



Assemblymember
Robert C. Carroll
Assembly District 44

March 31, 2018

Greetings--

Just before 4:00am this morning, we passed the \$168.3 billion 2018-19 state budget. It is far from perfect, but given the \$4.4 Billion deficit that we were facing, I do think that it could have been worse. While there are some important issues missing, like early voting, bail reform, the DREAM act and speed safety cameras for all our schools - there are many elements of this budget that I think are positive.

The Legislature and Governor also took a meaningful (but small) step in creating a dedicated funding source for the MTA and finalized an agreement between the City and State to fully fund the \$836 million Subway Action plan to make emergency repairs and enhance subway performance this year.

Here are a few highlights:

Funding & Fixing the MTA

To fix the MTA and bring the system into the 21st century, the state must create a comprehensive funding plan that generates at least \$1.5 billion annually so that we can fully fund a new capital improvement plan for our mass transit system. Our current MTA capital plan is underfunded and is set to expire next year and currently there is no dedicated stream of revenue for the next MTA capital improvement plan. This is a crisis for our city and we must find a way to direct revenue to the MTA so we can upgrade our signals and switches, update our fleet of subway cars and buses and increase the capacity of sub stations so that we can run trains in more rapid succession. This budget includes some dedicated funding for the MTA through the enactment a \$2.75 surcharge on for-hire vehicles, \$2.50 for yellow cabs and \$0.75 for pooled trips below 96th Street in Manhattan. This new taxi surcharge will generate over \$400 million annually and be dedicated to the MTA capital plan. Though \$400 million may seem like a large sum of money this is in fact only a small step toward funding the MTA's capital needs nor does this taxi surcharge reduce congestion or limit carbon emissions. As long as the subway system remains in crisis, I will continue to fight for a plan like the one proposed by the Fix NYC Advisory panel, which would establish the necessary revenue stream while reducing congestion and limiting carbon emissions for our city.

Design-Build for BQE Triple Cantilever

The budget authorizes a design-build procurement process to quickly and efficiently reconstruct the Brooklyn-Queens Expressway (BQE) triple cantilever project in Brooklyn Heights. Without this authorization, the project would have had to go through a more costly and time consuming procurement process that would have likely caused parts of the BQE to be closed to truck and other traffic for extended periods of time. The design-build authorization enables the City of New York to expedite the BQE triple cantilever rehabilitation process by as much as two years and will save taxpayers over \$113 million, based upon a conservative estimate of the project's current cost of \$1.9 billion. This was a hard fought win for Brooklyn and I especially commend my colleague in the Assembly, Jo Anne Simon for leading the charge on this issue.

School Based Health Centers

The budget includes a \$3.82 million restoration for school based health centers. After fighting to keep four public school based health centers (SBHCs) in District 15 from closing last year, this funding is critical to keep these vital centers operating across the state. These SBHCs provide services to over 200,000 children in medically under-served neighborhoods including primary, dental, mental, and reproductive health care services, as well as preventative, chronic and other types of care to students on site at schools.

Education Funding

While the Assembly didn't get the amount of education funding that we pushed for in our one house budget resolution, we did get a nearly \$1 billion increase in education funding that includes \$618 million for Foundation Aid, which is an almost \$300 million increase on the Governor's Executive Proposal.

Responding to Federal Tax Changes

The budget includes measures designed to blunt the impact of the federal tax plan, which increases taxes on many middle-class families by restricting state and local tax deductibility. The first measure creates state-operated charitable contributions funds designed to help improve health care and educational outcomes for all New Yorkers. Taxpayers who donate to the funds can claim these contributions as deductions on their state and federal tax deductions, as well as claim a state tax credit equal to 85 percent of the donation amount. School districts and local governments will be allowed to create similar

charitable funds that will offer local property tax deductions equal to a percentage of the contribution amount. Additionally, the budget creates a new Employer Compensation Expense Tax (ECET) that employers will have the option of participating in. The ECET is a 5 percent tax on all annual payroll expenses in excess of \$40,000 per employee, and will be phased in over a three-year period. The new tax will cut personal income taxes on earnings and a new tax credit would ensure that employees subject to the ECET do not see a decrease in take-home pay. Finally, we decoupled the state tax law from the federal tax law so that you can now choose to take the federal standard deduction while still itemizing your state and local taxes.

Sexual Harassment Legislation

In the budget legislation was passed to address and combat sexual harassment and provide more recourse for victims. It includes legislation to ensure that employers across the state have comprehensive policies to combat sexual harassment in the workplace. Moreover, the measure bars confidentiality clauses in any settlement except when specifically requested by the victim. It also allows a state or local government that has paid a victim for a sexual harassment claim on behalf of a public employee to recover payment from the employee responsible for the harassment. Further, it would ban mandatory arbitration agreements for claims of sexual harassment.

Environment

I am proud that in the budget we included the continuation of New York's multiyear commitment to funding \$2.5 billion for the Clean Water Infrastructure Act to ensure all New Yorkers have access to clean drinking water. The budget also provides \$300 million for the Environmental Protection Fund (EPF). A \$65 million initiative, to be funded from both the Clean Water Infrastructure Act and the EPF, will be used to fund programs to help combat harmful algal blooms, which are threatening water bodies. The budget also provides \$2 million for the Brownfield Opportunity Area program to help municipalities and community groups engage in planning efforts to revitalize communities with brownfields.

NYCHA Funding

In the budget we provided for \$250 million for the New York City Housing Authority (NYCHA) to make capital repairs, including replacing and updating heating equipment, as well as weatherization and other critical maintenance projects. This money is only a start to addressing the issues facing NYCHA, but because it also allows NYCHA to use the design-build procurement process, it will expedite boiler replacements and other construction and repair projects by consolidating both the design and construction of a project into a single contract. Almost 600,000 New Yorkers live in NYCHA and after the system wide breakdown of boilers over the winter months it is critical that we make these fixes before next year's heating season.

Library Aid

The budget provides a total of \$96.6 million, an increase of \$1 million over last year and over \$4 million more than the Executive proposal. Libraries not only lend books, they also offer resources ranging from adult literacy classes to job search resources and provide a community hub for everyone from the youngest children to retiree. Additionally, the budget provides \$34 million to support library capital projects across the state, which is also a substantial increase over the Governor's proposal.

Domestic Violence Escalation Act

Additionally, the Assembly passed the Domestic Violence Escalation Act, which prohibits an individual who has been convicted of a domestic violence crime from purchasing or possessing a firearm. It does so by establishing a clear process for notifying the FBI of domestic violence convictions for the purposes of identifying individuals prohibited from purchasing or possessing firearms when a background check is conducted. By preventing individuals with an outstanding warrant for a felony or serious offense crime, including a domestic violence misdemeanor, from being eligible for a firearms license; and creating a new requirement that the court order the surrender of all firearms following a conviction of a felony or serious offense, including domestic violence misdemeanors. This bill has the support of the Senate and Governor and will soon become law.

Missing items that we must continue to fight for:

As I said, this is not a perfect budget. It does not include some key elements, many of which were included in both the Executive budget and the Assembly budget resolution. In my remarks on the Assembly floor at 3:45am this morning, which I will post when the clip is made available to me, I highlight some of those issues.

Early Voting

New York is one of only 13 states that does not offer early voting and because of that and many other antiquated laws, we consistently have some of the lowest voter participation rates in the nation. I was heartened to see a \$7 million funding commitment in both the Governor's Executive Budget and the Assembly One House Budget for early voting, and it's a disservice to our democracy that behind closed doors during this budget negotiation process that it was removed. Early voting is a basic and critical step to modernizing our voting systems that will help ensure that more voters have an opportunity to make their voices heard at the polls. I am so proud of the activism of so many of my constituents around this

issue, especially those involved with the Brooklyn Voters Alliance. While New York remains one of only 13 states without early voting, this fight is not over and I look forward to fighting alongside the terrific activists that have helped bring this issue and other electoral reform issues to the forefront of the conversation.

- The DREAM Act, which expands access to higher education for the children of immigrants.
- Expansion of the life-saving speed safety camera program
- Bail Reform
- Critical Women's Health Provisions
- The Child Victim's Act
- Additional gun violence prevention legislation

This budget is composed of ten bills and there is obviously a lot more in it than what I could put in this email, so if you have specific questions or concerns about other budget items not seen here, email me at carrollr@nyassembly.gov and my office will get you a response.

While this concludes the budget process, there are still over 2 months remaining in the legislative session and I look forward to continuing to fight for these issues as well as other progressive legislation to help continue to push New York forward.

I hope all of you who are celebrating have a joyous Passover and Easter.

See you around the neighborhood,

Bobby

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