FISCAL YEAR 2024
NEW YORK STATE
STATEMENT OF UPDATED ANNUAL INFORMATION

[ENDED MARCH 31, 2024]

PURSUANT TO CONTINUING DISCLOSURE AGREEMENTS ENTERED INTO BY THE STATE OF NEW YORK AS "OBLIGATED PERSON"

WE ARE NY

JULY 29, 2024

GOVERNOR KATHY HOCHUL
BUDGET DIRECTOR BLAKE G. WASHINGTON

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Section 1

Extracts of Certain Sections From the Annual Information Statement of the State of New York

The information contained in this Section 1 consists of extracts from the State's Annual Information Statement, dated March 24, 2024 (the "AIS").

The extracted information included in this Section 1 is not intended to and does not in any way update or change any of the information contained in the AIS.

Section 1: Subsection A

“Prior Fiscal Years”
Extract From AIS

The extracted information included in this Subsection A is not intended to and does not in any way update or change any of the information contained in the AIS.

Capitalized terms used in this Subsection A and not otherwise defined shall have the meanings ascribed to them in the AIS.

The State reports its financial results on the cash basis of accounting, showing receipts and disbursements; and the GAAP basis (including modified accrual and full accrual), as prescribed by GAAP, showing revenues and expenditures. With the exception of FY 2024 financial results (which were not yet available at the time this section was prepared), the State's GAAP-basis financial results set forth in this section have been audited. Note that the FY 2024 financial results included in the AIS are preliminary and unaudited.

Cash-Basis Results for Prior Fiscal Years

General Fund FY 2022 Through FY 2024

The General Fund is the principal operating fund of the State and is used to account for all financial transactions, except those required by law to be accounted for in another fund. It is the State's largest single fund and receives most State taxes and other resources not dedicated to particular purposes. General Fund moneys in prior fiscal years were also transferred to other funds, primarily to support certain State share Medicaid payments, capital projects and debt service payments in other fund types. In some cases, the fiscal year results provided below may exclude certain timing-related transactions which have no net impact on operations.

In the cash basis of accounting, the State defines a balanced budget in the General Fund in any given fiscal year as (a) the ability to make all planned payments anticipated in the Financial Plan, including tax refunds, without the issuance of deficit bonds or notes or extraordinary cash management actions, (b) the restoration of the balances in the Rainy Day Reserves to a level equal to or greater than the level at the start of the fiscal year, and (c) maintenance of other designated balances, as required by law.

The General Fund balance has increased by $13.3 billion from FY 2022 to FY 2024, driven by extraordinary tax collections that allowed significant increases in reserves, as well as the establishment of a reserve for payment of PTET/PIT tax credits[1] in FY 2022 which totaled $14.1 billion at the end of FY 2024. In addition, over $16 billion has been added to principal reserve balances since FY 2021, including the completion of $10.6 billion of planned deposits and set asides to principal reserves at the end of FY 2023 – two years ahead of the initial plan laid out in October 2021. The balance in principal reserves is just over $20 billion, an amount equal to approximately 16 percent of actual FY 2024 State Operating Fund disbursements, which is complimented by additional reserves for debt management and future operating costs.

The following table summarizes General Fund results for the prior three fiscal years.

[1] As part of the State's continuing response to Federal tax law changes, legislation was enacted in FY 2022 to allow an optional Pass Through Entity Tax (PTET) on New York-sourced income of partnerships and S corporations. The State collects PTET and pays PIT credits in connection with the PTET program. DOB expects that the PTET will, on a multi-year basis, be revenue neutral for the State with the reserve covering the difference between the PTET collections and related PIT credits.

GENERAL FUND RECEIPTS AND DISBURSEMENTS
FY 2022 THROUGH FY 2024
(millions of dollars)

	FY 2022	FY 2023	FY 2024
OPENING FUND BALANCE	9,161	33,053	43,451
Personal Income Tax [(1)]	33,464	27,607	25,312
Consumption/User Taxes:			
Sales and Use Tax[(2)]	4,122	6,665	9,315
Cigarette and Tobacco Tax	293	265	260
Alcoholic Beverage Taxes	277	282	275
Opioid Excise Tax	29	27	22
Subtotal	4,721	7,239	9,872
Business Taxes:			
Corporation Franchise Tax	5,818	7,291	7,525
Corporation and Utilities Taxes	434	408	401
Insurance Taxes	2,214	2,381	2,521
Bank Tax	16	304	0
Pass-Through Entity Tax[(1)]	8,215	7,472	6,978
Subtotal	16,697	17,856	17,425
Other Taxes:			
Estate and Gift Taxes	1,386	2,185	1,856
Pari-Mutuel Tax	13	13	12
Other Taxes[(1)]	8	6	8
Subtotal	1,407	2,204	1,876
Miscellaneous Receipts & Federal Grants	6,825	5,960	7,128
Transfers from Other Funds:			
PIT in Excess of Revenue Bond Debt Service	26,055	20,899	21,748
PTET in Excess of Revenue Bond Debt Service	8,215	7,472	6,978
Sales Tax in Excess of Revenue Bond Debt Service	5,572	7,291	7,839
Sales Tax in Excess of LGAC Debt Service	4,121	2,198	0
Real Estate Taxes in Excess of CW/CA Debt Service	1,479	1,180	877
All Other Transfers	4,254	3,291	3,942
Subtotal	49,696	42,331	41,384
TOTAL RECEIPTS	112,810	103,197	102,997
Grants to Local Governments:			
School Aid	24,783	25,645	28,844
Medicaid - DOH	16,153	19,380	20,598
All Other Local Aid	17,448	17,827	19,677
State Operations:			
Personal Service	8,063	9,464	9,997
Non-Personal Service	3,675	3,043	2,303
General State Charges	8,983	9,115	9,651
Transfers to Other Funds:			
In Support of Debt Service	340	298	239
In Support of Capital Projects	6,818	4,649	5,798
SUNY Operations	1,385	1,491	1,535
All Other Transfers	1,270	1,887	1,475
Subtotal	9,813	8,325	9,047
TOTAL DISBURSEMENTS	88,918	92,799	100,117
Excess (Deficiency) of Receipts and Other Financing Sources over Disbursements and Other Financing Uses	23,892	10,398	2,880
CLOSING FUND BALANCE	33,053	43,451	46,331

Sources: NYS Office of the State Comptroller. Financial Plan categorical detail by NYS Division of the Budget.

(1) Excludes tax receipts that flow into the Revenue Bond Tax Fund (RBTF) in the first instance and are then transferred to the General Fund after debt service obligation is satisfied.

(2) Excludes sales tax in excess of LGAC Debt Service and Sales Tax Revenue Bond Fund.

FY 2024

The State ended FY 2024 in balance on a cash basis in the General Fund, based on preliminary unaudited results. General fund receipts, including transfers from other funds, totaled $103.0 billion. General Fund disbursements, including transfers from other funds, totaled $100.1 billion. The State ended FY 2024 with a General Fund balance of $46.3 billion, an increase of $2.9 billion from FY 2023 results. The higher balance reflects a set aside for asylum seeker assistance, an increase for the reserves for labor settlements/agency operations, and additional net resources available at year-end that were carried forward to reduce the budget gaps in subsequent years.

FY 2023

The State ended FY 2023 in balance on a cash basis in the General Fund. General fund receipts, including transfers from other funds, totaled $103.2 billion. General Fund disbursements, including transfers from other funds, totaled $92.8 billion. The State ended FY 2023 with a General Fund balance of $43.5 billion, an increase of $10.4 billion from FY 2022 results. The higher balance reflects the deposit of $10.6 billion to the State's principal reserves, partially offset by use of prior year resources as planned to fund certain commitments and operations in FY 2023.

FY 2022

The State ended FY 2022 in balance on a cash basis in the General Fund. General Fund receipts, including transfers from other funds, totaled $112.8 billion. General Fund disbursements, including transfers to other funds, totaled $88.9 billion. The State ended FY 2022 with a General Fund balance of $33.1 billion, an increase of $23.9 billion from FY 2021 results. A large share of the higher balance reflects $16.4 billion in PTET collections and $1.1 billion in eligible public safety payroll expenses moved to the CRF, partly offset by prepayments and advances totaling $9 billion. Excluding these transactions, the General Fund ended March 2022 with a balance of $24.4 billion, an increase of $15.3 billion from FY 2021 results.

All Funds FY 2022 Through FY 2024

The All Funds Financial Plan records the operations of the four governmental fund types: the General Fund, special revenue funds, capital projects funds, and debt service funds. It is the broadest measure of State governmental activity and includes spending from Federal funds and capital projects funds.

ALL GOVERNMENTAL FUNDS RECEIPTS AND DISBURSEMENTS
FY 2022 THROUGH FY 2024
(millions of dollars)

	FY 2022	FY 2023	FY 2024
OPENING BALANCE	**18,751**	**53,549**	**65,956**
ALL FUNDS RECEIPTS:	**244,375**	**233,060**	**234,478**
Total Taxes	**121,136**	**111,656**	**106,447**
Personal Income Tax	70,737	58,776	53,840
Pass Through Entity Tax	16,430	14,944	13,955
All Other Taxes	33,969	37,936	38,652
Miscellaneous Receipts	**27,932**	**31,841**	**33,755**
Federal Receipts	**95,307**	**89,563**	**94,276**
Bond & Note Proceeds	**0**	**0**	**0**
ALL FUNDS DISBURSEMENTS:	**209,339**	**220,460**	**234,867**
STATE OPERATING FUNDS	**117,404**	**123,750**	**128,473**
Assistance and Grants	**74,998**	**81,877**	**89,202**
School Aid	28,274	30,290	33,383
DOH Medicaid (incl. admin and EP)	21,972	25,467	27,804
All Other	24,752	26,120	28,015
State Operations	**29,861**	**31,392**	**32,274**
Agency Operations	**19,836**	**21,189**	**21,578**
Executive Agencies	10,773	11,547	11,347
University Systems	6,515	6,926	7,402
Elected Officials	2,548	2,716	2,829
Fringe Benefits/Fixed Costs	**10,025**	**10,203**	**10,696**
Pension Contribution	2,492	2,045	3,734
Health Insurance	5,699	6,003	5,106
Other Fringe Benefits/Fixed Costs	1,834	2,155	1,856
Debt Service	**12,545**	**10,481**	**6,997**
CAPITAL PROJECTS (State and Federal Funds)	**14,704**	**14,024**	**14,708**
FEDERAL OPERATING AID	**77,231**	**82,686**	**91,686**
NET OTHER FINANCING SOURCES	**(238)**	**(193)**	**345**
CHANGE IN OPERATIONS	**34,798**	**12,407**	**(44)**
CLOSING BALANCE	**53,549**	**65,956**	**65,912**

FY 2024

The FY 2024 All Funds closing balance totaled $65.9 billion, $44 million below FY 2023. This stable closing balance was due to a higher opening fund balance ($12.4 billion) and net growth in receipts ($1.4 billion), which supported higher disbursements ($14.4 billion). More than half of the increase in disbursements compared to FY 2023 was attributable to Federal operating aid ($9 billion).

Total tax collections in FY 2024 were $5.2 billion or 4.7 percent lower than FY 2023, mostly driven by a decrease in PIT receipts ($4.9 billion). FY 2024 PIT collections reflected lower estimated payments and final return payments, coupled with increased current and prior year refunds. Declines in PIT payments were partly offset by increased withholding and decreases in advanced credit payments attributable to the expiration of the Homeowner's Tax Rebate Credit and the State/City offset. PTET collections also decreased ($989 million), due to lower estimated payments and higher refunds.

All other tax receipts increased by $716 million in FY 2024, primarily due to growth in consumption/use taxes ($1.3 billion). The growth reflected higher sales tax receipts and increased motor fuel tax receipts related to the expiration of the temporary fuel tax holiday in December 2022.

The decline in total FY 2024 tax collections was offset by increases in Federal operating aid and miscellaneous receipts. Federal receipts increased by $4.7 billion, reflecting the timing of spending and reimbursements from Federal aid. Miscellaneous receipts were also $1.9 billion higher than in FY 2023, primarily due to higher investment income ($2.4 billion).

The increase in disbursements in FY 2024 primarily reflects increased spending on assistance and grants ($7.3 billion) from State Operating Funds, as well as higher Federal operating spending ($9.0 billion) compared to FY 2023. Within the State Operating Funds category, the higher spending on assistance and grants was partially offset by a decrease in debt service payments ($3.5 billion) due to the timing of prepayments.

State Operating Funds spending totaled $128.5 billion in FY 2024, an increase of $4.7 billion (3.8 percent) compared to FY 2023. Within this category, assistance and grants spending was $7.3 billion higher than in the prior year. The largest changes within assistance and grants were as follows:

- School Aid ($3.1 billion higher) due primarily to the final year of the three-year phase-in of Foundation Aid.

- Medicaid ($2.3 billion higher) attributable primarily to continued claims growth ($3.4 billion), offset partially by increases in the Local Cap Contribution ($663 million) and increased pharmacy rebate offsets ($621 million).

- Mental Hygiene ($2 billion higher) due to a $1.9 billion increase in mental hygiene spending moved out of the Global Cap through the Local Share Adjustment and Mental Hygiene Stabilization Fund.

- Children and Family Services ($841 million lower) due primarily to non-recurring spending for Child Welfare Services ($1.2 billion) for settled and advanced claims.

In addition, spending on State operations from State Operating Funds increased by $882 million in FY 2024, reflecting underlying growth in salary costs. Within the executive agency operations category, pandemic-related FEMA reimbursements received in FY 2024 (roughly $960 million) more than offset cost growth. For fringe benefits, increased spending ($493 million) reflected the prepayment of future pension obligations in FY 2024 ($1.6 billion), partially offset by a smaller deposit to the Retiree Health Benefit Trust Fund compared to FY 2023.

Debt Service spending from State Operating Funds was $3.5 billion lower due to the net impact of debt service prepayments executed in FY 2024 and prior years ($3.9 billion).

Federal operating spending increased by $9 billion over the prior year due primarily to the following:

- EP ($3.5 billion higher) attributable to increased rates and higher program participation due to an expansion of program eligibility.

- Medicaid ($3.3 billion higher) primarily attributable to growth in claims.

- Children and Family Services ($1.2 billion higher) driven by increased spending on Child Care ($749 million) and Child Welfare Services ($399 million).

- Temporary & Disability Assistance ($1.1 billion lower) driven primarily by decreased spending on the Emergency Rental Assistance Program ($449 million), the Home Energy Assistance Program ($208 million), Child Care ($187 million), and Pandemic Emergency Assistance ($124 million).

- All Other Federal spending ($1.5 billion higher) increased due to Federal reimbursements of pandemic-related costs passed through to local entities ($1.2 billion).

FY 2023

The FY 2023 All Funds closing balance totaled $66.0 billion, $12.4 billion above FY 2022. The growth was attributable to a larger opening balance ($34.8 billion), offset by lower receipts ($11.3 billion) and higher disbursements ($11.1 billion) compared to the prior year.

The decline in receipts primarily reflects lower tax collections ($9.5 billion). PIT receipts decreased by $12 billion in FY 2023, largely due to the PTET program and the timing of PTET credit realization during FY 2022 and FY 2023. In FY 2022, taxpayers were statutorily prohibited from adjusting tax year 2021 current estimated PIT payments based on anticipated PTET credits. This restriction did not apply for tax year 2022, and FY 2023 PIT collections reflect the realization of a high concentration of PTET credits from both tax years 2021 and 2022. PTET collections also decreased by $1.5 billion in FY 2023, primarily because five quarters of PTET collections were reflected in FY 2022 and FY 2023 was the first year in which PTET refunds were issued.

The decline in PIT and PTET receipts in FY 2023 was offset by growth in other tax categories compared to FY 2022. Higher business tax collections ($2.4 billion) were driven by increased Corporate Franchise Tax receipts, insurance gross receipts, and audits. Consumption/use tax collections grew by $964 million mostly due to stronger-than-expected sales tax collections, partially offset by the temporary suspension of the sales and motor fuel excise taxes (on gasoline and diesel motor fuel) from June 2022 through December 2022.

Non-tax miscellaneous receipts increased by $3.9 billion in FY 2023, primarily due to the timing of reimbursements for various capital programs ($1.4 billion) and higher investment income ($1.1 billion). Federal grants decreased by $5.7 billion, largely due to the receipt of $12.75 billion in ARP aid in FY 2022.

The increase in disbursements in FY 2023 primarily reflects increased spending on assistance and grants ($6.9 billion) from State Operating Funds, as well as higher spending from Federal grants ($5.5 billion) compared to FY 2022.

State Operating Funds spending totaled $123.8 billion in FY 2023, an increase of $6.3 billion (5.4 percent) compared to FY 2022. Within this category, assistance and grants spending through March was $6.9 billion higher than in the prior year. The largest spending changes within assistance and grants were as follows:

- Medicaid ($3.5 billion higher) primarily attributable to enrollment growth in Managed Care associated with the Public Health Emergency and Federal requirement prohibiting the disenrollment of recipients ($1.8 billion); increased Fee for Service Spending related to higher utilization and prices ($689 million); and increased spending in the Vital Access Provider Assurance Program related to advancement of the Federal share of directed payment template payments for distressed hospitals ($2 billion). The higher spending is partially offset by increased COVID eFMAP collections in FY 2023 ($812 million) and Federal Family Planning credits ($108 million) that were not claimed in FY 2022.

- School Aid ($2 billion higher) due to planned General Aid payment increases ($675 million) related to the second year of the three-year phase-in of full funding of Foundation Aid, education payments supported by higher Mobile Sports Wagering receipts ($517 million), increased disbursements supported by Lottery and VLT receipts ($630 million), and higher Teacher Retirement System payments ($141 million).

- Office of Children and Family Services ($1.1 billion higher) primarily attributable to higher spending for Child Welfare Services ($1.2 billion) and Day Care ($49 million), partially offset by reduced spending on Foster Care Block Grant payments ($55 million) and Adult Protective Services ($52 million).

Executive agency operations spending from State Operating Funds increased by $1.4 billion in FY 2023, largely because eligible State costs were offset by the Federal CRF in FY 2022. Debt Service decreased by $2.1 billion in FY 2023, due to prior prepayments of FY 2023 debt service.

Federal operating aid increased by $5.5 billion over the prior year due predominantly to the following:

- Medicaid ($5.1 billion higher) primarily attributable to significantly higher claims-based spending ($3.4 billion) caused by Federal MOE restrictions on disenrollment during the Public Health Emergency and increased rates ($1.3 billion), higher Fee-for-Service expenditures resulting from increased utilization and price increases ($1.2 billion) and increased Managed Long-Term Care spending ($879 million). Additional increased year-to-year spending is attributable to higher COVID eFMAP collections ($860 million), the claiming of Federal Community First Choice Option credits ($761 million), and Family Planning credits ($108 million) that were not claimed by the State in FY 2022.

- School Aid ($2.3 billion higher) primarily due to increased spending from COVID-19 related grants ($2.1 billion).

FY 2022

The FY 2022 All Funds closing balance totaled $53.5 billion, $34.6 billion above FY 2021. The growth was attributable to a larger opening balance ($4.5 billion) and higher receipts ($53.1 billion), including $16.4 billion of PTET collections, partly offset by higher spending ($22.8 billion). Receipts growth, excluding PTET, includes growth in tax receipts ($22.3 billion) and Federal aid ($17.2 billion) inclusive of pandemic-related aid.

Tax collections increased in every category compared to FY 2021. PIT collections were $15.8 billion (28.7 percent) higher than the previous year driven by substantial growth in total estimated payments, final returns and delinquencies coupled with a decrease in current year refunds and the state/city offset. Consumption/use tax collections grew by $3.5 billion due to a recovery in sales tax collections, which were depressed in 2020 by taxpayers' behavioral responses to COVID-19 closures and stay-at-home orders. Higher business taxes collections ($18.9 billion) were driven mainly by PTET collections ($16.4 billion) and strong CFT gross receipts.

Federal grants in FY 2022 were $17.2 billion higher than FY 2021. This increase includes the net increase in extraordinary Federal aid to the State ($12.75 billion in ARP aid received in May 2021 offset by $5.1 billion in CRF aid received in April 2020), and other pandemic related aid, including education aid and emergency rental assistance, as well as growth in ordinary Federal operating aid.

Through March 2022, State Operating Funds spending totaled $117.4 billion in FY 2022, an increase of $13.2 billion (12.7 percent) from FY 2021.

Assistance and grants spending through March 2022 was $9.9 billion higher than in the prior year. The largest areas of change include the following.

- Mental Hygiene ($2.7 billion) spending reflects changes in funding reported under the Medicaid Global Cap, a delay of non-Medicaid payments in FY 2021, and the timing of COVID-19 related payments.

- Medicaid ($2.6 billion) spending growth is due to higher claims spending ($1.7 billion) associated with the Federal PHE restriction on disenrolling members during the pandemic, Managed Care/Managed Long-Term Care (MC/MLTC) Encounter Withhold payments ($518 million) that were new in FY 2022, and lower COVID eFMAP collections ($491 million) due to the claiming of 14 months in FY 2021 (for the period of January 2020 to February 2021) and 11 months claimed in FY 2022 (for the period of March 2021 to January 2022).

- Department of Labor ($2.0 billion) spending increased due to the inception of the new Excluded Workers Program in FY 2022.

- School Aid spending growth ($1.5 billion) is primarily due to an increase in General Aid payments ($1.4 billion) related to the first year of the three-year phase-in of the Foundation Aid formula and the full restoration of the $1.1 billion Pandemic Adjustment State aid reduction that was implemented in SY 2021, as well as an increase in payments related to the Teacher Retirement System ($124 million).

Executive agency operations spending growth ($1.7 billion) is driven primarily by the purchase of COVID test kits ($905 million), a reduction in the amount of eligible payroll costs being offset through the CRF, and the payment of deferred FY 2021 General Salary Increases for CSEA, DC-37, NYSCOPBA, Police Investigators Association (PIA), Police Benevolent Association (PBA), Unified Court System (UCS), Management Confidential (MC), UUP and the new PEF settlement.

Increased fringe benefits spending ($2.1 billion) includes normal costs increases for employee benefits and repayments and advances executed in FY 2022. As provided for in the CARES Act, the State took advantage of the interest free deferral of Social Security payments in FY 2021 and repaid the deferred payments in two equal installments of $278 million in November 2021 and March 2022. In addition, the State advanced monies to the health insurance escrow fund for future Health Insurance costs ($724 million).

Lower debt service spending is largely due to the repayment of the FY 2021 liquidity financing ($4.5 billion) and the net impact of debt service prepayments executed in FY 2021 and FY 2022 ($9.7 billion).

Higher Capital Projects spending (State and Federal) was due to uncertainty surrounding the COVID-19 pandemic in April and May of 2020, resulting in lower than usual spending in FY 2021. DOT ($431 million), DEC ($306 million) and DOH ($245 million) had the highest levels of year-to-year spending growth. In addition, the State made $1.5 billion more in payments to the MTA in FY 2022 than in FY 2021, including a $931 million advance made to the MTA in March of 2022 to support the MTA's 2015-2019 capital plan.

Increased Federal operating spending growth ($7.2 billion) was due predominantly to the following:

- Social Services ($3.5 billion higher) due to a resumption of regular Social Services program payments relative to FY 2021 and the allocation of nearly $1.7 billion in emergency rental assistance in FY 2022.

- Medicaid ($3.1 billion higher) due largely to higher claim spending ($3.8 billion) associated with increased enrollment and HCBS Federal financial participation payments ($702 million); partially offset by the ending of the DSRIP program in FY 2021 ($727 million) and delays in timing of credits.

- School Aid ($2.9 billion higher) due primarily to spending from K-12 COVID-19 relief grants ($1.8 billion) and Elementary and Secondary Education Act grants ($444 million) as well as increased U.S. Department of Agriculture School Lunch Act claims ($670 million).

GAAP-Basis Results for Prior Fiscal Years

The Comptroller prepares Basic Financial Statements and Other Supplementary Information, including a management discussion and analysis, on a GAAP basis for governments as promulgated by the GASB. The Basic Financial Statements and Other Supplementary Information are released in July each year. These statements are audited by independent certified public accountants. The State expects to issue the Basic Financial Statements for FY 2024 on July 25, 2024. The Comptroller also prepares and issues an Annual Comprehensive Financial Report, which, in addition to the components referred to above, also includes an introductory section and a statistical section. The Annual Comprehensive Financial Report for the fiscal year ended March 31, 2024 is expected to be issued later in the current calendar year.

The following tables summarize recent governmental funds results on a GAAP basis.

COMPARISON OF ACTUAL GAAP-BASIS OPERATING RESULTS SURPLUS/(DEFICIT) (in millions of dollars)

Fiscal Year Ended	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	All Governmental Funds	Accumulated General Fund Surplus/Deficit
March 31, 2023	15,447	819	(1,334)	(416)	14,516	42,912
March 31, 2022	11,339	1,792	4,352	1,173	18,656	27,465
March 31, 2021	8,600	467	2,596	4,186	15,849	20,312

SUMMARY OF NET POSITION (millions of dollars)

Fiscal Year Ended	Governmental Activities	Business-Type Activities	Total Primary Government
March 31, 2023	46,453	(15,565)	30,888
March 31, 2022	21,168	(18,866)	2,302
March 31, 2021	7,303*	(20,969)**	(13,666)

* The restatement in governmental funds is due to the reclassification of the Tuition Savings account from a General Fund account to a Private Purpose Trust, included within the Fiduciary Funds financial statements.

** The restatement for the business-type activities is a result of a change in accounting policy related to the timing of recording certain asset and debt activity from March 31 to June 30.

The most recent Annual Comprehensive Financial Report and those related to prior fiscal years can be obtained from the Office of the State Comptroller, 110 State Street, Albany, NY 12236 or at the Office of the State Comptroller's website at www.osc.state.ny.us. The Basic Financial Statements can also be accessed through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system website at www.emma.msrb.org.

Section 1: Subsection B

“Capital Program and Financing Plan” Extract From AIS

The extracted information included in this Subsection B is not intended to and does not in any way update or change any of the information contained in the AIS.

Capitalized terms used in this Subsection B and not otherwise defined shall have the meanings ascribed to them in the AIS.

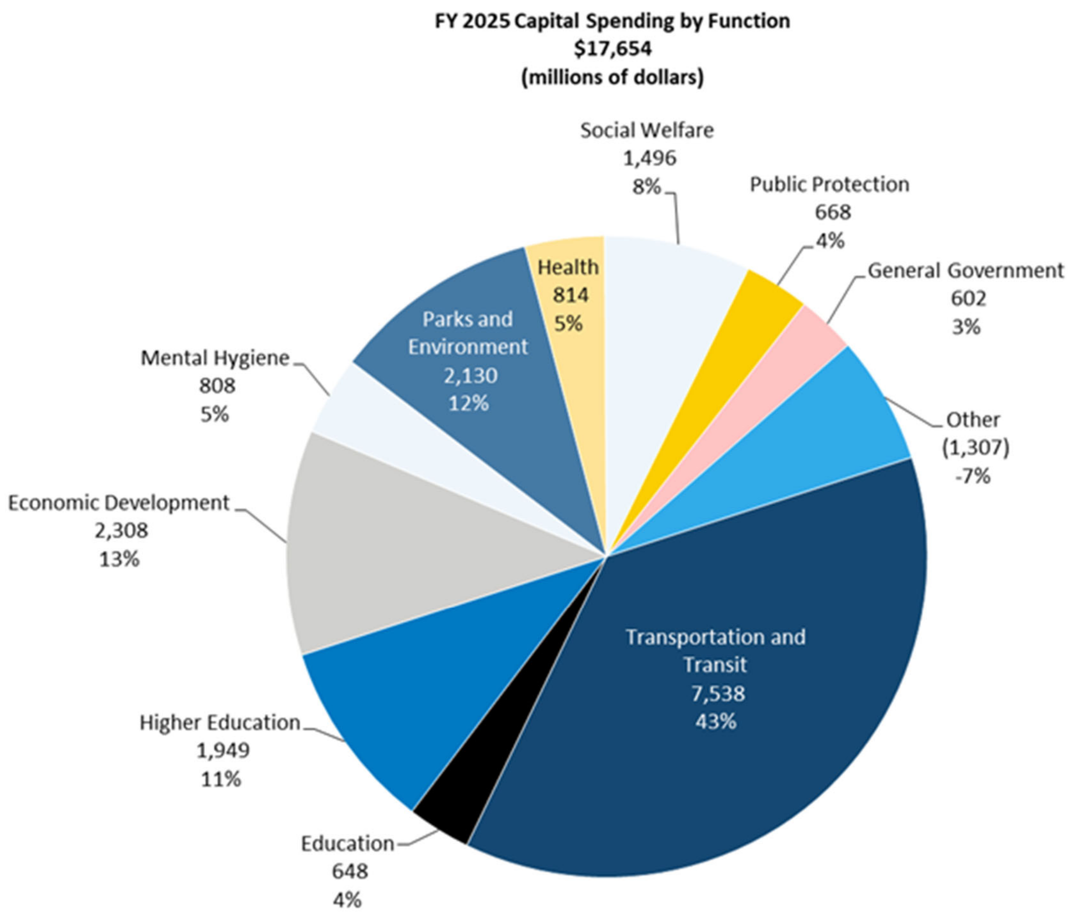
A copy of the Capital Plan can be obtained by contacting the Division of the Budget, State Capitol, Albany, NY 12224, (518) 474-8282, and it is also posted at www.budget.ny.gov.

Capital Plan

The total commitment and disbursement levels in the Capital Plan reflect, among other things, projected capacity under the State's statutory debt limit, anticipated levels of Federal aid, and the timing of capital activity based on known needs and historical patterns. The following capital projects information relates to FY 2025.

FY 2025 Capital Projects Spending

Spending on capital projects is projected to total $17.7 billion in FY 2025. Overall, capital spending in FY 2025 is projected to increase by $2.9 billion or 20 percent from FY 2024.



In FY 2025, transportation and transit spending is projected to total $7.5 billion, which represents 43 percent of total capital spending. Economic development spending accounts for 13 percent, higher education spending accounts for 11 percent, and spending related to parks and the environment represents 12 percent. The remaining 21 percent comprises spending for health care, mental hygiene, social welfare, public protection, education, general government, and the all other category, which includes Special Infrastructure Account spending.

Overall transportation and transit spending is projected to increase by $1.4 billion (22 percent) from FY 2024 to FY 2025. The growth is attributable to projected increased spending by DOT for the continuation of major road and bridge projects as well as the continuation of the State's $3.1 billion contribution to the MTA's 2020-24 Capital Plan.

Parks and environment spending is estimated to increase by $377 million (22 percent) in FY 2025, primarily reflecting the continued phase-in of the $5.5 billion clean water drinking grants program, increased capital support for State parks, NY SWIMS, and spending from the $4.2 billion Clean Water, Clean Air, and Green Jobs Bond Act.

Economic development spending is projected to increase by $1.2 billion (108 percent) in FY 2025. This reflects new investments, such as the Empire AI Consortium, and ON-RAMP. The spending increase includes continued spending for the EmPower Plus New York Funding program, the State's offshore wind port infrastructure and supply chain, and ConnectALL broadband expansion. The plan also continues to invest in programs created to promote regional economic development, including spending from the Buffalo Billion program, the URI, the DRI and NY Forward, Lake Ontario REDI, and REDCs.

Spending for health care is projected to increase by $140 million (21 percent) in FY 2025. The increase is due to spending from Health Care Restructuring Program grant awards and spending related to five rounds of the Health Care Facility Transformation Program.

Spending for social welfare is projected to increase by $382 million (34 percent) in FY 2025, primarily reflecting ongoing spending from the prior housing plan and the phase-in of funding from the $25 billion housing plan, of which the State is providing $5.7 billion in direct capital assistance.

Education spending is projected to increase by $248 million (62 percent) in FY 2025. The increase is largely due to continued spending from the Smart Schools Bond Act, health and safety projects in nonpublic schools, and improvements at State-owned schools, including Native American schools and the schools for the blind and the deaf.

Higher education spending is projected to increase by $452 million (30 percent) in FY 2025, which is primarily related to maintaining SUNY and CUNY campus facilities in a state of good repair and making strategic investments in new facilities.

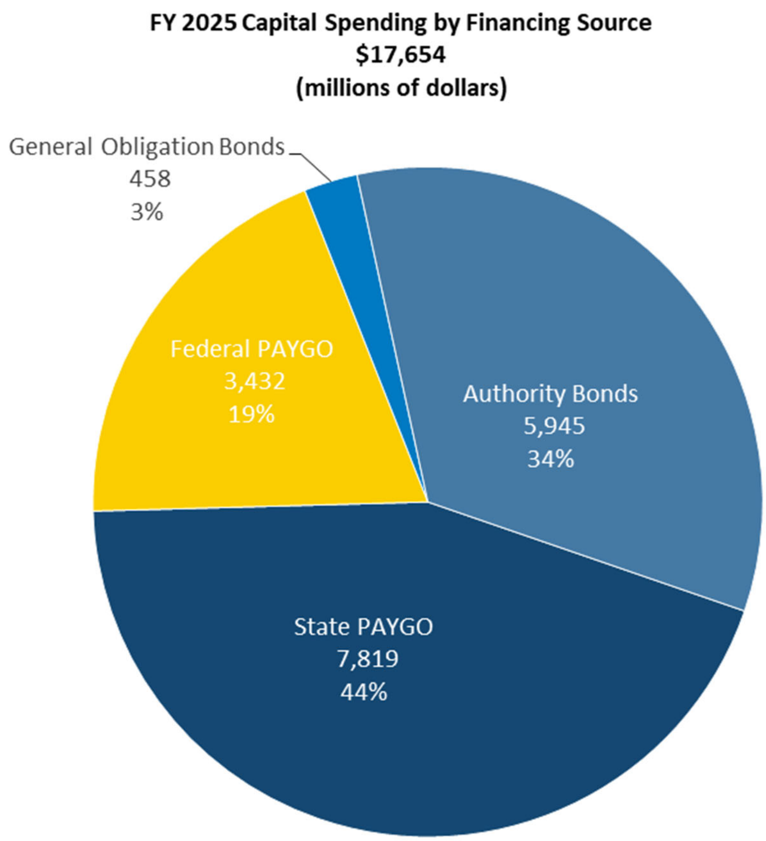
Spending for public protection is projected to increase by $8 million (1 percent) in FY 2025. Public protection capital funding supports maintaining DOCCS, DHSES, DMNA, and DSP infrastructure. In addition, FY 2025 continues spending for capital investments in communities with high gun violence and another round of the SCAHC grant program.

Mental hygiene capital spending is anticipated to increase by $195 million (32 percent) in FY 2025, reflecting continued investment in mental health facilities.

General governmental capital spending is projected to increase by $243 million (68 percent) in FY 2025, which includes the maintenance of State facilities and State information technology projects.

Spending in the All Other category is projected to decrease by $1.7 billion (456 percent). Total planned capital disbursements are reduced by $2 billion, or approximately 10 percent, in each year of the Capital Plan, consistent with spending trends for the past ten years.

Financing FY 2025 Capital Projects Spending



In FY 2025, the State plans to finance 37 percent of capital projects spending with long-term bonds and 63 percent with cash and Federal aid. Most of the long-term bonds (93 percent) will be issued on behalf of the State as personal income tax revenue bonds or sales tax revenue bonds through public authorities. All authority debt issued on behalf of the State is approved by the State legislature, acting on behalf of the people, and the issuing authority's board of directors, and in most instances, is subject to approval by the PACB. Authority Bonds, as defined in the Capital Plan, do not include debt issued by authorities that are backed by non-State resources. State cash resources (PAYGO) will finance 44 percent of capital spending. Federal aid is expected to fund 19 percent of the State's FY 2025 capital spending, primarily for transportation. Year-to-year, total

PAYGO support is projected to increase from FY 2024 to FY 2025 by $2.3 billion, with State PAYGO increasing by $1.8 billion and Federal PAYGO support increasing by $498 million. Bond-financed spending is projected to increase by $597 million, with Authority Bond spending increasing by $736 million and General Obligation Bond spending decreasing by $140 million.

Financing Plan

New York State, including its public authorities, is one of the largest issuers of municipal debt in the United States, ranking second among the states, behind California, in the aggregate amount of debt outstanding. As of March 31, 2024, State-related debt outstanding totaled $54.3 billion excluding capital leases and mortgage loan commitments, equal to approximately 3.5 percent of New York personal income. The State's debt levels are typically measured by DOB using two categories: *State-supported debt* and *State-related debt*.

State-supported debt represents obligations of the State that are paid from traditional State resources (i.e., tax revenue) and have a budgetary impact. It includes General Obligation debt, to which the full faith and credit of the State has been pledged, and lease purchase and contractual obligations of public authorities and municipalities, where the State's legal obligation to make payments to those public authorities and municipalities is subject to and paid from annual appropriations made by the Legislature. These include the State Personal Income Tax (PIT) Revenue Bond program and the State Sales Tax Revenue Bond program. The State's debt reform caps on debt outstanding and debt service apply to State-supported debt.

State-related debt is a broader measure of State debt which includes all debt that is reported in the State's GAAP-basis financial statements, except for unamortized premiums and accumulated accretion on capital appreciation bonds. These financial statements are audited by external independent auditors and published by OSC on an annual basis. The debt reported in the GAAP-basis financial statements includes General Obligation debt, other State-supported debt as defined in the State Finance Law, and installation commitments and mortgage loan commitments. This category also includes inter-governmental loans, where no bonds are issued but the State has agreed to pay annual loan payments to another governmental entity. Inter-governmental loans include expected annual payments to the Gateway Development Commission (GDC) to fund the State's commitment for the Gateway Hudson Tunnel Project. In addition, State-related debt reported by DOB includes State-guaranteed debt, moral obligation financings and certain contingent-contractual obligation financings, where debt service is paid from non-State sources in the first instance, but State appropriations are available to make payments if necessary. These financings are not reported as debt in the State's GAAP-basis financial statements.

The State's debt does not encompass, and does not include, debt that is issued by, or on behalf of, local governments and secured (in whole or in part) by State local assistance aid payments. For example, certain State aid to public schools paid to school districts or New York City has been pledged by those local entities to help finance debt service for locally-sponsored and locally-determined financings. Additionally, certain of the State's public authorities issue debt supported by non-State resources (e.g., NYSTA revenue bonds, Triborough Bridge and Tunnel Authority (TBTA) revenue bonds, MTA revenue bonds and DASNY dormitory facilities revenue bonds) or issue debt on behalf of private clients (e.g., DASNY's bonds issued for not-for-profit colleges, universities, and hospitals). This debt, however, is not treated by DOB as either State-supported debt or State-related debt because it (i) is not issued by the State (nor on behalf of the State), and (ii) does not result in a State obligation to pay debt service. Instead, this debt is accounted for in the respective financial statements of the local governments or other entity responsible for the issuance of such debt and is similarly treated.

The issuance of General Obligation debt is undertaken by OSC. All other State-supported and State-related debt is issued by the State's financing authorities (known as "Authorized Issuers" in connection with the issuance of PIT and Sales Tax Revenue Bonds) acting under the direction of DOB, which coordinates the structuring of bonds, the timing of bond sales, and decides which programs are to be funded in each transaction. The Authorized Issuers for PIT Revenue Bonds are DASNY, ESD, NYSTA, the Environmental Facilities Corporation (EFC), and the New York State Housing Finance Agency (HFA) and the Authorized Issuers for Sales Tax Revenue Bonds are DASNY, ESD, and NYSTA. Prior to any issuance of new State-supported debt and State-related debt, approval is required by the State Legislature, DOB, the issuer's board, and in certain instances, PACB and the State Comptroller.

The State uses three primary bond programs, Personal Income Tax Revenue Bonds, Sales Tax Revenue Bonds, and to a lesser extent General Obligation Bonds to finance capital spending. These bonding programs, as well as older programs that are no longer being issued under but continue to have debt outstanding are described in more detail below.

OUTSTANDING STATE-SUPPORTED AND STATE-RELATED DEBT [1,2]
(millions of dollars)

	FY 2022	FY 2023	FY 2024
State-Supported Debt	**61,936**	**55,911**	**54,319**
Personal Income Tax Revenue Bonds	46,681	43,635	40,179
Sales Tax Revenue Bonds	12,444	10,101	11,483
General Obligation	1,996	1,836	2,128
Service Contract & Lease Purchase	140	48	258
Other Revenue Bonds	675	291	271
Other State Financings	**621**	**237**	**202**
MBBA Prior Year School Aid Claims	30	0	0
Installation Commitments	530	178	145
Mortgage Loan Commitments	61	59	57
TOTAL STATE-RELATED DEBT [3]	62,557	56,148	54,521

1 Source: NYS DOB. Except Mortgage Loan Commitments which are taken from the ACFR for FY 2022 and FY 2023. Mortgage Loan Commitments and Installation Commitments are estimated by DOB for FY 2024.

2 Reflects par amounts outstanding for bonds and financing arrangements or gross proceeds outstanding in the case of capital appreciation bonds. Amounts do not reflect accretion of capital appreciation bonds or premiums received.

3 Installation commitments and mortgage loan commitments are included in all figures and references to State-related debt in this AIS unless otherwise specifically noted.

State-Supported Debt Outstanding

State-supported debt includes General Obligation Bonds, State PIT Revenue Bonds, Sales Tax Revenue Bonds, and lease purchase and service contract obligations of public authorities and municipalities. Payment of all obligations, except for General Obligation Bonds, cannot be made without annual appropriation by the State Legislature, but the State's credits have different security features, as described in this section. The Debt Reform Act of 2000 limits the amount of new State-supported debt issued since April 1, 2000. Legislation included in the FY 2021 and FY 2022 Enacted Budgets authorized the exclusion of all State-supported debt issued in FY 2021 and FY 2022 from the calculation of the debt caps. See "Financial Plan Overview — Other Matters Affecting the Financial Plan — Debt Reform Act Limit" herein for more information.

Legislation included in the FY 2025 Enacted Budget authorizes short-term financing for liquidity purposes during FY 2025. In doing so, it maintained a tool to help the State manage cashflow if unanticipated financial disruptions arise. Specifically, the authorization allows for the issuance of up to $3 billion of PIT revenue anticipation notes that mature no later than March 31, 2025. Borrowed amounts cannot be extended or refinanced beyond the initial maturity. The Financial Plan does not currently assume the use of short-term financing for liquidity purposes. DOB evaluates cash results regularly and may adjust the use of notes based on liquidity needs, market considerations, and other factors.

State PIT Revenue Bond Program

Since 2002, the PIT Revenue Bond Program has been the primary financing vehicle used to fund the State's capital program. Legislation enacted in 2001 provided for the issuance of State PIT Revenue Bonds by the State's Authorized Issuers. The legislation originally required 25 percent of State PIT receipts (excluding refunds owed to taxpayers) to be deposited into the RBTF for purposes of making debt service payments on these bonds, with the excess amounts returned to the General Fund. Over time, additional State revenue sources have been dedicated to the RBTF in order to address the anticipated impact that certain legislative changes could have on the level of State PIT receipts, namely, the enactment of (i) the ECEP and the Charitable Gifts Trust Fund in 2018, and (ii) the PTET in 2021. The legislative changes were implemented to mitigate the effect of the TCJA that, among other things, limited the SALT deduction. In order to preserve coverage in the PIT Revenue Bond program, State legislation was enacted that dedicated 50 percent of ECEP receipts and 50 percent of PTET receipts for deposit to the RBTF for the payment of PIT bonds. In addition, in 2018 legislation was enacted that increased the percentage of PIT receipts dedicated to the payment of PIT bonds from 25 to 50 percent. As a result, 50 percent of PIT receipts, 50 percent of ECEP receipts and 50 percent of PTET receipts (collectively, the "RBTF Receipts") now secure the timely payment of debt service on all PIT bonds.

In the event that (a) the State Legislature fails to appropriate amounts required to make all debt service payments on the State PIT Revenue Bonds or (b) having been appropriated and set aside pursuant to a certificate of the Director of the Budget, financing agreement payments have not been made when due on the State PIT Revenue Bonds, the legislation requires that RBTF Receipts continue to be deposited to the RBTF until amounts on deposit in the Fund equal the greater of 40 percent of the aggregate of annual State PIT receipts, ECEP receipts, and PTET receipts or

$12 billion. Debt service on State PIT Revenue Bonds is subject to legislative appropriation, as part of the annual debt service bill.

DOB expects that the ECEP and PTET will be revenue neutral on a multi-year basis for PIT bondholders, although PIT receipts would decrease and ECEP and PTET receipts would increase to the extent that employers elect to participate in the ECEP and qualifying entities elect to pay PTET. However, because the PTET credits are not necessarily realized by taxpayers within the same fiscal year that PTET revenue is received by the State, the PTET will not be revenue-neutral to the State within each fiscal year.

The Charitable Gifts Trust Fund, when created in 2018, had the potential to materially impact the PIT Revenue Bond Program, as deposits to the Charitable Gifts Trust Fund could reduce State PIT receipts by nearly one dollar for every dollar donated. In 2019, the IRS issued final regulations (Treasury Decision 9864) that effectively curtailed further donations to the Charitable Gifts Trust Fund. If Treasury Decision 9864 is upheld in Federal court, taxpayer participation in the Charitable Gifts Trust Fund and the impact on New York State PIT receipts is expected to remain negligible.

As of March 31, 2024, approximately $40.2 billion of State PIT Revenue Bonds were outstanding. The projected PIT Revenue Bond coverage ratios, noted below, are based upon estimates of RBTF Receipts and include projected debt issuances. PIT Revenue Bonds are expected to comprise 75 percent of bond issuances annually, excluding GO Bonds, but can be used interchangeably with the Sales Tax Revenue Bond Program as needed.

While DOB routinely monitors the State's debt portfolio across all State-supported credits for refunding opportunities, no future refunding transactions are reflected in the following projected coverage ratios.

PROJECTED PIT REVENUE BOND COVERAGE RATIOS [1]
(millions of dollars)

	FY 2024 Actuals	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Projected RBTF Receipts	33,904	35,879	36,317	35,011	40,866	41,736
Projected New PIT Bonds Issuances	2,325	5,266	7,163	8,023	6,713	6,154
Projected Total PIT Bonds Outstanding	40,179	45,122	50,818	57,867	62,960	65,861
Projected Maximum Annual Debt Service	4,023	4,351	4,864	5,439	5,920	6,196
Projected PIT Coverage Ratio	8.4	8.2	7.5	6.4	6.9	6.7

[1] Reflects the timing of PTET receipts and subsequent decrease in PIT receipts, which are estimated to be revenue-neutral on a multi-year basis, but are not estimated to be revenue-neutral within each fiscal year.

Sales Tax Revenue Bond Program

Legislation enacted in 2013 created the Sales Tax Revenue Bond program. This bonding program replicates certain credit features of PIT and prior LGAC revenue bonds and is expected to continue to provide the State with increased efficiencies and a lower cost of borrowing.

The legislation created the Sales Tax Revenue Bond Tax Fund, a sub-fund within the General Debt Service Fund that will provide for the payment of these bonds. The Sales Tax Revenue Bonds are secured by dedicated revenues consisting of two cents of the State's four cent sales and use tax. Such sales tax receipts in excess of debt service requirements are transferred to the State's General Fund.

The Sales Tax Revenue Bond Fund has appropriation-incentive and General Fund "reach back" features comparable to PIT bonds. A "lock box" feature restricts transfers back to the General Fund in the event of non-appropriation or non-payment. In addition, in the event that sales tax revenues are insufficient to pay debt service, a "reach back" mechanism requires the State Comptroller to transfer moneys from the General Fund to meet debt service requirements.

The legislation also authorized the use of State Sales Tax Revenue Bonds and PIT Revenue Bonds to finance any capital purpose, including projects that were previously financed through the State's Mental Health Facilities Improvement Revenue Bond program and the DHBTF program. This allowed the State to transition to the use of three primary credits – PIT Revenue Bonds, Sales Tax Revenue Bonds and General Obligation Bonds to finance the State's capital needs. Sales Tax Revenue Bonds are used interchangeably with PIT Revenue Bonds to finance State capital needs. As of March 31, 2024, $11.5 billion of Sales Tax Revenue Bonds were outstanding.

Debt service coverage for the Sales Tax Revenue Bond program reflects estimates of sales and use tax receipts and includes projected debt issuances. Sales Tax Revenue Bonds are expected to comprise 25 percent of bond issuances annually, excluding GO Bonds, but can be used interchangeably with the PIT Revenue Bond Program as needed. While DOB routinely monitors the State's debt portfolio across all State-supported credits for refunding opportunities, no future refunding transactions are reflected in the following projected coverage ratios.

PROJECTED SALES TAX REVENUE BOND COVERAGE RATIOS
(millions of dollars)

	FY 2024 Actuals	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Projected Sales Tax Receipts	9,309	9,535	9,765	10,024	10,268	10,521
Projected New Sales Tax Bonds Issuances	2,209	1,755	2,388	2,674	2,238	2,051
Projected Total Sales Tax Bonds Outstanding	11,483	13,221	15,440	17,889	19,562	20,790
Projected Maximum Annual Debt Service	1,085	1,195	1,366	1,557	1,717	1,794
Projected Sales Tax Coverage Ratio	8.6	8.0	7.2	6.4	6.0	5.9

General Obligation Financings

With limited exceptions for emergencies, the State Constitution prohibits the State from undertaking a long-term General Obligation borrowing (i.e., borrowing for more than one year) unless it is authorized in a specific amount for a single work or purpose by the Legislature and approved by voter referendum. There is no constitutional limitation on the amount of long-term General Obligation debt that may be so authorized and subsequently incurred by the State. The State Constitution provides that General Obligation Bonds, which can be paid without an appropriation, must be paid in equal annual principal installments or installments that result in substantially level or declining debt service payments, mature within 40 years after issuance, and begin to amortize not more than one year after the issuance of such bonds. However, general obligation housing bonds must mature within 50 years after issuance, with principal amortization commencing no more than three years after issuance.

General Obligation debt is currently authorized for transportation, environment, housing and education purposes. Transportation-related bonds are issued for State and local highway and bridge improvements, mass transportation, rail, aviation, canal, port and waterway programs and projects. Environmental bonds are issued to fund environmentally sensitive land acquisitions, air and water quality improvements, municipal non-hazardous waste landfill closures and hazardous waste site cleanup projects. Education-related bonds are issued to fund enhanced education technology in schools, with eligible projects including infrastructure improvements to bring high-speed broadband to schools and communities in their school districts and the purchase of classroom technology for use by students. Additionally, these bonds will enable long-term investments in full-day pre-kindergarten through the construction of new pre-kindergarten classroom space.

General Obligation Bonds must be approved directly by the voters at a general election. Only one General Obligation offering, limited to a single work or purpose, may be voted on in a general election. General Obligation bond-financed spending accounts for approximately 2 percent of total spending over the Capital Plan. The Capital Plan assumes the continued implementation of ten previously authorized bond acts (five for transportation, four for environmental and recreational programs, and one for education), as well as spending for the $4.2 billion Clean Water, Clean Air, and Green Jobs Bond Act that was approved by voters in November 2022.

As of March 31, 2024, approximately $2.1 billion of General Obligation Bonds were outstanding. See “Exhibit B — State-Related Bond Authorizations” for information regarding the levels of authorized, authorized but unissued, and outstanding General Obligation debt by bond act.

The State Constitution permits the State to undertake short-term General Obligation borrowings without voter approval in anticipation of the receipt of (i) taxes and revenues, by issuing general obligation tax and revenue anticipation notes (TRANs), and (ii) proceeds from the sale of duly authorized but unissued General Obligation bonds, by issuing bond anticipation notes (BANs). General Obligation TRANs must mature within one year from their date of issuance and cannot be refunded or refinanced beyond such period. However, since 1990, the State's ability to issue general obligation TRANs that mature in the same State fiscal year in which they were issued has been limited due to the enactment of fiscal reforms.

General Obligation BANs may only be issued for the purposes and within the amounts for which bonds may be issued pursuant to General Obligation authorizations, and must be paid from the proceeds of the sale of bonds in anticipation of which they were issued or from other sources within two years of the date of issuance or, in the case of BANs for housing purposes, within five years of the date of issuance. In order to provide flexibility within these maximum term limits, the State has previously used the BANs authorization to conduct a commercial paper program to fund disbursements eligible for General Obligation bond financing.

State-Supported Lease-Purchase and Other Contractual-Obligation Financings

Prior to the 2002 commencement of the State's PIT Revenue Bond program, public authorities or municipalities issued other lease purchase and contractual-obligation debt. These types of debt, where debt service is payable from moneys received from the State and is subject to annual State appropriation, are not general obligations of the State.

Debt service payable to certain public authorities from State appropriations for such lease-purchase and contractual obligation financings are paid from general resources of the State. Although these financing arrangements involve a contractual agreement by the State to make payments to a public authority, municipality or other entity, the State's obligation to make such payments is expressly made subject to appropriation by the Legislature and the actual availability of money to the State for making the payments. As of March 31, 2024, approximately $258 million of State-supported lease-purchase and other contractual obligation financings were outstanding.

Legislation first enacted in FY 2011, and extended through June 30, 2026, authorizes the State to set aside moneys in reserve for debt service on general obligation, lease-purchase, and service contract bonds. Pursuant to a certificate filed by the Director of the Budget with the State Comptroller, the Comptroller is required to transfer from the General Fund such reserved amounts on a quarterly basis in advance of required debt service payment dates. The State currently has no plans to issue lease-purchase or other contractual-obligation financings.

Dedicated Highway and Bridge Trust Fund Bonds

DHBTF bonds were issued for State transportation purposes and are backed by dedicated motor fuel, gas and other transportation-related taxes and fees, subject to appropriation. As of March 31, 2024, approximately $223 million of DHBTF bonds were outstanding. The State currently has no plans to issue additional DHBTF bonds but could in the future if market conditions warrant.

State-Related Obligations Outstanding

State-related debt is a broader measure of debt that includes State-supported debt, as discussed above, and contingent-contractual obligations, moral obligations, State-guaranteed debt, intergovernmental loans, and other debt.

Contingent-Contractual Obligation Financing

Contingent-contractual debt, included in State-related debt, is debt where the State enters into a statutorily authorized contingent-contractual obligation via a service contract to pay debt service in the event there are shortfalls in revenues from other non-State resources pledged or otherwise available to pay the debt service. As with State-supported debt, except for General Obligation bonds, all payments are subject to annual appropriation. There is no State contingent-contractual debt outstanding.

State-Guaranteed Financings

Pursuant to specific constitutional authorization, the State may also directly guarantee certain public authority obligations. Payments of debt service on State guaranteed bonds and notes are legally enforceable obligations of the State. The only current authorization provides for the State guarantee of the repayment of certain borrowings for designated projects of the New York State Job Development Authority (JDA). However, all JDA bonds guaranteed by the State have been paid off, and the State does not anticipate any future JDA indebtedness to be guaranteed by the State. The State has never been called upon to make any direct payments pursuant to any such guarantees.

Other State Financings

Other State financings relate to the issuance of debt by a public authority, including capital leases and mortgage loan commitments.

Intergovernmental Loans

Intergovernmental loans represent loans where no bonds are issued but the State has agreed to pay annual loan payments, subject to appropriation, to another governmental entity. Accordingly, intergovernmental loans are classified as State-related debt and are not subject to the State's debt cap.

Legislation authorizes the Budget Director to enter into a financing agreement with GDC to make payments to GDC in an amount sufficient to allow GDC to make payments on a New York RRIF loan, subject to annual appropriation by the State Legislature, to support the State’s capital commitment to the Gateway Hudson Tunnel Project. Pursuant to the legislative authorization, the State Budget Director will enter into a contractual obligation with GDC that obligates the State to seek appropriations annually in future budgets and, if appropriated, to provide to GDC an amount each year sufficient to make all payments on the RRIF loan. Such payments are expected to be funded from the State’s General Fund. The legislation also includes the authorization to set aside funds quarterly in advance of payments due to GDC for the Hudson Tunnel Project.

The State’s share of the Gateway Hudson Tunnel Project is currently estimated at $1.3 billion, inclusive of financing costs, based on the January 2024 financial plan for the project. Debt outstanding projections for FY 2025 currently reflect the full $1.3 billion amount that is expected to be drawn on the RRIF loan through 2038, including capitalized interest. Debt outstanding for FY 2025 and subsequent years will be revised in the next update to the AIS to reflect the RRIF loan obligation being incurred over multiple years based on the projected draw schedule.

Borrowing Plan

STATE DEBT ISSUANCES BY FINANCING PROGRAM (millions of dollars)	FY 2024 Actuals	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Personal Income Tax Revenue Bonds	2,325	5,266	7,163	8,023	6,713	6,154
Sales Tax Revenue Bonds	2,209	1,755	2,388	2,674	2,238	2,051
General Obligation Bonds	468	458	413	298	313	395
Service Contract Bonds	242	0	0	0	0	0
Total Issuances	5,244	7,479	9,964	10,995	9,264	8,600

Debt issuances totaling $7.5 billion are planned to finance capital project spending in FY 2025, an increase of $2.2 billion (43 percent) from FY 2024. The year-over-year growth is largely attributable to increased capital spending which is projected for FY 2025. Bond issuances in FY 2025 will finance capital commitments for economic development and housing ($1.6 billion), education ($1.3 billion), the environment ($683 million), health and mental hygiene ($813 million), State facilities and equipment ($429 million), and transportation ($2.6 billion).

Over the five-year Capital Plan, new debt issuances are projected to total $46.3 billion. This reflects the application of $10 billion of PAYGO to supplant bond issuances, including $1 billion added in the FY 2025 Enacted Budget Financial Plan. New issuances are expected for economic development and housing ($10.2 billion), education facilities ($7.8 billion), the environment ($4.2 billion), mental hygiene and health care facilities ($5.0 billion), State facilities and equipment ($2.7 billion), and transportation infrastructure ($16.4 billion).

PROJECTED DEBT OUTSTANDING BY CREDIT (millions of dollars)	FY 2024 Actuals	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Personal Income Tax Revenue Bonds	40,179	45,122	50,818	57,867	62,960	65,861
Sales Tax Revenue Bonds	11,483	13,221	15,440	17,889	19,562	20,790
General Obligation Bonds	2,128	2,399	2,613	2,692	2,790	2,983
Other Revenue Bonds	271	221	170	168	130	90
Service Contract	258	242	242	242	242	0
Gateway Development Corporation	0	1,303	1,303	1,303	1,303	1,303
TOTAL STATE-RELATED	54,319	62,508	70,586	80,161	86,987	91,027

State-Related Debt Service Requirements

The following table presents the current and projected debt service (principal and interest) requirements on State-related debt. State-related debt service is projected at $3.0 billion in FY 2025, a decrease of $4.0 billion (57 percent) from FY 2024, which is affected by the prepayment of $4.7 billion in FY 2024 of future debt service costs, additional prepayments in previous fiscal years, and an assumed prepayment of $1.5 billion planned for FY 2025. The State is contractually required to make debt service payments prior to bondholder payment dates in most instances and may also elect to make payments earlier than contractually required. The State expects to use three principal bonding programs -- Personal Income Tax Revenue Bonds, Sales Tax Revenue Bonds, and General Obligation Bonds -- to fund all bond-financed capital spending.

ESTIMATED DEBT SERVICE REQUIREMENTS ON EXISTING STATE-RELATED DEBT BY CREDIT STRUCTURE [1]
(millions of dollars)

	FY 2024 Actuals	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected	Total
Personal Income Tax Revenue Bonds	5,221	2,100	1,765	3,392	3,863	4,314	20,655
Sales Tax Revenue Bonds	1,471	562	800	960	1,407	1,738	6,938
General Obligation Bonds	209	260	246	250	232	204	1,401
Other State-Supported Bonds [2]	96	97	80	133	155	415	976
Gateway Development Corporation	0	3	5	6	4	2	20
Total Debt Service	6,997	3,022	2,896	4,741	5,661	6,673	29,990

[1] Reflects existing debt service on debt issued and projected debt service on assumed new debt issuances. Debt service requirements for variable rate bonds are calculated at an assumed rate of 1.76%. Debt service is not adjusted for prepayments.

[2] Excludes Mortgage Loan Commitments and Installation commitments

Adjusting debt service shown in the previous table for prepayments, State-related debt service is projected at $6.7 billion in FY 2025, an increase of 12 percent from FY 2024. Adjusted State-related debt service is projected to increase to $8.7 billion in FY 2029, an average rate of 6.6 percent annually.

Section 1: Subsection C

"State Organization"
(Including State Employment)
Extract From AIS

The extracted information included in this Subsection C is not intended to and does not in any way update or change any of the information contained in the AIS.

Capitalized terms used in this Subsection C and not otherwise defined shall have the meanings ascribed to them in the AIS.

State Government Organization

The State has a centralized administrative system with most executive powers vested in the Governor. The State has four officials elected in statewide elections, the Governor, Lieutenant Governor, Comptroller and Attorney General. These officials serve four-year terms that next expire on December 31, 2026.

Name	Office	Party Affiliation	First Elected
Kathy Hochul	Governor	Democrat	2022
Antonio Delgado	Lieutenant Governor	Democrat	2022
Thomas P. DiNapoli	Comptroller	Democrat	2007
Letitia James	Attorney General	Democrat	2018

The Governor and Lieutenant Governor are elected jointly. The Comptroller and Attorney General are chosen separately by the voters during the election of the Governor. The Governor appoints the heads of most State departments, including the Director of the Budget. DOB is responsible for preparing the Governor's Executive Budget, negotiating that budget with the State Legislature, and implementing the budget once it is adopted, which includes updating the State's fiscal projections quarterly. DOB is also responsible for coordinating the State's capital program and debt financing activities. The Comptroller is responsible for auditing the disbursements, receipts and accounts of the State, as well as for auditing State departments, agencies, public authorities and municipalities. The Comptroller is also charged with managing the State's General Obligation debt and most of its investments (see "Appropriations and Fiscal Controls" and "Investment of State Moneys" below). The Attorney General is the legal advisor to State departments, represents the State and certain public authorities in legal proceedings and opines upon the validity of all State General Obligation bonds and notes.

The State Legislature is presently composed of a 63-member Senate and a 150-member Assembly, all elected from geographical districts for two-year terms, expiring December 31, 2024. The Legislature meets annually, generally for about six months, and remains formally in session the entire year.

Appropriations and Fiscal Controls

The State Constitution requires the Comptroller to audit the accrual and collection of State revenues and receipts and to audit vouchers before payment as well as all official accounts. Generally, no State payment may be made unless the Comptroller has audited it. Additionally, the State Constitution requires the Comptroller to prescribe such methods of accounting as are necessary for the performance of the foregoing duties.

Disbursements from State and Federal funds are limited to the level of authorized appropriations. In most cases, State agency contracts depend upon the existence of an appropriation and the availability of that appropriation as certified by the Director of the Budget. Generally, most State contracts for disbursements in excess of $50,000 require prior approval by the Comptroller. The threshold is higher for certain contracts, including SUNY and CUNY ($75,000), State University Healthcare Facilities ($150,000), the OGS Business Services Center ($85,000), OGS centralized contracts ($125,000) and purchases from an OGS centralized contract ($200,000). In addition, the Comptroller has the discretion to identify and review certain public authority contracts valued at $1.0 million or greater that are either awarded without competition or which are paid using State-appropriated funds.

The Governor has traditionally exercised substantial authority in administering the State Financial Plan by limiting certain disbursements after the Legislature has enacted appropriation bills and revenue measures. The Governor may, primarily through DOB, limit certain spending by State departments, and delay construction projects to control disbursements through (i) reserves on the level of appropriation segregation and (ii) quarterly spending controls, both of which are established within the Statewide Financial System. The State Court of Appeals has held that, even in an effort to maintain a balanced Financial Plan, neither the Governor nor the Director of the Budget has the authority to refuse to make a local assistance disbursement mandated by law.

Investment of State Moneys

The Comptroller is responsible for the investment of substantially all State moneys. By law, such moneys may be invested only in obligations issued or guaranteed by the Federal government or the State, obligations of certain Federal agencies that are not guaranteed by the Federal government, certain general obligations of other states, direct obligations of the State's municipalities and obligations of certain public authorities, certain short-term corporate obligations, certain bankers' acceptances, and certificates of deposit secured by legally qualified governmental securities. All securities in which the State invests moneys held by funds administered within the State Treasury must mature within twelve years of the date they are purchased.

The Comptroller invests General Fund moneys, bond proceeds, and other funds not immediately required to make payments through STIP, which is comprised of joint custody funds (Governmental Funds, Internal Service Funds, Enterprise Funds and Private Purpose Trust Funds), as well as several sole custody funds including the Tobacco Settlement Fund.

The Comptroller is authorized to make temporary loans from STIP to cover temporary cash shortfalls in certain funds and accounts resulting from the timing of receipts and disbursements. The Legislature authorizes the funds and accounts that may receive loans each year, based on legislation submitted with the Executive Budget. Loans may be granted only for amounts that the Director of the Budget certifies are "receivable on account" or can be repaid from the current operating receipts of the fund (i.e., loans cannot be granted in expectation of future revenue enhancements). The General Fund is authorized to receive temporary loans from STIP for a period not to exceed four months or the end of the fiscal year, whichever is shorter.

The State Comptroller repays loans from the first cash receipts into the borrowing fund or account. The total outstanding balance of loans from STIP at March 31, 2024 was $5.663 billion, a decrease of $48 million from the outstanding loan balance of $5.711 billion at March 31, 2023.

Accounting Practices, Financial Reporting and Budgeting

Historically, the State has accounted for, reported and budgeted its operations on a cash basis. Under this form of accounting, receipts are recorded at the time money or checks are deposited in the State Treasury, and disbursements are recorded at the time a check or electronic payment is released. As a result, actions and circumstances, including discretionary decisions by certain governmental officials, can affect the timing of payments and deposits and therefore can significantly affect the cash amounts reported in a fiscal year.

The State also has an accounting and financial reporting system based on GAAP and currently formulates a GAAP financial plan. GAAP for governmental entities requires use of the accrual basis of accounting for the government-wide financial statements which includes governmental and business-type activities and component units. Revenues are recorded when they are estimated to have been earned and expenses are recorded when a liability is estimated to have been incurred, regardless of the timing of related cash flows. Governmental fund financial statements are prepared using the modified accrual basis of accounting. Under modified accrual procedures, revenues are recorded when they become both measurable and available within 12 months of the end of the current fiscal period to finance expenditures; expenditures are recorded in the accounting period for which the liability is incurred to the extent it is expected to be paid within the next 12 months with the exception of expenditures such as debt service, compensated absences, and claims and judgments. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Non-exchange grants and subsidies such as local assistance grants and public benefit corporation subsidies are recognized as expenditures when all requirements of the grant and or subsidy have been satisfied.

As of March 31, 2024, the State had approximately 176,585 annual salaried FTE employees within agencies subject to direct Executive control (111,267 FTEs), the University Systems (61,019 FTEs) and the Independently Elected Agencies (4,299 FTEs). These figures do not include non-annual salaried employees or employees of the Legislature and Judiciary. The State workforce is projected to total 186,915 FTEs at the end of FY 2025, following investments included in the FY 2025 Enacted Budget.

HISTORICAL SUMMARY OF EXECUTIVE BRANCH WORKFORCE ANNUAL SALARIED FTEs ALL FUNDS		
Date	**Subject to Direct Executive Control**	**Grand Total**
3/31/2014	118,492	180,041
3/31/2015	117,807	179,620
3/31/2016	117,862	180,220
3/31/2017	117,907	181,436
3/31/2018	117,397	181,599
3/31/2019	117,967	182,799
3/31/2020	118,193	183,715
3/31/2021	111,230	175,559
3/31/2022	106,690	169,340
3/31/2023	108,080	171,422
3/31/2024	111,267	176,585

WORKFORCE SUMMARY ALL FUNDS FY 2023 THROUGH FY 2025			
	FY 2023 Actuals (03/31/23)	FY 2024 Actuals (03/31/24)	FY 2025 Estimate (03/31/25)
Major Agencies			
Children and Family Services, Office of	2,746	2,833	2,887
Corrections and Community Supervision, Department of	23,694	22,544	25,064
Education Department, State	2,541	2,552	2,909
Environmental Conservation, Department of	2,885	3,075	3,313
Financial Services, Department of	1,265	1,290	1,391
General Services, Office of	1,679	1,706	1,853
Health, Department of	4,539	4,927	6,209
Information Technology Services, Office of	3,096	3,570	3,757
Labor, Department of	2,705	2,740	2,817
Mental Health, Office of	13,507	14,127	15,268
Motor Vehicles, Department of	2,923	3,070	3,228
Parks, Recreation and Historic Preservation, Office of	2,099	2,324	2,453
People with Developmental Disabilities, Office for	16,686	17,870	19,133
State Police, Division of	5,543	5,767	6,521
Taxation and Finance, Department of	3,450	3,469	3,828
Temporary and Disability Assistance, Office of	1,855	1,861	1,937
Transportation, Department of	8,150	8,293	8,495
Workers' Compensation Board	946	946	1,086
Subtotal - Major Agencies	**100,309**	**102,964**	**112,149**
Minor Agencies	**7,771**	**8,303**	**9,371**
Subtotal - Subject to Direct Executive Control	**108,080**	**111,267**	**121,520**
University Systems			
City University of New York	13,267	13,358	13,511
State University Construction Fund	133	130	145
State University of New York	45,623	47,531	46,854
Subtotal - University Systems	**59,023**	**61,019**	**60,510**
Independently Elected Agencies			
Audit and Control, Department of	2,528	2,446	2,915
Law, Department of	1,791	1,853	1,970
Subtotal - Independently Elected Agencies	**4,319**	**4,299**	**4,885**
Grand Total	**171,422**	**176,585**	**186,915**

Source: NYS DOB, as provided with the FY 2025 Enacted Budget Report published in June 2024.

Section 1: Subsection D

"State Retirement System"
Extract From AIS

The extracted information included in this Subsection D is not intended to and does not in any way update or change any of the information contained in the AIS.

Capitalized terms used in this Subsection D and not otherwise defined shall have the meanings ascribed to them in the AIS.

THE INFORMATION THAT FOLLOWS UNDER THIS HEADING HAS BEEN PREPARED SOLELY BY THE OFFICE OF THE STATE COMPTROLLER, AND DOB HAS NOT UNDERTAKEN ANY INDEPENDENT VERIFICATION OF SUCH INFORMATION.

As used in this section, the abbreviation CRF refers to the Common Retirement Fund. Elsewhere in the AIS, the abbreviation CRF refers to the Coronavirus Relief Fund.

General

This section summarizes key information regarding the New York State and Local Retirement System ("NYSLRS" or the "System") and the Common Retirement Fund ("CRF"). The System was established as a means to pay benefits to the System's participants. The CRF comprises a pooled investment vehicle designed to protect and enhance the long-term value of the System's assets. Greater detail, including the independent auditor's report for the fiscal year ending March 31, 2023, is included in NYSLRS' Annual Comprehensive Financial Report ("NYSLRS' Financial Report") for the fiscal year ended March 31, 2023 and is available on the OSC website at the following address: https://www.osc.ny.gov/files/retirement/resources/pdf/annual-comprehensive-financial-report-2023.pdf.

Additionally, available at the OSC website is the System's asset listing for the fiscal year ended March 31, 2023. The audited financial statements with the independent auditor's report for the fiscal year ended March 31, 2023 is available on the OSC website at the following address: https://www.osc.ny.gov/files/retirement/resources/pdf/asset-listing-2023.pdf.

The Annual Reports to the Comptroller on Actuarial Assumptions from the Retirement System's Actuary - the contents of which explain the methodology used to determine employer contribution rates to the System - issued from 2007 through 2023 are available at the OSC website at: https://www.osc.ny.gov/retirement/resources/financial-statements-and-supplementary-information.

Benefit plan booklets describing how each of the System's tiers works can be accessed at https://www.osc.ny.gov/retire/publications/.

The State Comptroller is the administrative head of NYSLRS, which has the powers and privileges of a corporation and comprises the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS"). The State Comptroller promulgates rules and regulations for the administration and transaction of the business of the System. Pursuant to the State's Retirement and Social Security Law and Insurance Law, NYSLRS is subject to the supervision of the Superintendent of DFS.

The State Comptroller is also the trustee and custodian of the CRF, a trust created pursuant to the Retirement and Social Security Law to hold the System's assets, and, as such, is responsible for investing the assets of the System. Consistent with statutory limitations affecting categories of investment, the State Comptroller, as trustee of the CRF, establishes a target asset allocation and approves policies and procedures to guide and direct the investment activities of the Division of Pension Investment and Cash Management of the Office of the State Comptroller ("Division"). Division employees, outside advisors, consultants and legal counsel provide the State Comptroller with advice and oversight of investment decisions. Outside advisors and internal investment staff are part of the chain of approval that must recommend all investment decisions before final action by the State Comptroller. The Investment Advisory Committee and the Real Estate Advisory Committee, both made up of outside advisors, assist the State Comptroller in his investment duties. The Investment Advisory Committee advises the State Comptroller on investment policies relating to the CRF, reviews the portfolio of the CRF and makes such recommendations as the Committee deems necessary. The Real Estate Advisory Committee reviews and must approve mortgage and real estate investments for consideration by the State Comptroller.

The System engages an independent auditor to conduct an audit of the System's annual financial statements. Furthermore, an Actuarial Advisory Committee meets annually to review the actuarial assumptions and the results of the actuarial valuation of the System. The Actuarial Advisory Committee is composed of current or retired senior actuaries from major insurance companies or pension plans. The System also engages the services of an outside actuarial consultant to perform a statutorily required quinquennial review. At least once every five years, NYSLRS is also examined by DFS; an examination is currently underway. The Comptroller has established within the Retirement System, the Pension Integrity Bureau, the purpose of which is to identify and prevent errors, fraud and abuse. The State Comptroller has also established an Office of Internal Audit to provide the Comptroller with independent and objective assurance and consulting services for the programs and operations of the Office of the State Comptroller, including programs and operations of NYSLRS. The Comptroller's Advisory Audit Committee, established in compliance with DFS regulations, meets three times per year to review the System's audited financial statements and the NYSLRS' Financial Report, and to discuss a variety of financial and investment-related activities. Pursuant to DFS regulations, a fiduciary review of the System for the three-year period ended March 31, 2021 was issued on February 7, 2022.

The System

The System provides pension benefits to public employees of the State and its localities (except employees of New York City, and public school teachers and administrators, who are covered by separate public retirement systems). State employees made up about 31 percent of the System's membership as of March 31, 2023. There were 2,979 public employers participating in the System, including the State, all cities and counties (except New York City), most towns, villages and school districts (with respect to non-teaching employees), and many public authorities.

As of March 31, 2023, 695,504 persons were members of the System, and 514,629 retirees and beneficiaries were receiving pension benefits. Article 5, section 7 of the State Constitution considers membership in any State pension or retirement system to be "a contractual relationship, the benefits of which shall not be diminished or impaired."

Comparison of Benefits by Tier

The System's members are categorized into six tiers depending on date of membership. As of March 31, 2023, approximately 37 percent of ERS members were in Tiers 3 and 4 and approximately 43 percent of PFRS members were in Tier 2. Tier 5 was enacted in 2009 and included significant changes to the benefit structure for ERS members who joined on or after January 1, 2010 and PFRS members who joined on or after January 9, 2010. Tier 6 was enacted in 2012 and included further changes to the benefit structure for ERS and PFRS members who joined on or after April 1, 2012. Approximately 59 percent of ERS members and 51 percent of PFRS members are in Tier 6.

Benefits paid to members vary depending on tier. Tiers vary with respect to employee contributions, retirement age, reductions for early retirement, and calculation and limitation of "final average salary" – generally the average of an employee's three consecutive highest years' salary. Legislation enacted on April 9, 2022 means all retirement system members become vested after five years of service credit; prior to this legislation, Tier 5 and 6 members needed ten years of service to be vested. ERS members in Tiers 3, 4 and 5 can begin receiving full retirement benefits at age 62; Tier 3 and 4 members and certain Tier 5 members can retire as early as age 55 with full benefits if they have at least 30 years of service; the full retirement age for Tier 6 is 63 years. The amount of the benefit is based on years of service, age at retirement and the final average salary earned. Legislation enacted on April 20, 2024 changed the calculation and limitation of "final average salary" for Tier 6 members from the average of an employee's five consecutive highest years' salary to the average of an employee's three consecutive highest years' salary. The majority of PFRS members are in special plans that permit them to retire after 20 or 25 years of service regardless of age. Charts comparing the key benefits provided to members of ERS and PFRS in most of the tiers of the System can be accessed at:

ERS Chart: http://www.osc.ny.gov/retire/employers/tier-6/ers_comparison.php
PFRS Chart: http://www.osc.ny.gov/retire/employers/tier-6/pfrs_comparison.php

Contributions and Funding

Contributions to the System are provided by employers and employees. Employers contribute on the basis of the plan or plans they provide for members. All ERS members joining from mid-1976 through 2009 were required to contribute 3 percent of their salaries. A statutory change in 2000, however, limited the contributions to the first 10 years of membership, but did not authorize refunds where contributions had already exceeded 10 years. All ERS members joining after 2009 and prior to April 1, 2012, and all PFRS members joining after January 9, 2010 and prior to April 1, 2012, are members of Tier 5. All Tier 5 ERS members and 79 percent of the Tier 5 PFRS members are required to contribute 3 percent of their salaries for their career. Members joining on or after April 1, 2012 are in Tier 6, and are required to pay contributions throughout their career on a stepped basis relative to each respective member's wages.[1] Members in Tier 6 of both ERS and PFRS earning $45,000 or less are required to contribute 3 percent of their gross annual wages; members earning between $45,001 and $55,000 are required to contribute 3.5 percent; members earning between $55,001 and $75,000 are required to contribute 4.5 percent; members earning between $75,001 and $100,000 are required to contribute 5.75 percent; and, those earning in excess of $100,000 are required to contribute 6 percent of their gross annual salary. Legislation enacted in April 2022 temporarily removed overtime earned from April 1, 2020 through March 31, 2022 from the calculation of contribution rates that Tier 6 members pay during FY 2022-23 and FY 2023-24.

In order to protect employers from potentially volatile contributions tied directly to the value of the System's assets held by the CRF, the System utilizes a multi-year smoothing procedure. One of the factors used by the System's Actuary to calculate employer contribution requirements is the assumed investment rate of return, which is currently 5.9 percent.[2]

The current actuarial smoothing method recognizes unexpected annual gains and losses (returns above or below the assumed investment rate of return) over an 8-year period.

The amount of future annual employer contribution rates will depend, in part, on the value of the assets held by the CRF as of each April 1, as well as on the present value of the anticipated benefits to be paid by the System as of each April 1. Contribution rates for FY 2025 were released on August 31, 2023. The average ERS rate will increase by 2.1 percent from 13.1 percent of salary in FY 2024 to 15.2 percent of salary in FY 2025, while the average PFRS rate will increase by 3.4 percent from 27.8 percent of salary in FY 2024 to 31.2 percent of salary in FY 2025. Information regarding average rates for FY 2025 may be found in the 2023 Annual Report to the Comptroller on Actuarial Assumptions which is accessible at:
https://www.osc.ny.gov/files/retirement/resources/pdf/actuarial-assumptions-2023.pdf.

1 Less than 0.5 percent of the 18,284 PFRS Tier 6 members are non-contributory.

2 The assumed investment rate of return is an influential factor in calculating employer contribution rates. In August 2021, the Comptroller announced the assumed rate of return for NYSLRS would be lowered from 6.8 percent to 5.9 percent. The 5.9 percent rate of return has been used to determine employer contribution rates in FY 2023, FY 2024 and FY 2025.

Legislation adopted with the FY 2011 Enacted Budget (Chapter 57, Laws of 2010) authorized the State and participating employers to amortize a portion of their annual pension costs during periods when actuarial contribution rates exceed thresholds established by the statute. The legislation provided employers with an optional mechanism intended to reduce the budgetary volatility of employer contributions. Amortized amounts must be paid by the State and participating employers in equal annual installments over a ten-year period, and employers may prepay these amounts at any time without penalty. Employers are required to pay interest on the amortized amounts at a rate determined annually by the State Comptroller that is comparable to taxable fixed income investments of a comparable duration. The interest rate on the amount an employer chooses to amortize in a particular rate year is fixed for the duration of the ten-year repayment period. Should the employer choose to amortize in the next rate year, the interest rate on that amortization will be the rate set for that year. The first payment is due in the fiscal year following the decision to amortize pension costs. When contribution rates fall below legally specified levels and all outstanding amortizations have been paid, employers that elected to amortize will be required to pay additional monies into reserve funds, specific to each employer, which will be used to offset their contributions in the future. These reserve funds will be invested separately from pension assets. Over time, OSC expects that this will reduce the budgetary volatility of employer contributions.

The following represents the amortized receivable balance from local participating employers as of March 31, 2023, including the statutory amortization threshold and interest rate, for each respective fiscal year:

CHAPTER 57, LAWS OF 2010

	% of Payroll			
Year	ERS	PFRS	Interest %	Local (dollars in millions)
2011	9.5	17.5	5.00	$ —
2012	10.5	18.5	3.75	—
2013	11.5	19.5	3.00	—
2014	12.5	2.5	3.67	2.5
2015	13.5	21.5	3.15	8.9
2016	14.5	22.5	3.21	8.8
2017	15.1	23.5	2.33	2.3
2018	14.9	24.3	2.84	2.3
2019	14.4	23.5	3.64	2.7
2020	14.2	23.5	2.55	—
2021	14.1	24.4	1.33	—
2022	15.1	25.4	1.76	0.9
2023	14.1	26.4	3.61	—
				$ 28.4

Legislation adopted with the FY 2014 Enacted Budget (Chapter 57, Laws of 2013) included an alternate contribution program (the "Alternate Contribution Stabilization Program") that provides certain participating employers with a one-time election to amortize slightly more of their required contributions than would have been available for amortization under the 2010 legislation. In addition, the maximum payment period was increased from ten years to twelve years. The election is available to counties, cities, towns, villages, BOCES, school districts and the four public health care centers operated in the counties of Nassau, Westchester and Erie. The State is not eligible to participate in the Alternate Contribution Stabilization Program.

The following represents the amortized receivable balance from local participating employers as of March 31, 2023, including the statutory amortization threshold and interest rate, for each respective fiscal year:

CHAPTER 57, LAWS OF 2013

Year	% of Payroll ERS	% of Payroll PFRS	Interest %	Local (dollars in millions)
2014	12.0	20.0	3.76	$ 7.3
2015	12.0	20.0	3.50	15.7
2016	12.5	20.5	3.31	15.9
2017	13.0	21.0	2.63	10.7
2018	13.5	21.5	3.31	11.2
2019	14.0	22.0	3.99	7.0
2020	14.2	22.5	2.87	5.6
2021	14.1	23.0	1.60	6.6
2022	14.6	23.5	2.24	18.2
2023	14.1	24.0	3.70	12.8
				$ 111.0

Chapter 55 of the Laws of 2023 amended the Contribution Stabilization Program (Program) to provide employers more flexible use of reserve funds while preserving the intent of the Program to smooth out pension contributions when rates increase. The Program also limits the size of the reserve fund assets that employers are required to maintain and allows NYSLRS participating employers to withdraw from the Program, subject to approval by the Comptroller, provided all prior year amortizations are paid in full, including interest. The total State payment (including Judiciary) due to NYSLRS for FY 2024 was approximately $1.926 billion. The State opted not to amortize under the Contribution Stabilization Program (eligible to amortize in PFRS only) and paid the March 1, 2024 invoice in full.

The estimated total State payment (including Judiciary, but excluding costs attributable to enacted legislation) for FY 2025 is approximately $2.096 billion. Several prepayments (including interest credit) have fulfilled this estimated obligation, and costs attributable to enacted legislation will be finalized after December 31, 2024.

Pension Assets and Liabilities

The System's assets are held by the CRF for the exclusive benefit of members, retirees and beneficiaries. Investments for the System are made by the State Comptroller as trustee of the CRF.

The System reports that the net position restricted for pension benefits as of March 31, 2023 was $249.5 billion (including $2.1 billion in receivables, which consist of employer contributions, amortized amounts, member contributions, member loans, accrued interest and dividends, investment sales and other miscellaneous receivables), a decrease of $24.2 billion or 8.8 percent from the FY 2022 level of $273.7 billion. The decrease in net position restricted for pension benefits from FY 2022 to FY 2023 is primarily the result of the net depreciation of the fair value of the investment portfolio.[3] The System's audited Financial Statement reports a time-weighted investment rate of return of negative 4.4 percent (gross rate of return before the deduction of certain fees) for FY 2023.

Consistent with statutory limitations affecting categories of investment, the State Comptroller, as trustee of the CRF, establishes a target asset allocation and approves policies and procedures to guide and direct the investment activities of the Division of Pension Investment and Cash Management. The purpose of this asset allocation strategy is to identify the optimal diversified mix of assets to meet the requirements of pension payment obligations to members. In the fiscal year ended March 31, 2020, an asset liability analysis was completed, and a long-term policy allocation was adopted as of April 1, 2021. The current long-term policy allocation seeks a mix that includes 47 percent public equities (32 percent domestic and 15 percent international); 24 percent fixed income and cash; and 29 percent alternative investments (10 percent private equity, 9 percent real estate, 4 percent credit, 3 percent opportunistic/absolute return or hedge funds, and 3 percent real assets). Since the implementation of the long-term policy allocation will take several years, transition targets have been established to aid in the asset rebalancing process. [4]

The System reports that the present value of anticipated benefits for current members, retirees, and beneficiaries increased to $333.1 billion (including $174.5 billion for retirees and beneficiaries) as of April 1, 2023, up from $320.1 billion as of April 1, 2022. The funding method used by the System anticipates that the plan net position, plus future actuarially determined contributions, will be sufficient to pay for the anticipated benefits of current members, retirees and beneficiaries. The valuation used by the Retirement Systems Actuary was based on audited net position restricted for pension benefits as of March 31, 2023. Actuarially determined contributions are calculated using actuarial assets and the present value of anticipated benefits. Actuarial assets differed from plan net position on April 1, 2023 in that the determination of actuarial assets utilized a smoothing method, with an eight-year smoothing period, that recognized 12.5 percent of the unexpected loss for FY 2023 and 25 percent of the unexpected gain for FY 2022. Actuarial assets increased from $267.2 billion on April 1, 2022 to $269.6 billion on April 1, 2023.

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[3] On February 13, 2024, the State Comptroller announced that the estimated value of the Fund was $259.9 billion at the end of the third quarter of state fiscal year 2023-24. For the three-month period ending December 31, 2023, Fund investments returned an estimated 6.18%. The value of the invested assets changes daily.

[4] More detail on the CRF's asset allocation as of March 31, 2023 and long-term policy allocation can be found on page 110 of the NYSLRS' Financial Report for the fiscal year ending March 31, 2023.

The ratio of fiduciary net position to the total pension liability for ERS, as of March 31, 2023, calculated by the System's Actuary, was 90.78 percent. The ratio of the fiduciary net position to the total pension liability for PFRS, as of March 31, 2023, calculated by the System's Actuary, was 87.43 percent.

Detailed "Schedules of Employer Allocation" and "Schedules of Pension Amounts by Employer" can be found on the OSC website at the following link:
https://www.osc.ny.gov/retirement/resources/financial-statements-and-supplementary-information.

The tables that follow show net assets, benefits paid and the actuarially determined contributions that have been made over the last ten years through March 31, 2023. See also "State Retirement System — Contributions and Funding" above.

CONTRIBUTIONS AND BENEFITS
NEW YORK STATE AND LOCAL RETIREMENT SYSTEM [1]
(millions of dollars)

Fiscal Year Ended March 31	Contributions Recorded: All Participating Employers [1] [2]	Contributions Recorded: Local Employers [1] [2]	Contributions Recorded: State [1] [2]	Contributions Recorded: Employees	Total Benefits Paid [3]
2014	6,064	3,691	2,373	281	9,978
2015	5,797	3,534	2,263	285	10,514
2016	5,140	3,182	1,958	307	11,060
2017	4,787	2,973	1,814	329	11,508
2018	4,823	3,021	1,802	349	12,129
2019	4,744	2,973	1,771	387	12,834
2020	4,783	3,023	1,760	454	13,311
2021	5,030	3,160	1,870	492	14,122
2022	5,628	3,578	2,050	578	14,905
2023	4,404	2,847	1,557	657	15,596

Sources: State and Local Retirement System.

(1) Contributions recorded include the full amount of unpaid amortized contributions.

(2) The actuarially determined contribution (ADC) includes the employers' normal costs, the Group Life Insurance Plan amounts, and other supplemental amounts.

(3) Includes payments from the Group Life Insurance Plan, which funds the first $50,000 of any death benefit paid.

NET POSITION RESTRICTED FOR PENSION BENEFITS OF THE
NEW YORK STATE AND LOCAL RETIREMENT SYSTEM [1]
(millions of dollars)

Fiscal Year Ended March 31	Net Assets	Percent Increase / (Decrease) From Prior Year
2014	181,275	10.4%
2015	189,412	4.5%
2016	183,640	-3.0%
2017	197,602	7.6%
2018	212,077	7.3%
2019	215,169	1.5%
2020	198,080	-7.9%
2021	260,081	31.3%
2022	273,719	5.2%
2023	249,508	-8.8%

Sources: State and Local Retirement System.

(1) Includes relatively small amounts held under the Group Life Insurance Plan. Includes some employer contribution receivables. Fiscal year ending March 31, 2023 includes approximately $2.1 billion of receivables.

Additional Information Regarding the System

The NYSLRS' Financial Report contains in-depth and audited information about the System. Among other things, the NYSLRS' Financial Report contains information about the number of members and retirees, salaries of members, valuation of assets, changes in fiduciary net position and information related to contributions to the System. The 2023 NYSLRS' Financial Report is available on the OSC website at the following web address:

https://www.osc.ny.gov/files/retirement/resources/pdf/annual-comprehensive-financial-report-2023.pdf.

1) Information on the number of members and retirees, including the change in the number of members and retirees and beneficiaries since 2013 can be found on page 31 of the NYSLRS' Financial Report at the link noted above. More information on this topic is available in the "Statistical" section of the NYSLRS' Financial Report.

2) A combined basic statement of changes in fiduciary net position can be found on pages 46-47 of the NYSLRS' Financial Report at the link noted above.

3) Schedule of Changes in the Employers' Net Pension Liability and Related Ratios (unaudited) can be found on pages 76-79 at the link noted above.

4) Information on contributions can be found on pages 155-163 of the NYSLRS' Financial Report at the link noted above.

5) A table with the market value of assets, actuarial value of assets and actuarial accrued liability of the CRF since 2013 can be found on page 164 of the NYSLRS' Financial Report at the link noted above.

Information related to the salaries of members can be found on pages 197-201 of the NYSLRS' Financial Report at the link noted above.

Section 1: Subsection E

“Authorities and Localities”
Extract From AIS

The extracted information included in this Subsection E is not intended to and does not in any way update or change any of the information contained in the AIS.

Capitalized terms used in this Subsection E and not otherwise defined shall have the meanings ascribed to them in the AIS.

Public Authorities

For the purposes of this section, "authorities" refer to public benefit corporations or public authorities, created pursuant to State law, which are reported in the State's Annual Comprehensive Financial Report. Authorities are not subject to the constitutional restrictions on the incurrence of debt that apply to the State itself and they may issue bonds and notes within the amounts and restrictions set forth in legislative authorization. Certain of these authorities issue bonds under two of the three primary State credits – PIT Revenue Bonds and Sales Tax Revenue Bonds. The State's access to the public credit markets through bond issuances constituting State-supported or State-related debt issuances by certain of its authorities could be impaired and the market price of the outstanding debt issued on its behalf may be materially and adversely affected if any of these authorities were to default on their respective State-supported or State-related debt issuances.

The State has numerous public authorities with various responsibilities, including those which finance, construct and/or operate revenue-producing public facilities. These entities generally pay their own operating expenses and debt service costs on their notes, bonds or other legislatively authorized financing structures from revenues generated by the projects they finance or operate, such as tolls charged for the use of highways, bridges or tunnels; charges for public power, electric and gas utility services; tuition and fees; rentals charged for housing units; and charges for occupancy at medical care facilities. Since the State has no actual or contingent liability for the payment of this type of public authority indebtedness, it is not classified as either State-supported debt or State-related debt. Some public authorities, however, receive monies from State appropriations to pay for the operating costs of certain programs.

There are statutory arrangements that, under certain circumstances, authorize State local assistance payments that have been appropriated in a given year and are otherwise payable to localities to be made instead to the issuing public authorities in order to secure the payment of debt service on their revenue bonds and notes. However, in honoring such statutory arrangements for the redirection of local assistance payments, the State has no constitutional or statutory obligation to provide assistance to localities beyond amounts that have been appropriated therefor in any given year.

As of December 31, 2023 (with respect to the Job Development Authority (JDA) as of March 31, 2023), each of the 15 authorities listed in the following table had outstanding debt of $100 million or more, and the aggregate outstanding debt, including refunding bonds, was approximately $213 billion, only a portion of which constitutes State-supported or State-related debt. Note that the outstanding debt information contained in the following table is the most current information provided by OSC from data submitted by the 15 authorities as of the date of the AIS.

OUTSTANDING DEBT OF CERTAIN AUTHORITIES[1]
AS OF DECEMBER 31, 2023[2]
(millions of dollars)

Authority	State-Related Debt	Authority and Conduit	Total
Dormitory Authority	31,024	23,973	54,997
Port Authority of NY & NJ	0	27,529	27,529
Metropolitan Transportation Authority	0	23,338	23,338
Triborough Bridge and Tunnel Authority	0	21,475	21,475
Housing Finance Agency	0	17,908	17,908
UDC/ESD	16,683	943	17,626
Job Development Authority[2]	0	16,004	16,004
Thruway Authority	4,822	5,979	10,801
Long Island Power Authority[3]	0	9,065	9,065
Environmental Facilities Corporation	0	5,455	5,455
Power Authority	0	3,080	3,080
State of New York Mortgage Agency	0	3,024	3,024
Energy Research and Development Authority	0	1,533	1,533
Battery Park City Authority	0	1,071	1,071
Bridge Authority	0	112	112
TOTAL OUTSTANDING	52,529	160,489	213,018

Source: Compiled by the Office of the State Comptroller from data submitted by the Public Authorities. Debt classifications by DOB.

(1) Includes only authorities with $100 million or more in outstanding debt which are reported as component units or joint ventures of the State in the Annual Comprehensive Financial Report (ACFR). Includes short-term and long-term debt. Reflects par amounts outstanding for bonds and financing arrangements or gross proceeds outstanding in the case of capital appreciation bonds. Amounts do not reflect accretion of capital appreciation bonds or premiums received.

(2) All Job Development Authority (JDA) debt outstanding reported as of March 31, 2023. This includes $16 billion in conduit debt issued by JDA's blended component units consisting of $6.1 billion issued by New York Liberty Development Corporation ($1.2 billion of which is also included in the amount reported for Port Authority of NY and NJ), $504 million issued by the Brooklyn Arena Local Development Corporation, and $9.4 billion issued by the New York Transportation Development Corporation.

(3) Includes $3.66 billion of Utility Debt Securitization Authority (UDSA) bonds. Chapter 173 of the Laws of 2013, as amended, authorized UDSA to restructure certain outstanding indebtedness of the Long Island Power Authority (LIPA) and UDSA, as well as to finance system resiliency costs. UDSA is reported as a blended component unit of LIPA in LIPA's audited financial statements.

Localities

There have been severe financial and other adverse impacts on localities throughout the State, but particularly on New York City and the surrounding counties as the initial epicenter of the COVID-19 pandemic. No attempt is made in the AIS to assess, at this time, the financial and healthcare impacts on the State's localities.

While the fiscal condition of New York City and other local governments in the State is reliant, in part, on State aid to balance their annual budgets and meet their cash requirements, the State is not legally responsible for their financial condition and viability. Indeed, the provision of State aid to localities, while one of the largest disbursement categories in the State budget, is not constitutionally obligated to be maintained at current levels or to be continued in future fiscal years and the State Legislature may amend or repeal statutes relating to the formulas for and the apportionment of State aid to localities.

The City of New York

The fiscal demands on the State may be affected by the fiscal condition of New York City, which relies in part on State aid to balance its budget and meet its cash requirements. It is also possible that the State’s finances may be affected by the ability of New York City, and its related issuers, to market securities successfully in the public credit markets. The official financial disclosure of the City of New York and its related issuers is available by contacting Investor Relations, (212) 788-5864, or contacting the City Office of Management and Budget, 255 Greenwich Street, 8th Floor, New York, NY 10007. The official financial disclosures of the City of New York and its related issuers can also be accessed through the EMMA system website at www.emma.msrb.org. The State assumes no liability or responsibility for any financial information reported by the City of New York. The following table summarizes the debt of New York City and its related issuers.

DEBT OF NEW YORK CITY AND RELATED ENTITIES [1] AS OF JUNE 30 OF EACH YEAR (millions of dollars)							
Year	General Obligation Bonds	Obligations of TFA [1]	Obligations of STARC Corp. [2]	Obligations of TSASC, Inc.	Hudson Yards Infrastructure Corporation	Other Obligations [3]	Total
2014	41,665	31,038	1,975	1,228	3,000	2,334	81,240
2015	40,460	33,850	2,035	1,222	3,000	2,222	82,789
2016	38,073	37,358	1,961	1,145	3,000	2,102	83,639
2017	37,891	40,696	1,884	1,089	2,751	2,034	86,345
2018	38,628	43,355	1,805	1,071	2,724	2,085	89,668
2019	37,519	46,624	1,721	1,053	2,724	1,901	91,542
2020	38,784	48,978	1,634	1,023	2,724	1,882	95,025
2021	38,574	49,957	0	993	2,677	1,983	94,184
2022	38,845	51,820	0	966	2,557	15,043	109,231
2023	40,093	53,506	0	938	2,519	13,902	110,958

Source: Office of the State Comptroller; The City of New York Annual Comprehensive Financial Report.

[1] Includes amounts for Building Aid Revenue Bonds (BARBs), the debt service on which will be funded solely from future State Building Aid payments that are subject to appropriation by the State and have been assigned by the City of New York to the Transitional Finance Authority (TFA).

[2] A portion of the proceeds of the Sales Tax Asset Receivable Corporation (STARC) bonds were used to retire outstanding Municipal Assistance Corporation bonds. The debt service on STARC bonds was funded from annual revenues provided by the State, subject to annual appropriation. These revenues were assigned to the STARC by the Mayor of the City of New York.

[3] Includes bonds issued by the Fiscal Year 2005 Securitization Corporation, the New York City Educational Construction Fund, the Industrial Development Agency and, beginning in 2010, the New York City Tax Lien Collateralized Bonds. Also included are bonds issued by the Dormitory Authority of the State of New York for education, health and court capital projects, and other long-term leases which will be repaid from revenues of the City or revenues that would otherwise be available to the City if not needed for debt service. Starting in 2022, the City has implemented GASB Statement No. 87 with respect to general lease obligations, and found restatement of prior periods not practical.

The staffs of the Financial Control Board for the City of New York (FCB), the Office of the State Deputy Comptroller (OSDC), the City Comptroller and the Independent Budget Office issue periodic reports on the City's financial plans. Copies of the most recent reports are available by contacting: FCB, 80 Maiden Lane, Suite 402, New York, NY 10038, Attention: Executive Director, http:// fcb.ny.gov/; OSDC, 59 Maiden Lane, 29th Floor, New York, NY 10038, Attention: Deputy Comptroller, http://www.osc.state.ny.us/osdc/; City Comptroller, Municipal Building, 6th Floor, One Centre Street, New York, NY 10007-2341, Attention: Deputy Comptroller for Budget, https://comptroller.nyc.gov/; and IBO, 110 William Street, 14th Floor, New York, NY 10038, Attention: Director, http://www.ibo.nyc.ny.us/.

Other Localities

Certain localities other than New York City have experienced financial problems and have requested and received additional State assistance during the last several State fiscal years. While a relatively infrequent practice, deficit financing by local governments has become more common in recent years. State legislation enacted from 2004 to date includes 31 special acts authorizing bond issuances to finance local government operating deficits. Included in this figure are special acts that extended the period of time related to prior authorizations and modifications to issuance amounts previously authorized. When a local government is authorized to issue bonds to finance operating deficits, the local government is subject to certain additional fiscal oversight during the time the bonds are outstanding as required by the State's Local Finance Law, including an annual budget review by OSC.

In addition to deficit financing authorizations, the State has periodically enacted legislation to create oversight boards in order to address deteriorating fiscal conditions within particular localities. The City of Buffalo and the Counties of Erie and Nassau are subject to varying levels of review and oversight by entities created by such legislation. The Cities of Dunkirk and Newburgh operate under special State legislation that provides for fiscal oversight by the State Comptroller and the City of Yonkers must adhere to a Special Local Finance and Budget Act. The impact on the State of any possible requests in the future for additional oversight or financial assistance cannot be determined at this time and therefore is not included in the Financial Plan projections.

Legislation enacted in 2013 created the Financial Restructuring Board for Local Governments (the "Restructuring Board"). The Restructuring Board consists of ten members, including the State Director of the Budget, who is the Chair, the Attorney General, the State Comptroller, the Secretary of State and six members appointed by the Governor. The Restructuring Board, upon the request of a "fiscally eligible municipality", is authorized to perform a number of functions including reviewing the municipality's operations and finances, making recommendations on reforming and restructuring the municipality's operations, proposing that the municipality agree to fiscal accountability measures, and making available certain grants and loans. To date, the Restructuring Board is currently reviewing or has completed reviews for twenty-six municipalities. The Restructuring Board is also authorized, upon the joint request of a fiscally eligible municipality and a public employee organization, to resolve labor impasses between municipal employers and employee organizations for police, fire and certain other employees in lieu of binding arbitration before a public arbitration panel.

OSC implemented its Fiscal Stress Monitoring System (the "Monitoring System") in 2013. The Monitoring System utilizes a number of fiscal and environmental indicators with the goal of providing an early warning to local communities about stress conditions in New York's local governments and school districts. Fiscal indicators consider measures of budgetary solvency while environmental indicators consider measures such as population, poverty, and tax base trends. Individual entities are then scored according to their performance on these indicators. An entity's score on the fiscal components will determine whether or not it is classified in one of three levels of stress: significant, moderate or susceptible. Entities that do not meet established scoring thresholds are classified as "No Designation".

Based on financial data filed with OSC for the local fiscal years ending in 2023, a total of 6 non-calendar fiscal year end local governments (all villages) and 16 school districts have been placed in a stress category by OSC. Additionally, of the local governments with a December 31, 2022 fiscal year end, 9 — including 5 cities and 4 towns — were placed in a fiscal stress category by OSC. The vast majority of local governments (98.9 percent) and school districts (97.6 percent) are not classified in a fiscal stress category.

Like the State, local governments must respond to changing political, economic and financial influences over which they have little or no control, but which can adversely affect their financial condition. For example, the State or Federal government may reduce (or, in some cases, eliminate) funding of local programs, thus requiring local governments to pay these expenditures using their own resources. Similarly, past cash flow problems for the State have resulted in delays in State aid payments to localities. In some cases, these delays have necessitated short-term borrowing at the local level.

Other factors that have had, or could have, an impact on the fiscal condition of local governments and school districts include: the loss of temporary Federal stimulus funding; recent State aid trends; constitutional and statutory limitations on the imposition by local governments and school districts of property, sales and other taxes; the economic ramifications of a pandemic; and for some communities, the significant upfront costs for rebuilding and clean-up in the wake of a natural disaster. Localities may also face unanticipated problems resulting from certain pending litigation, judicial decisions and long-range economic trends. Other large-scale potential problems, such as declining urban populations, declines in the real property tax base, increasing pension, health care and other fixed costs, or the loss of skilled manufacturing jobs, may also adversely affect localities and necessitate requests for State assistance.

Ultimately, localities as well as local public authorities may suffer serious financial difficulties that could jeopardize local access to public credit markets, which may adversely affect the marketability of notes and bonds issued by localities within the State.

The following table summarizes the debt of New York City and its related issuers, and other New York State localities, from 1980 to 2023.

DEBT OF NEW YORK LOCALITIES [1]
(millions of dollars)

Locality Fiscal Year Ending	Combined New York City Debt [2]		Other Localities Debt [3]		Total Locality Debt [3]	
	Bonds	Notes	Bonds [4]	Notes [4]	Bonds [3] [4]	Notes [4]
1980	12,995	0	6,835	1,793	19,830	1,793
1990	20,027	0	10,253	3,082	30,280	3,082
2000	39,244	515	19,093	4,470	58,337	4,985
2010	69,536	0	36,110	7,369	105,646	7,369
2018	89,668	0	35,855	5,737	125,523	5,737
2019	91,542	0	36,661	7,632	128,203	7,632
2020	95,025	0	36,375	8,741	131,400	8,741
2021	94,184	0	36,881	8,157	131,065	8,157
2022	109,231	0	37,652	7,272	146,883	7,272

Source: Office of the State Comptroller; The City of New York Annual Comprehensive Financial Report.

NOTE: For localities other than New York City, the amounts shown for fiscal years ending 1990 may include debt that has been defeased through the issuance of refunding bonds.

(1) Because the State calculates locality debt differently for certain localities (including New York City), the figures above may vary from those reported by such localities. In addition, this table excludes indebtedness of certain local authorities and obligations issued in relation to State lease-purchase arrangements.

(2) Includes bonds issued by New York City and its related issuers, the Transitional Finance Authority, STAR Corporation, TSASC, Inc., the Hudson Yards Infrastructure Corporation, and Treasury obligations (as shown in the table "Debt of New York City and Related Entities" in the section of this document entitled "Authorities and Localities - The City of New York"). Also included are the bonds of the Fiscal Year 2005 Securitization Corporation, the Industrial Development Agency, the Municipal Assistance Corporation, the Samurai Funding Corporation, the New York City Educational Construction Fund, and the Dormitory Authority of the State of New York for education, health and court capital projects, and other long-term leases which will be repaid from revenues of the City or revenues which would otherwise be available to the City if not needed for debt service and, beginning in 2010, the New York City Tax Lien Collateralized Bonds.

(3) Includes bonds issued by localities and certain debt guaranteed by the localities and excludes capital lease obligations (for localities other than New York City), assets held in sinking funds and certain amounts available at the start of a fiscal year for redemption of debt. Starting in 2001, debt for other localities includes installment purchase contracts.

(4) Amounts reflect those set forth on Annual Update Documents provided to OSC by New York State localities. Does not include indebtedness of certain localities that did not file Annual Update Documents (financial reports) with the State Comptroller.

Section 1: Subsection F

“Economics and Demographics” Extract From AIS

The extracted information included in this Subsection F is not intended to and does not in any way update or change any of the information contained in the AIS.

Capitalized terms used in this Subsection F and not otherwise defined shall have the meanings ascribed to them in the AIS.

The demographic and statistical data in this section, which have been obtained from the sources indicated, do not represent all factors that may have a bearing on the State's fiscal and economic affairs. Further, such information requires economic and demographic analysis to assess its significance and may be interpreted differently by individual experts. Note that the economic and demographic analyses in this section form the basis of the overall economic forecast and receipts projections incorporated into the AIS and are updated as of the time those projections were prepared.

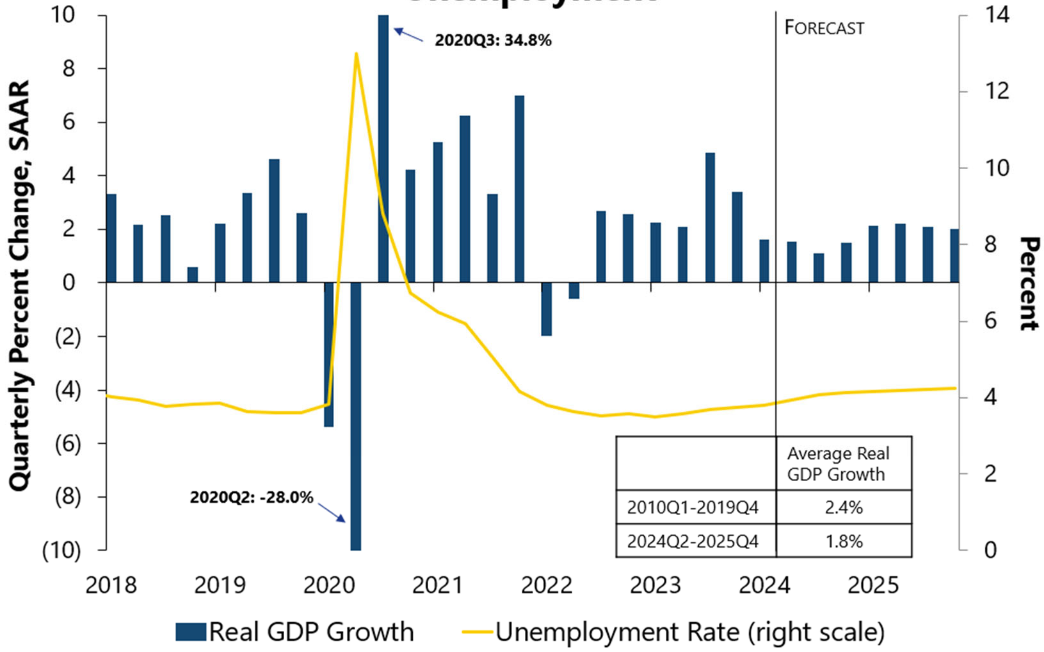
Economic Outlook

As the State begins the new fiscal year, the economic outlook remains strong.[1] National economic output growth is expected to continue despite slowing compared to recent years. National employment growth will also slow, but remain positive, over the next two fiscal years. This represents a return to normalcy from the red-hot labor market of recent years. U.S. unemployment rate will move upwards, but not reach levels seen during recessions. While labor markets moderate, growth in wages and personal income will remain strong which presents positive news for the State's revenues. Despite this return to normalcy in output and employment, elevated inflation levels are projected to persist. Prices will continue to grow faster than the 2.0 percent target rate set by the Federal Reserve over the next two years.

DOB's current outlook on the U.S. economy reflects the strength in incoming data but also accounts for near-term constraints to growth due to persistent inflation and elevated interest rates, as well as other geopolitical or policy risks. DOB expects the quarterly rate of real GDP growth to shift down to a healthy but slightly below-trend pace over the remaining three quarters of 2024. This would result in a slight slowdown in annual average growth from 2.5 percent in 2023 to 2.4 percent in 2024. Looking further ahead, a restrictive monetary policy, as well as moderating business and consumer spending, should bring economic growth down to around 1.8 percent in 2025. The U.S. unemployment rate is projected to gradually rise to 4.2 percent in 2025 as job gains continue to decelerate and more new immigrants enter the labor force looking for jobs.

[1] DOB's U.S. economic forecast incorporates the third estimate of 2023 fourth-quarter GDP, March 2024 personal income and outlays estimates, the March 2024 CPI report, and the initial estimate of March 2024 employment. DOB's New York State forecast incorporates the fourth quarter of 2023 personal income and QCEW data. In this document, CY refers to the calendar year and FY refers to the State fiscal year. Dates of figures relating to the State fiscal year are referenced with a FY prefix. CY prefix is used for national figures whenever it is necessary to avoid confusion.

Economic Growth Likely to Dip Mid-year with Slight Rise in Unemployment



Source: Haver Analytics/BEA, BLS; DOB staff estimates.

In contrast to the buoyant U.S. economic growth, the New York State economy is still grappling with the aftermath of the pandemic's impact. The State's employment grew rapidly in 2023 as service sectors continued their rebound. However, such high growth is unlikely to be maintained going forward. Employment growth is expected to slow down to 0.8 percent in 2024 due to a lack of population growth and slowing global and national economies.

Taking a closer look at the determinants of State tax receipts reveals that State wages and personal income are nevertheless expected to improve in FY 2025 from the previous year. Prolonged high interest rates are likely to continue to exert pressure on banks' profits. However, Federal Reserve rate cuts anticipated later in the fiscal year could boost aggregate income growth in the State despite slowing employment growth. Bonuses in the finance and insurance sectors are expected to reverse the small decline seen in FY 2024 to a modest growth rate of 7.3 percent in FY 2025. The State's total wage growth is forecast to improve from a rate of 3.4 percent in FY 2024 to 4.0 percent in FY 2025. As a result, State personal income is estimated to grow by 3.7 percent in FY 2024, with a projected increase to 4.5 percent in FY 2025 as bonus growth improves.

ECONOMIC INDICATORS FOR THE UNITED STATES (Calendar Year)	2019	2020	2021	2022	2023	2024 [1]
Gross Domestic Product						
Nominal ($ billions)	$21,521.4	$21,322.9	$23,594.0	$25,744.1	$27,360.9	$28,705.7
Percent Change	4.2	(0.9)	10.7	9.1	6.3	4.9
Real ($ billions)	$20,692.1	$20,234.1	$21,407.7	$21,822.0	$22,376.9	$22,907.2
Percent Change	2.5	(2.2)	5.8	1.9	2.5	2.4
Personal Income						
($ billions)	$18,356.2	$19,629.0	$21,407.7	$21,840.8	$22,978.4	$24,121.8
Percent Change	4.7	6.9	9.1	2.0	5.2	5.0
Nonfarm Employment						
(millions)	150.9	142.2	146.3	152.5	156.1	158.7
Percent Change	1.3	(5.8)	2.9	4.3	2.3	1.7
Unemployment Rate (%)	3.7	8.1	5.4	3.6	3.6	4.0
Consumer Price Index						
(1982-84=100)	255.7	258.8	271.0	292.6	304.7	314.4
Percent Change	1.8	1.2	4.7	8.0	4.1	3.2

Sources: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics. Table reflects revisions by source agencies to figures for prior years.

[1] As projected by DOB, based on National Income and Product Account, employment and CPI data released through March 2024.

ECONOMIC INDICATORS FOR NEW YORK STATE (Calendar Year)	2020	2021	2022	2023	2024 [1]
Personal Income					
($ billions)	$1,405.0	$1,508.1	$1,483.8	$1,557.5	$1,623.5
Percent Change	4.6	7.3	(1.6)	5.0	4.2
Nonfarm Employment					
(thousands)	8,563.0	8,791.1	9,236.4	9,434.2	9,505.8
Percent Change	(10.0)	2.7	5.1	2.1	0.8
Wages					
(thousands)	$712.8	$775.2	$828.5	$862.2	$893.3
Percent Change	(0.7)	8.8	6.9	4.1	3.6
Unemployment Rate (NSA, %)	9.9	7.1	4.4	4.2	4.3

Sources: Personal income data are based on U.S. Bureau of Economic Analysis; employment and wage data come from NYS Department of Labor; unemployment rate data come from U.S. Bureau of Labor Statistics. Table reflects revisions by source agencies to data for prior years.

[1] As projected by DOB, based on National Income and Product Account and employment data released

ECONOMIC INDICATORS FOR NEW YORK STATE (State Fiscal Year)					
	2021	2022	2023	2024	2025 [1]
Personal Income					
($ billions)	$1,435.7	$1,465.4	$1,476.1	$1,530.2	$1,598.7
Percent Change	8.2	2.1	0.7	3.7	4.5
Nonfarm Employment					
(thousands)	8,329.5	8,920.6	9,307.3	9,457.8	9,520.2
Percent Change	(12.6)	7.1	4.3	1.6	0.7
Wages					
(thousands)	$711.6	$800.1	$841.0	$869.3	$904.4
Percent Change	(2.0)	12.4	5.1	3.4	4.0
Unemployment Rate (NSA, %)	10.9	6.2	4.1	4.2	4.4

Sources: Personal income data are based on U.S. Bureau of Economic Analysis; employment and wage data come from NYS Department of Labor; unemployment rate data come from U.S. Bureau of Labor Statistics. Table reflects revisions by source agencies to data for prior years.

[1] As projected by DOB, based on National Income and Product Account and employment data released

Recent Developments

The U.S. economy exceeded expectations in 2023 and ended the year with a higher-than-expected fourth quarter real GDP growth rate of 3.4 percent (annualized, quarter-over-quarter). This strong growth performance provides forward momentum for the U.S. economy in 2024. Many of the downside risks that could slow growth did not materialize early in the new year. U.S. economic data in the first quarter of 2024 revealed a moderating yet still robust national economy against a backdrop of persistent price inflation and high interest rates.

State tax receipts ended FY 2024 higher than projected at the time of the FY 2024 enacted budget. At the end of 2022 and early 2023, economic forecasters were calling for a global economic slowdown, rising unemployment, and warned of geopolitical uncertainty which were expected to drag down revenues. The U.S. economy performed much better than its global peers throughout 2023 resulting in higher than expected real GDP growth rates and robust growth in labor markets with low unemployment. Concerns about the negative impact of global and domestic political and other shocks -- including a banking crisis, a possible government shutdown, and the Ukraine war -- did not materialize, and, indeed, gave way to greater confidence in the resilience of the U.S. economy. As pandemic era direct assistance and employment support funding waned, additional fiscal spending from the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA) supported job growth and business investment. In contrast to the recession scenarios expected at the outset of 2023, improving incomes as well as performance related bonuses, particularly in the finance and insurance sectors, supported better than expected growth in income tax revenues. Healthy financial market performance, mainly due to economic performance but also partly attributed to the pause in interest rate hikes by the Federal Reserve by mid-year, drove capital gains. While inflation remained high, it started to trend down. Job growth along with improving purchasing power of U.S. households helped fuel consumer spending, especially in the services sectors.

The U.S. economy started CY 2024 with a 1.6 percent annualized real GDP growth rate in the first quarter, significantly below 4.9 percent and 3.4 percent growth in the last two quarters of CY 2023, and even weaker than the 2.2 percent annual growth averaged between CY 2002 and CY 2023. Output growth was mainly held back by trade and inventories, two volatile categories where large swings tend to be reversed in subsequent quarters. Growth in fundamental components of the economy remained strong including residential investment and consumer demand, particularly for services. Final sales to domestic purchasers (real GDP less trade and inventories) grew at a solid rate of 2.8 percent in the first quarter of CY 2024, following 3.5 percent quarterly growth in the second half of CY 2023. Consumer spending remained an important source of growth, supported by the strong hiring momentum in the U.S. labor market and solid growth of wages and households' balance sheets.

The U.S. economy seems to be headed towards a soft landing from historically high growth in the years following the global pandemic. This scenario is regarded favorably as inflation comes down without a large increase in unemployment or a downturn in economic growth. The employment situation report for April started FY 2025 with signs that the labor market is cooling. The unemployment rate rose a tenth to 3.9 percent. Average hourly earnings growth slowed to 3.9 percent year-over-year, the first time below 4.0 percent since June 2021. These subdued gains in April suggest the labor market could relieve some of the upward pressure on inflation.

While inflation cooled significantly over the past year, progress toward the Federal Reserve's 2 percent inflation target stalled in the first quarter of 2024. The year-over-year change in the CPI ticked up to 3.5 percent in March, and rising oil prices present a further near-term threat. The Fed's preferred metric, the personal consumption expenditures (PCE) price index rose by an annualized rate of 3.4 percent in the first quarter of 2024 from 1.8 percent in the fourth quarter of 2023. As a result, the Federal Reserve expressed less confidence in the speed of falling inflation (or disinflation) at its May meeting and signaled a later start of the widely-expected rate cut cycle. April's CPI report, released after the Fed's May meeting, provided welcome news with consumer price inflation slightly down to 3.4 percent year-over-year. Policymakers will need several more months of encouraging disinflation news before shifting to looser monetary policy.

Overall, recent monthly developments in economic indicators suggest interest rates won't fall quickly and could stay even higher for longer than expected. Borrowing costs that had started to fall in late 2023 are back up. As a result, business investment, real estate sales, and consumer spending on big-ticket items will be restrained. While DOB's baseline scenario does not include a recession, some forward looking indicators and recession probability forecasts still suggest a high risk for an economic downturn over the next twelve months.

Real Output Growth in 2024

The strong momentum of the second half of 2023 and still solid fundamentals reflected by data in the first four months of 2024 should support the continued expansion of the economy in the remainder of 2024. However, DOB expects real GDP to slow below its trend growth rate on a quarter-over-quarter basis in 2024, reflecting an outlook for an economy gliding to a soft landing where inflation comes under control without a significant economic slowdown or rise in unemployment. Several factors underpin this baseline outlook:

1. **Elevated interest rates:** As mortgage rates increased in April on an expectation of delayed policy rate easing from the Fed, residential investment is likely to retreat from its double-digit growth in the first quarter.

2. **Fading fiscal tailwinds:** The spike in structures investment during 2023 was driven by fiscal policies, namely the CHIPS Act and the IRA. Meanwhile, state and local government investment was buoyed by the IIJA. The slowdown in structures and government investment in the first quarter of 2024 suggests that the tailwind to private and public investment from fiscal policy might be fading along with recent gains in government spending and employment.

3. **Strong dollar, soft global growth prospects, and geopolitical uncertainty:** These global factors will likely weigh on U.S. economic growth through international trade and global financial market channels.

On an annual average basis, DOB forecasts real GDP to increase by 2.4 percent in 2024 and 1.8 percent in 2025.

Consumer Price Inflation

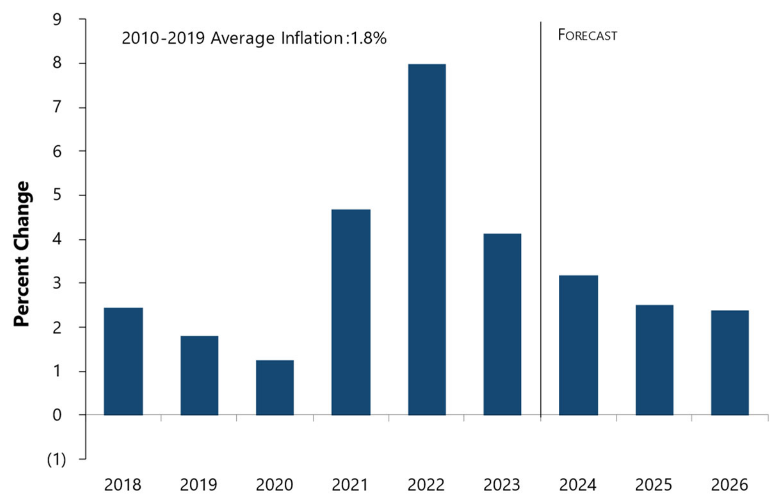
Consumer price inflation proved to be more persistent than expected, increasing in the first quarter of 2024. Year-over-year change in the headline CPI rose from 3.1 percent in January to 3.5 percent in March 2024. This increase indicated a reversal of the steady progress made over the course of 2023. April's CPI inflation moved in the right direction when the year-over-year change in the headline index ticked down to 3.4 percent suggesting the slight uptick in early 2024 is likely temporary. Still, the strength of GDP and ongoing job growth suggest CPI inflation will remain elevated above three percent in 2024. Various alternative measures of inflation which take into account outliers or especially stubborn sectors which push up overall price measures (e.g. shelter inflation) suggest inflationary factors in the economy may be more widespread rather than being limited to a few volatile sectors.[2]

While the trajectory of inflation is likely to remain volatile in the months ahead, DOB forecasts the headline CPI inflation will gradually ease from 4.1 percent growth in 2023 to 3.2 percent in 2024

[2] See, for example, the trimmed mean CPI produced by the Federal Reserve Bank of Cleveland or the trimmed mean PCE inflation rate produced by the Federal Reserve Bank of Dallas.

and 2.5 percent in 2025. The PCE deflator, Federal Reserve's preferred measure of inflation in setting monetary policy, will not fall to 2.0 percent, the target rate, before the final quarter of 2024.

Consumer Price Inflation Could Fall Slower Than Expected



Source: Haver Analytics/BLS; DOB staff estimates.

Employment Outlook in 2024 and Beyond

The U.S. labor market's strength and resilience have continued to surprise observers throughout 2023 and early 2024. While labor demand may be cooling as the economy settles into a new and more moderate growth path, labor supply has been improving, supported by higher labor participation rates as well as increased levels of immigration. The better balance of supply and demand in labor markets could help to explain why unemployment and inflation have not responded to interest rate hikes as strongly as expected. Nonfarm payrolls grew by a still robust 245.5 thousand per month on average in the first four months of 2024 down from 298.3 thousand in the first four months of 2023. Such a sign of a gradual easing labor market should help reduce concerns that inflation will reaccelerate and thus force the Federal Reserve to resume rate hikes.

DOB expects the pace of hiring will continue to moderate in the coming months as demand for workers gradually cools. This is partly due to slower economic growth, which should keep inflation in check by keeping aggregate demand and supply roughly in balance. However, robust labor supply growth, particularly among foreign-born workers, and resilient economic activity suggest that employment growth might moderate more gradually than expected. Total nonfarm employment growth is estimated to gradually decelerate from 2.3 percent in 2023 to 1.7 percent in 2024 and 0.9 percent in 2025. Thus, some inflationary pressures will remain through the end of 2024 and into 2025.

Meanwhile, DOB incorporated new U.S. population projections reflecting faster immigration growth in this forecast. More people entering the labor force and looking for jobs will likely boost the unemployment rate which is projected to rise from the current level of 3.9 percent and peak at 4.2 percent by 2025.

New York State Labor Markets

New York State's employment growth rates have been slowing since the beginning of 2023 due to labor shortages, elevated interest rates, and slowing global and national economic growth. The State's economic and employment recovery lagged the national recovery in the years following the global pandemic. During this period, the State's exposure to global financial market volatility and the effects of the Federal Reserve's contractionary monetary policies on the State were heightened. In 2023, the State saw average job gains of 12,330 per month, down from an average of 20,990 per month in 2022. Persistently high inflation is expected to prolong elevated interest rates, creating additional obstacles to employment growth in the State by slowing growth in the financial sector as well as other interest-sensitive sectors such as construction.

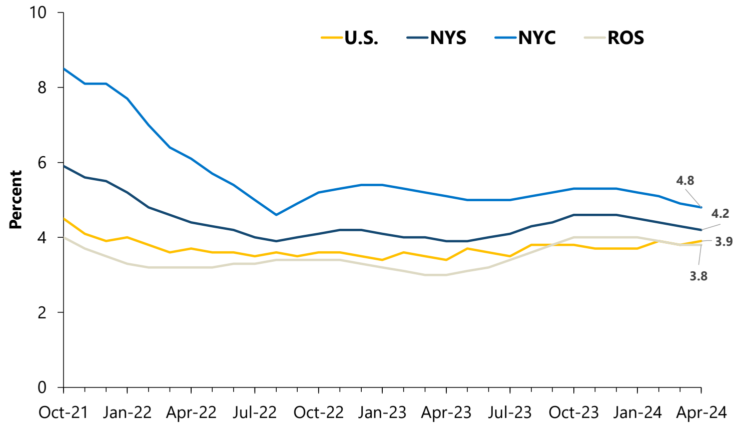
Higher rates of out-migration due to remote work and soaring housing costs after the pandemic exacerbated the State's declining population trend. This contributed to a further slowdown in employment growth in the State's economy. The recent influx of international migration has offset some of this decline, but employment growth in many industries is likely to remain constrained. State employment is projected to increase by 0.8 percent in CY 2024, roughly half as fast as the U.S. economy, following a 2.1 percent growth rate in CY 2023.

The State's recent employment growth performance has been uneven across many industrial sectors. Employment in eight of the State's major sectors is still below their February 2020 pre-pandemic peaks. The size of the jobs deficit ranges from a gap of 1.7 percent in the government sector to a gap of 7.6 percent in the retail trade sector. In contrast, only four major sectors posted net job gains as of April 2024 relative to February 2020: financial services (1.3 percent), professional and business services (3.1 percent), transportation and utilities sector (4.8 percent), and education and health care (6.4 percent).

The State's unemployment rate has been fluctuating near 4.3 percent since 2022, generally higher than that of the nation. The national unemployment rate for April 2024 was 3.9 percent, lower than the State's rate of 4.2 percent for the same month. The statewide unemployment rate is affected disproportionally by the City of New York which posted an unemployment rate of 4.8 percent in April. The unemployment rate in the rest of the State was 3.8 percent.

Unemployment Rate

In April, the US unemployment rose whereas the NYS and NYC unemployment rate declined and ROS (rest of the State) unemployment rate remained flat.



Source: Moody's Analytics; NYS DOL.

New York State Economic Composition

The State's economy is diverse, with a large share of the nation's financial activities, information, education, and health services employment, and a small share of the nation's farming and mining activity. The State's location, air transport facilities, and natural harbors have made it an important hub for international commerce. Travel and tourism constitute an important part of the economy. Like the rest of the nation, New York has a declining proportion of its workforce engaged in manufacturing and an increasing proportion engaged in service industries.

Manufacturing: Manufacturing employment continues to stagnate as a share of total State nonfarm employment, as in most other states. As a result, New York's economy is less reliant on this sector than in the past. However, it remains an important sector of the State economy, particularly for the upstate region, which hosts higher concentrations of manufacturers.

Trade, Transportation, and Utilities: As defined under the North American Industry Classification System (NAICS), the trade, transportation, and utilities supersector accounts for the second largest component of State nonfarm employment but only the fifth largest when measured by wage share. This sector accounts for a smaller share of employment and wages for the State than for the nation.

Financial Activities: New York City is the nation's leading center for banking and finance. For this reason, this sector is far more important for the State than for the nation. Although this sector accounts for less than one-tenth of all nonfarm jobs in the State, it accounts for one-fifth of total wages.

Other Service Sectors: The remaining service-producing sectors include information, professional and business services, private education and healthcare, leisure and hospitality services, and other services. When combined, these industries account for over half of all nonfarm jobs in New York. Information, education and health, and other services account for a higher percentage of total State employment than for the nation.

Agriculture: Farming is an important part of the State's rural economy, although it constitutes only 0.2 percent of the total State GDP. According to the New York State Department of Agriculture and Markets, New York is the fifth largest dairy producer in the nation.

Government: Federal, State, and local governments comprise the third largest sector in terms of nonfarm jobs. Public education is the source of over 40 percent of total State and local government employment.

THE COMPOSITION OF NONFARM EMPLOYMENT AND WAGES (2023)
(Percent)

	Employment		Wages	
	New York	U.S.	New York	U.S.
Natural Resources and Mining	0.1	0.4	0.1	0.8
Construction	4.0	5.1	3.8	5.4
Manufacturing	4.4	8.3	3.7	9.3
Trade, Transportation, and Utilities	15.3	18.5	11.0	15.4
Information	2.9	1.9	5.3	3.9
Financial Activities	7.7	5.9	20.1	9.4
Professional and Business Services	14.3	14.6	18.8	19.4
Educational and Health Services	22.9	16.2	15.4	13.6
Leisure and Hospitality	9.4	10.6	5.1	5.2
Other Services	4.0	3.7	2.8	3.1
Government	15.0	14.6	13.9	14.5

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis.

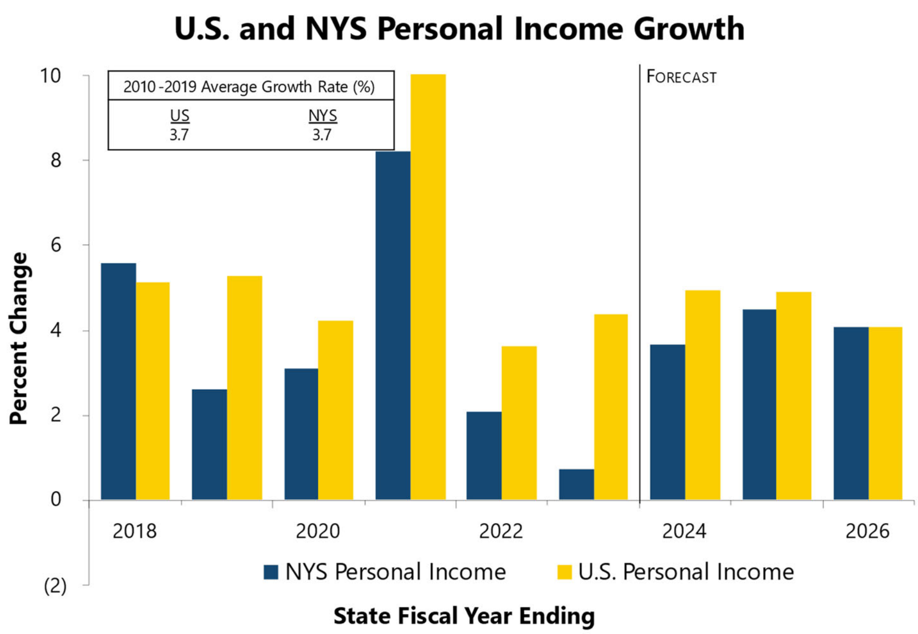
The importance of the various sectors of the State's economy relative to the national economy is shown in the above table, which compares nonfarm employment and wages by sector for the State and the nation. Construction accounts for a smaller share of employment for the State than for the nation, while the combined service industries account for a larger share. The share of total wages originating in the financial activities sector is particularly large for the State relative to the nation. Thus, the State is likely to be less affected than the nation during an economic recession concentrated in manufacturing and construction, but more affected by one concentrated in the services sector.

U.S. and New York State Personal Income Growth

Tight labor market conditions have been driving robust employment and labor compensation growth in the U.S. economy. However, wage growth is likely to slow in CY 2024, beginning with the second quarter. Upward pressure on wages seen in the post-pandemic years will be somewhat relieved as labor market tightness measures return to their pre-pandemic levels. Average hourly earnings, a timely indicator of wage growth, showed its year-over-year growth rate in April fell below 4.0 percent for the first time in nearly three years.

Consistent with gradually cooling job growth and slowly decelerating hourly earnings growth, DOB projects U.S. wage growth to slow in the coming quarters. Wages should grow at an annual average pace of 5.4 percent in CY 2024, down from 6.3 percent in CY 2023. With nonwage income (particularly rental and interest income) growth also moderating, U.S. personal income is projected to grow by 5.0 percent in CY 2024, slightly down from 5.2 percent growth in CY 2023. Such an income outlook suggests that consumer spending is likely to soften as the year progresses but should remain strong enough to keep the economy in expansion.

In contrast to the nation, New York State personal income will grow by 4.3 percent in CY 2024 following 4.0 percent growth in CY 2023, before slowing slightly to 4.1 percent in CY 2025. These comparatively slower growth rates contribute to the current estimates of growth of personal income in FY 2024 which remains weaker than the national rate.[3] Total wages in FY 2024 are estimated to grow by 3.4 percent for the State, a marked deceleration from 5.1 percent in FY 2023. Looking further ahead, total State wage growth is projected to rebound to 4.0 percent for FY 2025 as the outlook for bonus growth improves as discussed below. State personal income grew by 3.7 percent in FY 2024 according to DOB estimates and should pickup to a growth rate of 4.5 percent in FY 2025.



Source: NYS Department of Labor; Bureau of Economic Analysis (BEA), DOB staff estimates.
Note: New York State Personal Income is constructed by using QCEW wages and BEA non-wage income. FY 2024 data is DOB's estimate.

[3] Since State revenues are based on the State fiscal year (FY), the remainder of this discussion is focused on growth rates based on the State fiscal year rather than calendar year (CY).

Finance and Insurance Sector Bonuses in FY 2025

Finance and insurance sector bonuses have a significant impact on New York State's personal income and tax revenue. These sectors' bonuses are estimated to have declined by 1.8 percent in FY 2024, following a decline of 15.6 percent in the previous year. The declines were driven by weak bank profits, stemming from the lower levels of dealmaking activities and higher interest payments to customers and debt servicing.

In FY 2025, a rebound in finance and insurance sector bonuses is expected to provide a tailwind for State wage and personal income growth. DOB projects the sector's bonuses will grow by 7.3 percent in FY 2025, a reversal from the declines in the previous two years. The strong performance of stock markets through May pointing to robust earnings generated by economic growth in CY 2024 underlies an improvement in the projected bank profits this year. Thus, bonuses are expected to improve. However, profit gains are likely to be limited by uncertainties surrounding geopolitical tensions and the upcoming presidential election in the United States while economic growth is likely to be more moderate than expected by investors. The period of elevated interest rates until later in CY 2024 will continue to squeeze banks' profits due to high funding costs, dampened loan demand, and weakened borrower repayment capacity.

Interest Rates

Overall financial market conditions are expected to remain tight in CY 2024 and create headwinds for the economy primarily because of high interest rates and cautious lending standards. That means households might have difficulty accessing credit, and residential and business investments might experience a significant drag from high borrowing costs. A further tightening of financial conditions than expected could create more volatility in financial markets and cause lingering economic problems beyond the financial sector.

High long-term rates, which kept the economy from overheating and high inflation expectations from taking root so far, are projected to remain at the current elevated level for the rest of 2024.
Over the past several months, long-term borrowing costs continued to rise. The 10-year Treasury yield ended April at 4.7 percent, 70 basis points higher than its level at the beginning of 2024. The 30-year fixed-rate mortgage rose to 7.7 percent at the end of April, its highest since last November. The surge in the Treasury bond yields drove up DOB's projections for all other long-term interest rates from mortgage rates to corporate and municipal bond yields.

The high interest rate environment anticipated for the next couple of years could take a toll on asset prices as well. The S&P 500 stock price index averaged 4,996 in the first quarter of 2024, representing 24.8 percent growth from a year ago. DOB expects equity markets to soften during the remainder of 2024, providing less support for household spending through a diminished wealth effect as households could feel more restrained in terms of their assets and available resources.

Given the recent environment for monetary policy and financial markets, DOB anticipates that the Federal Reserve will start a loosening cycle with two 25-basis-point rate cuts later in the second half of 2024. This is consistent with an outlook that reflects the economy's resilience in 2024.

Risks to the Economic Outlook

Forecasters have been revising up their 2024 economic outlook as recent forward-looking indicators have been providing more favorable growth signals than anticipated at the beginning of the year. More investment and, more broadly, technological innovation, could lift productivity growth and support the potential of the U.S. economy to generate sustainable long-run economic growth at higher real GDP growth rates than assumed in DOB's baseline scenario.

Nonetheless, there are still considerable risks and uncertainties that could weigh on the resiliency of the U.S. economy. These downside risks for DOB's baseline economic outlook presented above are discussed briefly below.

- Stock market volatility: Equity markets performed well recently. The resulting valuations suggest equities could be overvalued and due for a so-called price correction, often a more than 10 percent drop in stock prices. If stock prices pull back more than expected from recent highs, investors could lose confidence triggering selloffs in the short run. This would affect employment and investment as well as consumer spending adversely.

- Weakness in the commercial real estate sector: Commercial property owners face the dual headwinds of lower demand and higher financing costs. If the market were to collapse, rising delinquencies on commercial real estate loans could bring failures to the banking sector as well as the nonbank financial system. While the primary impact of these developments would be felt regionally, most significantly through regional banks, it is possible they could trigger a wider financial market crisis.

- Exogenous shocks: Renewed supply-delivery disruptions could cause an increase in shipping costs and goods prices. For example, the recent Baltimore Bridge collapse highlighted localized vulnerabilities in supply chains for both raw materials and manufactured goods, such as automotive and farm equipment. Elsewhere, concerns about shipping traffic through the Suez Canal in the Middle East and the Panama Canal in the Western Hemisphere are ongoing. Food price stability is vulnerable to outbreaks of disease and pandemics in the food supply chain (e.g. H5N1 bird flu is causing outbreaks in poultry and U.S. dairy cows potentially leading to increases in food prices). In addition, a broader geopolitical conflict in the Middle East (or elsewhere) could cause oil price spikes that, if sustained, could cause major disruptions in production and cost of goods. Intensifying trade wars and tariff retaliation would also make imported goods more expensive to consumers around the world.

- **Monetary policy errors:** DOB's baseline scenario does not foresee that policy rates will deviate significantly from the Federal Reserve's expected rate path announced in its regular communications. However, the timing and duration of high interest rates carry inherent risks. Due to the highly uncertain length of the lag between the Federal Reserve's actions and economic activity, it is still possible that the monetary tightening undertaken by the Federal Reserve might prove to have been more restrictive than seen so far. If the current degree of tightening is more than initially thought or if interest rates are held at a high level longer than necessary, the Federal Reserve could slow the economy more than it intended, cause financial instability or push the economy into recession. It is also possible that the Federal Reserve could initiate a rate-cutting cycle too soon or at a pace so fast that could overheat the economy with a return to higher inflation reading.

- **Economic policy uncertainty:** Uncertainty in fiscal policies affecting the level of federal spending and tax rates will increase until after the general elections in the fall. A large degree of economic policy uncertainty will likely remain high at least until the expiring provisions of the 2017 Tax Cuts and Jobs Act are replaced or resolved. The outlook for longer-term fiscal and international trade policies throughout 2025 and beyond is also as yet undetermined.

- **Growing level of national debt:** If interest rates remain elevated for longer than expected, debt service requirements could create major economic imbalances and reduce private investment, threatening long-term economic growth.

New York State-Specific Risks

While the State economy is faced with many of the same risks as the national economy, as home to the world's financial capital, New York has significantly greater exposure to monetary policy shifts and the volatility of financial markets. Some of these risks would create outsize negative impacts on the State's economy.

- **Weakness in the commercial real estate sector:** The high interest rate environment coupled with high office vacancy rates due to remote work caused declining commercial real estate property values, and rising delinquencies on commercial real estate loans. These could bring new challenges to the regional banking industry in New York even if they don't set off a broader national or global financial crisis.

- **Stock market volatility:** Any shocks to the banking industry or a downturn in equity markets could trigger a broader wave of layoffs, sluggish bonuses and wage growth, and significantly lower taxable capital gains realizations than reflected in the current forecast.

- **Strong U.S. dollar:** A persistently strong currency might dampen job growth in sectors reliant on international tourism and exports.

Structural Shifts in the State Economy

The COVID-19 pandemic resulted in several structural shifts in the State economy for which longer-term impacts are still partially unknown. These shifts pose risks to the State's economy while at the same time making forecasting more difficult:

- Population decline: New York State has shed population in the post-COVID-19 pandemic years. A recent release of the Census population showed a State population loss of 3.1 percent between April 2020 and July 2023. While most states gained population in 2023, New York experienced the highest population loss.[4]

- Out-migration: The acceleration of out-migration during the COVID-19 pandemic was more significant in New York City. This trend, coupled with high costs of living, poses ongoing risks of population loss and exacerbating labor shortages. Along with the rise of remote work, soaring housing costs accelerated population shifts away from coastal cities and toward more affordable areas.

- Remote work: Remote work is also partially responsible for increased out-migration. Businesses that rely heavily on commuter traffic, such as leisure and hospitality, transportation, and administrative and support services, have experienced the greatest challenges due to remote work. In April 2024, 57.3 percent of workers swiped their cards at their NYC offices on the busiest day of the week. After steady post-pandemic increases, the rate has been stable since summer 2023.

A more substantial return to an in-office working environment, particularly in densely populated urban areas like New York City, would likely result in a boost to those industries that serve a substantial commuter customer base, including facilities support services, business support services, office administrative support services, and local eating and drinking establishments. Additionally, stronger global growth could also bring more tourism spending to the State, resulting in stronger growth in the leisure and hospitality and other tourism-related sectors than is reflected in this forecast.

[4] The State's labor force declined during the first four months of 2024; in April, the labor force shrank by 7,800 people, primarily due to 7,721 unemployed people leaving the work force. As a result, the statewide labor force participation rate decreased from 61.4 percent to 61.3 percent in April 2024. Meanwhile, New York City had sizable increases in its labor force in early 2024; the City added 7,941 people to its labor force in April, due to the rise in the number of employed people. The rest of the State's labor force has been declining since November 2023, and the pace of the decline intensified in 2024.

Economic and Demographic Trends

In the calendar years 1990 through 1998, the State's rate of economic growth was somewhat slower than that of the nation. During the 1990-91 recession, the State, like much of the Northeast, experienced a greater economic contraction than the nation as a whole and was slower to recover. However, the situation improved subsequently. In 1999, for the first time in 13 years, State employment growth surpassed that of the nation, and in 2000 their growth rates were nearly the same. In 2001, the September 11 attack resulted in a downturn in New York that was more severe than for the nation. In contrast, the State's labor market fared better than that of the nation during the 2008 recession, though New York experienced a historically large wage decline in 2009. The State's unemployment rate was higher than the national rate from 1991 to 2004. The State's rate fell below the nation's for much of the Great Recession in 2008 and 2009 and remained so until November 2011. The State's unemployment rate rose above the national rate in December 2011 but fell below yet again in May 2015, where it remained competitive with the nation's rate until the second half of 2016. As the early epicenter of the COVID-19 pandemic, New York was hit especially hard economically, with its unemployment rate soaring well above the nation's rate throughout the pandemic. Correspondingly, New York had a more severe employment decline than the nation in 2020, and its job recovery has lagged the nation since then.

New York is the fourth most populous state in the nation, after California, Texas, and Florida, and has a relatively high level of personal wealth. The following table compares population changes in the State and the United States since 1980. Between April 2020 and July 2023, the nation's total population continued to increase by 1.0 percent, whereas the population of the State decreased by 3.1 percent.

COMPARATIVE POPULATION FIGURES

	New York			U.S.	
	Total Population (000s)	% Change from Preceding Period	Percentage of U.S. Population	Total Population (000s)	% Change from Preceding Period
1980	17,558	(3.7)	7.8	226,546	11.5
1990	17,990	2.5	7.2	248,710	9.8
2000	18,976	5.5	6.7	281,422	13.2
2010	19,378	2.1	6.3	308,746	9.7
2020	20,201	4.2	6.1	331,449	7.4
2023	19,571	(3.1)	5.8	334,915	1.0

Note: All population numbers are based on the Decennial Census, except for 2023.
Source: U.S. Census Bureau.

Total State nonfarm employment has declined as a share of national nonfarm employment compared with the 1980s and 1990s. The following historical table compares these levels and the rate of unemployment for the State and the nation.

NONFARM EMPLOYMENT AND UNEMPLOYMENT RATE FOR NEW YORK AND THE UNITED STATES					
	Employment (NSA, 000s)		New York as Percent of U.S. Employment	Unemployment Rate (NSA, %)	
	New York	U.S.		New York	U.S.
1980	7,207	90,533	8.0	7.4	7.1
1990	8,204	109,527	7.5	5.3	5.6
2000	8,619	132,011	6.5	4.5	4.0
2010	8,545	130,345	6.6	8.7	9.6
2020	8,815	142,186	6.2	9.9	8.1
2023	9,711	156,051	6.2	4.2	3.6

Note: Nonfarm employment and unemployment rates are generated from separate surveys.
Source: U.S. Bureau of Labor Statistics.

State per capita personal income has historically been significantly higher than the national average, although the ratio has varied substantially over time. Because New York City is an employment center for a multi-state region, State personal income measured on a residence basis understates the relative importance of the State to the national economy and the size of the base to which State taxation applies. The following table compares per capita personal incomes for the State and the nation.

PER CAPITA PERSONAL INCOME (Income in Dollars)			
	New York	U.S.	Ratio New York/U.S.
1980	$11,006	$10,184	1.08
1990	$23,992	$19,619	1.22
2000	$35,955	$30,551	1.18
2010	$48,579	$40,557	1.20
2020	$69,886	$59,151	1.18
2023	$79,581	$68,531	1.16

Source: U.S. Bureau of Economic Analysis.

Section 2: Subsection G

New York State Thruway Authority Highway and Bridge Trust Fund Bonds

"Sources of Revenue for the Trust Fund"

This Subsection G contains the information required to be updated annually pursuant to applicable continuing disclosure agreements relating to obligations issued by the New York State Thruway Authority for Highway and Bridge Trust Fund Bonds.

Capitalized terms used in this Subsection G and not otherwise defined shall have the meanings ascribed to them in the related Official Statement.

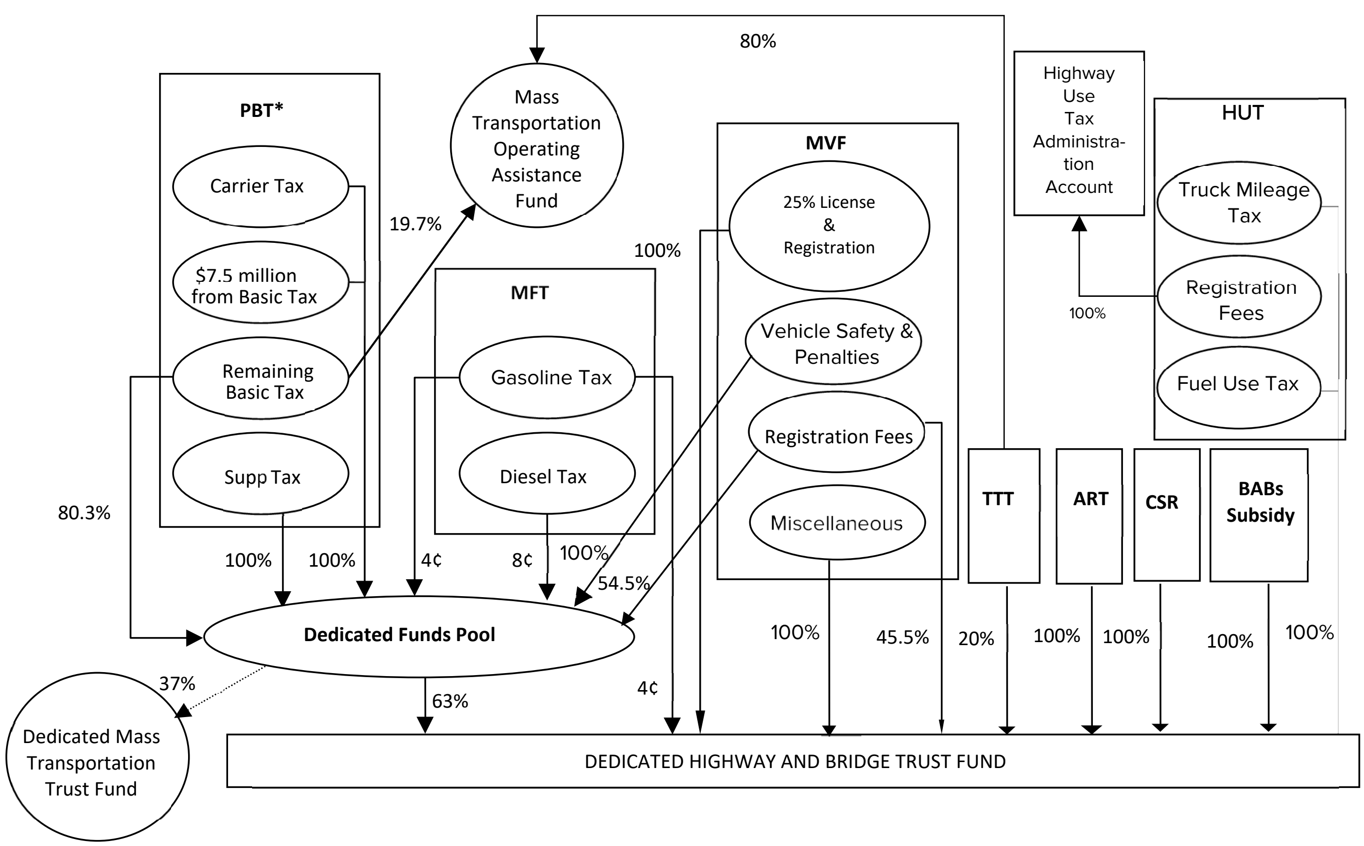
Introduction

The State highway and bridge program is funded in part by various transportation-related taxes and fees including (a) portions of the State's (i) petroleum business taxes (the "PBT"), (ii) motor fuel taxes (the "MFT"), (iii) motor vehicle fees (the "MVF") and (iv) transmission and transportation taxes (the "TTT") in the corporation and utility taxes, (b) all revenues generated by the highway use tax (the "HUT") and auto rental tax (the "ART"), and (c) certain special revenues (the "CSR"). In addition to supporting this program through the Trust Fund, portions of the first four revenue sources are also statutorily allocated among several other State funds.

The chart below depicts the flow of funds to the Dedicated Highway and Bridge Trust Fund for FY 2025.

Transportation-Related Taxes & Fees Allocation
FY 2025 Enacted Budget

* Effective December 1, 2017, all receipts from aviation fuel began to be directed to an aviation purpose account, from which no receipts are directed to the Dedicated Highway and Bridge Trust Fund.



The PBT is the business privilege tax imposed on petroleum businesses operating in the State. The tax is measured by the quantity of various petroleum products refined or sold in the State or imported for sale or use in the State. PBT rates generally have two aspects: (i) the basic tax whose rate varies by product type, and (ii) the supplemental tax, which, in general, is applied at a uniform rate. Since FY 2003, most of the net PBT receipts from the basic tax and all of the supplemental tax have been earmarked to the Dedicated Funds Pool. The Statewide Dedicated Funds Pool is the repository for revenues from the following dedicated taxes and fees: petroleum business taxes, motor fuel taxes, and motor vehicle fees that are derived mainly from vehicle registration and driver license fees. Subject to statutory allocation under State law, 63 percent of the Dedicated Funds Pool is deposited into the Trust Fund. The remaining 37 percent is deposited into the Dedicated Mass Transportation Trust Fund.

Motor fuel tax revenue earmarked directly to the Trust Fund has been derived from one hundred percent of the receipts from four cents of the aggregate eight-cent-per-gallon excise tax levied with respect to gasoline and other non-diesel motor fuels, generally for highway use. The remaining four cents of the aggregate eight-cent-per-gallon excise tax imposed on gasoline, combined with the eight-cent-per-gallon excise tax levied on diesel motor fuel, are deposited into the Dedicated Funds Pool, of which 63 percent is deposited into the Trust Fund.

Three of the four components of the highway use tax revenues are earmarked to the Trust Fund: the truck mileage tax, the fuel use tax, and the International Fuel Tax Agreement (IFTA) Decal. The truck mileage tax is levied on certain commercial vehicles based on the number of miles driven on the public highways of the State and the loaded or unloaded weight of the vehicles. The fuel use tax is imposed upon amounts of fuel purchased outside the State by certain motor carriers and used while traveling on the public highways of the State. The IFTA Decal is the aggregate of all motor carriers who designate NYS as their base jurisdiction for the $8 set of decals required for each IFTA licensed fleet of vehicles.

A large portion of the State's motor vehicle fees are earmarked to the Trust Fund. There are three main categories of motor vehicle fees: registrations, vehicle safety and penalties, and miscellaneous. The vast majority of motor vehicle fees that are directed to the Trust Fund are derived from the registration category. For motor vehicle registration fees, 45.5 percent is earmarked directly to the Trust Fund while the remaining 54.5 percent of the registration fees is earmarked to the Dedicated Funds Pool. The 25 percent increase in registration and license fees in 2009 does not follow the statutory split and instead is directed to the Trust Fund. Revenues from the miscellaneous category, which includes revenues from the Driver Responsibility Act and emission/inspection stickers, are directed solely to the Trust Fund. The smallest revenue source is the vehicle safety and penalties category, which includes revenues from the document image fee.

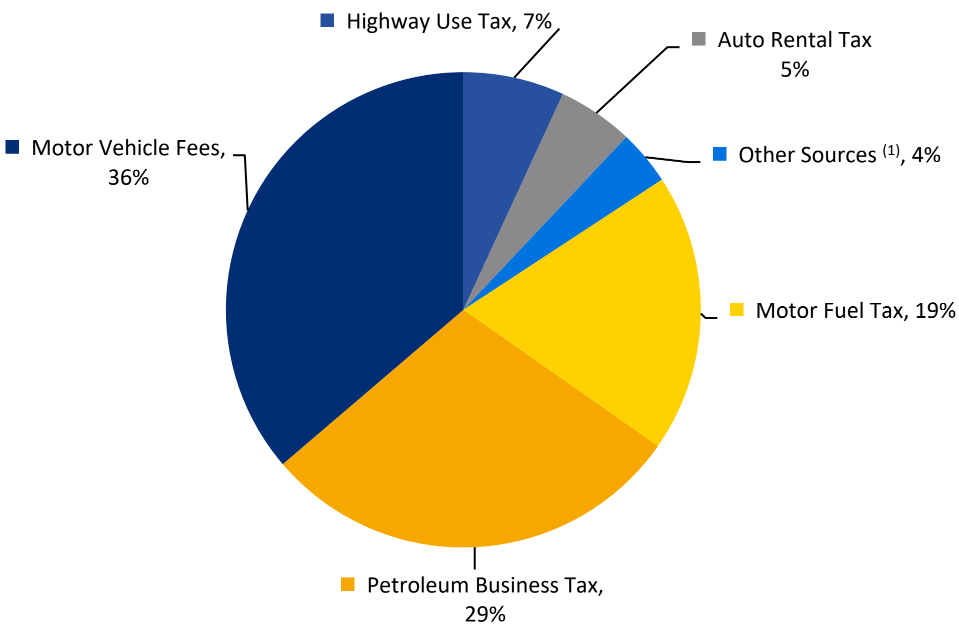
Currently the State imposes a six percent tax on charges to rental passenger cars with a gross vehicle weight of 9,000 pounds or less, with all receipts from the State auto rental tax deposited to the Trust Fund. Effective June 1, 2019, legislation enacted with the FY 2020 Budget increased the supplemental tax within the Metropolitan Commuter District ("MCTD") from 5 percent to 6 percent and established a new 6 percent supplemental tax outside of the MCTD. All receipts from the supplemental tax within the MCTD are deposited to the MTA Aid Trust Account. All receipts from the supplemental tax outside of the MCTD are deposited to the Public Transportations Systems Operating Assistance Account.

The State imposes a franchise tax on transmission and transportation companies under Sections 183 and 184 of the corporation and utilities taxes. Additionally, effective May 2015, the excise tax imposed under Section 186-e was increased by 0.4 percent on the sale of mobile communication services with 1.52 percent of all section 186-e receipts dedicated to the Trust Fund.

FY 2025 Enacted Budget

The following chart indicates the portion of FY 2025 Trust Fund Revenues that is estimated in the FY 2025 Enacted Budget to be derived from each of the revenue sources.

Dedicated Highway and Bridge Trust Fund Revenue Sources



(1) Includes Build America Bonds Subsidy (see discussion herein), Certain Special Revenues, and Transmission and Transportation Taxes.

Dedicated Highway and Bridge Trust Fund Revenue Sources

The following sections provide general information on collections and projected receipts for each of the sources of revenues since the Trust Fund was established.

Dedicated Petroleum Business Tax

General. The PBT is the business privilege tax imposed on petroleum businesses operating in the State. The tax is measured by the quantity of various petroleum products refined or sold in the State or imported for sale or use in the State. PBT rates generally have two aspects: (i) the basic tax whose rate varies by product type, and (ii) the supplemental tax, which, in general, is applied at a uniform rate.

Tax Rates. The basic and supplemental PBT tax rates are subject to separately computed annual adjustments on January 1 of each year, to reflect the percent change in the Producer Price Index ("PPI") for refined petroleum products for the 12 months ended August 31 of the immediately preceding year. Therefore, the tax rates increase as prices rise and decrease as prices fall. The PBT rates are adjusted annually subject to a maximum change of five percent (plus or minus) of the current rate in any year. In addition to the five percent cap on rate changes, the statute also requires basic and supplemental rates to be rounded to the nearest tenth of one cent. Subsequent legislation provided that diesel rates be rounded to the nearest hundredth of one cent. As a result, the tax rates usually do not change by the full five percent allowed under the statutory formula.

The following table shows the changes in the PPI for refined petroleum products since FY 2015 and the capped PBT index.

PETROLEUM BUSINESS TAX INDEX CHANGE
(percent)

Year for PPI Change (September 1 to August 31)	PPI for Refined Petroleum Products Change	Year for PBT Index	PBT Index Change (January 1)
2014-15	-29.1	2016	-5.0
2015-16	-30.4	2017	-5.0
2016-17	13.3	2018	5.0
2017-18	26.0	2019	5.0
2018-19	-2.0	2020	-2.0
2019-20	-21.7	2021	-5.0
2020-21	27.8	2022	5.0
2021-22	67.1	2023	5.0
2022-23	-5.9	2024	-5.0
2023-24[(1)]	-6.0	2025	-5.0

(1) Estimated.

The table below shows the rates per gallon for the PBT in effect for calendar years 2023 and 2024 and estimated rates for calendar year 2025, respectively.

PETROLEUM BUSINESS NET TAX RATES FOR 2023 - 2025[(1)]
(cents per gallon)

	2023			2024			2025[(2)]		
Petroleum Products	Base	Supp	Total	Base	Supp	Total	Base	Supp	Total
Highway-use fuel									
Gasoline and other non-diesel	10.80	7.30	18.10	10.30	7.00	17.90	9.80	6.70	16.50
Diesel	10.80	5.55	16.35	10.30	5.25	16.15	9.80	4.95	14.75
Aviation gasoline or Kero-jet fuel	7.30	0.00	7.30	7.00	0.00	7.20	6.70	0.00	6.70
Non-automotive diesel fuels									
Commercial gallonage	9.90	0.00	9.90	9.50	0.00	9.50	9.00	0.00	9.00
Nonresidential heating	5.30	0.00	5.30	5.10	0.00	5.10	4.80	0.00	4.80
Residual petroleum products									
Commercial gallonage	7.60	0.00	7.60	7.30	0.00	7.30	6.90	0.00	6.90
Nonresidential heating	4.10	0.00	4.10	3.90	0.00	3.90	3.70	0.00	3.70
Railroad diesel fuel	9.50	0.00	9.50	9.00	0.00	9.00	8.60	0.00	8.60

(1) The tax rates represent the net tax rate after credits.

(2) Projected — The projected petroleum producer price index decline of 6.0 percent through August 2024 will result in a projected decline of 5.0 percent in the PBT tax rates on January 1, 2025.

Tax Base. Generally, transactions that are excluded from the basic PBT base are also excluded from the supplemental tax base. Exclusions include sales for export from the State, sales of fuel oil for residential heating purposes and manufacturing use, and sales to government entities when such entities buy petroleum for their own use. Sales of kerosene (other than kero-jet fuel) and liquefied petroleum gas and sales of residual fuel oil used as bunker fuel also are exempted. Beginning January 1, 2002, all electric utilities that use petroleum to generate electricity have been allowed to apply commercial gallonage rates under deregulation.

The State also imposes a petroleum business carrier tax under the PBT on fuel purchased by motor carriers outside the State but consumed within the State. The carrier tax rates are the same as the PBT automotive gasoline and diesel rates listed above.

Legislative Changes. Legislation adopted with the FY 2006 Enacted Budget exempted or partially exempted PBT on alternative fuels, including ethanol (“e85”) and biodiesel (“B20”), initially until September 1, 2011. Since then, this exemption has been extended several times and is currently in effect until September 1, 2026.

Legislation adopted with the FY 2016 Enacted Budget authorized petroleum business tax refunds for farm use of highway diesel motor fuel.

Legislation adopted with the FY 2017 Enacted Budget conformed the State Tax Law to Federal Aviation Administration regulations regarding taxes on aviation fuel that includes limiting the use of the revenues for airport-related projects and required motor fuel wholesalers to register and file informational returns with the State to increase the effectiveness of fuel tax evasion auditing.

Legislation adopted with the FY 2023 Enacted Budget exempted tugboats and towboats from the petroleum business tax.

Legislation adopted with the FY 2024 Enacted Budget required distributors of motor fuel and diesel motor fuel to collect, report, and remit taxes on every gallon of fuel sold, including the additional gallons realized from temperature fluctuations.

Tax Imposition and Payment. Imposition of the tax occurs at different points in the distribution chain, depending upon the type of product. The tax is imposed on motor fuels at the same time as the eight-cent-per-gallon motor fuel tax. Gasoline, which represents the preponderance of automotive fuel sales in the State, is taxed upon importation into the State for sale or upon manufacture in the State. Other non-diesel highway-use fuels such as compressed natural gas, methanol and ethanol become subject to the tax on their first sale as motor fuel in the State. Highway-use diesel motor fuel becomes taxed upon its first non-exempt sale or use in the State. Non highway-use diesel fuel (such as No. 2 fuel oil used for commercial heating) and residual fuel usually become taxable on the sale to the consumer or upon use of the product in the State.

Most petroleum businesses remit this tax on a monthly basis. Taxpayers with yearly motor fuel tax and PBT liability totaling more than $5 million remit tax for the first 22 days of the month by electronic funds transfer by the third business day thereafter. Taxpayers can either make a minimum payment of 75 percent of the comparable month's tax liability from the preceding year, or 90 percent of the actual liability for the first 22 days. The tax for the balance of the month is paid with the monthly returns filed by the 20th of the following month. The Department of Taxation and Finance advises that in FY 2023, 35 taxpayers, accounting for 95 percent of all PBT receipts, participated in the electronic funds transfer program. As a complement to the fuel use tax, the PBT carrier tax is collected quarterly with the fuel use tax portion of the highway use tax (see "Highway Use Tax" below).

Aspects relating to the imposition and collection of the PBT have been and may continue to be the subject of administrative claims and litigation by taxpayers.

Historical Summary of PBT Revenue. The following table provides ten year historical information on the basic PBT and the supplemental PBT, the major funding source for the Trust Fund.

ACTUAL BASIC AND SUPPLEMENTAL PBT COLLECTIONS
(dollars in millions)

Collection Period State Fiscal Year	Basic PBT	Supplemental PBT
2014-15	$700.4	$435.9
2015-16	677.2	426.3
2016-17	682.3	423.1
2017-18	663.7	412.9
2018-19	705.3	443.5
2019-20	705.5	436.9
2020-21	568.8	358.0
2021-22	625.6	391.5
2022-23	658.5	418.0
2023-24	669.8	422.9

Source: New York State Department of Taxation and Finance.

Several factors account for the changes in PBT revenues during the period referenced above.

Receipts for FY 2015 reflect a 0.8 percent decrease in PBT rates effective January 1, 2014 and a 3.2 percent decrease in PBT rates effective January 1, 2015, offset by an increase in taxable gasoline and diesel gallonage. In addition to basic tax and supplemental tax receipts, total PBT collections also include $22.0 million from the carrier tax.

Receipts for FY 2016 reflect a 3.2 percent decrease in PBT rates effective January 1, 2015 and a 5 percent decrease in PBT rates effective January 1, 2016. In addition to basic tax and supplemental tax receipts, total PBT collections also include $20.3 million from the carrier tax.

Receipts for FY 2017 reflect a 5 percent decrease in PBT rates effective January 1, 2016 and a 5 percent decrease in PBT rates effective January 1, 2017. In addition to basic tax and supplemental tax receipts, total PBT collections also include $18.3 million from the carrier tax.

Receipts for FY 2018 reflect a 5 percent decrease in PBT rates effective January 1, 2017 and a 5 percent increase in PBT rates effective January 1, 2018. In addition to basic tax and supplemental tax receipts, total PBT collections also include $15.5 million from the carrier tax.

Receipts for FY 2019 reflect a 5 percent increase in PBT rates effective January 1, 2018 and a 5 percent increase in PBT rates effective January 1, 2019. In addition to basic tax and supplemental tax receipts, total PBT collections also include $16.3 million from the carrier tax.

Receipts for FY 2020 reflect a 5 percent increase in PBT rates effective January 1, 2019 and a 2 percent decrease in PBT rates effective January 1, 2020. In addition to basic tax and supplemental tax receipts, total PBT collections also include $18.3 million from the carrier tax.

Receipts for FY 2021 reflect a 2 percent decrease in PBT rates effective January 1, 2020 and a 5 percent decrease in PBT rates effective January 1, 2021. In addition to basic tax and supplemental tax receipts, total PBT collections also include $15.2 million from the carrier tax.

Receipts for FY 2022 reflect a 5 percent decrease in PBT rates effective January 1, 2021 and a 5 percent increase in PBT rates effective January 1, 2022. In addition to basic tax and supplemental tax receipts, total PBT collections also include $14.5 million from the carrier tax.

Receipts for FY 2023 reflect a 5 percent increase in PBT rates effective January 1, 2022 and a 5 percent increase in PBT rates effective January 1, 2023. In addition to basic tax and supplemental tax receipts, total PBT collections also include $18.2 million from the carrier tax.

Receipts for FY 2024 reflect a 5 percent increase in the PBT rates effective January 1, 2023 and a 5 percent decrease in PBT rates effective January 1, 2024. In addition to basic tax and supplemental tax receipts, total PBT collections also include $16.4 million from the carrier tax.

Actual and Estimated Revenues from Dedicated PBT. Actual receipts since FY 2015 and DOB's estimates of receipts from the dedicated PBT for FY 2025 are as set forth in the following table:

TRUST FUND REVENUES FROM PBT
(dollars in millions)

State Fiscal Year	Dedicated Funds Pool	Trust Fund Revenue	Trust Fund Share
2014-15	$1,021.9	$643.8	63.0%
2015-16	991.9	624.9	63.0
2016-17	990.8	624.2	63.0
2017-18	960.3	605.0	63.0
2018-19	1,016.4	640.4	63.0
2019-20	1,011.5	637.3	63.0
2020-21	828.3	521.8	63.0
2021-22	902.7	568.7	63.0
2022-23	957.4	603.2	63.0
2023-24	968.7	610.3	63.0
2024-25(1)	928.1	584.8	63.0

(1) Estimated in the FY 2025 Enacted Budget.

In formulating its projection for FY 2025, DOB made various assumptions regarding income, gasoline prices and consumption, fuel efficiency of the motor vehicles in the State and certain demographic trends. Forecasts of these variables are generated by DOB's own economic models of the United States and State economies, and a forecast published by the Federal Energy Information Administration ("EIA"). These assumptions were supplemented with year-to-date actual receipts. The estimates for PBT receipts from gasoline motor fuel are consistent with the consumption estimates used in forecasting motor fuel tax receipts. The PBT forecast also incorporates the indexing provisions that decreased the rates by 5 percent on January 1, 2024 and are projected to decrease the rates by 5.0 percent on January 1, 2025.

In formulating its estimates of PBT revenues from diesel motor fuel, DOB relied upon its own forecast of nationwide economic conditions, as reflected in national gross domestic product, and upon indicators of New York business activity. The estimates for PBT receipts from diesel motor fuel are also consistent with the consumption estimates used in forecasting motor fuel tax receipts.

The balance of the tax consists of tax paid with respect to commercial and utility usage of non-highway-use diesel fuel and residual fuel oils (Nos. 4, 5 and 6 oils). Effective December 1, 2017, all receipts from aviation fuel are directed to an aviation purpose account, from which no receipts are directed to the Dedicated Highway and Bridge Trust Fund. The forecast anticipates that total tax collections from these non-highway use diesel and residual fuels will remain flat in FY 2025. The estimated receipts include $17.3 million in FY 2025 from the carrier tax.

Dedicated Motor Fuel Tax

General. MFT revenue is derived from an eight-cent-per-gallon excise tax levied with respect to gasoline and diesel motor fuels, generally for highway use. The aggregate rate of tax on gasoline has been eight cents per gallon since 1972. The aggregate rate of tax on diesel motor fuel was reduced from ten cents to eight cents per gallon in 1996.

Effective 2003, MFT gasoline revenue directed to the Trust Fund was increased from 67.7 percent to 81.5 percent. Currently, 63.0 percent of MFT diesel revenue is directed to the Trust Fund, which was 31.5 percent in 2000 and 49.2 percent in 2001.

Tax Imposition and Payment. The tax on motor fuel is payable by distributors registered with the State. The gasoline motor fuel tax is imposed when gasoline is imported (or caused to be imported) into the State for sale or use in the State, or manufactured in the State. Generally, the tax on other non-diesel motor fuels earmarked to the Trust Fund (such as compressed natural gas, propane, methanol and ethanol) is remitted by the dealer selling it as motor fuel. The tax on diesel motor fuel is imposed on the first non-exempt sale of diesel in the State.

Most petroleum businesses remit these taxes on a monthly basis. Businesses with annual MFT and PBT liability totaling more than $5 million remit the taxes for the first 22 days of the month by electronic funds transfer by the third business day thereafter. Taxpayers can either make a minimum payment of 75 percent of the comparable month's tax liability from the preceding year, or 90 percent of the actual liability for the first 22 days. Tax for the balance of the month is paid with the monthly returns filed by the 20th of the following month. The Department of Taxation and Finance advises that, in FY 2023, 34 taxpayers with motor fuel excise tax obligations participated in the electronic funds transfer program and accounted for 96 percent of all motor fuel tax receipts.

Although the tax is remitted by distributors, the incidence of the tax falls primarily on final users of the fuel on the highways and waterways of the State. Governmental purchases are exempt from the tax. Fuel purchased for certain road vehicles (such as fire trucks, buses used in local transit, taxicabs and ambulances), upon which the tax has been paid, may be eligible for full or partial reimbursement of the MFT. Reimbursement of the tax is also available for fuel not used on the highways (e.g., fuel used in farming). Certain exemptions, including sales of kero-jet fuel for use in airplanes and sales to exempt organizations, apply only to diesel motor fuel.

Actual and Estimated Revenues from Dedicated Motor Fuel Tax. Actual receipts since FY 2015 and DOB's forecast of Trust Fund receipts from the gasoline and diesel MFT for FY 2025 are set forth in the following table:

TRUST FUND REVENUES FROM MFT
(dollars in millions)

State Fiscal Year	Gasoline MFT	Diesel MFT	Total Revenues
2014-15	$349.3	$36.8	$386.1
2015-16	357.5	40.6	398.1
2016-17	364.1	45.5	409.6
2017-18	353.5	49.6	403.1
2018-19	371.9	45.2	417.1
2019-20	357.6	46.0	403.6
2020-21	293.0	41.3	334.3
2021-22	341.9	47.6	389.5
2022-23[(1)]	124.1	16.8	140.9
2023-24	337.2	46.0	383.2
2024-25[(2)]	337.3	44.2	381.5

(1) The FY 2023 Enacted Budget suspended the State motor fuel tax imposed on gasoline and diesel motor fuel, from June 1, 2022, through December 31, 2022. Additionally, a “hold harmless” General Fund transfer provision was included to transfer the projected revenue amounts that would have been distributed to the Trust Fund component of the Motor Fuel Tax ($233.7 million; $205.1 million for gasoline and $28.6 million for diesel) as though the suspension of such taxes was not in effect. Please note that the referenced estimates in the table above do not reflect or include the noted “hold harmless” General Fund transfer amounts.

(2) Estimated.

In formulating the gasoline motor fuel tax forecast, DOB relied principally upon relationships among gross domestic product, income, gasoline prices and gasoline demand that have been established by DOB's own economic forecast and the EIA. Gasoline consumption is estimated to remain flat in FY 2025, essentially leading to flat gasoline receipts revenue compared to FY 2024.

To develop the diesel MFT forecast, DOB relied primarily on its own forecasts of State economic conditions, and the EIA’s forecast of diesel demand. Diesel consumption is estimated to moderately decrease in FY 2025, which leads to a decrease in diesel receipts revenue compared to FY 2024.

Legislative Changes. Legislation adopted with the FY 2006 Enacted Budget exempted or partially exempted MFT on alternative fuels, including ethanol (“e85”) and biodiesel (“B20”), initially until September 1, 2011. Since then, this exemption has been extended several times and is currently in effect until September 1, 2026.

Legislation adopted with the FY 2017 Enacted Budget required motor fuel wholesalers to register and file informational returns with the State to increase the effectiveness of fuel tax evasion auditing.

Legislation adopted with the FY 2023 Enacted Budget suspended the motor fuel excise tax on gasoline and diesel fuel from June 1, 2022 through December 31, 2022.

Legislation adopted with the FY 2024 Enacted Budget required distributors of motor fuel and diesel motor fuel to collect, report, and remit taxes on every gallon of fuel sold, including the additional gallons realized from temperature fluctuations.

Highway Use Tax

General. The highway use tax includes four components: the truck mileage tax, the fuel use tax, the IFTA Decal, and registration fees. Under current law, the truck mileage tax, fuel use tax, and IFTA Decal are earmarked to the Trust Fund.

The truck mileage tax is levied on commercial vehicles having a loaded gross weight of more than 18,000 pounds. The State gives carriers the option of using an unloaded weight basis to compute truck mileage tax liability. A motor carrier pays tax based on both the number of miles driven on the public highways of this State and the weight of the vehicle.

The fuel use tax is a complement to the State motor fuel and sales taxes. In contrast to the latter taxes, which are imposed upon the amount of fuel purchased within the State, the fuel use tax applies to fuel purchased outside New York State by trucks and tractors and by foreign or interstate bus carriers, but used while traveling on the public highways of the State.

The State is a member of the federally mandated International Fuel Tax Agreement ("IFTA"). This agreement provides for the uniform reporting and collection of fuel-use-related taxes among IFTA jurisdictions. IFTA reduces and simplifies the reporting requirements of truckers by permitting motor carriers to file a single tax return with their base state. The base state then distributes revenues back to the other IFTA jurisdictions based on the miles traveled in those jurisdictions. The IFTA Decal is the aggregate of all motor carriers who designate NYS as their base jurisdiction for the $8 set of decals required for each IFTA licensed fleet of vehicles.

Actual and Estimated Revenues from Highway Use Tax. The following table shows actual receipts since FY 2015 and DOB's forecast of HUT receipts for FY 2025. FY 2018 included a one-time payment of $44 million in refunds related to the lowering of the cost of registration and decal fees. Due to the COVID-19 pandemic, FY 2021 receipts decreased by $6.5 million from FY 2020. The forecast of FY 2025 receipts reflects the FY 2025 Enacted Budget and is based upon forecasts of national and State economic conditions and motor fuel prices.

TRUST FUND REVENUES FROM HUT
(dollars in millions)

State Fiscal Year	Revenues
2014-15	$140.4
2015-16	158.6
2016-17	136.4
2017-18	91.4
2018-19	146.6
2019-20	140.9
2020-21	134.4
2021-22	140.3
2022-23	141.9
2023-24	138.0
2024-25[(1)]	138.6

(1) Estimated.

Legislative Changes. Legislation adopted with the FY 2006 Enacted Budget exempted or partially exempted MFT on alternative fuels, including ethanol ("e85") and biodiesel ("B20"), initially until September 1, 2011. Since then, this exemption has been extended several times and is currently in effect until September 1, 2026.

Legislation adopted with the FY 2017 Enacted Budget decreased the highway use tax registration fee from $15 to $1.50 and made the decal free, which previously cost $4. This legislation also redirected the revenue from the registration fees from the Trust Fund to a newly created Highway Use Tax Administration Account. Legislation adopted in this budget also required motor fuel wholesalers to register and file informational returns with the State to increase the effectiveness of fuel tax evasion auditing.

Legislation adopted with the FY 2022 Enacted Budget reduced the filing frequency and reporting requirements for certain monthly and quarterly filers.

Dedicated Motor Vehicle Fees

General. Motor vehicle fees are imposed by the Vehicle and Traffic Law. Motor vehicle fees are derived from a variety of sources, but consist mainly of vehicle registration and driver licensing fees. In general, motor vehicles, motorcycles, trailers, semi-trailers, buses, and other types of vehicles operating in New York are required to be registered with the Department of Motor Vehicles. In 2024, 11.3 million vehicles were registered in New York State, including 9.2 million standard passenger vehicles and 693,532 commercial vehicles[1]. The Vehicle and Traffic Law also requires drivers to be licensed by the Department of Motor Vehicles. The current license renewal period is eight years. In 2024, New York State had 13.5 million full or conditionally valid licensed drivers (not suspended or revoked)[2]. Numerous other fees, related to the processes of registration or licensing, are also components of motor vehicle fees.

Most vehicle registration fees in New York are based on weight. Two important exceptions are buses, which are charged according to seating capacity, and semi-trailers, which are charged a flat fee. Registration fees for vehicles weighing less than 18,000 pounds are imposed biennially. The main registration fees are as follows:

MAIN REGISTRATION FEES

Type of Vehicle	Weight of Vehicle	Annual Fee[(1)]
Passenger vehicle	Each 100 lbs. or major fraction thereof up to 3,500 lbs.	$0.81
	Plus: for each 100 lbs. or major fraction thereof above 3,500 lbs.	$1.21
Passenger vehicle - minimum fee		$12.95
Passenger vehicle - maximum fee		$70.08
Passenger vehicle propelled by electricity		$16.18
Auto truck and light delivery vehicle	Each 500 lbs. maximum gross weight or fraction thereof	$3.60
Tractors (registered separately from semi-trailers)	Each 100 lbs. maximum gross weight or fraction thereof	$1.51
Trailers	Each 500 lbs. maximum gross weight or fraction thereof	$5.39
Semi-trailers - pre-1989 model year		$28.75 per year
Semi-trailers - model year 1989 or later		$28.75 per year or $86.25 for a period of 5.5 to 6.5 years
Bus - seating capacity 15 to 20 passengers		$74.75

(1) This does not include the $25 supplemental fee imposed on registrations in the Metropolitan Commuter Transportation District (MCTD).

[1] DMV data as of June 2, 2024.
[2] DMV data as of June 8, 2024.

The main licensing fees are listed below:

MAIN DRIVER LICENSING FEES

Type of License	Fee[1]
Photo Fee/Information Change	$12.50
Enhanced Driver License	$30.00
Original/Renewal	
• A, B, CDL, or C (Commercial)	$9.50 - for each six months
• Non CDL/C or E	$6.25 - for each six months
• D (Passenger)	$3.25 - for each six months
• M (Motorcycle)	$3.75 - for each six months

(1) This does not include the $1 supplemental fee per six months imposed on licenses in the MCTD.

Registration and licensing occur in person or by mail at the central and district offices of the Department of Motor Vehicles, and county clerks' offices in most counties. Many transactions can also be completed via the Internet. County clerks receive 10.75 percent of gross receipts as compensation.

Certain vehicles registered in New York are exempt from registration fees. The exemptions include: vehicles owned by the State or municipalities; passenger vehicles owned by consular offices; and vehicles owned and used for the transportation of animals by societies for the prevention of cruelty to animals. Vehicles owned by nonresidents and registered with a political jurisdiction outside the State are not usually required to be registered in New York. The revenue loss from these exemptions is minimal.

Currently, revenues from the 25 percent registration and license fee increase, effective September 1, 2009, are directed solely to the Trust Fund. Of the total balance of registration and license fees, 79.8 percent flows to the Trust Fund.

Legislative Changes. Legislation adopted with the FY 2015 Enacted Budget eliminated the $169.4 million MVF General Fund transfer to the Dedicated Funds Pool and replaced it with a generic General Fund transfer. Of the $106.7 million that is directed from the Dedicated Funds Pool to the Trust Fund, $66 million is a generic General Fund transfer to the Trust Fund. In addition, the first $40.7 million of the Driver Responsibility Assessment receipts that remained in the General Fund is now directed to the Trust Fund. This law change is revenue neutral to the Trust Fund.

In order to reduce the overall number of funds and improve programmatic efficiencies, legislation adopted with the FY 2017 Enacted Budget dedicated several categories of motor vehicle fees to the Dedicated Highway and Bridge Trust Fund that had previously flowed to four Special Revenue Funds (SROs). The SROs include DMV Compulsory Insurance, DMV Seized Assets, Motorcycle Safety, and the Accident Prevention Course Program (IPIRP).

In order to align revenue sources with operating and capital functions, legislation adopted with the FY 2019 Enacted Budget moved several categories of motor vehicle fees to the General Fund, including DMV Compulsory Insurance, DMV Seized Assets, Motorcycle Safety, and the IPIRP. These fees had previously flowed to the Dedicated Highway and Bridge Trust Fund.

Legislation adopted with the FY 2020 Enacted Budget changed the process for distributing certain motor vehicle fees revenues to the Metropolitan Transportation Authority (MTA). No longer subject to the appropriation process, Motor Vehicle Fees revenues designated for the MTA Aid Trust Account are directly remitted to the MTA. This law change does not impact the Trust Fund. Additionally, legislation enacted in June 2019 expanded access to standard (not for federal purposes), non-commercial driver licenses or learner permits for all undocumented immigrants, age 16 or older, who reside in New York State.

Legislation adopted with FY 2024 Enacted Budget modified the percentage of gross receipts county clerks retain for providing motor vehicle-related services while equalizing the percentage retained for services provided in-office and online. Previously, county clerks were allowed to retain 12.7 percent of receipts processed in-office and 3.25 percent of receipts processed online. Beginning January 1, 2024, county clerks will retain 10.75 percent of gross receipts, regardless of whether the services are provided in-office or online.

Actual and Estimated Revenues from Motor Vehicle Fees. DOB has forecasted the registration fees for passenger and commercial motor vehicles and other motor vehicle fees for FY 2025. The forecast reflects the State's FY 2025 Enacted Budget.

TRUST FUND REVENUES FROM MVF
(dollars in millions)

State Fiscal Year	Revenues[1]
2014-15	$726.7
2015-16	753.9
2016-17[2]	786.8
2017-18[2]	833.1
2018-19[2]	794.5
2019-20[2]	805.9
2020-21[2]	713.3
2021-22[2]	742.5
2022-23[2]	703.2
2023-24[2]	709.5
2024-25[2] [3]	730.0

(1) Includes all motor vehicle receipts that are directed to the Trust Fund. Nearly $107 million in CSR revenues, that are collected by the DMV, are now included in this amount.

(2) Effective April 1, 2016, several categories of motor vehicle fees that had previously flowed to four Special Revenue Funds were being dedicated to the Trust Fund. Effective April 1, 2018, these same fees have been redirected to the General Fund.

(3) Estimated.

Auto Rental Tax

General. On June 1, 1990, the State imposed a 5 percent tax on charges for the rental or use in New York State of a passenger car with a gross vehicle weight of 9,000 pounds or less. On June 1, 2009, the rate was increased to 6 percent and a supplemental tax at the rate of 5 percent was imposed on the receipts from the rental of a passenger car within the Metropolitan Commuter Transportation District (MCTD). Effective June 1, 2019, legislation enacted with the FY 2020 Budget increased the supplemental tax within the MCTD from 5 percent to 6 percent and established a new 6 percent supplemental tax outside of the MCTD. All revenues from the State auto rental tax are directed to the Trust Fund. Revenues from the supplemental tax within the MCTD are directed to the MTA Aid Trust Account, while revenues from the supplemental tax outside the MCTD are directed to the Public Transportations Systems Operating Assistance Account. Both sources of revenue from the supplemental tax are not included in the table below.

The auto rental tax is remitted quarterly by the vendor on the vendor's sales tax return to the Department of Taxation and Finance.

TRUST FUND REVENUES FROM AUTO RENTAL TAX
(dollars in millions)

State Fiscal Year	Revenues
2014-15	$ 74.0
2015-16	79.1
2016-17	78.0
2017-18	78.0
2018-19	81.0
2019-20	87.5
2020-21	51.9
2021-22	77.0
2022-23	94.0
2023-24	100.0
2024-25(1)	104.0

(1) Estimated.

Transmission and Transportation Taxes

General. The State imposes franchise taxes on transmission and transportation companies doing business in New York State and an additional excise tax on the sale of mobile communications services within the State. Under Section 183 of the Tax Law, companies pay tax based on the highest of three alternatives: allocated value of issued capital stock at a tax rate of 1.5 mills (.0015); allocated value of issued capital stock on which dividends are paid at a rate of 6 percent or more, at a tax rate of 0.375 mills (.000375) for each 1 percent of dividends paid, or a rate of 1.5 mills (.0015) to capital stock on which dividends are not paid, or are paid at a rate of less than 6 percent; or a minimum tax of $75. Section 184 of the Tax Law provides for a tax rate of 0.375 percent of gross earnings. Section 186-e imposes an additional excise tax of 0.4 percent on the sale of mobile telecommunication services.

Legislative Changes. Legislation adopted with the FY 2004 Enacted Budget increased the flow of funds to the Trust Fund by shifting 20 percent of receipts from the transmission and transportation taxes (Section 183 and 184) from the General Fund, effective April 1, 2004. The remaining 80 percent of transmission and transportation taxes are deposited into the Mass Transportation Operating Assistance Fund ("MTOAF"). Since then, this distribution of receipts to the Trust Fund and the MTOAF has been extended several times and was made permanent in the FY 2018 Enacted Budget. Legislation adopted with the FY 2017 Enacted Budget increased the excise tax (Section 186-e) an additional 0.4 percent (from 2.5 percent to 2.9 percent) on the sale of mobile communications services and dedicated 7.6 percent of all section 186-e receipts to the Trust Fund and MTOAF in the same manner as above, effective May 1, 2015.

The following table shows deposits of transmission and transportation taxes into the MTOAF and the Trust Fund since FY 2015 and DOB estimate of such deposits for FY 2025. The estimate for FY 2025 reflects the FY 2025 Enacted Budget.

TRANSMISSION AND TRANSPORTATION TAXES
DEPOSITS TO MTOAF AND TRUST FUND
(dollars in millions)

State Fiscal Year	MTOAF	Trust Fund
2014-15	$38.0	$ 9.5
2015-16	58.3	14.6
2016-17	61.4	15.3
2017-18	55.1	13.8
2018-19	61.2	15.3
2019-20	58.3	14.6
2020-21	40.7	10.2
2021-22	37.5	9.4
2022-23	40.4	10.1
2023-24	63.3	15.8
2024-25[1]	44.0	11.0

[1] Estimated.

Certain Special Revenues

General. Since April 1, 1999, certain transportation-related fees and charges have been deposited in the Dedicated Highway and Bridge Trust Fund. Prior to FY 2000, these transportation-related fees were deposited to the credit of four State special revenue funds. The FY 2000 Enacted Budget redirected these fees, through administrative action, to the Trust Fund. These fees are generated from the sale of permits for transportation of oversized and/or overweight cargo over the State's highways and bridges, the sale of permits for highway work, fees imposed for directional and outdoor advertising signs posted along State highways, and miscellaneous other transportation-related fees. These fees have been deposited directly in the Trust Fund since the FY 2001 Enacted Budget formalized in statute the redirection of these fees to the Trust Fund. Some of the fee schedules associated with these Trust Fund Revenues are subject to change by the Commissioner of Transportation.

Legislative Changes. Legislation adopted with the FY 2015 Enacted Budget merged DOT's Transportation Regulation Account and Rail Safety Inspection Account with the Dedicated Highway and Bridge Trust Fund, increasing dedicated revenues by $5.6 million in FY 2015 and $5.9 million thereafter.

Legislation adopted with the FY 2019 Enacted Budget transferred DOT's Transportation Regulation and Rail Safety programs from the Dedicated Highway and Bridge Trust Fund to the State's General Fund, decreasing dedicated revenues by $8.3 million in FY 2019 and thereafter.

Legislation adopted with the FY 2020 Enacted Budget authorized DOT to charge a fee for the use of its right of way (ROW) by fiber optic utilities. Such fees were projected to generate $15 million in revenue in FY 2020 and increasing amounts thereafter and were deposited in the Dedicated Highway and Bridge Trust Fund. This fee was repealed as part of the FY 2023 Enacted Budget. Future revenue assumptions of $50 million in FY 2023 and FY 2024, and $20 million per year in subsequent outyears, were removed from the financial plan.

Legislation adopted with the FY 2020 Enacted Budget also increased the maximum penalty for notices of violation of DOT safety regulations. The incremental revenues, which were estimated to be $625,000 in FY 2020 and $1.25 million thereafter, are deposited in the Dedicated Highway and Bridge Trust Fund.

CERTAIN SPECIAL REVENUES
(dollars in millions)

State Fiscal Year	Revenues
2014-15	$ 55.2
2015-16	56.6
2016-17	58.7
2017-18	59.2
2018-19	51.9
2019-20	103.5
2020-21	77.8
2021-22	82.1
2022-23	72.0
2023-24	85.8
2024-25[1]	60.4

(1) Estimated.

Build America Bonds Subsidy

The American Recovery and Reinvestment Act of 2009 ("ARRA") authorized the Build America Bonds ("BABs") program, which offered issuers the opportunity to issue taxable bonds for capital projects that would otherwise qualify for tax-exemption and receive a subsidy equal to 35 percent of each interest payment from the U.S. Treasury. The Series 2010B Bonds were issued under the Second General Bond Resolution as BABs and pursuant to the BABs program as then in effect, the Trust Fund assumed it would receive an annual 35 percent interest subsidy on the Series 2010B Bonds.[1]

TRUST FUND REVENUES FROM BABs SUBSIDY
(dollars in millions)

State Fiscal Year	Revenues[1]
2019-20	$4.6
2020-21	4.2
2021-22	2.1
2022-23	6.3
2023-24	4.4
2024-25[2]	3.6

(1) As a result of Federal sequestration, the subsidy paid to the Trust Fund was reduced to a 32.8 percent subsidy in FY 2020, a 32.9 percent subsidy in FY 2021, a 33.0 percent subsidy in FY 2022 and FY 2023, and a 34.0 percent subsidy in FY 2024. In FY 2025, the subsidy amount is estimated to be a 33.0 percent subsidy.

(2) Estimated.

Actual and Estimated Trust Fund Revenues

The following table provides a summary of the actual and estimated Trust Fund Revenues derived from the sources discussed above.

ACTUAL AND ESTIMATED TRUST FUND REVENUES
(dollars in millions)

State Fiscal Year	PBT	MFT	HUT	MVF	ART	TTT	CSR	BABs	TOTAL
2014-15	$643.8	$386.1	$140.4	$726.7	$74.0	$9.5	$55.2	$5.0	$2,040.7
2015-16	624.9	398.1	158.6	753.9	79.1	14.6	56.6	5.0	2,090.8
2016-17	624.2	409.6	136.4	786.8	78.0	15.3	58.7	5.0	2,114.0
2017-18	605.0	403.1	91.4	833.1	78.0	13.8	59.2	5.0	2,088.6
2018-19	640.4	417.1	146.6	794.5	81.0	15.3	51.9	5.0	2,151.8
2019-20	637.3	403.6	140.9	805.9	87.5	14.6	103.5	4.6	2,197.9
2020-21	521.8	334.3	134.4	713.3	51.9	10.2	77.8	4.2	1,847.9
2021-22	568.7	389.5	140.3	742.5	77.0	9.4	82.1	2.1	2,011.6
2022-23	603.2	140.9(1)	141.9	703.2	94.0	10.1	72.0	6.3	1,771.6
2023-24	610.3	383.2	138.0	709.5	100.0	15.8	85.8	4.4	2,047.0
2024-25(2)	584.8	381.5	138.6	730.0	104.0	11.0	60.4	3.6	2,013.9

(1) The FY 2023 Enacted Budget suspended the State motor fuel tax imposed on gasoline and diesel motor fuel, from June 1, 2022, through December 31, 2022. Additionally, a "hold harmless" General Fund transfer provision was included to transfer the projected revenue amounts that would have been distributed to the Trust Fund component of the Motor Fuel Tax ($233.7 million) as though the suspension of such taxes was not in effect. Please note that the referenced estimate in the table above does not reflect or include the noted "hold harmless" General Fund transfer amounts.

(2) Estimated.

Factors Affecting Trust Fund Revenues

The discussion above has generally covered receipts since FY 2015. Trust Fund receipts should also be viewed from a long-term perspective.

An examination of historical data suggests that the Trust Fund revenues have been affected positively or negatively by a number of factors including, but are not limited to: (1) State legislative changes affecting the tax rates, the tax base, payment schedules and the allocation of receipts to the Trust Fund; (2) overall economic conditions in the State; (3) population growth in the State; (4) significant changes in the price of petroleum and refined petroleum products; (5) improvements in the fuel efficiency of automobiles; (6) the use of the extensive public transportation network of subways, buses and commuter rails; (7) world political events, such as the OPEC oil embargo (1973-75), the terrorist attacks on September 11, 2001 and the continuing conflicts in the Middle East; (8) variations in climate and severe weather conditions, including Hurricane Irene and Superstorm Sandy; (9) severe epidemic or pandemic events, including the COVID-19 pandemic; (10) the price of natural gas relative to certain competing taxable petroleum products, which primarily affect the consumption of taxable petroleum products by utilities; (11) environmental pressures to reduce acid rain through reduction of sulfur dioxide emissions from facilities burning fossil fuels; (12) the shift in the State from a manufacturing-based to service-based economy; (13) State and Federal initiatives encouraging energy efficiency and environmental protection; (14) impact of utility deregulation on Statewide supply and demand of electricity; and (15) tax evasion and Federal and State enforcement measures.

Historically, the price of refined petroleum products has increased. In the long term, this could impact overall consumption as could technological changes in response to these price increases. However, an examination of the historical data factors noted in the prior paragraph indicate that even relatively sharp price increases have not had an immediate adverse effect on motor fuel consumption levels. Indeed the data suggests that the impact of higher prices is expected to be relatively limited and that short-term motor fuel consumption (by far the largest component of Trust Fund receipts) is relatively inelastic in the face of price changes, and, accordingly, that motor fuel tax collections among the existing taxable base are likely to remain relatively stable. General economic conditions also have an impact upon fuel consumption, especially on diesel fuel consumption. During recessions, diesel fuel consumption declines as business activity slows, but recovers and begins to grow during periods of economic strength. This also has an impact on HUT receipts, which is a tax based on commercial trucks travelling on State highways.

Generally, over the period covered by the historical data discussed above, the sources of revenue dedicated to the Trust Fund were subject to a variety of extreme economic and political conditions, yet would have provided a reasonably stable and moderately growing flow of revenue to the Trust Fund without intervention by the State. There can be no assurances, however, that future economic, political or statutory changes will not materially reduce the flow of revenues to the Trust Fund. In such an event, the State may, but is not obligated to, consider remedial actions, including but not limited to, restructuring revenues available to the Trust Fund or program activity.

Section 2: Subsection H

New York State Housing Finance Agency, Health Facilities Revenue Bonds (New York City) and Dormitory Authority of the State of New York, Municipal Health Improvement Program Lease Revenue Bonds (The City of New York Issues)

“State Appropriations for Medicaid”

This Subsection H contains the information required to be updated annually pursuant to applicable Continuing Disclosure Agreements relating to obligations issued, respectively, by the New York State Housing Finance Agency for Health Facilities Revenue Bonds (New York City) and the Dormitory Authority of the State of New York for Municipal Health Improvement Program Lease Revenue Bonds (The City of New York Issue).

Capitalized terms used in this Subsection H and not otherwise defined shall have the meanings ascribed to them in the related Official Statement.

State Medicaid payments made to the City as State Aid or on behalf of the City to Medicaid providers are funded through annual appropriations from the State Legislature for the support of the State Medicaid program and are therefore dependent upon the availability of financial resources and the allocation thereof. The Medicaid program may also be affected by State or Federal legislation relating to the health care system in general. The total annual amount of State Aid paid to the City pursuant to Section 368-a of the Social Services Law and funds appropriated for the purpose of making payment on behalf of the City pursuant to section 367-b of such Law for the fiscal years ended March 31, 2016 through March 31, 2022 (the most recent fiscal year for which data is available) were as follows:

State Fiscal Year	Annual Amount of State Medicaid Payments to or on behalf of the City [(1)(2)] (dollars in thousands)
2016	$11,218,292
2017	11,339,300
2018	11,656,059
2019	12,618,800
2020	13,016,020
2021	13,289,787
2022	13,594,843

(1) Due to a lengthy adjustment period, during which Medicaid claims can be revised, there is typically a two-year lag in assembling these numbers.

(2) Additional Federal funding associated with the Patient Protection and Affordable Care Act (PPACA) is included beginning in January 2014.

The total amount of State Aid paid to or on behalf of the City pursuant to Section 367-b and Section 368-a of the Social Services Law as related only to the services and or facilities provided by the health facilities owned, leased or operated by the City for FY 2021 was approximately $279 million. The total amount for FY 2022 was approximately $307 million.

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Section 2: Subsection I

Dormitory Authority of the State of New York, Department of Health of the State of New York Revenue Bonds

"The Department of Health" and "The Medical Care Facilities"

This subsection I contains the information required to be updated annually pursuant to applicable Continuing Disclosure Agreements relating to obligations issued by the Dormitory Authority of the State of New York for the Department of Health of the State of New York Revenue Bonds.

Capitalized terms used in this subsection I and not otherwise defined shall have the meanings ascribed to them in the related Official Statement.

General

The Department is a civil department of the State created pursuant to Article 2 of the Public Health Law.

The mission of the Department is to ensure the availability of appropriate high-quality health services at reasonable cost to all State residents. The Department's responsibilities include:

1. Promoting and supervising public health activities throughout the State;
2. Ensuring sound, cost-effective medical care for all residents; and
3. Reducing the heavy toll taken by chronic disabling illnesses, including heart disease, cancer, stroke, and respiratory diseases.

These responsibilities are carried out through a coordinated network of administrative units, including the Department's major operating arms, the Office of Public Health ("OPH"), the Office of Primary Care and Health Systems Management ("OPCHSM") and the Office of Health Insurance Programs ("OHIP") and through a system of area and field offices that conduct health facility surveillance, public health monitoring and direct public health activities. The Department is the agency designated for administering Federal moneys allotted for health work under the Public Health Service Act, the Social Security Act, and other Federal authorizations. Single State agency responsibilities under Title 19 of the Social Security Act for the Medical Assistance Program were transferred from the former Department of Social Services to the Department in legislation enacted in 1996 and 1997. Finally, the Department operates facilities engaged in advanced medical research and patient care through its Health Facilities Management Group.

The Department currently carries out its responsibilities through 15 budgetary programs: Administration Program; Center for Environmental Health Program; Center for Community Health Program; AIDS Institute Program; Wadsworth Center for Laboratories and Research Program; Office of Primary Care and Health Systems Management Program; Office of Health Insurance Program; Medical Assistance Program; Medical Assistance Administration Program; Child Health Insurance Program; Essential Plan Program; Elderly Pharmaceutical Insurance Coverage Program; Health Care Reform Act Program; New York State of Health Program; and the Institutional Management Program.

The State's Public Health Law enumerates six facilities as part of the Department: the Roswell Park Cancer Institute (the "Institute"), the Helen Hayes Hospital (the "Hospital"), the New York State Home for Veterans and their Dependents at Oxford (the "Home"), the New York State Home for Veterans in the City of New York (the "Veterans Home"), the New York State Home for Veterans in Western New York (the "WNY Veterans Home") and the New York State Home for Veterans in the Lower Hudson Valley (the "HV Veterans Home"). The Legislature has the power to decide whether or not the Department will continue to operate and maintain any of these facilities or programs. In 1999, the State transferred the Institute to a separate public benefit corporation, Roswell Park Cancer Institute Corporation ("RPCI"). The Legislature also may decide in the future to add by legislation additional facilities to the Department.

Fiscal Structure

The Department receives annual appropriations from the Legislature to operate all authorized programs and to provide specific services.

The Legislature appropriates moneys from the State's General Fund to the Department to meet the operational costs of the Department for program operations not otherwise supported by Federal or other funds. Within the total amount appropriated, funds may be interchanged or transferred between programs upon recommendation of the Commissioner of Health (the "Commissioner") and the approval of the State Budget Director, according to the formula established in the State Finance Law. These monies are not available for deposit to the Health Income Fund. The Legislature appropriated $7,600,000 from the State's Capital Projects Fund for FY 2025 for repairs and maintenance of the Hospital, the Home, the Veterans Home, the WNY Veterans Home, and the HV Veterans Home.

In addition to the appropriation of State funds, the Legislature also appropriates moneys made available by the Federal government for Department programs. None of the funds allocated by Federal agencies to the Department have been appropriated for the Hospital, the Home, the Veterans Home, the WNY Veterans Home and the HV Veterans Home.

The FY 2025 Enacted Budget includes funds appropriated to the Department from over 100 Special Revenue Accounts including, pursuant to Chapter 433 of the Laws of 1997, accounts supporting the operating budget for the Hospital, the Home, the Veterans Home, the WNY Veterans Home and the HV Veterans Home. Revenue is deposited in the self-supporting accounts from fees, billings, assessments, and other charges as specified in law or regulation. Expenditures from these accounts are limited to the specific purpose of the individual account.

Patient care revenues received by the Department relating to the Veterans Home are deposited into the Veterans Home Income Fund. Amounts in excess of that required to be held by the Comptroller in the Veterans Home Income Fund are directly transferred periodically to the New York City Veterans Home Account, which was also authorized by Chapter 433 of the Laws of 1997. Funds in the New York City Veterans Home Account are appropriated for operation of the Veterans Home.

The amounts on deposit in the Veterans Home Income Fund and the New York City Veterans Home Account do not secure the payment of amounts due under the Agreement.

The Health Income Fund

The Health Income Fund is established in the custody of the Comptroller pursuant to Section 409 of the Public Health Law. The moneys on deposit in the Health Income Fund are kept separate and are not commingled with any other moneys held by the Comptroller. All of the revenues received by the Department for the care, maintenance and treatment of patients at the Institute, the Hospital, the Home, the WNY Veterans Home, and the HV Veterans Home, together with certain other moneys and miscellaneous receipts less certain payments and refunds made pursuant to law, are paid by the Commissioner to the Comptroller for deposit in the Health Income Fund. The revenues received by the Department for the care, maintenance and treatment of these patients come from Medicare, Medicaid, Blue Cross, private insurance companies and from the patients directly. Pursuant to Chapter 293 of the Laws of 1992, a clinical practice plan has been established at the Institute which provides for the collection and disbursement of clinical practice income resulting from the clinical practice of licensed health professionals employed by the Institute. Such clinical practice income is not factored in as part of the revenues of the Institute or the Health Income Fund.

Section 409 of the Public Health Law requires that the Comptroller maintain at all times in the Health Income Fund the amount of money needed by the Department during the next succeeding six calendar months to comply in full with all obligations of the Department under the Agreement, including amounts necessary to make payments under the Agreement during such period and to establish and maintain reserves. The Comptroller, at least biweekly, is required to pay to RPCI any moneys in the Health Income Fund which the Commissioner attributes to the operation of RPCI and which are in excess of the amount required to be maintained by the Comptroller in the Health Income Fund pursuant to Public Health Law Section 409. As discussed below under the subheading “DOH Hospital Holding Account and Facility-Specific Operating Accounts,” the Comptroller from time to time, but in no event later than the last day of March, June, September and December of each year is required to deposit to the DOH Hospital Holding Account all moneys in the Health Income Fund in excess of the amount required to be maintained in the Health Income Fund described above. These moneys, in turn, are transferred to the Helen Hayes Hospital Account, the New York State Home for Veterans and Their Dependents at Oxford Account, the Western New York Veterans Home Account, and the New York State Home for Veterans in the Lower Hudson Valley Account. This transfer from the DOH Hospital Holding Account to these four accounts is based upon the amount the Hospital, the Home, the WNY Veterans Home and the HV Veterans Home deposit into the Health Income Fund. The moneys in the Health Income Fund shall be paid out on the audit and warrant of the Comptroller on vouchers approved by the Commissioner or his designee. Subject to the power to pay out such excess moneys in the Health Income Fund to RPCI and the DOH Hospital Holding Account, the Department in the Agreement has pledged and assigned to the Authority, subject to appropriation, all moneys in the Health Income Fund and all moneys which may be received by the Department and credited to the Health Income Fund.

Revenues on an audited cash, rather than an accrual, basis generated during the five most recent fiscal years, preliminary for FY 2024 and estimated for FY 2025, for the Institute, the Hospital, the Home, the WNY Veterans Home, and the HV Veterans Home as deposited in the Health Income Fund, are listed in the table below. The table also reflects the manner in which the revenues were used or are expected to be used (i.e., actual payments for debt service and transfers to the operating accounts or the RPCI for each year) as well as the ratio of Receipts in Health Income Fund to Health Income Fund Debt Service Payments ("Debt Service Coverage").

HEALTH INCOME FUND
(dollars in thousands, except ratios)

State Fiscal Year Ended March 31	Receipts in Health Income Fund	Health Income Fund Debt Service Payments[1]	Available for Transfer to Facility-Specific Operating Accounts or RPCI Corporation[1]	Debt Service Coverage
2019	$ 749,179	$26,905	$ 722,274	28x
2020	878,042	26,465	851,577	33x
2021	911,178	25,919	885,259	35x
2022	871,552	25,668	845,884	34x
2023	907,144	24,602	882,542	37x
2024 (Prelim)	1,059,462	22,104	1,037,358	48x
2025 (Est.)	1,203,579	20,229	1,183,350	59x

Source: Department of Health.

(1) Available fund balance may be increased or decreased, depending on the need to set aside future debt service payments, which would result in the transfer amount being adjusted accordingly.

DOH Hospital Holding Account and Facility-Specific Operating Accounts

The DOH Hospital Holding Account is a special account established by the Comptroller. At any time, but no later than the last day of each March, June, September and December, amounts in the Health Income Fund in excess of the amount required to be maintained therein or paid to RPCI are paid over by the Comptroller to the DOH Hospital Holding Account, and transferred, respectively, to the Helen Hayes Hospital Account, the New York State Home for Veterans and Their Dependents at Oxford Account, the Western New York Veterans Home Account, and the New York State Home for Veterans in the Lower Hudson Valley Account. The moneys in these four accounts are generally available for paying the costs related to the provision of health services to patients at the facilities, including the payment of costs for research, training, personal services and the costs of operating and maintaining such facilities. Pursuant to Chapter 293 of the Laws of 1992 and Chapter 505 of the Laws of 1995, the moneys become available, respectively, from these facility-specific operating accounts when the Commissioner executes a certificate of allocation and schedule of amounts to be available therefore. The moneys are payable from these operating accounts upon audit and warrant of the Comptroller on vouchers approved by the Commissioner or his designee. See preceding section entitled "The Health Income Fund" for information on RPCI revenue.

Sources of Operating Funds

The following table reflects the Department's State Operations appropriations for the Hospital, the Home, the Veterans Home, the WNY Veterans Home and the HV Veterans Home. As such this represents the maximum authority to spend, or budgeted levels, as approved by the Legislature and does not necessarily reflect actual spending levels.

State Fiscal Year Ended March 31	Appropriated for Facility-Specific Operating Accounts [(1)(2)]
2019	$162,013,000
2020	166,013,000
2021	166,013,000
2022	166,013,000
2023	186,283,000
2024	190,676,000
2025[(3)]	190,676,000

(1) Exclusive of minor amounts available for patient benefits from gifts and bequests.

(2) These funds are transferred to individual Special Revenue Fund-Other accounts supporting the respective operating budgets of the Hospital, the Home, the Veterans Home, the WNY Veterans Home and the HV Veterans Home. The amounts shown here are from revenues derived from these facilities and vary in some degree from the revenues of such facilities as reflected in their financial statements for the years indicated, due to differences in accounting procedures and other factors.

(3) Reflects the FY 2025 Enacted Budget.

Employee Relations and Indemnity

As of March 31, 2024, the Department employed approximately 4,918 full-time equivalent employees, including approximately 1,222 full-time equivalent employees at the Hospital, the Home, the WNY Veterans Home, the HV Veterans Home and the Veterans Home. (Individuals at the Institute are considered employees of the RPCI rather than the Department and are not included as part of this number.) Employees of the Department are State employees. Section 17 of the Public Officers Law requires the State to save harmless and indemnify its employees from financial loss arising out of any claim, demand, suit or judgment by reason of alleged intentional wrong doing, negligence or other act by State employees provided that the employee was acting in the scope of his duties and did not commit a willful or wrongful act. The law further provides that the Attorney General may represent such employees.

Any actions involving malpractice claims brought against the Department are actions brought against the State itself. The State does not carry insurance with respect to malpractice claims and is a self-insurer for the payment of any judgments which may be rendered against the State for any such actions.

General

Section 403 of the Public Health Law enumerates the facilities which are part of the Department: the Institute, the Hospital, the Home, the Veterans Home, the WNY Veterans Home and the HV Veterans Home. Revenues for all facilities, except the Veterans Home, are deposited in the Health Income Fund.

Roswell Park Cancer Institute

The Institute was founded in 1898 and became a State Institute in 1911. In 1971, it was one of the first three institutions certified as a comprehensive cancer center by the National Cancer Institute. As such, it is committed to combat cancer through basic research, clinical research and treatment, and professional and public education. There are 57 such centers designated in the United States. The Institute is a facility licensed for and operating 157 beds, 16 ambulatory care centers offering 35 different specialties, and outpatient treatment centers for chemotherapy, imaging services, and radiation medicine. It has over 3,800 members, including clinical staff physicians, nurses, residents, fellows, and research staff.

In order to meet the demands of the changing health care marketplace and to promote the strengths and capabilities of the Institute, Chapter 5 of the Laws of 1997 added a new Title 4 to Article 10-c of the Public Authorities Law authorizing the RPCI. This legislative authorization was intended to change the Institute’s governance structure to afford it market and managerial flexibility. Among the special powers granted by the legislation to RPCI were the powers to contract with the State to operate, manage, superintend and control the Institute, and to establish, collect, and adjust fees, rental and other charges in connection with the operation of the Institute.

Pursuant to subdivision 2 of Section 403 of the Public Health Law, added by such chapter, the Department, acting on behalf of the State, entered into an Operating Agreement with RPCI pursuant to which operating responsibility for the Institute was transferred to RPCI effective January 1, 1999, and giving RPCI substantial independence in operating the Institute, including the power to establish operating budgets, to establish and implement strategic business plans, to create subsidiary and affiliated entities, to enter into affiliations and alliances with other health care providers and to establish, collect and adjust fees, rentals and other charges in connection with the operation of the Institute.

Revenues generated by RPCI as a result of operating the Institute continue to be revenues of the State and are required to be deposited into the Health Income Fund for payment of debt service on the Bonds. After allowing for accumulation of the amount the Comptroller is required to maintain in the Health Income Fund pursuant to Public Health Law Section 409 and a reserve for refunds, the remaining revenues which the Commissioner attributes to the operations of RPCI are transferred to RPCI at least biweekly by the Comptroller.

The following table provides historic utilization data for the Institute for the five most recent fiscal years, preliminary for FY 2024 and estimated for FY 2025.

State Fiscal Year Ended March 31	Annual Average Beds in Service	Annual Average Inpatient Occupancy Rate	Outpatient Visits
2019	133	84%	261,299
2020	133	89	278,552
2021	142	80	268,329
2022	142	85	288,758
2023	142	84	294,489
2024 (Prelim)	157	78	302,690
2025 (Est.)	157	77	317,678

The Institute has undergone several key transitions over the last several years, including a major modernization of its Buffalo campus and a change in governance as noted above. RPCI's responsibility is to ensure the fiscal and programmatic integrity of the facility. The Institute is affiliated with the University of New York at Buffalo and has numerous affiliation agreements with other educational institutions and hospitals. Training provided by the Institute under these agreements include medical, nursing, and medical research. For the fiscal year ending March 31, 2025, the Institute is projected to generate 88 percent of the patient care revenues deposited in the Health Income Fund.

Helen Hayes Hospital

The Hospital was established in 1900 primarily to provide care to children with disabilities. Since then, and particularly in recent years, the patient population and the services provided have changed dramatically. The Hospital has evolved into a comprehensive rehabilitation center offering a multi-specialty approach to medical rehabilitation and treatment of chronic diseases as well as specialized surgical services. The Hospital is the largest freestanding rehabilitation center in New York State. Research is also an integral component of the Hospital's operation and it also involves unique protocol studies directed at treatment and prevention of disabling diseases such as osteoporosis. In addition, the Hospital has established a 25-bed Skilled Nursing Unit and Transitional Rehabilitation Center to increase the continuum of services provided to patients.

The following table provides historic utilization data for the Hospital for the five most recent fiscal years, preliminary for FY 2024 and estimated for FY 2025.

State Fiscal Year Ended March 31	Annual Average Inpatient Occupancy Rate	Outpatient Visits
2019	63%	60,135
2020	63	60,150
2021[1]	46	43,920
2022	47	40,914
2023	47	47,454
2024 (Prelim)	50	45,214
2025 (Est.)	38	45,000

(1) Decrease in occupancy rates for FY 2021 is attributable to the COVID-19 pandemic.

The Hospital has been subject to the same market forces that have affected other acute care facilities in New York State. As a specialized rehabilitation facility, the Hospital must attract and retain a specialized staff, particularly in the various rehabilitation therapies. The national shortage of skilled medical professionals experienced over the past several years has had an impact on the Hospital's ability to maintain and increase its outpatient volume.

The Hospital is affiliated with Columbia University's College of Physicians and Surgeons in a formal residency program and the College participates with the Hospital in developing teaching and service programs. Pursuant to an affiliation agreement, New York Presbyterian Hospital serves as the Hospital's contracting agent for the employment of physicians and physical therapists for the Hospital. For the fiscal year ending March 31, 2025, the Hospital is projected to generate 4 percent of the patient care revenues deposited in the Health Income Fund.

New York State Veterans Home at Oxford

The Home admitted its first residents in 1897, when its primary mission was to provide room and board for Civil War veterans and their wives and other dependents. Historically, admission was limited to veterans and their dependents of U.S. wars through World War II and was prioritized by earliest service. Recent legislative changes opened admission to all veterans and prioritizes admissions by severity of illness and wartime status rather than by service date. The Home's total bed capacity is 242 beds.

The annual average occupancy rate for the Home for the five most recent fiscal years, preliminary for FY 2024 and estimated for FY 2025, is described in the following table:

State Fiscal Year Ended March 31	Annual Average Inpatient Occupancy Rate
2019	73%
2020	70
2021[(1)]	57
2022	48
2023	43
2024 (Prelim.)	63
2025 (Est.)	70

(1) Decrease in occupancy rates for FY 2021 is attributable to the COVID-19 pandemic.

For the fiscal year ending March 31, 2025, the Home is projected to generate 2 percent of the patient care revenues deposited into the Health Income Fund.

New York State Home for Veterans in Western New York

The WNY Veterans Home in Batavia began admissions of residents in August of 1995. This facility also provides care for veterans and their dependents prioritized by degree of illness rather than by service date. The facility's bed capacity is 126.

The annual average occupancy rate for the WNY Veterans Home for the five most recent fiscal years, preliminary for FY 2024 and estimated for FY 2025, is described in the following table:

State Fiscal Year Ended March 31	Annual Average Inpatient Occupancy Rate
2019	89%
2020	95
2021[(1)]	72
2022	55
2023	63
2024 (Prelim.)	85
2025 (Est.)	95

(1) Decrease in occupancy rates for FY 2021 is attributable to the COVID-19 pandemic.

For fiscal year ending March 31, 2025, the WNY Veterans Home is projected to generate 1 percent of the patient care revenues deposited into the Health Income Fund.

New York State Home for Veterans in the Lower Hudson Valley

The HV Veterans Home was authorized by legislation in 1994. Construction was completed in mid-2001 and resident admissions began in September 2001. The 252-bed facility is on the grounds of the Veterans Administration Hospital in Montrose, NY. The design is based on the cluster model used for the WNY Veterans Home in Batavia, which has received national recognition for cost efficient delivery of health care.

The annual average occupancy rate for the HV Veterans Home for the five most recent fiscal years, preliminary for FY 2024 and estimated for FY 2025, is described in the following table:

State Fiscal Year Ended March 31	Annual Average Inpatient Occupancy Rate[1]
2019	94%
2020	92
2021[2]	64
2022	62
2023	63
2024 (Prelim)	70
2025 (Est.)	83

(1) Based on annual average beds in service of 252.
(2) Decrease in occupancy rates for FY 2021 is attributable to the COVID-19 pandemic.

For the fiscal year ending March 31, 2025 the HV Veterans Home is projected to generate 2 percent of the patient care revenue deposited into the Health Income Fund.

Reimbursement Process

The Hospital and the Institute are considered "specialty" facilities and, for reimbursement purposes, have historically been exempt from the case methodology applied to other facilities. However, with the implementation of HCRA, which took effect during 1997 and the conversion from historic reimbursement and the move to managed care contracting, both facilities have entered into several contracts to provide medical services. The Institute is considered to be a Prospective Payment System ("PPS") facility for Medicare and is reimbursed on a cost basis for this payor. At the Hospital, Medicare established a new PPS reimbursement methodology for rehabilitation hospitals, which was effective April 1, 2002. This new methodology is based upon a case payment per discharge rather than the per diem payment which existed previously. Research costs are considered non-allowable and are not included in the calculation of the rates. The facilities also receive additional reimbursement for uncollectible bad debts and charity write-offs from regional and statewide pools; the bad debt write-off, however, is less than 2 percent due to screening and insurance verification of patients prior to admission.

Medicaid reimbursement for the Home and the WNY Veterans Home and the HV Veterans Home is based on a Statewide Regional Pricing model which was implemented in 2012. This methodology is partially based on a case-mix assessment. The Statewide Pricing Model also incorporates the cost of care incurred and provides some financial incentives to admit “high intensity” patients by linking payments to the level of services provided. The Medicaid Statewide Pricing Model is based on 2007 operational cost and also incorporates other factors such as: size of the facilities; geographic location, and quality measures in the determination of the final payment rate.

For Medicare, the reimbursement methodology for the Home, the WNY Veterans Home and HV Veterans Home is the same and is based on the PPS, which uses the average cost for the respective regions. For the veterans homes in the program, this has proven beneficial as the average regional cost exceeds the facility-specific cost, resulting in a higher rate of reimbursement for the veterans homes, which have also converted from a “flat rate” average charge to “fee for service.” In addition to a room and board charge, the veteran’s homes bill for actual charges for pharmacy, therapies, and other such ancillary services.

To further enhance collections at the Institute and the Hospital, a discrete Department of Law collection unit has been established with sites at each facility. A discrete unit has also been established to provide collection services to the Home, the WNY Veterans Home and the HV Veterans Home. The Department of Law serves as the facilities’ collection agency since by law the facilities cannot, with certain exceptions, refer uncollectible accounts to outside agencies and have no authority to write off bad debts. Only the Attorney General and the Comptroller have the authority to write off bad debts.

Cash Receipts

Receipts for patient care and other miscellaneous income are deposited into the Health Income Fund on a weekly basis. The following tables display the final amount of cash receipts from each revenue source at the five facilities for the previous fiscal years for which data are available. Facility cash receipts vary with receipts into the Health Income Fund because of timing differences in the recording of the respective funds.

CASH RECEIPTS FROM PATIENTS AND MISCELLANEOUS INCOME

	2020-21	2021-22	2022-23	2023-24[1]
Roswell Park Cancer Institute				
Medicare	$171,060,546	$119,232,256	$128,617,931	$148,588,844
Medicaid	2,541,467	2,603,918	2,343,458	1,444,500
Blue Cross	218,204,325	244,404,300	239,381,435	268,507,122
Other Third Party Payors	345,667,923	356,697,194	414,863,143	463,480,324
Self-Pay	9,437,535	11,717,553	11,208,682	14,401,955
TOTAL	$746,911,796	$734,655,221	$796,414,649	$896,422,745
Helen Hayes Hospital				
Medicare	$22,112,041	$26,035,849	$22,566,400	$24,408,361
Medicaid	2,448,477	4,298,542	3,574,200	2,992,668
Blue Cross	6,107,860	6,467,274	6,127,200	4,469,501
Other Third Party Payors	12,847,541	12,294,693	10,722,600	14,100,341
Self-Pay	1,085,649	1,056,512	1,001,200	535,019
Other	3,322,412	8,633,100	7,068,400	13,070,690
TOTAL	$47,923,980	$58,785,970	$51,060,000	$59,576,580
Oxford Homes				
Medicaid	$4,616,675	$6,961,840	$4,739,942	$6,749,293
Self-Pay	6,771,526	4,099,815	3,350,261	3,830,191
VA Reimbursement	6,838,199	7,344,776	5,595,084	7,462,338
Medicare	249,025	208,629	454,387	468,271
Miscellaneous	102,246	74,484	85,705	116,268
TOTAL	$18,577,671	18,792,372	$14,225,379	$18,626,361
WNY Veterans Home				
Medicaid	$3,845,220	$2,990,838	$2,685,904	$3,590,361
Self-Pay	4,272,340	2,659,656	2,838,826	$3,181,902
VA Reimbursement	5,303,954	5,001,146	4,686,854	$5,841,988
Medicare	436,136	667,566	431,890	$394,252
TOTAL	$13,857,650	$11,319,206	10,643,475	$13,008,503
HV Veterans Home				
Medicaid	$5,658,426	$15,586,963	$5,982,045	$8,486,331
Self-Pay	8,164,707	5,964,823	5,523,997	5,053,776
VA Reimbursement	9,708,494	11,739,932	12,277,041	12,937,281
Medicare	1,859,860	2,314,612	2,804,839	2,118,469
TOTAL	$25,391,487	$35,606,330	$26,587,953	$28,595,857

(1) Reflects preliminary information.

The following table reflects the Medical Care Facilities' income statements prepared by independent auditors for the most recent four fiscal years for which such statements are available. The data presented reflect the net patient care income, which is derived by deducting a reserve for bad debts and contractual allowances from the gross charges for patient services. The contractual allowances are the differences between the Medical Care Facilities' charges and the actual amount reimbursed by third party payors. The net revenue varies from the cash receipts schedule provided above since the latter reflects actual cash collected and the differences between the two schedules are represented by accounts receivable. The expenses are reflected on an accrual basis in accordance with GAAP and as required by third party payors. Included in the expenses are all State appropriations, such as fringe benefits for the Medical Care Facilities' employees as well as non-cash expenses such as depreciation.

SUMMARY OF NET PATIENT CARE REVENUES, OTHER NON-OPERATING REVENUES, AND OPERATING EXPENSES AS REFLECTED ON THE FACILITIES' INCOME STATEMENTS

	2019-20	2020-21	2021-22	2022-23
Revenues				
Roswell Park	$817,266,490	$793,171,269	$861,351,054	$953,786,238
Helen Hayes Hospital	88,694,038	104,233,994	62,412,840	79,019,192
Oxford Home	32,706,992	31,254,915	28,169,728	23,624,207
WNY Veterans Home	22,165,870	20,285,972	16,767,938	17,751,361
HV Veterans Home	21,812,368	41,062,790	59,124,420	38,957,063
Total Revenues	$982,645,758	$990,008,940	$1,027,825,980	$1,113,138,061
Expenses				
Roswell Park	$777,387,056	$819,039,560	$846,772,325	$920,748,182
Helen Hayes Hospital	88,259,507	100,274,366	86,852,394	89,972,963
Oxford Home	37,423,571	38,317,039	33,387,646	34,492,662
WNY Veterans Home	20,894,390	22,287,905	19,106,182	21,821,616
HV Veterans Home	21,281,220	46,686,591	39,268,245	37,561,844
Total Expenses	$945,245,744	$1,026,605,461	$1,025,386,792	$1,104,597,267
Results from Operation	$37,400,014	$(36,596,521	$2,439,188	$8,540,794

Section 2: Subsection J

New York State Personal Income Tax Revenue Bonds

This Subsection J contains the information required to be updated annually pursuant to the Master Continuing Disclosure Agreement, as amended, relating to obligations issued by the Authorized Issuers for State Personal Income Tax Revenue Bonds.

Capitalized terms used in this Subsection J and not otherwise defined shall have the meanings ascribed to them in the related Official Statement.

The Revenue Bond Tax Fund

The Enabling Act provides a source of payment for State Personal Income Tax Revenue Bonds by establishing the Revenue Bond Tax Fund for the purpose of setting aside Revenue Bond Tax Fund Receipts sufficient to make financing agreement payments to Authorized Issuers. The Enabling Act establishes the Revenue Bond Tax Fund to be held in the joint custody of the State Comptroller and the Commissioner of Taxation and Finance (the "Commissioner") and requires that all moneys on deposit in the Revenue Bond Tax Fund be held separate and apart from all other moneys in the joint custody of the State Comptroller and the Commissioner. The source of the financing agreement payments is a statutory allocation of 50 percent of the receipts from the New York State Personal Income Tax imposed by Article 22 of the Tax Law, which exclude refunds owed to taxpayers, 50 percent of the receipts from the ECEP imposed by Article 24 of the Tax Law, which exclude refunds owed to employers, and 50 percent of the receipts from the PTET imposed by Article 24-A of the Tax Law, which exclude refunds owed to taxpayers. The aggregate of such tax revenues which, pursuant to Section 171-a of the Tax Law, is deposited to the Revenue Bond Tax Fund are referred to herein as the "Revenue Bond Tax Fund Receipts".

Financing agreement payments made from amounts set aside in the Revenue Bond Tax Fund are subject to annual appropriation for such purpose by the State Legislature. The Enabling Act provides that: (i) no person (including the Authorized Issuers or the holders of State Personal Income Tax Revenue Bonds) shall have any lien on amounts on deposit in the Revenue Bond Tax Fund; (ii) Revenue Bond Tax Fund Receipts, which have been set aside in sufficient amounts to pay when due the financing agreement payments of all Authorized Issuers, shall remain in the Revenue Bond Tax Fund (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until they are appropriated and used to make financing agreement payments; and (iii) nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes imposed by Articles 22, 24, and 24-A of the Tax Law.

Legislative Changes to the State Personal Income Tax Revenue Bond Financing Program

On December 22, 2017, President Trump signed into law the Tax Cuts and Jobs Act of 2017 (the "TCJA") (H.R. 1, P.L. 115-97), making major changes to the Federal Internal Revenue Code, most of which were effective in tax year 2018. The TCJA made extensive changes to Federal personal income taxes, corporate income taxes, and estate taxes. The State has since enacted legislation, described below to mitigate the negative impact of the TCJA on State taxpayers, which have impacted the State Personal Income Tax Revenue Bond Financing Program.

To offset the potential reduction in New York State Personal Income Tax Receipts, the Fiscal Year ("FY") 2019 Enacted Budget amended the State Finance Law and the Enabling Act so as to hold harmless the State Personal Income Tax Revenue Bond Financing Program. Accordingly, the enacted legislation provided for:

1. An increase from 25 percent to 50 percent in the statutory allocation of New York State Personal Income Tax Receipts imposed by Article 22 of the Tax Law, which exclude refunds owed to taxpayers, that is required to be deposited in the Revenue Bond Tax Fund to provide for the payment of State Personal Income Tax Revenue Bonds.

2. An increase in the statutory maximum amount of the New York State Personal Income Tax Receipts and New York State ECEP Receipts required to be deposited to the Revenue Bond Tax Fund to be the greater of the aggregate of 40 percent of the annual New York State Personal Income Tax Receipts and New York State ECEP Receipts or $12 billion in the event that the State Legislature either fails to appropriate or, once appropriated, fails to pay, amounts sufficient to make financing agreement payments for outstanding New York State Personal Income Tax Revenue Bonds (the "Maximum Revenue Bond Tax Fund Deposit"). Prior to the State legislative changes, the amount required to be deposited was the greater of 25 percent of the annual New York State Personal Income Tax Receipts or $6 billion.

Employer Compensation Expense Program (ECEP) / Charitable Gifts Trust Fund. State tax reforms enacted in 2018 to mitigate issues arising from the TCJA included the creation of an optional payroll tax program (the "ECEP"), and establishment of a new State Charitable Gifts Trust Fund. The ECEP and the Charitable Gifts Trust Fund were expected to reduce New York State Personal Income Tax Receipts, to the extent that employers elected to participate in the ECEP and taxpayers made donations to the Charitable Gifts Trust Fund.

The ECEP was created pursuant to Article 24 of the Tax Law, and a corresponding amendment to the Enabling Act provided that 50 percent of New York State ECEP Receipts, which exclude refunds owed to employers, be deposited into the Revenue Bond Tax Fund. The ECEP establishes an optional tax on payroll expenses that employers can elect to pay if they have employees that earn over $40,000 annually in the State. Accompanying State legislation created a new personal income tax credit for employees whose wages are subject to the ECEP. The credit is calculated using a statutory formula that corresponds in value to the tax imposed by the ECEP. As a result, aggregate receipts deposited to the Revenue Bond Tax Fund are expected to remain substantially the same regardless of the amount of New York State ECEP Receipts. Therefore, from a Revenue Bond Tax Fund perspective, the ECEP was expected to be revenue neutral.

The State Charitable Gifts Trust Fund was created to accept gifts for the purposes of improving health care and education in the State, and allowing taxpayers who itemize deductions to claim a Personal Income Tax deduction. The State legislation also created a Personal Income Tax credit equal to 85 percent of the donation amount. However, subsequent IRS regulatory action effectively curtailed further donations to the Charitable Gifts Trust Fund beyond the $93 million in donations the State received in 2018. As a result, the State does not expect that the Charitable Gifts Trust Fund will have a material impact on the Personal Income Tax Revenue Bond Program or on amounts deposited into the Revenue Bond Tax Fund unless (i) the State were to prevail in a 2019 lawsuit filed by the State and joined by Connecticut and New Jersey seeking to restore the full federal income tax deduction for charitable contributions, regardless of the amount of any state tax credit provided to taxpayers as a result of contributions made to the Charitable Gifts Trust Fund, and (ii) the federal limitations on the deductibility of state and local tax payments (“SALT”), which are currently scheduled to expire on December 31, 2025, are extended by Congress. Accordingly, projections of New York State Personal Income Tax Receipts do not include an estimate of charitable donations or the impact of such donations on Revenue Bond Tax Fund Receipts.

Pass-Through Entity Tax. In connection with the FY 2022 Enacted Budget, the State Legislature enacted legislation that provides for an optional pass-through entity tax (the "PTET") on the State sourced income of (i) partnerships and (ii) S corporations. Qualifying entities that elect to pay PTET pay a tax of up to 10.9 percent on their taxable income at the partnership or corporation level, and their individual partners, members and shareholders receive a refundable tax credit equal to the proportionate or pro rata share of taxes paid by the electing entity. Additionally, the program includes a resident tax credit that allows reciprocity with other states that have implemented substantially similar taxes, which currently include Connecticut and New Jersey.

DOB expects that the PTET legislation will be revenue neutral for the State on a multi-year basis; however, because PTET payments will generally be received in the fiscal year prior to credit claiming, the PTET will not be revenue-neutral for the State within each fiscal year and redistribution of total revenue across fiscal years is expected to be significant. To hold harmless the Revenue Bond Tax Fund and to maintain a comparable level of deposits to the Revenue Bond Tax Fund for the Bondholders, the State Legislature also enacted legislation that causes 50 percent of receipts from the PTET to be deposited into the Revenue Bond Tax Fund. Accordingly, aggregate contributions to the Revenue Bond Tax Fund are expected to be unaffected because 50 percent of both New York State Personal Income Tax Receipts and New York State PTET Receipts will be deposited into the Revenue Bond Tax Fund.

The Fiscal Year 2025 Enacted Budget Financial Plan includes estimates for New York State PTET Receipts and a corresponding decrease in New York State Personal Income Tax Receipts. The overall impact on projected Revenue Bond Tax Fund Receipts is that PTET increased FY 2022 receipts, decreased FY 2023 receipts by a significant amount, decreased FY 2024 receipts, and is expected to increase FY 2025 receipts. Projections are, however, based on limited experience to date, and there can be no assurance that such projections will be realized.

The U.S. Treasury Department and IRS have determined that State and local income taxes imposed on and paid by a partnership or an S corporation on its income, such as the PTET, are allowable as a Federal deduction to taxable income, and in November 2020, the IRS released Notice 2020-75 which announced that the Treasury and IRS intend to issue clarifying regulations with respect to such pass-through taxes.

State Personal Income Tax Revenue Bonds

The State Personal Income Tax Revenue Bonds are special obligations of the respective Authorized Issuers, secured by and payable solely from Financing Agreement Payments payable by the State Comptroller to the applicable Trustee and Paying Agent (the “Trustee” or “Paying Agent”) on behalf of the respective Authorized Issuers in accordance with the terms and provisions of a Financing Agreement by and between the respective Authorized Issuers and the Director of the Budget, subject to annual appropriation by the State Legislature, and the Funds and accounts established under the applicable general resolution (other than the Rebate Fund and other Funds as provided in the applicable Resolution). State Personal Income Tax Revenue Bonds are entitled to a lien, created by a pledge under each of the general resolutions authorizing State Personal Income Tax Revenue Bonds, on the Pledged Property.

The Enabling Act and each of the general resolutions permit the Authorized Issuers to issue additional State Personal Income Tax Revenue Bonds subject to statutory limitations on the maximum amount of bonds permitted to be issued by Authorized Issuers for Authorized Purposes and the additional bonds test described herein included in each of the general resolutions authorizing State Personal Income Tax Revenue Bonds. In accordance with the additional bonds test described herein, Revenue Bond Tax Fund Receipts of approximately $34.0 billion are available to pay financing agreement payments on a pro-forma basis, which amount represents approximately 8.4 times the maximum annual Debt Service for all Outstanding State Personal Income Tax Revenue Bonds. As noted above, however, additional bonds may not be issued unless the additional bonds test under the respective general resolution has been satisfied.

The revenues, facilities, properties and any and all other assets of the Authorized Issuers of any name and nature, other than the Pledged Property, may not be used for, or, as a result of any court proceeding, otherwise applied to, the payment of State Personal Income Tax Revenue Bonds, any redemption premium therefor or the interest thereon or any other obligations under the General Resolution, and under no circumstances shall these be available for such purposes.

Certification of Payments to be Set Aside in Revenue Bond Tax Fund

The Enabling Act, the general resolutions and the financing agreements provide procedures for setting aside amounts from the Revenue Bond Tax Fund Receipts, which are deposited to the Revenue Bond Tax Fund to ensure that sufficient amounts will be available to make financing agreement payments, when due, to the applicable trustees on behalf of the Authorized Issuers. The Enabling Act, as amended, provides that:

1. No later than October 1 of each year, each Authorized Issuer must submit its State Personal Income Tax Revenue Bond cash requirements (which shall include financing agreement payments) for the following State Fiscal Year and, as required by the financing agreements, each of the subsequent four State Fiscal Years to the DOB.

2. No later than thirty (30) days after the submission of the Executive Budget in accordance with Article VII of the State Constitution, the Director of the Budget shall prepare a certificate which sets forth an estimate of:

   (a) 50 percent of the amount of the estimated monthly New York State Personal Income Tax Receipts to be deposited in the Revenue Bond Tax Fund pursuant to the Enabling Act during that State Fiscal Year;

   (b) 50 percent of the amount of the estimated monthly New York State ECEP Receipts to be deposited in the Revenue Bond Tax Fund pursuant to the Enabling Act during that State Fiscal Year;

   (c) 50 percent of the amount of the estimated monthly New York State PTET Receipts to be deposited in the Revenue Bond Tax Fund pursuant to the Enabling Act during that State Fiscal Year; and

   (d) the monthly amounts necessary to be set aside in the Revenue Bond Tax Fund to make the financing agreement payments required to meet the cash requirements of the Authorized Issuers.

3. In the case of financing agreement payments due semi-annually, Revenue Bond Tax Fund Receipts shall be set aside monthly until such amount is equal to not less than the financing agreement payments for State Personal Income Tax Revenue Bonds of all Authorized Issuers in the following month as certified by the Director of the Budget.

4. In the case of financing agreement payments due on a more frequent basis, monthly Revenue Bond Tax Fund Receipts shall be set aside monthly until such amount is, in accordance with the certificate of the Director of the Budget, sufficient to pay the required payment on each issue on or before the date such payment is due.

In addition, the general resolutions and the financing agreements require the State Comptroller to set aside, monthly, in the Revenue Bond Tax Fund, amounts such that the combined total of the (i) amounts previously set aside and on deposit in the Revenue Bond Tax Fund and (ii) amount of estimated monthly New York State Personal Income Tax Receipts (excluding refunds owed to taxpayers), estimated monthly New York State ECEP Receipts (excluding refunds owed to employers), and estimated monthly New York State PTET Receipts (excluding refunds owed to taxpayers), required to be deposited to the Revenue Bond Tax Fund as provided in 2(a), 2(b) and 2(c) above, are not less than 125 percent of the financing agreement payments required to be paid by the State Comptroller to the trustees on behalf of the Authorized Issuers in the following month.

The Director of the Budget may amend such certification as shall be necessary, provided that the Director of the Budget shall amend such certification no later than thirty (30) days after the issuance of any State Personal Income Tax Revenue Bonds, including refunding bonds, or after the execution of any interest rate exchange (or "swap") agreements or other financial arrangements which may affect the cash requirements of any Authorized Issuer.

The Enabling Act provides that on or before the twelfth day of each month, the Commissioner shall certify to the State Comptroller the actual Revenue Bond Tax Fund Receipts for the prior month and, in addition, no later than March 31 of each State Fiscal Year, the Commissioner shall certify such amounts relating to the last month of the State Fiscal Year. At such times, the Enabling Act provides that the State Comptroller shall adjust the amount of estimated New York State Personal Income Tax Receipts (from the Withholding Component), the amount of estimated New York State ECEP Receipts, and the amount of estimated New York State PTET Receipts deposited to the Revenue Bond Tax Fund to the actual amount certified by the Commissioner.

Set Aside of Revenue Bond Tax Fund Receipts

As provided by the Enabling Act, the general resolutions, the financing agreements, and the certificate of the Director of the Budget, the State Comptroller is required to:

a) Beginning on the first day of each month, deposit all of the daily receipts from the Withholding Component, the daily New York State ECEP Receipts, and the daily New York State PTET Receipts to the Revenue Bond Tax Fund until there is on deposit in the Revenue Bond Tax Fund an amount equal to 50 percent of estimated monthly New York State Personal Income Tax Receipts, 50 percent of estimated monthly New York State ECEP Receipts, and 50 percent of estimated monthly New York State PTET Receipts.

b) Set aside, monthly, amounts on deposit in the Revenue Bond Tax Fund, such that the combined total of the (i) amounts previously set aside and on deposit in the Revenue Bond Tax Fund and (ii) amount of estimated monthly Revenue Bond Tax Fund Receipts required to be deposited to the Revenue Bond Tax Fund in such month, are not less than 125 percent of the financing agreement payments required to be paid by the State Comptroller to the trustees on behalf of all the Authorized Issuers in the following month.

The Enabling Act provides that Revenue Bond Tax Fund Receipts which have been set aside in sufficient amounts to pay, when due, the financing agreement payments of all Authorized Issuers shall remain in the Revenue Bond Tax Fund (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until they are appropriated and used to make financing agreement payments.

Subject to appropriation by the State Legislature, upon receipt of a request for payment from any Authorized Issuer pursuant to a financing agreement, the State Comptroller shall pay over to the trustee, on behalf of such Authorized Issuer, such amount. In the event that Revenue Bond Tax Fund Receipts are insufficient to meet financing agreement payments on all State Personal Income Tax Revenue Bonds of all the Authorized Issuers as set forth in the certificate of the Director of the Budget, the State Comptroller is required by the Enabling Act, without appropriation, to immediately transfer amounts from the General Fund to the Revenue Bond Tax Fund, in the amount of such deficiency. Amounts so transferred to the Revenue Bond Tax Fund can only be used to pay financing agreement payments (except, if necessary, for payments authorized to be made to the holders of State general obligation debt).

The State Comptroller shall from time to time, but in no event later than the fifteenth day of each month (other than the last month of the fiscal year) and no later than the thirty-first day of the last month of each fiscal year, pay over and distribute to the credit of the General Fund all moneys in the Revenue Bond Tax Fund, if any, in excess of the aggregate amount required to be set aside for the payment of cash requirements as described above.

Flow of Revenue Bond Tax Fund Receipts

The following chart summarizes the flow of Revenue Bond Tax Fund Receipts.

On or before October 1

Authorized Issuers submit to the DOB the schedule of anticipated cash requirements (which include financing agreement payments) due with respect to State Personal Income Tax Revenue Bonds for the next State Fiscal Year and for the four subsequent State Fiscal Years

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No later than 30 Days after Budget Submission (Mid - February)

Director of the Budget submits a certificate to the State Comptroller which estimates for the following State Fiscal Year*:

- 50% of monthly New York State Personal Income Tax Receipts to be deposited in the Revenue Bond Tax Fund
- 50% of monthly New York State ECEP Receipts to be deposited in the Revenue Bond Tax Fund
- 50% of monthly New York State PTET Receipts to be deposited in the Revenue Bond Tax Fund
- Monthly set asides for financing agreement payments and other cash requirements (for outstanding bonds and projected issuances)

↓

Beginning on the First Day of Each Month

100% of daily New York State Personal Income Tax Receipts from the Withholding Component, New York State ECEP Receipts and New York State PTET Receipts flow to the Revenue Bond Tax Fund until 50% of estimated monthly New York State Personal Income Tax Receipts (excluding refunds owed to taxpayers), 50% of the estimated monthly New York State ECEP Receipts (excluding refunds owed to employers) and 50% of the estimated monthly New York State PTET Receipts have been deposited**

New York State Personal Income Tax Receipts, New York State ECEP Receipts and New York State PTET Receipts, which have been set aside to make financing agreement payments and meet other cash requirements, are required to remain in the Revenue Bond Tax Fund until appropriated and paid to the applicable trustees on behalf of the Authorized Issuers

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After the monthly amounts necessary to make financing agreement payments and meet other cash requirements have been set aside, and assuming appropriations have been enacted and any required payments have been made by the State Comptroller, excess moneys in the Revenue Bond Tax Fund flow to the General Fund

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12th Day of the following Month

The Commissioner of Taxation and Finance certifies to the State Comptroller 50% of actual New York State Personal Income Tax Receipts, 50% of actual New York State ECEP Receipts, and 50% of actual New York State PTET Receipts for the prior month and the State Comptroller adjusts deposits to the Revenue Bond Tax Fund accordingly

* The Director of the Budget can amend the certification at any time to more precisely account for a revised Revenue Bond Tax Fund Receipts estimate or actual debt service and other cash requirements, and to the extent necessary, shall do so not later than thirty days after the issuance of any State Personal Income Tax Revenue Bonds.

** The State can certify and set aside Revenue Bond Tax Fund Receipts in excess of the next month's financing agreement payment requirements to ensure amounts previously set aside and on deposit in the Revenue Bond Tax Fund together with estimated monthly Revenue Bond Fund Tax Receipts to be deposited in such month are not less than 125 percent of all financing agreement payments due in the following month, as required by the financing agreements.

Moneys Held in the Revenue Bond Tax Fund

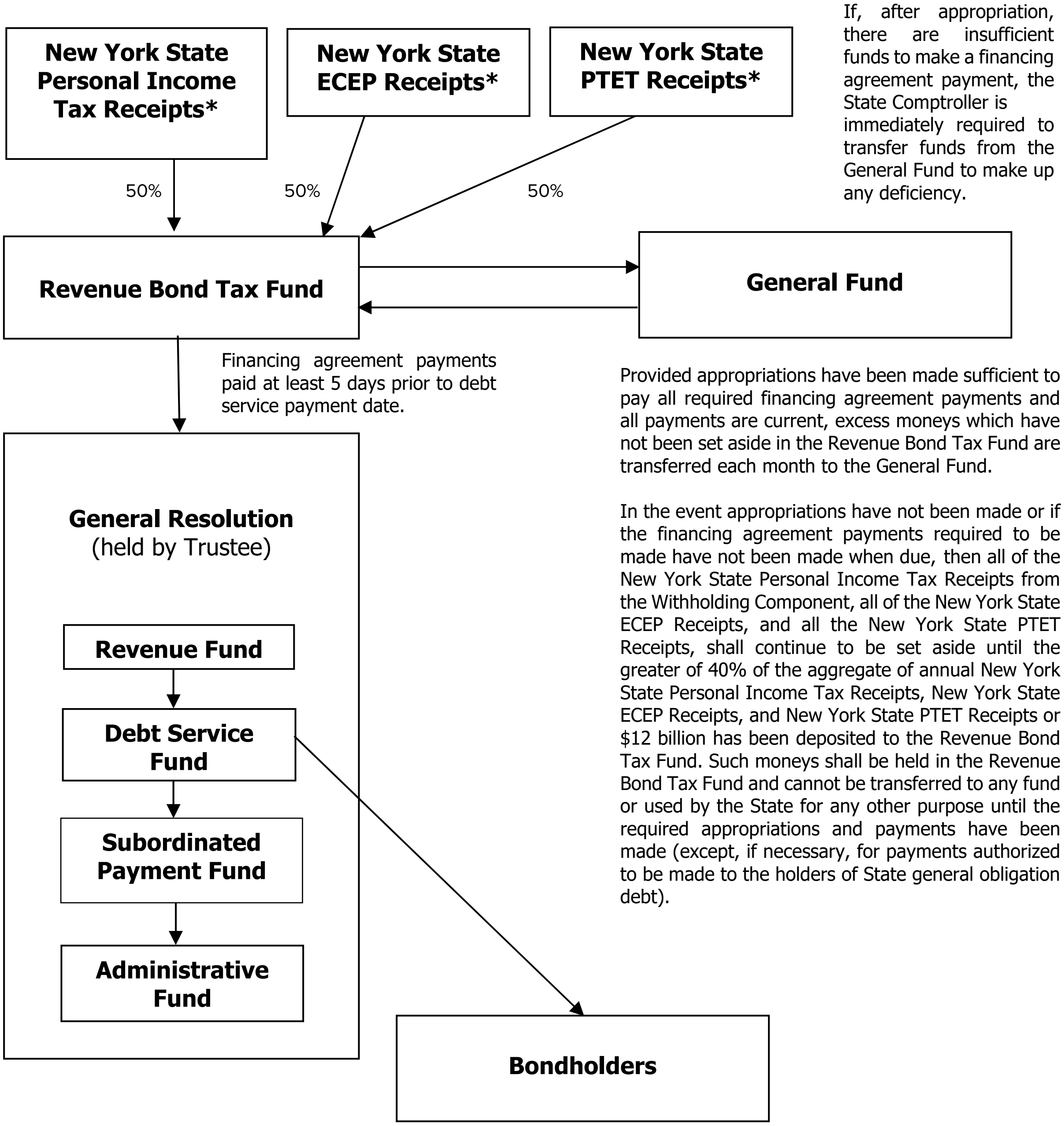
The Enabling Act prohibits the State Comptroller from paying over or distributing any amounts deposited in the Revenue Bond Tax Fund (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) other than to the Authorized Issuers (which are paid to the applicable trustees on behalf of the Authorized Issuers), unless two requirements are met. First, all payments as certified by the Director of the Budget for a State Fiscal Year must have been appropriated to the Authorized Issuers for the payment of financing agreement payments (including debt service) in the full amount specified in the certificate of the Director of the Budget. Second, each certified and appropriated payment for which moneys are required to be set aside as provided in the Enabling Act must have been made to the trustees on behalf of the Authorized Issuers when due.

If such appropriations have been made to pay all annual amounts specified in the certificate of the Director of the Budget as being required by the Authorized Issuers for a State Fiscal Year and all such payments to the applicable trustees on behalf of the Authorized Issuers are current, then the State Comptroller is required by the Enabling Act to pay over and distribute to the credit of the General Fund of the State (the “General Fund”), at least once a month, all amounts in the Revenue Bond Tax Fund, if any, in excess of the aggregate amount required to be set aside. The Enabling Act also requires the State Comptroller to pay to the General Fund all sums remaining in the Revenue Bond Tax Fund on the last day of each State Fiscal Year, but only if the State has appropriated and paid to the applicable trustees on behalf of the Authorized Issuers the amounts necessary for the Authorized Issuers to meet their cash requirements for the current State Fiscal Year and, to the extent certified by the Director of the Budget, set aside any cash requirements required for the next State Fiscal Year.

In the event that (i) the State Legislature fails to appropriate all amounts required to make financing agreement payments on State Personal Income Tax Revenue Bonds to all Authorized Issuers or (ii) having been appropriated and set aside pursuant to a certificate of the Director of the Budget, any financing agreement payments have not been made when due on State Personal Income Tax Revenue Bonds, the Enabling Act, as amended, requires that all of the New York State Personal Income Tax Receipts from the Withholding Component, all of the New York State ECEP Receipts, and all of the New York State PTET Receipts shall continue to be set aside in the Revenue Bond Tax Fund until amounts on deposit in the Revenue Bond Tax Fund equal the greater of 40 percent of the aggregate of the annual New York State Personal Income Tax Receipts from the Withholding Component, New York State ECEP Receipts and New York State PTET Receipts or twelve billion dollars ($12,000,000,000). Other than to make financing agreement payments from appropriated amounts, the Enabling Act prohibits the transfer of moneys in the Revenue Bond Tax Fund to any other fund or account or use of such moneys by the State for any other purpose (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until such time as the required appropriations and all required financing agreement payments have been made to the trustees on behalf of each Authorized Issuer.

The Enabling Act provides that no person (including the Authorized Issuers or the holders of State Personal Income Tax Revenue Bonds) shall have any lien on moneys on deposit in the Revenue Bond Tax Fund and that the State’s agreement to make financing agreement payments shall be executory only to the extent such payments have been appropriated.

Flow of Revenues



* Nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes imposed pursuant to Article 22, Article 24, and Article 24-A of the Tax Law.

Appropriation by the State Legislature

The State may not expend money without an appropriation, except for the payment of debt service on general obligation bonds or notes issued by the State. An appropriation is an authorization approved by the State Legislature to expend money. The State Constitution requires all appropriations of State funds, including funds in the Revenue Bond Tax Fund, to be approved by the State Legislature at least every two years. In addition, the State Finance Law generally provides that appropriations shall cease to have force and effect, except as to liabilities incurred thereunder, at the close of the State Fiscal Year for which they were enacted and that to the extent of liabilities incurred thereunder, such appropriations shall lapse on the succeeding June 30th or September 15th depending on the nature of the appropriation.

The Authorized Issuers expects that the State Legislature will make an appropriation from amounts on deposit in the Revenue Bond Tax Fund sufficient to pay financing agreement payments when due. Revenue Bond Tax Fund Receipts are expected to exceed the amounts necessary to pay financing agreement payments. In addition, in the event that the State Legislature fails to provide an appropriation the Enabling Act requires that all of the New York State Personal Income Tax Receipts from the Withholding Component, all of the New York State ECEP Receipts, and all of the New York State PTET Receipts shall continue to be deposited in the Revenue Bond Tax Fund until amounts on deposit in the Revenue Bond Tax Fund equal the greater of 40 percent of the aggregate of the annual New York State Personal Income Tax Receipts from the Withholding Component, New York State ECEP Receipts and New York State PTET Receipts or twelve billion dollars ($12,000,000,000). The Enabling Act prohibits the transfer of moneys in the Revenue Bond Tax Fund to any other fund or account or the use of such moneys by the State for any other purpose (other than to make financing agreement payments from appropriated amounts, and except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until such time as the required appropriations and all required financing agreement payments have been made to the trustees on behalf of each Authorized Issuer. The State Legislature may not be bound in advance to make an appropriation, and there can be no assurances that the State Legislature will appropriate the necessary funds as anticipated. Nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes imposed pursuant to Article 22, Article 24, and Article 24-A of the Tax Law.

All payments required by financing agreements entered into by the State shall be executory only to the extent of the revenues available in the Revenue Bond Tax Fund. The obligation of the State to make financing agreement payments is subject to the State Legislature making annual appropriations for such purpose and such obligation does not constitute or create a debt of the State, nor a contractual obligation in excess of the amounts appropriated therefor. In addition, the State has no continuing legal or moral obligation to appropriate money for payments due under any financing agreement.

State Personal Income Tax Revenue Bonds shall not be a debt of the State and the State shall not be liable thereon, nor shall State Personal Income Tax Revenue Bonds be payable out of any funds other than those pledged therefor. Neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of, premium, if any, or interest on State Personal Income Tax Revenue Bonds.

Pursuant to the Enabling Act, Revenue Bond Tax Fund Receipts which have been set aside to pay when due the financing agreement payments of all Authorized Issuers shall remain in the Revenue Bond Tax Fund until they are appropriated and used to make financing agreement payments. However, the Enabling Act also provides that the use of such Revenue Bond Tax Fund Receipts by the State Comptroller is "subject to the rights of holders of debt of the state" (i.e., general obligation bondholders who benefit from the faith and credit pledge of the State). Pursuant to Article VII Section 16 of the State Constitution, if at any time the State Legislature fails to make an appropriation for general obligation debt service, the State Comptroller is required to set apart from the first revenues thereafter received, applicable to the General Fund, sums sufficient to pay debt service on such general obligation debt. In the event that such revenues and other amounts in the General Fund are insufficient to so pay State general obligation bondholders, the State may also use amounts on deposit in the Revenue Bond Tax Fund as well as other funds to pay debt service on State general obligation bonds.

The DOB is not aware of any existing circumstances that would cause Revenue Bond Tax Fund Receipts to be used to pay debt service on State general obligation bonds in the future. The Director of the Budget believes that any failure by the State Legislature to make annual appropriations as contemplated would have a serious impact on the ability of the State and the Authorized Issuers to issue State-supported bonds to raise funds in the public credit markets.

Additional Bonds

As provided in each general resolution, except as provided in the next paragraph with respect to certain Refunding Bonds, additional State Personal Income Tax Revenue Bonds may be issued by the related Authorized Issuer, provided that the amount of Revenue Bond Tax Fund Receipts for any 12 consecutive calendar months ended not more than six months prior to the date of such calculation, as certified by the Director of the Budget, is at least 2.0 times the maximum Calculated Debt Service on all Outstanding State Personal Income Tax Revenue Bonds, the State Personal Income Tax Revenue Bonds proposed to be issued, and any additional amounts payable with respect to parity reimbursement obligations.

Each general resolution also provides that additional Bonds may be issued to refund Outstanding Bonds either by meeting the debt service coverage test described above, or, in the alternative, by demonstrating that maximum annual debt service on all Outstanding Bonds will not increase as a result of such refunding.

Parity Reimbursement Obligations

An Authorized Issuer may incur Parity Reimbursement Obligations (as defined in each respective general resolution) pursuant to the terms of such general resolution which, subject to certain exceptions, would be secured by a pledge of, and a lien on, the pledged property on a parity with the lien created by the related general resolution with respect to bonds issued thereunder. A Parity Reimbursement Obligation may be incurred in connection with obtaining a Credit Facility and represents the obligation to repay amounts advanced under the Credit Facility. It may include interest calculated at a rate higher than the interest rate on the related State Personal Income Tax Revenue Bonds and may be secured by a pledge of, and a lien on, pledged property on a parity with the lien created by the general resolution for the State Personal Income Tax Revenue Bonds only to the extent that principal amortization requirements of the Parity Reimbursement Obligation are equal to the amortization requirements for the related State Personal Income Tax Revenue Bonds, without acceleration.

Certain Covenants of the State

Pursuant to the general resolutions, the State pledges and agrees with the holders of State Personal Income Tax Revenue Bonds, Bond Anticipation Notes, Parity Reimbursement Obligations or other obligations issued or incurred thereunder that the State will not in any way impair the rights and remedies of holders of such State Personal Income Tax Revenue Bonds, Bond Anticipation Notes, Parity Reimbursement Obligations or other obligations until such State Personal Income Tax Revenue Bonds, Bond Anticipation Notes, Parity Reimbursement Obligations or other obligations issued or incurred thereunder, together with interest thereon, with interest, if any, on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders are fully met and discharged.

Pursuant to the Enabling Act and the general resolutions, nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes imposed pursuant to Article 22, Article 24, and Article 24-A of the Tax Law. An Event of Default under the general resolutions would not occur solely as a result of the State exercising its right to amend, repeal, modify or otherwise alter the statutes imposing or relating to such taxes. However, the Director of the Budget believes that any materially adverse amendment, modification or alteration of, or the repeal of, statutes imposing or related to the taxes imposed pursuant to Article 22, Article 24, and Article 24-A of the Tax Law could have a serious impact on the flow of Revenue Bond Tax Fund Receipts to the Revenue Bond Tax Fund, the ability of the Authorized Issuers to issue additional State Personal Income Tax Revenue Bonds and the marketability of outstanding State Personal Income Tax Revenue Bonds.

Reservation of State's Right to Substitute Credit

Pursuant to the Enabling Act, the State reserves the right, upon amendment of the State Constitution to permit the issuance of State Revenue Bonds, which may be payable from or secured by revenues that may include the Revenues pledged under the general resolutions, (i) to assume, in whole or in part, State Personal Income Tax Revenue Bonds, (ii) to extinguish the existing lien on the pledged property created under the general resolutions, and (iii) to substitute security for State Personal Income Tax Revenue Bonds, in each case only so long as the assumption, extinguishment and substitution is accomplished in accordance with either of two provisions of the general resolutions. (For these purposes, any State Personal Income Tax Revenue Bonds paid or deemed to have been paid in accordance with the applicable general resolution on or before the date of any assumption, extinguishment and substitution are not to be taken into account in determining compliance with those provisions.) The first provision of the general resolutions is intended to permit an assumption, extinguishment and substitution, without any right of consent of Bondholders or other parties, if certain conditions are satisfied. The second provision of the general resolutions permitting such an assumption, extinguishment and substitution is intended to permit a broader range of changes with the consent of issuers of Credit Facilities and the consent of certain Bondholders. It provides that any such assumption, extinguishment and substitution may be effected if certain conditions are satisfied.

In the event a constitutional amendment becomes a part of the State Constitution, there can be no assurance that the State will exercise its rights of assumption, extinguishment, and substitution with respect to State Personal Income Tax Revenue Bonds. There can be no assurance that the Authorized Issuer would be the issuer of any such State Revenue Bonds upon any such assumption, extinguishment and substitution and, if not the Authorized Issuer, the issuer of such State Revenue Bonds could be the State or another public entity.

General History of the State Personal Income Tax

In 1919, New York State became the seventh state to enact a personal income tax. The present system of conformity to Federal tax law with respect to income and deductions was adopted in 1960. The personal income tax is New York's largest source of tax revenue and consistently accounts for more than one-half of all State tax receipts.

The State's personal income tax structure adheres closely to the definitions of adjusted gross income and itemized deductions used for Federal personal income tax purposes, with certain modifications, such as: (1) the inclusion of investment income from debt instruments issued by other states and municipalities and the exclusion of income on certain Federal obligations; and (2) the exclusion of pension income received by Federal, New York State and local government employees, private pension and annuity income up to $20,000 ($40,000 for married couples filing jointly), and any Social Security income and refunds otherwise included in Federal adjusted gross income.

Changes in Federal tax law from time to time may positively or negatively affect the amount of personal income tax receipts collected by the State. State Tax Law changes may also impact personal income tax receipts by authorizing a wide variety of credits against the personal income tax liability of taxpayers.

Major tax credits include: Empire State Child Credit; Earned Income Tax Credit; Child and Dependent Care Credit; Household Credit; College Tuition Credit; Long-term Care Insurance Credit; Investment Credits; Real Property Tax Circuit Breaker; STAR credit for new homeowners; and the New York City STAR personal income tax credit.

Personal Income Tax Rates

Taxable income equals New York adjusted gross income ("AGI") less deductions and exemptions. The tax provides separate rate schedules for married couples, single individuals and heads of households. For the 2009 through 2011 tax years, the State income tax was imposed at rates ranging from 4.0 percent to 8.97 percent on the taxable income of individuals, estates and trusts. For taxpayers with $100,000 or more of AGI, the savings from graduated marginal tax rates is recaptured through a supplementary mechanism in effect since 1991. Between tax years 2012 and 2017, the tax tables were revised to include additional middle-income brackets with reduced tax rates and a new top bracket, which imposed a tax rate of 8.82 percent. The tax tables were also subject to annual inflation-based adjustment beginning tax year 2013 and ending tax year 2017. Tax rate reductions were applied to the aforementioned middle-income brackets in tax year 2018 as part of a scheduled eight-year phase-in of middle-income tax cuts. Beginning tax year 2021, the former 8.82 percent top rate increased to 9.65 percent and two new high-income brackets were added, including a new top rate of 10.9 percent. The phase-in of the middle-income tax cuts was accelerated by FY 2023 Enacted Budget legislation, rendering the cuts fully-effective beginning tax year 2023.

The following tables set forth the current rate schedules for tax years 2023 through 2027 and for tax years 2028 and thereafter.

New York State Personal Income Tax Rates for Tax Years 2023 through 2027

Married Filing Jointly

Taxable Income:	Tax*
Not over $17,150	4% of taxable income
Over $17,150 but not over $23,600	$686 plus 4.50% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.50% of excess over $27,900
Over $161,550 but not over $323,200	$8,553 plus 6.00% of excess over $161,550
Over $323,200 but not over $2,155,350	$18,252 plus 6.85% of excess over $323,200
Over $2,155,350 but not over $5,000,000	$143,754 plus 9.65% of excess over $2,155,350
Over $5,000,000 but not over $25,000,000	$418,263 plus 10.3% of excess over $5,000,000
Over $25,000,000	$2,478,263 plus 10.9% of excess over $25,000,000

Single, Married Filing Separately, Estates and Trusts

Taxable Income:	Tax*
Not over $8,500	4% of taxable income
Over $8,500 but not over $11,700	$340 plus 4.50% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.50% of excess over $13,900
Over $80,650 but not over $215,400	$4,271 plus 6.00% of excess over $80,650
Over $215,400 but not over $1,077,550	$12,356 plus 6.85% of excess over $215,400
Over $1,077,550 but not over $5,000,000	$71,413 plus 9.65% of excess over $1,077,550
Over $5,000,000 but not over $25,000,000	$449,929 plus 10.3% of excess over $5,000,000
Over $25,000,000	$2,509,929 plus 10.9% of excess over $25,000,000

Head of Household

Taxable Income:	Tax*
Not over $12,800	4% of taxable income
Over $12,800 but not over $17,650	$512 plus 4.50% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.50% of excess over $20,900
Over $107,650 but not over $269,300	$5,672 plus 6.00% of excess over $107,650
Over $269,300 but not over $1,616,450	$15,371 plus 6.85% of excess over $269,300
Over $1,616,450 but not over $5,000,000	$107,651 plus 9.65% of excess over $1,616,450
Over $5,000,000 but not over $25,000,000	$434,163 plus 10.3% of excess over $5,000,000
Over $25,000,000	$2,494,163 plus 10.9% of excess over $25,000,000

* A supplemental income tax recaptures the savings due to graduated marginal tax rates such that, for example, when a taxpayer's AGI exceeds $25,000,000 in tax years 2023 through 2027, all taxable income becomes effectively subject to a flat 10.9 percent tax rate.

New York State Personal Income Tax Years 2028 and Thereafter

Married Filing Jointly

Taxable Income:	Tax*
Not over $17,150	4% of taxable income
Over $17,150 but not over $23,600	$686 plus 4.50% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.50% of excess over $27,900
Over $161,550 but not over $323,200	$8,553 plus 6.00% of excess over $161,550
Over $323,200 but not over $2,155,350	$18,252 plus 6.85% of excess over $323,200
Over $2,155,350	$143,754 plus 8.82% of excess over $2,155,350

Single, Married Filing Separately, Estates and Trusts

Taxable Income:	Tax*
Not over $8,500	4% of taxable income
Over $8,500 but not over $11,700	$340 plus 4.50% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.50% of excess over $13,900
Over $80,650 but not over $215,400	$4,271 plus 6.00% of excess over $80,650
Over $215,400 but not over $1,077,550	$12,356 plus 6.85% of excess of $215,400
Over $1,077,550	$71,413 plus 8.82% of excess over $1,077,550

Head of Household

Taxable Income:	Tax*
Not over $12,800	4% of taxable income
Over $12,800 but not over $17,650	$512 plus 4.50% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.50% of excess over $20,900
Over $107,650 but not over $269,300	$5,672 plus 6.00% of excess over $107,650
Over $269,300 but not over $1,616,450	$15,371 plus 6.85% of excess over $269,300
Over $1,616,450	$107,651 plus 8.82% of excess over $1,616,450

* A supplemental income tax recaptures the savings due to graduated marginal tax rates such that when a taxpayer's AGI exceeds $2,205,350 for married filing jointly taxpayers for tax years after 2027, all taxable income becomes effectively subject to a flat 8.82 percent tax rate.

Components of the Personal Income Tax

The components of personal income tax liability include withholding, estimated payments, final returns, delinquencies and refunds. Taxpayers prepay their tax liability through payroll withholding taxes imposed by Section 671 of Article 22 of the Tax Law (the "Withholding Component") and estimated taxes imposed by Section 685 of Article 22 of the Tax Law. The New York State Department of Taxation and Finance collects the personal income tax from employers and individuals and reports the amount collected to the State Comptroller, who deposits collections net of overpayments and administrative costs.

Initiated in 1959, withholding tax is the largest component of income tax collections. New York requires employers to withhold and remit personal income taxes on wages, salaries, bonuses, commissions and similar income. The amount of withholding varies with the rates, deductions and exemptions. Under current law, employers must remit withholding liability within three business days after each payroll once the cumulative amount of liability reaches $700. Certain small businesses and educational and health care organizations may make their withholding remittance within five business days, and employers with less than $700 of withheld tax can remit it on a quarterly basis. Large employers (aggregate tax of more than $100,000 per year) must make timely payment by electronic funds transfer or by certified check.

Employer Compensation Expense Program

The ECEP was enacted in 2018 in response to Federal legislation which limited the personal income tax deduction for state and local taxes to $10,000 per taxpayer annually. Businesses are provided the option to participate in the ECEP, and those that elect to participate remit a tax on annual wages paid to each employee in excess of $40,000. The tax rate is 1.5 percent in 2019, 3 percent in 2020, and 5 percent in 2021 and thereafter. The ECEP tax must be paid electronically on the same dates that the electing employer's withholding tax payments are required to be made. An employer that overpays the tax may apply for a refund.

Employers participating in the ECEP for a given tax year must make an election by December 1st of the preceding year. Remittance of taxes on payrolls begin January immediately following the election to participate. New York State ECEP receipts from participating employers are deposited into the Revenue Bond Tax Fund beginning January 1st immediately following the election to participate as well. For example, employers participating in the ECEP for tax year 2024 made elections by December 1st, 2023, and receipts from these participants – including deposits into the Revenue Bond Tax Fund - began in January 2024.

New York State ECEP Receipts are dependent on the extent to which employers elect to participate in the program. In State Fiscal Year 2022-23, the State received approximately $7 million of New York State ECEP Receipts, based primarily on the 287 employers that elected to participate in tax year 2022. The participation data count increased to 423 for tax year 2023 and 425 for tax year 2024, but substantial uncertainty exists with respect to the projected amount of New York State ECEP Receipts during State Fiscal Year 2024-25 and thereafter due to its limited and volatile history.

From a Revenue Bond Tax Fund perspective, the ECEP is expected to be revenue neutral. New York State ECEP Receipts collected from participating employers are expected to be offset by a comparable decrease in Personal Income Tax Receipts, because employees whose wages are subject to the ECEP may claim a Personal Income Tax credit calculated using a statutory formula that corresponds in value to the tax imposed by the ECEP. As a result, aggregate receipts deposited to the Revenue Bond Tax Fund are expected to remain substantially the same regardless of the amount of ECEP Receipts.

Pass-Through Entity Tax Program

As part of the FY 2022 Enacted Budget, the State Legislature enacted legislation that provides for an optional pass-through entity tax on the State sourced income of (i) partnerships and (ii) S corporations. Qualifying entities that elect to pay into PTET will pay a graduated tax on their State sourced ordinary income (and guaranteed payments for partnerships) at the partnership or corporation level and their individual partners, members and shareholders will receive a refundable tax credit equal to the proportionate or pro rata share of taxes paid by the electing entity.

For each taxable year beginning on or after January first, two thousand twenty-one, the PTET schedule is as follows:

If pass-through entity taxable income is:

Not over $2,000,000	6.85% of taxable income
Over $2,000,000 but not over $5,000,000	$137,000 plus 9.65% of the excess over $2,000,000
Over $5,000,000 but not over $25,000,000	$426,500 plus 10.30% of excess over $5,000,000
Over $25,000,000	$2,486,500 plus 10.90% of excess over $25,000,000

The FY 2025 Enacted Budget Financial Plan includes estimates for PTET receipts and a corresponding decrease in PIT receipts. The overall effect on projected receipts to the Revenue Bond Tax Fund, to which 50 percent of both PIT and PTET receipts are deposited, is that PTET has significantly increased FY 2022 receipts, significantly decreased FY 2023 receipts, decreased FY 2024 receipts, and is expected to increase FY 2025 receipts. Projections are, however, based on limited experience to date, and there can be no assurance that such projections will be realized.

Revenue Bond Tax Fund Receipts

The Enabling Act provides that 50 percent of the New York State Personal Income Tax Receipts shall be deposited in the Revenue Bond Tax Fund. Such receipts currently exclude refunds paid to taxpayers.

The Enabling Act also provides that 50 percent of the New York State ECEP Receipts shall be deposited in the Revenue Bond Tax Fund. Such receipts currently exclude refunds paid to employers.

Effective April 1, 2021, pursuant to legislative changes, 50 percent of the New York State PTET Receipts shall be deposited in the Revenue Bond Tax Fund. Such receipts currently exclude refunds paid to taxpayers.

Beginning on the first day of each month, the Enabling Act requires the State Comptroller to deposit in the Revenue Bond Tax Fund all of the receipts from the Withholding Component, all of the New York State ECEP Receipts and all of the New York State PTET Receipts until 50 percent of estimated monthly New York State Personal Income Tax Receipts, 50 percent of estimated monthly New York State ECEP Receipts, and 50 percent of the estimated monthly New York State PTET Receipts, respectively, have been deposited into the Revenue Bond Tax Fund.

The following table sets forth certain historical and projected information concerning New York State Personal Income Tax Receipts, the Withholding Component, New York State ECEP Receipts, New York State PTET Receipts, and deposits to the Revenue Bond Tax Fund from State Fiscal Years 2014-15 through 2024-25.

NYS PERSONAL INCOME TAX RECEIPTS AND WITHHOLDING COMPONENT, NYS PTET RECEIPTS,
NYS ECEP RECEIPTS, AND REVENUE BOND TAX FUND RECEIPTS
STATE FISCAL YEARS 2014-15 THROUGH 2024-25
(dollars in millions)

State Fiscal Year	New York State Personal Income Tax Receipts	Withholding Component	Withholding as a % of State Personal Income Tax Receipts	New York State PTET Receipts	New York State ECEP Receipts	Revenue Bond Tax Fund Receipts
2014-15	$43,710	$34,907	79.9%	N/A	N/A	$10,927
2015-16	47,055	36,549	77.7	N/A	N/A	11,764
2016-17	47,566	37,524	78.9	N/A	N/A	11,891
2017-18	51,501	40,269	78.2	N/A	N/A	12,875
2018-19 (1)	48,087	41,084	85.4	N/A	$ 0.1	24,044
2019-20	53,659	43,118	80.4	N/A	2.0	26,831
2020-21	54,967	44,218	80.4	N/A	3.2	27,485
2021-22(2)	70,737	53,328	75.4	$16,430	12.8	43,590
2022-23(2)	58,776	52,477	89.3	14,944	6.7	36,863
2023-24(2)	53,840	54,700	101.6	13,955	13.0	33,904
2024-25 (Proj.)(2)	56,994	57,486	100.9	14,748	15.0	35,879

(1) Reflects increased deposits to the Revenue Bond Tax Fund, resulting from FY 2019 Enacted Budget legislation.

(2) Includes New York State Personal Income Tax Receipts, New York State ECEP Receipts, and New York State PTET Receipts. Reflects the timing of PTET receipts that results in a decrease in PIT receipts, which are estimated to be revenue-neutral to the State on a multi-year basis, but are not estimated to be revenue-neutral to the State within each fiscal year.

For State Fiscal Year 2023-24, New York State Personal Income Tax Receipts totaled approximately $53.8 billion and accounted for approximately 50.5 percent of State tax receipts in all State Funds. The FY 2025 Enacted Budget Financial Plan estimates that total New York State Personal Income Tax Receipts (net of refunds to taxpayers but before deposits to the School Tax Relief (STAR) Fund) will increase by 5.9 percent to approximately $57.0 billion in State Fiscal Year 2024-25. The increase in FY 2024-25 receipts and the resulting slight decrease in share of total receipts represented by the withholding component are due to increases in all major gross receipts components, with growth in total estimated payments outpacing growth in withholding. New York State ECEP Receipts are estimated to total $15 million in State Fiscal Year 2024-25, increasing from the $13 million total in State Fiscal Year 2023-24, driven by wage growth in tax year 2024.

Total State personal income tax receipts (as distinguished from New York State Personal Income Tax Receipts as defined herein and presented in the table above) estimates are based on the State personal income tax liability estimated by the DOB for each of the relevant tax years and the patterns of receipts and refunds for each tax year. Such tax year liability estimates are, in turn, based largely on forecasts of State adjusted gross income, with adjustments made for legislative changes (see "—General History of the State Personal Income Tax" above) that will affect each year's tax liability. The level of total State personal income tax receipts is necessarily dependent upon economic and demographic conditions in the State, and therefore there can be no assurance that historical data with respect to total State personal income tax receipts will be indicative of future receipts. Since the institution of the modern income tax in New York in 1960, total personal income tax receipts have fallen nine times on a year-over-year basis, in State Fiscal Years 1964-65, 1971-72, 1977-78, 1990-91, 2002-03, 2009-10, 2018-19, 2022-23, and 2023-24. Total State personal income tax receipts are projected to increase in State Fiscal Year 2024-25 due to increases in all major components of gross receipts.

The following table shows the pattern of State adjusted gross income growth and Personal Income Tax liability for 2015 through 2024.

NYS ADJUSTED GROSS INCOME (AGI) AND PERSONAL INCOME TAX LIABILITY 2015-2024[1]

Tax Year	NYS AGI ($ in millions)	Percent Change	Personal Income Tax Liability ($ in millions)[2]	Percent Change
2015	$ 807,775	4.0%	$43,503	3.8%
2016	794,105	(1.7)	41,736	(4.1)
2017	874,568	10.1	48,000	15.0
2018	906,868	3.7	48,712	1.5
2019	930,755	2.6	49,567	1.8
2020	990,849	6.5	54,517	10.0
2021	1,148,443	15.9	71,406	31.0
2022 (Est.)	1.073,325	(6.5)	64,277	(10.0)
2023 (Est.)	1,077,187	0.4	62,643	(2.5)
2024 (Proj.)	1,127,666	4.7	66,748	6.6

[1] NYS AGI and Personal Income Tax Liability reflect amounts reported on timely filed individual returns, and therefore do not include tax paid by fiduciaries or through audits.

[2] Personal Income Tax Liability excludes the effects of PTET credits.

The table indicates that under the State's progressive income tax structure with graduated tax rates, tax liability generally changes at a faster percentage rate than adjusted gross income, absent major law changes or economic events. Since tax year 2015, realized adjusted gross income grew in all but one year, with the annual decline in tax year 2016 in large part due to strategic income shifting in response to actual or anticipated changes in the federal tax code. In tax year 2022, turmoil in the equities market brought about in part by the Federal Reserve's actions to wring inflation out of the economy through higher interest rates and in part by concerns that a recession might occur led to declining adjusted gross income. In tax year 2023, equity prices regained ground lost throughout tax year 2022 but failed to eclipse the peak levels seen in late 2021 and early 2022, contributing to continued weakness in adjusted gross income and a second consecutive year of decline in net capital gains.

The FY 2025 Enacted Budget Financial Plan estimates that tax year 2021 personal income tax liability totaled $71.4 billion, increasing 31.0 percent from the prior year, and reflecting not only the economic impact of the COVID-19 pandemic, including the extraordinary support to personal incomes provided by the Federal government and the robust recovery of equity markets, but also the effects of new, high-income tax brackets and rates that were effective with the 2021 tax year. Personal income tax liability is estimated to decrease by 10.0 percent to $64.0 billion in tax year 2022 for the reasons affecting adjusted gross income discussed in the paragraph above. A further decline of 1.8 percent is estimated for tax year 2023, with liability falling to $62.6 billion, before it rises to a projected $66.7 billion, an increase of 6.6 percent, in tax year 2024.

Debt Service Coverage

The following table sets forth (1) Revenue Bond Tax Fund Receipts for a twelve consecutive calendar month period ended not more than six months prior to the date of such calculation, (2) maximum annual debt service on outstanding State Personal Income Tax Revenue Bonds, and (3) resulting debt service coverage. There can be no assurance that actual Revenue Bond Tax Fund Receipts will not be less than the amounts collected during the calculation period, as a result of numerous factors affecting Revenue Bond Tax Fund Receipts that cannot be predicted at this time.

DEBT SERVICE COVERAGE ON OUTSTANDING PERSONAL INCOME TAX REVENUE BONDS[1]
(dollars in thousands)

Revenue Bond Tax Fund Receipts	$33,960,904
Maximum Annual Debt Service	$4,022,809
Debt Service Coverage	8.4x

(1) As of March 31, 2024

Projected Debt Service Coverage

Based upon the assumptions used in preparing the following table, including assumed State Personal Income Tax Revenue Bond issuances averaging approximately $5.1 billion annually over the next four years, State Personal Income Tax Revenue Bond debt service coverage based only upon the Revenue Bond Fund's receipt of the New York State Personal Income Tax Receipts, New York State ECEP Receipts, and New York State PTET Receipts is expected to decline from 8.2 times in State Fiscal Year 2023-24 to 6.9 times in State Fiscal Year 2027-28.

PROJECTED DEBT SERVICE COVERAGE ON STATE PERSONAL INCOME TAX REVENUE BONDS
STATE FISCAL YEARS 2024-25 THROUGH 2027-28
(dollars in millions)

	FY 2025	FY 2026	FY 2027	FY 2028
Projected Revenue Bond Tax Fund Receipts[1]	$35,879	$36,317	$35,011	$40,866
Projected New State Personal Income Tax Revenue Bonds Issuances	5,266	7,163	8,023	6,713
Projected Total State Personal Income Tax Revenue Bonds Outstanding	45,122	50,818	57,867	62,960
Projected Maximum Annual Debt Service	4,351	4,864	5,439	5,920
Projected Debt Service Coverage	8.2x	7.5x	6.4x	6.9x

(1) Includes New York State Personal Income Tax Receipts, New York State PTET Receipts, and New York State ECEP Receipts. Reflects the timing of PTET receipts and subsequent decrease in PIT receipts, which are estimated to be revenue-neutral to the State on a multi-year basis, but are not estimated to be revenue-neutral to the State within each fiscal year.

Additional State Personal Income Tax Revenue Bonds may be issued, subject to satisfaction of a 2.0 times debt service coverage test. All State Personal Income Tax Revenue Bonds issued by any Authorized Issuer will be on a parity with each other as to payments from the Revenue Bond Tax Fund, subject to annual appropriation by the State Legislature.

Impact of Charitable Gifts Trust Fund on State Personal Income Tax Revenue Bonds

As a result of (i) the 2019 IRS regulatory action that effectively curtailed donations to the Charitable Gifts Trust Fund and, (ii) the Federal SALT deduction limit that is scheduled to expire on December 31, 2025, the State does not expect that the Charitable Gifts Trust Fund will have any material impact on the Personal Income Tax Revenue Bond Program or on amounts deposited into the Revenue Bond Tax Fund.

Section 2: Subsection K

New York State Sales Tax Revenue Bonds

This Subsection K contains the information required to be updated annually pursuant to the Master Continuing Disclosure Agreement relating to obligations issued by the Authorized Issuers for State Sales Tax Revenue Bonds.

Capitalized terms used in this Subsection K and not otherwise defined shall have the meanings ascribed to them in the related Official Statement.

The Sales Tax Revenue Bond Tax Fund

The Enabling Act provides a source of payment for State Sales Tax Revenue Bonds by establishing the Sales Tax Revenue Bond Tax Fund for the purpose of setting aside New York State Sales Tax Receipts sufficient to make financing agreement payments to Authorized Issuers. The Enabling Act establishes the Sales Tax Revenue Bond Tax Fund to be held in the joint custody of the State Comptroller and the Commissioner and requires that all moneys on deposit in the Sales Tax Revenue Bond Tax Fund be held separate and apart from all other moneys in the joint custody of the State Comptroller and the Commissioner. The source of the financing agreement payments consists of New York State Sales Tax Receipts (which are net of amounts the Commissioner may determine to be necessary for refunds) required to be deposited in the Sales Tax Revenue Bond Tax Fund in an amount equal to a two percent rate of taxation (equivalent to two cents on every dollar taxed) from the New York State Sales Tax Receipts. Such New York State Sales Tax Receipts required to be deposited in the Sales Tax Revenue Bond Tax Fund (currently equal to a two percent rate of taxation) comprise Sales Tax Revenue Bond Tax Fund Receipts[1].

Financing agreement payments made from amounts set aside in the Sales Tax Revenue Bond Tax Fund are subject to annual appropriation for such purpose by the State Legislature. The Enabling Act provides that: (i) no person (including the Authorized Issuers or the holders of State Sales Tax Revenue Bonds) shall have any lien on amounts on deposit in the Sales Tax Revenue Bond Tax Fund; (ii) Sales Tax Revenue Bond Tax Fund Receipts, which have been set aside in sufficient amounts to pay when due the financing agreement payments of all Authorized Issuers, shall remain in the Sales Tax Revenue Bond Tax Fund (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until they are appropriated and used to make financing agreement payments; and (iii) nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the New York State Sales Tax.

The State Sales Tax Revenue Bonds are special obligations of the Authorized Issuers, secured by and payable solely from financing agreement payments payable by the State Comptroller to the applicable Trustee and Paying Agent (the “Trustee” or “Paying Agent”) on behalf of the respective Authorized Issuers in accordance with the terms and provisions of a Financing Agreement, by and between the respective Authorized Issuers and the Director of the Budget subject to annual appropriation by the State Legislature, and the Funds and Accounts established under the General Resolution (other than the Rebate Fund and other Funds as provided in the General Resolution). The State Sales Tax Revenue Bonds are entitled to a lien, created by a pledge under the General Resolution, on the Pledged Property.

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1 Pursuant to the State Finance Law, a portion of the New York State Sales Tax Receipts were previously required to be deposited in the Local Government Assistance Tax Fund in a separate amount equal to a one percent rate of taxation, from which both the (i) obligations and liabilities (the “LGAC Obligations”) of the Local Government Assistance Corporation (“LGAC”) and (ii) the $170 million annual obligation to The City of New York were paid. Such $170 million annual obligation was assigned by The City of New York to the Sales Tax Asset Receivable Corporation (“STARC”) to pay debt service on STARC obligations. Upon the satisfaction of all outstanding obligations of LGAC and STARC in FY 2022, deposits to the Local Government Assistance Tax Fund were no longer required and were discontinued.

The Enabling Act and each of the general resolutions permit or are expected to permit the Authorized Issuers to issue additional State Sales Tax Revenue Bonds subject to statutory limitations on the maximum amount of bonds permitted to be issued by Authorized Issuers for Authorized Purposes and the additional bonds test described herein included (or to be included) in each of the general resolutions authorizing State Sales Tax Revenue Bonds. In accordance with the additional bonds test described herein, as of March 31, 2023, Sales Tax Revenue Bond Tax Fund Receipts of approximately $9.3 billion are available to pay financing agreement payments on a pro forma basis, which amount represents approximately 9.0 times the maximum annual Debt Service for all Outstanding State Sales Tax Revenue Bonds. While additional State Sales Tax Revenue Bonds are expected to continue to be issued by Authorized Issuers as appropriate for Authorized Purposes, in no event may any additional State Sales Tax Revenue Bonds (other than certain refunding bonds) be issued unless the additional bonds test under the respective general resolution has been satisfied.

The revenues, facilities, properties and any and all other assets of the Authorized Issuers of any name and nature, other than the Pledged Property, may not be used for, or, as a result of any court proceeding, otherwise applied to, the payment of State Sales Tax Revenue Bonds, any redemption premium therefor or the interest thereon or any other obligations under the General Resolution, and under no circumstances shall these be available for such purposes.

Certification of Payments to be Set Aside in Sales Tax Revenue Bond Tax Fund

The Enabling Act, the general resolutions and the financing agreements of the Authorized Issuers provide (or are expected to provide) procedures for setting aside amounts from the New York State Sales Tax Receipts deposited to the Sales Tax Revenue Bond Tax Fund to ensure that sufficient amounts will be available to make financing agreement payments, when due, to the applicable trustees on behalf of the Authorized Issuers.

The Enabling Act, as amended, provides that:

1. No later than October 1 of each year, each Authorized Issuer must submit its State Sales Tax Revenue Bond cash requirements (which shall include financing agreement payments) for the following State Fiscal Year and, as required by the financing agreements, each of the subsequent four State Fiscal Years to the Director of the Budget.
2. No later than thirty (30) days after the submission of the Executive Budget in accordance with Article VII of the State Constitution, the Director of the Budget shall prepare a certificate which sets forth an estimate of:
    a) the amount of the estimated monthly New York State Sales Tax Receipts to be deposited in the Sales Tax Revenue Bond Tax Fund pursuant to the Enabling Act during that State Fiscal Year; and
    b) the monthly amounts necessary to be set aside in the Sales Tax Revenue Bond Tax Fund to make the financing agreement payments required to meet the cash requirements of the Authorized Issuers.
3. Based on the Certificate of the Director of the Budget, the State Comptroller is required to set aside on a monthly basis Sales Tax Revenue Bond Tax Fund Receipts in amounts calculated to be sufficient to pay debt service on all State Sales Tax Revenue Bonds and other cash requirements of the Authorized Issuers when due, as more particularly described below under the heading "— Set Aside of Sales Tax Revenue Bond Tax Fund Receipts."

The Director of the Budget may amend such certification as shall be necessary, provided that the Director of the Budget shall amend such certification no later than thirty (30) days after the issuance of any State Sales Tax Revenue Bonds, including refunding bonds, or after the execution of any interest rate exchange (or "swap") agreements or other financial arrangements which may affect the cash requirements of any Authorized Issuer.

The Enabling Act provides that on or before the twelfth day of each month, the Commissioner shall certify to the State Comptroller the actual Sales Tax Revenue Bond Tax Fund Receipts for the prior month and, in addition, no later than March 31 of each State Fiscal Year, the Commissioner shall certify such amounts relating to the last month of the State Fiscal Year. At such times, the Enabling Act provides that the State Comptroller shall deposit Sales Tax Revenue Bond Tax Fund Receipts so certified by the Commissioner in the Sales Tax Revenue Bond Tax Fund.

Set Aside of Sales Tax Revenue Bond Tax Fund Receipts

As provided by the Enabling Act, the general resolutions, the financing agreements, and the certificate of the Director of the Budget, the State Comptroller is required to set aside, on a monthly basis, Sales Tax Revenue Bond Tax Fund Receipts on deposit in the Sales Tax Revenue Bond Tax Fund, until:

a) With respect to financing agreement payments to be made to Authorized Issuers on a semi-annual or annual basis, the amount set aside in the fund during the then current month, together with amounts previously set aside in the fund, equals the sum of (i) one-fifth of the interest due on such obligations on the next succeeding interest payment date multiplied by the number of months from the last such interest payment, and (ii) one-eleventh of the next principal installment due on such obligations where principal is due on an annual basis or one-fifth of the next principal installment due on such obligations where principal is due on a semi-annual basis, in each case multiplied by the number of months from the last such principal payment; and

b) with respect to financing agreement payments due on a monthly basis or more frequently, the amount so set aside is, in the reasonable judgment of the Director of the Budget as set forth in his or her certificate, sufficient to make the required payment on or before such payment date.

The Enabling Act provides that Sales Tax Revenue Bond Tax Fund Receipts which have been set aside in sufficient amounts to pay, when due, the financing agreement payments of all Authorized Issuers shall remain in the Sales Tax Revenue Bond Tax Fund (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until they are appropriated and used to make financing agreement payments.

Subject to appropriation by the State Legislature, upon receipt of a request for payment from any Authorized Issuer pursuant to a financing agreement, the State Comptroller shall pay over to the trustee, on behalf of such Authorized Issuer, such amount. In the event that Sales Tax Revenue Bond Tax Fund Receipts are insufficient to meet financing agreement payments on all State Sales Tax Revenue Bonds of all the Authorized Issuers as set forth in the certificate of the Director of the Budget, the State Comptroller is required by the Enabling Act, without appropriation, to immediately transfer from the General Fund to the Sales Tax Revenue Bond Tax Fund, the amount of such deficiency. Amounts so transferred to the Sales Tax Revenue Bond Tax Fund can only be used to pay financing agreement payments (except, if necessary, for payments authorized to be made to the holders of State general obligation debt).

The State Comptroller shall from time to time, but in no event later than the fifteenth day of each month (other than the last month of the fiscal year) and no later than the thirty-first day of the last month of each fiscal year, pay over and distribute to the credit of the General Fund all moneys in the Sales Tax Revenue Bond Tax Fund, if any, in excess of the aggregate amount required to be set aside for the payment of cash requirements as described above.

Flow of Sales Tax Revenue Bond Tax Fund Receipts

The following chart summarizes the flow of Sales Tax Revenue Bond Tax Fund Receipts.

On or before October 1

Authorized Issuers submit to the DOB the schedule of anticipated cash requirements (which include financing agreement payments) due with respect to State Sales Tax Revenue Bonds for the next State Fiscal Year and for the four subsequent State Fiscal Years

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No later than 30 Days after Budget Submission (no later than March 1)

Director of the Budget submits a certificate to the State Comptroller which estimates for the following State Fiscal Year:*

- The amount of New York State Sales Tax Receipts to be deposited into the Sales Tax Revenue Bond Tax Fund as Sales Tax Revenue Bond Tax Fund Receipts**
- The monthly set-asides for financing agreement payments and other cash requirements of the Authorized Issuers (for State Sales Tax Revenue Bonds that pay interest semi-annually and principal annually, the set aside amounts are 1/5 of the next interest payment and 1/11 of the next principal payment)

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On or before the 12th Day of Each Month

The Commissioner certifies to the State Comptroller the amount of actual Sales Tax Revenue Bond Tax Fund Receipts for the prior month and the State Comptroller deposits the amount so certified in the Sales Tax Revenue Bond Tax Fund

Sales Tax Revenue Bond Tax Fund Receipts which have been set aside to make financing agreement payments and meet other cash requirements are required to remain in the Sales Tax Revenue Bond Tax Fund until appropriated and paid to the applicable trustees on behalf of the Authorized Issuers

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Not later than the 15th Day of Each Month and the 31st Day of March

After all monthly amounts necessary to make financing agreement payments and meet other cash requirements have been set aside as certified by the Director of the Budget, and provided appropriations have been made to pay all such amounts, the State Comptroller shall distribute all excess moneys in the Sales Tax Revenue Bond Tax Fund to the General Fund

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* The Director of the Budget may revise such certification at any time to more precisely account for revised New York State Sales Tax Receipts estimate or actual debt service and other cash requirements, and to the extent necessary, shall do so not later than thirty days after the issuance of any State Sales Tax Revenue Bonds.

** Equal to a two percent rate of taxation.

Moneys Held in the Sales Tax Revenue Bond Tax Fund

The Enabling Act prohibits the State Comptroller from paying over or distributing any amounts deposited in the Sales Tax Revenue Bond Tax Fund (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) other than to the Authorized Issuers (which are paid to the applicable trustees on behalf of the Authorized Issuers), unless two requirements are met. First, all payments as certified by the Director of the Budget for a State Fiscal Year must have been appropriated to the Authorized Issuers for the payment of financing agreement payments (including debt service) in the full amount specified in the certificate of the Director of the Budget. Second, each certified and appropriated payment for which moneys are required to be set aside as provided in the Enabling Act must have been made to the trustees on behalf of the Authorized Issuers when due.

If such appropriations have been made to pay all annual amounts specified in the certificate of the Director of the Budget as being required by the Authorized Issuers for a State Fiscal Year and all such payments to the applicable trustees on behalf of the Authorized Issuers are current, then the State Comptroller is required by the Enabling Act to pay over and distribute to the credit of the General Fund at least once a month, all amounts in the Sales Tax Revenue Bond Tax Fund, if any, in excess of the aggregate amount required to be set aside. The Enabling Act also requires the State Comptroller to pay to the General Fund all sums remaining in the Sales Tax Revenue Bond Tax Fund on the last day of each State Fiscal Year, but only if the State has appropriated and paid to the applicable trustees on behalf of the Authorized Issuers the amounts necessary for the Authorized Issuers to meet their cash requirements for the current State Fiscal Year and, to the extent certified by the Director of the Budget, set aside any cash requirements required for the next State Fiscal Year.

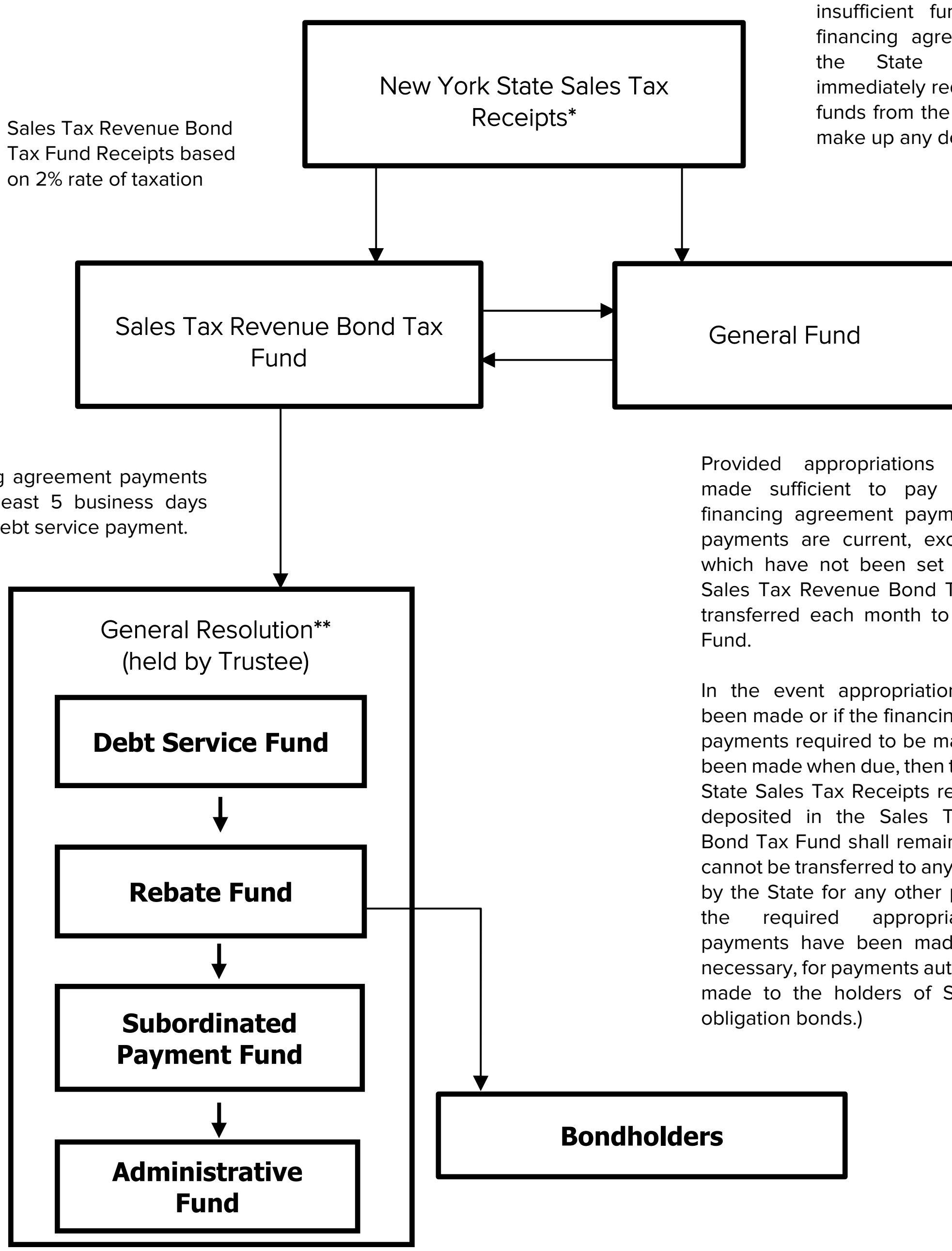
In the event that (i) the State Legislature fails to appropriate all amounts required to make financing agreement payments on State Sales Tax Revenue Bonds to all Authorized Issuers or (ii) having been appropriated and set aside pursuant to a certificate of the Director of the Budget, financing agreement payments have not been made when due on any State Sales Tax Revenue Bonds, the Enabling Act requires that all of the New York State Sales Tax Receipts required to be deposited in the Sales Tax Revenue Bond Tax Fund remain in such fund. Other than to make financing agreement payments from appropriated amounts, the Enabling Act prohibits the transfer of moneys in the Sales Tax Revenue Bond Tax Fund to any other fund or account or use of such moneys by the State for any other purpose (except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until such time as the required appropriations and all required financing agreement payments have been made to the trustees on behalf of each Authorized Issuer.

The Enabling Act provides that no person (including the Authorized Issuers or the holders of State Sales Tax Revenue Bonds) shall have any lien on moneys on deposit in the Sales Tax Revenue Bond Tax Fund and that the State's agreement to make financing agreement payments shall be executory only to the extent such payments have been appropriated.

Flow of Revenues

If, after appropriation, there are insufficient funds to make a financing agreement payment, the State Comptroller is immediately required to transfer funds from the General Fund to make up any deficiency.

Sales Tax Revenue Bond Tax Fund Receipts based on 2% rate of taxation



Financing agreement payments paid at least 5 business days prior to debt service payment.

Provided appropriations have been made sufficient to pay all required financing agreement payments and all payments are current, excess moneys which have not been set aside in the Sales Tax Revenue Bond Tax Fund are transferred each month to the General Fund.

In the event appropriations have not been made or if the financing agreement payments required to be made have not been made when due, then the New York State Sales Tax Receipts required to be deposited in the Sales Tax Revenue Bond Tax Fund shall remain therein and cannot be transferred to any fund or used by the State for any other purpose until the required appropriations and payments have been made (except, if necessary, for payments authorized to be made to the holders of State general obligation bonds.)

* Nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the New York State Sales Tax.

** The other Authorized Issuers have adopted or are expected to adopt similar general resolutions.

Appropriation by the State Legislature

The State may not expend money without an appropriation, except for the payment of debt service on general obligation bonds or notes issued by the State. An appropriation is an authorization approved by the State Legislature to expend money. The State Constitution requires all appropriations of State funds, including funds in the Sales Tax Revenue Bond Tax Fund, to be approved by the State Legislature at least every two years. In addition, the State Finance Law generally provides that appropriations shall cease to have force and effect, except as to liabilities incurred thereunder, at the close of the State Fiscal Year for which they were enacted and that to the extent of liabilities incurred thereunder, such appropriations shall lapse on the succeeding June 30th or September 15th depending on the nature of the appropriation.

The Authorized Issuers expect that the State Legislature will make an appropriation from amounts on deposit in the Sales Tax Revenue Bond Tax Fund sufficient to pay financing agreement payments when due. Sales Tax Revenue Bond Tax Fund Receipts are expected to exceed the amounts necessary to pay financing agreement payments. The Enabling Act prohibits the transfer of moneys in the Sales Tax Revenue Bond Tax Fund to any other fund or account or the use of such moneys by the State for any other purpose (other than to make financing agreement payments from appropriated amounts, and except, if necessary, for payments authorized to be made to the holders of State general obligation debt) until such time as the required appropriations and all required financing agreement payments have been made to the trustees on behalf of each Authorized Issuer. The State Legislature may not be bound in advance to make an appropriation, and there can be no assurances that the State Legislature will appropriate the necessary funds as anticipated. Nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the New York State Sales Tax.

All payments required by financing agreements entered into by the State shall be executory only to the extent of the revenues available in the Sales Tax Revenue Bond Tax Fund. The obligation of the State to make financing agreement payments is subject to the State Legislature making annual appropriations for such purpose and such obligation does not constitute or create a debt of the State, nor a contractual obligation in excess of the amounts appropriated therefor. In addition, the State has no continuing legal or moral obligation to appropriate money for payments due under any financing agreement.

State Sales Tax Revenue Bonds shall not be a debt of the State and the State shall not be liable thereon, nor shall State Sales Tax Revenue Bonds be payable out of any funds other than those pledged therefor. Neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of, premium, if any, or interest on State Sales Tax Revenue Bonds.

Pursuant to the Enabling Act, Sales Tax Revenue Bond Tax Fund Receipts which have been set aside to pay when due the financing agreement payments of all Authorized Issuers shall remain in the Sales Tax Revenue Bond Tax Fund until they are appropriated and used to make financing agreement payments. However, the Enabling Act also provides that the use of such Sales Tax Revenue Bond Tax Fund Receipts by the State Comptroller is "subject to the rights of holders of debt of the state" (i.e., general obligation bondholders who benefit from the faith and credit pledge of the State). Pursuant to Article VII Section 16 of the State Constitution, if at any time the State Legislature fails to make an appropriation for general obligation debt service, the State Comptroller is required to set apart from the first revenues thereafter received, applicable to the General Fund, sums sufficient to pay debt service on such general obligation debt. In the event that such revenues and other amounts in the General Fund are insufficient to so pay State general obligation bondholders, the State may also use amounts on deposit in the Sales Tax Revenue Bond Tax Fund as well as other funds to pay debt service on State general obligation bonds.

The DOB is not aware of any existing circumstances that would cause Sales Tax Revenue Bond Tax Fund Receipts to be used to pay debt service on State general obligation bonds in the future. The Director of the Budget believes that any failure by the State Legislature to make annual appropriations as contemplated would have a serious impact on the ability of the State and the Authorized Issuers to issue State-supported bonds to raise funds in the public credit markets.

Additional Bonds

Pursuant to each general resolution, additional State Sales Tax Revenue Bonds may be issued by the related Authorized Issuer, only if the amount of Sales Tax Revenue Bond Tax Fund Receipts for any 12 consecutive calendar months ended not more than six months prior to the date of such calculation, as certified by the Director of the Budget, is at least 2.0 times the maximum annual Calculated Debt Service on all outstanding State Sales Tax Revenue Bonds, the additional State Sales Tax Revenue Bonds proposed to be issued, and any additional amounts payable with respect to parity reimbursement obligations.

Pursuant to each general resolution, additional State Sales Tax Revenue Bonds may be issued to refund outstanding State Sales Tax Revenue Bonds either by meeting the debt service coverage test described above, or, in the alternative, by demonstrating that maximum annual debt service on all outstanding State Sales Tax Revenue Bonds will not increase as a result of such refunding.

Parity Reimbursement Obligations

An Authorized Issuer may incur Parity Reimbursement Obligations pursuant to the terms of the general resolution which, subject to certain exceptions, would be secured by a pledge of, and a lien on, the pledged property on a parity with the lien created by the related general resolution with respect to bonds issued thereunder. A Parity Reimbursement Obligation may be incurred in connection with obtaining a Credit Facility and represents the obligation to repay amounts advanced under the Credit Facility. It may include interest calculated at a rate higher than the interest rate on the related State Sales Tax Revenue Bonds and may be secured by a pledge of, and a lien on, pledged property on a parity with the lien created by the general resolution for the State Sales Tax Revenue Bonds only to the extent that principal amortization requirements of the Parity Reimbursement Obligation are equal to the amortization requirements for the related State Sales Tax Revenue Bonds, without acceleration. See "Moneys Held in the Sales Tax Revenue Bond Tax Fund" above.

Certain Covenants of the State

Pursuant to the general resolutions, the State pledges and agrees with the holders of State Sales Tax Revenue Bonds, Bond Anticipation Notes ("BANs"), Parity Reimbursement Obligations or other obligations issued or incurred thereunder that the State will not in any way impair the rights and remedies of holders of such State Sales Tax Revenue Bonds, BANs, Parity Reimbursement Obligations or other obligations until such State Sales Tax Revenue Bonds, BANs, Parity Reimbursement Obligations or other obligations issued or incurred thereunder, together with interest thereon, with interest, if any, on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders are fully met and discharged.

Pursuant to the Enabling Act and the general resolutions, nothing shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the New York State Sales Tax. An Event of Default under the general resolutions would not occur solely as a result of the State exercising its right to amend, repeal, modify or otherwise alter the statutes imposing or relating to such taxes. However, the Director of the Budget believes that any materially adverse amendment, modification or alteration of, or the repeal of, statutes imposing or related to the New York State Sales Tax could have a serious impact on the flow of New York State Sales Tax Receipts to the Sales Tax Revenue Bond Tax Fund, the ability of the Authorized Issuers to issue additional State Sales Tax Revenue Bonds and the marketability of outstanding State Sales Tax Revenue Bonds.

Reservation of State's Right to Substitute Credit

Pursuant to the Enabling Act, the State reserves the right, upon amendment of the State Constitution to permit the issuance of State Revenue Bonds, which may be payable from or secured by revenues that may include the Revenues pledged under the general resolutions, (i) to assume, in whole or in part, State Sales Tax Revenue Bonds, (ii) to extinguish the existing lien on the pledged property created under the general resolutions, and (iii) to substitute security for State Sales Tax Revenue Bonds, in each case only so long as the assumption, extinguishment and substitution is accomplished in accordance with either of two provisions of the general resolutions. (For these purposes, any State Sales Tax Revenue Bonds paid or deemed to have been paid in accordance with the applicable general resolution on or before the date of any assumption, extinguishment and substitution are not to be taken into account in determining compliance with those provisions.) The first provision of the general resolutions is intended to permit an assumption, extinguishment and substitution, without any right of consent of Bondholders or other parties, if certain conditions are satisfied. The second provision of the general resolutions permitting such an assumption, extinguishment and substitution is intended to permit a broader range of changes with the consent of issuers of Credit Facilities and the consent of certain Bondholders. It provides that any such assumption, extinguishment and substitution may be effected if certain conditions are satisfied.

In the event a constitutional amendment becomes a part of the State Constitution, there can be no assurance that the State will exercise its rights of assumption, extinguishment, and substitution with respect to State Sales Tax Revenue Bonds. There can be no assurance that the Authorized Issuer would be the issuer of any such State Revenue Bonds upon any such assumption, extinguishment and substitution and, if not the Authorized Issuer, the issuer of such State Revenue Bonds could be the State or another public entity.

General History of the State Sales Tax

In 1965, New York became the 39th state to impose a general sales and compensating use tax; 46 states now impose sales or gross receipts taxes. The statewide rate has been raised three times: from 2 percent to 3 percent on April 1, 1969, to 4 percent on June 1, 1971, and to 4.25 percent effective June 1, 2003 through May 31, 2005. The rate returned to 4 percent on June 1, 2005. The New York State Sales Tax now applies to: (1) sales and use within the State of most tangible personal property; (2) certain utility service billings; and (3) charges for restaurant meals, hotel and motel occupancy, and for specified admissions and services. The base of the tax has been amended periodically since its imposition in 1965. The New York State Sales Tax is generally collected from the consumer by the final vendor, who is generally required to remit the tax quarterly. However, vendors with more than $300,000 of taxable sales and purchases in one of the immediately preceding four quarters must remit the tax monthly by the 20th of the month following the month of collection. Vendors collecting less than $3,000 yearly may elect to file annually, in March. Vendors required to file monthly with an annual sales and use tax liability exceeding $500,000 or with an annual liability for prepaid sales tax on motor fuel and diesel motor fuel exceeding $5 million are required to file using the State Tax Department's PrompTax program. PrompTax is an electronic filing and payment program that is mandatory for certain businesses. The New York State Department of Taxation and Finance notifies vendors if they are required to participate. The payment schedule requires New York State Sales Tax for the first 22 days of a month to be paid within three business days thereafter.

To reduce tax evasion, special provisions for remitting the New York State Sales Tax on motor fuel and cigarettes have been enacted. Since 1985, the New York State Sales Tax on gasoline has been remitted by the first importer of the fuel into New York. Prior to 2006, the New York State Sales Tax was prepaid at a per gallon rate based on regional prices. Currently, the pre-payment is fixed at 18 cents in the Metropolitan Commuter Transportation District ("MCTD") region and 17 cents per gallon for the rest of the State (notwithstanding the temporary suspension of the New York State Sales Tax on motor fuel in effect for June 2022 through December 2022). The cigarette prepayment rate is 8 percent and is prepaid by cigarette agents at the same time as payment for cigarette excise tax stamps.

Quarterly and annual sales tax filers are allowed to retain a portion of the New York State Sales Tax that they have collected, both as partial compensation for the administrative costs of collecting and remitting the New York State Sales Tax and as an incentive for timely payment of the New York State Sales Tax to the State. The vendor allowance applies to non-monthly filers and is 5 percent of tax liability, up to a maximum of $200 per quarter or annual return filed on time.

Since the FY 2020 Enacted Budget, adopted by the State on April 1, 2019, certain internet marketplace providers have been required to collect sales tax, for which a portion of New York State revenues are dedicated to the Metropolitan Transportation Authority after the payment of debt service on Sales Tax Revenue Bonds. Dedicated revenues to the Metropolitan Transportation Authority were authorized at $320 million in FY 2021 ($170 million from New York City collections and $150 million from the State collections), and have increased by one percent annually thereafter. These receipts have been generated from requiring online marketplace providers to collect sales tax on all sales facilitated through their platforms (and the enforcement of the United States Supreme Court ruling in South Dakota v. Wayfair, Inc.) via notice from the Department of Taxation and Finance to out-of-state retailers whose annual sales in New York exceed both $500,000 and 100 transactions that they are required by law to collect and remit sales tax.

New York State Sales Tax Receipts

New York State Sales Tax Receipts constitute the State's second largest source of tax receipts after the personal income tax and accounted for approximately 17.5 percent of State tax receipts in all State Funds in FY 2024. The level of New York State Sales Tax Receipts is necessarily dependent upon economic and demographic conditions in the State, and therefore there can be no assurance that historical data with respect to collections of the New York State Sales Tax will be indicative of future receipts.

The following table sets forth historical information relating to New York State Sales Tax Receipts from FY 2015 through FY 2024, and estimated amounts for FY 2025. The information reflects State Tax Law changes described below.

NEW YORK STATE SALES TAX RECEIPTS [(1)]
(dollars in billions)

State Fiscal Year	New York State Sales Tax Receipts	Year over Year % Change[(2)]	Sales Tax Revenue Bond Tax Fund Receipts[(3)]
2015	$12.137	3.0%	$3.027
2016	12.485	2.9	3.121
2017	12.967	3.9	3.242
2018	13.553	4.5	3.388
2019	14.164	4.5	3.537
2020	14.883	5.1	3.718
2021	13.273	-10.8	3.317
2022	16.491	24.2	8.248
2023	17.716	7.4	8.855
2024	18.624	5.1	9.309
2025[(4)]	19.069	2.4	9.354

Source: NYS DOB.

(1) Reflects sales and compensating use tax receipts, net of refunds. Amounts are unadjusted for rate and base changes.

(2) Represents growth rate of New York State Sales Tax Receipts.

(3) Reflects amounts equivalent to a 1 percent rate of taxation prior to FY 2022, and equivalent to a 2 percent rate of taxation beginning FY 2022. On April 1, 2021, following the redemption of all outstanding LGAC obligations, the deposit to the Sales Tax Revenue Bond Fund increased to an amount equal to 2 percent rate of taxation See page K-1 for further information.

(4) As estimated in the FY 2025 Enacted Budget Financial Plan.

Actual FY 2015 receipts of $12.137 billion reflect an increase of 4.7 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes included increasing the sales tax exemption from $0.75 to $1.50 on certain food and drink items sold through vending machines and establishing three regions for the prepaid sales tax on fuel to reduce tax evasion at retail.

Actual FY 2016 receipts of $12.485 billion reflect an increase of 3.6 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes included imposing local sales tax on prepaid wireless based on retail location instead of the customer's residence, exempting solar purchase power agreements from state and local sales tax, extending wine tasting sales and use tax exemption to other alcoholic beverages, an exemption of the portion of the purchase or lease of a boat in excess of $230,000 from sales and use tax, exempting general aviation aircraft and machinery or equipment installed on aircraft from state and local sales tax, and exempting certain related-party sales arising as a result of the Federal Dodd-Frank Wall Street Reform and Consumer Protection Act.

Actual FY 2017 receipts of $12.967 billion reflect an increase of 3.9 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes included motor fuel enforcement provisions that require wholesalers to file informational returns that will be used to audit retailers, and the exemption of feminine hygiene products.

Actual FY 2018 receipts of 13.553 billion reflect an increase of 4.1 percent in the continuing New York State Sales Tax base and State tax law changes. These tax law changes included the exemption of cemetery monuments, the closure of related entities sales tax loophole, and motor fuel pre-payments reform.

Actual FY 2019 receipts of $14.164 billion reflect an increase of 5.3 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes included converting the prepared food purchased for resale and the veterinary sales tax credits/refunds into upfront exemptions and providing Responsible Person sales tax relief for minority LLC owners.

Actual FY 2020 receipts of $14.883 billion reflect an increase of 3.3 percent in the continuing New York State Sales Tax base, tax law changes, and administrative changes. These tax law changes included eliminating the sales tax exemption for ESCOs and requiring internet marketplace providers to collect and pay sales tax on transactions facilitated on their platforms. The administrative changes enforced the collection of sales tax on sales made by out-of-state companies due to the Supreme Court's Decision on South Dakota versus Wayfair.

Actual FY 2021 receipts of $13.273 billion reflect a decrease of 14.9 percent in the continuing New York State Sales Tax base related to the economic downturn caused by the COVID-19 pandemic.

Actual FY 2022 receipts of $16.491 billion, reflect an increase of 23.6 percent in the continuing New York State Sales Tax base due to the recovery from the prior year's economic downturn caused by the COVID-19 pandemic, and tax law changes. These tax law changes included: eliminating and replacing the racing admissions tax with the State sales tax; extending certain exemptions related to the Dodd-Frank Protection Act for three years; making technical corrections to the sales tax remote vendor registration; extending the alternative fuels exemption for five years; codifying into law the existing tax exemption for breast pumps and certain replacement parts; extending the exemption for certain vending machine purchases for an additional year; clarifying when sales tax is due on the full (not discounted) retail price of a purchase if a rebate, discount, or similar price reduction is used, and the vendor is fully reimbursed by a third party; and modifying the treatment of vehicle leases with terminal rental adjustment clauses (TRACs) to authorize lessees or lessors, depending on the circumstance, to claim a SUT refund/credit for tax paid in the event the lessor refunds the lessee at the end of the lease term.

Actual FY 2023 receipts of $17.716 billion, reflect an increase of 11 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes included extending the exemption for certain vending machine purchases for an additional year and suspending the State and MCTD sales taxes on gasoline and diesel fuel from June 1, 2022 through December 31, 2022.

Actual FY 2024 receipts of $18.624 billion, reflect an increase of 5.1 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes include extending the exemption for certain vending machine purchases for an additional year and extending the Lower Manhattan sales tax exemption for an additional four years.

FY 2025 receipts are estimated to be $19.069 billion, reflecting an estimated increase of 2.4 percent in the continuing New York State Sales Tax base and tax law changes. These tax law changes include extending the existing sales tax exemption for certain vending machine purchases for an additional year; extending certain sales tax exemptions related to the Dodd-Frank Protection Act for one year; permanently extending the authorization to manage delinquent sales tax vendors to improve compliance; providing for the filing of amended sales tax returns; and creating a sales tax exemption for residential energy storage systems.

The following table sets forth monthly Sales Tax Revenue Bond Tax Fund Receipts from April 1, 2019 through March 31, 2024 and reflects the State Tax Law changes described above.

(Note: The New York State Sales Tax Receipts described in this section do not include additional New York State Sales Tax collections in the MCTD region for the Mass Transportation Operating Assistance ("MTOA") Fund.)

MONTHLY SALES TAX REVENUE BOND TAX FUND RECEIPTS[1]
APRIL 1, 2019 THROUGH MARCH 31, 2024 (dollars in millions)

MONTH	2019-20	%	2020-21	%	2021-22	%	2022-23	%	2023-24	%
APRIL	$269.1	7%	$197.1	6%	$598.7	7%	$621.1	7%	$677.8	7%
MAY	275.5	7	184.9	6	590.2	7	654.8	7	687.1	7
JUNE	371.5	10	286.0	9	804.7	10	876.5	10	919.5	10
JULY	289.7	8	264.9	8	647.7	8	690.4	8	739.4	8
AUGUST	290.7	8	268.2	8	625.4	8	669.4	8	718.8	8
SEPTEMBER	380.8	10	354.5	11	815.1	10	884.3	10	917.2	10
OCTOBER	289.2	8	275.0	8	628.6	8	699.4	8	721.5	8
NOVEMBER	292.0	8	272.5	8	646.0	8	685.3	8	727.1	8
DECEMBER	370.9	10	353.4	11	821.6	10	859.1	10	924.9	10
JANUARY	317.5	9	298.9	9	693.2	8	756.1	8	763.9	8
FEBRUARY	261.1	7	249.7	8	575.9	7	652.7	7	668.1	7
MARCH	310.3	8	312.5	9	800.6	10	806.1	9	843.8	9
TOTAL[2]	$3,718.3	100%	$3,317.2	100%	$8,247.7	100%	$8,855.2	100%	$9,309.1	100%

Source: NYS DOB.

(1) Percentages indicate the monthly share of yearly receipts.
(2) Totals may not add due to rounding.

The following table sets forth the stability in the shares of New York State Sales Tax Receipts when examined by industry. For the entirety of the ten-year period, receipts from the retail and services industries together consistently comprised roughly 70 percent of total receipts.

HISTORY OF INDUSTRY SHARES OF NEW YORK STATE SALES TAX RECEIPTS(1)

Year[2]	Retail Trade	Services	Wholesale Trade	Information	Other[3]	Utilities	Manufacturing	Construction	Unclassified
2014	45.8%	27.3%	5.6%	6.8%	4.6%	3.0%	4.1%	2.7%	0.2%
2015	45.3	28.1	5.6	6.7	4.7	2.8	4.1	2.6	0.1
2016	45.2	28.7	5.7	6.4	4.7	2.6	3.9	2.8	0.1
2017	44.2	28.4	5.6	6.3	6.2	2.4	3.9	2.7	0.2
2018	43.8	28.7	5.7	6.0	6.6	2.5	4.0	2.8	0.0
2019	43.2	28.8	5.8	5.8	6.9	2.5	4.1	2.8	0.1
2020	43.1	28.6	5.8	6.0	7.2	2.4	4.0	2.8	0.1
2021	49.2	20.4	6.0	7.2	6.9	2.8	4.7	2.8	0.1
2022	46.7	24.3	5.9	6.4	7.2	2.6	4.3	2.7	0.1
2023[4]	43.7	12.3	5.9	6.3	7.6	2.7	4.1	2.7	N/A

Source: New York State Department of Taxation and Finance.
(1) Industry shares within a fiscal year may not add due to rounding.
(2) March to February.
(3) Includes Agriculture, Mining, Transportation, FIRE (Finance, Insurance and Real Estate), Education, and Government, and includes Unclassified starting in year 2023.
(4) Preliminary.

Debt Service Coverage

The following table sets forth (1) Sales Tax Revenue Bond Tax Fund Receipts for a twelve consecutive calendar month period ended not more than six months prior to the date of such calculation, (2) maximum annual debt service on outstanding Sales Tax Revenue Bonds and (3) resulting debt service coverage.

DEBT SERVICE COVERAGE ON OUTSTANDING SALES TAX REVENUE BONDS[1]
(dollars in thousands)

Sales Tax Revenue Bond Tax Fund Receipts	$9,309,137
Maximum Annual Debt Service	$1,029,677
Debt Service Coverage	9.0x

(1) As of March 31, 2024.

Based upon the assumptions used in preparing the following table, including assumed average State Sales Tax Revenue Bond issuances of approximately $2.3 billion annually over the next four years, State Sales Tax Revenue Bond debt service coverage based only upon the Sales Tax Revenue Bond Fund's statutory allocation of an amount equal to a two percent rate of taxation is expected to decrease from 7.2 times in FY 2025 to 6.0 times in FY 2028.

PROJECTED STATE SALES TAX REVENUE BOND DEBT SERVICE COVERAGE RATIOS
STATE FISCAL YEARS 2025 THROUGH 2028
(dollars in millions)

	FY 2025	FY 2026	FY 2027	FY 2028
Projected Sales Tax Revenue Bond Tax Fund Receipts	$ 9,535	$ 9,765	$10,024	$10,268
Projected New State Sales Tax Revenue Bonds Issuances	1,755	2,388	2,674	2,238
Projected Total State Sales Tax Revenue Bonds Outstanding	13,221	15,440	17,889	19,562
Projected Maximum Annual Debt Service	1,195	1,366	1,557	1,717
Projected Debt Service Coverage	8.0x	7.2x	6.4x	6.0x

Additional State Sales Tax Revenue Bonds may be issued, subject to satisfaction of a 2.0 times debt service coverage test. All State Sales Tax Revenue Bonds issued by any Authorized Issuer will be on a parity with each other as to payments from the Sales Tax Revenue Bond Tax Fund, subject to annual appropriation by the State Legislature.

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Bonds with a Section 1 Disclosure Obligation

12/22/2004	New York State Urban Development Corporation, State Personal Income Tax Revenue Bonds (State Facilities & Equipment), Series 2004A-2
2 /24/2005	Dormitory Authority of the State of New York, City University System Consolidated Fifth General Resolution Revenue Bonds, Series 2005A
3 /2 /2005	Dormitory Authority of the State of New York, Third General Resolution Revenue Bonds (State University Educational Facilities Issue), Series 2005A
3 /2 /2005	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds (Education), Series 2005B
6 /14/2006	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (The City of New York Issue), Series 2006A
7 /17/2008	New York State Urban Development Corporation State Personal Income Tax Revenue Variable Rate Remarketing Bonds, 2004 A-3
8 /31/2009	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2009F
10/20/2009	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2009H
10/20/2009	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds (Education), Qualified School Contruction Bonds, Series 2009
12/1 /2009	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2009 E (Federally Taxable Build America Bonds)
3 /10/2010	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2010A Tax-Exempt Bonds, 2010B Taxable Bonds and 2010C Build America Bonds (BABs), Dated March 10, 2010
3 /11/2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2010C
3 /17/2010	New York State Thruway Authority 2nd General Highway and Bridge Trust Fund Bonds, Series 2010B
6 /3 /2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2010D
6 /16/2010	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (New York City Issue), 2010 Series 1

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8 /26/2010	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (The City of New York Issue), Series 2010A
9 /22/2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (Education), Qualified School Construction Bonds, Series 2010
10/14/2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2010H
12/8 /2010	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2010 C (Federally Taxable Build America Bonds)
7 /13/2011	Dormitory Authority of the State of New York, Department of Health Revenue Refunding Bonds, Series 2011A
6 /28/2012	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2012A
3 /19/2013	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2013 A-1, 2013 A-2
3 /19/2013	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2013A Tax-Exempt, Series 2013B Taxable and Series 2013C Tax-Exempt Refunding Bonds, Dated March 19, 2013
12/30/2014	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2014E,F
1 /14/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015A
3 /19/2015	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2015A Tax-Exempt, Series 2015B Taxable and Series 2015C Tax-Exempt Refunding Bonds, Dated March 19, 2015
6 /19/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015C
6 /19/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015B
9 /11/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015E
10/22/2015	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2015B

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12/17/2015	New York State Urban Development Corporation, State Personal Income Tax Revenue Bonds, General Purpose 2015 A (Federally Taxable)
3 /17/2016	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2016 A
9 /16/2016	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2016A & B
9 /29/2016	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2016A
10/20/2016	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2016D
10/21/2016	Dormitory Authority of the State of New York, Department of Health of the State of New York Revenue Refunding Bonds, Series 2016A
3 /23/2017	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2017 A and 2017 B (Federally Taxable)
7 /13/2017	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2017A
7 /27/2017	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2017A
10/13/2017	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2017C
10/13/2017	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2017B
12/21/2017	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2017 C, 2017 D (Federally Taxable)
3 /15/2018	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2018A Tax-Exempt, Series 2018B Taxable and Series 2018C Tax-Exempt Refunding Bonds, Dates March 15, 2018.
3 /23/2018	Dormitory Authority of the State of New York, States Sales Tax Revenue Bonds, Series 2018A
7 /13/2018	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (New York City Issue), 2018 Series 1

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7 /19/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018C
7 /19/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018D
10/12/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018G
10/12/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018E
10/12/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018F
12/21/2018	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2018A
12/21/2018	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2018B
3 /21/2019	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2019A Tax-Exempt Bonds, Dated March 21, 2019.
6 /28/2019	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019A
10/30/2019	New York State Urban Development Coporation State Sales Tax Revenue Bonds, 2019 A, 2019 B (Federally Taxable)
10/30/2019	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2019B Taxable Refunding Bonds, Dated October 30, 2019.
1 /3 /2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019D
1 /3 /2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019F
1 /3 /2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019E
6 /25/2020	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2020 A, 2020 B (Federally Taxable)

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Bonds with a Section 1 Disclosure Obligation

7 /23/2020	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2020 C, 2020 D (Federally Taxable)
10/15/2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2020A&B
12/23/2020	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2020 E, 2020 F (Federally Taxable)
3 /23/2021	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2021A Tax-Exempt Bonds and Series 2021B Taxable Bonds, Dated March 23, 2021
3 /25/2021	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2021A&B
6 /23/2021	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2021C
7 /28/2021	New York State Thruway Authority State Personal Income Tax Revenue Bonds, Series 2021A
10/21/2021	New York State Urban Development Corporation State Sales Tax Revenue Bonds, 2021 A, 2021 B (Federally Taxable)
12/17/2021	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2021E&F
3 /25/2022	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2022A&B
7 /28/2022	New York State Thruway Authority State Personal Income Tax Revenue Bonds, Series 2022ABC
10/13/2022	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2022 A, 2022 B (Federally Taxable)
8 /15/2023	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2023A-1, A-2 and B
9 /29/2023	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2023A&B
10/11/2023	Office of the State Comptroller, State of New York, General Obligation Bonds, Series 2023A Tax-Exempt, Series 2023B Tax-Exempt, Series 2023C Tax-Exempt Refunding, and Series 2023D Taxable Bonds, Dated October 11, 2023.

APPENDIX A
Bonds with a Section 1 Disclosure Obligation

10/26/2023	New York State Urban Development Corporation State Sales Tax Revenue Bonds, 2023 A
12/21/2023	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2023 A, 2023 B
3 /21/2024	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2024A&B
3 /27/2024	Dormitory Authority of the State of New York, City University System Consolidated Fifth General Resolution Revenue Bonds, Series 2024A

APPENDIX B

APPENDIX B
Bonds with a Section 2 Disclosure Obligation

12/22/2004	New York State Urban Development Corporation, State Personal Income Tax Revenue Bonds (State Facilities & Equipment), Series 2004A-2
3 /2 /2005	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds (Education), Series 2005B
6 /14/2006	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (The City of New York Issue), Series 2006A
7 /17/2008	New York State Urban Development Corporation State Personal Income Tax Revenue Variable Rate Remarketing Bonds, 2004 A-3
8 /31/2009	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2009F
10/20/2009	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds (Education), Qualified School Contruction Bonds, Series 2009
10/20/2009	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2009H
12/1 /2009	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2009 E (Federally Taxable Build America Bonds)
3 /11/2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2010C
3 /17/2010	New York State Thruway Authority 2nd General Highway and Bridge Trust Fund Bonds, Series 2010B
6 /3 /2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2010D
6 /16/2010	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (New York City Issue), 2010 Series 1
8 /26/2010	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (The City of New York Issue), Series 2010A
9 /22/2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (Education), Qualified School Construction Bonds, Series 2010
10/14/2010	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2010H

APPENDIX B
Bonds with a Section 2 Disclosure Obligation

12/8 /2010	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2010 C (Federally Taxable Build America Bonds)
7 /13/2011	Dormitory Authority of the State of New York, Department of Health Revenue Refunding Bonds, Series 2011A
6 /28/2012	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2012A
3 /19/2013	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2013 A-1, 2013 A-2
12/30/2014	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2014E,F
1 /14/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015A
6 /19/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015C
6 /19/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015B
9 /11/2015	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2015E
10/22/2015	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2015B
12/17/2015	New York State Urban Development Corporation, State Personal Income Tax Revenue Bonds, General Purpose 2015 A (Federally Taxable)
3 /17/2016	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2016 A
9 /16/2016	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2016A & B
9 /29/2016	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2016A
10/20/2016	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2016D

APPENDIX B
Bonds with a Section 2 Disclosure Obligation

10/21/2016	Dormitory Authority of the State of New York, Department of Health of the State of New York Revenue Refunding Bonds, Series 2016A
3 /23/2017	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2017 A and 2017 B (Federally Taxable)
7 /13/2017	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2017A
7 /27/2017	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2017A
10/13/2017	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2017B
10/13/2017	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2017C
12/21/2017	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2017 C, 2017 D (Federally Taxable)
3 /23/2018	Dormitory Authority of the State of New York, States Sales Tax Revenue Bonds, Series 2018A
7 /13/2018	Dormitory Authority of the State of New York, Municipal Health Facilities Improvement Program Lease Revenue Bonds (New York City Issue), 2018 Series 1
7 /19/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018C
7 /19/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018D
10/12/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018E
10/12/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018G
10/12/2018	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2018F
12/21/2018	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2018A

APPENDIX B
Bonds with a Section 2 Disclosure Obligation

12/21/2018	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2018B
1 /16/2019	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2019 A, 2019 B (Federally Taxable)
6 /28/2019	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019A
10/30/2019	New York State Urban Development Coporation State Sales Tax Revenue Bonds, 2019 A, 2019 B (Federally Taxable)
1 /3 /2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019F
1 /3 /2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019D
1 /3 /2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2019E
6 /25/2020	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2020 A, 2020 B (Federally Taxable)
7 /23/2020	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2020 C, 2020 D (Federally Taxable)
10/15/2020	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2020A&B
3 /23/2021	Office of the State Comptroller, State of New York General Obligation Bonds, Series 2021A Tax-Exempt Bonds and Series 2021B Taxable Bonds, Dated March 23, 2021
3 /25/2021	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2021A&B
6 /23/2021	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2021C
7 /28/2021	New York State Thruway Authority State Personal Income Tax Revenue Bonds, Series 2021A
10/21/2021	New York State Urban Development Corporation State Sales Tax Revenue Bonds, 2021 A, 2021 B (Federally Taxable)

APPENDIX B
Bonds with a Section 2 Disclosure Obligation

12/17/2021	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2021E&F
3 /25/2022	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2022A&B
7 /28/2022	New York State Thruway Authority State Personal Income Tax Revenue Bonds, Series 2022ABC
8 /15/2023	Dormitory Authority of the State of New York, State Sales Tax Revenue Bonds, Series 2023A-1, A-2 and B
9 /29/2023	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2023A&B
10/11/2023	Office of the State Comptroller, State of New York, General Obligation Bonds, Series 2023A Tax-Exempt, Series 2023B Tax-Exempt, Series 2023C Tax-Exempt Refunding, and Series 2023D Taxable Bonds, Dated October 11, 2023.
10/26/2023	New York State Urban Development Corporation State Sales Tax Revenue Bonds, 2023 A
12/21/2023	New York State Urban Development Corporation State Personal Income Tax Revenue Bonds, General Purpose 2023 A, 2023 B
3 /21/2024	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, (General Purpose), Series 2024A&B