

NEWS From Assemblymember John T. McDonald III Spring 2021

2021-22 State Budget Highlights

The past year has been a challenging one in so many different ways. COVID-19 ravaged our communities, changed our way of life, further exposed deep inequities in our society, and left many unemployed and barely hanging on financially. The New York State budget, which benefited from actions taken by our partners in the federal government, focused on rebuilding and investing in our communities to allow our economy to recover. Some of these investments were long overdue and I am glad to see that we are making progress even during these challenging times

While there is always more to do, I do believe we worked to craft a 2021-22 state budget that puts families first. Below is a summary by topic area that I hope you find of interest



Supporting local road and bridge infrastructure programs

The final budget provides an additional \$350 million for the second year of the \$12.7 billion, two-year Department of Transportation (DOT) Capital Plan. This funding:

- Increases funding for the Consolidated Local Street and Highway Improvement Program (CHIPs) by \$100 million, for a total of \$538.1 million in state aid
- Provides an additional \$50 million for PAVE NY, which is used to rehabilitate and repave local roads and bridges, improving safety for drivers
- Provides \$100 million for the Extreme Winter Recovery program, which was cut in the executive budget proposal
- Provides \$100 million to establish a new capital program to reimburse cities, villages and towns for capital project costs on local roads and bridges, allocated based on New York- or U.S.-signed touring route miles for which these municipalities have capital maintenance responsibility. This is a program that will bring significant funds to communities I represent such as Albany (\$4.3 million), Troy (\$3.7 million), Cohoes (\$1.1 million), Rensselaer (\$373K) and Watervliet

(\$870K). This was a program that I have worked on for years to help local governments. These main connecting roads that carry large volumes of traffic, yet are the sole maintenance responsibility of the local governments. I am glad we are addressing this long standing inequity.

- Provides \$3.6 billion for the core Road and Bridge capital program
- To help continue combating climate change, the final budget provides \$20 million for electric buses as part of a five-year initiative to help five transit systems, such as the Capital District Transportation Authority (CDTA), electrify 25% of their bus fleets by 2025
- Includes a new \$1 million for e-vehicle charging stations

Protecting AIM and local government funding

- Restores \$39 million for cities, towns and villages in Aid and Incentives to Municipalities (AIM) program funding, bringing AIM back to the 2020-21 full amount of \$656 million, which is critical to holding the line on property taxes at the local level
- Proposes a new \$25 million State and Local Boards of Election Capital Program

Small Business Relief and Assistance

- \$800 million in flexible aid for small-business grants (The COVID-19 Pandemic Small Business Recovery Grant Program)
- Creates new state tax grant and credit program to support industries and fields that were hit hard by the pandemic through the \$1 billion Pandemic Recovery and Restart Program
- \$25 million for the NY Restaurant Resiliency Grant Program (World Central Kitchen-model)
- \$35 million in tax credits for restaurants in areas impacted by enhanced COVID restrictions
- Expands the Historic Rehabilitation Credit by increasing the eligible reimbursement from 20% to 30% for projects under \$2.5 million
- \$100 million for a musical and theatrical production credit
- Restores \$745 million in funding for various Life Science Initiatives, including support for the Capital Region's Wadsworth Lab which was left out of the original budget this year
- An additional \$40 million for the Arts Recovery Grant Program for not-for-profit arts and cultural organizations

- Provides \$1 million for the Public Service Commission to conduct a study of the availability, cost and reliability of high-speed internet and broadband services in New York State, and to publish a detailed internet access map of the state
- Requires service providers to offer a \$15 per month broadband internet plan to low-income New Yorkers, exempting certain small providers

Supporting New York families

- Continues the middle-class income tax cuts. The tax cuts began in 2018 and are set to fully phase in by 2025
- Saves middle-class homeowners \$400 million through a new property tax circuit breaker that provides an income tax credit to taxpayers with incomes under \$250,000 that have property tax burdens that exceed 6% of their income
- Expands the Excelsior Investment Tax to businesses in the Excelsior Jobs program, along with any prospective businesses, for tax credits for implementing child care programs for their employees
- Provides \$40 million to extend the low-income housing tax credit for five years

Environmental Conservation

- Includes a \$3 billion "Restore Mother Nature" environmental bond act that will be on the ballot for voter approval in 2022, which invests in resilient infrastructure, open space conservation, water infrastructure, shoreline protection, and climate change mitigation projects.
 - Includes a \$500 million appropriation for clean water infrastructure, a program we started over 5 years ago and now totals over \$3 billion
 - Provides \$300 million for the Environmental Protection Fund (EPF)

Education

- Allocates \$8.2 billion of the Federal Elementary and Secondary School Emergency Relief fund (ESSER) and \$3.8 billion from the Coronavirus Response and Relief Supplemental Appropriations Act.
- Appropriates \$3.1 billion more in state funding for the 2021-22 school year over last year by instituting the following:
 - Increasing Foundation Aid by \$1.4 billion for a total of \$19.8 billion
 - This would be a full one-third of what will be provided to schools statewide over the next three years as a part of the Campaign for Fiscal Equity obligation, for a total of \$4.2 billion
 - This funding commitment will fully phase in Foundation Aid over the course of three years, with school districts receiving at least 60% of their Foundation Aid funding for the 2021-22 school year
- Rejecting the executive proposal to institute a \$1.35 billion local district funding adjustment for SY 2021-22 to make sure that federal dollars do not serve as a substitute for the state's obligation to fully fund schools
- Provides a \$105 million increase for Universal Prekindergarten to expand the number of pre-k slots statewide, for a total of \$924 million
 - \$90 million of this funding will be allocated to low- and medium-wealth school districts with a low number of state-funded prekindergarten slots

Standing up for our most vulnerable

- The 2021-22 state budget provides \$15 million for a new digital inclusion program that would address the statewide digital equity gap
 - Grants would be provided to local governments, school districts, boards of cooperative educational services, not-for profits, libraries and other community-focused entities
 - This program would help allow marginalized individuals access to critical internet service as well as digital literacy education and technical support
- Invests \$18 million in the program My Brother's Keeper to increase opportunities and eliminate barriers for young men of color
- Includes \$2 million in increased funding and \$30 million total to provide capital needs for 4201 schools, which serve blind and deaf students
- The final budget also includes a \$500,000 increase for Independent Living Centers, for a total of \$14.4 million

Higher education funding

- Rejects the executive proposal to reduce funding by \$46.4 million for SUNY
- Includes \$20 million in federal funds for each of the next two years for scholarships to cover non-tuition expenses such as housing, meal plans, and books and help close the affordability gap
- Allocates \$88 million to increase the maximum Tuition Assistance Program (TAP) award by \$500 for a maximum award total of \$5,665. This is the first increase in several years and is long overdue
- Commits to pay off the TAP gap at SUNY and CUNY by the 2024-25 academic year which is the difference between TAP funding for students and actual tuition costs
- The final budget rejects proposed tuition increases at SUNY
- Provides \$24 million to increase community college base aid by \$50 per full-time equivalent student and to re-establish the 98% guaranteed funding base level for community colleges statewide
 - For the 2021-22 academic year, the final budget provides an additional \$19 million for SUNY community colleges
 - \$1.1 million to SUNY for community college child care centers
- Provides a \$30 million or 20% increase over last year's final budget in college opportunity program funding
 - \$42.6 million for the Higher Education Opportunity Program (HEOP), an increase of \$7.1 million
 - \$38.6 million for the Educational Opportunity Program (EOP), an increase of \$6.4 million
 - \$33.7 million for Search for Education, Elevation and Knowledge (SEEK), an increase of \$5.6 million
 - \$19 million for the Science and Technology Entry Program (STEP), an increase of \$3.2 million
 - \$14.4 million for the Collegiate Science and Technology Entry Program (C-STEP), an increase of \$2.4 million

• \$7.2 million for the Foster Youth Initiative – which supports foster students on their path to higher education – an increase of \$1.2 million

Providing much-needed financial relief to tenants and landlords

- Combined federal and state efforts provide \$2.3 billion for rental assistance as well as \$100 million in state aid to provide for hardship cases for landlords and renters that are outside of federal eligibility
- For landlords to receive this assistance, they must agree not to evict an individual due to an expired lease or holdover tenancy for a year, to waive late fees for arrears paid by the program, and to not raise rent for a year from the monthly amount when the application is filed
- There is \$100 million in state funds earmarked for landlords who may have tenants that refuse to apply for relief or tenants who do not otherwise qualify under federal rules but are experiencing a hardship

Providing for workforce recovery

- Includes \$600 million to pay the general salary increases that were deferred for state employees
- Restores \$51 million for the direct care cost of living adjustment for those who care for our most vulnerable populations, the elderly and disability communities
- Authorizes \$50 million of the COVID-19 Recovery
 Workforce Initiative to be directed toward those who
 have been the hardest-hit during the pandemic, including women, minorities, and those who have been receiving unemployment benefits for an extended period
- Adds an additional \$1.9 million to the Entertainment
 Workers Demonstration Program, which assists eligible
 entertainment industry employees in maintaining
 health insurance during episodic employment, for a
 total of \$2 million
- Restores \$1.62 million for the Displaced Homemaker Program, which offers a range of services to those who have been displaced from their careers as unpaid homemakers, including child care, transportation, housing, basic necessities, and employment, as well as emotional, medical and legal support

Helping homeowners and improving our neighborhoods

- Includes \$575 million in federal funding for mortgage assistance, including residential mortgage relief for low- and moderate-income individuals
- The Federal Mortgage Relief Program provides assistance to owners of one-to-four-unit properties secured by a mortgage and requires at least 60% of funds to be used to assist homeowners with incomes less than the AMI
- Provides \$20 million annually for three years for a total of \$60 million to fund the Homeowner Protection Program (HOPP). This program helps homeowners avoid foreclosure by connecting them to free, qualified mortgage assistance relief services
- Extends the covered period for mortgage forbearance to either Dec. 31, 2021, or until current rules that closed or restricted businesses due to COVID-19 are no longer in effect, whichever is later

Expanding support resources

- Includes an increase of \$500 million for the Home Energy Assistance Program (HEAP) and \$80 million for the Supplemental Nutrition Assistance Program (SNAP) to reflect additional federal funding
- Includes \$100 million to support ending homelessness by establishing a statewide program that would provide supplements of no less than 85% of the Fair Market Rent (FMR) to individuals and families who are homeless or at imminent risk of losing of housing
- Provides \$200 million for Pandemic Emergency Assistance, which will provide federal funds to local social services districts for flexible emergency services
- Includes funding for services for survivors of domestic violence, food assistance for older New Yorkers, and support for families in need to purchase diapers for children under 3 years old
- \$5 million in additional funding for the Advantage After School Program, which provides structured activities for kids to help them succeed academically
- \$4 million for Advanced Technology Training and Information Networking (ATTAIN), which provides access to education and workforce development
- \$1.43 million for Career Pathways, which helps train low-income young adults for jobs in high-growth sectors
- \$800,000 for ACCESS, which provides low-income parents with college education career coaching and support services to ensure academic success
- Provides \$3.2 million for non-residential domestic violence services

Supporting access to affordable child care and at-risk youth

- Allocates \$2.4 billion in federal child care aid that would:
 - Increase eligibility for subsidies to 200% of the Federal Poverty Level statewide and expand slots
 - Provide \$1.3 billion in stabilization grants to providers
 - Cap copays to 10% of a family's income over the federal poverty level
 - Ensure 12-month eligibility for families in receipt of subsidies
 - Invest in child care deserts
- Restores \$69.4 million in local assistance for multiple programs, including child care programs, family and children's programs and youth programs
- Includes support and services for youth suffering from Adverse Childhood Experiences (ACEs) and updates training for mandated reporters to recognize signs of ACEs as well as signs of abuse and neglect while interacting with families virtually and ensures they are utilizing protocols to reduce implicit bias



As a practicing pharmacist in addition to my role as a legislator, I have been administering COVID-19 vaccinations on a daily basis at senior center clinics, visits to the homebound, and working with community organizations at sites established in our communities that needed the vaccines the most. Our vaccination effort is still underway and I am proud to be a small part of the overall effort.



Drug Accountability Board Appointment

In November 2020 I was appointed by Speaker Carl E. Heastie as a member of the New York State Department of Financial Services Drug Accountability Board. I am honored to serve on the Board in addition to my duties as a NYS Assemblymember.

My experience as a licensed pharmacist for 35 years has been an asset to the DAB and I work with my new board colleagues as a watchdog for affordable prescriptions and ensure appropriate oversight for drug costs. I appreciate the opportunity to contribute to the Board and look forward to tackling the challenges and providing solutions to the issues presented.

See here for the Department of Financial Services Press Release.

 $\frac{https://www.dfs.ny.gov/reports\ and\ publications/press\ releases/pr202011191}{leases/pr202011191}$

If you would like any additional information regarding these initiatives and other budgetary measures, please feel free to reach out to my office as always at 518-455-4474 or mcdonaldj@nyassembly.gov



John T. McDonald III
Member of Assembly, 108th District

New York State Assembly • Albany, New York 12248



PRSRT STD.
U.S. POSTAGE
PAID
Albany, New York
Permit No. 75



ALBANY/DISTRICT OFFICE:

Room 417, Legislative Office Building • Albany, New York 12248 • 518-455-4474

EMAIL: mcdonaldj@nyassembly.gov

WEB: www.nyassembly.gov/mem/John-T-McDonald-III