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NYPIRG REACTS TO GOVERNOR HOCHUL'S EXECUTIVE BUDGET PRESENTATION

(Albany, N.Y.) Governor Kathy Hochul today released her executive budget plan for fiscal year 2024-25. Her \$233 billion plan covers a wide range of issues. Her presentation is followed with the introduction of legislation and the Legislature holds joint budget hearings to dig deeper into the details of her plan. NYPIRG's reactions to the Governor's proposals are based on today's presentation and will offer a more detailed look during the hearing process.

Below are NYPIRG's initial reactions:

Environmental Protection and Energy

- **NY's transition away from fossil fuels.** The Governor's plan offers another significant step toward ending the state's reliance on fossil fuels. Her plan ends the state's current promotion of gas system expansion which requires gas hookups to homes and to have those hookups subsidized by the existing ratepayers. The Governor is right to sever that requirement. The Governor also includes some provisions to improve electrification and energy affordability for low- and moderate-income households. The adoption of these plans and the NY HEAT Act (S2016A/A4592A) in the final budget will be a game changer for New Yorkers to save money on utility bills while cutting climate pollution from buildings and creating good, green jobs.
- **The growing costs of climate damages.** The Governor proposes to create a \$250 million program to purchase climate-threatened properties. The Governor's plan draws down from the recently-approved environmental bond act. This approach is consistent with the Administration's policy of placing the costs of climate change onto taxpayers. Such a program makes sense, but ONLY if the largest oil companies are on the financial hook. The Governor faces a choice – (1) make the oil companies pick up the costs or (2) continue to force state taxpayers to cover all of the climate damages. Instead, the Governor should have advanced the "Climate Change Superfund Act" (S.2129-A/A.3351-A) which puts big oil on the hook and does so in a way that keeps the costs of the program being passed on to the public.
- **The growing solid waste crisis.** The state is facing a growing solid waste crisis. Landfills are running out of space, recycling programs are weak, and more and more packaging fills up municipal solid waste facilities. As far as we can tell, the Governor does little to attack this problem. Most notably, she ignores improvements to the state's most successful recycling program – the "bottle bill" (S.237-B and A.6353).
- **Clean Water Infrastructure.** The Governor proposes to halve the funding of the Clean Water Infrastructure program to \$500 million over two years (as opposed to last year's funding of \$500 million for one year). While the details have yet to emerge, it's well-known that the state's clean water infrastructure needs are tremendous and must not be slowed or cut.

Higher Education

- **Public College Tuition:** While we further analyze the budget, it seems that tuition rates are proposed to be frozen. The state should provide more aid to alleviate the burden of current tuition

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and fee rates, including providing for the first 60 credits to be free for all students and reforming financial aid programs like the Tuition Assistance Program to be able to cover non-tuition costs.

- **Public College Funding:** The Governor’s proposal includes \$207 million in new, recurring funding for SUNY (\$100 million) and CUNY (\$107 million) operations. The amounts are offset by \$81 million (SUNY) and \$59 million (CUNY) in one-time funding from last year’s final budget. While creating new recurring funding is a benefit, the overall increase of \$19 million at SUNY and \$48 million at CUNY represents significantly less than what is needed to keep up with inflation and meet the needs of SUNY and CUNY students.
- **Bundy Aid,** aid available for independent, non-profit higher education institutions, is proposed to be changed in two ways: It cuts all aid for independent colleges with endowments of \$750 million or more; And, reduces the overall funding of the program to \$15.8 million. While schools with smaller endowments will still qualify for flat funding from previous years, we call for the restoration of Bundy Aid to \$35 million so smaller colleges get more aid, not flat awards among a smaller group of eligible schools.
- **Funding Reductions:** While the Community College funding floor is proposed to be maintained at last year’s level to protect from enrollment changes, the proposed executive budget cuts 2 million in one-time funding from the final 2024 budget. The HESC and SED budget lines, which administer financial aid and opportunity programs, have reduced funding levels as well. While we dive into the details, we’ll advocate for increased funding levels for community colleges, opportunity programs, and call for upgrades to the **Tuition Assistance Program (TAP)** to extend aid to graduate students, increase the minimum award to \$1000, and extend income-eligibility to \$125,000.
- We support the Governor’s proposals to increase college enrollment including **automatic acceptance to SUNY and CUNY** for top NY high school graduates and required universal FAFSA or NYS DREAM Act application by all high school seniors so New Yorkers do not leave money on the table.
- We await the details for the important goals of addressing **college student food insecurity**, such as by increasing SNAP enrollment, and **promoting voter participation** among college students and at college poll sites.

Public Health

- **Ending medical debts.** There is no greater example of the dysfunction of America’s healthcare system than the fact that hospitals go after patients who simply cannot pay their medical bills. The Governor has proposed a number of measures aimed at reducing the burden of medical debt on households, including:
 - Limiting hospitals and debt collectors from filing lawsuits against low-income patients who have medical debts
 - Increase eligibility levels for hospital charity care
 - Prohibiting co-payments for insulin
- **Childhood Lead Poisoning Prevention:** The 2023-2024 Capital Budget approved last year included “an annual allocation of \$20 million for the purposes of lead hazard remediation.” The Governor’s 2025 Budget Briefing book does indicate renewed funding for remediating lead hazards in housing – the leading cause of childhood lead poisoning in New York, disproportionately impacting communities of color. The final budget must include robust funding for childhood lead poisoning prevention and monies to make to target substandard housing lead safe.

Transportation

- **Capital Funding:** The Governor’s capital budget for the MTA re-commits to Congestion Pricing, which will raise billions for the MTA Capital Program. It also includes investments to improve subway signal technology, \$16 million for the expansion westward of the Second Avenue subway,

\$45 million for Interborough Express project's design and engineering, and continues the MTA's requirements by making 70 more subway stations ADA-accessible.

Elections and Government

- **Funding for elections.** The Governor proposes \$158 million in funding for the state Board of Elections. Her executive budget also includes \$14.7 million in funding to local boards of election to replace or upgrade electronic polling equipment and \$15 million to local boards to buy equipment to help them respond to extreme weather events.
- **Funding for public financing.** The executive budget includes \$100 million for matching the first \$250 in donations to a campaign.
- We await the details on programs to promote college student voting and on-campus poll sites.