

New York State Budget

Quick Start 2021



NYS COMPTROLLER
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National Economy

- Real GDP:

- Increased by 6.3%, 6.7%, and 2.0% in first three quarters of 2021
- OSC forecasts annual growth of 5.4% for 2021, slowing to 4.3% in 2022, 2.8% in 2023 and 2.7% in 2024

- Employment:

- Through September, 78% of jobs lost from pandemic were recovered
- OSC forecasts annual growth of 2.6% in 2021, 3.6% in 2022, 1.9% in 2023 and 1.0% in 2024



New York Economy

- **Employment:**
 - Through September 56% of New York jobs lost during the pandemic had been recovered
 - OSC forecasts annual growth of 1.7% in 2021 and 5.1% in 2022
- **Wages:**
 - OSC forecasts annual growth of 8.2% in 2021 and 7.2% in 2022
- **Personal Income:**
 - OSC forecasts annual growth of 5.2% in 2021, declining to 0.1% in 2022 impacted by absence of federal fiscal stimulus



Receipts Forecast

- SFY 2021-22: total \$224.1 billion
 - OSC estimates tax collections of \$100.7 billion -- \$3.5 billion higher than DOB estimates in the Mid-Year Financial Plan Update
 - Through September, tax collections totaled \$52.9 billion
 - Federal grants and miscellaneous receipts of \$123.4 billion
- SFY 2022-23: total \$208.8 billion
 - OSC estimates tax collections of \$105.4 billion -- \$606 million lower than DOB estimates.
 - Federal grants and miscellaneous receipts of \$103.4 billion



Expenditure Forecast

- **Public Assistance**

- OSC estimates that Public Assistance Caseloads will decline by nearly 9% in SFY 2021-22, 5.3% in SFY 2022-23 and 3.2% in 2023-24
- All Funds Public Assistance expenditures forecast to be \$438 million, \$444 million, and \$419 million lower than DOB estimates in those years.

- **Medicaid**

- OSC identifies Medicaid enrollment as a risk. The Mid-Year Financial Plan Update projects that enrollment will decline 17% in SFY 2022-23, from 7.6 million enrolled individuals to 6.3 million. Should enrollment remain at levels above the DOB forecast, unbudgeted State costs reaching in the billions could occur.



Risks to the Financial Plan

- Recent economic performance, including national employment numbers, have been encouraging. However, New York jobs recovery has been slower than the nation, with only 55% of jobs recovered.
- Inflation remains a concern, and the trajectory of the COVID-19 pandemic, continued or increasing supply chain disruptions and other issues could slow or disrupt forecast tax collection levels.
- Key federal initiatives providing economic relief have lapsed. Demand for some pandemic relief programs may not abate and may exceed available resources, resulting in pressure to extend them by allocating additional State resources.

