

# 2025 STATE STATE

**GOVERNOR KATHY HOCHUL** 



The Constitution of New York State requires the Governor to deliver an annual message to the Legislature regarding the state of the State of the State proposals are the first step in defining the Governor's agenda in 2025.

Additional policies and funding details will be included

in the upcoming Governor's Executive Budget.

#### Foreword

Fellow New Yorkers,

As we reflect on the state of our great state, two things are clear to me: our future depends upon the ability of every family to afford the essentials of life, and our future depends upon our ability to protect the safety and security of our residents.

But we will not achieve these goals without a fight. My commitment to every New Yorker is this: Your family is my fight.

That is what has been the inspiration and impetus for everything we have done for the last three years.

When we raised the minimum wage and indexed it to inflation, it was so that when costs go up, so do your wages.

When we added jobs and boosted tuition assistance, education funding, and public transit investments to the highest levels in history, it was because your family deserves the very best opportunity for success.

When we battled with insurers and ended copays for insulin, it was because your family's health is more important than greater profits for those companies.

When we fought for paid prenatal leave so mothers can get medical care without losing income, it was because the health of your baby and your family should always come first.

When we took on social media giants, stood against an army of lobbyists and lawsuits, and won, it was to stop harmful addictive algorithms that put corporate profit over your children's mental health.

When we secured the most consequential statewide housing plan in fifty years and affirmed that New York City is truly the City of Yes, it signaled that we understand that a home for your family means everything.

We did all of this because we believe every family deserves to keep their hard-earned money in their pockets in a state they can truly be proud to call home.

But I know our work isn't done. Worries about crime and struggles to make ends meet are too common. Our state has to be livable, and people have to be able to afford to live in it.

We must keep fighting and delivering for the children and families of New York.

We need safer streets and subways. We need good jobs and higher wages. We need housing that's affordable. We need fast public transit and dependable infrastructure. That's my vision of New York—a place where hardworking people get ahead, where children play safely in their neighborhoods, where opportunities are plentiful.

That's how I felt when I was growing up—which is not to say it wasn't hard sometimes.

My parents started out in a trailer where my brother was born. When I came along, we moved to a cramped apartment in the shadow of the steel plant where my dad, uncles, and grandfather all worked.

My mom scrimped and saved for our family of eight. She made spam sandwiches on expired bread from the freezer and bought our clothes on layaway.

When I was 13, I had my eye on a stylish red plastic raincoat at a women's store on Main Street. It was an extravagance I knew I could never ask my parents for. So I saved every penny I earned babysitting for 50 cents an hour until I could pay for it myself. It took months, but buying that coat with my own money felt like such an achievement. It was proof to a young teenager that with hard work and perseverance, anything was possible.

But just a few years later, that store and many shops around it went dark. The five and dime, the soda counter, the last of the clothing stores—all gone. It was the 1970s. Inflation was over 13 percent. Crime was out of control. Factories were shutting down. Our land, air and water were polluted.

So many communities lost the factory and struggled for decades to get back up. Every one of my five siblings left home because jobs were more plentiful in other states. That hurt. It wasn't just young people leaving. Hope left too.

I share this not to give a history lesson but to reinforce that these fights are personal to me. I don't ever want the people of this State, our neighbors to have that sense of anxiety that was pervasive when I was younger. That's why I decided to stay and fight. Witnessing the struggles and pain of those left behind inspired me to run for office, to be a voice for communities who had fallen on hard times, because I had lived that experience.

Today, I know many New Yorkers are struggling.

Inflation. Sky-high rents. Wages that don't feel like they keep up. A changing economy, an influx of unexpected arrivals with great needs, and an unsettled world. And that's why I fight day in and day out to make New York safer, healthier, cleaner, more affordable for you and your family.

A state of the state address can be full of flowery rhetoric but fail to address the needs of the people. I believe it must be more than just words. It should be a concrete blueprint that will deliver actual results that New Yorkers will feel. That is what New Yorkers expect, and that is what you will see in this book: a bold yet actionable plan that addresses affordability and public safety.

Because your family IS my fight—and I will never stop fighting for the people of New York.

#### Governor Kathy Hochul

January 2025

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# Chapter 1: Putting Money Back in New Yorkers' Pockets

Every trip to the grocery store reminds New Yorkers of the continued stress that inflation is putting on their wallets. Governor Hochul knows that too many families across the state are struggling to make ends meet. To help more families get ahead, Governor Hochul's 2025 agenda is centered around making life more affordable for New Yorkers by putting money directly back in their pockets.

Governor Hochul's 2025 affordability agenda builds on her relentless work to address the cost-of-living crisis and make New York State a more affordable home for all of our families. From lowering taxes, delivering rebate checks directly to New York families, and enacting bold policies to driving down the costs of child care, housing, and energy, Governor Hochul has fought to lift up New York families. Since taking office, Governor Hochul has:

- Raised the minimum wage to \$16.50 in New York City, Long Island, and Westchester and to \$15.50 for the rest of the state, with wages poised to increase again in 2026 and to keep up with inflation thereafter.
- Secured nearly \$600 million in gas tax relief for everyday New Yorkers when gas prices skyrocketed.
- Brought home \$10 billion in federal funding to provide high-quality, affordable health insurance for approximately 1.5 million New Yorkers through the federal State Innovation Waiver, the nation's largest State Innovation Waiver award to date.
- Banned co-pays for insulin on all New York State regulated healthcare plans.
- Provided \$1.26 billion in affordable mortgages to create 7,300 homeownership opportunities.
- Paid out over \$2 billion in bonuses to more than 800,000 healthcare workers statewide, sending bonuses of up to \$3,000 to workers across New York.

- Dispatched \$2.3 billion in tax relief to nearly three million New Yorkers under the State's School Tax Relief program.
- Created the Energy Affordability Guarantee pilot program, which will reduce the financial burden for low-income households that take advantage of the New York State Energy Research Development Authority's no-cost efficiency improvements to their home by capping the annual price of their electricity costs.
- Required health insurers to cover EpiPens, capping out-of-pocket costs at \$100, making the life-saving treatment more affordable for the New Yorkers who need it.

To date, the Hochul Administration has delivered more than \$5.5 billion in tax relief and rebate checks directly to New Yorkers. This year, Governor Hochul is doubling down on her commitment to keep money in the pockets of hardworking New Yorkers, especially those with young families.

#### Slash Middle Class Taxes Up to Five Percent, Reaching 67-Year Lows

The dollar doesn't stretch as far as it used to, which is why Governor Hochul will fight to deliver significant tax relief to middle class families—helping more workers hold on to more of their hardwon paychecks.

Governor Hochul's tax cut will deliver over \$1 billion in tax relief to more than 8.3 million taxpayers earning up to \$323,200 per year in personal income for joint filers. By cutting rates across five of the State's nine tax brackets, Governor Hochul is bringing tax rates down to their lowest level in decades.

When fully phased in, Governor Hochul's middle class tax plan will deliver hundreds of dollars in average savings to nearly 77% of filers. Governor Hochul's tax cut will take effect in the current tax year and be reflected in the rates that taxpayers pay out of each paycheck to offer immediate relief, each and every payday, to hardworking families.

#### Give Back \$3 Billion in Inflation Rebates to New Yorkers

As inflation raises prices on everything from eggs to clothing, New Yorkers continue to feel the pinch at the cash register. While inflation has driven prices higher, sapping the income of New Yorkers, it has also driven sharp increases in the State's collection of sales tax. Governor Hochul believes that money belongs to hardworking New York families and should be returned to their pockets as an Inflation Refund.

New York's first-ever inflation refund will put \$3 billion back in the pockets of 8.6 million taxpayers. By the close of 2025, New York State will send direct payments to everyday New Yorkers. Joint tax filers who make less than \$300,000 will receive a \$500 payment and all single New York taxpayers who make less than \$150,000 will receive a \$300 payment.

These one-time payments will help give New Yorkers' finances more breathing room in 2025.

#### Vastly Expand New York's Child Tax Credit

Governor Hochul is championing families with a transformative proposal to expand New York's child tax credit, providing critical financial support for more than 2.75 million children statewide. This historic plan will double or triple the current credit in many cases, offering up to \$1,000 annually per child under four and up to \$500 per child aged four to sixteen.

This marks the largest increase in the credit's history, significantly surpassing the current maximum of \$330 per child. Governor Hochul has been advancing efforts to reduce child poverty since she took office in 2021 and created the Child Poverty Reduction Advisory Council (CPRAC) with the goal of significantly reducing child poverty. The CPRAC put forward recommendations in December 2024, which included the expansion of a child tax credit as among the most impactful methods by which to reduce poverty.

The expanded credit will benefit families across the income spectrum, with the average credit rising from \$472 to \$943 annually. It will provide much-needed relief to middle-class families who were previously ineligible, such as a family of four earning \$170,000, that will now receive over \$500 annually. For families with a toddler and a school-aged child earning up to \$110,000, the credit will total \$1,500—nearly \$1,000 more than the current program provides.

The expansion will be phased in over two years, starting in 2025 for children under four and extending to older children in 2026. This refundable credit will reduce child poverty statewide by an estimated 8.2 percent and, when combined with initiatives already undertaken by the Hochul Administration such as expanding subsidized child care, is expected to lower child poverty by 17.7 percent. Governor Hochul's proposal represents a bold step toward reducing poverty and supporting families across New York.

#### Fight for Federal Tax Relief

President Donald Trump's imposition of the State and Local Tax (SALT) deduction cap placed an enormous financial burden on households across New York and the country. The SALT cap results in households being effectively "double-taxed," forcing them to pay more than their fair share. Since its enactment, New Yorkers have paid as much as \$12 billion annually in additional taxes, disproportionately impacting teachers, firefighters, and hardworking families across the state. This burden is compounded by the fact that New York contributes far more to the federal government than it receives, with a \$19 billion net loss in fiscal year 2022.

With key provisions of the Tax Cut and Jobs Act, including the SALT cap, set to expire in 2025, Governor Hochul is committed to working with New York's congressional delegation to restore full SALT deductibility and ensure a fairer tax code for New York's families.

# Chapter 2: Supporting the Youngest New Yorkers and their Families

Having a child brings joy to a family. It also brings real expenses. As a mother and grandmother, Governor Hochul knows firsthand the challenges that come with negotiating the immense costs of groceries, child care, formula, diapers and more. Raising a family takes a village, and Governor Hochul is committed to ensuring that both families and the caring economy that supports them can thrive.

Since taking office, Governor Hochul has:

- Secured over \$600 million in extra payments for families receiving New York's child tax
   credit and the Earned Income Tax Credit.
- Expanded eligibility of New York's child tax credit to cover kids under four years old, helping to alleviate the burden of poverty for low-income families.
- Distributed over \$250 million in food assistance for more than two million low-income children under the Summer Electronic Benefits Transfer (EBT) program.
- Pioneered a nation-leading Paid Prenatal Leave policy that gives workers the ability to take paid leave for any pregnancy-related medical appointments and procedures.
- Expanded health coverage for 800,000 children across our state to ensure they have the uninterrupted coverage they need to lead full and healthy lives.

Along with her expansion of the Empire State Child Credit, Governor Hochul in her Executive Budget will propose a multifaceted approach to giving parents the resources and financial support they need.

#### Supporting the Youngest New Yorkers and their Families

#### Establish the Birth Allowance for Beginning Year Benefit

Building on Governor Hochul's strong record of support for pregnant New Yorkers, new parents, and infants, New York State will advance another nation-leading legislative proposal to improve maternal and infant health through the provision of a birth allowance—the New York State Birth Allowance for Beginning Year, or the BABY Benefit—to financially insecure parents during pregnancy and throughout the first year of a child's life.

Providing additional support for pregnant women and infants is a critical tool to reduce childhood poverty, helping to ensure a better foundation for both parent and child and making New York more affordable for working families. In addition to increasing household costs, the birth of a child often simultaneously produces a temporary reduction in income as parents take time off to care for their infant.

To improve the economic security of some of New York's most under-resourced households, Governor Hochul will provide a \$100 per month benefit during pregnancy and an additional \$1,200 payment at birth for New Yorkers who receive public assistance.

#### Support Families When a Baby is Born

Maternal mortality remains a significant public health challenge globally, with the United States experiencing higher rates compared to other high-income countries. The number of maternal deaths in New York State and the persistent disparities in the maternal mortality ratio between Black and White women are urgent concerns. Mental health conditions are the third-leading cause of pregnancy-related deaths in New York State, and many families struggle to afford basic needs such as diapers for their newborns.

Governor Hochul will partner with national non-profit Baby2Baby to provide maternal health and newborn supply boxes to all new mothers who are enrolled in Medicaid and those reached through community-based organizations and hospitals serving communities with high need. The boxes will

provide resources, educational materials, self-care products, and diapers. Additionally, through the state's partnership with Baby2Baby, Governor Hochul will provide millions of diapers to low-income families in 2025, with the intent to grow that number each year.

Governor Hochul will also support families by directing the Office of Mental Health (OMH) to develop and expand maternal behavioral health services designed to improve health outcomes for New York families and will build upon previous investments through the co-location of mental health services into OB-GYN practices in high-needs communities across New York State.

#### Expand Access to Vital Nutrition Programs for Mothers and Children

For more than fifty years, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) has been essential in promoting and safeguarding the health of women and children. Since 2020, the program has grown nearly 25 percent, now serving over 445,000 enrollees – about 66 percent of the eligible population.

To meet growing need, Governor Hochul will expand the program to reach 475,000 people, ensuring they receive nutritious foods and essential services. These investments will improve the health and wellbeing of tens of thousands more New Yorkers and make significant progress towards the State's goal of becoming a national leader in WIC enrollment.

### Increase Dual Enrollment in Supplemental Nutrition Assistance Program and Special Supplemental Nutrition Program for Women, Infants, and Children

The federally funded Supplemental Nutrition Assistance Program (SNAP) and WIC programs serve overlapping populations, yet families eligible for both programs often enroll in only one or the other. To help more families afford their grocery bills and support better health and life outcomes for young children, the State will undertake a data-matching process, comparing enrollment rosters for SNAP and WIC to identify and contact participants who may be missing out on benefits.

#### **Create The Parent Partnership Project**

Too many families leave the hospital with a new baby and without awareness of the resources available to support them. Everyone knows a baby isn't born with a manual, but there is a wealth of information and resources that can help support parents and families during those early days of parenting and beyond. Governor Hochul will direct the Office of Children and Family Services (OCFS) to launch a parent resource center webpage to provide information on child development and school readiness and to make state resources available in OB-GYN and pediatrician offices across the state to help parents better understand the wide range of support available to them, from child care subsidies to home visiting services. OCFS will also work with the New York State Office of Parks, Recreation and Historic Preservation to launch an outdoor literacy program in the summer of 2025, which will support access to the outdoors for families and children.

#### **Expand Lactation Support Services**

Evidence indicates that breastfeeding can improve child health, lowering rates of chronic diseases, infections, and autoimmune disorders. In New York, Medicaid members have lower breastfeeding rates than other New Yorkers, in part due to lack of breastfeeding support. To help New York promote breastfeeding in the Medicaid program, Governor Hochul will expand access to lactation services for Medicaid members, including allowing International Board-Certified Lactation Consultants to enroll as Medicaid providers directly, expanding eligible provider types to include doulas, dietitians, and community health workers with appropriate certification, increasing reimbursement rates, expanding breastfeeding group class sizes and frequency, and covering more breast pump supplies.

#### Charting a Brighter Future for Child Care

Since taking office, Governor Hochul has made expanding access to high-quality child care a north star for her administration, taking every opportunity to give more families access to better and more affordable child care. The Hochul Administration has:

- Increased income eligibility for subsidized child care support from 200 percent of the Federal Poverty Level, \$62,000 for a family of four, to 85 percent of the State Median Income, \$108,000 for family of four—the maximum allowed under federal law.
- Boosted child care quality by providing additional funding to providers that meet certain quality standards and provide care during non-traditional work hours.
- Increased the subsidy amount to cover what 80 percent of providers charge families in New York State, which increased the maximum subsidy rate paid to center-based and family day care programs by an average of 48 percent as compared to 2019.
- Capped families' out-of-pocket costs at one percent of a family's income for those receiving subsidy.
- Supported businesses by providing funding for the Business Navigator program, the Employer-Supported Child Care pilot program, and Family Child Care Networks, which support the needs of child care.
- Made unprecedented investments in the child care workforce, delivering \$500 million in bonuses to child care program staff.

Together these ambitious policies stabilized an essential industry roiled by the pandemic and set a trajectory for more families to have more high-quality options in child care.

#### **Provide Child Care Construction Grants**

For hours each day, our child care facilities serve as refuges where our youngest can learn, socialize and be cared for. New York's children deserve safe, comfortable facilities that can welcome every

kind of family, but too many child care providers operate under tight margins that make it difficult to budget for repairs and upgrades to facilities.

To facilitate child care providers' ability to expand enrollment capacity and serve additional children, Governor Hochul will provide \$100 million in capital grants for child care centers, counties, and municipalities. These funds will help ensure child care deserts continue to be addressed through the opening of new child care programs or through providing funds for necessary repairs and renovations at existing programs.

Until now, child care capital programs have been reserved for child care centers, but in this year's Executive Budget, Governor Hochul will also advance \$10 million in funding targeted to help family child care programs cover small renovations and repairs that are necessary to provide safe, high-quality child care. OCFS will administer these grants and provide technical assistance to help family child care providers undertake projects.

#### Create the New York Coalition for Child Care

Governor Hochul is announcing the New York Coalition for Child Care, which will formalize a partnership between businesses, unions, tax and revenue experts, and child care providers with the goal of expanding our child care system to one that supports all families and child care providers equitably. The Coalition will work to identify a responsible and sustainable path toward funding Universal Child Care in New York.

#### Launch a Child Care Substitute Pool

Families need reliable child care to work, go to school, or attend job training programs. However, the rhythm of daily life can be completely disrupted when a child care center is forced to close unexpectedly due to a staff illness or absence, leaving families scrambling to adjust.

Child care providers need to be able to tap into a pool of substitutes that they can hire as needed to provide continuity of care for parents and children. Governor Hochul will create a substitute pool

that will reduce logistical barriers to keeping child care programs open every day, helping families maintain their daily obligations while also creating a workforce pipeline for child care providers.

#### Chapter 3: Helping Our Children Thrive

Education is the pathway to a brighter future, and Governor Hochul has worked to help set New York State's students up for success. Governor Hochul's administration has:

- Increased K-12 school funding by record amounts a total of more than \$6 billion over three years, including fully funding Foundation Aid for the first time ever.
- Ensured every school district utilizes instructional best practices grounded in the science of reading to improve reading proficiency among New York's children.
- Delivered record funding to State University of New York (SUNY) and City University of New York (CUNY) systems, building out new student-oriented infrastructure and allowing expanded access to the Tuition Assistance Program (TAP) by increasing income thresholds, doubling the minimum award, and including eligible non-degree workforce programs in high-demand fields.

Governor Hochul has also taken steps to protect New Yorkers from abusive uses of Artificial Intelligence (AI). She signed the SAFE for Kids Act and the Child Data Protection Act, tackling AI-driven addictive feeds on social media and protecting youth mental health, released a statewide AI use policy, and signed the AI Deceptive Practices Act, which includes a requirement that all forms of political communication created through digitization provide disclosure of its use.

#### Fostering Better Educational Opportunities

#### **Provide Universal School Meals**

Ensuring every one of New York's more than 2.7 million students has access to free breakfast and lunch at school is a cornerstone of their academic success. Numerous studies have confirmed that providing universal free meals supports learning, boosts test scores, improves attendance and class

behavior, reduces food insecurity, and promotes better mental and physical health. While most students in New York already have access to free meals, some do not, creating a divide in cafeterias and leaving some families just above income thresholds without affordable options.

Governor Hochul is committed to ensuring no student goes hungry, no family struggles with meal expenses, and every teacher knows their students are ready to learn. That is why she is delivering the funding necessary to ensure universal free school meals across every school in the state at no charge to parents.

With this program, all schools that participate in the national school lunch and breakfast program will now provide free breakfast and lunch to their entire student body, with an estimated 400 million meals being made available yearly statewide. Free school meals will put more money back in parents' pockets, saving families an estimated \$165 a month on their grocery bill. Beyond any financial savings, giving children access to school meals will also give parents back the fifteen minutes in the morning they might spend preparing a brown bag lunch. Making the morning rush even a little bit more manageable will set both children and their parents up for better, more productive days.

#### Take Action to Ensure Distraction-Free Learning

Governor Hochul recognizes that the addictive elements of smartphones and other internet-enabled devices can have detrimental impacts on youth mental health and on learning environments for students and teachers in New York's schools. In 2024, the Governor engaged in a statewide listening tour and gathered insights on this important issue from a diverse array of parents, students, teachers, school administrators, and other stakeholders. To that end, as part of this year's Executive Budget, the Governor will put forth a proposal to address the problem of smartphones and other internet-enabled devices in schools and create a new statewide standard for distraction-free learning in New York.

#### Boost Literacy with Free Books from Dolly Parton's Imagination Library

Giving young children and parents access to books can boost literacy outcomes and instill a love of reading that changes lives. Unfortunately, evidence suggests that many homes lack access to age-

appropriate books and reading materials, and children from low-income family backgrounds may be exposed to only 25 hours of one-to-one picture book reading compared to 1,000+ hours for children from middle-class homes.

To help put more books in the hands of more children, Governor Hochul will work to expand access to Dolly Parton's Imagination Library program, which provides a free book each month to children ages zero to five, to more communities across the state. New York State's investment will allow hundreds of thousands of children to enroll in the program.

#### Build a Statewide Data System to Improve Education and Workforce Outcomes

A State Longitudinal Data System (SLDS) enables a state to improve its ability to answer pressing policy questions, assess the effectiveness of educational and workforce programs, ensure investments are directed toward initiatives that yield meaningful results, and better support students. New York State has secured federal funding to begin the process of developing and establishing a SLDS. Governor Hochul will introduce legislation to establish and define the SLDS, including the creation of a governance board to ensure data collection meets the State's privacy obligations.

#### Launch College in High School Opportunity Fund

Giving students a head start on college academics in high schools can open new worlds of scholastic achievement and professional development. New York State is home to three college in high school programs, where students are able to access college courses and mentorship opportunities while completing their high school education. Across New York and nationally, these types of programs have proven enormously successful in helping further student achievement, including resulting in higher rates of college matriculation and persistence.

Building on these successful models, Governor Hochul will work to put new funding and State support behind the early college in high school enrollment model. The Governor will increase funding and support to help streamline the multiple existing college in high school programs, create

parameters for college or university participation, and provide ongoing, per-credit funding for early college in high school programs. These enhancements will create a consistent funding system while increasing reporting requirements to give the State additional data to track student credit completion. Initially implemented in a limited number of districts, this program will focus on providing opportunities for economically disadvantaged students to achieve college credits and will be free to all participating high school students.

#### Streamline the Part-Time Tuition Assistance Program

New York State's Tuition Assistance Program (TAP), which provides eligible New Yorkers with up to \$5,665 annually to help cover tuition expenses, allows hundreds of thousands of students to go to college. Governor Hochul will make adjustments to the TAP program to improve access and student experience. The Governor will streamline the three existing State financial aid programs for part-time students to simplify the experience and expand TAP eligibility.

#### Invest in Student Success at the State University of New York

Governor Hochul is continuing her investments in student retention and graduation at the State University of New York (SUNY) by growing SUNY's student success programs. Modeled on the City University of New York's nation-leading programs, SUNY's Advancing Success in Associate Pathways (ASAP) and Advancing Completion through Engagement (ACE) programs provide tuition, textbook costs, early registration, and enhanced career advising to participating students. By investing in this proven model, Governor Hochul will support thousands of additional students in their efforts to graduate on time and pursue their career goals.

### Invest in Cutting-Edge Research by Funding a New York State Innovation Fund

The Governor will continue the historic investments in higher education she has made by funding a New York State Innovation Fund at SUNY. This capital support will provide vital resources that

will be directed by SUNY to the development of cutting-edge laboratory facilities and research activities.

#### Unplug and Play

New York's children deserve everything the state can offer, from world-class educational opportunities to communities equipped with playgrounds, pools, and recreational facilities. Governor Hochul has worked tirelessly to support our youth, including tackling the burgeoning youth mental health crisis head on.

Last year, Governor Hochul, along with the Attorney General and key partners in the Legislature, won passage of the nation's strongest protections on youth exposure to social media, helping free New York's children from the grips of addictive algorithms that prioritize engagement over mental health. By coupling her groundbreaking social media legislation with deep investment in youth mental health infrastructure and unprecedented financial support for our State's schools, Governor Hochul's agenda has always put children first. She has:

- Launched Get Offline, Get Outside, a campaign to encourage more kids to put down their phones and partake in New York's world-class parks and recreational infrastructure.
- Funded New York Statewide Investment in More Swimming (NY SWIMS), the largest statewide investment in swimming since The New Deal, expanding access for underserved communities and improving safety for kids.
- Invested deeply in youth mental health, including assisting schools statewide to open individual mental health clinics.

Building on her work to support youth, the Governor will continue to take key steps to rebuild the state's social infrastructure for children by launching Unplug and Play, a holistic strategy to help support parents in steering their children away from the harmful influence of social media and toward positive activities like youth sports, arts programs, civic engagement, and community building.

In parallel, Governor Hochul will pursue a program of digital protections and regulation to help protect children from predatory online influences.

#### Invest in New York State's Recreation Infrastructure

Building on the NY SWIMS and the "Get Offline, Get Outside" campaign, Governor Hochul will launch NY BRICKS—Building Recreational Infrastructure for Communities, Kids and Seniors. This competitive grant program will help municipalities and nonprofit organizations undertake high-impact community center projects that provide New York youth and older adults with healthy alternatives to scrolling and that promote physical health, mental wellbeing, and community connections.

Through NY BRICKS, municipalities and nonprofit organizations will be able to apply for grants of up to \$15 million each for community center projects, which can be used to fund the design and construction/renovation of community centers as well as land acquisition costs. The program will prioritize high-impact investments that will have a transformative impact on local communities.

Projects located within or predominantly serving low-income or other disadvantaged communities will be prioritized for funding. Priority will also be given to projects that offer key community services such as child care, eldercare, and mental health counseling.

#### **Invest in Playgrounds**

Playgrounds promote health by providing children of all abilities with opportunities to stay physically active, exercise, and build friendships. Research has demonstrated that increased exposure to nature and outdoor play areas, including playgrounds, result in improved emotional health for children and in one study conducted during COVID, children with access to playgrounds were found to have 20 percent lower rates of certain mental health issues such as anxiety and depression than those with more limited access to play spaces.

Unfortunately, many children in New York, especially those in underserved communities, lack access to safe and well-maintained playgrounds. And too many playgrounds fail to cater towards children with varying needs.

To address this issue, Governor Hochul will create NY PLAYS—Places for Learning, Activity and Youth Socialization. This program will advance new competitive grant funding for playground development and maintenance projects statewide, which will support both construction of new playgrounds and renovation of existing playgrounds.

#### Launch Get Offline, Get Outside 2.0

Youth programming yields significant benefits for children and their overall well-being. From playing on the weekend soccer team to taking a role in the community theater production, participation in youth programming can transform lives and provide children the structured environments they need to socialize and thrive.

To get more kids involved in more activities at less cost to families, Governor Hochul will significantly increase the State's support for youth sports and programming. The increased support will allow the Office of Children and Family Services (OCFS) to work with municipalities and nonprofits to support more than 100,000 new slots for children to engage across a variety of programs including new sports teams, drama programs, music lessons, community garden programs, debate clubs, volunteer resources, and more.

#### **Double Down on NY SWIMS**

Last year, Governor Hochul launched NY SWIMS, the largest investment in swimming infrastructure since The New Deal. Municipalities across the state, from Ogdensburg to Hempstead, seized on opportunities to help construct or renovate landmark pools and swimming facilities that will offer families the chance to splash and play. In all, \$150 million in capital grants have been awarded to fund as many as 37 projects in communities across the state.

Building on the immense success of the first round of NY SWIMS, Governor Hochul will direct \$50 million in further capital dollars towards pool projects. This round will open access both to municipalities and to nonprofit community organizations, to help reach more families.

#### Get More Kids Swimming and Prevent Child Drowning

According to the United States Centers for Disease Control and Prevention (CDC), drowning ranks as a leading cause of preventable death for children ages one to four, and in New York it claims the lives of too many young children and neighbors each year.

To help prevent childhood drownings and ensure more children can safely enjoy New York's pools, beaches, and lakes, Governor Hochul will launch a new program to provide tens of thousands of free learn-to-swim lessons to children aged four and under. Working with community-based organizations, the Department of Health (DOH) will work with program participants to issue vouchers for swim lessons that can help more children feel safe in the water.

#### Expand Media Literacy Effort to Combat Misinformation

The growing threat of mis/dis/mal-information is creating significant challenges, including radicalization, confusion during crises, and declining trust in factual information, with dangerous real-world consequences such as the Buffalo shooting and misinformation during the Maui wildfires of 2023. In response, Governor Hochul directed the New York State Division of Homeland Security and Emergency Services (DHSES) to develop a Media Literacy Toolkit to help educators teach students how to critically evaluate information.

Building on this work, Governor Hochul will direct DHSES to expand its media literacy efforts by creating a Teacher's Guide with age-specific examples, resources for parents and the public, and a public education campaign. These initiatives aim to equip the next generation with critical media literacy skills to navigate the complex information landscape.

#### Outlaw Artificial Intelligence-Generated Child Sexual Abuse Material

Continuing her commitment to online safety, Governor Hochul will address the horrifying rise of AI-generated image-based sexual abuse. Nefarious actors are using AI-enabled "undressing" applications and websites to turn innocent photos of children into nude images and disseminate them online. In the first half of 2024, 16 such websites were visited 200 million times, according to a California lawsuit. The explicit images created are often indecipherable from real ones and can have the same devastating mental health, social, and reputational consequences for survivors.

New York's penal law does not currently adequately address the use of AI to alter content to produce child sexual abuse material. Existing laws address traditional child pornography, but the emergence of easily accessible "undressing" apps and the misuse of generative AI highlight the need to strengthen and modernize these laws. Governor Hochul proposes updating the penal law to treat AI-generated child sexual abuse material as child pornography. This change would apply to real images manipulated to become explicit using AI.

#### Make Artificial Intelligence Companion Technology Safer

The AI Companion industry is a rapidly developing and largely unregulated market where chatbots are designed to simulate human connection, remember personal details, and adapt their personality to user preferences to establish long-term relationships. In a time of unprecedented loneliness, these technologies promise to provide everything from practical help to emotional support to users 24 hours a day. This can lead to unhealthy or harmful relationships with users, especially the young or vulnerable.

To address this issue, Governor Hochul will propose legislation to require AI companionship companies to implement safety features to protect against self-harm and to remind users they are interacting with machines rather than humans. These steps aim to reduce risks and ensure safer interactions with AI companions.

#### Chapter 4: Investing in Safety

Governor Hochul has made the safety of New Yorkers a top priority over the past three years, achieving significant results. The Governor amended bail reform, worked with other states to combat illegal guns, supported jurisdictions facing the highest levels of gun violence, invested in discovery reform, and expanded the New York State Police force.

New York State leads the nation in safety rankings, with eight counties—more than any other state—among the top 25 safest communities in the United States. The state has the third-lowest firearm-related death rate in the country, and preliminary 2024 data show shootings and murders at their lowest levels since 1965. Felony arrests and prosecutions have risen by over 30 percent since 2021, reaching their highest levels in a decade, demonstrating a strong commitment to accountability and crime deterrence. Outside New York City, crime has dropped by double digits, approaching 60-year lows, while New York City has seen its first decline in crime in three years. These achievements highlight the success of New York's targeted safety initiatives and investments.

Additionally, Governor Hochul has modernized public safety infrastructure to support frontline workers. She created four additional State Police academy classes, invested in new technology and equipment for police departments and sheriff's offices, launched the Automated Work Zone Speed Enforcement program that has reduced speeding and improved worker safety, and expanded assault protections to additional Metropolitan Transportation Authority (MTA) workers.

This past spring, Governor Hochul enacted a historic toll enforcement package and launched a State-City task force to remove dangerous "ghost cars" from New York City streets. She also signed Sammy's Law, allowing New York City to lower its speed limit to 20 miles per hour, reducing the risk of death or life-threatening injury in an accident. Finally, the Governor announced a five-point plan to protect New Yorkers on the subway and met her commitment to installing cameras on every single subway car by the end of 2024.

This year, Governor Hochul's public safety agenda builds on her administration's progress with a series of innovative proposals and investments. From modernizing fire protection services to enhancing protections for transportation workers and pedestrians, these measures address critical safety needs while fostering trust and collaboration among communities and law enforcement.

Together, these efforts reflect Governor Hochul's vision of a safer, stronger, and more equitable New York for all residents.

#### Restoring Trust and Confidence in the Legitimacy of the Justice System

#### **Expand Support for Intelligence Sharing and Agency Coordination**

The Crime Analysis Centers (CACs) are vital to crime prevention and public safety in New York, providing tools like hot-spot analysis and real-time investigative support to law enforcement statewide. Under Governor Hochul's leadership, CAC funding has tripled, and the network has grown to eleven centers across the state. Additionally, the statewide Joint Security Operations Center (JSOC) was established as a 24/7 cybersecurity hub to coordinate responses to cyber threats. Building on these successes, Governor Hochul will propose the creation of the New York State Crime Analysis and Joint Special Operations Command Headquarters (CA-JSOC). This first-in-thenation headquarters will unite over 100 local, state, and federal agencies to track crime trends, share intelligence, and coordinate responses in real time, further enhancing public safety across New York State.

#### Strengthen the State's Response Against Transnational Criminal Networks

New York faces increasing challenges from transnational criminal networks operating along the northern border, including elevated levels of drug, weapon, and currency seizures. To address these growing threats, Governor Hochul will strengthen enforcement efforts by increasing the number of State Police and counterterrorism investigators at the northern border and deploying sophisticated technology to support their operations. Through these efforts and the strengthened Interagency Task Force on Human Trafficking, Governor Hochul will build investigations to target and hold accountable those working on behalf of these criminal organizations.

# Right-size the Connection between the Discovery Law and the Speedy Trial Act to Promote True Justice

New York's discovery reform introduced essential changes to enhance fairness in criminal cases but led to unintended consequences. Currently, if a prosecutor's discovery compliance is later challenged successfully, the time between certification and challenge is retroactively counted against the prosecution, often resulting in dismissals unrelated to the merits of the case or the legality of the investigation. This loophole inadvertently incentivizes delays in order to have cases easily thrown out on technicalities. To address this, Governor Hochul proposes changes to eliminate the incentive to delay discovery challenges and to ensure that a discovery error is addressed in a manner proportional to the discovery error itself rather than as a technical mechanism to have an entire case dismissed. These changes will promote timely review that will improve case processing times, reduce delays that keep individuals incarcerated pre-trial, and prevent dismissals based on technicalities that deny justice for victims and the people of the State of New York.

## Streamline and Clarify Discovery Requirements

Governor Hochul also proposes a series of improvements to streamline the discovery process. First, the Governor proposes clarifying that information requiring subpoenas in order to obtain is not necessary for certifying discovery compliance and that prosecutors may certify once they have disclosed all relevant materials in their actual possession. Next, Governor Hochul proposes expanding the scope of automatic redaction to include sensitive details such as witnesses' physical addresses and personal data unrelated to the case, eliminating the need to engage in lengthy litigation to redact such material. Governor Hochul also proposes reducing the requirement for providing 48-hour notice before a defendant's statements can be presented to a grand jury to 24 hours. This will bring much needed relief to counties that lack five-day grand juries who, during extended weekends, do not have 48 hours before a case needs to be presented to a grand jury. These changes will ensure procedural fairness, streamline case processing, and safeguard sensitive information.

#### **Support Safe and Vibrant Communities**

Governor Hochul will address rising crime rates in the Bronx through the Governor's Action Plan for Neighborhood Safety, led by the Division of Criminal Justice Services (DCJS). This initiative will take a holistic approach to public safety by addressing root causes of crime, such as youth development and community opportunities. A key component will support the scaling of community-led violence prevention initiatives to provide pro-social activities, fostering safer and healthier neighborhoods.

#### **Expand Victim Support Services to Protect Vulnerable Populations**

New York's current victim services program offers essential support but falls short in addressing financial abuse of older and disabled adults and in meeting the needs of families of homicide victims. Existing limits on compensation, outdated reimbursement caps, and restrictive eligibility criteria hinder effective support for vulnerable populations. To address these issues, Governor Hochul proposes increasing compensation for scam victims, raising funeral reimbursement caps, expanding crime scene cleanup coverage, and eliminating barriers such as the consideration of contributory conduct.

## Ensure Child Victims of Crime Are Maximally Supported

A child becoming the victim of a crime is every parent's worst nightmare, especially when the crime is violent in nature. When that does happen, families must walk the difficult line of supporting the pursuit of justice while also protecting their young loved one from having to re-experience and relive the crime and trauma. Child Advocacy Centers provide a child-friendly, safe, supportive environment for child victims of abuse or neglect and crime. Children and their loved ones have access to victim advocacy, mental health support, and specialized medical exams from a multi-disciplinary team of professionals. This year, Governor Hochul will increase funding to the Child Advocacy Centers to ensure that as children receive services and support, they have one single advocate who works with them and their family through the entire process. This will ensure young

victims of crime and their families are prepared and supported by the same trusted adult at every step in the process.

#### Reduce Reoffending Through Innovative Justice Initiatives

Repeat offenses contribute significantly to overall crime rates in New York, with reoffending rates as high as 80 percent for individuals released from prison. Under Governor Hochul's leadership, programs like Jails to Jobs have reduced recidivism by connecting previously incarcerated individuals to education and job opportunities. Building on this progress, Governor Hochul will expand training in green energy and sustainable industries and enhance positive incentive programs like merit time to improve reentry success.

## Supporting our First Responders

## Launch First Responder Counseling Scholarship Program

First responders face unique mental health challenges, but a shortage of counselors familiar with the responder community creates gaps in care. Financial barriers often deter first responders from pursuing counseling degrees, limiting the availability of culturally competent mental health professionals. To address this, Governor Hochul will launch the First Responder Counseling Scholarship Program through the State University of New York (SUNY). This initiative will support first responders pursuing counseling degrees and offer micro-credentials in areas like traumainformed care and peer support leadership. In return for scholarship support, recipients will commit to serving as counselors in New York State, creating a sustainable pipeline of mental health professionals uniquely equipped to support the responder community.

#### Eliminate Outdated Barriers in Public Safety Recruitment

Outdated recruitment standards limit public safety agencies' ability to attract qualified candidates, excluding individuals with valuable experience and worsening staffing shortages. To address this, Governor Hochul will modernize occupational standards to expand pathways for qualified candidates. This includes raising the New York State Police retirement age to 63 and removing the 35-year-old maximum age restriction for law enforcement recruitment, as well as allowing non-New York residents to apply for correctional officer positions. These changes will ensure agencies can draw from a broader and more diverse pool of applicants.

#### **Expand Educational Pathways to Public Service Careers**

Many New Yorkers face barriers to pursuing public safety careers due to misaligned training programs and limited opportunities for advancement. Governor Hochul will partner with SUNY and the City University of New York (CUNY) to award academic credit for public safety training programs and integrate these credits into degree pathways. These efforts will attract more candidates to public safety careers and provide advancement opportunities for those currently working in public safety.

# Secure Additional Funding for Volunteer Fire Infrastructure and Response Equipment Grant Program

Volunteer fire services protect over 45 percent of New Yorkers, yet many departments lack the tools and infrastructure required for modern firefighting. Outdated equipment and aging facilities put both firefighter safety and operational readiness at risk. Governor Hochul will secure additional funding for the V-FIRE grant program, allowing departments to renovate or construct compliant fire stations equipped to meet the needs of a diversifying workforce.

#### Keep Our Firefighters Safe with Better Protective Gear

Our brave firefighters selflessly risk their lives to protect our communities, facing immense heat and hazardous conditions. To safeguard these heroes, they rely on specialized protective gear designed to withstand extreme temperatures and repel water and oil. For years, this essential equipment has unfortunately contained the emerging contaminant per-and polyfluoroalkyl substances (PFAS). Evolving evidence has revealed the potential dangers of PFAS exposure, raising concerns about the long-term health and safety of our firefighters even as we continue to work to limit the release of this contaminant into New York's air, lands, and waters. Recognizing the need to protect both our firefighters and the environment, Governor Hochul will introduce legislation to ban the sale of firefighter gear containing PFAS in the state. This measure will help ensure our firefighters have access to the highest quality and safest protective equipment available while mitigating the potential public health and environmental impact of these chemicals. The legislation will take effect in 2028.

#### Secure Additional Funding for Law Enforcement Technology

Last year, Governor Hochul provided record funding for the Law Enforcement Technology (LETECH) grants, supporting agencies statewide in acquiring critical technologies and equipment to enhance crime prevention and community engagement. To ensure law enforcement partners continue to have access to the tools needed to protect New Yorkers, Governor Hochul will secure additional funding for future rounds of LETECH grants. This investment will strengthen public safety and improve trust between law enforcement and the communities they serve.

## Establish a Mass Violence Crisis Response Team

Mass violence incidents, including the 2022 Tops supermarket shooting in Buffalo, have exposed gaps in New York State's ability to provide immediate support to victims and survivors. Delays in emergency funding, limited access to mental health services, and inadequate resources for basic needs have highlighted the need for a more effective response. To address these challenges, Governor Hochul will establish a Mass Violence Crisis Response Team, led by the Office of Victim Services (OVS) in partnership with the Division of Homeland Security and Emergency Services

(DHSES). This team will ensure rapid, coordinated support for survivors and their communities, addressing immediate needs in the aftermath of such events.

## Protecting Pedestrians, Workers, Drivers, and Cyclists

#### Enhance Safety for Work Zones and Transportation Workers

Work zones remain hazardous and transportation workers face increasing risks, including more than 40 incidents of harassment or assault since 2022 and the tragic deaths of two workers. Governor Hochul will propose making the Automated Work Zone Speed Enforcement program permanent and expand it to include MTA Bridges and Tunnels and New York State Bridge Authority properties. Additionally, she will introduce legislation to enhance penalties for assaults against transportation workers, extending protections similar to those provided to many MTA and retail workers. These actions will improve safety for both workers and drivers.

## Strengthen Drugged Driving Laws

Drugged driving causes more fatalities statewide than drunk driving, yet enforcement remains difficult due to outdated laws and limited resources. Governor Hochul will propose legislation to close critical loopholes, such as expanding the universe of prosecutable substances, authorizing penalties for refusal to participate in testing, enabling prompt license suspensions for drugged driving, and broadening the circumstances under which chemical tests can be compelled. The plan also includes increasing training for law enforcement and exploring the use of improved roadside screening and toxicology tools to enhance enforcement capabilities. These measures will equip law enforcement to better address the growing issue of drug-impaired driving.

#### Improve Safety at New York City's Elementary School Intersections

Crashes at intersections in New York City account for half of all traffic fatalities and 60 percent of pedestrian deaths citywide, with limited visibility near crosswalks a key contributing risk. Governor Hochul proposes requiring that crosswalks near elementary schools in New York City remain clear of vehicle obstructions to protect children at their most vulnerable locations. By ensuring that those intersections are kept clear and visible, Governor Hochul is prioritizing the safety of our kids walking or biking to school as well as school crossing guards subject to dangerous conditions while on the job.

#### Reclassify Ultra-Heavy Class 3 E-Bikes as Mopeds

The growing use of e-bikes in New York City has underlined the importance that they be used responsibly and safely to avoid accidents involving pedestrians or other road users. While existing regulations limit e-bike width and speed, they do not address maximum weight, which directly correlates with the severity of injuries in accidents. To address this, Governor Hochul will propose reclassifying ultra-heavy Class 3 e-bikes weighing 100 pounds or more as mopeds, requiring a driver's license and registration to operate. This change will keep the heaviest and most dangerous e-bikes out of bike lanes, improving safety for pedestrians and other cyclists.

## Allow New York City to Lower Speed Limits in Bike Lanes

New York City should have the necessary tools to regulate its streets, including ensuring that the increasing use of e-bikes and micromobility devices is both responsible and safe. Governor Hochul will propose to expand the City's toolbox in this area by granting it express statutory authority to lower maximum speed limits in bike lanes. This change will help the City improve safety for road users and pedestrians while keeping decision-making at the local level best able to regulate New York City's vibrant and complex streetscape.

# Chapter 5: Bringing Jobs to New York

Under Governor Hochul's leadership, New York has become a national leader in economic development, driving job creation, community revitalization, and support for key industries. These efforts have focused on modern manufacturing, semiconductor development, Artificial Intelligence (AI) and emerging technologies, life sciences innovation, small business growth, building a green economy, and agricultural investments, creating opportunities for communities across the state. As a result of these investments, Governor Hochul has:

- Positioned New York to lead the nation in semiconductor development, with over \$112 billion in announced capital investments since 2021. By the end of the decade, 25 percent of all American-made semiconductor chips will be produced within 350 miles of Central New York.
- Established the \$400 million Empire AI Consortium, which has crowned New York as a
  global leader in the pursuit of AI for public good, powering research and discoveries to solve
  key societal challenges.
- Taken action to help transform nearly 3,000 acres of underutilized land into shovel-ready sites, positioning the state for future growth.

Under Governor Hochul's leadership, New York State has created more programs to support small businesses than at any point in the state's history. Governor Hochul recognizes that small businesses are the backbone of New York's economy. Through programs such as the Certified Business Incubators and Innovation Hot Spots, New York is investing in cutting-edge start-ups that foster a culture of innovation and growth.

The Regional Economic Development Councils have funded over 10,000 community-led projects, with 75 percent of awards going to small businesses. New York's State Small Business Credit Initiative is deploying over \$500 million in federal funding to help entrepreneurs access capital and expand their operations. These initiatives deliver targeted solutions to meet the unique needs of communities.

## Driving Economic Development

# Promote Opportunity with Electric Readiness for Underdeveloped Properties Fund

New York State is attracting investment in new manufacturing and high-tech development faster than existing energy system planning and funding mechanisms can accommodate, and we need more power-ready sites—a key factor in where companies decide to locate. Indeed, lack of speedy connection to reliable power is often cited as a primary reason for advanced manufacturers taking their business, and jobs, towards other states or opportunities.

Locating at a power-ready site can shave years off the timeline between site selection and a plant's opening day. Extending transmission and electrical infrastructure to more sites around the State will help unlock equitable economic growth and supercharge our ability to connect New Yorkers with the advanced manufacturing jobs of the future.

To help land more business and jobs in New York, Governor Hochul will launch a new program—the Promote Opportunity with Electric Readiness for Underdeveloped Properties (POWER UP)—to fund the proactive development of electric capacity to create power-ready sites and attract new businesses to the state. Governor Hochul is seeding the fund with \$300 million, which will allow for the proactive development of dozens of sites.

POWER UP will not only alleviate bottlenecks to connect businesses to power but will help defray electrical costs for regional consumers, who under our current regulatory structure are often left to foot the bill for grid improvements prompted by one particular project within their region. POWER UP will defray those costs by interjecting State capital dollars into projects that provide overwhelming public and economic benefits.

The Empire State Development Corporation (ESD) will provide economic development expertise to ensure the fund helps prepare sites that are strongly positioned to host manufacturing operations that will create jobs in New York State.

The Department of Public Service will provide expertise in utility capital planning and will identify opportunities for project sites that bundle clean energy resources together.

#### **Build Clean Energy Zones**

To unlock economic growth and lower the cost of our clean energy transition, New York will encourage the development of regional concentrations of clean electric generation paired with transmission, by expanding its coordinated grid planning process to identify Clean Energy Zones (CEZs).

Generation and transmission projects in a CEZ will be proactively coordinated to reduce developers' interconnection risks and costs, thereby lowering costs paid by electric customers. This approach will allow for more community engagement, reduce red tape for developers and business, and align ongoing economic development and power sector initiatives as we build out the clean energy future.

The CEZ process will identify opportunities to integrate clean energy generation and transmission, ensuring the efficient and effective use of New York's natural resources to meet local demands, support the state's reliability needs, and achieve climate goals. CEZ projects will receive priority review, with generation and transmission projects proactively coordinated to minimize development risks and reduce costs for consumers. Host communities will benefit from the increased tax revenue, and state economic development resources will be directed to communities within a CEZ.

## Grow the Semiconductor Industry and Build the Semiconductor Supply Chain

New York has emerged as a leader in the semiconductor industry through the Green CHIPS program, attracting over \$120 billion in private sector investment. Much of that success is owed to New York's Excelsior Jobs Tax Credit Program, which encourages businesses to locate or expand in New York by providing Excelsior tax credits after meeting job creation and investment thresholds.

While New York State continues to lead in bringing semiconductor manufacturing home to our state, multiple states are vying to attract the related supply-chain companies that are looking to do business with those manufacturers.

Governor Hochul is doubling down on what works and is proposing a 10-year extension of Excelsior, to allow our foremost job creation tool to continue its track record of success.

To be competitive, this year's Executive Budget creates a new tier for semiconductor supply chain companies within the proven Excelsior Jobs Tax Credit Program. The new Semiconductor Supply Chain Tax Credit will offer up to a 7 percent jobs tax credit, and a 3 percent investment tax credit.

The Excelsior enhancements also include a large-scale semiconductor R&D tax credit for major research investments exceeding \$100 million in qualified expenditures.

In addition, the Governor's Office of Semiconductor Expansion (GO-SEMI), which was created in State Fiscal Year 24, will establish a Strategic Global Engagement team to promote New York State abroad and attract international semiconductor and supply chain companies.

## Double Down on Shovel-Ready Sites for Modern Manufacturing

While New York State is a leader in business attraction, large scale manufacturing and industrial firms can only continue to locate and expand here if sufficient shovel-ready space is available.

Governor Hochul established the Focused Attraction of Shovel-Ready Tracts New York (FAST NY) program to build shovel-ready sites across New York and ensure the state is prepared to capitalize on high-value opportunities. Since its launch in 2022, FAST NY has committed over \$175 million to 20 projects, transforming nearly 3,000 acres of previously underutilized land into future economic engines of the state.

This year's Executive Budget proposes a new round of FAST NY that prioritizes semiconductor manufacturing and supply chain projects as well as cleantech and green economy projects. This new round of funding will include a focus on equipping sites with utility access, including renewable and clean energy.

#### Lead on Innovation Through Empire AI

Last year New York State established Empire AI, a nonprofit consortium consisting of many of New York's finest research institutions, which is building a world-class high-performance computing center dedicated to using AI for research, centered on the public good. In less than one year, the seven inaugural members of the Empire AI Consortium—Columbia, Cornell, New York University, Rensselaer Polytechnic Institute, the State University of New York (SUNY), the City University of New York (CUNY), and the Flatiron Institute—have made extraordinary progress: the first version of the Empire AI Supercomputer is now operational.

Even though this initial phase is just a fraction of the computing power of the final Empire AI facility, it already ranks as the 245th most powerful supercomputer in the world, and its environmental efficiency ranks 38th in the world on TOP500's Green 500 list. The full Empire AI computing center, situated on the University of Buffalo's North Campus, will be an energy-efficient computing facility, sustainably powered by clean and renewable hydropower from Niagara Falls and utilizing heat generated from the facility to warm and cool campus buildings, importantly reducing the University's dependence on fossil fuels.

Empire AI has already aided incredible research. Within weeks of getting access, New York scientists and researchers at the consortium member institutions have started dozens of research projects, from climate science to cancer research, freshwater resources, social science and sustainable food production. The analytic capabilities of the current Empire AI supercomputer allow researchers to process data in a matter of weeks that their current labs would take decades—and it will only get faster and more powerful in the future.

## Turbocharge Hiring by Startups

While our innovation ecosystem is strong, when small innovation businesses transition from receiving hands-on support from incubators to operating independently, the risk of failure can grow and the costs to continue scaling can prove prohibitive.

Governor Hochul is advancing the Companies Attracting Talent to Advance Leading Innovations and Scale Technologies in New York (CATALIST NY) program. CATALIST NY will allow small

businesses that have completed a New York State incubator program to be eligible for personal income tax benefits to reduce the cost of hiring. By lowering the tax burden to hire new employees, startups can hire more seamlessly during a critical phase of their expansion, putting down stronger roots in New York.

#### Support Small Businesses with Low INterest Capital

High interest rates can incapacitate small businesses—which often pay higher borrowing rates due to their reduced collateral and higher risk profiles as compared to larger firms—preventing them from investing in expansion and creating new jobs. The successful Linked Deposit Program, which helps small businesses borrow at more affordable rates, has lowered the interest rate for nearly 6,000 businesses, resulting in \$2 billion in bank lending, and leveraging over \$4 billion in new capital investments by New York State businesses.

In response to demand that far exceeds supply, Governor Hochul will launch the Low Interest Capital program (LINC), an expansion of the Linked Deposit Program, to support hundreds of additional small businesses across the state.

## Transform Regional Economic Development with High-Impact Projects

The Regional Economic Development Councils (REDCs) have driven significant progress across New York, but their current funding limits make it difficult to support large-scale, game-changing projects. To address this, Governor Hochul will refocus the REDC initiative on transformative projects that serve as high-impact economic anchors such as cultural venues, waterfront revitalization efforts, and mixed-use development projects. This new approach will maximize the benefits that REDC awards deliver for local communities and regional economies, driving growth and revitalization in every corner of the state.

#### Provide Artificial Intelligence Technical Assistance to Small Businesses

Innovations in Artificial Intelligence (AI) have the ability to change the way businesses operate, leading to greater efficiency, fewer business disruptions, and increased responsiveness to customer needs. Large companies can afford to spend millions tracking, researching, and implementing AI developments, but the rapid progression of AI applications makes it difficult for smaller firms to keep up. To assist small businesses with Artificial Intelligence education and adoption, ESD will partner with New York's network of Entrepreneurship Assistance Centers (EACs) to provide AI training to entrepreneurs and small businesses across the State. By partnering with the EACs, which are strategically located in disadvantaged communities in every region of New York, this initiative will open the door to small businesses seeking to better capitalize on AI's transformational power.

#### **Increase Capital Access for Underrepresented Startups**

While minority and women founders are generally underrepresented in the tech sector, the disparity is particularly severe in AI. Less than 25 percent of AI employees identify as racial or ethnic minorities, and one study found that female-founded companies account for under three percent of AI deals in the past decade. This lack of diversity is particularly problematic in AI, as models tend to reflect the biases of their creators.

Governor Hochul will work to close this gap in representation by launching a public-private partnership with leading technology firms to invest \$20 million into New York State AI start-ups.

Funding will include \$10 million from the ESD NY Ventures Program and a combined \$10 million in direct commitments from IBM and Armory Square Ventures, who serve as founding members of the Governors Emerging Technology Advisory Board. This partnership and collaboration among ESD NY Ventures, IBM, and Armory Square Ventures will help ensure that tomorrow's innovation leaders have the resources to advance cutting-edge technologies here in New York.

#### Renew our Commitment to Our State's Capital City

Albany is New York's proud capital, as home to a vibrant community of families and businesses that exemplify our state. Governor Hochul has long recognized the distinct position Albany holds as the capital. Since taking office, Governor Hochul has directed over \$4 billion in public resources into transformative projects in Albany. These landmark initiatives include the replacement of the Livingston Avenue Rail Bridge, the modernization of the Wadsworth Laboratory, the demolition of the long-blighted Central Warehouse, and investments in the NY CREATES Albany NanoTech Complex—now recognized as the flagship facility of the federal National Semiconductor Technology Center.

Yet, despite its rich history and the transformative projects currently underway, Albany has been slow to recover from the devastating socio-economic impacts of COVID-19. And Albany has foregone the opportunity for a more diversified economy to fulfill the crucial responsibility of hosting the state government. Governor Hochul recognizes the exceptional responsibility and power of New York State government—the largest anchor institution in the community—to drive economic and community development within Albany. Under the Governor's leadership, Albany will have a true partner in New York State.

This year's Executive Budget launches an inclusive, State-led initiative to invest \$400 million to revitalize the downtown core of Albany—in partnership with local stakeholders and backed by significant State resources to catalyze change. This investment includes \$200 million to make real investments into tangible strategies and projects to revitalize Albany, such as: targeted strategies that address public safety and quality of life; revitalizing vacant or dated anchor institutions; reinvigorating commercial corridors; repurposing vacant and underutilized commercial buildings for housing and other new uses; leveraging open spaces and key public assets; coordinating with ongoing planning efforts related to the redevelopment of I-787 and the Livingston Avenue rail bridge; and creating new reasons to work, visit, or live in downtown Albany. This historic investment also includes \$150 million to renovate the New York State Museum and upgrade the exhibits to be more inviting to visitors, including families, as well as funding for the State to temporarily supplement Albany's public safety efforts by offering enhanced State Police resources to reduce crime and increase community policing in key corridors.

Informed by conversations with local stakeholders, the Governor's commitment to Albany will play out through a comprehensive community engagement process with the public, elected representatives, and community leaders to identify key opportunities to promote business development, bolster public safety, build out community anchors, encourage housing, and enhance affordability.

## Supporting Agriculture

Recognizing agriculture as a cornerstone of New York's economy, Governor Hochul has made record investments to support the state's farmers. Initiatives such as Nourish NY and the 30 percent Initiative have connected locally grown food with underserved communities while boosting the agricultural economy. Governor Hochul has:

- Invested \$55 million to help dairy farms adopt sustainable practices and modernize operations.
- Protected and enhanced the state's farming industry through an \$82 million investment in agricultural stewardship programs.
- Ensured the long-term sustainability of New York's agricultural sector while addressing critical community needs.

Governor Hochul will continue to build on this progress with innovative solutions to strengthen key industries, support small businesses, and create economic opportunities across the state. Through targeted investments in infrastructure, programs to foster entrepreneurship, and initiatives to enhance sustainability, these efforts will ensure New York remains a leader in economic growth and innovation.

#### **Enhance Local Food Supply Chains**

The COVID-19 pandemic exposed weaknesses in supply chains, disrupting food access and highlighting the need to strengthen New York's local food systems. Building on New York's supply chain and processing expansions in recent years, Governor Hochul will establish the Food and Fiber Small-Scale Processing Grant Program to further fuel the supply of diverse products for New York's many local purchasing programs. In addition, Senior Farmers Market Nutrition Program benefits will be maintained, and Governor Hochul will expand New York's supply of nutritious, locally grown seafood.

#### Position New York as a Regional Leader in Fiber Production

As the national fiber supply chain has consolidated in other portions of the United States, northeastern farmers have faced barriers to processing and marketing their wool and other natural fibers affordably. Without the necessary infrastructure, farmers often discard wool or incur high costs to get it to market. Meanwhile, New York's fashion leaders, eager for natural textiles, are forced to source materials elsewhere. To mitigate these challenges, Governor Hochul will make key investments to position New York as a leader in fiber production, including determining the best location and most sustainable operating model for a New York fiber sorting and aggregation center.

## Launch a Maple Industry Growth Strategy

Home to the largest source of tappable maple trees in the nation, New York ranks second in national syrup production and is home to over 2,000 sugar makers. Governor Hochul will support New York's unique opportunity to become the leading maple innovator, improving production efficiency, advancing research, and fostering unparalleled consumer loyalty to New York maple.

#### Expand Agriculture Education in the New York Schools

Agriculture education is offered in only a small fraction of New York public schools, limiting students' exposure to critical life skills like cooking, gardening, and understanding food systems. This gap reduces access to fresh, local food and opportunities to learn about the importance of agriculture. To address this, Governor Hochul will support the integration of agriculture education into the public-school curriculum, ensuring students gain valuable knowledge and hands-on experience. New funding for the successful New York Agriculture in the Classroom program will ensure educators have the resources and assistance they need for successful implementation.

#### Advance the Sustainability of New York's Dairy Industry

New York is the fifth largest milk-producing state in the nation, with dairy farming accounting for half of New York's agricultural economy. Building on last year's record investment in agricultural stewardship programs, Governor Hochul will provide additional funding to research and implement climate-resilient practices on dairy farms.

## Facilitate Advanced Injury Detection for Thoroughbred Racing

To combat breakdowns in thoroughbred racing, New York State will invest in advanced imaging to allow the Cornell University College of Veterinary Medicine's Ruffian Equine Specialists, located adjacent to Belmont Park, to better study the fetlock joint and develop a screening protocol to advance the field of thoroughbred injury detection.

# Chapter 6: Building an Economy that Works for All

New York's workforce is our greatest strength, making the state a prime destination for attracting new businesses and driving economic growth. Under Governor Hochul's leadership, over 700,000 new private-sector jobs have been created, outpacing the United States. Her administration has made significant investments in workforce development programs to empower New Yorkers, build the workforce of the future, and meet the labor demands of the state's highest-growth industries. Since taking office, Governor Hochul has:

- Created a \$200 million One Network for Regional Advanced Manufacturing Partnerships (ON-RAMP), which will establish four new workforce development centers focused on high-tech fields.
- Committed \$150 million in State funding and creation of the Office of Strategic Workforce
  Development, which is supporting results-focused training and job placement programs that
  respond to the needs of employers.
- Expanded state registered apprenticeships to young people and public service workers,
   preparing the next generation of skilled employees.
- Established the Office of Workforce Data and Research to coordinate data collection and tracking across agencies.
- Expanded the nation-leading paid parental leave program to more than 80 percent of the state workforce.
- Required paid breaks for breastfeeding mothers to express breastmilk.
- Increasing the minimum weekly workers' compensation benefit and indexing it to the New York State Average Weekly Wage.
- Cracked down on wage theft and recovered more than \$63 million in stolen wages for nearly
   65,000 workers.
- Protected outdoor workers from extreme weather hazards.

To build on these successes, Governor Hochul will announce programs aimed at launching workers into these high-need occupations, addressing workforce gaps, and ensuring New York's economic growth remains strong and inclusive.

This year, Governor Hochul is advancing a comprehensive workforce initiative: Accelerating Statewide Career Entry in Needed Trades (ASCENT NY), a program designed to meet workers where they are and provide pathways into high-demand occupations. ASCENT focuses on the following industries with significant projected growth and competitive wages: advanced manufacturing, technology, cybersecurity, engineering, artificial intelligence, healthcare, and teaching. Along with the ASCENT NY program, Governor Hochul will build on her track record of protecting workers.

## Launching ASCENT NY

## Fund Free Community College in High-Demand Occupations

Associates degrees facilitate entry into the workforce, increasing both likelihood of having a job and earnings. In addition to the inherent value of an associates degree, State University of New York (SUNY) and City University of New York (CUNY) associates degree programs are deeply integrated into industry pipelines. Onondaga Community College's Micron Cleanroom Simulation Lab will prepare students for careers in semiconductor and microelectronic industries. With the Governor's support, CUNY is expanding apprenticeship programs to all seven community colleges. An integrated part of the degree path, these paid apprenticeships allow students to earn nine credits while they are employed by a partner company; 88 percent of apprentices are committed as full-time hires.

Building on Governor Hochul's historic investments in SUNY and CUNY, New York State will make community college free for students ages 25-55 pursuing select associates degrees in high-demand occupations, including nursing, teaching, technology, engineering, and more. The State will cover the costs of tuition, books, and fees for participants in this program and will increase funding for career support infrastructure to connect students with job opportunities. A similar program in

Massachusetts has been very successful, as have SUNY and CUNY's existing programs that provide similar wraparound services. CUNY estimates that the return on investment for each dollar invested in one such program is \$21, with \$16 going to graduates' future earnings and \$5 going to taxpayers in the form of tax revenue and lower social services costs.

Free SUNY and CUNY community college will facilitate thousands of students getting associates degrees in high-demand fields.

#### Facilitate New Training Pathways into High-Demand Occupations

Many businesses are struggling to fill open positions, making it more important than ever to understand shifts in the labor market and develop effective strategies to connect individuals with indemand occupations. At the same time, the future workforce—today's students—need hands-on experience, mentorship, and skill development.

To address these challenges, the Department of Labor (DOL) will launch a new initiative to support employer-led training. Participating businesses will be reimbursed 50 percent of the trainee wages during the program, with the requirement that these employees remain on the job for at least one year after completing the training. Additionally, DOL will collaborate with school districts and businesses to recruit high school students for a summer work experience program in high-demand fields. Businesses participating in the program will receive reimbursement for 50 percent of the students' stipends during the summer.

# Create New Registered Apprenticeships and Pre-Apprenticeships in High-Demand Fields

Nationwide, 93 percent of workers who complete registered apprenticeships gain employment, and annual average starting wage post-apprenticeship is \$77,000. While there are nearly 18,000 apprentices across New York, opportunities exist to expand this gold-standard apprenticeship model beyond the skilled construction trades.

Governor Hochul recognizes the need to develop programs to meet the workforce demands of high-growth occupations by incentivizing businesses and supporting participants, while focusing on diversification and expansion of programs. To that end, the Governor will provide funding for providers of registered apprenticeships and pre-apprenticeships in the high-demand occupations, to cover partial apprentice wages, training costs, and for underrepresented groups, wraparound services.

## Expand Cybersecurity Careers with Degree Reform and New Fellowships

Currently, many cyber and technology jobs require a four-year degree. By excluding candidates without four-year college degrees, employers overlook millions of Americans who are trained through alternative routes and have the valuable skills, talent, and drive to succeed in today's workforce. Governor Hochul will reform the way executive agencies hire cybersecurity and technology talent by removing four-year degree requirements for many entry-level and early-career positions and will create a cybersecurity fellows program with SUNY and CUNY community colleges that places graduates in two-year jobs in State government. Additionally, Governor Hochul will work with private companies to similarly reduce or remove certain educational requirements to create more entry points for New Yorkers graduating from community and technical colleges.

## Diversify the Artificial Intelligence Pipeline with Artificial Intelligence Prep

As the Artificial Intelligence (AI) sector continues to grow at a rapid pace, it is critical the technology developed incorporates a broad range of perspectives from a diverse group of innovators. However, systemic biases and legacy workforce training practices tend to leave some populations behind in training and opportunity. To equalize access to AI careers, Empire State Development Corporation (ESD) will launch AI Prep: a workforce development initiative focused on the training and placement of disadvantaged college students into AI jobs. This free training will focus on applied problem solving and include mentorship support from leading technology companies. Students will receive a stipend and other wraparound support to participate in online courses in AI—developed by leading researchers and industry experts—allowing them to engage in real-world machine learning projects leading to internship opportunities at leading New York technology companies.

# Leverage Federal Support to Expand Health, Behavioral, and Social Care Workforce

Strategies designed to support training and education for new workers as well as support career advancement for existing workers, such as tuition payments and student loan repayment, have been shown to improve retention and help reduce worker shortages. As part of the State's federal Medicaid 1115 waiver, New York is implementing two workforce programs. The Career Pathways Training program is funding educational and career support services for new and advancing health, behavioral health, and social care workers. Through three regional Workforce Investment Organizations, the program covers tuition, textbooks, and educational and career supports and place individuals in high-demand titles. Participants will make a three-year service commitment to work at providers that serve at least 30 percent Medicaid or uninsured members. New York is also launching the Student Loan Repayment Program, which will provide loan payments for psychiatrists, primary care physicians, dentists, nurse practitioners, and pediatric clinical nurse specialists who make a four-year commitment to work at providers that serve at least 30 percent Medicaid or uninsured members.

## Deploy State Funding to Support Healthcare Training Programs

Governor Hochul will expand support for healthcare training programs under the Increasing Training Capacity in Statewide Healthcare Facilities grant program, with a distinct focus on nursing training programs. The State will provide grants for regional programs that prepare and support healthcare students through the Healthcare Training and Life-skills Program, covering costs like child care, transportation, and tutoring. Governor Hochul will provide support for Area Health Education Centers, which are local training programs that recruit younger individuals from underrepresented populations into healthcare professions. In addition, New York will launch Health Workforce Connects, a portal that will engage individuals in new and growing careers in healthcare.

## **Protecting Workers**

#### Expand Enforcement Power Following an Unpaid Wage Theft Judgment

The Department of Labor (DOL) has limited ability to force employers to pay owed wages to workers, even after an employer has been found guilty of wrongfully withholding payment. To ensure hardworking New Yorkers are paid every cent they earn, while respecting the due process rights of employers, Governor Hochul will advance legislation to expand DOL's enforcement power to include the authority to levy liens, seize financial assets, and issue a stop work order following an unpaid wage theft judgement.

#### Align Child Labor Law Penalties with Severity of Violation

New York State's child labor laws have not been updated in decades and are not calibrated to differing severity of violations. Governor Hochul will advance legislation to raise the maximum civil penalties, include felony-level charges for violations that result in serious injury to children, and define knowingly employing a minor in a dangerous occupation resulting in their death as a classification of homicide. Governor Hochul is committed to encouraging and supporting safe work environments without creating significant financial hardships on employers. When violations do not risk a child's safety and health, Governor Hochul will direct DOL to offer businesses reduced penalties if they participate in a child labor prevention program.

## Support Workers Displaced By Artificial Intelligence

Governor Hochul is committed to ensuring that the benefits of Artificial Intelligence (AI) integration are compatible with an economy where every worker can thrive, and to understanding the potential impact of new technologies through real data. At the Governor's direction, DOL will require businesses submitting notices of worker layoffs to its Worker Adjustment and Retraining

Notification (WARN) system to convey whether a layoff is related to a businesses' use of AI. Any impacted worker will be able to access the broad array of workforce training programs and supports offered by DOL or local partners.

#### Expand Access to Medical Care in the Workers' Compensation System

There are approximately 80,000 medical providers in New York State, but only 10 percent are authorized to treat workers' compensation claimants—significantly fewer than under Medicare. Access to quality medical care is critical for both the injured worker and for the employers who rely on their workers returning to the workforce. To expand the pool of workers' compensation providers, Governor Hochul will advance legislation to automatically authorize all medical providers licensed in New York State and allow medical and surgical residents and fellows to treat workers' compensation claimants. Providers also cite inadequate reimbursement levels as a barrier to caring for injured workers, and the current process to change the reimbursement levels is difficult. To ensure regular and automatic updates, Governor Hochul will increase the fee schedule and tie it to the Medicare fee schedule. Finally, in December 2006, the Department of Financial Services (DFS) issued legal guidance directing health insurers to cover medical treatment for injured workers while the workers' compensation claim is being contested. To ensure injured workers do not have a gap in payment of medical bills, Governor Hochul will advance legislation codifying this guidance and permitting workers' compensation insurers to temporarily pay medical bills without admitting responsibility for the workers' compensation claim.

# Chapter 7: Making Government Work Better

New Yorkers deserve a government that is efficient, proactive, and delivers for them. Governor Hochul has made modernizing and improving state operations a signature focus of her tenure in government. Recognizing the importance of a customer-focused government, Governor Hochul has also streamlined services to improve the experience for residents across the state by closing gaps, reducing the time tax burden for New Yorkers, improving operational efficiencies, and enhancing online services so that they are more user-friendly. Governor Hochul's administration has:

- Directed a customer experience approach to government operations, including making critical changes to speed delivery of benefits, modernize webpages, and promote greater accessibility of government resources.
- Implemented a whole-of-state cybersecurity strategy including developing the New York State Joint Security Operations Center and delivering shared services for local governments.
- Overhauled outdated Department of Motor Vehicles systems to significantly improve the agency's ability to expedite consumer interactions.
- Lowered barriers to access for crucial government programs by making it easier to enroll in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Supplemental Nutrition Program (SNAP), and child care assistance.

Across the 2026 Executive Budget, Governor Hochul will propose an array of initiatives all designed to get the government working faster and more efficiently for all New Yorkers. In particular, she will advance a series of reforms designed to make sure that government delivers on the infrastructure projects that change lives.

## Standing up for New Yorkers

#### Convene the Empire State Freedom Initiative

Governor Hochul and Attorney General James convened the Empire State Freedom Initiative to protect New Yorkers from a variety of policy and regulatory concerns that could emerge from new leadership in the White House and Congress. Representatives from the Governor's Office of Federal Affairs, the Office of the Counsel, the Division of Homeland Security and Emergency Services, the New York State Office of the Attorney General and other relevant agencies are working together to analyze potential statutory, regulatory, and fiscal vulnerabilities. Teams will be tasked with identifying proactive measures that New York State and its agencies can take through state legislation, rulemaking, appropriations, and partnerships with New York's Congressional delegation.

## Increasing Speed, Equity, and Efficiency in Capital Project Delivery

## **Expand Alternative Project Delivery Methods**

State law prescribes how agencies and authorities must conduct capital project delivery. Many State agencies and authorities are limited to a narrow selection of delivery approaches, such as design-bid-build. While the currently authorized methods are well suited for some projects, they are not the best fit across the board. Depending on a project's size, nature, and timeline, alternative project delivery approaches such as progressive design build, construction manager build, and construction manager as constructor may be more suitable and can deliver projects more quickly and cost-effectively. Alternative delivery approaches also allow for expanded use of best value selection, providing a more level playing field for small and emerging firms and supporting increased Minority- and Women-Owned Business Enterprise (MWBE) participation. To improve the efficiency of project delivery and continue supporting MWBE access to public contracts, Governor Hochul will work to amend the Infrastructure Investment Act and other relevant statutes to provide agencies and

authorities more flexibility in how they deliver projects and ensure that they are able to use the best tool for the job.

# Increase Opportunities for Minority- and Women-Owned Business Enterprises in State Procurement

Public procurement in New York State is subject to a wide array of reviews and approvals. To increase the participation of MWBEs in State contracting while also expediting the procurement process, agencies and authorities are fully or partially exempted from certain procurement requirements when making discretionary purchases of up to \$750,000 from certified MWBEs. Building on the success of this model, Governor Hochul proposes to increase the discretionary purchase thresholds for MWBEs to \$1.5 million, bringing the State's threshold into alignment with those of MTA and New York City. Standardization of these thresholds will increase efficiency while supporting the Governor's commitment to expanding opportunities for MWBE firms.

## Engage the Dormitory Authority to Speed Municipal Projects

Communities across the state need investment to build out the libraries, healthcare facilities, and higher education infrastructure that undergird our communities and make New York such an attractive place to live. Getting these projects completed more speedily and at less cost will benefit communities across the State.

To give localities the ability to draw on new resources to accelerate project design and implementation, Governor Hochul will advance legislation to allow municipalities to utilize Dormitory Authority of the State of New York's renowned planning, design, procurement and construction management services for projects. This legislative change will help interested municipalities cut more ribbons on more ambitious projects.

#### **Expand Pre-Qualified List Authority**

Vendor pre-qualification is the process of evaluating vendors and contractors to ensure they meet specific qualifications before they are able to bid on a project. State law authorizes many municipalities across the state to make use of vendor pre-qualification practices to ensure that contracts are awarded only to highly capable and qualified contractors who are able to deliver high quality work on time and within budget. State agencies and authorities lack similar broad authority to pre-qualify vendors and are generally required instead to make awards to the lowest responsive and responsible bidder among all respondents, which can pose a particular challenge for emerging and MWBE firms. In order to streamline the procurement process by ensuring bids reviewed and selected are from suitable vendors, Governor Hochul will expand the authority for use of prequalified lists to State agencies and authorities.

#### Streamline Utility Relocations for Metropolitan Transportation Authority

Utility relocations are complex components of Metropolitan Transportation Authority (MTA) capital projects that require close collaboration among various parties to succeed and can often be a source of significant delay. To address these challenges, Governor Hochul is directing the MTA and Department of Public Service to create a process to ensure project timeliness and coordination between transportation and utility design and construction. This process will result in reduced construction timelines and lower overall project costs, while protecting utility ratepayers.

## Improving Efficiency of Government Processes

## Digitize Youth Working Papers

The process to apply for youth working papers is antiquated, exclusively paper-driven, and lacks consistent, uniform data collection. Employers are required to keep the paper records on file and are hit with fines when youth working papers are missing. To modernize the process and reduce

burdens on businesses, Governor Hochul will advance legislation to digitize working papers for minors and create a one-stop online portal for young people, caregivers, employers, and school administrators.

#### Improve Tracking and Transparency for State Assets and Capital Projects

New York State's significant investments in capital projects lack a centralized system to track progress or manage information on State-owned properties. This gap complicates coordination across agencies and limits opportunities for strategic infrastructure planning and use of State-owned properties. To address this, Governor Hochul will create a database and dashboard for capital projects, along with a public-facing property inventory map to enhance transparency and efficiency in managing State assets.

#### Create a State Office of Innovation and Efficiency

State agencies often struggle to redesign operations and implement improvements due to limited inhouse expertise. To address this, Governor Hochul will establish a dedicated office to support agencies by providing internal consulting, centralized project support, and performance tracking. The office will issue annual progress reports, ensuring transparent and measurable service improvements for New Yorkers.

## Embrace a Circular Economy at the Empire State Plaza

The Empire State Plaza generates substantial waste, much of which could be diverted through better recycling and composting practices. Governor Hochul proposes expanding waste diversion efforts at Empire State Plaza with new signage, strategically placed bins, pre-consumer food waste collection, and waste audits. Successful implementation will serve as a model for other State facilities, demonstrating effective waste management and sustainability practices.

#### Recruit New Talent and Modernize the Civil Service System

Governor Hochul is committed to attracting and retaining public service employees by extending the Hiring for Emergency Limited Placement Statewide (NY HELPS) program, waiving civil service exam fees, and launching a statewide awareness campaign to promote opportunities in public service. Additionally, a new New York State Jobs Portal and Application Tracking System will streamline recruitment, modernize the hiring process, and improve efficiency within the civil service system.

#### **Increase Access to Government Services**

Governor Hochul will undertake a set of initiatives that increase access to government services. First, Governor Hochul will implement a pilot program to install self-service kiosks in high-need communities to provide access to public benefits like the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Supplemental Nutrition Program (SNAP) and child care services at high-traffic locations. This program will reduce travel and wait times while offering multilingual support and easier access to essential resources. The Governor will also advance legislation to increase efficiency of the Division of Human Rights complaint process and will modernize the Office of Victims Services claims assistance program to improve accessibility and efficiency for crime victims.

## Strengthening Our Digital Infrastructure

## Mandate Reporting of Local Government Cyber Incidents

Through the shared services program, Governor Hochul has provided local governments with tools and services to defend their systems. These technologies help monitor and react to cyber threats in real time, ensuring government services can be better protected. New York State has made progress

in enhancing cybersecurity through these and other efforts, but a critical gap remains as local governments are not required to report cybersecurity incidents to the State. The timely notification of cybersecurity incidents impacting local governments is essential to enable New York State to build situational awareness of statewide cyber threat activity and create a comprehensive threat picture that helps defend government services and protects all New Yorkers. To address this issue, Governor Hochul will propose legislation requiring local governments to report cybersecurity incidents and ransom payments through a centralized mechanism. This legislation will mandate the reporting of payments made to cybercriminals, improving the State's ability to respond to threats, safeguard critical infrastructure, and reduce statewide cybersecurity risks.

#### Require Cybersecurity Awareness Training for Government Employees

Cybersecurity awareness training is crucial to safeguarding government systems against increasingly sophisticated threats. New York State provides modern cybersecurity awareness training to executive branch employees, with mandatory annual completion. Governor Hochul proposes extending this requirement to local governments and will offer training at no additional cost. The State will provide free training online, ensuring uniform access and strengthening the cybersecurity resilience of government operations and services statewide.

## Bolster the Security of Networks Statewide

The cyber threats New Yorkers face have never been more numerous, more sophisticated, or more dangerous. Under Governor Hochul's leadership significant progress has been made to advance the cybersecurity and resilience of state and local government networks as part of her nation-leading whole-of-state cybersecurity strategy. Additional investments in the Office of Information Technology Services (ITS) will allow the State to continue deploying highly effective cyber tools to help defend state and local governments and further develop a skilled, dynamic, and committed workforce.

Governor Hochul will build on her historic investments in technology and cybersecurity to ensure that ITS has the necessary resources to continue advancing cybersecurity and resilience to meet the new, dangerous cyber threats we face. These investments will help ensure New York State's technology infrastructure is maintained, cyber risk is reduced statewide, and whole-of-state cybersecurity services continue to help protect state and local governments from evolving threats.

#### Safeguard New York's Water Infrastructure

Water and wastewater systems across New York face growing cybersecurity threats. Governor Hochul will create a new grant program specifically focused on strengthening the cybersecurity maturity of the water and wastewater systems sector. The program will provide technical assistance and funding for utilities to effectively assess their cybersecurity posture, develop a cybersecurity plan, and improve their cybersecurity resilience.

Governor Hochul is also directing the Department of Health, Department of Environmental Conservation and Department of Public Service to begin drafting minimum cybersecurity standards for water and wastewater utilities so New Yorkers will continue to have access to clean, safe, and reliable water and wastewater services.

## Expand and Extend Public Broadband and Cell Service

Building on the public broadband infrastructure work that Governor Hochul has undertaken over the last few years, the Governor will launch the Excelsior Broadband Network, a new statewide public broadband network with the aim of reaching from Buffalo to Plattsburgh through Syracuse and Albany to Binghamton and New York City, and the Mobile Service Connectivity Initiative. The Excelsior Broadband Network will build and connect a network of public broadband assets across the state, and the first component will be a new fiber line that runs the full length of the New York Thruway. The state-of-the-art fiber network along the New York Thruway will improve high speed internet and reliable cell phone service across rural and urban portions of the state.

#### Provide Artificial Intelligence Upskilling for State Workforce

Artificial Intelligence (AI) training, education, and skill development can help workers with upward mobility and to understand how AI can automate routine tasks and increase productivity. Governor Hochul will lead by example by ensuring the State workforce has access to training about how to responsibly use AI, especially as public sector employees. The Governor will direct the Office of Information Technology Services (ITS) to roll out AI training to ITS-supported State workforce employees. Training will provide basic education about how AI can be safely used in the workplace to improve productivity and efficiency. ITS will complement this program with a secure and controlled generative AI toolset to help State employees with hands-on application of the training.

# Chapter 8: Growing Housing to Drive Affordability

Last year, Governor Hochul achieved what many believed was impossible, ending decades of inaction to secure a landmark housing deal. She became the first Governor in 50 years to deliver critically needed housing development while protecting tenants and homeowners. Building on her five-year, \$25 billion Housing Plan to create and preserve 100,000 affordable homes statewide, the Governor has:

- Enacted a new 485-x property tax incentive to spur housing development in New York City, including affordable rentals and homeownership opportunities.
- Extended the 421-a program's construction completion deadline through 2031, which is expected to deliver over 71,000 new homes, including about 21,000 affordable units.
- Expanded authority for localities to adopt property tax incentives for both mixed-income and 100 percent affordable housing outside New York City, as well as incentives for accessory dwelling units statewide.
- Created new property tax incentive to encourage affordability in commercial to residential conversions in New York City.
- Removed outdated restrictions on residential density in New York City.
- Launched a pilot program to legalize basement and cellar apartments in certain areas of New York City.
- Created a \$500 million capital fund to build up to 15,000 new homes on State-owned land.
- Added \$600 million in capital funding to support housing development statewide.
- Enacted new protections for tenants and homeowners, including anti-price gouging
  measures for renters and stronger enforcement and preventative measures to protect
  homeowners from deed theft.

 Passed measures to combat discrimination against Section 8 voucher holders and affordable housing providers in the insurance market.

Last month, as New York City faces a generational housing crisis with a 1.4 percent housing vacancy rate, Governor Hochul committed \$1 billion to support affordable housing to help New York City secure "City of Yes for Housing Opportunity," the most significant pro-housing rezoning in the city's history, which is expected to create more than 80,000 new homes.

Despite this unprecedented progress, there remains a shortage of homes throughout the state and housing costs remain high for too many New Yorkers. Nurses, teachers, firefighters, young people, parents, and seniors often cannot afford to live in communities of their choice. Families spend too much of their hard-earned income on housing and our businesses struggle to attract workers because they cannot find affordable places to live. This year, the Governor will build upon her commitment to address the housing shortage and increase affordability by creating more homeownership opportunities, strengthening State support to unlock local housing development, and taking actions to protect housing affordability.

## Building Opportunities for Homeownership

## Provide Starter Home Innovation Funding

Often homes being built in the market today are larger and therefore less affordable than a traditional starter home. An undersupply of homes limits mobility within the market, preventing young families from becoming homeowners and older New Yorkers from downsizing. Governor Hochul will provide new capital funding to incentivize the building of more starter homes, including innovative approaches to homebuilding such as the use of factory-built and modular development. This funding will be available to homebuilders to catalyze the construction of starter homes.

#### Support First-Time Homebuyers' Down Payment Assistance

Saving enough money to make a downpayment to purchase a home is a significant barrier to homeownership, especially for low- and moderate-income buyers. Governor Hochul will provide new State funding to support New Yorkers struggling to save for down payments and help more individuals and families achieve the dream of homeownership.

#### Create an Affordable Homebuyer Tax Incentive

Even when homes are developed for the express purpose of being sold to low- and moderate-income homebuyers, local property tax assessments value the homes at fair market value, presenting challenges to creating homes these buyers can afford to purchase. The Governor is proposing an affordable homebuyer property tax incentive that localities can opt into to bring down costs and increase the supply of houses built with assistance from governmental entities, nonprofits, land banks, or community land trusts and sold to low- and moderate-income homebuyers.

#### Disincentivize Bulk Purchases of Homes by Institutional Investor

Hedge funds, private equity firms, and other institutional investors are playing an increasingly significant role in the single- and two-family housing market. These large entities often can outbid prospective homeowners with all-cash offers and fast track their ownership by waiving inspections and appraisals. When institutional investors hold a disproportionate share of a local housing market, it removes opportunities for homeownership, exacerbates the existing scarcity, and drives up prices for remaining homes in the area. These consequences are felt most intensely by first-time and low-or moderate-income homebuyers who already struggle to find affordable homeownership options across the state.

To help level the playing field and increase the opportunities for everyday people trying to purchase a home, Governor Hochul will propose legislation to create a 75-day waiting period in which certain institutional investors cannot bid on single- and two-family homes, to give individuals and families a

fair chance. In addition, the Governor will propose tax law changes to disincentivize these entities from amassing large portfolios of single-family and two-family homes.

#### Strengthen Laws and Policies to Combat Home Appraisal Discrimination

For many New Yorkers, their largest investment and most valuable asset is their home. Homes provide families with a safe place to live and an opportunity to build generational wealth. For too long, pervasive appraisal bias throughout the housing industry has unjustly stripped families in communities of color of this opportunity, widening racial homeownership and wealth gaps. To take action against this long-standing disparity, Governor Hochul will propose a suite of actions to make discriminatory appraisal practices unlawful, enforce anti-discrimination principles in appraisals, and diversify the appraiser workforce.

# Unlocking Local Development

#### Create a Pro-Housing Supply Infrastructure Fund

Governor Hochul signed Executive Order 30 in July 2023 creating the Pro-Housing Community Program, which recognizes and rewards municipalities actively working to unlock their housing potential and encourages others to follow suit. In the State Fiscal Year 2025 Enacted Budget, Governor Hochul made the "Pro-Housing Community" designation a requirement for accessing up to \$650 million in State discretionary programs. So far, 270 localities have been certified, with more than 420 submitting letters of intent from all corners of New York State. To further support localities that are doing their part to address the housing crisis, Governor Hochul will create a \$100 million Pro-Housing Supply fund for certified Pro-Housing Communities to assist with critical infrastructure projects necessary to create new housing, such as sewer and water infrastructure upgrades.

#### Provide Communities Technical Assistance to Be Pro-Housing

Without resources, some communities may not have the ability to design and adopt pro-housing policies such as master plans, zoning text updates, and streamlined permitting procedures. To help ensure more localities that want to promote housing growth have the ability to do so, Governor Hochul will provide new grant funding to offer technical assistance to communities seeking to foster housing growth and associated municipal development.

#### Streamline Environmental Review for Modest Housing Development

New York is streamlining regulations to expedite the construction of more homes for families and individuals while implementing environmental safeguards. Governor Hochul will advance proposed regulation to allow modestly sized home development, such as certain multi-family housing with no more than 10,000 square feet of gross floor area, to proceed as 'Type II,' which offers a simpler pathway towards completion. This approach not only accelerates the construction of much-needed homes but also addresses the critical shortage of affordable housing facing everyday New Yorkers. By thoughtfully streamlining the regulatory process we can facilitate the timely development of housing, making it more accessible to families and individuals.

## Strengthening Investment in Communities

#### Launch New York State's First Mixed-Income Revolving Loan Fund

With major forthcoming economic investments in upstate New York, including Micron, the state continues to need an all-of-the-above approach to the housing supply to address acute housing needs and accommodate job growth. Too often, however, upstate communities do not have the tools to create mixed income rental housing, leaving many developments permit-ready but unable to secure financing. To bridge this gap and unlock more housing, Governor Hochul will launch the State's first revolving loan fund to spur mixed-income rental development outside New York City.

The fund will fill construction financing gaps by providing a lower-cost and more flexible form of capital than is generally available in market financing. The funding will revolve and self-sustain over time through repayments once projects have converted to permanent financing after construction.

#### Double New York State Low Income Housing Credits

Modeled after the federal Low Income Housing Tax Credit Program, the New York State Low Income Housing Tax Credit Program (SLIHC) was signed into law in 2000 and has been critical to supporting the development of housing for low-and middle-income households. Governor Hochul will build on this success by proposing to double the amount of the tax credits available through the SLIHC program, making it the largest state low-income housing tax credit program in America. This action alone will generate upwards of \$210 million in private investment in affordable housing per year.

#### Unlock Historic Tax Credits by Decoupling and Expanding Eligibility

Currently, New York State law requires Federal and State Historic Tax credits to be coupled together to the same investor and be available only in certain census tracts. These factors depress the economic value of both tax credits and needlessly turn investment away from housing projects, a problem felt especially acutely in upstate New York communities. Governor Hochul will propose legislation that can unlock the maximum value of the tax credits and eliminate the census tract eligibility requirement.

#### Empower Communities to Redevelop Vacant Properties into Housing

Many municipalities struggle to acquire and redevelop vacant and abandoned buildings. Many of these properties are in a significant state of disrepair due to years of neglect and are located in neighborhoods that lack the local economic conditions necessary to incentivize redevelopment by the private sector. Consequently, the investment required to redevelop these properties can exceed their value and the resulting funding gap prevents the property from being rehabilitated. Governor

Hochul will better equip communities to fight back against blight while creating more affordable housing opportunities, both by proposing strengthening existing municipal authority to acquire vacant and abandoned buildings and by proposing to authorize localities across the state to adopt a tax exemption to incentivize redevelopment of these properties into affordable homes.

#### **Expand Affordable Farmworker Housing**

The Farmworker Housing Program has been a key resource for improving farmworker housing since 1995. No-cost employee housing remains one of the most attractive aspects of working in agriculture. However, aging infrastructure and updated housing standards have placed financial pressure on farms, making this program essential for workforce attraction, retention, and compliance with health and safety regulations. To address rising construction costs and program oversubscription, the Farmworker Housing Program funding will be increased to better align resources with demand and help farms provide safer, healthier housing for workers.

#### Protecting Housing Affordability

#### Ban Collusion Using of Algorithm-Enabled Rent Price Fixing

Real estate management software services are using proprietary information from their client base to aggressively push landlords to raise rents even when an increase in supply or a softening in the market would organically lower prices. Recent data show that price fixing algorithms cost tenants nationwide an estimated \$3.8 billion more in inflated rents last year alone. The software companies make no secret that the algorithms are intended to raise rents, with some openly advertising that they can help property owners outperform the market, resulting in housing market distortion and hurting tenants during a historic housing supply and affordability crisis. Governor Hochul will take action to protect renters from these practices by proposing the nation's first legislation to address rent price fixing collusion using these software services.

#### Reduce Shelter Rent Taxes for Mitchell-Lama Residents

The Mitchell-Lama Program supports 105,000 units of housing that are affordable to low- and middle-income families. Currently, Mitchell-Lama developments can receive a shelter rent tax abatement to reduce their share of local property taxes. However, the current tax abatement is often insufficient to address escalating increases in insurance, utility, and taxes that endanger building quality and the financial health of this critical supply of affordable housing. To provide much needed relief, Governor Hochul will propose legislation that will reduce Mitchell-Lama shelter rent taxes by at least half in New York City and allow for the same by local opt-in in the rest of the state.

#### Expand Capital to Maintain and Improve Supportive Housing

The Homeless Housing and Assistance Program (HHAP) was among the first programs in the country more than four decades ago to dedicate significant capital resources to creating housing, including permanent affordable and supportive housing, specifically for homeless individuals. Tens of thousands of units have been built since its inception, and today, requests for funding exceed what is available. To meet the growing demand for supportive housing and maintain existing units that provide a safe place to live for many of the most housing insecure and vulnerable New Yorkers, Governor Hochul will increase funding for HHAP.

# **Increase Funding for Supportive Housing**

Governor Hochul has made landmark investments to expand supportive housing across New York State, recognizing that stable housing is the foundation for stable health and a stable life. Providers of supportive housing utilize two key State-funded programs to provide vital services to tens of thousands of New Yorkers, such as people with serious mental illness and substance use disorders who would otherwise be homeless. The Empire State Supportive Housing Initiative (ESSHI) has financed the supportive services and operating costs of over 9,600 units of safe and permanent housing for individuals and families in need, and the New York State Supportive Housing Program (NYSSHP) supports over 20,000 people living safely and stably in affordable housing. However, providers of supportive housing have not been immune to the impact of rising costs, which

threatens future housing acquisition and their ability to provide the supportive services that make these programs unique and successful in helping people to remain stably housed. To ensure that New York State's supportive housing stock and services remain viable and accessible to those who need them most, Governor Hochul will take steps to stabilize both programs.

#### **Extend Security Deposit Protections to Rent-Regulated Tenants**

In 2019, New York State provided market-rate tenants statewide with protections for security deposits, including requiring the return of remaining security deposits within 14 days of vacating the unit and allowing tenants to request an inspection to determine what needs to be remedied to receive a security deposit back in full. Rent-regulated tenants were erroneously left out from receiving these important protections. The Governor will propose legislation to grant rent-regulated tenants the same protections for their security deposits as all other tenants.

#### Help Affordable Housing Access Captive Insurance to Lower Costs

Insurance costs for affordable housing have skyrocketed, with many owners reporting paying higher premiums for less coverage and renters bearing an increasing share of costs. In recent years, private insurance captives, which are similar to self-insurance and allow for tailored risk management, have been created specifically for affordable housing owners. However, these insurance captives often have eligibility standards for participation, which nonprofits may struggle to meet. Governor Hochul will provide assistance to nonprofit affordable housing owners to undertake repairs and other steps needed to be eligible for such captives.

# **Chapter 9: Cutting Commutes**

New Yorkers are famously on the move, and our state has a world-class transportation system to help them reach their destinations. But moving New Yorkers isn't just about helping people get around—our transportation network is the backbone of New York's economic resilience.

Since taking office, Governor Hochul has led a comprehensive campaign to connect New York by promoting a safe, equitable, sustainable, and efficient transportation system. By focusing on the state of good repair while developing transformational expansion initiatives and improving core service for New Yorkers, Governor Hochul is focused on driving a stronger economic future for the state.

Over just the last year, Governor Hochul:

- Signed a \$6.88 billion Capital Investment Grant full funding agreement, signed a \$3.8 billion
  Federal-State Partnership grant agreement, and secured \$4 billion in loans from United
  States Department of Transportation with local funding partners for the Gateway Hudson
  Tunnel Project—the largest federal public infrastructure financing package in American
  history—enabling the start of major construction on the nation's most vital infrastructure
  project.
- Advanced early construction of the Second Avenue Subway Phase 2 project, a generational project to bring transit equity to East Harlem with new accessible stations.
- Received final and complete approval from the Federal Transit Administration and the City
  of New York to move forward on the project to replace the aging Midtown Bus Terminal
  with a world-class facility.
- Signed a \$1.6 billion grant agreement for the Metro-North Penn Station Access project,
   which will create four new stations in the Bronx and save commuters up to 75 minutes daily.
- Advanced design of the Interborough Express project, promising faster travel within and between Brooklyn and Queens by connecting to 17 subway lines and 51 bus routes.
- Began construction and celebrated a \$215 million grant award to support the replacement of the aging Livingston Avenue Rail Bridge spanning the Hudson River and improve passenger and freight rail service throughout the Empire Corridor.

- Progressed construction of the initial phase of the Interstate-81 Viaduct Project, which will
  reconnect disadvantaged communities in the City of Syracuse severed by the construction of
  the interstate in the 1950s and 1960s.
- Launched New York's nation-leading congestion pricing program featuring a 40 percent reduction in all tolls for vehicles entering the City's Central Business District. The plan also includes new tools to reduce congestion and air pollution in communities citywide while raising \$15 billion for the Metropolitan Transportation Authority (MTA)'s capital program.

In the year ahead, Governor Hochul will build on her legacy of advancing transformational projects and policies to improve New York's transportation systems and help New Yorkers reach their destinations safely and efficiently.

#### Make the Biggest Capital Investment in New York's Transportation History

Governor Hochul fully supports the Metropolitan Transportation Authority's (MTA's) proposed 2025-2029 capital plan, the largest in New York State history. This plan will modernize signals, order new railcars, rehabilitate subway and railroad stations, improve accessibility, install new fare gates, and protect key infrastructure from flooding, as well as expand our transit network with projects like the Interborough Express. To fund the plan, the Governor is proposing a balanced mix of federal, state, city, and MTA contributions in line with historical practice, alongside new revenue sources to be agreed during budget negotiations this spring and cost efficiencies to be achieved by the MTA. This historic initiative will ensure a state-of-good-repair for the MTA system while advancing critical infrastructure improvements that will benefit millions of riders daily.

#### Advance Second Avenue Subway and Other Major Transit Improvements

Under Governor Hochul's leadership the MTA will advance a number of transformative projects, including the Second Ave Subway Phase 2 extension to East Harlem, modern signal systems on segments of the A/C and B/D/F/M lines for over 1.5 million daily riders, accessibility improvements at more than 20 stations, and hundreds of new electric buses. These and other investments are being funded by New York's first-in-the-nation congestion pricing program, which

went into effect on January 5th following the Governor's successful effort to lower the toll by 40 percent, and which will generate \$15 billion in mass transportation funding. Congestion pricing is expected to achieve at least a five percent reduction in vehicle miles traveled and a 10 percent reduction in the number of vehicles entering Manhattan's central business district. Governor Hochul is also proposing a package of new measures that will help reduce traffic and air pollution throughout New York City and beyond.

#### Enhance Subway Safety with Expanded Security and Outreach Measures

In March of 2024, Governor Hochul announced a five-point plan to utilize state resources to protect New Yorkers on the subways. The plan called for 1000 state personnel to assist the New York Police Department (NYPD) with bag checks, a new program to ban assaulters of commuters and transit workers, improved coordination between law enforcement and district attorneys, new cameras to protect customers, conductors, and staff, and \$20 million to expand the City's SUBWAY Co-Response Outreach Teams (SCOUT) throughout the system.

In addition, the Governor has accelerated the installation of security cameras in subway cars, invested in mental health outreach teams, installed barriers at 15 stations and counting to prevent people from being pushed or fall onto the tracks, and re-deployed the National Guard.

Building on this foundation, Governor Hochul will invest in and expedite several major and effective safety initiatives on the subways. Governor Hochul will provide funding to install LED lighting in all subway stations and platform edge barriers at over 100 additional stations by the end of 2025. Governor Hochul will also help crack down on fare evasion with delayed egress on exit gates in at least 150 more stations and modern fare gates in 20 more stations this year and an additional 20 in 2026. Governor Hochul will also partner with New York City to increase NYPD presence on platforms and trains by temporarily surging patrol levels. In addition, the Governor will work with New York City to add police patrols on every overnight train for the next six months. To reduce homelessness in the subways, Governor Hochul will work with the New York City Department of Homeless Services to expand their 24/7 'Welcome Center' model near end-of-line stations and will create spaces within stations that have a large presence of unhoused people for our mobile outreach teams to better connect and coordinate services. Governor Hochul will also

advance legislation to ban people convicted of assaulting passengers and MTA staff from the system, establish enhanced penalties for repeat criminal transit offenders, and expand criminal trespass to include transit facilities.

#### Invest in New York Roads and Statewide Transit

Governor Hochul will restore the purchasing power of New York State Department of Transportation's (DOT) capital plan to address rising construction costs, ensuring that projects under the State Fiscal Years 2022/2023 – 2026/2027 plan remain on track. This investment will slow asset deterioration, maintain critical infrastructure, ensure ability to maintain pavement, and support economic stability statewide. Recognizing the importance of investment in local roads, the Governor will propose maintaining funding through the Consolidated Local Street and Highway Improvement and State Touring Route Programs, empowering communities to manage and deliver projects effectively. Furthermore, the Governor will provide new funding to transit systems across the state, strengthening their ability to serve regional needs. These investments will ensure that New York's transportation network remains safe, reliable, and accessible for all.

#### Modernize Rail Service for Faster, More Reliable Travel

Governor Hochul is proposing a major investment in Hudson Valley rail service that will increase capacity, reduce delays, and cut potential travel times by up to 15 minutes each way for certain trips, as well as shorten "super-express" Metro-North Hudson Line trips to less than 90 minutes. The proposal includes planning, evaluation and design for a set of rail capital improvements between New York City and Poughkeepsie, including projects such as a second track at Spuyten Duyvil, interlocking, signaling and trackwork at Croton Harmon, and capacity improvements at Poughkeepsie Yard. In addition, the MTA will execute a signaling redesign near Yonkers and climate resilience investments in the most vulnerable and highest ridership segments of the Hudson Line. To further enhance transit options, the State will conduct a transit analysis in Orange County to explore shuttle bus service connecting Port Jervis Line trains to key destinations in the region.

#### Reconnect Communities in Albany and the Bronx

Highways like Albany's Interstate-787 and the Cross Bronx Expressway have divided neighborhoods, displaced families, and perpetuated inequities for decades. Building on transformative infrastructure projects like the Interstate-81 reconstruction in Syracuse, Governor Hochul will advance plans to reconnect these communities. In Albany, DOT will explore options for projects like the Albany Waterfront reimagining project, moving it into environmental review and conceptual design by the end of the year. In the Bronx, building on the current visioning study, DOT will conduct a planning and environmental linkages study to look at options, including capping portions of the Cross Bronx Expressway, in coordination with New York City and all local stakeholders.

# **Chapter 10: Protecting Consumers**

With New Yorkers across the state continuing to feel the financial pinch of inflation Governor Hochul has made it her priority to put more money back in families' pockets and make sure it stays there. From taking on medical debt to signing common sense legislation guarding against data theft, Governor Hochul has pushed back against the forces that work to leach away a worker's hard-won earnings. Her administration has:

- Banned medical debt from appearing on credit reports and stopping hospitals from suing low-income New Yorkers for medical debt collection.
- Extended new protections to stop the theft of crucial consumer information, including requiring companies to better notify consumers after a data breach and guarding against medical identity theft.
- Demanded companies notify consumers in advance of automatic subscription renewals to give consumers the transparency they deserve.
- Required health clubs to accept cancellation of a membership within 10 business days of receiving notice of the cancellation.
- Fought back against telemarketing scams by forcing telemarketers to provide certain information within the first 30 seconds of a call.

Building on her work advocating for consumers, Governor Hochul is proposing policies that will ensure that New York State can lead in establishing common-sense, workable consumer protections that will safeguard pocketbooks and help families get ahead.

#### Fight Back Against Algorithmic Price Discrimination

As consumers spend more of their time and money online, they're also sharing more information like browsing behavior, location, and purchase history with the companies they interact with. While some companies have historically shifted prices based on external market conditions, like charging more for a flight at Thanksgiving, today's technology means corporations are able to collect

mountains of personal data, feed it into machine-learning algorithms, and potentially utilize those systems to generate a price that's individual to a consumer. This practice, which the Federal Trade Commission has dubbed surveillance pricing, could strip consumers of their ability to comparison shop or plan for the price of goods and services, and is potentially discriminatory.

Governor Hochul will propose first-in-the-nation legislation to require businesses to clearly notify consumers when the price they see was set by an algorithm using their consumer data to personalize the price.

To ensure companies are not discriminating against individuals in how they price products, Governor Hochul will work to expressly prohibit the use of protected class data, which includes but is not limited to age and sex, in the setting of prices.

#### Standardize Returns and Refunds

Consumers are increasingly shopping online and making more returns, and with that are increasingly navigating a sea of varying return windows, restocking fees, refund formats, shipping practices and more. New Yorkers, particularly during the holiday season, know how hard it is to juggle various return policies that affect when they can send back a gift or exchange clothing that didn't fit and get their money back.

With e-commerce sales rising and returns accounting for billions of dollars annually, New Yorkers deserve stronger consumer protections. Governor Hochul will act by proposing legislation to require retail sellers to offer a minimum 30-day return window for various products. This groundbreaking initiative will set a new standard for consumer rights and make online shopping fairer and more reliable for New Yorkers.

Governor Hochul's proposal will be tailored to apply to medium and larger businesses and to provide clear guidelines on disclosure of any return policies as well as exemptions for perishable, customized, final sale, or other goods that are not eligible for return.

#### Enhance Oversight of Buy Now Pay Later Loans

Buy Now Pay Later loans are increasingly popular but pose risks to consumers, including overextension, inconsistent credit reporting, data exploitation, and excessive fees. These concerns highlight the need for stronger oversight in this rapidly growing financial sector.

Under Governor Hochul's leadership, the Department of Financial Services (DFS) will establish a licensing and supervision framework for Buy Now Pay Later providers. This initiative will introduce safeguards, such as disclosure requirements, dispute resolution standards, late fee limits, and data privacy protections to ensure consumers are better protected when using these financial products.

#### Strengthen Subscription Cancellation and Renewal Protections

Subscription services are a part of daily life but canceling them is often needlessly complicated. Governor Hochul signed legislation requiring businesses to notify consumers of upcoming renewals and provide clear instructions on how to cancel subscriptions. To further protect consumers, Governor Hochul will propose additional legislation to ensure cancellation processes are simple, transparent, and fair. These actions will reinforce New York's commitment to safeguarding consumer rights and preventing predatory practices.

#### Bolster Protections Against Overdraft and Non-Sufficient Funds Fees

Overdraft and non-sufficient funds fees disproportionately harm low- and moderate-income New Yorkers. In November 2023, Governor Hochul signed legislation empowering DFS to regulate abusive fee practices, including the order of payment for checks and insufficient fund charges.

Governor Hochul will direct DFS to issue regulations targeting exploitative practices while preserving access to high quality banking services. These regulations will prohibit predatory fees, cap the number of daily overdraft charges, and improve transparency through timely notifications. These

measures will protect consumers and foster accessible and affordable banking services for all New Yorkers.

#### Hold Energy Service Companies Accountable for Revenue Return

Utility companies are required to return unclaimed funds to New York residents, but Energy Service Companies (ESCOs) are not subject to the same requirement, creating a loophole that risks money that rightfully belongs to residents slipping through the cracks. To address this, the Governor will propose legislation to ensure ESCOs are subject to the same requirements as utility companies.

#### Combat Elder Financial Exploitation

Each year, older Americans lose billions to financial scams and exploitation. Criminals are mercilessly seeking to sap the hard-won savings of older New Yorkers, which can rob them of their financial savings and means of security.

To combat elder financial exploitation, Governor Hochul will seek legislation to help protect against fraudulent activity, by providing more authority to banks and other institutions to pause certain suspicious transactions and mandate reporting of suspected exploitation and fraud to law enforcement and Adult Protective Services. Further support will be provided to enable the state to develop training for financial institutions on how to spot financial exploitation of elderly and vulnerable adults while protecting their autonomy.

# Chapter 11: Supporting Survivors of Sexual Assault, Gender-Based Violence, and Sex Trafficking

Supporting survivors remains a top priority for Governor Hochul, as she continues to lead efforts to address sexual assault, domestic violence, gender-based violence, and sex trafficking. Through historic investments and bold policy initiatives, New York is setting a national standard for protecting survivors and holding offenders accountable.

Under Governor Hochul's leadership, New York has significantly strengthened its response to sexual assault and domestic violence. Last year, the state invested \$35 million to enhance public safety efforts statewide and \$5 million in direct aid for survivors and their children. These investments are complemented by measures such as the creation of a statewide rape kit tracking system and a first-in-the-nation sexual assault evidence storage facility, ensuring survivors have access to justice and resources.

Governor Hochul has enacted bold initiatives to address gender-based violence, including the Adult Survivors Act and expanded protections against the misuse of intimate images. These efforts build on New York's legacy of advancing survivor protections and underscore the Governor's commitment to fostering safe and equitable communities for all.

The state is taking proactive steps to combat sex trafficking and support survivors. New York has strengthened anti-trafficking laws and programs while increasing access to services that help survivors rebuild their lives. These initiatives reflect the Governor's dedication to disrupting trafficking networks and ensuring survivors receive the support they need.

This year, Governor Hochul will pursue a comprehensive agenda to further expand New York's response to sexual assault, domestic violence, gender-based violence, and sex trafficking, continuing her unwavering commitment to supporting survivors.

#### Require Access to Trained Forensic Medical Examiners at All Hospitals

Every victim of sexual violence deserves the highest standard of care upon arriving at a hospital. To ensure this, Governor Hochul will propose legislation mandating that all hospitals provide access to trained medical forensic examiners for sexual assault survivors, including pediatric survivors. Access to these trained medical professionals is essential to both usher survivors through an emotionally fraught process and to collect the evidence necessary to bring swift justice to perpetrators. One study of 100 sexual assault cases that moved forward to prosecution found that almost 75 percent of cases with a DNA match, regularly collected during hospital forensic examinations, led to a guilty plea or trial compared to less than one in three cases without a lab report.

Governor Hochul will also contribute State funding to unlock federal support for raising the reimbursement rates to healthcare providers for the cost of forensic exams and courses of anti-HIV drug treatment.

Combined with expanded enforcement by the Department of Health, and investments in technical assistance as well as expanded forensic examiner training offerings, this measure will raise the standard of care, improve the likelihood of justice in sexual assault cases, and position New York as a national leader in addressing sexual violence.

#### **Increase Funding for Rape Crisis Programs**

Many areas in New York lack adequate access to rape crisis services, with nine counties having no certified rape crisis program within the county bounds. To address these disparities and bolster existing programs, Governor Hochul will implement the largest funding increase in the program's history. This investment will enhance hospital- and community-based services, expand geographical coverage, ensure support for culturally responsive programs, and improve access to advocates for survivors of sexual assault.

#### Expand Statewide Targeted Reductions in Intimate Partner Violence

To combat sexual violence comprehensively, Governor Hochul will propose expanding the Statewide Targeted Reductions in Intimate Partner Violence (STRIVE) initiative into a new program called STRIVE+. Initially launched in 2024 to address intimate partner and domestic violence, STRIVE+ will now include non-domestic sexual assaults and rapes. Administered by the Division of Criminal Justice Services (DCJS), funding will support district attorneys, law enforcement, probation departments, and community-based providers statewide. New York City and participating counties will develop comprehensive plans using evidence-based strategies to reduce sexual violence and hold offenders accountable. This expansion aims to provide broader support for survivors while implementing effective measures to combat sexual assault.

#### **Dispossess Domestic Violence Abusers of Firearms**

New York law currently lacks a specific crime that fully aligns with federal requirements for reporting domestic violence convictions to the Federal Bureau of Investigation's National Instant Criminal Background Checks System (NICS), allowing some abusers to evade firearm restrictions. To address this, a new crime of "Domestic Violence" will be created under the penal law, which can be charged concurrently with existing offenses, ensuring all elements necessary for federal reporting are automatically met. This change streamlines the process, eliminates factual inquiries, and ensures convicted abusers are entered into NICS, preventing them from accessing firearms.

#### Create Safer Workplaces for Survivors of Gender-Based Violence

Gender-based violence impacts victims' safety and productivity in the workplace, yet current protections under Executive Order 17 are limited to State employees and are not codified in law, leaving them vulnerable to future erosion. Since its issuance, Executive Order 17 has resulted in the establishment of nation-leading policies in State agencies, training of over 80,000 State employees, and assistance in over 100 cases, but private sector employees lack similar workplace protections. To address this, Governor Hochul will propose legislation to codify this policy into state law and require all state vendors to affirm they have a gender-based violence and workplace policy before

receiving contracts. These measures aim to expand protections to private sector employees, improve workplace safety, and ensure financial stability for victims and their coworkers.

#### Improve Access to Public Assistance for Survivors of Gender-Based Violence

Survivors of domestic and gender-based violence can face significant barriers when applying for public assistance, as certain eligibility requirements, like collecting child support, can increase their risk of harm. While the law allows for waivers for survivors of domestic violence, the existing screening process relies on districts assessing survivors' credibility, an approach that is not traumainformed and which may discourage disclosures, leaving survivors without critical protections. To address this, Governor Hochul will propose legislation to eliminate the credibility requirement, allowing survivors to self-attest that complying with eligibility rules would endanger them or their children. Additionally, a more comprehensive screening tool will be developed to better identify safety concerns and connect survivors to necessary services. These changes aim to reduce stigma, improve access to public assistance, and provide safer pathways for survivors to achieve financial independence and stability.

#### Eliminate the Statute of Limitations for Sex Trafficking Cases

Despite the fact that trafficking survivors may delay disclosure to law enforcement for many of the same reasons that rape survivors would, and that sometimes it takes years for trafficking survivors to even know that they were trafficked, the statues of limitation for trafficking crimes were not included in the law change that extended and eliminated statutes of limitation for sex crimes. Instead, New York State trafficking crimes are subject to the same five-year statute of limitation as other felonies.

Governor Hochul will propose legislation to provide sex trafficking survivors with the same protections as survivors of other B Felony sex offenses by removing the criminal statute of limitations for sex trafficking and sex trafficking of a child.

#### Add Classification of Intellectual Disability as a Means of Trafficking

A national school-based study showed that children in special education services are twice as likely to be trafficked, and those with cognitive disabilities are five times more at risk compared to other students. Governor Hochul proposes adding language to the penal law to classify coercing someone with an intellectual disability into prostitution activity as a form of trafficking.

# Chapter 12: Investing in Mental Health

Governor Hochul has championed protecting and promoting the mental health of New Yorkers with historic investments in housing for people with mental illness, an expansion of inpatient psychiatric bed capacity in our state-operated and community-based hospital systems, significant expansions of outpatient services for people with mental illness, and improvement of insurance coverage for mental health services. Programs like the Safe Options Support (SOS) initiative have successfully transitioned over 800 unhoused individuals into permanent housing and the Governor has introduced regulations to hold hospitals accountable to the best standards in care. Governor Hochul has introduced nation-leading legislation taking on the deleterious effects on young people's mental health of social media and centered the mental health crisis so many New York families struggle with in much of her work. Building on her unprecedented investments into the behavioral health system, in this legislative session the Governor will once again propose important investments and enhancements in the behavioral healthcare system.

#### Modernize Mental Hygiene Law to Expand Access to Care

Governor Hochul has invested significantly in the behavioral and psychiatric infrastructure since her first days in office. Now, Governor Hochul will take bold action to update New York's Mental Hygiene Law to address critical gaps in the standards for involuntary commitment. This update will ensure that clinicians and authorized professionals can intervene when a person is at substantial risk of physical harm to themselves or others due to their inability to meet basic needs like food, shelter, or medical care. These changes will align New York with other states. The amendment will also expand authority to Psychiatric Nurse Practitioners, helping to address the bottlenecks that occur in hospital systems. The revised standards will require evaluators to consider a comprehensive set of factors when making decisions about involuntary commitment and will require hospitals to notify community providers upon patient admission or discharge, ensuring continuity of care.

Governor Hochul will also strengthen Kendra's Law, which governs Assisted Outpatient Treatment (AOT) for individuals with serious mental illness, by reducing barriers to access for these intensive services. AOT has a proven track record in supporting people to access services and reduce negative outcomes like criminal justice involvement, hospitalizations and homelessness.

#### Streamline County Oversight and Enhance Funding

The implementation of AOT in New York depends on coordination among the Office of Mental Health (OMH), counties, and the broader system of care, along with ongoing training and support from OMH staff. As AOT utilization increases, the growing demands on local program functions have not been matched by additional State funding. This raises concerns about maintaining oversight of high-risk, high-need individuals and ensuring timely referrals. Governor Hochul will strengthen the implementation of AOT by increasing funding to counties to address local needs. This additional investment will support increased staffing while tying funding to new standards for reporting, monitoring, and quality assurance. OMH will also allocate resources to enhance statewide training and oversight for counties and providers, ensuring a more robust and consistent implementation of AOT programs.

In addition, Governor Hochul will direct OMH to standardize Enhanced Voluntary Service Packages (ESPs) statewide. These voluntary plans will allow individuals to access an intensive services package; monitoring support without a court order; as well as provide a transition option for those whose AOT orders have expired. By making ESPs a consistent feature across counties, more individuals will receive the support they need voluntarily.

## **Expand Intensive and Sustained Engagement Teams**

Individuals with lived experience are uniquely positioned to help others navigate difficult transitions, whether it's finding stable housing, reentering the community after involvement with the criminal justice system, or managing other complex challenges. Peer support has been shown to be an effective way to engage individuals with mental illness, helping them build natural support systems and take control of their care. The Intensive Support Engagement Team (INSET) program provides

voluntary, peer-led support to individuals on their recovery journey. These 24/7 multidisciplinary teams, led by peer specialists, offer trauma-informed, culturally responsive care tailored to individuals' unique needs. INSET improves quality of life, reduces repeat hospitalizations and justice involvement, and strengthens natural support networks. Its flexible, person-centered approach ensures individuals receive care without rigid timelines or eligibility restrictions. Governor Hochul will expand the INSET program to ensure more individuals benefit from this effective, compassionate model of care.

#### Create a Hospital-Based Peer Bridger Program

Transitioning from inpatient hospital units to the community is often challenging for individuals with serious mental illness. To address this, Governor Hochul will direct OMH to establish a Hospital-Based Peer Bridger Program. OMH will select hospitals to hire peer supervisors and specialists who will assist inpatient teams. These Peer Bridgers will run groups focused on preventing rehospitalization, navigating systems, and making informed decisions about housing, treatment, and supports, ensuring smoother transitions and better outcomes.

#### Add Street Medicine and Psychiatry to Safe Options Support Teams

Safe Options Support (SOS) teams deployed across New York State often encounter individuals experiencing street homelessness with unmet medical and psychiatric needs. To address this gap, Governor Hochul will add street medicine and street psychiatry providers to SOS teams statewide. These providers will deliver timely care directly to individuals during outreach, improving access to psychiatric evaluations and medical treatment without requiring individuals to leave their belongings or seek care in hospitals. This approach will enhance trust, build rapport, and encourage individuals to accept services and transition indoors, improving outcomes for New York's most vulnerable residents.

#### Expand the Network of Clubhouse Programs and Youth Safe Spaces

Clubhouses are member-led facilities offering mutual support to individuals diagnosed with serious mental health conditions. This successful model brings a sense of purpose through membership, providing support networks, positive socialization, employment and educational skill-building, and access to resources. To support the wellbeing of New Yorkers with serious mental illness, Governor Hochul will expand the network of Clubhouse programs in New York State. Additionally, Governor Hochul will develop new safe spaces for youth where they can access behavioral health wellness resources, foster positive relationships with their peers, and receive support in a comfortable setting, alongside friends and community members.

#### Provide High School Students with Teen Mental Health First Aid Training

In the past two budgets, Governor Hochul invested in training adolescent New Yorkers in teen mental health first aid. This skill set equips high school-aged youth with evidence-based tools to identify, understand, and respond to signs of mental health and substance use challenges among their friends and peers, including the impacts of bullying and school violence. This year, Governor Hochul will roll out a teen mental health first aid program to equip high school students with the basic skills to support themselves and their peers to drive a generational culture change and strengthen mental wellness.

#### Support Youth Mental Health in After-School Programs

To help promote the health and well-being of young people, Governor Hochul will connect mental health resources to after-school programs statewide. By connecting licensed healthcare facilities to State-funded after-school programs, the Governor will ensure that youth have access to these critical resources after school hours. Additionally, the State will provide youth mental health first aid training to all State-funded after-school providers and will partner with the State University of New York to match social work graduate students with local State-funded after-school programs to complete their required fieldwork and support vulnerable youth.

#### Improve Diagnoses for Children with Complex Clinical Needs

Far too many children and adolescents with complex treatment needs end up with diagnoses that do not meet their personalized service requirements. With a focus on providing the best possible care for children, Governor Hochul will direct the development of clinical assessment hubs, staffed by professional clinicians with expertise across multiple fields of healthcare. These hubs will evaluate complex clinical needs and behaviors in children, without the need for hospitalization, and provide connections to the individualized care they need.

#### Hold Health Insurance Companies Accountable

Governor Hochul has led landmark reforms of insurance coverage for mental healthcare, including establishing standards that require insurers to offer an accessible network of providers, requiring insurance companies to pay at least the Medicaid rate for in-network mental health and substance use disorder services, and requiring insurers to reimburse school-based mental health services at the prevailing Medicaid reimbursement rate. However, continued progress is needed to meet the health care needs of New Yorkers. Governor Hochul will allocate new resources to ensure that insurers are providing the mental health care coverage policyholders deserve. The State will use those resources to strengthen compliance oversight, including through new surveillance, educating consumers and providers, and investigating and mediating complaints.

# Support Community-Determined Wellness in Historically Marginalized Neighborhoods

New York gained valuable insights into recovery and healing after the racially motivated Tops Supermarket shootings in East Buffalo, which claimed the lives of ten people in 2022. Intergenerational population-level trauma from decades of underinvestment, violence, and poverty led to an understandable distrust of a government attempting to respond with care and mental health support for a community in mourning. A new approach was needed, and through the

collective efforts of the East Buffalo community a new grassroots approach was developed and unique mental wellness programming emerged. The community convened in barbershops for mental wellness talks, supported father-son outings, hosted traditional African American healing circles, and united around music, dance, and artwork.

Governor Hochul will use the knowledge gained from the East Buffalo response and develop an innovative grant program to support community-driven, culturally responsive wellness programming in areas of the state that have experienced longstanding marginalization, violence, and poverty. Community-based organizations will gather together smaller grassroots entities that have an established neighborhood presence and a history of advocacy to develop population-specific mental wellness activities aimed at building resilience, healing generational trauma, and providing residents with opportunities to thrive.

# Chapter 13: Investing in Health

Governor Hochul has taken decisive action to protect reproductive rights, championed healthcare access and coverage, and invested in the social services sector to ensure that the most vulnerable receive the care they need.

In response to the Supreme Court overturning *Roe v. Wade* and over 20 states passing restrictive abortion bans, Governor Hochul has strengthened abortion access in New York. She invested \$35 million in reproductive health services, codified the guarantee of abortion services without cost-sharing, enacted crucial protections for patients and providers, allowed pharmacists to prescribe contraception, and expanded access to medication abortion available on State University of New York (SUNY) and City University of New York (CUNY) campuses. As of January 1, abortion rights are now enshrined in the State Constitution.

Since taking office, Governor Hochul has directed billions of dollars into transformative changes across the healthcare system. Her administration's key accomplishments include expanding Medicaid coverage for health-related social needs, such as nutritional and housing support services, investing in safety net hospitals, supporting the healthcare workforce, and implementing the largest Medicaid rate increases in two decades. Initiatives like the Safety Net Transformation Program and wage increases for homecare workers have stabilized the system and improved care delivery across the state. Governor Hochul has also taken bold action to ensure healthcare is affordable for New Yorkers—investing hundreds of millions of dollars in health insurance subsidies for low- to middle-income New Yorkers and enacting groundbreaking legislation to expand the availability of hospital financial assistance and protect low-income New Yorkers from medical debt lawsuits.

# Ensuring Access to Abortion

#### Sustain the Reproductive Freedom and Equity Grant Fund

The Reproductive Freedom and Equity Grant Fund was created by Governor Hochul in May 2022 to enhance abortion access and was codified in the State Fiscal Year 2025 budget. This initiative

addresses the need for expanded reproductive healthcare services in New York. The fund has supported reproductive health providers and critical support programs to ensure equitable access to abortion care across the state.

This year, Governor Hochul will distribute further funding for the program, with a focus on strengthening access to comprehensive reproductive care for all New Yorkers.

#### Strengthen Reproductive Healthcare Infrastructure

Many reproductive healthcare facilities in New York are in need of critical infrastructure updates in order to provide the full range of comprehensive services.

Building on New York's investment in reproductive health providers through the Reproductive Freedom and Equity Grant Fund and security grant funding, Governor Hochul will expand the funding to support critical capital investments for providers. These funds will enable renovations, equipment upgrades, planning, and construction to help facilities modernize and secure their operations. This action aims to ensure a broader network of providers can deliver high-quality reproductive health care to all New Yorkers.

#### Fairly Reimburse Providers for Abortion Services

For many years, reproductive health providers have not received funding that is adequate to cover the full costs of medication abortion care and other abortion services. As a result, too many providers have been under immense financial pressures while trying to accomplish their mission of providing safe and accessible abortion care to individuals across the state.

Governor Hochul will provide a new flexible funding stream to allow providers to better adapt to this possible impact of the incoming federal administration and ensure that these providers are fairly reimbursed for providing abortions.

#### Safeguard Abortion as Emergency Medical Care

The federal Emergency Medical Treatment and Labor Act (EMTALA) mandates that hospitals provide stabilizing care for patients with emergency medical conditions, regardless of their ability to pay. However, abortion is not explicitly defined as emergency medical care under New York law.

Governor Hochul has prioritized protecting reproductive rights and ensuring equitable access to care. To address this gap, she will codify abortion as protected emergency medical care in New York State and require hospitals to provide this stabilizing emergency medical care, reinforcing access to abortion services when medically necessary.

#### Protect the Identity of Medication Abortion Prescribers

Medical providers in New York who prescribe medication abortion to patients in anti-abortion states face risks if their identities are disclosed. Currently, prescription labels include the provider's name, which can expose them to potential harassment or harm.

To address this, Governor Hochul will introduce legislation to allow prescription labels to avoid displaying the provider's name, protecting the identities of these providers. This change will ensure that providers can continue offering essential care to patients in states with restrictive anti-choice laws without fear of exposure. Records will still be maintained to trace providers in cases of misuse or abuse, balancing privacy and accountability.

# Improving the Health of All New Yorkers

#### Extend the Safety Net Transformation Program

Safety-net healthcare institutions in New York face challenges in maintaining resilience and stability. To address this, Governor Hochul established the Safety Net Transformation Program, providing financial support and regulatory flexibility to encourage strategic partnerships, and strengthen

hospital systems. In its first year, the program experienced demand that far exceeded the available funding.

To meet this demand, Governor Hochul will allocate additional resources to the program. This commitment will further support worthy applications and foster more partnerships to stabilize and strengthen New York's safety-net hospitals for the future.

#### **Expand Access to Infertility Treatments**

Unlike New Yorkers with private insurance, Medicaid members in New York undergoing treatment for cancer or other medical conditions lack coverage for fertility preservation services and so must pay out of pocket or go without care. While New York has funded an Infertility Reimbursement Program since 2002 to help underinsured individuals access infertility services, its eligibility requirements mean some New Yorkers are not able to take advantage of the program.

Governor Hochul will introduce legislation to extend coverage for fertility preservation services to Medicaid members undergoing medical treatments that may lead to infertility. Additionally, she will take steps to expand eligibility for the Infertility Reimbursement Program. These measures aim to ensure that all New Yorkers, regardless of income or medical history, have the opportunity to start families.

#### Increase Access to Lifesaving Obesity Drugs

Obesity remains a significant challenge in New York, contributing to increased risks of diabetes, heart disease, cancer, and other serious conditions. The introduction of glucagon-like peptide-1 (GLP-1) receptor agonists like Wegovy and Ozempic has transformed obesity treatment, but cost barriers leave many Medicaid patients without access to these life-changing medications.

To address this, Governor Hochul will direct the Department of Health (DOH) to evaluate access to GLP-1 drugs for Medicaid members at high risk of major cardiovascular events. In addition, New York will seek to work with other states to pressure drug companies to bring down prices of GLP-1s to address the inequitable access to these drugs and make them available to more people who

need them. These initiatives aim to reduce health inequities and improve outcomes for individuals struggling with obesity.

#### **Ensure Access to Emergency Medical Services**

New York has taken major steps in the last two years to buttress the state's Emergency Medical Services (EMS) system. However, there are areas across the state where EMS services are not consistently and reliably available.

Governor Hochul will introduce legislation defining EMS as an essential service and requiring counties to ensure all residents have adequate access to these services. Such legislation will also require counties to develop a county EMS mapping that will allow New York State to identify and fill gaps in coverage, coordinated statewide by the State EMS Task Force, which was established by Governor Hochul in 2022.

#### **Expand Access to Dental Care**

The correlation between dental care and overall health is well-established, yet many New Yorkers face substantial barriers to accessing essential oral health services. Governor Hochul will create minimum standards for dental plans available on the Marketplace, while exploring the use of federal 1332 Waiver funding to subsidize the costs of purchasing dental plans. To further increase access, Governor Hochul will introduce legislation to allow dental hygienists to practice in more settings and direct health plans to reinvest funding in innovative initiatives that improve the availability of dental care.

#### Strengthen Reporting Requirements for Healthcare Investors

The rapid consolidation and acquisition of medical practices by investors is transforming healthcare ownership and management, raising concerns about patient access, care quality, and affordability.

While New York State has long overseen healthcare transactions for entities like hospitals and nursing homes, it lacks similar insight into private practice transactions.

To address this, Governor Hochul implemented reporting requirements in 2023, providing the State with data on corporate and investor-backed healthcare transactions. Building on this progress, the Governor will introduce legislation to strengthen the State's ability to collect data and perform indepth market analysis of these transactions. These actions aim to ensure that all healthcare mergers and acquisitions serve the best interests of patients and communities.

#### Build New Health Planning and Data Transparency Capacity

As part of New York's federal Medicaid waiver approved last year, the State is investing \$125 million in building new health planning and data infrastructure through a new Health Equity Regional Organization (HERO). Investments in the HERO will lay the groundwork for a new statewide data infrastructure that can be used to support the design and development of new policies, interventions, and targeted investments to improve outcomes and reduce health disparities. A key goal of this infrastructure will be to enhance the State's capacity for program evaluation. By leveraging partnerships with academic centers and stakeholders, the State will develop and evaluate metrics of success for existing and future programs, including massive new investments in health-related social needs services.

#### Remove Unnecessary Restrictions on Healthcare Workers

Healthcare workers in New York State are skilled professionals, but their ability to offer certain services is constrained by the limitations known as their scope of practice. Governor Hochul will introduce legislation to expand the scope of practice for Certified Nursing Assistants to administer routine medications in nursing homes, allow physician assistants to practice more independently, and allow pharmacists to order smoking cessation medications and counsel patients. Governor Hochul will also introduce legislation to allow the Medicaid program to cover innovative Hospital at Home programs, which allow hospitals to deliver inpatient level care in patient homes in clinically appropriate circumstances. In addition to expanding the scope of practice for these professions, the

Governor will introduce legislation to move the process for issuing physician licenses in New York under DOH and shift oversight of physician and physician assistant scope of practice to DOH to ensure the State is able to nimbly update scope of practice requirements for physicians and physician assistants.

#### Expand Access to Air Conditioning Units for People with Chronic Conditions

In New York State, climate change is increasing the severity, duration, and frequency of extreme heat events. In 2024, Governor Hochul announced coverage within the Essential Plan for the purchase, delivery, and installation of air conditioners for Essential Plan members for whom asthma poses a significant medical risk. To build on this success, Governor Hochul will expand the eligibility criteria for air conditioning units to Essential Plan members who are pregnant and those with additional health conditions exacerbated by severe heat, such as diabetes, cardiovascular disease, and hypertension. This expansion will ensure access to air conditioning units for more Essential Plan enrollees, dramatically reducing the impact of extreme heat on vulnerable individuals.

#### Advance Health Equity for Justice-Involved Youth

Incarcerated youth experience disproportionately high rates of physical and behavioral health conditions, trauma, and lack of access to basic needs that exacerbate difficulties faced during reentry to community settings. To ensure a smooth transition to the community for incarcerated juveniles and address health-related social needs, Governor Hochul will expand Medicaid coverage to provide pre- and post-release services for juveniles in carceral settings under 21 years of age and up to 26 for those formerly in foster care. Eligible young people will receive targeted case management services, including physical and behavioral health screenings and diagnostic services to help bridge the gaps between providers in the carceral setting and community providers. By doing so, New York State aims to break the cycle of recidivism, improve health outcomes, and provide incarcerated juveniles with the support and resources they need to successfully reintegrate into their communities and build healthier, more productive lives.

#### Address Social Needs to Improve Health Equity and Outcomes

New York State has made great strides in improving access to high-quality healthcare for almost seven million Medicaid members. Yet Medicaid members continue to struggle to meet basic needs like nutritious meals and a safe place to live. Starting this year, at Governor Hochul's direction, Medicaid members now have access to support through the newly established Social Care Networks. Through the Social Care Networks, Medicaid members will receive screening for and navigation to a range of social care services, including enhanced benefits for certain populations. These services include housing support, food and nutrition assistance, transportation support, and navigation to other resources for education, employment, interpersonal safety, and more.

#### Reduce Health Disparities Through Value-Based Payments

New York implemented Quality Assurance Reporting Requirements (QARR) in 1994 to measure and report on healthcare quality. While Medicaid managed care plans meet or exceed national benchmarks for many key adult measures, the current measures look at the population as a whole without insight into how quality may differ across different segments of the population. As a result, the State lacks data needed to identify and address health inequities in New York State's Medicaid managed care population. To address ongoing health disparities in New York, Governor Hochul will direct managed care plans to analyze their populations through a health equity lens to determine the largest disparities in quality and outcomes. The plans will be required to develop quality measures, stratified by key demographic factors, and implement strategies to address any gaps, including developing value-based payments to improve health equity.

#### Advance Integrated Care for Better Health Outcomes

New York State is one of only three states where Medicaid members can enroll in a separate Medicaid managed care plan for long-term care, called a partial capitation plan, in addition to their Medicaid medical care coverage. Many Medicaid members also have separate Medicare coverage. This fragmentation undermines the integration and coordination of members' care. By contrast, fully integrated plans serve as a single point of accountability for a member's care, allowing for more

effective, person-centered care with better care coordination. To further increase integration of care, Governor Hochul will direct DOH to work with Medicaid managed care plans to increase the availability and adoption of integrated care options and limit non-integrated offerings.

#### Update and Improve Network Adequacy Requirements

New York currently mandates that health plans meet certain basic standards for members' access to in-network providers without unreasonable delays or excessive travel times. However, these network adequacy requirements have not been updated in decades and do not vary by region, despite huge variation across different areas of the state. In addition, while New York instituted a Provider Network Data System to monitor and ensure compliance with adequacy standards, the data submitted by health plans are often unreliable. As a result, consumers are often directed to unavailable or out-of-network providers, leading to difficulty in accessing timely care or even putting them at risk of medical debt. To ensure that consumers enrolling through the Marketplace have meaningful and timely access to the healthcare providers they need, Governor Hochul will direct DOH to undertake a comprehensive review of New York's network adequacy standards, including considering regional variations, and increase enforcement of plan compliance through monitoring and penalties.

# Revamp and Improve Customer Experience on New York's Health Plan Marketplace

The New York State of Health marketplace remains an essential outlet for millions of New Yorkers to enroll in affordable health insurance plans each year, including Medicaid, the Essential Plan, Child Health Plus, and Qualified Health Plans. Since its inception in 2013, New York has significantly reduced the time and complexity associated with applying for coverage, yet completing an application can still be time-consuming, especially for those using mobile devices and those from lower-income communities or who prefer a language other than English. To address these issues, Governor Hochul will direct DOH to conduct a comprehensive review of the application

experience, including using consumer research and feedback to inform updates designed to streamline and improve how New Yorkers apply for health insurance.

### Increase the Affordability of Prescription Drugs

The United States spends more on prescription drugs than other countries, with prices for major brand-name drugs often two to four times higher than in peer countries such as Australia, Canada, and France. Nationwide, 82 percent of Americans believe the cost of drugs is unreasonable, and over half of Americans (55 percent) worry about being able to afford their family's prescription medications.

To address the drug affordability crisis, New York State will explore participation in the FDA's Section 804 Importation Program, whereby states can seek approval to import lower-cost Canadian drugs. In addition, Governor Hochul will introduce nation-leading legislation requiring greater transparency from pharmacy benefit managers (PBMs) in order to hold PBMs and drug manufacturers accountable for any hidden and unnecessary costs they add to prescription drug prices.

## Chapter 14: Investing in Social Services and Equity

New York maintains a robust system of public benefits to help individuals and families meet essential needs and advance economically—providing shelter, delivering food and energy assistance, administering public assistance for families and individuals with few other resources, and more. This vast system is both a critical touchpoint to State government for millions of New Yorkers and a key policy lever to ensure households are better positioned to attain greater economic self-sufficiency.

Governor Hochul has instituted bold reforms to increase access to public benefits and improve economic opportunity for lower-income households. These include legislative changes to increase the amount public assistance recipients can earn and save before losing benefits, making it easier for public assistance recipients to gain critical education and vocational training, and providing more than \$17 million to local social services districts across the state to support more intensive case management for households with complex needs, such as those navigating homelessness, mental health conditions, domestic violence, or substance use disorders.

In tackling the opioid crisis, Governor Hochul has made over \$300 million in settlement funds available to expand treatment and prevention efforts. Her administration has distributed naloxone kits, launched mobile treatment programs, expanded drug-checking services, and recruited hundreds into addiction recovery services, contributing to a 17 percent decline in fatal overdoses for the 12-month period ending in July 2024.

The Governor's commitment to improving the lives of New Yorkers with disabilities is demonstrated in expanded transportation access, workplace inclusion initiatives, and investments in home-enabling support technology. She has prioritized both individual rights and the broader wellbeing of families.

Governor Hochul has repeatedly delivered wins for veterans and their families around New York, including by increasing funding to local veterans' service agencies, expanding funding to veteran peer-to-peer support programming, establishing New York's first-ever state-operated Veterans Cemetery, expanding eligibility for the state's Veterans Tuition Assistance Program, and creating the New York State Department of Veterans' Services first-ever fleet of mobile veterans benefits clinics.

Vulnerable youth have also benefited from the Governor's leadership. Governor Hochul has significantly increased funding for jobs for young people with lower incomes and runaway and homeless youth programs, and she has removed barriers to healthcare access for homeless minors.

New York has become a national leader in diversity, equity, inclusion, and accessibility under Governor Hochul. She has introduced comprehensive training for State employees, removed application fees for civil service exams, and created pathways for diverse New Yorkers to enter government, culminating in hosting a workforce symposium to drive these efforts forward.

Governor Hochul has taken significant steps to address issues of importance to Indigenous Nations, further strengthening partnerships and diplomacy with the nine sovereign Indigenous Nations with whom New York State maintains a government-to-government relationship. In the summer of 2024, the Governor hosted New York State's first-ever Indigenous Nations Summit at the Executive Mansion, bringing together Indigenous Nation dignitaries and state agency heads to foster collaboration and dialogue.

These efforts include signing legislation to support intergovernmental law enforcement cooperation between the Oneida Indian Nation, Oneida County, and Madison County; establishing the New York State Indigenous Arts and Representations Advisory Group to review and address outdated or culturally insensitive portrayals of Indigenous peoples in the Capitol Building; and signing the Unmarked Burial Site Protection Act, which provides legal protections for unmarked burial sites, with a focus on safeguarding Indigenous graves. Additionally, in partnership with the United States. Department of the Interior, Governor Hochul facilitated the return of 1,000 acres of ancestral homelands in Central New York's Tully Valley to the Onondaga Nation—one of the largest land returns by a state to an Indigenous Nation in United States history.

This year, Governor Hochul will build on these successes with continued investments in social services and equity.

## Fighting the Opioid Crisis

### **Expand Access to Treatment Medications in Underserved Areas**

Access to medication treatments like methadone can drastically reduce overdoses, but 19 counties in New York currently lack an Opioid Treatment Program to dispense these life-saving medications. Recent federal regulatory changes have made methadone treatment more accessible by easing restrictions on take-home doses, counseling requirements, and eligibility criteria, opening the door for expanded services. To build on these opportunities, Governor Hochul will expand Mobile Medication Units to help close gaps in care and bring treatment options to underserved areas.

### Continue and Expand Support for Street Outreach Activities

New York faces a challenge in connecting vulnerable individuals on the streets to essential services, with the Office of Addiction Services and Supports (OASAS) and the Office of Mental Health (OMH) operating independent teams that provide supplies, referrals, and clinical support directly where people are located. These efforts have been effective in helping individuals transition into safer conditions, such as housing, and treatment programs, and connecting to ongoing services and supports. To build on these successes, Governor Hochul will include additional funding to expand OASAS supportive services in areas where OMH's Safe Options Support teams are operational. This will ensure the teams can address individuals' overall behavioral health needs more comprehensively while strengthening outreach and engagement.

## Amend Legislation to Allow Paramedics to Administer Buprenorphine

Buprenorphine is a highly effective medication used to treat opioid use disorder, but paramedics cannot currently administer buprenorphine due to statute that limits first responders' ability to provide treatment upon contact. Emergency Medical Services interactions are a unique opportunity for interventions, especially in rural areas where distance and limited providers increase barriers to

post-overdose care. Governor Hochul will propose legislation to allow paramedics to administer buprenorphine.

# Allow Practitioners to Dispense Three-Day Supply of Opioid Use Disorder Medication

Governor Hochul signed legislation this year to allow practitioners in the Emergency Rooms of hospitals without full-time pharmacies to dispense a three-day supply of medications for opioid use disorder to decrease likelihood of subsequent overdose.

This year, Governor Hochul will introduce legislation to more fully align with federal regulations by allowing all hospitals, including those with a full-time pharmacy, to dispense a three-day supply of medications that a patient can take home with them while awaiting referral to treatment.

### Align State Drug Schedules with Federal Standards to Improve Monitoring

New York is behind federal scheduling—there are more than 100 substances scheduled federally but not in New York. Adding substances to the State's controlled substance schedules will give the State more data on these substances and the ability to safeguard the handling of these substances, while also allowing medical practitioners more visibility into which drugs have recently been dispensed to their patients by permitting the display of these prescribed controlled substance medications in the New York State Prescription Monitoring Program Registry.

Governor Hochul will introduce legislation to update the State's controlled substances schedules to add fentanyl analogs, federally scheduled prescription medications, and other substances that have been added to the federal list.

## **Investing in Social Services**

### Launch a Demonstration Program to Mitigate the "Benefits Cliff"

Lower-wage workers sometimes decline promotions or opportunities to transition from part-time to full-time work because of concerns that increases in income will be offset by reductions in public benefits. This can be a barrier to career advancement for lower-income New Yorkers and also presents challenges for employers.

To address this in Monroe County and support workforce participation in ways that benefit both workers and employers, Governor Hochul will launch the Monroe Ladder Demonstration Program. The program will bring together resources from employers and the County and will help address any real or perceived loss of means-tested public benefits through the provision of work incentive payments. Funding will also be provided for evaluation to understand any behavioral changes attributable to mitigation of the benefits cliff, and the associated impacts on participating workers, their families, as well as employers.

## Increase Threshold to Waive Recovery of Overpayments

State regulations provide social services districts the option to waive recovery of overpayments from an individual no longer receiving public assistance, if the amount of the overpayment is less than \$125 and not the result of fraud. The overwhelming majority of overpayments are in excess of this amount. Under current regulation, districts must at least make a "reasonable effort" to recover all overpayments of \$125 and up, even though many are not cost effective to recover. This proposal would increase the threshold at which districts may choose not to pursue recovery of overpayments from households no longer on public assistance from \$125 to \$2,500. Overpayments due to fraud will still be subject to recovery. Reducing other instances of recoveries will help reduce burden for districts and allow households to keep more of their money so they can stay off assistance, provide for their children, and retain housing.

## Supporting New Yorkers with Disabilities

### Strengthen the Workers with Disabilities Employment Tax Credit

The Workers with Disabilities Employment Tax Credit supports businesses who hire people with disabilities by making it easier to implement reasonable accommodations for workers with disabilities. Governor Hochul will more than double the maximum tax credit from \$2,100 to \$5,000 and simplify the process to increase the number of businesses successfully welcoming employees with disabilities.

### Support Mobility for People with Physical Disabilities

Wheelchairs are foundational to wheelchair users' civil rights, autonomy, dignity, and independence, allowing New Yorkers with disabilities to participate in necessary activities and daily life. As critical as wheelchairs are, many Medicaid members face barriers to getting and maintaining wheelchairs. Governor Hochul will increase wheelchair access for Medicaid members by increasing rates for clinical specialty evaluation for new wheelchairs, expanding coverage for repairs of previously owned power chairs, and expanding coverage of routine and preventative maintenance for wheelchairs, which will help prevent costly breakdowns, minimize downtime for users, and extend the lifespan of the equipment. These changes will support the mobility, health, and independence of people with physical disabilities, remove avoidable barriers to necessary medical equipment, and solidify Governor Hochul's commitment to creating a more inclusive environment for all New Yorkers.

## Create Regional Disability Clinics

People with developmental disabilities have the same healthcare needs as people without disabilities but often experience lower rates of preventative screening and higher rates of disease. To expand access to competent and accessible healthcare for people with developmental disabilities and their families, Governor Hochul will provide funding to create Regional Disability Clinics across the state.

The funding will support one-time costs that increase accessibility and improve quality of care. Through these investments, people with developmental disabilities will have access to more trusted and qualified providers for their medical needs, leading to improved health outcomes.

### Modernize the Institute for Basic Research

People with developmental disabilities often have co-occurring physical and mental health needs that can be challenging to diagnose and treat. The Office for People With Developmental Disabilities' Institute for Basic Research (IBR) in Staten Island was created to address this problem by conducting research, improving diagnosis and prevention, providing specialized clinical services, and educating the public on developmental disabilities. To allow IBR to fulfill its important mission, Governor Hochul will invest \$75 million to modernize IBR, including the establishment of a Genomics Core Facility to allow for customized identification of genetic defects underlying people's disabilities. In addition, the IBR renovation will include the transformation of former Willowbrook State School property into a Center for Learning to recognize the historical significance that the former residents of Willowbrook and their family advocates had in sparking New York State's disability rights movement and on influencing the developmental disabilities delivery system, nationwide. This is the largest single financial commitment to IBR since it opened in 1968.

### Facilitate Innovative Therapies for Spinal Cord Injuries

Each year, approximately 1,300 New Yorkers suffer traumatic spinal cord injuries. Governor Hochul will introduce legislation to expand the scope of the Spinal Cord Injury Research Board. This change will add quality of life issues to the Board's scope, thus allowing the Board to fund additional research to improve the physical, mental, and social wellbeing of thousands of New Yorkers with spinal cord injuries.

### Create the New York State Interpreter Fellowship Program

Governor Hochul recognizes that there is a shortage of American Sign Language (ASL) interpreters, which prevents many Deaf, Deaf-Blind, and hard-of-hearing people from having the communication access they need in a variety of situations—education, early intervention, health services, medical treatment, legal situations, employment, addiction services, leisure time, housing, public safety, criminal justice situations, and more. To grow the pool of qualified ASL interpreters, Governor Hochul will launch a six-month New York State Pilot Interpreter Fellowship Program. The fellowship will support recently graduated ASL interpreters with support from experienced, certified ASL interpreters. These mentors will help the fellows in networking, self-analysis, professional development, socialization with community members, and a code of professional conduct.

## **Protecting Our Veterans**

#### **Enhance Veteran Suicide Prevention Initiatives**

Veterans in New York experience suicide rates significantly higher than the general population, driven by high rates of post-traumatic stress disorder and depression. Approximately one in four New York veterans experience conditions that significantly increase their risk of suicide. Through the national Governor's Challenge to Prevent Suicide Among Service Members, Veterans, and Military Families, New York has developed innovative approaches to reducing veteran suicides.

To build on these efforts, Governor Hochul will secure new funding to expand suicide prevention initiatives. This will include enhanced risk assessment training, outreach tools, gun safety programs, and improved access to tele-mental health services for veterans statewide.

### **Expand Support to Gold Star Families**

While New York State honors families of fallen service members, the current Gold Star Parent Annuity Program only provides benefits to parents of service members who died in combat, excluding spouses, children, and families of those who die during non-combat active duty.

Governor Hochul will propose legislation to expand this program to include all immediate family members of service members who die while on active duty. Additionally, the Governor will advance legislation authorizing the Department of Motor Vehicles to issue commemorative license plates for Gold Star family members, reflecting New York's gratitude for their sacrifice.

## Fighting for Vulnerable Children and Families

### **Combat Youth Homelessness**

Youth and young adults who are on their own face enormous barriers to finding an affordable, safe place to call home. This is particularly true for young people who do not have support from family, are rejected due to their identities, are victims of trafficking, have left foster care with unstable permanency, or are returning to their communities after a period of incarceration. To combat growing youth homelessness, support well-being, and increase community safety, Governor Hochul will expand services to youth who are unstably housed or homeless and ensure that youth who need stable shelter and transitional housing can find it. Additionally, Governor Hochul will advance legislation to allow runaway and homeless youth to consent to their own behavioral healthcare.

## Promote Kinship Care

Kinship caregivers are valuable resources for children for whom out-of-home placement is necessary. The shared culture and pre-existing bond between caregiver and child can lessen the trauma experienced when a child cannot live safely at home. However, kinship caregivers often face unique challenges, such as being called on as emergency resources and therefore having insufficient

time to plan. Governor Hochul will establish a statewide, standardized kinship home review that simplifies the process, focuses on relationship-building and provides a guide for difficult conversations, and helps kinship caregivers meet challenges they face as they meet the needs of their families.

### **Enhance Mentoring Programs**

In 2021, Governor Hochul launched the Latina Mentoring Initiative (LMI) to empower future Latina leaders ages eight to 24 by building soft skills, confidence, and nurturing aspirations via personal and professional development. In the last three years, LMI has created a community of youth inspired by Latinx representation and encouraged to expand their possibilities. This year, Governor Hochul is increasing investment in the LMI to allow more youth to be served by this impactful program. Additionally, leveraging learnings from the success of LMI, Governor Hochul is launching the Black Girls Mentoring Initiative to support young black women.

## Furthering an Inclusive New York

## Designate Harriett Tubman as New York's Contribution to National Statuary Hall

New York has the opportunity to honor Harriet Tubman, a symbol of courage, liberation, and equality, by beginning the process to install a statue of her in the United States Capitol's National Statuary Hall. Tubman's history is deeply connected to New York, where she lived and worked to advance freedom and justice, making her an ideal representative of the state's values.

To achieve this, Governor Hochul will work with the Legislature to pass a resolution to fund the design, construction, and transportation of the statue. This effort will bring greater recognition to women's contributions to history and align with broader movements for equal representation.

### Commission and Display Indigenous Artwork at the Capitol

Governor Hochul will reconvene the Indigenous Arts and Representations Advisory Group to implement the Advisory Group's recommendation to commission and display new Indigenous artworks at the Capitol.

### Create Indigenous Educational Materials

New York State's students lack education about Indigenous Nations, histories, and cultures, leading to stereotypes, misinformation, and bias against Native communities. Research has shown that this lack of education negatively impacts racial equity and Indigenous sovereignty.

To address this, the State will create and distribute new kindergarten—12 educational materials focused on Indigenous cultures and histories. Additionally, the State will establish the Indigenous Education Advisory Group, partner with the State University of New York to develop teacher resources, and collaborate with Indigenous experts to ensure cultural accuracy. These materials will then be published and promoted for statewide use to foster understanding and equity.

## Establish Fellowship to Celebrate and Advance African American History

The contributions of African Americans to New York's history are significant but often underrecognized. In 2022, Governor Hochul signed Executive Order 15 to establish the New York State Commission on African American History, which in 2024 issued recommendations for investing in African American culture, education, arts, and economic advancement.

To build on these efforts, the Governor will establish and endow a fellowship under the "Our Whole History" Initiative. This fellowship will advance research, support ongoing discoveries, and celebrate the pivotal role of Black New Yorkers in shaping the State's legacy.

## Chapter 15: Building a Sustainable Future

For decades, New York has led the nation in environmental protection and clean energy. From pioneering environmental legislation to groundbreaking clean energy projects like the hydroelectric project at Niagara Falls, the state has consistently demonstrated a commitment to sustainability.

Today, under Governor Hochul's leadership, we are once again setting the standard for the nation by embracing an ambitious, transformative vision for building a clean, resilient, affordable and sustainable future.

By strengthening our grid infrastructure, expanding flood mitigation programs, protecting our natural resources and modernizing building codes, Governor Hochul is advancing a more resilient New York that can withstand the challenges of extreme weather events and rising sea levels.

Over the past three years, Governor Hochul has made tremendous leaps forward for environmental protection and affordable clean energy. The Governor has:

- Delivered more than \$1.4 billion in utility bill savings and implemented programs to lock in those savings going forward. These programs include Statewide Solar for All, NY Grid of the Future and Smart Energy Savings Initiative, the Renewable Energy Access and Community Help (REACH) program, and EmPower+, in addition to ongoing work like the Home Energy Assistance Program, NYS Weatherization Assistance Program, and the statewide Energy Affordability Program.
- Advanced renewable energy projects including Champlain Hudson Power Express, the
  nation's most robust offshore wind pipeline, fostered the nation's leading community solar
  market, and adopted a comprehensive energy storage roadmap detailing a path to six
  gigawatts by 2030.
- Created a one-stop shop for renewable generation and transmission siting through the Renewable Action through Project Interconnection and Deployment (RAPID) Act.
   Additionally, the 2023 Enacted Budget enabled the New York Power Authority (NYPA) to begin developing new renewable resources for the first time in 50 years.

- Advanced a new building code that requires zero-emission new construction and is continuing decarbonization work for existing buildings through programs like the Buildings of Excellence Competition and the Empire Building Challenge.
- Signed the Climate Superfund Act, a groundbreaking law that shifts the financial burden of climate adaptation from taxpayers to the fossil fuel companies primarily responsible for the climate crisis. The Climate Superfund will provide crucial funding to protect New Yorkers from extreme weather and enable critical investments including strengthening coastal defenses against rising sea levels and intensifying storms, upgrading storm water drainage systems to prevent flooding, and improving energy efficiency in buildings.
- Safeguarded approximately one million additional acres of wetland habitat, recognizing the critical role wetlands play in ecosystem health and flood mitigation.
- Invested over \$800 million last year to upgrade water and stormwater infrastructure, safeguarding public health by ensuring access to clean drinking water for all New Yorkers and bolstering community resilience against the increasing threat of flooding.
- Deployed funds rapidly from the \$4.2 billion Environmental Bond Act to support a wide range of initiatives, including resiliency investments, the protection of open spaces, and the deployment of zero emission school buses.

Now, as New York confronts the dual challenges of climate action and economic growth, Governor Hochul will lead New York toward a future where clean energy not only powers our economy but also embodies our shared commitment to sustainability and opportunity.

## **Cutting Emissions and Creating Jobs**

## Give Climate Ambition a Green Light

With 2024 standing as the hottest year in recorded history, Governor Hochul knows addressing climate change is both a moral imperative and an enormous economic opportunity.

Governor Hochul is directing the state to embark on the single-largest program of climate investment in the history of the State budget, directing over \$1 billion in new spending towards achieving a more sustainable future. This landmark investment will generate thousands of jobs, slash household energy bills, and cut down on harmful pollution and its impacts on our families.

Governor Hochul's investment will span different sectors of our economy and across the state's geography. By retrofitting homes and incentivizing the installation of heat pumps, New York can help cut energy bills. Governor Hochul will also deeply invest in ensuring our public infrastructure can serve as hubs of sustainability, including building out thermal energy networks at SUNY campuses that can model a pathway towards the next generation of energy infrastructure and leading by example via clean energy investments at State-owned facilities. Further investment will expand green transportation options across the state and support businesses of all sizes in their decarbonization journey, fostering innovation, supporting jobs, and creating new green markets.

Over the coming months, the Department of Environmental Conservation (DEC) and the New York State Energy Research and Development Authority (NYSERDA) will take steps forward on developing the cap-and-invest program, proposing new reporting regulations to gather information on emissions sources, while creating more space and time for public transparency and a robust investment planning process.

New York needs to get the transition right and keep our state affordable for families. We will create new opportunities for New Yorkers from every walk of life and help transition New York households, Main Street businesses, and industry to a clean energy future.

## Powering New York's Clean Energy Future

### **Build Public Power for Public Entities**

The New York Power Authority (NYPA) has resumed building renewable energy resources for the first time in nearly 50 years, supported by Governor Hochul's Fiscal Year 2024 State Budget.

Building on that, the Governor will direct state agencies and NYPA to enter into contracts in pursuit of achieving 100 percent renewable energy for State agencies by 2030, in line with Executive Order 22. These contracts will result in at least 500 megawatts of renewable energy while creating clean energy development, 9,000 union jobs, and reduced emissions.

### Invest in a Sustainable Future for Businesses

New York State's ambitious climate law requires a major reduction in greenhouse gas emissions, including those emitted by hydrofluorocarbons. These potent greenhouse gases are commonly used in refrigeration systems. However, transitioning to more environmentally friendly refrigerants can be challenging, particularly for small businesses.

To ensure a just and equitable transition while safeguarding our environment, Governor Hochul will propose a new grant program that will provide crucial grants to businesses, such as food banks and grocery stores in underserved areas, to replace their outdated, high-emission refrigeration equipment with newer, low-emission alternatives. This vital support will empower smaller businesses to comply with evolving climate regulations and thrive in a more sustainable future.

### Launch the New York Nuclear Energy Master Plan

Under Governor Hochul's leadership, New York State is taking bold action to develop new clean energy resources to support our mid-century decarbonization goal. After more than a decade of flat energy usage, owing to hard-won gains in energy efficiency, forecasts now show demand for electricity will rise significantly over the coming years to keep pace with new industries and demands, including the semiconductor and advanced manufacturing sectors, as well as electrification of buildings and transportation.

To meet this growing demand for dispatchable clean energy generation, New York will develop a Master Plan for Responsible Advanced Nuclear Development that will guide any nuclear projects, and as part of that process New York will help lead a multi-state Consortium on Nuclear Energy focused on driving down costs and risk-sharing.

New York State will also support an application by Constellation Energy, the owner of New York's operating nuclear plants, to the United States Department of Energy for a planning grant to explore the possibility of bringing a small modular reactor online.

## Building Stronger Communities for a Changing Climate

### Expand and Strengthen the Resilient and Ready Programs

Severe weather events are leaving New York homeowners in need of urgent repairs and long-term resilience measures. The Rapid Response Home Repair Program and Resilient Retrofits Program have provided vital assistance, helping over 1,300 homeowners recover and prepare for future disasters.

To meet growing demand, Governor Hochul will increase funding for these programs and allocate resources flexibly between immediate disaster response and proactive resilience measures. The Resilient Retrofits Program will expand to include upgrades like shatterproof glass and storm shutters, which may also reduce homeowner insurance premiums.

The Rapid Response Program will streamline deployment by pre-authorizing local administrators statewide to get help out the door when families most need it. These enhancements will ensure more New Yorkers can recover from and prepare for severe weather events.

### Help Businesses Recover After Disasters

Adverse weather events can severely disrupt small businesses, causing damage to inventory, reduced consumer demand, and employee layoffs. Governor Hochul proposes modernizing the Jobs Retention Tax Credit Program to better support businesses in disaster-affected areas.

The updated program will lower the eligibility threshold to include businesses with ten or more employees, allowing small businesses to participate for the first time. The Governor's expansion also

removes industry-specific limitations, allowing all affected businesses to seek support after an emergency event.

By providing a tax credit to impacted businesses for employee wages, this modernization will help more businesses recover from emergencies, retain employees, and contribute to their communities' recovery efforts.

### Advance Green Resiliency Through Grants

Green infrastructure provides a sustainable solution to stormwater management challenges faced by communities across New York. Building on the success of the 2024 Green Resiliency Grant (GRG) program, which funded \$60 million in transformative projects, Governor Hochul proposes continuing the GRG program, with Environmental Bond Act funding. This round will prioritize projects offering significant risk reduction, such as porous pavement, rain gardens, and stormwater retention systems, helping communities build greener, more resilient infrastructure.

## Invest in Coastal Resiliency

New York's coastlines face rising risks from extreme weather and sea level increases, threatening communities and economies. Governor Hochul will launch a new Department of State grant program to support nature-based solutions like living shorelines and ecosystem enhancements. Additionally, expanded funding for projects identified in Local Waterfront Revitalization Plans (LWRPs) will help address flood risks and improve sustainability, creating more resilient waterfronts statewide.

## Protecting Our Land, Water, and Air

### Clean Up Our Past Via the State Superfund

New York's Superfund Program has been critical in cleaning hazardous waste sites for over 40 years, but emerging contaminants like per-and polyfluoroalkyl substances (PFAS) and evolving development needs require modernization. To address these challenges, Governor Hochul will reauthorize the program with new tools to accelerate cleanups, enabling contaminated sites to be repurposed for productive use, including manufacturing, clean energy, housing, and other needs. The updated law will prioritize sites posing the greatest public health risks, especially in disadvantaged communities that have faced disproportionate pollution.

#### Invest in Our Water Infrastructure

Governor Hochul recognizes the urgent need to ensure clean drinking water, protect public health, and address environmental challenges in New York. Building on the state's \$5.5 billion commitment, she will invest an additional \$500 million in water infrastructure to reduce water bills, combat flooding, restore waterways, and replace lead service lines to protect vulnerable populations, particularly children in underserved communities. To further address gaps, she will launch a pilot program providing financial assistance for private well owners to replace or treat contaminated wells. These investments will create jobs, strengthen community resilience, and improve environmental sustainability. By taking these steps, Governor Hochul is ensuring a healthier and more sustainable future for all New Yorkers.

### Protect New York Farmland

The 2022 Census of Agriculture reveals a concerning trend in United States agriculture: fewer farms, reduced farmland, and larger average farm sizes. New York is experiencing these challenges at an accelerated rate, with a 14 percent loss in farms and a 9 percent loss in farmland between 2012 and

2022. While the state achieved an impressive milestone of over 100,000 acres of protected farmland in 2023, more than 98 percent of New York's farmland remains unprotected. To support New York's agricultural sector for future generations, Governor Hochul will make investments to improve tracking of lost farmland, and capacity building within New York's network of community-led land trusts to efficiently execute Environmental Bond Act dollars allocated for farmland protection.

### Create a Greener Future through Decarbonization

New York's higher education campuses contribute to greenhouse gas emissions that must be reduced to combat climate change and create sustainable environments. Investments from the Environmental Bond Act will enable the State University of New York (SUNY) and the City University of New York (CUNY) to begin electrifying campuses and integrating renewable energy sources, including by incorporating advanced thermal energy networks and other transformative clean energy technologies. These initiatives will further reduce emissions, enhance campus sustainability, and create healthier, more resilient learning environments.

## Make Open Space Accessible for All

New York offers incredible recreational and outdoor opportunities, from the majestic Adirondack High Peaks to the awe-inspiring Niagara Falls. However, many communities, particularly underserved ones, lack access to green spaces that provide significant mental health and wellness benefits. Governor Hochul has prioritized creating and protecting parks and green spaces, particularly in urban areas, to ensure more people can enjoy time outdoors. To expand these efforts, the Governor will provide funding for land conservation to protect open spaces, farmland, and enhance accessibility. Recognizing the need for streamlined processes, the Governor will also champion several key initiatives. These will include modernizing the use of title insurance to expedite land acquisitions, granting the Department of Environmental Conservation the authority to independently acquire conservation easements, and reducing the financial hurdles faced by non-profit organizations in their land conservation efforts. These changes and investments will empower the state to more effectively protect our natural heritage for future generations.



## **Governor Kathy Hochul**

2025 State of the State