

NEW YORK STATE SENATOR

Senate's Budget Proposal Includes \$167 Million For Opioid Abuse Prevention, Treatment, Recovery and Education

EMMANUEL PRIEST March 14, 2016

ISSUE: SENATE BUDGET RESOLUTION



Senator Fred Akshar voted to pass a the 2016-17 Senate Majority budget proposal to restrains state spending, provides significant new tax savings for middle-class taxpayers, and includes a serious investment to fight the heroin epidemic plaguing communities across the state.

"My priorities remain in cutting taxes and fighting our community's heroin epidemic," said Senator Fred Akashar. "This proposal is strong on both and I'm proud to have helped pass it." The proposal contains a total of \$167 million in funding to strengthen prevention, treatment, recovery, and education services, an increase of 18% over the Governor's proposal. The \$26 million in additional funds proposed includes:

- \$10 million for transitional housing for individuals in recovery, with 25 percent of these funds to be used for individuals ages 15-24;
- \$6.5 million for additional recovery services;
- \$3.85 million for 11 additional Recovery Community Centers. The Executive Budget proposed to expand the number of Recovery Community Centers in the state by six, from the current number of three to a total of nine. The Senate proposal would bring the total to 20, and would require that all centers be distributed on a geographically even basis;
- \$2 million for school prevention efforts;
- \$2 million for Recovery Coaches;
- \$1 million for an additional 10 Family Support Navigators, who will assist New Yorkers and their families with navigating insurance and treatment systems. The Executive Budget proposes 10 Navigators to be regionally distributed statewide and the Senate proposal doubles that commitment to 20, helping to ensure their services would be distributed on a geographically even basis;
- \$450,000 for opioid drug addiction, prevention and treatment programs; and
- \$200,000 for Family Support Navigator training.

"I'm encouraged and energized that my colleagues share my focus on the need for more education, treatment, prevention and enforcement to fight the heroin scourge," said Akshar. "I'll work hard to make sure that significant funding is invested locally and intelligently to achieve tangible results for the people I represent." Other measures included in the Senate's budget proposal:

Capping State Spending:

The Senate budget proposal stays within the self-imposed two-percent spending cap, and advances a proposal to pass a Constitutional amendment to permanently require this budgeting restraint going forward.

Two-Thirds Majority for New Tax Increases:

The Senate budget proposal includes legislation that would make it more difficult to increase the burden on taxpayers by creating a Constitutional amendment requiring a two-thirds majority vote for any new tax increase.

Cutting Middle Class Tax Rates to the Lowest Level in 70 Years:

The highlight of the Senate Republicans' budget is the new Middle Class Income Tax Relief Program that establishes the lowest middle class tax rate in more than 70 years. Starting in 2018, a total of 5 million eligible taxpayers – including more than 770,000 small businesses who file under the Personal Income Tax (PIT) – would begin to see savings. When fully implemented in 2025, middle class New Yorkers will pay a 25 percent lower tax rate and save \$3.5 billion in taxes each year.

Increasing Small Business Income Tax Exemptions:

The Senate's budget tax cut plan will expand small business tax cuts that were enacted in 2013 to provide even more tax relief to help entrepreneurs grow and create jobs. The proposal expands the eligibility of a small business to include any business that files under PIT regardless of how the business is structured; raises the income eligibility threshold from \$250,000 to \$500,000 when the business entity income is less than \$1.5 million; eliminates the employee requirement; increases the exemption from 5 percent to 15 percent for small business income and from 5 percent to 20 percent for farm income; and reduces the corporate business income rate for small businesses with incomes less than \$500,000 from 6.5 percent to 2.5 percent over two years.

Fully Eliminating the 18-a Utility Tax Surcharge:

The Senate's budget proposal would permanently eliminate the 18-a surcharge by the end of 2016 and save taxpayers \$125 million.

Permanent STAR:

The Senate rejects the Executive Budget proposal to cap STAR at 2015-16 levels and provides \$56 million in additional STAR benefits to fully fund the school property tax exemptions this fall. The Senate proposal also makes the STAR rebate checks permanent.

Property Tax Cap:

The cap limits the annual growth of property taxes levied by local governments and school districts to two percent or the rate of inflation, whichever is less. Taxpayers have saved \$7.6 billion over the past three years as a result of the property tax cap. School tax levies have risen by an average of just 2.2 percent annually -- the lowest average growth for any comparable period in New York since 1982.

Last year, the Senate successfully sought to have the tax cap extended for five years, and this year, the Senate budget proposal goes one step further, making it permanent and bringing further certainty to local governments.

RECORD LEVEL OF FUNDING TO SCHOOLS

Ends The GEA in 2016:

The Senate budget restores the remaining \$434 million in Gap Elimination Adjustment (GEA) cuts for schools in 2016-17 and permanently eliminates these harmful education budget reductions.

Provides Record Education Funding for Schools:

The Senate budget proposal includes a year-to-year 7.15 percent school aid increase of \$1.655 billion. The \$24.8 billion education proposal would provide a record amount of education funding, with highlights including:

- An \$880 million increase in Foundation Aid over 2015-16;
- Full funding of \$341.9 million in Expense Base Aids;
- A \$1.3 billion 8.3 percent increase in total operating supportg
- An additional \$27.4 million for grants in aid to Charter schools;
- An additional \$10 million for the Library Construction Fund;
- An increase of \$5 million in Library aid;
- Provides \$4.6 million in new nonpublic school aid, in addition to \$2.6 million included in the Executive Budget; and
- An additional \$4.1 million for 4201 schools for the blind and the deaf.

The Senate's proposal also includes initiatives to make college more affordable for students while rejecting the use of taxpayer dollars to fund college tuition for illegal immigrants.

ENSURING FAIRNESS IN TRANSPORTATION FUNDING

Transportation Parity:

In a major victory for fairness and for job creation, the Senate proposal reestablishes parity in infrastructure funding for highways, roads, and bridges between upstate and downstate.

Transit Aid: The Senate adds an additional \$6.5 million for a total of more than \$200 million in Upstate transit operating aid. This provides the same 6.1 percent increase in operating assistance the non-MTA Downstate transit systems received in the Executive Budget.

DOT Capital Plan: The Senate also includes \$3.5 billion in funding above the Executive budget proposal for the Department of Transportation (DOT) Capital Plan, bringing the total five-year funding to \$23.6 billion. The Senate also includes legislation as part of the budget that requires the submission of a proposed five-year DOT Capital Plan that includes a requirement for a signed Memorandum of Understanding that lists capital projects, funding, and cost estimates to ensure regional balance in the plan.

MAKING COLLEGE MORE AFFORDABLE

Rejects the Use of Taxpayer Dollars to Fund College Tuition for Illegal Immigrants:

The Senate rejected an Executive Budget proposal that would cost state taxpayers \$27 million and reward people who are here illegally by giving them free college tuition. The measure would have extended all other criteria, exemptions or opportunities found within the education law - including all scholarship and tuition assistance programs funded with state tax dollars - to illegal immigrants while hardworking middle-class families are already being forced to take out massive college loans to pay for higher education.

\$87 Million TAP Increase:

The Senate's proposal focuses on reducing college costs and includes a significant increase in support for the Tuition Assistance Program (TAP). The Senate budget increases income

eligibility and TAP awards so that more middle class families can receive help with higher education expenses. When fully implemented in fall 2017, the Senate proposal will provide \$87 million in additional TAP awards, with a guarantee of \$1,000 to any student from a family with a net taxable income of less than \$100,000 - up from \$80,000. The increase is over two years, with \$38 million in additional TAP awards starting in fall 2016 and \$49 million in fall 2017.

New Tax Exemption to Save \$40 Million on Student Loan Payments:

The Senate budget proposal creates a new state income tax exemption for student loan interest, saving eligible New Yorkers a total of \$40 million. Similar to the exemption already authorized by the federal government to reduce taxpayers' gross income, the state would allow individuals to reduce their adjusted gross income by up to \$2,500. The limit on modified adjusted gross income is \$160,000 if married filing a joint return; and \$80,000 if single, head of household, or qualifying widow (er).

\$255 Million Tuition Tax Credit Increase:

The Senate increases the amount of the Tuition Tax Credit to save students and their families a total of \$55 million in the first year, and \$255 million when fully implemented in 2022. The measure doubles the amount of qualified college expenses that can be claimed from \$10,000 to \$20,000 over five years; doubles the maximum amount of the credit allowed from \$400 to \$800 over five years; and indexes the qualified expenses and credit to the rate of inflation of the Higher Education Price Index (HEPI).

Legislation to Increase Transparency of Private College Data:

While tuition and other cost controls continue to be implemented at New York's public colleges and universities, private college costs continue to skyrocket. To better assess the impact these costs are having on students and the college market as a whole, the Senate

budget proposes legislation that increases accountability at New York State's private colleges and provides more transparency in the higher education marketplace.

ADDRESSING CRITICAL HEALTH CARE NEEDS

The Senate budget invests in critical health care programs for New Yorkers and their families, including approval of the proposed breast cancer screening initiative. It also restores \$1.37 million for essential women's health initiatives, \$1 million for recommendations of the Senate's Lyme and Tick-Borne Disease Task Force, and \$1 million to support organ donation efforts across the state, among other health program funding.

Preventing Domestic Violence:

The Senate budget establishes a domestic violence offender registry to help combat and root out the scourge of domestic violence across the state - - preventing abusers from doing more harm and protecting innocent women.

GROWING NEW YORK'S FARMS

The agriculture portion of the budget proposal incorporates the Senate's Planting Seeds legislative plan to continue supporting New York's family farmers and boost the agriculture economy.

Restoring Funding Cuts:

Since 2011, Senate Republicans have succeeded in restoring more than \$32 million in budget cuts for agriculture funding. The 2016-17 Executive Budget proposes to cut funding for agriculture programs in the largest single-year reduction in agriculture funding in five years. The Senate budget once again restores cuts to provide \$10 million to help family farms.

Supporting Ag Research:

The Senate budget restores cuts to Cornell University's important agriculture-related research and study programs to keep it as the nation's premier center for agricultural learning and research. It also increases state funding for Cornell's College of Agriculture and Life Sciences to \$4 million to meet the growing demand from students for agriculture and veterinary instruction programs. Increasing support for these education programs will help hold the line on rising college costs and student debt.

Protecting Food and Human Health:

The Senate budget provides an additional \$500,000 to address threats to food safety, like Salmonella Dublin, a virus that affects dairy cows and has sickened humans who drink raw milk. The proposal also supports programs to detect and prevent the spread of other diseases in plants and animals such as avian disease ("bird flu"), Cornell's research into the recent honeybee die-off, which is critical to crop pollination, and expand programs that encourage farmers to reduce pesticide use. The budget also supports the replacement of aging and outdated lab facilities.

An additional \$850,000 is also provided for Cornell's efforts that stop the spread of wildlife rabies from Canada and across New York State, and to provide reimbursement to local public health services for costly human post-exposure rabies preventive treatments.

Encouraging Innovation and Supporting Agriculture Education:

The Senate's budget proposal:

• Restores budget funding for a third round of Beginning Farmer grants, created as part of the Senate's 2014 Young Farmers initiative to

encourage interest in agriculture and help protect the future of family farming;

· Increases funding for regional cooperative extensions;

• Increases investment in FarmNet, which provides services and assistance to farmers, including business and farm transition planning;

• Extends the Beginning Farmer Student Loan Forgiveness Program with an additional \$50,000 to include students who are pursuing degrees in agriculture education;

• Provides \$558,000 in additional support for the high-school based FFA programs (formerly known as "Future Farmers of America");

· Provides \$200,000 to create a new North Country Ag Academy; and

· Provides \$500,000 to establish an agriculture management program at

SUNY's Canton College, which can serve as a lower-cost alternative to

four-year agriculture degree programs.

HELP FOR NEW YORK'S SENIORS

Savings on Retirement Income:

The Senate Majority's budget proposal includes new income tax relief to help more seniors save money and choose to stay in New York during retirement. The tax cut would provide the first increase to the exempt amount of private pensions and retirement income since 1981, saving approximately \$275 million annually when fully phased in.

For 35 years, seniors have been able to claim the first \$20,000 of pension or retirement income as exempt income. The Senate Majority's proposal increases that exempt amount to

\$27,000 in 2017, \$34,000 in 2018, and \$40,000 in 2019. This would provide tax relief to more than 377,000 seniors and, in the first year alone, would save each an average of \$361.

Elder Abuse:

The Senate builds upon its longstanding commitment to protecting vulnerable senior citizens by providing \$1.5 million to support elder abuse awareness, screening, and reporting initiatives.

SUPPORTING VETERANS

Veterans Buyback:

The Senate and Assembly have repeatedly passed legislation (S5937) sponsored by Senator William Larkin (R-C, Cornwall-on-Hudson) that would allow veterans to obtain up to three years of additional credit toward their state retirement benefits for peacetime military service. The Senate advances this legislation as part of the budget proposal to ensure funding is allocated to allow this important veterans initiative becomes law.

Cornell Veterans to Farms Program:

The Senate budget provides an additional \$200,000 for an innovative proposal by Cornell's Small Farms Program that was included in the Senate's Planting Seeds initiative to help establish up to five veteran-owned small farms through a first-in-the-nation pilot program. Returning veterans and those seeking a career change could be encouraged to try agriculture, utilizing benefits they've earned under the GI Bill to gain training and expertise to begin their own successful small business. In turn, these sites would be available to train additional veteran-farmers in future years.

PROTECTING THE ENVIRONMENT

Record Level of Funding for the EPF:

The Senate budget includes record funding of \$300 million for the Environmental Protection Fund (EPF) to protect natural resources and ensure clean water and clean air.

ETHICS

Pension Reform:

Last year, the Senate approved a Constitutional amendment to strip the pensions from corrupt public officials convicted of a felony related to his or her position. The Assembly has not yet acted on this legislation, and the Senate budget proposal again includes pension forfeiture in order to hold elected officials accountable.

Term Limits for Legislative Leaders:

The Senate budget advances a proposal approved this year by the Senate (S2722B), sponsored by Senator Joseph Griffo (R-C-I, Rome), that would set into law eight-year term limits for leadership positions in the Senate and Assembly. This bill is consistent with what is already in place in Senate rules and also limits the number of years a legislator can serve as a committee chair or party leader.