



NEW YORK STATE SENATOR

Michelle Hinchey

## Hinchey Touts Hudson Valley Wins in Senate One-House Budget Plan

MICHELLE HINCHEY March 16, 2023

| ISSUE: **ONE-HOUSE BUDGET PROPOSAL**



**ALBANY, NY** – Today, Senator Michelle Hinchey will vote on the State Senate’s one-house budget plan for FY’2024, which proposes major investments created and championed by Hinchey that will benefit upstate and rural New Yorkers, including tax relief for Hudson Valley families and historic investments in affordable housing, food access, volunteer fire and EMS, clean water, railway safety and upstate economic development. The Senate one-

house proposal lays out the chamber's priorities as they, the Assembly, and the Governor engage in negotiations over the next few weeks to come to the final budget resolution.

"The Senate's one-house budget proposal delivers for the Hudson Valley and presents a clear picture of the needs of our district and the momentous investments we are championing to better our lives for the future," **Senator Michelle Hinchey said.** "In this one-house resolution, we've laid out a historic plan to address child hunger through universal school meals and fought hard for local level tax support that will put more money in Hudson Valley families' pockets. We've innovated new, never-before programs to deliver record investments in clean water, capital support for volunteer fire and EMS, and to make New York a business leader in the climate-smart manufacturing of industrial hemp. We've continued our mission to boost affordable housing supply in rural and upstate areas and we've addressed pressing railway safety needs to ensure our communities have the infrastructure we need to thrive. I'm incredibly proud to lead a number of significant investments that made it into the Senate's one-house budget and I thank Leader Stewart-Cousins and my colleagues for their support and recognition of these important initiatives. As negotiations continue, I'll be fighting to ensure that all of these critical elements, and more, are included in the final state budget."

Major highlights of the Senate's one-house budget plan championed by Hinchey include:

Due to Hinchey's leadership, the Senate plan **exempts Dutchess County** and its municipalities **from the MTA Payroll Mobility Tax**, and **eliminates the MTA Surcharge at the DMV for Dutchess County residents** so individuals are not hit with an unnecessary fee when trying to renew their license and registration.

### **SUNY New Paltz Impact Aid — \$300,000**

Hinchey led the charge in the Senate to bolster SUNY Impact Aid for the Village of New Paltz, which is included in the Senate's one-house plan. This would provide the SUNY Host Community with financial relief from the costs to Village residents in meeting the health, safety, and emergency services needs of SUNY students.

### **Local Tax Support for Sojourner Truth State Park Host Communities**

After years of effort, Sojourner Truth State Park was established in the City of Kingston and the Town of Ulster, providing much-needed green space in a community designated as an Environmental Justice Area. However, upon the park's creation, over 500 acres of land became tax exempt, running the risk of passing economic penalties on to local taxpayers, which Senator Hinchey is championing a proposal to prevent. The Senate's plan includes Hinchey's proposal to amend the State's Real Property Tax Law to deliver tax payments to Kingston and the Town of Ulster — on par with what other NYS Park Host Communities receive — to ensure that local residents do not bear an economic burden from the establishment of this new upstate landmark.

### **Increasing the Income Tax Credit for Volunteer Fire & EMS**

With Hinchey's advocacy, the Senate one-house proposes to increase the Volunteer Firefighter & EMS Income Tax Credit from \$200 to \$800. The one-house also proposes to allow volunteer ambulance workers and firefighters to receive both the \$800 Income Tax Credit AND a 10% Property Tax Exemption, which they are currently unable to receive simultaneously due to State Law.

### **Ensuring Millionaires and Billionaires Pay Their Fair Share**

The Senate one-house advances proposals to ensure millionaires and billionaires pay a fairer share to help build an equitable budget capable of investing in crucial community needs. The Senate proposes establishing higher personal income tax rates for individuals earning over \$5 million (an increase from 10.3% to 10.8%) and over \$25 million annually (an increase from 10.9% to 11.4%) through 2027.

Hinchey is championing several initiatives, which are supported in the Senate one-house proposal, to expand access to New York-grown food statewide. One-house highlights include:

#### **Universal School Meals For All New York Students — \$280 Million**

Due to Hinchey's advocacy, the Senate's plan includes her legislation ([S1678A](#)) to permanently fund free breakfast and lunch for all New York students. Funding universal free school meals in New York would ensure all students are well-nourished, no matter where they live and save families an estimated \$140 on groceries per child each month. In Hinchey's district alone, the program would help nearly 17,000 students gain access to healthy meals at school.

#### **Establishing First-Ever Food Procurement Goals for State Agencies**

Hinchey also succeeded in securing a commitment in the one-house plan to establish first-ever procurement goals for state agencies, based on legislation she authored. Hinchey's proposal would set a 30% procurement goal for state agencies that spend over \$2 million annually on food to buy their products from New York farmers.

#### **Expanding the 30% NYS Farm-to-School Initiative to Include all School Meals**

Currently, districts that purchase at least 30% of ingredients for their school lunch program from New York farms can apply to receive a 25-cent reimbursement per meal. Based on Hinchey's bill (S423), the Senate one-house proposes to expand this reimbursement for all school meals to lessen school administrative burdens and support local farmers.

### **Nourish New York Expansion — \$68 Million**

In 2021, Hinchey's bill to make Nourish New York a permanent state program was signed into law, necessitating annual state funding to ensure the program can continue to support farmers and food-insecure New Yorkers. Through Nourish New York, food banks and other emergency food providers can receive state funding to purchase agricultural products from New York farmers, which are then distributed to individuals and families in need across the state. Given the program's tremendous impact in combating hunger and food insecurity statewide, Hinchey is proposing an increase in funding for the program for a total of \$68 million.

### **Hunger Prevention and Nutrition Assistance Program (HPNAP) — \$56.5M**

The Senate proposes to invest a historic \$56.5 million in HPNAP, which would help emergency food providers better support the demand for hunger relief at a time when food prices have skyrocketed.

### **Double Up Food Bucks Program — \$3 Million**

The Senate's plan supports Senator Hinchey's request for support of the Double Up Food Bucks Program, which provides New Yorkers who utilize the Supplemental Nutrition Assistance Program (SNAP) with a \$1 for \$1 match to buy fresh, New York-grown fruits and vegetables at participating small retail/grocery and farm direct sites.

**Under Hinchey's leadership as Chair of the Senate Agriculture & Food Committee, the Senate's one-house proposal includes other major agricultural wins**, including a historic \$1 million for the Cornell Hudson Valley Research Laboratory in Highland, NY, for applied agricultural research to support New York apple growers as well as \$15.3 million to pay farmers for their climate work to help manage the forests and woodlands on their properties.

After securing the largest investment in rural and Upstate housing, the FY'2023 budget, Hinchey is leading the charge again to bolster support for key programs that will increase the supply of affordable homes available for sale and rent across the Hudson Valley.

**Hinchey secured a commitment in the one-house for her bill, The Short-Term Rental Registry Act**, to be taken up through the regular legislative process. **S885-Hinchey** would create New York State's first-ever statewide registry to help municipalities track and tax short-term rentals (STRs), so they have the information and revenue to right-size their local STR market.

**Hinchey has also created a housing package, which is reflected in the Senate one-house proposal:**

- **\$20M for the Small Rental Development Initiative (\$13M increase over 2022 budget):** The Small Rental Development Initiative funds housing developments of 20 units or less, as well as single-family housing, in rural areas. Last year was the first time since 2017 that funding was available for small housing projects of this scale, which typically lose out to larger proposed developments that receive state and federal subsidies.
- **\$4M for the ACCESS to Homes Program (\$3M increase over 2022 budget):** The ACCESS to Home Program provides financial assistance to help senior citizen homeowners and people with disabilities with the costs of accessibility modifications so they may continue living safely and independently.

- **\$6M for the New York RESTORE Program (\$2.6M increase over 2022 budget):** The RESTORE program provides funding to assist with emergency home repairs for low-to-moderate-income seniors and people with disabilities, including structural, electrical, plumbing, and heating repairs, and appliance replacements. Given the increased demand for the program, Hinchey sponsored legislation that was signed into law to increase the maximum cost allowed per project to \$20,000 and extend the construction deadline for RESTORE projects to 60 days.
- **\$50M for Land Banks and Community Land Trusts:** Land Banks and Community Land Trusts rehabilitate old buildings in cities and towns across the state and transition them to long-term affordable housing. The limiting factor for many of these projects is the lack of upfront capital to purchase homes and perform the needed construction. A revolving acquisition fund would allow CLTs to acquire and flip zombie properties across the state and create more long-term affordable housing in the next few years.
- **\$7.7M for the Rural Preservation Program (\$2.24M increase over 2022 budget):** The Rural Preservation Program provides support to community-based not-for-profit corporations known as Rural Preservation Companies, which are the main conduit for implementing the state's housing initiatives in the rural parts of the state, including mobile and manufactured home replacement, accessibility modifications, downtown revitalization, septic and well upgrades, and weatherization assistance.

- **\$21.7M Rural Rental Assistance Program:** The Rural Rental Assistance Program is used to reduce the rent paid by low-income families who live in eligible Rural Rental Housing (RRH) and Farm Labor Housing (FLH) projects financed by the United States Department of Agriculture (USDA) Rural Housing Services (RHS) 515 Program. A funding increase for this program will increase the supply of affordable rental units across upstate New York by expanding eligibility for rental subsidies to non-USDA housing and housing developments that don't currently receive state funding.
- **\$250M Housing Access Voucher Program:** The Housing Access Voucher Program provides direct rental support for homeless families and individuals facing the imminent loss of housing.
- **\$40.5M for the Affordable Housing Corporation (\$4.5M increase over 2022 budget):** The Affordable Housing Corporation supports homeownership through new construction, provides down payment and closing cost assistance, and rehabilitates owner-occupied housing.
- **\$35M for the Homeowner Protection Program:** The Homeowner Protection Program provides homeowners with free mortgage assistance services.

### **Safe Water Infrastructure Action Program (SWAP) — \$100 Million**

New York State has some of the oldest and most unsafe water infrastructure in the country — some dating back over 200 years, others built with wood and more that are corroding and causing dangerous and costly breaks for municipalities. The money currently allocated for



water system upgrades in New York rarely makes its way to small Upstate communities, and Senator Hinchey has proposed her bill, **The Safe Water Infrastructure Action Program (SWAP)**, as a solution in the state budget. **S4350-Hinchey** would provide municipalities with a steady funding stream through the state budget to plan for and finance water system replacements and repairs.

### **Hinchey Champions Freight Rail Safety**

Inspired by fact-finding boat tours of the Hudson River with Riverkeeper, where she surveyed the deteriorating local rail lines in Ulster County and across the Hudson Valley — and in light of the recent Ohio train car derailment — **Hinchey is leading the charge to increase funding for more State Railroad Inspectors.** At Hinchey's urging, the Senate one-house proposes \$2 million in funding to hire 10 new State Railroad Inspectors to ensure that local rail lines, especially those in the Hudson Valley, are operating in the manner safest for communities. Hinchey created targeted funding support to address the needs of volunteer firefighters and EMS. The Senate one-house proposes the following investments:

### **Volunteer Fire Services Capital Fund — \$50 Million**

At Hinchey's urging, the Senate's plan includes her proposal to create a \$50,000,000 Volunteer Fire Services Capital Fund to help address the dire funding challenges facing volunteer fire departments in New York State. Volunteer departments provide almost 80% of all fire protection services outside of NYC and assume an ever-expanding set of responsibilities, including mutual aid calls, vehicle accidents, emergency medical services, and weather-related rescue operations. Volunteer departments across the state are facing a crisis of capital funds, which is impeding departments' ability to meet the increasing demands for their services and fund equipment and projects that comply with both state and federal regulations. Hinchey's Volunteer Fire Services Capital Fund would be an

important part of the solution to tackling these needs.

### **Emergency Medical Services Assistance Program**

Financial hardship and volunteer shortages have pushed many Emergency Medical Service (EMS) providers to the breaking point. Based on **S1852-Hinchey**, the Senate one-house incorporates Hinchey's proposal for a statewide EMS Assistance Program to support the myriad funding needs of providers, including recruitment and retention efforts, benefits, and capital projects. The one-house also addresses the need for EMS to be recognized as an Essential Service and provides language from Senator Shelley Mayer's bill (**S4020-Mayer**) to do just that.

Hinchey is fighting for full and equitable school funding to ensure all Hudson Valley students receive a good public education. The Senate one-house proposes the following investments:

### **Education Funding**

The Senate's proposal supports the final rollout of fully funded Foundation Aid, first delivered via a three-year phase-in by Hinchey and her Senate Majority colleagues in 2021, ensuring every K-12 school district receives a minimum year-to-year increase of 3 percent.

After delivering the first-ever 1,000 full-day pre-K spots in her previous district, Hinchey is fighting for the expansion of pre-K programming locally for communities in the 41st District. The Senate's plan includes \$125 million for UPK reimbursement increases for early adopting schools.

The Senate also proposes \$44 million for expanding special services aid for CTE to ninth

grade and \$35 million for BOCES CTE salary increases. Under the Senate's plan, Library Operating Aid is increased by \$7 million with an additional \$25 million in Capital Funding.

### **Universal Child Care Expansion**

The Senate's plan commits \$623 million to expand childcare eligibility up to 103 percent of the State median income level in 2023. The Senate also proposes to increase childcare eligibility to 129 percent of the State median income level in 2024. Other measures proposed to bolster childcare access and affordability for working families across New York State include:

- **Expanding the Empire State Child Tax Credit** to include children under four.
- **\$500 million for the Workforce Retention Grant program**, providing up to \$12,000 in salary enhancements to childcare workers.

### **SUNY Support**

The Senate's proposal rejects SUNY tuition hikes and increases the maximum family income eligibility for Tuition Assistance Program (TAP) eligibility from \$80,000 to \$110,000. The Senate also proposes funding increases for Operating Aid (\$151 million), SUNY Capital (\$350 million), and SUNY Hospital Debt Service (\$68 million).

### **Environmental Protection Fund (EPF) — \$500 Million**

The Environmental Protection Fund was created by the NYS Legislature in 1993 as a critical source of funding for capital projects that protect the environment and fight the Climate

Crisis. The EPF allows New York to protect its drinking water, in-state food supply, air, parks and state lands, as well as undertake programs that reduce pollution, support climate change mitigation, and combat invasive species, among other priorities.

Hinchey has created several key investments to help fight the Climate Crisis and advance environmental protection, which are featured in the Senate's EPF proposal and include the following:

- **Paying Farmers for Forest Management — \$15.3 Million:** The Senate one-house includes Senator Hinchey's proposal to pay New York farmers for their climate work to help manage the forests and woodlands on their properties. Hinchey's goal is to ensure forests and woodlands on agricultural land can become a tool to increase carbon sequestration, help New York meet its CLCPA goals, and provide revenue to help farmers afford to stay in farming.
- **Stewardship in the Catskill & Adirondack Parks — \$10 Million:** The Senate's plan includes a historic \$10 million through the EPF for shared stewardship efforts in the Catskill and Adirondack Parks, a funding line innovated by Hinchey in 2021 to ensure equitable protection of the Catskills.
- **Catskill Center & Catskill Mountainkeeper — \$200,000:** Hinchey succeeded in securing a commitment in the Senate one-house plan to help The Catskill Center for Conservation and Development and Catskill Mountainkeeper expand their stewardship programs with a historic \$100,000 allocated to each organization.

- **Upgrade NY:** The Senate’s plan includes a proposal championed by Hinchey to decarbonize state-owned buildings and schools through a local, union-led workforce. Under the Senate’s proposal, projects must be shovel-ready by 2025 and achieve at least a 30% reduction of on-site emissions from the state-owned buildings portfolio. The proposal also includes robust labor standards, including requiring Project Labor Agreements for large-scale projects, Labor Peace protections, and funding from NYSERDA’s workforce development program for direct entry pre-apprenticeship programs. To eliminate barriers to these workforce training opportunities, at least 40% of overall investments and benefits, including jobs, pre-apprenticeship program grants, stipends, and wrap-around services, should go to residents from diverse communities facing the worst impacts of climate change.

### **Hinchey’s Upstate Film & TV Tax Credit**

Hinchey is championing a proposal ([S4832](#)) to create an Upstate Film & TV Tax Credit, which would incentivize companies to produce more film & TV projects in Upstate NY, helping to keep production jobs local and attract long-term regional investments. The Senate one-house incorporates parts of Hinchey’s bill, including the 10% tax credit to be used for goods, services, and labor costs, and Hinchey will be working to make sure the Credit Program fully reflects the needs of Upstate as budget negotiations continue.

### **Hinchey’s Industrial Hemp Manufacturing Plan**

Hinchey has created an economic incentive package within the Excelsior Jobs Program, which is included in the Senate’s one-house plan, to bring hemp manufacturing and processing capabilities to New York, which can help bolster the financial standing of

agricultural producers while providing significant benefit to New York State's economy and environment. Hemp is a valuable industrial commodity that can be manufactured into tens of thousands of sustainable products, including building materials, textiles, paper, and packaging, among other uses. Three and a half times stronger than conventional plastics, hemp-derived composites can be used to replace materials previously made out of fossil fuel-based plastics and are completely biodegradable, taking as little as 3-6 months to decompose whereas petroleum-based plastics take over 400 years and with climate-damaging impacts.

### **Tourism Matching Grants Program — \$3.5 Million**

At Hinchey's request, the Senate's plan includes a full \$1 million restoration of the Tourism Matching Grants Program for a total of \$3.5 million, which is used by county and regional Tourism Promotion Agencies for targeted tourism promotion to help communities attract visitors and investment.

The Senate one house proposes **\$100 million to establish the Small Business Development Grants Program** and **\$3 million for the Minority and Women-Owned Business Development and Lending Program**, which represents an increase of \$2.4 million.

Investments in upstate arts organizations include the following:

- **Alive! Downtowns Theatres — \$5 Million**

Hinchey advocated for funding for a coalition of 13 not-for-profit historic performing arts centers, **including Ulster Performing Arts Center (UPAC) in Kingston**, which are all economic, educational and cultural engines serving Upstate.

- Hinchey also championed **\$1 million to support Arts Mid-Hudson** and **\$10 million for Regional Arts Councils outside of New York City**.

- **Historic Huguenot Society — \$200,000**

Hinchey is championing state funding for the restoration of the historic Bevier-Elting House on Huguenot Street in New Paltz, built between 1698 and 1705 and operated for historical education purposes by the Historic Huguenot Society.

### **Establishing a Hospice Director to Strengthen End-of-Life Care in New York**

The Senate's plan incorporates Senator Hinchey's bill (**S4858**) requiring the Department of Health to establish a Director of Hospice and Palliative Care Access and Quality within the Office of Primary Care and Health Systems Management, who would be responsible for expanding access to Hospice and Palliative Care services, coordinating needed policy changes within the DOH, and serving as a liaison between the DOH and Hospice and Palliative Care providers and the individuals they serve.

### **Fair Pay For Home Care**

The Senate proposes a historic wage increase to improve pay by an additional two dollars over two years for home care providers serving the disabled, injured, and elderly across New York State.

Hinchey is strongly advocating for increased state investments to help local highway departments keep our heavily-traveled roads safe for New York drivers. The Senate one-house proposes the following investments:

- **\$738.1M for the Consolidated Local Street and Highway Improvement Program** to rehabilitate local roads and bridges
- **\$150M for the Extreme Winter Recovery Program** to address the impacts of severe weather on our roads and protect the safety of NY drivers.

- **\$130M for the State Touring Routes Program** to help municipalities offset the cost of capital projects on New York-signed touring routes.
- **\$250M for the Bridge NY program** to rehabilitate and replace bridges and culverts statewide.