

**FY 2024 NEW YORK STATE EXECUTIVE BUDGET**

**EDUCATION, LABOR AND FAMILY ASSISTANCE  
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 education law, in relation to contracts for excellence; in relation to the high-impact tutoring set-aside; to amend the education law, in relation to foundation aid; to amend the education law, in relation to the number of charters issued; to amend the education law, in relation to actual valuation; to amend the education law, in relation to average daily attendance; to amend the education law, in relation to supplemental public excess cost aid; to amend the education law, in relation to building aid for metal detectors, and safety devices for electrically operated partitions, room dividers and doors; to amend the education law, in relation to academic enhancement aid; to amend the education law, in relation to high tax aid; to amend the education law, in relation to prospective prekindergarten enrollment reporting; to amend the education law, in relation to transitional guidelines and rules; to amend the education law, in relation to universal prekindergarten expansions; to amend the education law, in relation to extending provisions of the statewide universal full-day pre-kindergarten program; to amend the education law, in relation to state aid adjustments; to amend the education law, in relation to certain moneys apportioned; to amend the education law, in relation to zero emission bus progress reporting; to amend chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city, in relation to reimbursement for the 2023-2024 school year, withholding a portion of employment preparation education aid and in relation to the effectiveness thereof; to amend part CCC of chapter 59 of the laws of 2018 amending the

education law relating to a statement of the total funding allocation, in relation to the effectiveness thereof; to amend chapter 147 of the laws of 2001 amending the education law relating to conditional appointment of school district, charter school or BOCES employees, in relation to the effectiveness thereof; to amend part C of chapter 56 of the laws of 2020 directing the commissioner of education to appoint a monitor for the Rochester city school district, establishing the powers and duties of such monitor and certain other officers and relating to the apportionment of aid to such school district, in relation to the effectiveness thereof; part C of chapter 57 of the laws of 2004 relating to the support of education, in relation to the effectiveness thereof; directing the education department to conduct a comprehensive study of alternative tuition rate-setting methodologies for approved providers operating school-age and preschool programs receiving funding; to amend chapter 507 of the laws of 1974 relating to providing for the apportionment of state monies to certain nonpublic schools, to reimburse them for their expenses in complying with certain state requirements for the administration of state testing and evaluation programs and for participation in state programs for the reporting of basic educational data, in relation to the calculation of nonpublic schools' eligibility to receive aid; providing for special apportionment for salary expenses; providing for special apportionment for public pension accruals; providing for set-asides from the state funds which certain districts are receiving from the total foundation aid; providing for support of public libraries; to amend chapter 94 of the laws of 2002 relating to the financial stability of the Rochester city school district, in relation to the effectiveness thereof; and providing for the repeal of certain provisions upon expiration thereof (Part A); to amend the education law, in relation to tuition authorization at the state university of New York and the city university of New York (Part B); to amend the education

law, in relation to providing access to medication abortion prescription drugs at the state university of New York and the city university of New York (Part C); to amend the education law, in relation to removing the maximum award caps for the liberty partnerships program (Part D); to amend the business corporation law, the partnership law and the limited liability company law, in relation to certified public accountants (Part E); to amend the general municipal law and the public housing law, in relation to enacting the new homes targets and fast-track approval act (Part F); to amend the general city law, the town law and the village law, in relation to requiring certain densities of residential dwellings near transit stations (Part G); to amend the public housing law, in relation to requiring certain housing production information to be reported to the division of housing and community renewal (Part H); to amend the real property actions and proceedings law, in relation to determining when a dwelling is abandoned (Part I); to amend the multiple dwelling law, in relation to modernizing regulations for office building conversions; and providing for the repeal of certain provisions of such law relating thereto (Part J); to amend the multiple dwelling law and the private housing finance law, in relation to establishing a program to address the legalization of specified basement dwelling units and the conversion of other specified basement dwelling units in a city with a population of one million or more (Part K); to amend the multiple dwelling law, in relation to authorizing a city of one million or more to remove the cap on the floor area ratio of certain dwellings (Part L); to amend the real property tax law, in relation to authorizing a tax abatement for alterations and improvements to multiple dwellings for purposes of preserving habitability in affordable housing (Part M); to amend the real property tax law, in relation to authorizing a city, town or village other than a city with a population of one million or more to

provide by local law for a tax exemption for new construction of eligible rental multiple dwellings (Part N); to amend the real property tax law, in relation to providing a tax exemption on the increase in value of property resulting from the addition of an accessory dwelling unit (Part O); to amend the labor law and the real property tax law, in relation to the exemption from real property taxation of certain multiple dwellings in a city having a population of one million or more (Part P); to utilize reserves in the mortgage insurance fund for various housing purposes (Part Q); to amend the real property tax law, in relation to eligible multiple dwellings (Part R); to amend the labor law and the public health law, in relation to indexing the minimum wage to inflation (Part S); to amend the New York city charter, the education law, the general municipal law, the labor law, the public authorities law, chapter 1016 of the laws of 1969 constituting the New York city health and hospitals corporation act, and chapter 749 of the laws of 2019 constituting the New York city public works investment act, in relation to providing for employment opportunities for economically disadvantaged candidates and economically disadvantaged region candidates and apprenticeship utilization on public transactions; and providing for the repeal of such provisions upon expiration thereof (Part T); to amend the social services law, in relation to eligibility for child care assistance; and to repeal certain provisions of such law relating thereto (Part U); to amend part N of chapter 56 of the laws of 2020, amending the social services law relating to restructuring financing for residential school placements, in relation to the effectiveness thereof (Part V); to amend subpart A of chapter 57 of the laws of 2012 amending the social services law and the family court act relating to establishing a juvenile justice services close to home initiative, and to amend subpart B of part G of chapter 57 of the laws of 2012 amending the social services law, the family court act and the executive law relating to juvenile delinquents,

in relation to making such provisions permanent (Part W); to amend the social services law, in relation to eliminating the requirement for combined education and other work/activity assignments, directing approval of certain education and vocational training activities up to two-year post-secondary degree programs and providing for a disregard of earned income received by a recipient of public assistance derived from participating in a qualified work activity or training program, and further providing for a one-time disregard of earned income following job entry for up to six consecutive months under certain circumstances (Part X); to amend the social services law, in relation to the replacement of stolen public assistance (Part Y); and to amend the social services law, in relation to increasing the standards of monthly need for aged, blind and disabled persons living in the community (Part Z)



## **PURPOSE:**

This bill contains provisions needed to implement the Education, Labor and Family Assistance portions of the FY 2024 Executive Budget.

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

### **Part A – School Aid**

#### **Purpose:**

This bill would amend the Education Law to make various changes necessary to authorize School Aid and for implementation of the education portion of the FY 2024 Executive Budget.

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

Education in New York represents a significant investment of state and local resources. This bill includes measures to authorize School Aid along with other changes necessary to implement education-related programs in the Executive Budget. Significant provisions include:

- **\$34.5 Billion in Support to School Districts.** The FY 2024 Executive Budget proposes a historic investment in public education by providing \$34.5 billion in total School Aid for the 2023-24 school year, the highest level of state aid to date. This investment represents a year-to-year increase of \$3.1 billion (10%), including a \$2.7 billion Foundation Aid increase, a \$125 million expansion of funding for full-day prekindergarten, and a \$267 million increase in all other School Aid programs, including expense-based aids, categorical aids, and competitive grants.
- **Phase-In Full Funding of Foundation Aid.** The FY 2024 Executive Budget fulfills the Governor's commitment to provide full funding of the Foundation Aid formula for all school districts for the first time in the formula's 17-year history. For the 2023-24 school year, the Executive Budget provides a \$2.7 billion (12.8%) increase in Foundation Aid, closing the remaining gap between each district's full funding amount and current Foundation Aid levels. The Executive Budget would ensure that each district receives at least a 3% annual increase in its Foundation Aid.
- **High-Impact Tutoring Programs.** The FY 2024 Executive Budget dedicates \$250 million of the Foundation Aid increase to support high-impact tutoring for students struggling to recover from pandemic-related learning loss and at risk of falling below state standards. The programs would focus on assisting students in

grades 3-8 in reading and math by requiring individual or small group tutoring sessions at least twice per week.

- **Charter Schools.** The FY 2024 Executive Budget proposes to eliminate the regional cap on the number of charters that may be issued in New York City. Additionally, the Executive Budget proposes to permanently authorize the reissuance of any charter originally issued to a charter school that subsequently closed after July 1, 2015, due to surrender, revocation, termination, or non-renewal. These changes would permit the issuance of additional charters in New York City and expand educational opportunities for students.
- **Expand Access to Prekindergarten.** The FY 2024 Executive Budget invests an additional \$125 million to expand high-quality, full-day prekindergarten, benefiting approximately 17,500 additional four-year-old children and bringing the State's annual support for such programs to \$1.2 billion. With this added funding, the State would be approximately 95% phased-in with universal prekindergarten coverage for four-year-old children. The Executive Budget also proposes a new reporting requirement to better measure current gaps in the availability of prekindergarten programs for four-year-olds.
- **Special Education Tuition Rate-Setting Reform.** The FY 2024 Executive Budget provides \$2.5 million for the New York State Education Department (SED) to study and design a new rate-setting methodology for preschool and school-age special education providers in order to streamline and improve the timeliness of tuition rates. SED would be required to present its recommendations to the Division of the Budget (DOB) by July 1, 2025, and adoption of any alternative methodology would be subject to DOB approval.
- **Nonpublic School Aid.** The FY 2024 Executive Budget proposes to limit State reimbursement for Mandated Services Aid (MSA) and the Comprehensive Attendance Program (CAP) to the annual amounts appropriated for such programs, starting with aid payable in SY 2024. SED would be required to prorate claims so as not to exceed the amount of aid appropriated for the school year.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget.

Effective Date:

This bill would take effect April 1, 2023, except that selected provisions would take effect immediately or on other specified dates.

## **Part B – Provide for Tuition Flexibility Throughout CUNY and SUNY**

### Purpose:

This bill would authorize modest annual tuition increases for both the City University of New York (CUNY) and the State University of New York (SUNY) to ensure that the university systems can reliably invest in their long-term futures as costs rise, while prioritizing the evolving needs of students, ensuring academic excellence, and continuing to maintain low-cost and stable tuition rates for in-state residents.

### Summary of Provisions and Statement in Support:

This bill would authorize annual tuition increases for CUNY senior colleges and SUNY State-operated campuses, indexed to the lesser of the Higher Education Price Index or 3 percent. To allow SUNY's university centers at Albany, Binghamton, Buffalo, and Stony Brook to realize their potential as leading research institutions, this bill would authorize these campuses to raise tuition by up to an additional 6 percentage points above SUNY's base tuition rate each year for the next five years, capped at 30% above the base rate, for in-state students. The bill would also provide flexibility to increase the non-resident tuition rates for the university centers at levels that are competitive with peer institutions, not to exceed increases of 10% annually. This bill would authorize the State University and City University Trustees to adopt tuition rate increases up to these limits on an annual basis.

Under this bill, students eligible for a full Tuition Assistance Program award or an Excelsior Scholarship award – with family incomes under \$125,000 and meeting other financial aid eligibility requirements – would continue to pay no tuition. In calendar year 2022, the State's investments in student financial aid helped more than 180,000 New York State residents – 58 percent of full-time resident undergraduate students – attend SUNY and CUNY tuition-free. The revenues generated by the universities under this bill would continue to support students, as the bill requires that the funds be used directly to support student access, student services, research and discovery, and the success of the university systems.

### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget by supporting the CUNY and SUNY university systems and helping them continue to provide New Yorkers with access to excellent and affordable education

### Effective Date:

This bill would take effect immediately.

## **Part C – Ensure Abortion Access at Public College Campuses**

### Purpose:

This bill would require the campuses of the City University of New York (CUNY) and the State University of New York (SUNY), including all community colleges, to provide medication abortion access to all students enrolled at the college.

### Summary of Provisions and Statement in Support:

This bill would ensure that all public colleges and universities in the SUNY and CUNY systems either offer medication abortion prescription drugs on their campus or directly refer students to a local reproductive health care provider for medication abortion services.

This approach will improve students' access to medication abortion services while allowing institutions to meet their needs in the way that best fits their campus infrastructure.

### Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget.

### Effective Date:

This bill would take effect on August 1, 2023.

## **Part D – Removal of Maximum Award Caps for Liberty Partnerships Program**

### Purpose:

This bill would remove the current cap on awards for the Liberty Partnerships Program, which supports promising students identified as at high risk of dropping out of school.

### Summary of Provisions and Statement in Support:

The Liberty Partnerships Program provides support services to students enrolled in public and nonpublic secondary schools who are identified as at a high risk of dropping out of school. The services are geared towards promoting high school graduation and entrance into postsecondary education. Awards are made on a competitive basis to institutions of higher education in partnership with school districts and not-for-profit community-based organizations.

Under current law, the participating campuses are restricted to award amounts of (a) \$300,000 per academic year, or (b) \$1,250 per student for program participants with enrollments greater than 240 students. The State Education Department is unable to allocate the full amount of annual funding for this program because of these statutory

caps. This bill would amend Education Law § 612 to remove these maximum award restrictions, enabling the State Education Department to maximize the available funding to students.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget and maximize the available funding to support students at high risk of dropping out of school.

Effective Date:

This bill shall take effect immediately.

**Part E – Allow Public Accounting Firms to Have Minority Ownership by Individuals Who Are Not Certified Public Accountants**

Purpose:

This bill would permit public accounting firms to incorporate in New York State with minority ownership by individuals who are not Certified Public Accountants (CPAs).

Summary of Provisions and Statement in Support:

This bill would allow public accounting firms to incorporate in New York State with minority ownership by individuals who are not CPAs, provided the words "Certified Public Accountant" or the abbreviation "CPA" are excluded from the firm's name.

In today's rapidly evolving economy, accounting firms endeavor to provide a variety of services to their clients and often require the skills of individuals who are not CPAs such as actuaries, industry experts, information technology professionals, and valuation specialists.

By allowing non-CPA professionals to become minority owners of public accounting firms, this bill would modernize New York's incorporation laws, better enable accounting firms in the State to provide the services their clients expect and need, and increase the availability of advancement options open to employees.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget and provide more employment opportunities to individuals.

Effective Date:

This bill shall take effect immediately.

## **Part F – Promote New Housing Statewide through Local Growth Targets and Fast Track Approvals**

### Purpose:

This bill promotes new housing statewide through the establishment of new home targets in each city, town, and village and fast-tracks project approvals in localities that do not meet growth targets or that fail to implement certain land use actions that promote housing growth.

### Summary of Provisions and Statement in Support:

This bill establishes housing growth targets for all cities, towns, and villages in New York State. For New York City, growth targets would be set at the Community District level. Targets would be based on percentage growth as shown by housing permits issued during three-year cycles, beginning on January 1, 2024, with the existing housing stock as of the most recent decennial census being used as the baseline. Localities located within New York City and Westchester, Orange, Putnam, Dutchess, Rockland, Nassau, and Suffolk counties would have three percent housing growth targets within each three-year cycle. All other localities would have one percent housing growth targets in each three-year cycle. While generally each newly permitted residential unit will be counted as one unit toward the growth target, newly permitted units created at properties that had previously been certified as abandoned pursuant to Article 19-A of the Real Property Actions and Proceedings law will count as 1.5 units. Similarly, newly permitted affordable housing or supportive housing units will count as two units toward the growth target.

Cities, towns, and villages that meet the required growth target during a three-year cycle need take no further action to be in compliance during that cycle and will not be subject to the fast track approval process created by this bill for the entirety of the subsequent three-year cycle. Localities that are unable to meet development targets in a three-year cycle also will not be subject to the bill's fast track approval process during the subsequent three-year cycle if they enact two of five preferred land use actions that promote housing growth and are enumerated in the bill. Those preferred actions include permitting accessory dwelling units, facilitating lot splits, removing certain restrictive zoning, allowing certain density levels over a portion of previously developed areas, and rezoning a specified amount of commercial areas to also allow for housing. Localities' enactments of preferred actions would not be subject to state or local environmental review.

Cities, towns, and villages thus have flexibility in determining how to meet their growth target or selecting which preferred actions to enact if they are unable to do so. In localities that neither meet their growth target nor take two preferred actions during a three-year cycle, the locality will be barred in the subsequent three-year cycle from using non-compliance with existing land use requirements to reject projects proposed on previously developed land that meet unit-count and affordability criteria established

in the bill. The bill limits the considerations the localities can weigh in reviewing such proposals and exempts the projects from state and local environmental review, though they still must obtain all required state and federal permits.

If a city, town, or village that did not meet its growth targets or take preferred actions in the previous cycle rejects a qualifying proposal in the current three-year cycle, the denial can be appealed via administrative or judicial fast track approval procedures created by the bill. The bill will create a Housing Review Board within the Division of Housing and Community Renewal to hear appeals, along with other administrative duties established by the bill. The bill will also establish a process to specially designate land use judges to hear appeals in court. In proceedings before both the board or a court, the burden of proof will be on the locality to prove they are in safe harbor due to having grown by the requisite level or taken preferred actions, the proposed project not being a qualifying project, or having properly denied the proposal for reasons permitted by the bill. Localities also can show they have built enough units in the current and previous cycle to now hit the growth targets for the previous cycle as an affirmative defense. If the locality carries its burden, the party appealing the locality's denial will have the chance to rebut the locality's evidence or reasons. Housing Review Board determinations can be appealed to an administrative law judge and then can be appealed to a court via Article 78. Land use judge determinations can be appealed via the procedures established in the Civil Practice Law and Rules.

The New Homes Targets and Fast-Track Approval Act makes all cities, towns, and villages in New York partners in the process for meeting the State's critical housing needs. The bill will empower localities to determine how to meet their growth targets or which preferred actions to take, while enabling the development of affordable housing to address the statewide shortage when localities fail to proactively comply with the bill. The bill will improve economic, environmental, and social quality of life by increasing housing stock throughout New York State, encouraging affordable housing development and social and economic mobility, and promoting efficiency and coordinated development efforts in localities across the state.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact. Encouraging all localities in New York to contribute to the statewide need for more housing, while incentivizing affordable housing development, will help ensure that local communities work with the State to address the pressing housing supply and cost challenges confronting New York State.

#### Effective Date:

This act shall take effect immediately.

## **Part G – Encourage Transit-Oriented Housing Development**

### Purpose:

This bill encourages the development of housing density within close proximity to rail stations downstate.

### Summary of Provisions and Statement in Support:

This bill requires downstate cities, towns, and villages to amend their zoning and other land use tools to increase the average housing density within half a mile of any non-seasonal rail station, including subway stations. A municipality would not need to amend its zoning or other land use tools for any area where the average housing density across the half-mile radius around a rail station already meets the levels set by the bill. Any amendments required by this bill must be made within three years of the bill's enactment.

The density requirements contained in the bill are tiered based on proximity to New York City. The City of New York and any municipality with a non-seasonal rail station within 15 miles of New York City would need to permit for 50 dwelling units per acre, on average, across the half-mile area around non-seasonal rail stations. For cities, towns, and villages with non-seasonal rail stations more than 15 but fewer than 30 miles from New York City, they would need to permit an average density of 30 dwelling units per acre in the half-mile radius surrounding such stations. For cities, towns, and villages with non-seasonal rail stations more than 30 but fewer than 50 miles from New York City, the average density requirement around rail stations would be 20 dwelling units per acre. Finally, municipalities more than 50 miles from New York City with non-seasonal rail stations would have a 15 dwelling unit average density requirement around their rail stations.

Cities, towns, and villages would have discretion as to where within the half-mile radius to rezone and by how much to do so in order to meet their average density requirements. They would not need to rezone the entire half-mile radius around any covered rail stations, since the density targets are averaged across the area. And certain lands around the train stations would be exempt from the calculation, meaning the density levels on such lands would not affect the average. These exempt lands include non-buildable land which could not be developed without significant alterations to the natural terrain, such as wetlands, areas within a 100-year floodplain, and protected forests. Cemeteries, parks, historic sites, and highways also are also exempt and not included in the average density calculation. But any other area that has previously had a building or improvement on it, such as a parking lot, would not be exempt.

The bill restricts localities from amending their zoning and other land use tools in such a way as to effectively prevent residential developments in the areas around covered rail



stations. It also will exempt local re-zoning actions pursuant to the bill from state and local environmental review processes, but any required state or federal permitting would remain in place. The bill establishes the process localities would need to follow in reviewing development proposals within the area around rail stations, limiting the bases upon which they could reject proposals under their rezonings.

Any city, town, or village that does not amend their land use tools as required by this bill would have to permit construction of residential dwellings up to the applicable density threshold within areas that had been zoned residential around a train station at the time the bill is enacted. Developers proposing predominantly residential projects connected to public water and sewer that meet the applicable criteria established by the bill or a rezoning pursuant thereto could sue localities if they inappropriately deny them under the terms of the bill. The bill also would allow the attorney general to compel a city, town, or village that has failed to take necessary land use actions under this bill to do so.

Increasing the supply of housing in close proximity to rail stations will promote housing affordability, reduce housing insecurity, drive economic growth, encourage social and economic mobility, and actualize goals of the Climate Leadership and Community Protection Act.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact. Increasing the supply of housing in areas served by rail downstate greatly contributes to the State's housing growth and affordability, environmental, and economic development goals.

#### Effective Date:

This act shall take effect immediately.

### **Part H – Collect Local Zoning and Housing Production Data**

#### Purpose:

This bill establishes requirements for localities to submit housing production information, including permit data, zoning maps, and zoning requirements.

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

This bill requires certain municipalities and agencies that collect data regarding new construction, conversion, alteration, demolition, or consolidation of housing sites within their jurisdiction to annually submit that data to the Division of Housing and Community Renewal (DHCR). DHCR's access to this information will be a vital tool for the State in measuring localities' progress toward housing goals and addressing infrastructure needs.

Specifically, DHCR shall receive, for each housing site, information including: location (both address and block and/or lot number); number of units; building type; relevant approval, permit, and completion dates; government subsidies for the site of which the local governmental entity is aware; specific details of the development; and any requested permits to build dwelling units and the status of such permits. The relevant local governmental entity must also report the total number of dwelling units within the jurisdiction to DHCR as part of the annual data submission.

The bill also requires that, by January 31 of each year, municipalities submit to DHCR a digital file containing zoning maps showing: where certain types of development are permitted or prohibited; in areas that are zoned to allow for residential housing, which of those allow for two, three, or four-or-more dwelling units per lot; for residential buildings, any requirements pertaining to minimum lot size, minimum unit size, parking, setback/lot coverage, and floor area ratio. The digital file also must identify the geographic bounds of any zoning areas that have been amended since the last submission, the reasons for prohibiting residential development wherever it is prohibited, designation of whether each zoning approval that has been granted during the prior year was done as-of-right or subject to discretionary review, and any other information the Commissioner of DHCR may deem relevant for the submission.

The information may be made publicly available on DHCR's website and used to track and compare localities' progress towards housing goals.

#### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget, as it is a vital component of the Governor's comprehensive Housing Compact. This bill will help the State coordinate with localities to address infrastructure and housing needs more effectively and efficiently.

#### Effective Date:

This act will take effect on January 1 of the year following the date it becomes law. Before that time, the statute authorizes the addition, amendment, and/or repeal of any rule or regulation necessary to implement the act on the effective date.

### **Part I – Update Law that Enables Localities to Reclaim Certain Vacant and Abandoned Homes**

#### Purpose:

This proposal would clarify and improve the process by which localities can legally certify certain vacant residential properties are abandoned and will facilitate municipalities' ability to take ownership of hazardous properties.

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

This bill would amend the Real Property Actions and Proceedings Law (RPAPL) to clarify one of the prerequisites for a locality to certify that a vacant residential property, other than an owner-occupied one or two-family property, is abandoned. Currently, for a municipality to certify a vacant residential property as abandoned, the vacant residential property must either not be sealed or continuously guarded or must be sealed or continuously guarded by a person other than the owner, a mortgagee, a lienor, or an agent thereof. The bill would make it clear that the RPAPL's reference to a property which is not sealed or continuously guarded means that admittance to the property may be gained without damaging any portion of the property. This clarification would make this procedure easier to understand and use.

This bill also would add a vacant residential property's status as having continuously outstanding and unremedied building or property maintenance code violations with the potential to harm others to the list of conditions that, along with the above-described prerequisites, the property can meet for the municipality to certify that it is abandoned. These amendments would facilitate municipalities' ability to take ownership of hazardous properties, allowing them to be demolished or repurposed and thus enabling the property to be put to good use. These amendments would assist municipalities to reduce public health risks, improve property values, increase property tax revenues, and expand the stock of housing available for new rental and first-time homeownership opportunities.

#### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact. The bill will help put certain abandoned residential properties, such as dangerous vacant homes, back to productive use, including for adding housing units to address the statewide housing shortage.

#### Effective Date:

This bill would take effect immediately.

### **Part J – Create Greater Opportunities to Convert Office Spaces to Residential Housing**

#### Purpose:

This bill would expand the universe of commercial buildings eligible for conversion to residential use and provide necessary regulatory relief for such conversions.

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

This bill would amend section three and Article 7-B of the Multiple Dwelling Law to authorize the conversion to residential uses of New York City buildings that were

occupied for loft, commercial, institutional, public, community facility, or manufacturing purposes prior to December 31, 1990. The bill would allow for such conversions to begin immediately and until December 31, 2030, after which point they would remain permissible so long as they were allowed under the City of New York's zoning resolution. A converted building must comply with the Multiple Dwelling Law's occupancy standards, including those related to materials, windows, fireproofing, and light and air, except that conversions would not be required to include joint living-work quarters for artists. Such conversions also would be exempted from the Multiple Dwelling Law's 12 floor area ratio cap for residential buildings.

This bill would help respond to the rise of remote work while alleviating the housing shortage, providing an estimated additional 120 million square feet of newly eligible conversion space for residential uses.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact. The bill responds to the dual challenges of the housing crisis and the rise of remote work by providing a creative tool for repurposing commercial and other non-residential buildings for critically needed housing in New York City.

Effective Date:

This bill would take effect immediately

**Part K – Enable the City of New York to Create a Pathway to Legalize Pre-Existing Basement Dwelling Units in New York City**

Purpose:

This bill provides the City of New York with the authority to pass a local law to allow for the conversion of inhabited and other currently existing basement dwelling units to legal dwelling units. The bill also allows the City of New York to create a program to provide amnesty to owners of existing basement dwelling units. The bill establishes certain broad framework requirements for any such legalization and amnesty program that the City of New York may choose to enact via local law. The bill also amends certain provisions of the private housing finance law to facilitate loans for such basement apartment conversions authorized pursuant to a local law enacted under this bill.

Summary of Provisions and Statement in Support:

This bill authorizes New York City to establish by local law a program to convert inhabited and other basement apartments currently in existence to legal dwelling units, provided that such conversions are done consistently with protection of health and safety. Such program may provide amnesty to landlords who convert basement apartments to legal dwelling units from civil prosecution for maintaining or having rented out the basement dwelling units prior to their legalization. The bill requires the local law

providing for legalizations to ensure that occupants of basement dwelling units who need to be evicted or otherwise removed from such basement dwelling unit in order to make it consistent with legal and program requirements will have a right of first refusal to return to the dwelling post conversion to a legal unit. The bill exempts the local law and any amendments to the City of New York's zoning resolution necessary to enact such a program from environmental review, and exempts the latter from additional land use review beyond a public hearing before the City of New York's planning commission and approval by such commission and the local legislative body.

The bill also removes the \$60,000 per unit cap on loans from municipalities to owners of 1-4 unit dwellings for rehabilitation if the rehabilitation is for basement apartment legalization authorized under this bill, and authorizes a municipality to make or contract to make grants to owners of 1-4 unit dwellings for rehabilitation on the same terms as permitted for making loans. The bill also removes the requirement for basement conversions permitted by a local law enacted pursuant to this act that a municipality make one of certain findings indicating an inability of the private sector to cause such rehabilitation to be made prior to issuing a loan or grant for such conversions.

By enabling the City of New York to create a pathway, consistent with maintaining health and safety, for converting existing basement dwelling units to legal apartments in New York City, this bill will increase the availability of housing and affordable housing in New York City. The bill will ensure existing tenants are able to return to converted basement units if they so choose and will increase the safety of current basement dwelling units by allowing the City to provide oversight rather than punishment for such units.

#### Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget, because it is a vital component of the Governor's comprehensive Housing Compact. It will help the City of New York meet the critical need for housing, including affordable housing, while bringing existing basement units under the legal oversight of the City in a manner consistent with maintaining health and safety.

#### Effective Date:

This act shall take effect immediately.

### **Part L – Authorizes New York City and the New York State Urban Development Corporation to Override the Floor Area Ratio Requirement**

#### Purpose:

This bill would amend the Multiple Dwelling Law to provide the City of New York (the City) and the New York State Urban Development Corporation (UDC), in certain circumstances, with the authority to override the requirement that any dwelling on a lot

in New York City cannot exceed a floor area ratio of 12.0. This bill would help create more housing and affordable housing.

Summary of Provisions and Statement in Support:

Currently, any dwelling or dwellings on a lot within New York City are held to a maximum floor area ratio of 12.0. In effect, this law limits the size of residential buildings to 12 times the size of the lot on which it is built.

The proposed amendment to the Multiple Dwelling Law would authorize the City and UDC to override the strict 12.0 floor area ratio requirement. The City would be permitted to do so pursuant to a zoning law, ordinance, or resolution. UDC would be permitted to do so as provided in a general project plan, after consultation with local officials. By allowing the City and UDC to override the 12.0 floor area ratio in residential developments, this bill would make it easier for the City and UDC to create more housing, including affordable housing.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact. By authorizing the City and UDC to override the floor area ratio requirement for residential developments, this bill would remove an impediment to the development of critically-needed housing, including affordable housing, in a manner that is consistent with local needs.

Effective Date:

This act would take effect immediately.

**Part M – Update Tax Abatement Incentives for Affordable Multiple Dwellings in New York City**

Purpose:

This bill provides a tax abatement for alterations and improvements to affordable multiple dwellings in New York City.

Summary of Provisions and Statement in Support:

This bill amends the Real Property Tax Law to provide a tax abatement, to be enacted at local option by June 30, 2025, for capital improvements to affordable rental and owner-occupied buildings located in New York City or any city to which the multiple dwelling law is applicable. The bill would abate the property tax levy on property owners who perform these improvements, at a maximum annual abatement amount of 8⅓% of the total certified reasonable cost of the eligible construction, for a period of no

longer than 20 years. The overall abatement is capped at 70% of the total improvement costs over the duration of the abatement.

The abatement would be available for alteration and improvement projects completed between June 29, 2022 and June 30, 2026 on eligible buildings. Eligible rental buildings must meet one of the following conditions: rents for at least 50% of the units are set between 20 and 30% of 80% of area median income, adjusted for household size; the building is a Mitchell-Lama rental property; or the building receives substantial governmental assistance, as defined by the bill. For homeownership developments to be eligible for the abatement, the average assessed valuation must not exceed \$45,000 per unit or the building must be owned and operated by a mutual company or mutual redevelopment company, as both are defined by the bill.

Units would be subject to a 15-year restriction period during which they would need to continue to be affordable, and all non-Mitchell Lama rental units would be entered into rent regulation until the first vacancy after the 15-year restriction period.

This bill would enable property owners in the City of New York to preserve existing affordable housing stock.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's Housing Compact. Preserving and performing necessary improvements on existing affordable housing is critically important to ensuring a robust supply of such housing, particularly in New York City.

Effective Date:

This act would take effect immediately.

**Part N – Establish a Local Option Tax Incentive for Affordable Multi-Family Housing**

Purpose:

This bill amends the Real Property Tax law to allow municipalities outside of New York City to enact a local property tax exemption for new construction of affordable multi-family housing.

Summary of Provisions and Statement in Support:

To encourage the creation of more affordable housing, this bill allows municipalities outside of the City of New York to provide by local law a property tax exemption for certain new construction. The tax exemption may be provided to newly-constructed rental properties that have 20 or more units, where at least 20 percent of units are

affordable and restricted to households meeting the bill's criteria for low income. To be eligible, the new construction would be required to take place on vacant, predominantly vacant, or underutilized land; on land that currently has a non-conforming use; or on land with dwellings that are sub-standard, structurally unsound, or certified as unsanitary by a local health agency. If for a mixed-use building, the rental units would need to encompass at least 50 percent of the square footage of the property and all would need to be affordable. This bill would allow municipalities to designate geographic areas within their municipalities in which the exemption would apply.

Properties would be entirely exempt from taxes during the construction period, for up to three years. After construction, the size of the exemption would decrease by four percent per year for 25 years, at which time the property would be wholly liable for property taxes.

This bill would allow for the creation of more affordable housing, while giving each municipality the flexibility to discern whether and where this exemption would be suitable for its residents.

#### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's Housing Compact. This bill will help cities, towns, and villages outside of New York City to encourage multifamily affordable housing development through property tax exemptions they may adopt by local law. It would enable them to tailor the exemption to promote such housing either throughout the locality or in particular geographic areas, such as near public transit.

#### Effective Date:

This bill would take effect immediately.

### **Part O – Provide a Property Tax Exemption for Accessory Dwelling Units**

#### Purpose:

This bill provides an opt-in property tax exemption on the increase in the value of a property resulting from the addition of an accessory dwelling unit (ADU). The property tax exemption is modeled closely after an existing opt-in property tax exemption for home reconstructions, alterations, and improvements in section 421-f of the Real Property Tax Law (RPTL). This bill will create much needed additional housing stock throughout the State.

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



This bill amends the RPTL to provide that, at local option, one- and two-family residential buildings that are reconstructed, altered, improved, or newly constructed to create one or more additional residential dwelling units on the same parcel as the pre-existing residential building to provide independent living facilities for one or more persons shall be partially or fully exempt from taxation and special ad valorem levies on the increase in assessed value attributable to such reconstruction, alteration, improvement, or new construction.

The program is structured as a 10-year exemption, with the first 5 years providing an exemption of 100% of the increase in assessed value, the next three years decreasing that exemption by 25%, and the last two years decreasing by a further 10% in each year. The exemption is capped at \$200,000 in increased market value and would only be for reconstruction, alteration, improvements, or new construction to create ADUs that commence after the effective date of this bill, are valued at more than \$3,000, and are not for ordinary maintenance and repairs.

Localities that opt-in will have the option to offer a lower percentage exemption or to limit eligibility to certain forms of reconstruction, alterations, improvements, and new construction.

Incentivizing the creation of ADUs will help facilitate the creation of much needed additional housing stock, including housing stock that may be more affordable than new construction of stand-alone homes, throughout the State.

#### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact.

#### Effective Date:

This act shall take effect immediately; provided however, that it shall apply to assessment rolls based on taxable status dates occurring on or after such effective date.

### **Part P – Authorize Tax Incentive Benefits for Converting Commercial Property to Affordable Housing**

#### Purpose:

This bill provides exemptions from local real property taxation of certain multiple dwellings converted from commercial, manufacturing, and other non-residential uses in New York City to incentivize the inclusion of affordable housing in such conversions.

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

The bill establishes the Affordable Housing from Commercial Conversions Tax Incentive Benefits (AHCC) program to promote the development of new affordable housing rental units through conversions of commercial, manufacturing, or other non-residential buildings which do not receive any other exemption from or abatement of real property taxation.

AHCC provides tax benefits to multiple dwellings located in New York City for which six or more rental units are created by converting a commercial, manufacturing, or other non-residential building to a residential dwelling. Eligible projects will receive a full property tax exemption during the construction period, other than assessments for local improvements. After construction is complete, properties in the Manhattan prime development area, located entirely south of 96th Street in Manhattan (PDA), receive a 50% exemption for 15 years. Properties outside of the PDA receive a 35% exemption for this period. Each year thereafter for the next four years, properties within the PDA receive a tax exemption that is 10% less than the prior year, and properties outside the PDA receive an exemption 7% less than the prior year.

At least 20% of units within an eligible dwelling must be affordable, pursuant to definitions of affordability outlined in the bill. At least 5% of those units must be affordable to households whose income does not exceed 40% of the area median income, as adjusted for household size, and the weighted average of all the affordable units cannot exceed 70% of the area median income, as adjusted for household size. The bill also requires the affordable housing units be rent stabilized during the 19-year tax benefit period. The bill further provides that building service workers in AHCC-recipient buildings must receive the applicable prevailing wage during the AHCC benefit period, unless the buildings have fewer than 30 units or are converted with substantial assistance of governmental grants, loans, or subsidies.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is a vital component of the Governor's comprehensive Housing Compact. The bill will help ensure that the commercial conversions the Housing Compact is promoting via other legislation contribute to New York City's affordable housing supply.

Effective Date:

This act would take effect immediately.

**Part Q – Authorize Mortgage Insurance Fund (MIF) Utilization**

Purpose:

This bill would allow for utilization of \$90.7 million projected to be available from the Mortgage Insurance Fund excess balance and/or reserves to support vital community development and rental assistance programs.

Summary of Provisions and Statement in Support:

The Mortgage Insurance Fund, a fund of the State of New York Mortgage Agency (SONYMA), was created in 1978 to insure mortgage loans for projects that would not otherwise be able to obtain mortgage insurance, to encourage the commercial and public investment of mortgage capital and increase the supply of affordable housing in New York State.

The SONYMA statute requires excess revenues from the Mortgage Insurance Fund (MIF), after expenses and the required reserves, be returned to the State following SONYMA Board approval. The Mortgage Insurance Fund has been previously used to support new housing development and to provide relief for budgetary deficits. In the 2022-23 Budget, excess revenues from the Mortgage Insurance Fund were used for community development and rental assistance programs.

The Mortgage Insurance Fund is currently projected to have \$90.7 million available for the upcoming fiscal year, comprised of (i) excess revenues through fiscal year 2023 and (ii) reserves that can be accessed without negatively impacting the MIF's credit rating. As set forth in sections 1 through 3 of the bill, these funds would be used to support the following programs:

- Neighborhood and Rural Preservation Programs (\$18.2 million), which support community-based housing corporations across the State that provide various housing related services for low- and moderate-income populations;
- The Rural Rental Assistance Program (\$21.7 million), which supports rental subsidies for low-income, elderly, and family tenants residing in federally-funded multifamily projects in rural areas of the State; and
- Homeless housing programs (\$50.8 million), including the Solutions to End Homelessness Program, the New York State Supportive Housing Program, and the Operational Support for AIDS Housing Program.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget by funding the identified programs.

Effective Date:

This bill would take effect immediately.

**Part R – Extend the Project Completion Deadline for Vested Projects in Real Property Tax Law 421-a by Four Years**

Purpose:

This bill would extend the deadline to complete a vested Real Property Tax Law (RPTL) 421-a multiple dwelling or homeownership project by four years.

Summary of Provisions and Statement in Support:

Under current law, to be eligible for a tax abatement pursuant to § 421-a of the RPTL, a vested multiple dwelling or homeownership project must be completed by June 15, 2026. This bill would amend the definition of “eligible multiple dwelling” to extend this completion deadline to June 15, 2030.

The COVID-19 pandemic slowed down the rates of construction for many residential buildings, and as a result, developments that are already permitted and would qualify for the abatement are at risk of no longer being eligible due to being unable to meet the forthcoming completion deadline, resulting in the potential loss of anticipated affordable housing units.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will ensure that affordable housing units that are permitted and vested in the 421-a program are able to be completed, supporting the State's affordable housing goals.

Effective Date:

This bill would take effect immediately.

**Part S – Index the Minimum Wage to Inflation**

Purpose:

This bill would index the state minimum wage to the rate of inflation, subject to a cap and limited exceptions. Raising the minimum wage leads to reductions in poverty, reduced spending on social assistance, increases in spending in communities, and improved worker productivity and retention, all of which positively affect the fiscal health of the State.

Summary of Provisions and Statement in Support:

Due to the rapid increase in inflation, New Yorkers have lost purchasing power. In downstate New York, the current \$15 minimum wage has lost over \$1.78 in purchasing power since its implementation, making affording even food and gas a struggle for low-wage workers in the State.

This bill would increase the minimum wage automatically each year to keep pace with inflation. After reaching \$15 per hour, each region’s minimum wage would increase consistent with the year-over-year Consumer Price Index-W for the Northeast Region, the best measure of inflation. To ensure that no single-year increase would threaten employment, this bill caps annual increases at three percent. The bill also provides that the minimum wage will not increase in the event of certain economic conditions, such as certain increases in the rate of unemployment.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because the Financial Plan assumes State spending associated with this change.

Effective Date:

This bill would take effect immediately.

**Part T – Promote Community Hiring and Workforce Development in New York City**

Purpose:

This bill would promote community hiring and workforce development by ensuring that contractors and subcontractors working under New York City contracts make efforts to hire economically disadvantaged candidates.

Summary of Provisions and Statement in Support:

This bill would amend the Charter of the City of New York to establish an Office of Community and Workforce Development. This office would require entities contracting with the City of New York and entities performing services under such contracts to make best efforts to meet goals for hiring economically disadvantaged candidates and candidates from economically disadvantaged regions. This law would apply to certain procurement contracts, subject to exceptions where it would be impractical to apply such goals. The bill would subject building service and construction labor to economically disadvantaged region candidate goals and subject other forms of labor to economically disadvantaged candidate goals.

The bill would also require the City of New York to consider the potential impact on minority- or women-owned business enterprises, not-for-profit corporations, and small businesses, when it establishes a schedule of civil penalties for non-compliance and when the City of New York sets a non-construction employment goal or incorporates a community hiring quantitative factor into the award methodology for a procurement contract. Finally, the bill would authorize the City of New York to establish requirements that contractors and subcontractors on construction contracts use a minimum ratio of apprentices to journey-level workers.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because the City of New York City relies on a diverse workforce and these provisions affect the money that New York City spends on its contracts.

Effective Date:

This bill would take effect on the 180th day after it shall have become a law and shall expire and be deemed repealed after seven years.

**Part U – Expand and Improve New York State's Child Care Assistance Program**

Purpose:

This bill would expand income eligibility for child care assistance from 300% of the federal poverty line up to 85% of the State median income, making an additional 113,000 children eligible. This bill would also allow for the State to standardize eligibility and benefits across all local social services districts.

Summary of Provisions and Statement in Support:

This bill would amend the Social Services Law to expand eligibility for child care assistance from 300% of the federal poverty line (currently \$83,250 for a family of four) to families with incomes up to 85% of the state median income (currently \$93,200 for a family of four). This is the maximum allowable income threshold under Federal requirements. This expansion would make approximately 113,000 children newly eligible for the program.

This bill would also amend the Social Services Law to allow the Office of Children and Family Services (OCFS) to set uniform priority standards for applicants of child care assistance. This would enable OCFS to standardize child care assistance benefits across all social services districts, making childcare assistance more consistent, increasing and standardizing reimbursed absences, and reducing administrative burdens for families.

New York is one of a few states whose child care assistance program is supervised by the State but is administered locally. Currently, local districts can set different standards under which families may receive benefits and inconsistent co-payments for parents to receive child care assistance. This bill would help eliminate these disparities between local districts, which can negatively impact a family's ability to access child care assistance.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because child care assistance expansion is assumed in the Financial Plan.

Effective Date:

This bill would take effect October 1, 2023.

## **Part V – Continue the Current Financing Structure for Residential Placements of Children with Special Needs Outside of New York**

### Purpose:

This bill enacts into law provisions to make permanent the current structure of financing Committee on Special Education (CSE) residential placements outside of New York City.

### Summary of Provisions and Statement in Support:

This legislation amends section 3 of Part I of Chapter 56 of the Laws of 2021 to remove the April 1, 2023 sunset and make these provisions permanent.

Part I of Chapter 56 of 2021 eliminated the 18.424% State share for residential placements made by a school district CSE outside of New York City and increased the school district's share by an equal amount, from 38.424% to 56.848%. This Chapter also shifted the 50% State share for certain placements to the NYS School for the Blind or the NYS School for the Deaf to the school district. These changes better align fiscal responsibilities with the entity that makes placement decisions and provides parity with New York City's funding structure for CSE placements.

### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it achieves Financial Plan savings associated with restructuring the funding for CSE placements outside of New York City.

### Effective Date:

This bill would take effect immediately.

## **Part W – Permanently Authorize Close to Home**

### Purpose:

This bill would permanently authorize the Close to Home (CTH) initiative enacted in 2012 and extended in 2018.

### Summary of Provisions and Statement in Support:

This legislation amends section 11 of subpart A and section 7 of subpart B of part G of Chapter 57 of the Laws of 2012, as amended by part G of Chapter 56 of the Laws of 2018, to remove the March 31, 2023, sunset and make the CTH initiative permanent.

Under CTH, youth who are adjudicated to be juvenile delinquents in a jurisdiction with an approved CTH plan, who require non-secure or limited secure level of placement, can only be placed into the care and custody of the local department of social services (LDSS). In jurisdictions without an approved CTH plan, youth adjudicated to be juvenile delinquents and determined to require non-secure placement, may be placed into the care and custody of an LDSS or the Office of Children and Family Services (OCFS) and youth determined to require limited secure or secure placements must be placed in OCFS custody.

In addition, all LDSSs in New York State are authorized to conditionally discharge and provide routine medical care to juvenile delinquents in their custody.

#### Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because the expiration of CTH authorization would result in New York State becoming responsible for New York City youth that would be placed in OCFS facilities at an additional State cost.

#### Effective Date:

This bill would take effect immediately and be deemed to have been in full force and effect on March 31, 2023.

### **Part X – Increase Access to Education and Economic Stability for Public Assistance Recipients**

#### Purpose:

This bill would increase the economic stability and outlook of public assistance recipients by providing increased access to education and training opportunities, and a one-time disregard of all earned income following job entry for six consecutive months. This would help recipients of public assistance achieve economic stability by giving them time to build savings after obtaining employment before their household is no longer eligible for public assistance benefits.

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

This legislation amends section 336-a of the Social Services Law, which currently requires a recipient of public assistance who is enrolled in post-secondary education beyond a 12-month period to also participate in no less than 20 hours weekly in paid employment, work activities, or community service. This amendment would remove that requirement and allow individuals to participate in educational/vocational training programs, including a two-year post-secondary degree program, where such enrollment is consistent with the individual's assessment and employability plan and is likely to lead



to a degree/certification and sustained employment, without risking becoming ineligible for benefits.

This legislation would also amend section 131-a of the Social Services Law to provide a one-time disregard of the earned income of a public assistance recipient following job entry for a period of up to six consecutive months, provided that earned income does not exceed 200% of the Federal Poverty Level. This would help recipients of public assistance by providing more time to achieve economic stability.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget as funding is included in the Financial Plan to enhance public assistance recipients' economic stability and outlook by providing increased access to education and training opportunities, and disregarding income to avoid losing eligibility for public assistance benefits as a result of obtaining employment.

Effective Date:

This bill would take effect 240 days after enactment.

**Part Y – Provide Reimbursement to Victims of Public Assistance Fraud**

Purpose:

This bill would provide reimbursement to Public Assistance (PA) recipients who have had benefits stolen as a result of card skimming, cloning, third party misrepresentation or other similar fraudulent activities. While the United States Department of Agriculture has provided guidance and funding for states to help replace stolen Supplemental Nutrition Assistance Program (SNAP) benefits, additional steps need to be taken to provide similar assistance to PA recipients in New York State.

Summary of Provisions and Statement in Support:

This legislation would establish certain protections for PA recipients whose benefits have been stolen as a result of card skimming, cloning, third party misrepresentation or other similar fraudulent activities. The bill would create a new section of the Social Services Law to require local social services districts to replace stolen PA benefits no later than five business days after the district verifies that such benefits were stolen and properly reported, in accordance with guidance to be established by the Office of Temporary and Disability Assistance (OTDA).

Eligible recipients would receive the lesser of the amount stolen or the amount of benefits provided during the two most recent months prior to the theft. Applicants could seek reimbursement no more than twice in a federal fiscal year, retroactive to October

1, 2022, and then no more than once in a federal fiscal year beginning October 1, 2024. Any assistance provided under this section would be exempt from recoupment and recovery provisions unless later determined not to have been the result of theft.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget as funding is included in the Financial Plan to return PA benefits to low-income residents who had lost those benefits through no fault of their own.

Effective Date:

This bill would take effect immediately.

**Part Z – Authorize the Pass -Through of Federal Supplemental Security Income Cost of Living Adjustment**

Purpose:

This bill would authorize Federal Supplemental Security Income (SSI) benefits to be increased in 2024 to reflect federal SSI cost of living adjustments.

Summary of Provisions and Statement in Support:

This legislation updates Sections 131-o and 209 of the Social Services Law, through which the State administers the provision of Federal and State SSI benefits. The Personal Needs Allowance and the standard of need, or monthly combined Federal and State SSI benefits to which recipients in various living conditions are entitled, is based on federal law and specified in the Social Services Law. This bill would increase the amounts in the statute to reflect the actual 2023 standard of need for eligibility and payment of additional State payments. It also authorizes those amounts to be automatically increased in 2024 by the percentage of any Federal SSI cost of living increase that becomes effective within the first half of the calendar year 2024.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because, without a pass-through, there will be no statutory authority to provide SSI recipients with the full amount of Federal SSI payments and State supplement that individuals would be entitled to receive based on federal increases in fiscal year 2023-24.

Effective Date:

This bill would take effect December 31, 2023.

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.