tax relief for homeowners, addressing college affordability issues and helping our seniors afford their utility bills. This budget is an important step toward helping new undergraduates and parents who are paying for college by doubling the tax deduction and credit. I'm also proud of the actions we take in this budget to help our seniors continue to afford to live at home by advancing a proposal to create real relief for seniors paying sky high utility bills," **said State Senator David Carlucci (D-Rockland/Westchester).**

“I’m proud of the State Senate’s one-house budget resolution that delivers so much for New Yorks families. It tackles the growing need for middle class housing and also includes a green building tax credit, which I proposed, to ensure that homeowners could afford to build or upgrade properties with environmentally sound design. I’m thrilled that our seniors, again, with the help of the IDC will be able to live comfortably and affordably in their communities,” **said State Senator Tony Avella (D-Bayside).**

“*INVEST NY*” and other IDC proposals included in the State Senate one-house include:

### **PAID FAMILY LEAVE**

Paid family leave, a growing national issue, permits workers up to six-weeks annual leave to tend to a sick relative or bond with a newborn or adopted child. The policy applies to all parents regardless of gender. Paid family leave, subsidized by New York State, comes at no cost to employees or employers in the public or private sectors. When the program is fully implemented, an employee could collect up to 50% of the average weekly wage.

### **IDC INFRASTRUCTURE and JOBS PLAN**

The IDC’s visionary plan to spur job growth and repair crumbling infrastructure throughout the state creates the Empire Public Works revolving loan fund (EPW) and the Community Jobs Program (CJP).

The EPW invests in large, long-term projects to rehabilitate roads, bridges, rail, transit and water and sewer systems. Projects eligible for financing include the replacement to the Tappan Zee Bridge in the Hudson Valley, along with other projects under the direction of the Metropolitan Transportation Authority (MTA), Upstate Transit Authorities, local governments, state agencies and public authorities. The IDC anticipates the EPW would create 97,000 new jobs.

The IDC's Community Jobs Program (CJP) focuses on bringing individuals into the workforce who have been marginalized from it or have had trouble entering the workforce. This program finances smaller projects and administers grants as opposed to loans. It would create 41,700 jobs.

## **HOUSING**

### ***Middle-Income Housing***

The IDC wants hardworking, middle-class New Yorkers to afford housing throughout the state. In order to create more units of affordable housing for families earning up to 130% of the AMI the Moderate Income Loan program provides capital financing for the construction of units, which must remain affordable for at least thirty years.

The IDC also advocated for the Middle Income Tax Credit to provide 4% tax credits for developers financing the construction of units affordable to middle income families.

### ***NYCHA***

After issuing an investigative report on the deplorable conditions in NYCHA developments, the IDC called for funding to repair and upgrade buildings with accountability.

The NYCHA Public Housing Revitalization Fund and a NYCHA Repair Zoning Bonus will help address the serious issues NYCHA residents face. The fund would have an oversight component.

The NYCHA Zoning Bonus allows private developers to obtain a zoning bonus (higher FAR) in areas being up-zoned in exchange for conducting expeditious repair work in NYCHA buildings. This would increase repair speed since NYCHA's work orders can take up to two years.

### *Green Buildings Tax Credit*

While environmentally sound development is the future, it also comes at a high cost to homeowners and builders. This tax credit for homeowners and developers incentivizes development according to guidelines of the National Association of Home Builders (NAHB) or Leadership in Energy and Environmental Design (LEED).

## **COLLEGE AFFORDABILITY**

### *NY Student Loan Interest Deduction*

Currently, the federal government allows a maximum \$2,500 tax deduction on student loan interest. The IDC proposed the NY Student Loan Interest Deduction allowing a matching state tax deduction for interest paid on undergraduate student loans. Borrowers who qualify for this tax deduction cannot have incomes exceeding \$75,000.

## **SENIORS & FAMILIES**

### *Naturally Occurring Retirement Communities (NORCs)*

A Naturally Occurring Retirement Community, or NORC, is a recent phenomenon as seniors decide to remain at home instead of relocating to retirement communities. The NORC Supportive Service Program (NORC-SSP) and Neighborhood NORC (NNORC) offer supportive services to seniors who live in these communities. Both provide funding to not-for-profit organizations which offer supportive services to seniors. The IDC requested additional funding for these crucial services.

### *The Invest NY REPAIR 2015 Program*

With many seniors choosing to remain home, they sometimes need financial help to create accessibility within their homes, but they cannot afford to pay for it on a fixed income.

The IDC creates an expansion of the Residential Emergency Services to Offer Home Repairs to the Elderly (RESTORE) program by creating the NY REPAIR 2015 Program. This allows both low- and middle-income seniors to share in the benefits. Applicants 60 years and older with incomes of up to 130% of the AMI would be eligible to apply for a tax credit of up to \$7,500 for home repairs. Such repairs may include, but are not limited to, the installation of ramps, the installation of bathroom and household grab bars, the widening of doorways, the lowering of light switches and other modifications that would make a home wheelchair-accessible or otherwise enable a senior to be able to remain in their home.

### ***The Invest NY Senior Utility Circuit Breaker***

1. As people age, the percentage of their income that is taken up by utility charges increases.

The IDC's senior utility circuit breaker would deliver relief to any senior household that pays more than seven percent of their annual income in utilities in the form of a refundable tax credit. This proposal would provide a senior household with relief equal to half of their expenses above the seven percent threshold. For the purposes of this proposal, covered expenses would include electricity charges, gas, heating charges, including the costs of any fuels, water and sewer charges, internet, and telephone charges excluding cell phone service.

If the average consumer over 65 years old paying the average on utilities applied for the IDC's circuit breaker credit, they would receive \$274 in relief. That amount is half the amount, which is \$548, above seven percent of that person's income, which would be \$2,931.95. For the average 75 year old consumer, the relief would equal \$365, which is half of \$730, above seven percent of that person's income, which is \$2,292.

### *Department of Motor Vehicles Discount*

Department of Motor Vehicles fees have increased over the years by 25% for driver registrations and re-registrations, with additional surcharges for seniors living in the MTA region. Fees for registration and re-registration are based on vehicle weight and can vary with the average being \$55, with a \$25 MTA surcharge per year.

These charges hit seniors living on fixed incomes hard. The IDC proposes a 10% discount to seniors on these burdensome registration fees.

### *Long Term Care Ombudsman*

Long Term Care Ombudsman are often the only voice for residents in state-licensed long-term care facilities. In fact, New York State is mandated by Federal law under the Older Americans Act to operate a Long Term Care Ombudsman Program. Ombudsman play a vital role in advocating for residents and facilitating issues that arise. However, this program has been flatly funded for many years in New York State and the 2015-16 Executive Budget again continued the flat funding. The IDC successfully advocated for increased funding for this program.

### **EDUCATION**

Funding for Universal Pre-K in New York City will continue at \$300 million annually, and would increase in the rest of state to \$80 million for a total of \$380 million statewide.

Community schools, which the IDC has long-supported, stands to receive \$8 million.

### **CHILDCARE**

The IDC pushed for child care subsidies to help working families afford daycare. No parent should be torn between a career or staying home because of the price of daycare. This year

the IDC requested an additional \$20 million increase over the Executive Budget in child care subsidies.

New facilitated enrollment child care pilot programs, which help low-income parents with childcare costs, will receive increased funding.