

**FY 2019 NEW YORK STATE EXECUTIVE BUDGET**

**PUBLIC PROTECTION AND GENERAL GOVERNMENT**  
**ARTICLE VII LEGISLATION**

**MEMORANDUM IN SUPPORT**

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## MEMORANDUM IN SUPPORT

A BUDGET BILL submitted by the Governor in  
Accordance with Article VII of the Constitution

AN ACT to amend the criminal procedure law, in relation to a waiver and time limits for a speedy trial (Part A); to amend the judiciary law, in relation to additional functions of the chief administrator of the courts (Part B); to amend the criminal procedure law, in relation to the issuance of securing orders and in relation to making conforming changes; and to amend the insurance law, in relation to the deposit of bail money by charitable bail organizations (Part C); to amend the criminal procedure law, the penal law and the executive law, in relation to discovery reform and intimidating or tampering with a victim or witness; and to repeal certain provisions of the criminal procedure law relating thereto (Part D); to amend the civil practice law and rules, in relation to the forfeiture of the proceeds of a crime, and reporting certain demographic data; to amend the criminal procedure law and the penal law, in relation to reporting certain demographic data; and to repeal certain provisions of the civil practice law and rules relating thereto (Part E); to amend part H of chapter 503 of the laws of 2009 relating to the disposition of monies recovered by county district attorneys before the filing of an accusatory instrument, in relation to the effectiveness thereof (Part F); to amend the correction law, in relation to eliminating reimbursements to counties for personal service expenses related to the transportation of state ready inmates (Part G); to amend the correction law, in relation to programmatic accomplishments for merit and limited credit time (Part H); to repeal subdivision 9 of section 201 of the correction law, in relation to supervision fees (Part I); to authorize two pilot temporary release

programs for certain inmates whose offenses and disciplinary records would render them eligible to receive a limited credit time allowance (Part J); to amend the banking law, in relation to licensing considerations for check cashers (Subpart A); to amend the education law, in relation to eligibility for serving on a New York city community district education council and city-wide council (Subpart B); to amend the executive law, in relation to licensing considerations for bingo suppliers (Subpart C); to amend the executive law, in relation to licensing considerations for notary publics (Subpart D); to amend the general municipal law, in relation to licensing considerations for suppliers of games of chance, for games of chance licensees, for bingo licensees, and for lessors of premises to bingo licensees (Subpart E); to amend the insurance law, in relation to licensing considerations for insurer adjusters and for employment with insurance adjusters; and to repeal certain provisions of such law relating thereto (Subpart F); to amend the real property law, in relation to licensing considerations for real estate brokers or real estate salesmen (Subpart G); to amend the social services law, in relation to participation as employer in subsidized employer programs (Subpart H); and to amend the vehicle and traffic law, in relation to eligibility for employment by a driver's school (Subpart I)(Part K); to amend the executive law, in relation to allowing for geriatric parole (Part L); to amend the tax law, in relation to suspending the transfer of monies into the emergency services revolving loan fund from the public safety communications account (Part M); to amend the executive law, in relation to administrative subpoenas (Part N); to amend the state finance law and the military law, in relation to establishing the armory rental account fund; and to amend chapter 152 of the laws of 2001 amending the military law relating to military funds of the organized militia, in

relation to the effectiveness thereof (Part O); to amend the criminal procedure law, in relation to eliminating the statute of limitations for any sexually related offense committed against a child; to amend the general municipal law, the court of claims act and the education law, in relation to removing the requirement of filing a notice of claim for any claim for injury suffered from a sexually related offense committed against a child; to amend the civil practice law and rules, in relation to extending the statute of limitations for civil cases for any claim for injury suffered from a sexually related offense committed against a child to fifty years; and to amend the civil practice law and rules, in relation to reviving any time-barred claim for injury suffered from a sexually related offense committed against a child for a period of one year (Part P); to amend the alcoholic beverage control law, in relation to hotel tavern licenses (Part Q); to amend the alcoholic beverage control law, in relation to the production and sale of mead; and to repeal certain provisions of such law relating thereto (Part R); to amend the alcoholic beverage control law, in relation to creating a license to export New York alcoholic beverages (Part S); to amend chapter 303 of the laws of 1988 relating to the extension of the state commission on the restoration of the capitol, in relation to extending such provisions for an additional five years (Part T); to amend the public lands law, in relation to the transfer of unappropriated state lands (Part U); to amend the state finance law, in relation to establishing the parking services fund, the solid waste fund, and the special events fund (Part V); to amend the civil service law, in relation to term appointments in information technology; and providing for the repeal of such provisions upon expiration thereof (Part W); to amend the state finance law, in relation to establishing the New York state secure choice savings program, the New York state secure choice savings

program fund and the New York state secure choice administrative fund (Part X); to amend the workers' compensation law, in relation to the investment of surplus funds of the state insurance fund (Part Y); to amend the civil service law, in relation to capping the standard medicare premium charge (Part Z); to amend the civil service law, in relation to reimbursement for medicare premium charges (Part AA); to amend the civil practice law and rules, in relation to the rate of interest (Part BB); to amend the state finance law, in relation to the citizen empowerment tax credit (Part CC); to amend the uniform justice court act, in relation to the election of one or more town justices for two or more adjacent towns (Subpart A); and to amend the general municipal law and the statute of local governments, in relation to authorizing counties to regulate, administer, and enforce planning, zoning, and other land use regulations at the option of and in accordance with a request from a city, town, or village (Subpart B)(Part DD); to amend the general municipal law, in relation to county-wide shared services panels (Part EE); to amend the public authorities law, in relation to the town of Islip resource recovery agency (Part FF); and to provide for the administration of certain funds and accounts related to the 2018-19 budget and authorizing certain payments and transfers; to amend the state finance law, in relation to the school tax relief fund, the debt reduction reserve fund and to payments, transfers and deposits; to amend the state finance law, in relation to reductions to enacted appropriations; to amend chapter 174 of the laws of 1968 constituting the New York state urban development corporation act, in relation to funding project costs undertaken by non-public schools; to amend the New York state urban development corporation act, in relation to funding project costs for certain capital projects; to amend chapter 389 of the laws of 1997, relating to the financing of the correctional facilities



improvement fund and the youth facility improvement fund, in relation to the issuance of bonds; to amend the private housing finance law, in relation to housing program bonds and notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, in relation to the issuance of bonds; to amend the public authorities law, in relation to the issuance of bonds by the dormitory authority; to amend chapter 61 of the laws of 2005 relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to issuance of bonds by the urban development corporation; to amend the New York state urban development corporation act, in relation to the issuance of bonds; to amend the public authorities law, in relation to the state environmental infrastructure projects; to amend the New York state urban development corporation act, in relation to authorizing the urban development corporation to issue bonds to fund project costs for the implementation of a NY-CUNY challenge grant program and increasing the bonding limit for certain state and municipal facilities; to amend chapter 81 of the laws of 2002, relating to providing for the administration of certain funds and accounts related to the 2002-2003 budget, in relation to increasing the aggregate amount of bonds to be issued by the New York state urban development corporation; to amend the public authorities law, in relation to financing of peace bridge and transportation capital projects; to amend the public authorities law, in relation to dormitories at certain educational institutions other than state operated institutions and statutory or contract colleges under the jurisdiction of the state university of New York; to amend the New York state medical care facilities finance agency act, in relation to bonds and mental health facilities improvement notes; to amend

chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to increasing the bonding limit for certain public protection facilities; to amend the state finance law and the public authorities law, in relation to funding certain capital projects and the issuance of bonds; to amend chapter 59 of the laws of 2017 relating to providing for the administration of certain funds and accounts related to the 2017-18 budget and authorizing certain payments and transfers, in relation to the effectiveness thereof; to amend chapter 63 of the laws of 2005, relating to the composition and responsibilities of the New York state higher education capital matching grant board, in relation to increasing the amount of authorized matching capital grants; to amend the public authorities law, in relation to increasing the amount of bonds authorized to be issued; and providing for the repeal of certain provisions upon expiration thereof (Part GG)

**PURPOSE:**

This bill contains provisions needed to implement the Public Protection and General Government portions of the FY 2019 Executive Budget.

This memorandum describes Parts A through GG of the bill which are described wholly within the parts listed below.

**Part A – Makes revisions to the Criminal Procedure Law to ensure citizens accused of a crime have the right to a speedy and public trial.**

**Purpose:**

This bill would amend the Criminal Procedure Law in relation to waivers and time limits for a speedy trial.

**Summary of Provisions and Statement in Support:**

The Sixth Amendment to the United States Constitution and State law guarantees that all citizens accused of a crime have the right to a speedy and public trial. Too often, however, defendants are held in custody, before trial, for excessive periods of time because courts are overburdened with the number of pending criminal cases. This leads to backlogs that disrupt the criminal justice system. This proposal will ensure that accused individuals proceed through the justice system in a streamlined and efficient manner.

This bill would amend Section 30.30 of the Criminal Procedure Law, requiring that individuals held in custody consent to a speedy trial waiver that must be approved by a judge. The waivers include deadlines so that defendants, defense attorneys, prosecutors, and judges understand when the trial is scheduled. The waivers will only be granted after the defendant has made an appearance before the judge. The waiver periods shall not exceed:

- (a) three months where a defendant is accused of one or more offenses, at least one of which is a felony;
- (b) forty-five days where a defendant is accused of one or more offenses, at least one of which is a misdemeanor punishable by a sentence of imprisonment of more than three months and none of which is a felony;
- (c) thirty days where the defendant is accused of one or more offenses, at least one of which is a misdemeanor punishable by a sentence of imprisonment of not more than three months and none of which is a crime punishable by a sentence of imprisonment of more than three months; or
- (d) fifteen days where the defendant is accused of one or more offenses, at least one of which is a violation and none of which is a crime.

Outside of extraordinary circumstances, no more than two waivers shall be granted.

A motion to dismiss must also be made at least 20 days before the trial begins and it must include sworn factual allegations specifying the time periods that are being charged against the people.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it will reduce unnecessary delays and adjournments in court proceedings so that people are not held in jail for unreasonable periods of times.

#### Effective Date:

This bill would take effect on the one hundred eightieth day after it becomes law.

## **Part B – Makes revisions to the Judiciary law to increase accountability and efficiency of the Courts.**

### Purpose:

This bill would amend the Judiciary law in relation to the functions of the Chief Administrator of the Courts.

### Summary of Provisions and Statement in Support:

This bill would amend Section 212 of the Judiciary Law to require the Chief Administrator of the Courts to ensure that state court trial judges are operating their courtrooms for a full workday. It would also authorize the Comptroller to conduct a periodic review and audit of the certifications submitted by such judges.

### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

### Effective Date:

This bill would take effect immediately.

## **Part C – Bail Reform.**

### Purpose:

This bill would reduce the number of individuals in jail that have not been convicted of a crime by amending New York's procedures regulating the release of persons charged with criminal offenses pending trial. In cases where a defendant is charged with a misdemeanor or non-violent felony, release would be granted under non-monetary conditions by selecting the least restrictive alternative that will assure the defendant's appearance in court.

### Summary of Provisions and Statement in Support:

This bill would require that defendants charged with a misdemeanor or non-violent felony be released without requiring cash bail, in a manner that is the least restrictive way of reasonably assuring the defendant's appearance in court. The conditions used to assure this may include requiring the defendant to remain in contact with pre-trial services, abide by specified restrictions on association or travel, refrain from possessing a firearm, be placed in pre-trial supervision, or be monitored with an electronic monitoring device.

In cases where monetary bail is permitted, an individual assessment of a defendants' personal and financial circumstances must be conducted.

In cases involving domestic violence or other more serious violent crimes, if a defendant commits a crime while on pretrial release, or fails to show for a court appearance the judge may order the defendant to be held in jail pretrial.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would reduce the number of individuals being held unnecessarily and unfairly in pre-trial confinement.

Effective Date:

This bill would take effect November 1, 2019.

**Part D – Makes revisions to the Criminal Procedure Law to improve the disclosure of evidence and information between prosecutors and the defense.**

Purpose:

This bill would amend the Criminal Procedure Law in relation to discovery reform.

Summary of Provisions and Statement in Support:

New York is one of only 10 states that enable prosecutors to withhold basic evidence until the actual day a trial begins. Even worse, New York has the distinction of standing alongside only three other states - Louisiana, South Carolina, and Wyoming - as having the nation's most restrictive discovery rules.

This bill would amend Article 240 of the Criminal Procedure Law to require both prosecutors and defendants to automatically share information in an incremental fashion well in advance of the start of a trial. This automatic disclosure would be triggered by an arraignment on an indictment, and include disclosure of evidence and information favorable to the defense; police reports; witness statements; intended exhibits; expert opinion evidence; and witnesses' criminal history information. This will ensure attorneys have the tools necessary to represent their clients.

Additionally, along with an accelerated disclosure of witness information, this plan would provide prosecutors with the ability to seek protective orders and to redact information that would otherwise hinder an investigation or the case. Additional protections to ensure witness safety would also be achieved through enhancements to Article 215 of the Penal Law.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget to reduce unnecessary delays in the criminal justice process and improve the sharing of information between prosecutors and defendants.

Effective Date:

This bill would take effect on the first November next succeeding the date on which it shall have become a law.

**Part E – Civil Asset Forfeiture Reform.**

Purpose:

This bill would ban all asset seizures unless an arrest is made, and require there to be a criminal conviction before property can be forfeited. This bill would also require law enforcement agencies to report demographic information of the individual from whom the seizure is made to the Division of Criminal Justice Services (DCJS).

Summary of Provisions and Statement in Support:

Under current law, civil asset forfeiture is a mechanism by which the State and the federal government can seize a person's property, without having to convict him or her of a crime. This bill would prohibit all asset seizures unless there has been an arrest and a criminal conviction. It would also direct DCJS to require law enforcement agencies to report a defendant's demographic information to ensure the seizure of assets is being carried out fairly and consistently.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget to create a safer, smarter, and fairer criminal justice system.

Effective Date:

This bill would take effect 180 days after it has become law.

**Part F – Continue provisions relating to the disposition of certain monies recovered by county district attorneys.**

Purpose:

This bill would continue the existing formula for distribution of certain monies recovered by county district attorneys.

Summary of Provisions and Statement in Support:

This bill would extend for one-year Chapter 503 of the laws of 2009, as amended by section 25 of Part A of Chapter 55 of the Laws of 2017. That law provides for the proportional distribution of recoveries obtained by the county district attorney in New York City. The existing statute would otherwise expire on March 31, 2018.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect immediately.

**Part G – Eliminate reimbursements to counties for personal service expenses related to the transportation of state ready inmates.**

Purpose:

This bill would amend correction law to eliminate reimbursements to counties for personal service expenses related to the transportation of state ready inmates.

Summary of Provisions and Statement in Support:

Section 602 of the Correction law currently provides for reimbursement to counties for both travel costs and a portion of salary costs for the transportation of state ready inmates. This legislation would eliminate reimbursements related to personal service costs, however, the Department of Corrections and Community Supervision would continue to reimburse transportation costs.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget since it will save approximately \$750,000.

Effective Date:

This bill would take effect April 1, 2018.

**Part H – Expand merit time eligibility and add four new significant program accomplishments for the potential award of the Limited Credit Time Allowance.**

Purpose:

This bill would expand merit time eligibility to inmates who successfully complete two consecutive semesters of college programming. This legislation also adds four

significant program accomplishments that would enable an inmate to qualify for the six-month Limited Credit Time Allowance (LCTA) program.

#### Summary of Provisions and Statement in Support:

This bill would amend section 803 of the correction law to expand merit time eligibility to inmates who successfully complete at least two consecutive semesters of college programming. These inmates would be required to take no less than six college credits per semester. The courses would need to be provided at the correctional facility by a college approved by the New York State Board of Regents.

This bill would also amend section 803-b of the Correction law to add four significant program accomplishments that would allow an inmate to qualify for the six-month limited credit time allowance program. Specifically, this legislation would add the following inmate accomplishments:

- Complete a cosmetology training program, earn a license and then participate in the program for no less than eighteen months;
- Complete a barbering training program, earn a license and then participate in the program for a period of no less than eighteen months;
- Successfully participate in a computer operator, general business, or computer information and technology and support vocational program for a minimum of two years and earn a Microsoft office specialist certification for Microsoft Word, Excel or PowerPoint, following the administration of an exam;
- Successfully complete the Thinking for a Change cognitive behavioral treatment program within phase two of transitional services and then participate in the work-release program for a period of at least 18 months.

To be eligible for this six-month credit toward their sentence, inmates must also maintain a positive disciplinary record and must not have filed a frivolous lawsuit.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget as it is expected to save a projected \$128,000.

#### Effective Date:

This bill would take effect April 1, 2018.

### **Part I – Eliminate Parole Supervision Fee.**

#### Purpose:

This bill would repeal subdivision 9 of section 201 of the correction law pertaining to the collection of a thirty dollar per month parole supervision fee from all persons over the



age of eighteen currently supervised under presumptive release, parole, conditional release or post-release supervision.

Summary of Provisions and Statement in Support:

The inability to pay these fees, while nominal, can be a barrier to re-entering society. Eliminating the fee would reduce the financial burden and debt individuals face after their release and accelerate their return to productivity. In addition, penalties imposed for non-payment can further inhibit a parolee's goal of living a crime free existence.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect April 1, 2018.

**Part J – Authorize the Department of Corrections and Community Supervision to pilot two temporary release programs.**

Purpose:

This bill would authorize the Commissioner of the Department of Corrections and Community Supervision (DOCCS) to pilot two temporary release programs.

Summary of Provisions and Statement in Support:

This bill would authorize DOCCS to pilot two temporary release programs -- a college educational leave program and a work release program. Each pilot program would be limited to no more than fifty inmates at any one time. Inmates would be permitted to leave the premises of the institution to participate in these programs.

To be eligible for these pilot programs, an inmate cannot be serving a sentence for an offense that would render him or her ineligible for a limited credit time allowance. The inmate must also be eligible for parole or conditional release within two years of enrollment in the program, and must not have committed any serious disciplinary infractions or maintained an overall negative disciplinary record.

This bill would also require the DOCCS Commissioner to issue an annual report to the Governor and the Legislature on the status of both pilot programs.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect April 1, 2018.

**Part K – Remove unnecessary bars on licensing and employment for people with convictions.**

Purpose:

This bill would update New York occupational licensing statutes to remove outdated mandatory bars that have kept qualified applicants with criminal convictions from being licensed in a range of fields without the benefit of an individualized review of whether licensing that individual represents any threat to public safety.

Summary of Provisions and Statement in Support:

Under current law, individuals with criminal convictions are precluded from serving in various licensed occupations unrelated to law enforcement. This bill would give certain licensing authorities the ability to grant or deny an applicant's license after reviewing the factors outlined in Article 23-A of the Correction Law, which governs the employment and licensure of individuals with criminal convictions under New York State law.

People with past criminal convictions who have paid their debt to society greatly benefit from being able to participate fully in the workforce, where they can support themselves and their families, and build a stable life. Our communities benefit as well, as employment is closely tied to reduced recidivism and reduced dependence upon public services.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect immediately.

**Part L – Allow for Geriatric Parole.**

Purpose:

This bill would amend the Executive Law to allow for geriatric parole for inmates.

Summary of Provisions and Statement in Support:

To qualify for geriatric parole, an inmate must be at least fifty-five years of age, and suffering from a chronic or serious condition, disease, syndrome, or infirmity that is

exacerbated by age and has rendered the inmate incapable of providing self-care within a correctional facility. Inmates serving a determinate or indeterminate sentence would be eligible to apply, however, individuals serving a sentence due to certain murder charges or those serving a sentence of life without parole would be ineligible.

The Chair of the Board of Parole would be required to report annually to the Governor and the Legislature on the number of inmates who have applied for geriatric parole, the number who have been granted geriatric parole, the nature of the illness of the applicants, the counties to which they have been released, nature of the placement pursuant to the discharge plan, the categories of reasons for denial for those who have been denied, and the number of releases on geriatric parole who have been returned to imprisonment in the custody of the department and the reasons for return.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it could lead to savings from the release of non-violent inmates who meet the qualifications for geriatric parole.

Effective Date:

This bill would take effect April 1, 2018.

**Part M – Suspend a subsidy to a revolving loan fund from cell surcharge revenue.**

Purpose:

This bill would extend the existing suspension of the annual transfer of \$1.5 million from the Public Safety Communications Account to the Emergency Services Revolving Loan Fund for two fiscal years.

Summary of Provisions and Statement in Support:

This bill would amend Section 186-f of the Tax Law to suspend an annual transfer of \$1.5 million from the Public Safety Communications Account to the Emergency Services Revolving Loan Fund for two fiscal years. This transfer was previously suspended for FY 2017 and FY 2018 by Section 1 of Part C of Chapter 57 of the laws of 2016.

The Emergency Services Revolving Loan Fund is a means to assist local governments, fire districts and not-for-profit fire/ambulance corporations in financing emergency response equipment, such as firefighter apparatus, fire engines and ambulances, and construction costs related to the housing of such equipment. Since it is structured as a revolving loan fund (i.e., payments of principal and interest are deposited into the fund) and presently there is a robust balance of approximately \$14.8 million, eliminating the annual transfer from the Public Safety Communications Account should not diminish the ability of Revolving Loan Fund's administrators to make new loans. Historical spending

(3-year average) out of the fund is approximately \$2.4M, with repayments each year around \$3M.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget. It would ensure that the Public Safety Communications Account has sufficient funds to support other statutorily authorized purposes, including interoperable communication grants to counties.

Effective Date:

This bill would take effect immediately.

**Part N – Streamlining the Subpoena Process for Cases of Online Sexual Abuse of Children.**

Purpose:

This bill would add a new section to Article 11 of the Executive Law, which authorizes the Superintendent of State Police to issue administrative subpoenas during the course of investigations related to the commission of certain online sexual offenses against children.

Summary of Provisions and Statement in Support:

This bill would add a new section 216-e to Article 11 of the Executive Law to provide the Superintendent of State Police with the limited authority to issue subpoenas duces tecum in the course of criminal investigations when there is reasonable cause to believe that an Internet service account or online identifier has been used in the commission of certain specified sexual offenses against children.

Such subpoenas would require the production of subscriber and customer account records necessary to determine the identity and location of suspects and investigate such offenses, including electronic mail addresses, Internet user names, Internet Protocol (IP) addresses, names of account holders, billing and service addresses, telephone numbers, account status information, and other non-content subscriber account records.

The Division of State Police (DSP) is a key member of the NYS Internet Crimes Against Children Task Force (ICAC) which is part of a national program designed to combat and investigate technology-facilitated criminal offenses against children. To investigate tips that come into the National Center for Missing and Exploited Children, as well as other sources, DSP determines whether the crime was committed in NYS. If so, they then identify and locate the suspect based on a known online identifier of the criminal suspect or an Internet Protocol (IP) address used by the suspect. To do this, DSP must

obtain subscriber and customer account records from online service providers that furnish the communication services and/or online identifiers that have been used to commit the sexual offense being investigated. Currently, these records can be obtained under Federal law by issuing a grand jury subpoena or administrative subpoena authorized by State law.

To identify suspects and determine their locations, DSP must refer every investigation to the prosecutor's office for issuance of a grand jury subpoena or to a Federal agency that has administrative subpoena power. This hinders law enforcement's ability to respond effectively to internet crimes targeting children.

Federal Law authorizes governmental entities to use administrative subpoenas to obtain subscriber and customer account records from online service providers if the issuance of an administrative subpoena is specifically authorized by State statute. The nature of computer crime investigations requires an efficient law enforcement response that NYS currently does not support. This bill would improve DSP's ability to investigate certain specified online sexual offenses against children by streamlining the subpoena process.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it will enable DSP to continue to investigate certain online sexual offenses against children within existing resources. Failure to enact this bill could lead to a significant backlog in cases which poses a health and safety risk, as well as a potential fiscal risk.

#### Effective Date:

This bill would take effect thirty days after enactment.

### **Part O – To establish the Armory Rental Account enterprise fund.**

#### Purpose:

This bill would establish an enterprise fund for Division of Military and Naval Affairs' (DMNA) budget, called the Armory Rental Account.

#### Summary of Provisions and Statement in Support:

DMNA has 40 armories statewide. When not in use by New York's military forces, DMNA is authorized to allow non-State entities to use the armories upon written approval by the officer in charge. DMNA may charge the outside entities for their use of the armories.

Section 1 of the bill would amend State Finance Law to establish the Armory Rental Account as an enterprise fund and reference existing military law to outline the monies that can be deposited into the fund. Section 2 of the bill would specify that monies

deposited into the account will be spent on services and expenses directly related to the maintenance and operation of the armories. Section 3 would amend Military Law to redirect the monies to be deposited to the enterprise fund.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it facilitates DMNA's business practices by establishing in State Finance Law a discrete fund to receive and disburse moneys associated with renting out armory space, when not in use by the State's military forces.

Effective Date:

This act shall take effect April 1, 2018.

**Part P – Child Victims Act.**

Purpose:

This bill would amend the criminal procedure law to eliminate the statute of limitations for sexually related felony offenses committed against a child.

Summary of Provisions and Statement in Support:

Under current law, child sexual abuse offenses cannot be prosecuted after five years from their occurrence. This bill would eliminate statutes of limitation for all sexually-related felony offenses when committed against a person who is less than 18 years of age.

Currently, civil lawsuits for sexually related criminal cases must be brought within three years of the victim's 18th birthday. The bill would extend the statute of limitations for civil claims to 50 years from the date of the offense.

Often, victims are denied their day in court due to stringent legal requirements that provide a victim must notify an establishment within 90 days of the event that they intend to bring a lawsuit. However, many victims of these heinous acts are not even able to speak about their abuses until years later. This bill would eliminate any need for a notice of claim in cases of child sexual assault.

Finally, due to the archaic laws of the state, many abuse survivors have had their claims extinguished through a lapsing statute of limitations. This bill would revive these previously time-barred claims for a period of one year.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect immediately; provided, however, that the amendments to section 213-c of the civil practice law and rules made by section six of this act shall apply to any cause of action, regardless of the date on which such cause of action accrued.

**Part Q – Creates a new special on-premises hotel license for hotels without a full service restaurant.**

Purpose:

This bill would allow hotel licensees the flexibility to provide room service and mini-bar access to patrons without requiring the hotel to have an on-premises restaurant serving full sit-down meals.

Summary of Provisions and Statement in Support:

This bill would amend the Alcoholic Beverage Control Law to remove the requirement that hotels have a full restaurant on the premises in order to obtain a license that permits room service and mini-bars. Hotels will now be able to provide these services by obtaining a more limited on-premises license already available to bars and taverns.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget and increase revenues.

Effective Date:

This bill would take effect immediately.

**Part R – Creates a new license for production and sale of mead and braggot in New York State.**

Purpose:

To assist New York businesses seeking to participate in the expanding craft beverage market, this bill would establish a farm meadery license. It would also enable all other licensed farm manufactures to include mead and braggot among the craft beverages they offer for tastings, as well as for sale on or off their licensed premises, on par with other craft beverages.

Summary of Provisions and Statement in Support:

This bill would add definitions for “mead” and “braggot” to the Alcoholic Beverage Control Law and create a license for businesses to produce and sell mead and braggot for wholesale and retail in New York State.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect 60 days after it is signed into law.

**Part S – Creates a new exporter license for businesses that export NYS alcoholic beverages.**

Purpose:

This legislation would amend the Alcoholic Beverage Control Law (ABC Law) to create a new license for businesses that only purchase and export New York State alcoholic beverages, and do not sell to wholesalers or retailers within the state.

Summary of Provisions and Statement in Support:

This bill would allow the State Liquor Authority to issue a new type of licensure for businesses that: (i) only export alcoholic beverages from manufacturers licensed in New York State; and (ii) do not sell to wholesalers or retailers within the state. Currently such businesses need to apply for a wholesale license for this limited activity, which is more expensive and authorizes a broader scope of activity than necessary.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it will increase revenues to New York State.

Effective Date:

This bill would take effect on the one hundred eightieth day after it shall have become a law.

**Part T – Extend the authority of the State Commission on the Restoration of the Capitol for five years.**

Purpose:

This bill would extend the authority of the State Commission on the Restoration of the Capitol for an additional five years from April 1, 2018 to April 1, 2023.



#### Summary of Provisions and Statement in Support:

This bill would amend Chapter 303 of the Laws of 1988 as amended by Chapter 207 of the Laws of 2013 to extend for an additional five years the State Commission on Restoration of the Capitol. The Commission was extended in 1988, 1993, 1998, 2003, 2008 and 2013 for five-year periods. Its current authority would expire on April 1, 2018.

The Commission has the ability and duty to undertake studies and reports to provide advice with respect to the restoration, preservation, improvement and utilization of the Capitol and its grounds. Its members are appointed by the Governor and the leadership of the Senate and Assembly. Continuation of the Commission would ensure that the Capitol is properly maintained and preserved for future generations.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because the maintenance and restoration of the Capitol is an ongoing project that requires continual oversight to ensure that the restoration process maintains the integrity of the original design and historical authenticity of the Capitol.

#### Effective Date:

This bill would take effect immediately.

**Part U – Expand the types of government bodies that may obtain surplus state land for nominal consideration, as well as the purposes for which the land may be used.**

#### Purpose:

This bill would amend Section 34 of the Public Lands Law to expand the types of local government bodies that may obtain surplus State lands for nominal consideration and to expand the purposes for which local governments may use such surplus State land.

#### Summary of Provisions and Statement in Support:

Under current law, the Commissioner of General Services may transfer surplus State lands for \$1.00 to a city, village, town, or county as long as the land will be used for, among other purposes, mental health facilities, park, recreation, playground, reforestation, or highway purposes to the benefit of both the State and local governments. If the local government receiving surplus State lands fails to improve or maintain the lands for one of the permitted purposes, existing law provides that title to the lands shall revert to the People of the State of New York.

This bill would expand the eligible list of government bodies that may obtain surplus State lands for nominal consideration to include political subdivisions (which, in addition to municipal corporations, includes school districts and boards of cooperative educational services), fire companies, and voluntary ambulance services. These types of governmental bodies provide important public services and should have the benefit of easier access to suitable surplus State lands. This bill would also increase the permissible uses for such land to include public education, public safety and other municipal purposes.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would reduce State expenditures for the maintenance and security of State surplus property.

Effective Date:

This bill would take effect immediately.

**Part V – Establishment of the parking services account, solid waste account and special events account as enterprise funds.**

Purpose:

This bill would establish enterprise funds to financially administer parking services, solid waste and special events spending and revenue.

Summary of Provisions and Statement in Support:

This bill would amend State Finance Law, Article 6, to establish a parking services account, a solid waste account and a special events account as enterprise funds to better align their classifications with the accounts' structures and purposes.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it is already assumed that the parking services account, solid waste account and special events account are enterprise funds in the Financial Plan.

Effective Date:

This bill would take effect immediately.

**Part W – Permits term appointments for eligible, highly-specialized ITS positions without initial Civil Service examination.**

Purpose:

This bill provides a mechanism for the Office of Information Technology Services (ITS) to attract skilled information technology personnel to State service.

Summary of Provisions and Statement in Support:

This bill would authorize up to 300 information technology (IT) term appointments for up to 60 months without initial Civil Service examination. The proposal would allow ITS to recruit individuals with specialized skills and expertise, who are not currently obtainable through existing eligibility lists. These appointed individuals must pass a Civil Service examination during their term to become eligible for a permanent appointment.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 executive budget because the proposal would allow ITS to recruit and retain individuals with specialized IT skillsets that are not currently appointable through the current Civil Service process.

Effective Date:

This bill would take effect immediately.

**Part X– Empowering the New York State Deferred Compensation Board to Create a Voluntary Retirement Savings Program for Private-Sector Employees.**

Purpose:

This bill would empower the Deferred Compensation Board to create the New York State Secure Choice Savings Program, a voluntary-enrollment payroll deduction IRA for employees of private employers that do not already offer retirement savings plans.

Summary of Provisions and Statement in Support:

Many business owners, especially small business owners, currently face barriers to providing retirement savings plans to their employees, including complicated set up and maintenance procedures and limited budgets. This bill would create an opportunity for employers to offer their employees the option of participating in a retirement savings plan while alleviating administrative burdens. Employee enrollment would be voluntary.

The New York State Deferred Compensation Board administers a 457(b) retirement plan for public-sector employees. This bill would empower the Board to design, administer and oversee a retirement savings plan for employees of private businesses within twenty-four months of the bill's enactment. Support for the program would be provided through an administrative service fee on the investments made by enrollees capped at 0.75% of the total investments.

### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would establish the New York State Secure Choice Savings Fund to receive collected payroll deductions for investment.

### Effective Date:

This bill would take effect immediately.

## **Part Y – Stabilizes State Insurance Fund’s investments.**

### Purpose:

This bill would authorize the New York State Insurance Fund (SIF) to better diversify its surplus funds investment portfolio. Diversification reduces risk while increasing returns.

### Summary of Provisions and Statement in Support:

SIF is one of New York State's largest providers of Workers' Compensation, Disability and Paid Family Leave insurance and is required by law to provide policies for all applicants, including employers unable to otherwise obtain these mandated insurances. SIF invests a small portion of its assets in the financial markets and proceeds help to defray premium costs to employers.

Under current Law, SIF is limited to investing its funds in a narrow pool of equities. These restrictions prohibit investments in diversified index funds, which balance higher graded equities with investment providing a higher rate of return. The proposed limited investment in index funds would permit a more diversified portfolio while also reducing management fees. This bill would allow SIF to invest:

- Any surplus funds in the obligations of American companies that are rated “A” or higher as described in subdivision (2) of Insurance Law § 1404(a);
- Up to 25 percent of surplus funds in obligations of American companies that are rated investment grade by a nationally recognized securities rating organization; and
- Up to 50 percent of surplus funds in the equities of American companies irrespective of the rating of an institution’s obligations or qualitative standard described in § 1404(a).

State law restricts SIF’s investment authority to ensure the stable assets for payment of claims. Even after inclusion of these proposed changes, SIF would still be required to be more conservative in its investments than private carriers.

Included in the proposed changes is also a provision to provide consistency between investment authority of reserves and surplus. Currently, SIF is authorized to invest up to

100 percent of reserves in U.S. corporate bonds rated A or higher, but only up to 50 percent of surplus in A rated corporate debt. The change would allow SIF to invest surplus similarly to reserves.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget in order to provide greater stability for SIF's assets. New York State is legally required to ensure payment of claims to SIF's policyholders. Ensuring solvency of SIF alleviates risk to the State's General Fund.

Effective Date:

This bill would take effect immediately after enactment.

**Part Z – Provide/Increase State reimbursement of the Standard Medicare Part B (Medical) premium paid to eligible NYSHIP retirees and their dependents to a level of \$134 monthly.**

Purpose:

This bill would establish a floor for State reimbursement of the Medicare Part B standard premium for eligible State NYSHIP retirees and their dependents at the 2018 level of \$134 per month. Subsequent increases in reimbursement would be considered as part of the annual budget process.

Summary of Provisions and Statement in Support:

This bill would amend section 167-a of the Civil Service Law to provide that, effective April 1, 2018, State reimbursement to eligible retirees and their dependents for the Medicare Part B standard premium shall not exceed \$134 per month. This would ensure that escalators (that drive increasing taxpayer costs) are subject to the annual budget process.

Providing reimbursement for the standard Medicare Part B premium is a costly fringe benefit that is rarely offered. We are aware of only five other states that reimburse the standard premium (California, Connecticut, Hawaii, Nevada and New Jersey) and the state of Ohio recently phased out reimbursement. The federal government does not provide reimbursement to its retirees, and we do not know of any private sector employers that provide this benefit to its retirees.

Over the past three fiscal years, New York State Health Insurance Program (NYSHIP) costs have increased by about 12 percent, from \$3.06 billion in FY 2015 to \$3.43 billion in FY 2017 (retirees and dependent survivors comprise about half of this cost). This challenges the State's ability to remain economically competitive. Reasonable actions

are necessary to control this spending growth and prudent changes, such as the implementation of this proposal, would contribute to this objective.

Budget Implications:

This proposal is projected to reduce the State's unfunded other post-employment benefits liabilities by roughly \$8 billion if the reimbursement level is not increased in subsequent years.

Since the current standard premium levels range from \$109 to \$134 per month, none of the projected 151,000 retirees would be impacted by this proposal in FY 2019 and most would see a dramatic increase in reimbursement (the current average is \$109 per month) to the \$134 monthly level provided in this bill. If the reimbursement level is not increased in the out-years, potential cost-avoidance for State taxpayers is projected at \$2 million in FY 2020, \$11 million in FY 2021 and \$22 million in FY 2022.

Effective Date:

This bill would take effect immediately and shall apply to the standard Medicare premium amount on and after April 1, 2018.

**Part AA – Cease reimbursement of the Medicare Income Related Monthly Adjustment Amounts to high income State retirees.**

Purpose:

This bill would eliminate automatic State reimbursement of the Income Related Monthly Adjustment Amounts (IRMAA) to high income State retirees.

Summary of Provisions and Statement in Support:

Current State law provides automatic reimbursement of IRMAAs, as required by a 2007 federal law that was implemented to reduce federal Medicare expenses by requiring higher-income enrollees to pay more into Part B (Medical). However, the State should not reimburse high-income retirees for the costs of a program designed to make Medicare coverage more affordable and sustainable, particularly since these higher-earning individuals do not pay more for supplemental New York State Health Insurance Program (NYSHIP) coverage than lower-income retirees enrolled in NYSHIP.

This State-taxpayer reimbursement for IRMMA provides higher-income retirees with a greater subsidy for NYSHIP coverage than received by middle- and lower-income retirees (the extra subsidy ranges from \$642 per year to \$3,535 per year; and increases as the retiree's income grows). Over the past three fiscal years, NYSHIP costs have increased by approximately 12 percent, from \$3,061 million in FY 2015 to \$3,430 million in FY 2017 (retirees and dependent survivors comprise about half of this cost). This is well beyond the benchmark growth rate of two percent per year, and challenges the

State's ability to remain economically competitive. Reasonable actions are necessary to control this spending growth and this proposal is a necessary step toward meeting this objective.

In addition, providing reimbursement for IRMAA is a costly fringe benefit that is rarely offered by other employers. New York is only one of three states that provide reimbursement for IRMAA (Connecticut and Hawaii; though Hawaii does not reimburse the full amount). The federal government does not provide IRMAA reimbursement, and there appear to be no private sector companies that provide this reimbursement to its retirees.

#### Budget Implications:

Effective January 1, 2018, with savings beginning in January 2019, elimination of the extra IRMAA subsidy provided to roughly 7,000 wealthier retirees/dependents would save \$12M annually and reduce unfunded Other Postemployment Benefits (OPEB) liabilities by roughly \$360M.

#### Effective Date:

This bill would take effect on January 1, 2018 for premiums incurred on or after January 1, 2018.

### **Part BB – Provide a market-based interest rate on court judgments and accrued claims.**

#### Purpose:

This bill would provide that the interest rate on all court judgments and accrued claims paid by public and private entities would be based on the weekly average one-year constant maturity treasury yield.

#### Summary of Provisions and Statement in Support:

Currently, the interest rate is generally established at 9 percent per annum on judgments and accrued claims.

This bill would require that the rate of interest be calculated at a prevailing market rate identical to that used by the Federal Court System. The rate would be set at the weekly average one-year constant maturity treasury yield as published by the Board of Governors of the Federal Reserve System for the calendar week preceding the date of entry of the judgment awarding damages.

The proposed process and market-based rate of interest is identical with federal court processes. Additionally, the current 9 percent rate was established at the time when interest rates were at 12.4 percent as a way to protect taxpayer costs. Payment of a

prevailing market rate will ensure that neither party will be disadvantaged by an interest rate that is above or below what otherwise could be earned.

Section 1 would amend section 5004 of the Civil Practice Laws and Rules to provide for the use of weekly average one-year constant maturity treasury yield in calculating interest on all court judgments and accrued claims paid by public or private entities.

Section 2 would provide an effective date of April 1, 2018.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, which seeks to contain increasing litigation costs that are growing beyond the State's annual growth benchmark.

This bill would reduce the amount of interest paid by the State on court judgments and accrued claims by roughly \$6 million annually. Additionally, passage of this bill would provide fiscal relief to local government groups (e.g., NYCOM, NYSAC, Towns) and business alliances, both of whom support passage.

#### Effective Date:

This bill would take effect immediately, and shall be deemed to have been in full force and effect on and after April 1, 2018.

### **Part CC – Amend the Citizen Empowerment Tax Credit (CETC) statute to close an eligibility loophole and prevent disproportionate payments.**

#### Purpose:

This bill would amend the Citizen Empowerment Tax Credit (CETC) statute to close an eligibility loophole and prevent disproportionate payments.

#### Summary of Provisions and Statement in Support:

Since SFY 2012, the State has provided annual CETC aid to towns in which a village has dissolved. In SFY 2018, annual CETC aid totaled \$3.1 million for 18 dissolutions.

This bill would amend the State Finance Law to limit eligibility for CETC to the reorganization of local governments created prior to December 31, 2017; and, for villages that vote to dissolve after December 31, 2017, to limit the value of such annual aid to the lesser of one million dollars or the dissolving village's property tax levy.

The statute currently allows any local government to receive an annual CETC payment, regardless of when the consolidated/dissolved local government was incorporated. This



bill would prevent local governments from receiving an award by incorporating and, subsequently, consolidating/dissolving the same local government.

In addition, towns may receive an annual payment of up to 15 percent of the combined village and town levy after a village dissolution, which is capped at one million dollars. Some towns may receive an award that is higher than the dissolving village's levy because the town levy is substantially larger. Changing the cap to the lesser of one million or the dissolving village's tax levy would no longer allow such disproportionate payments.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it closes an eligibility loophole and prevents municipalities from receiving disproportionate payments under the Citizen Empowerment Tax Credit program.

Effective Date:

This bill would take effect immediately.

**Part DD – Amend various provisions of law to address local government shared services obstacles.**

Purpose:

This bill would amend various provisions of law impacting town justice courts and zoning functions to remove obstacles related to local government shared services.

Summary of Provisions and Statement in Support:

Subpart A of this bill would amend the Uniform Justice Court Act to allow adjoining towns to share one or more town justices and to streamline the local process for implementation.

Subpart B of the bill would amend the General Municipal Law and the Statute of Local Governments to allow counties to provide certain functions at the request of, and in agreement with, another local government. Counties would be authorized to regulate, administer, and enforce planning, zoning, and other land use regulations at the option of, and in agreement with a request from a city, town, or village.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would address State obstacles to local governments' ability to share services. These changes would ease the process for continued local government collaboration and provide property tax relief.

Effective Date:

This bill would take effect immediately.

**Part EE – Make County-wide Shared Services Panels permanent.**

Purpose:

This bill would make County-wide Shared Services Panels permanent to facilitate continued intergovernmental collaboration and generate new and recurring local property tax savings.

Summary of Provisions and Statement in Support:

This bill adds a new section to the General Municipal Law to continue the County-wide Shared Services Panels created by Part BBB of Chapter 59 of the Laws of 2017. This bill would also provide fire districts and fire protection districts with the option to participate, in addition to school districts, boards of cooperatives educational services, and special improvement districts. Lastly, this bill would authorize the Secretary of State to seek guidance and recommendations from the Panels regarding certain local government efficiency and shared services grant programs.

The original County-wide Shared Services Panels created pursuant to Part BBB of Chapter 59 of the Laws of 2017 are encouraging local governments to develop new savings actions that will help provide property tax relief. Making the panels permanent would provide local governments with a permanent structure to collaborate on issues affecting shared services and property taxes.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would continue the successful County-wide Shared Services Panels and enable continued local property tax relief through the development of local government shared service actions.

Effective Date:

This bill would take effect immediately.

**Part FF – Authorize the Town of Islip Resource Recovery Agency (TIRRA) to select its independent auditors.**

Purpose:

This bill would authorize the Town of Islip Resource Recovery Agency (TIRRA) to select its outside independent auditors.

Summary of Provisions and Statement in Support:

This bill would amend section 2046-c of the Public Authorities Law to remove a cumbersome administrative process. Currently, the Budget Director must nominate the outside independent auditors for TIRRA. This has normally been done every three years, as the provision requires that any such auditors shall serve no more than three consecutive years.

This is the only public authority with this requirement. Moreover, TIRRA has the appropriate staff capacity to fulfill this function independently. Under this bill, the audit requirements of section 2046-q of the Public Authorities Law would remain unchanged, and TIRRA would remain subject to the same audit standards as other resource recovery agencies and public authorities.

Further, this requirement is unnecessary considering recent public authority reforms, such as the enactment of Chapter 506 of the Laws of 2009 (“the 2009 Public Authorities Reform Act”) and the creation of the Authorities Budget Office, which is charged with making public authorities more accountable and transparent. Thus, Division of the Budget involvement is arguably redundant.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would ensure that Division of the Budget resources are directed to core functions.

Effective Date:

This bill would take effect immediately.

**Part GG – Authorization for transfers, temporary loans, and amendments to miscellaneous capital/debt provisions, including bond caps.**

Purpose:

This bill would provide the statutory authorization necessary for the administration of funds and accounts included in the fiscal year 2018-19 Executive Budget, and propose certain modifications to improve the State’s General Fund position in the upcoming fiscal year. Specifically, it would: (1) authorize temporary loans and the deposits of certain revenues to specific funds and accounts, (2) authorize the transfers and deposits of funds to and across various accounts, (3) extend various provisions of Chapter 54 of the Laws of 2016 in relation to capital projects and certain certifications, and (4) modify various debt and bond provisions necessary to implement the budget.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill is necessary to execute a balanced Financial Plan in accordance with the 2018-19 Executive Budget. Similar legislation is enacted annually to authorize the transfer of funds budgeted in the financial plan (that do not have permanent statutory authorization) and to provide for other transactions necessary to effectuate the provisions of the budget. The bill includes the following provisions:

- Section 1 of this bill would authorize the Comptroller to make temporary loans to specific State funds and accounts during fiscal year 2018-19.
- Section 1-a of this bill would authorize the Comptroller to make temporary loans to accounts within specific Federal funds during fiscal year 2018-19.
- Section 1-b of this bill would authorize the Comptroller to make temporary loans to specific funds for payment of any fringe benefit or indirect cost liabilities or obligations incurred.
- Sections 2 and 3 of this bill would authorize the Comptroller to make transfers between designated funds and accounts.
- Section 4 of this bill would authorize the Comptroller to deposit funds into the Banking Services Account.
- Section 5 of this bill would authorize the Dormitory Authority of the State of New York (DASNY), at the direction of the Director of the Division of Budget (DoB) and upon request by the State University of New York (SUNY), to transfer up to \$22 million to SUNY for bondable equipment costs, which in turn would be repaid to the General Fund.
- Section 6 of this bill would authorize the Comptroller, at the request of the Director of DoB and upon consultation with the SUNY Chancellor, to transfer up to \$16 million to the General Fund for debt service costs related to capital project costs for the NY-SUNY 2020 Challenge Grant program at the University at Buffalo.
- Section 7 of this bill would authorize the Comptroller, at the request of the Director of DoB and upon consultation with the SUNY Chancellor, to transfer up to \$6.5 million to the General Fund for debt service costs related to capital project costs for the NY-SUNY 2020 Challenge Grant program at the University at Albany.
- Section 8 of this bill would authorize the SUNY Chancellor to transfer the estimated tuition revenue balances from the State University Collection Fund to the State University Fund, State University General Revenue Offset Account.

- Section 9 of this bill would authorize the Comptroller to transfer up to \$1 billion from the General Fund to the State University Income Fund, State University General Revenue Offset Account during the period of July 1, 2018 through June 30, 2019.
- Section 10 of this bill would authorize the Comptroller to transfer up to \$20 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account during the period of July 1, 2018 through June 30, 2019 in accordance with maintenance of effort pursuant to clause (v) of subparagraph (4) of paragraph h of subdivision 2 of section 355 of the education law.
- Section 11 of this bill would authorize the Comptroller to transfer up to \$126 million from the State University Income Fund, State University Hospitals Income Reimbursable and Long Island Veterans' Home accounts, to the State University Capital Projects Fund.
- Section 12 of this bill would authorize the Comptroller, after consultation with the SUNY Chancellor, to transfer monies from the State University Collection and the State University Income funds to the State University Income Fund, State University Hospitals Income Reimbursable Account, in the event that insufficient funds are available to permit the full transfer of moneys authorized for transfer to the General Fund for SUNY Hospitals' debt service.
- Section 13 of this bill would authorize the Comptroller, at the direction of the Director of DoB and the SUNY Chancellor, to transfer up to \$80 million between the State University Dormitory Income Fund and the State University Residence Hall Rehabilitation Fund.
- Section 14 of this bill would authorize the Comptroller, at the request of the Director of DoB, to transfer up to \$350 million between the following accounts, in any combination: the Miscellaneous Special Revenue Fund, Patient Income Account; the Miscellaneous Special Revenue Fund, Mental Hygiene Program Fund Account; the Miscellaneous Special Revenue Fund, Federal Salary Sharing Account; and the General Fund.
- Section 15 of this bill would amend paragraph 5, section 97-f of the State Finance Law to allow the Comptroller to pay over for deposit in the mental Hygiene Patient Income Account, General Fund State Operations Account all monies in the Mental Health Services fund in excess of the amount of money required to be maintained on deposit in the Mental Health Services Fund.
- Section 16 of this bill would authorize the Comptroller, at the request of the Director of DoB, to transfer up to \$800 million from the unencumbered balance of any Special Revenue Fund or Account, Agency Fund or Account, Internal

Services Fund or Account, or Enterprise Fund or Account, or any combination thereof (excluding Federal funds, or any fund in which the eligibility for Federal benefits would be impacted), to the General Fund.

- Section 17 of this bill would authorize the Comptroller, at the request of the Director of DoB, to transfer up to \$100 million from any non-general fund or account, or combination thereof (excluding funds in which the eligibility for Federal benefits would be impacted), to the Technology Financing Account or the Miscellaneous Capital Projects Fund, Information Technology Capital Financing Account, for the consolidation of costs related to technology services.
- Section 18 of this bill would authorize, at the request of the Director of DoB, the transfer of up to \$145 million of the assessment reserves remitted to the chair of the Workers' Compensation Board to the State Insurance Fund, for partial payment and partial satisfaction of the State's obligation to the State Insurance Fund under section 88-c of the Worker's Compensation Law.
- Section 19 of this bill would authorize the Comptroller, at the request of the Director of DoB, to transfer up to \$400 million from any non-general fund or account, or combination thereof (excluding funds in which the eligibility for Federal benefits would be impacted), to the General Fund as reimbursement for costs related to technology services.
- Section 20 of this bill would authorize the transfer of up to \$20 million from the New York State Power Authority to the State Treasury to credit of the General Fund, after April 1, 2018.
- Section 21 of this bill would authorize the transfer of up to \$23.9 million from the New York State Energy Research and Development Authority to the credit of the General Fund, on or before March 31, 2019.
- Section 22 of this bill would amend State Finance Law (SFL) §97-rrr to allow the State Comptroller to deposit up to \$2.41 Billion into the School Tax Relief Fund.
- Section 23 of this bill would authorize the Comptroller, at the request of the Director of DoB, to transfer designated special revenue fund balances to the capital projects fund for the purpose of reimbursement to that fund for expenses related to the maintenance and preservation of State assets.
- Section 24 would amend the debt reduction reserve fund to allow the budget director to direct an amount equal to fifty percent of any estimated cash-basis surplus in the general fund at the end of the fiscal year to the debt reduction reserve fund

- Section 25 would amend SFL § 4(6) to authorize the Comptroller to receive moneys for deposit to funds and accounts as identified by the Director of the Budget.
- Section 26 would amend SFL § 40(4) to permit payment of prior years' liabilities.
- Section 27 allows the Director of the Budget to submit a plan to the Legislature to reduce General Fund and State Special Revenue Fund appropriations in the event that Federal financial participation in Medicaid funding to New York State or its subdivisions is reduced by \$850 million or more.
- Section 28 allows the Director of the Budget to submit a plan to the Legislature to reduce General Fund and State Special Revenue Fund appropriations and related disbursements in the event that Federal financial participation or other Federal Aid funding, exclusive of Medicaid, to New York State that affects state operating funds is reduced by \$850 million or more.
- Section 28-a would allow the Director of the Budget to prepare a plan for across-the-board reductions, exempting certain types of appropriations, not to exceed three percent in the event that the annual estimate for receipts is reduced \$500 million or more compared to the 2018-19 Executive Budget financial plan.
- Section 29 amends Section 8-b of the State Finance Law (SFL) authorizing the Comptroller to assess all fringe benefit and central service agency indirect costs and to charge such assessment to such funds.
- Section 30 would continue the authorization to use any balance remaining in the debt service appropriation for Mental Hygiene facilities to make rebates necessary to protect the tax-exempt status of the bonds.
- Section 31 of this bill would maintain the bond cap for the office of information technology services at \$541 million.
- Section 32 of this bill would increase the bond cap for financing correctional facilities from \$7.741 billion to \$8.082 billion.
- Section 33 of this bill would increase the bond cap for financing housing programs from \$5.384 billion to \$5.691.
- Section 34 of this bill would increase the bond cap for financing local highway projects from \$9.635 billion to \$10.186 billion.
- Section 35 of this bill would increase the bond cap for financing library facilities from \$183 million to \$197 million.

- Section 36 of this bill would increase the bond cap for financing state police capital projects from \$173.6 million to \$220.1 million.
- Section 37 of this bill would amend the bond cap for financing economic development projects to include projects for the state fair, empire state trail, moynihan station development project, Kingsbridge armory project, strategic economic development projects, the cultural, arts and public spaces fund, an LGBT memorial, water infrastructure in the city of Auburn and town of Owasco, downstate revitalization initiative, a life sciences laboratory public health initiative, high tech innovation program, economic development infrastructure program and Roosevelt Island Operating Corporation. Additionally, the bond cap would increase from \$6.505 billion to \$8.158 billion.
- Section 38 of this bill would amend the bond cap for financing environmental infrastructure projects to include projects for clean water infrastructure projects and increase the bond cap from \$4.901 billion to \$5.296 billion.
- Section 39 of this bill would maintain the bond cap for financing the NY-SUNY and NY-CUNY 2020 challenge grant program at \$660 million.
- Section 40 of this bill would increase the bond cap for financing homeland security and training facilities from \$250 million to \$253 million, and maintain the bond cap for financing improvements to State office buildings and other facilities at \$654.8 million.
- Section 41 of this bill would maintain the bond cap for financing transportation initiatives at \$4.480 billion.
- Section 42 of this bill would increase the bond cap for financing SUNY educational facilities from \$12.3 billion to \$12.95 billion.
- Section 43 of this bill would increase the bond cap for financing City University of New York senior and community colleges from \$7.98 billion to \$8.31 billion.
- Section 44 of this bill would increase the bond cap for financing SUNY community colleges from \$914 million to \$953 million.
- Section 45 of this bill would increase the bond cap for financing youth facilities from \$682.9 million to \$769.6 million.
- Section 46 of this bill would maintain the bond cap for financing mental health services facilities improvement at \$8.758 billion.
- Section 47 of this bill would amend the bond cap for financing healthcare capital projects to include projects for the essential health care provider program, and maintain the bond cap at \$3 billion.



- Section 48 of this bill would amend the bond cap for financing private special education to include non-public schools, and maintain the bond cap at \$55 million.
- Section 49 of this bill would increase the bond cap for financing public protection facilities in the Division of Military and Naval Affairs from \$47 million to \$67 million.
- Section 50 of this bill would maintain the bond cap for financing facilities for the state and municipal facilities program at \$1.938 billion.
- Section 51 of this bill would maintain the bond cap for financing nonprofit infrastructure facilities at \$120 million.
- Section 52 of this bill authorized the director of budget to quarterly set-aside monies to pay State general obligation and other debt service.
- Sections 53 through 56 of this bill amend statutes to streamline and modernize certain provisions relating to the issuance and management of State general obligation (GO) debt, including clarifying that such bonds may be structured on either a bond year or State fiscal year basis, repeal and consolidate older provisions governing GO bond acts for which debt no longer exists or is only issued for refunding purposes, and permits the use of a bond trustee to improve cash management and ensure timely payment of debt service to bondholders.
- Section 57 of this bill authorizes the Thruway Authority to conduct its own competitive bond sales, consistent with the powers of other similar public authorities.
- Section 58 of this bill amends the effective date of a chapter related to the administration of the 2017-18 budget.
- Section 59 of this bill would maintain the bond cap for financing facilities for the higher education capital matching grants at \$270 million.
- Section 60 of this bill would maintain the bond cap for financing OGS State buildings and other facilities at \$165 million.
- Section 61 of this bill would maintain the bond cap for financing MTA transportation facilities at \$1.69 billion.
- Section 62 of this bill would maintain the bond cap for financing facilities for the Food Laboratory facility at \$40.7 million

All of the sections of this bill would become permanent upon enactment except for sections one through eight, sections twelve through twenty-three, sections twenty-seven and twenty-eight, which are subject to expiration on March 31, 2019.

Budget Implications:

Enactment of this bill is necessary to implement the 2018-19 Executive Budget, including the transfer of funds budgeted in the financial plan and the provision of temporary loans from the State Treasury for cash flow purposes. This bill is also necessary to reimburse projected Capital Projects Fund spending with the proceeds of bonds sold by public authorities, to ensure the continued borrowing necessary for certain State-supported debt issuances to implement the budget, and to permit the State to carry out basic administrative functions.

Effective Date:

This bill takes effect April 1, 2018.

The provisions of this act shall take effect immediately, provided, however, that the applicable effective date of each part of this act shall be as specifically set forth in the last section of such part.