

MEMORANDUM

TO: President Wayne Spence
FROM: Patrick Lyons
DATE: April 9, 2022
RE: Initial Analysis of the Enacted 2022-23 State Budget

Please see below for the Legislative Department’s initial analysis of the enacted 2022-23 state budget. This year’s state budget provides an all-funds spending plan of approximately \$220 billion, including a 3% increase in state operations. While we are still awaiting further clarity on a number of items, we are pleased to report that thanks to the thousands of letters and phone calls by members to legislators on behalf of our priority issues, PEF was successful in securing several priority items, including the health care and mental hygiene workforce bonus program, the first significant reforms to Tier 5 and 6 retirement plans since their inception, needed financial support for the SUNY Hospitals, and an increase in the number of state-operated in-patient psychiatric stabilization beds.

Initial Analysis – 2022 Adopted State Budget

PEF Priorities Enacted in the 2022-23 State Budget

Section	Short Title	PEF Position	Final	Description
Part M (S.8007-D) and State Operations Budget (S.8000-D)	SUNY Hospital Funding	Support	Approved	This provision provides supplemental support to SUNY Hospitals to ensure the continuity of services for the communities they serve and to continue generating new health care professionals. The budget provides \$28.1 million in debt service relief and allows the hospitals to access the “distressed hospital pool” to meet operational needs.
Part SS (S.8006-C)	Tier 6 Pension Reform – Holding Employees Harmless from Increased Pension Contributions for Overtime Related to COVID-19	Support	Approved	This provision shields public employees from the potential for increased contributions to their retirement plan caused by increased earnings from overtime compensation earned from 2020 through April 1, 2024.
Part TT (S.8006-C)	Tier 5 and Tier 6 Pension Reform - Re-establishes 5 Year Vesting Requirement	Support	Approved	This provision re-establishes the 5-year vesting period for benefits in a public retirement plan for all current and future members in Tier 5 and Tier 6. This is the first improvement in the Tier 6 plan since its inception in 2012.
State Operations Budget (S.8000-D)	Increase Number of State Operated In-Patient Stabilization Beds for New Yorkers Suffering from Mental Illness	Support	Approved	This provision provides \$10.5 million to support up to 100 state-operated, in-patient psychiatric beds across the OMH system.

Education, Labor, Family Assistance (S.80060-C/A.9006-C))

Section	Short Title	PEF Position	Final Decision	Program Description
Part HH	Retired Public Employees in Public Schools	No position	Approved	This provision allows retired state employees to return to public service in a school district in any capacity with no penalty until June 30, 2023.
Part OO	Senator Patricia McGee Nursing Faculty Scholarship Program	New	Approved	This provision eliminates the program expense cap for participation in the Senator Patricia McGee Nursing Faculty Scholarship program to increase the number of nursing faculty members in nursing programs. The previous program expense cap was \$10 million annually.
Part PP	Department of Veterans' Services Established	New	Approved	This provision establishes the new Department of Veterans' Services; establishes a veterans' commission to coordinate outreach, programs, services, activities and employment for veterans in New York state.
Part UU	Extends Kendra's law	Support	Approved, Expires 2027	Extends Kendra's Law and requires evaluation by a physician for any individual who has experienced substantial increase in mental illness, including furnishment of applicable inpatient mental health records with potential for referral for a court proceeding by director of community services

Health and Mental Health (S.8007-C/A.9007-C)

Section	Short Title	PEF Position	Final Decision	Program Description
Part A	Nurses Across New York Program (Nurse Loan Repayment Program)	Support with Amends	Approved	This provision will help rebuild and grow the nursing workforce by providing loan repayment benefits for nurses in hard-to-staff areas. This program was first advanced by the PEF Nurse Committee as part of its "Nurse Employment, Enhancement and Dignity" Act (NEED Act). PEF worked successfully to expand this benefit to include registered professional and licensed professional nurses in high-needs titles or shortage areas as determined by federal statute or the commissioner.

Part B	Interstate Medical Licensure Compact (Nurses and Doctors)	Oppose	Rejected	This provision would have authorized the state to enter in to the Multi-State Interstate Medical Compact to allow nurses and doctors who are licensed to practice in a compact state to practice in New York. If this had been enacted, more agency or contract nurses with potentially lower qualifications could practice in New York.
Part C	Scope of Practice Expansion	No position	Approved	This provision makes certain technical changes to the scope of practice for pharmacists and nurse practitioners in relation to the administration of certain medicines and vaccines.
Part D	Healthcare Workforce Bonus	Support with Amends to Expand	Approved with broader definition and only applies to state employees	This provision would authorize the payment of a bonus of up to \$3,000 to health care and mental hygiene workers who earn under \$125,000 in base salary and who performed hands-on services to clients as determined by the Commissioner. PEF has been the leading advocate for hazard pay for all essential workers. This program was first advanced by the PEF Nurse Committee as part of its “Nurse Employment, Enhancement and Dignity” Act (NEED Act). While this does not cover all essential workers, it does provide important recognition to our health care and mental hygiene workforce who render direct services to clients.
Part G	Healthcare Licensure Oversight	Oppose	Rejected	This provision would transfer licensure oversight for licensed health care professionals from the NYS Department of Education to the NYS Department of Health. This exposes these professions and the licensure thereof to undue influence by the Executive.
Part K	Health Care Facility Transformation	Support provided some parity with state agencies	Approved	This provision establishes \$1.6 billion for facility improvements for health care providers and nursing homes, including emergency room, IT and telehealth systems.
Part S	Maternal Mental Health Coverage	Support	Approved	This provision expands maternal health services to achieve health equity and improve birth outcomes
Part V	Telehealth Equivalent Reimbursement	Support	Approved	The provision establishes reimbursement parity between telehealth services and services delivered in-person.
Part AA	No Surprise Act (Health Care Billing)	Support	Approved	The provision expands New York consumer protections to align with the Federal No Surprises Act.

Part DD	5.4% Human Services Cost of Living Adjustment	No position	Approved	This provision establishes a 5.4% cost-of-living adjustment for certain human services programs delivered by not-for-profit providers.
Part EE	9-8-8 Suicide and Mental Health Hotline Program	Support, make state operated	Approved but will not be a public entity	This provision establishes the 9-8-8 suicide and mental health hotline. While it is not a public entity, there are significant reporting requirements to help gauge program effectiveness and the service delivery moving forward.
Part II	OASAS Recovery Residency Program	Oppose	Approved	This provision establishes a certification program for recovery residences.
Part KK	State Support for Private OASAS Facilities	Oppose	Rejected	This provision would expedite the development of capital projects to support voluntarily operated addiction service programs by providing capital financing and transferring state-owned properties.
	OMH/OASAS Merger	Oppose – (Added in the Senate One-House)	Rejected	This provision would authorize the Commissioner of Mental Health to effectuate a merger with the Office of Addiction Services and Supports,

Public Protection and General Government (S.8005-C/A.9005-C))

Section	Short Title	PEF Position	Final Decision	Program Description
Part B	Gender-Affirming Treatment of Incarcerated Individuals	Support	Rejected	This provision would have provided placement in a state or local correctional facility based on an individual's self-identified gender identify versus birth identity.
Part C	Expand Educational Release and Furloughs	Support, provided more parole officers are hired	Rejected	This provision would expand the eligibility for educational release and furloughs for incarcerated individuals,
Part R	Continuous Recruitment Testing	Oppose	Rejected	This provision would allow the use of continuous recruitment testing for open-competitive positions and promotional exams.
Part S	Promotional/Open Competitive Exams	Oppose	Rejected	This provision would eliminate the requirement that competitive exams be held at the same time as promotional exams and allows non-competitive and labor class employees to take promotional exams.
Part T	55-B and 55-C Competitive Class	Oppose	Rejected	This provision would allow for the placement of veterans and individuals with disabilities into the competitive class.

Part U	Shift Pay Differentials	Support	Approved	This provision authorizes shift pay differentials for any work shift authorize by the Director of Classification and Compensation.
Part CC	Cost-benefit Analysis	Support – Added by Senate and Assembly	Rejected	This provision would require state agencies to conduct cost-benefit analysis prior to entering into any contract for services.

Transportation and Economic Development (S.8008-C/A.9008-C)

Section	Short Title	PEF Position	Final	Description
Part A	Interfering with Motor Vehicle inspections	Support	Rejected	This provision would enhance the safety of highway workers by increasing penalties for offenses committed against highway and transportation workers.
Part S	State Employee Student Loan Forgiveness	Support	Approved	This provision authorizes the state to share records to facilitate the automatic student debt forgiveness of state employees under the Federal Public Service Loan Forgiveness Program.
Part AA	Design-Build Extender	Oppose	Approved	This provision extends the Infrastructure Investment Act until 2027. Both the Senate and Assembly advanced PEF's language requiring state inspectors on these job sites, but the language was NOT included in the final agreement.
Part V	Transfer school lunch from DOE to DAMs	Oppose	Rejected	This provision would transfer responsibility for the School Lunch Program from the Department of Education to the Department of Agriculture and Markets.

Revenue (S.8009-C/A.9009-C)

Section	Short Title	PEF Position	Final	Description
Part D	Student Loan Forgiveness Awards – No income tax	Support	Approved	This provision exempts loan forgiveness benefits from the definition of income for state income tax purposes.

State Operations Appropriations (S.8000-D/A.9000-D)

Section	Short Title	PEF Position	Final	Description
Page 48-86	OITS Training	Support	Approved	This provision provides \$2 million in services and expenses related to training pursuant to a plan developed in consultation with the Department of Civil Service to train employees of the state to obtain information technology certifications that are not currently held by employees of the state in sufficient quantities, but are readily available in the marketplace, in order to ensure that the state's information technology needs can be met by state employees.