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THE LEAGUE OF WOMEN VOTERS *of New York State*

2016/2017 Budget Highlights

TO: All Members

FROM: LWVNYS

SUBJECT: Budget Highlights for 2016

DATE: April 1, 2016

This year the League was intensely engaged in activities surrounding the state budget. We submitted testimony to five joint budget committees and met with members of the Senate and Assembly on some of our most contentious issues including ethics, work force development, and education. We sent letters to the Governor and legislative leaders and issued memos of support and opposition to all members. You can find all of our memos, press releases, and letters on our website at <http://www.lwvny.org/>.

This budget is one of the most costly in recent history. The legislature and Governor has issued a total State Operating Fund of \$96.2 billion, this is a 2.0 percent growth from last year. School Aid has been set at \$24.8 billion, a 6.5 percent growth. Medicaid has received \$18.5 billion, a 3.4 percent growth under the current cap. Higher Education has been allocated \$7.2 billion, a 2.0 percent growth. This year's budget also includes several progressive reforms like a minimum wage increase and state wide paid family leave.

We are pleased that no variation of the Education Tax Credit was included in the final state budget; the voice of our League members was heard in both the Assembly and Senate. We applaud the Assembly majority for their strong support for public education. Foundation aid was approved at \$627 million, which is above what the Governor's executive budget had proposed but below what the Senate and Assembly had asked for. The Gap Elimination adjustment has been totally eliminated for the coming year, even though the Governor had wanted it eliminated over a two-year period.

Not unexpectedly, the final budget included no ethics reforms. Even though the League and its good government allies held several press conferences to highlight the "Watergate Moment" happening in Albany, the legislature was either unwilling or unable to accomplish ethics reform. We will continue to advocate in the post budget session for comprehensive reform to restore dignity to New York's broken political system.

Minimum Wage

- For workers in New York City employed by large businesses (those with at least 11 employees), the minimum wage would rise to \$11 at the end of 2016, then another \$2 each year after, reaching \$15 on 12/31/2018
- For workers in New York City employed by small businesses (those with 10 employees or fewer), the minimum wage would rise to \$10.50 by the end of 2016, then another \$1.50 each year after, reaching \$15 on 12/31/2019.
- For workers in Nassau, Suffolk and Westchester Counties, the minimum wage would increase to \$10 at the end of 2016, then \$1 each year after, reaching \$15 on 12/31/2021.
- For workers in the rest of the state, the minimum wage would increase to \$9.70 at the end of 2016, then another .70 each year after until reaching \$12.50 on 12/31/2020 – after which will continue to increase to \$15 on an indexed schedule to be set by the Director of the Division of Budget in consultation with the Department of Labor.

Paid Family Leave

The passage of 12 weeks of paid family leave is a momentous victory for New York's families and LWVNY. The PFLI package includes many critical elements of a strong paid family leave program including:

- 12 weeks of leave that is phased in over four years to care for a new child or seriously ill loved one.
- A benefit level that starts at 50% of a worker's own weekly wage up to a maximum benefit of 50% of the statewide average weekly wage in year 1. Both of these phase up in steps each year reaching 67% of a worker's own wage, and 67% of the statewide average weekly wage in year 4.
- Job protection so New York's workers have the peace of mind that when they return from leave for critical life moments, they know they have a job to come back to.
- Coverage for all 6.4 million private sector workers in New York who currently lack access to paid family leave. Public sector unions can opt their members in.

Support for Schools and Education

The budget provides in total \$24.8 billion in School Aid, and \$5.3 billion more than 2011-12. The increases of the last five years are as follows:

- 2011-12 School Aid: \$19.64 billion
- 2012-13 School Aid: \$20.35 billion (\$805 million increase, 4.1 percent)
- 2013-14 School Aid: \$21.23 billion (\$992 million increase, 4.9 percent)
- 2014-15 School Aid: \$22.24 billion (\$1.13 billion increase, 5.3 percent)
- 2015-16 School Aid: \$23.5 billion (\$1.35 billion increase, 6.1 percent)
- 2016-17 School Aid: \$24.8 billion (\$1.5 billion increase, 6.5 percent)

School Aid supports almost 700 school districts, and 2.8 million students in grades pre-kindergarten through 12.

In addition to traditional School Aid, the budget maintains \$340 million in annual funding for the Statewide Universal Full-Day Prekindergarten program and continues the \$2 billion Smart

Schools program. The Budget fully eliminates the outstanding \$434 million Gap Elimination Adjustment. Foundation Aid is increased by \$627 million (four percent).

Community Schools: The budget also includes \$175 million in funding to transform failing schools and other high needs schools into community schools.

Charters: Charter schools support statewide is estimated at \$430 per pupil. The budget makes permanent the calculation of rental aid for New York City charter schools.

School Year	Existing Law	Enacted Budget	Per Pupil Increase
2016-17	\$14,027	\$14,457	\$430

Infrastructure Spending

The budget approves \$55 billion of transportation investments statewide, including \$27.14 billion for State Department of Transportation and Thruway programs and \$27.98 billion for the Metropolitan Transportation Authority programs. The plan aligns capital programming for DOT and MTA over a 5-year period (SFY 2016-20) and includes additional commitments for priority projects and programs that extend over a sixth year.

- The \$27 billion DOT capital program includes: \$21.1 billion for capital improvement of highways, bridges, rail, aviation infrastructure, non-MTA transit, and DOT facilities throughout the state. This includes the launch of three new initiatives – BRIDGE NY, PAVE NY, and the Extreme Weather Infrastructure Hardening Program to further improve conditions on state and local roads and bridges, as well as provide resiliency to roadways that are particularly susceptible to weather events. It also includes \$4 billion for capital investment for a sixth year, and \$2 billion in Thruway Stabilization funding that will support capital improvements on the entire Thruway system and the *New New York Bridge*, allowing the Authority to freeze tolls on the system until at least 2020.
- The \$27 billion MTA Capital Program includes: \$26.6 billion for improvement of capital facilities operated by the New York City Transit Authority, Long Island Rail Road, Metro-North Railroad and MTA Bus and major initiatives including \$1.5 billion for Phase II of the Second Avenue Subway. Specifically, the budget authorizes a record \$8.3 billion of State support for the program.