

CUOMO'S BUDGET PROPOSAL: THE BILLIONAIRES' AGENDA

OVERVIEW

Gov. Cuomo's 2015-16 Executive Budget is an assault on public education and the teaching profession.

In his combined State-of-the-State Address and 2015 Executive Budget submission, Cuomo rolled out a viciously anti public education agenda that would: gut tenure and collective bargaining, hold school aid increases hostage to a draconian anti-teacher agenda, double down on high stakes testing, shortchange public higher education, decimate teacher education programs, punish colleges with a corporate strategy that erodes local autonomy, and fall woefully short of meeting the Regents' request for a \$2 billion increase for schools.

Governor Cuomo's proposal constitutes the worst attack on educators and public schools in the state's modern history, on par with Scott Walker's agenda in Wisconsin.

His proposed year-to-year increase in school aid of \$1.1 billion or 4.8 percent fails to come close to Regents' \$2 billion request and would further perpetuate inequity in school funding. Even worse, this inadequate aid increase would only go forward if Cuomo's proposed "reforms" were implemented: drastic, punitive and unsupported changes in teacher evaluation, tenure, and discipline that would effectively gut tenure and erode local control. His billionaires' agenda would also:

- empower the state to put "failing" schools in receivership, eliminating local control, tenure, seniority and collective bargaining agreements and rights;
- siphon public dollars away from public schools through a back door voucher — an "education tax credit" that would significantly benefit privates and charters
- painfully shortchange — once again — SUNY, CUNY and community colleges
- increase the number of charter schools
- make the tax cap permanent — permanently locking in inequality in school funding, eroding local control and further damaging our highest need schools
- open the door to further erosion of parents' voice in their schools by opening the door to increased mayoral control statewide
- institute "flexibility" in fulfilling special education requirements, raising concerns about erosion of services to students with disabilities

K-12

School Aid

Under Cuomo's Executive Budget proposal, total education aid would equate to \$23.143 billion (28 percent of the General Fund, down from 29 percent last year).

Approximately 53 percent of school districts are still at or below 2009 state aid levels and yet Cuomo insists that without passage of devastating and harmful "reforms," there will be no school aid increase under his plan.

If Cuomo's plans to effectively eliminate tenure are not implemented in a stand-alone Article VII bill, his budget would hold education funding to base year rates of the 2014-15 school year with no increase in School Aid. His strings-attached increase would be allocated to a School Aid increase of \$1.013 billion, \$25 million for Pre-kindergarten for 3- Year-Old Students, and \$25 million for "Other Education Reform Initiatives."

In an unprecedented political pressure tactic, the budget fails to include a school aid formula for the distribution of school aid. The budget director has confirmed there will be no school aid runs released, effectively holding the free flow of information and the budget process hostage to Cuomo's proposal.

If reforms in a stand-alone Article VII bill are not implemented, education funding would be at base year rates of the 2014-15 school year. There will be no increase in School Aid.

Because there is — incredibly —no school aid formula, there is currently no way to decipher how his \$1.013 billion School Aid increase might be apportioned among formula funding, restoration of the Gap Elimination Adjustment and expense-based programs (e.g., school construction, pupil transportation, and BOCES).

Cuomo's budget would reclaim portions of \$250 million in unused competitive/performance grants that were previously allocated in 2011 to fund different initiatives with the use of these funds reclaimed funds (Pre-K grants, master teachers, etc).

Attacks on tenure

Cuomo's Executive Budget would effectively gut tenure for all new teachers. Under his plan, new teachers would remain in probationary status until they received five consecutive effective or highly effective ratings on their Annual Professional Performance Review.

Earning an “effective” or “highly effective” rating would become essentially random, because it would depend on student growth as measured by state tests — an increasingly discredited method of assessing teacher effectiveness.

The current probationary period is three years, with an option to extend for one year, with tenure decisions made by the Board of Education upon recommendation by the superintendent.

So any teacher who failed to meet this five-year requirement would remain on probation until she achieved five consecutive years rated “effective” or “highly effective.” Cuomo emphasized that districts would retain the ability to fire teachers at any time during the probationary period. In reality, this would be equivalent to no tenure at all. Failure to achieve an “effective” or “highly effective” in any one of five years would re-set the clock and could result in teachers perennially falling short of achieving this due process right.

Attacks on due process

Cuomo would amend the 3020-a process seeking removal of a teacher for “poor performance,” creating a presumption in favor of the administrator. Two consecutive ineffective ratings would be considered sufficient legal evidence of incompetence. In those cases, a teacher would be allowed to rebut charges of incompetence “only by clear and convincing evidence that the calculation of one of his or her summative ratings was fraudulent.” Proving “fraud” would create an impossibly high hurdle and in effect allow no rebuttal at all. Essentially tenure would be contingent on effectiveness ratings that would be randomly determined based on state tests.

Cuomo’s budget would require immediate suspension without pay for any teacher **accused** (emphasis added) of abuse of a child, thereby removing the “innocent until proven guilty” rights relative to a teacher’s professional standing and livelihood. An expedited hearing with a decision rendered within 60 days would be established, in cases of teachers “accused of physical or sexual abuse of a child.”

He would also revoke the teaching certificate of “any person who is convicted of a violent felony against a child, as well requiring suspension without pay for any teacher accused of abuse of a child.” His proposal would also require that “all disciplinary hearings be held before a single hearing officer, [and] remove requirements which prevent children from testifying in writing or by video.”

Teacher Evaluation

Cuomo's budget would drastically change the components of the teacher evaluation system, removing local control and use of local assessments. It would renege on the promises made to educators when 3012-C was enacted. For the 2015-16 school year, collective bargaining agreements would be voided and replaced with harsh new conditions. Cuomo wants to more than double the required weight given to student test scores in a classroom teacher or building principal's evaluation — to 50% state test score (or comparable measure of student growth for non-tested teachers) from the current 20 percent.

Cuomo is proposing that 50% of a teacher's evaluation be based on classroom observation but would erode local control over the process. While this portion of the evaluation would still theoretically be collectively bargained, this would essentially be a sham, since the state statute establishes the major elements of the evaluation.

In a proposal that illustrates a stunning lack of trust for all school district professionals, Cuomo would mandate that one of at least two observations must be conducted by a so-called "independent observer" — a principal or administrator from outside or within the district; a SUNY or CUNY professor; or a "trained independent evaluator" from a list to be generated by SED.

Cuomo wants 35 percent of the observation to be based on this so-called impartial observation, while 15 percent of the observation score could, under his plan, be based on observation by a school administrator.

Cuomo is also pushing to set all scoring band ranges in statute, effectively putting in concrete an arbitrary system which he has made clear in his public pronouncements must result in a predetermined number of educators deemed ineffective.

Further, if a teacher or principal is rated ineffective on either of the 50-point components (state test score or observation), they could not get higher than a "developing" rating on their overall evaluation score.

Two consecutive ratings would be grounds for termination. The requirement for TIPs (teacher improvement plan) and PIPS (principal improvement plan) would remain in effect under Cuomo's proposal.

After agreeing in the 2014-15 State Budget that the state 3-8 Math and ELA exams were prohibited from being used against a student, and saying that the same should be done for teachers, Cuomo reneged on this promise as well. He vetoed his own program bill that

would have held teachers harmless from what are widely regarded as questionable test scores and botched implementation.

Mayoral Control

In a proposal that could dramatically erode local parental voice upstate regarding their children's schools, Cuomo would extend mayoral control of New York City public schools for three years and would consider applications from mayors of other cities for mayoral control.

Pre-Kindergarten Expansion for three-year-old children

Cuomo's budget proposes \$25 million to expand half-day and full-day pre-kindergarten programs to three-year-old children in high-need school districts that "develop a plan to deliver these services where they can be most beneficial." Also proposed: \$3 million to support the QUALITYstarsNY, to create a quality rating system for early childhood program

\$365 million was previously enacted in the 2014-15 Budget for full day pre-k for four-year olds.

These funds would be allocated from unused funds from prior competitive grants.

State takeover of schools (Receivership)

In another move eroding local control, Cuomo's budget would allocate \$8 million to implement a receivership model for "failing" schools, modeled after the Massachusetts education receivership model. This provision would allow the state takeover of public schools, whereby the SED would have the ability to appoint a receiver to oversee a "failing school or district."

Such receiver would be either a not-for-profit entity, another school district or school entity, or an individual. Powers of the receiver would include typical powers of superintendent and local boards including: restructuring of schools, overhaul of curriculum, professional development, replacement of "unqualified" teachers and administrators, and allow offers to pay incentives to high quality staff.

The receiver would also have the ability to override or negate collective bargaining agreements, and has the power to supersede any decision of the superintendent or the board of education, including hiring and firing. All teachers would be fired and forced to reapply with no guarantees of rehiring. If layoffs are implemented, seniority rights would be ignored. Instead, layoffs would be based on Annual Professional Performance Review scores.

Receivership schools would be placed on a turnaround plan, and students in failing schools would have a lottery preference in the charter school lottery system.

The proposal allows for both school districts and individual schools to be placed into receivership.

Up to 2.5 percent of districts could be taken over based on this proposal. All Priority schools which have been in that status for three years would be vulnerable to receivership under this proposal.

Master Teacher Program Expansion

Cuomo's proposal includes \$5 million to expand his Master Teacher program that awards bonuses to those meeting his criteria. Expansion would expand eligibility to licensed English as a Second Language or bilingual education teachers. Further, eligibility would be extended to include teachers who have dual certifications in special education and general education.

Also, teachers who currently meet the criteria of Cuomo's "master teachers" program would have increased "opportunities ... to provide ongoing mentoring to teachers in the early stages of their careers." The current "Master Teacher" program provides annual \$15,000 stipends for four years.

P-TECH Expansion

The Pathways in Technology and Early College High School program would be expanded with a \$3 million allocation in the Executive Budget. These programs target skills students would need for advanced STEM careers. Students entering this program receive both a high school diploma and an associate's degree, at no cost to the student or their family.

Charter Schools

Cuomo's Executive Budget would raise the charter cap by 100 charters from the current 460, and would remove regional restrictions to allow remaining charters, in addition to the new 100, to be located anywhere in the state.

This proposal also would allow either the Board of Regents or SUNY to authorize without reference to limits, "to make it easier for prospective charters to partner with their chosen chartering authority."

Further, when an underperforming charter closes, their charter could then be used by another school and not counted towards the state cap.

Cuomo's budget would increase for charters the per-pupil tuition by \$75 per student over and above the increase that was previously allocated in the 2014-15 State Budget, for two years. This increase would be paid by sending school districts, reimbursed by the State on a year lag.

Therefore the State-funded Charter School Supplemental Basic Tuition would be \$425 per pupil in 2015-16 and \$575 in 2016-17.

The Budget includes what Cuomo claims is "anti-creaming" legislation, which purports to ensure charters are teaching their fair share of high needs populations, including English Language Learners, Students with Disabilities, and students that qualify for free and reduced price lunch.

Charters would need to submit enrollment rates to SED for these students, at the beginning and end of each school year during the five-year period in between reauthorizations. Also, during reauthorization, either SED or SUNY could consider any pattern of noncompliance with stated enrollment targets when making its renewal decision. Nothing in Cuomo's proposal would actually guarantee that charters would open their doors to all students on an equal basis.

Further, Cuomo's budget would allow the children of charter employees priority access to charter schools, bypassing the lottery system.

Preschool Special Education (4410 programs)

The Executive Budget would establish regional rates for Special Education Itinerant Teacher (SEIT) providers. SEIT providers are currently reimbursed based on their historical costs. The Budget alleges that by establishing regional rates, the current payment structure will "rationalize ... by ensuring that all providers within a region are paid the same amount for providing these services." The regional rate will be implemented over the next four years.

Unfortunately, 4410 programs have seen significant shortfalls, and providers would likely need to continue to rely on short-term borrowing until proper reimbursement is made. There continues to be uncertainty in funding for 4410 programs.

Back-door Voucher Proposal

Cuomo once again is pushing to establish an Education Tax Credit, also called the Education Investment Incentives Tax Credit (A.2551, Cusick/S.1976, Golden). This is nothing more than a give-away to the wealthy.

Corporations and individual taxpayers would receive a tax credit equal to 75 percent of their authorized contributions, up to a maximum annual credit of \$1 million.

Cuomo's proposal would be capped at \$100 million annually, while a legislative proposal would increase to \$300 million in out-years.

While the legislative version of this proposal includes a credit for school teachers for out of pocket expenses, Cuomo's proposal appears to not include this provision.

Importantly, the establishment of this back-door voucher scheme is contingent on passage of the DREAM Act, another political linkage designed to force passage.

Non-public school aid increase

The Executive Budget would increase funding to non-public schools by 4.8 percent for State-mandated activities. This increase, notably, is not tied to the Executive's "reforms."

Teacher Programs

The Executive Budget would completely eliminate funding for Teacher Centers (2014-15 base funding equaled approximately \$14.26 million) while funding the following programs:

- Mentor/Intern Program - \$2 million
- National Board Certification Program - \$368,000
- Teachers of Tomorrow - \$25 million

Tax Cap

Cuomo's budget would make the undemocratic highly regressive tax cap permanent.

The Tax Cap is set to expire in 2016; however its continued enactment is tied to the passage of New York City rent control, which is set to expire in June 15, 2015.

NYSUT has fiercely advocated for the revocation of the tax cap, as well as reforms including removing the supermajority provisions, and including necessary exemptions to make the tax cap less onerous.

For the school year 2015-16, the tax levy limit will be a mere 1.62 percent before adjustments for exemptions, etc.

Other Tax Proposals

As a reminder, the 2014-15 Executive Budget contained a regressive Tax “Freeze” whereby the state will provide homeowners a tax credit for any increase in their property taxes over the previous year, so long as (1) the homeowner’s income is less than \$500,000, and (2) the school district and/or local government adopts a budget that keeps their tax levy increase within their allowable tax cap levy amount.

Next school year’s tax levy limit was 1.62 percent before adjustments for exemptions, etc.

We are currently in the second year of the tax “freeze,” where the state would provide continued tax credits to homeowners, so long as (1) the homeowner’s income is less than \$500,000, and (2) the school district and/or local government adopts a “freeze-compliant” budget, and stays within their allowable tax cap levy amount, and (3) the school district and/or local government develops a plan for sharing or consolidating services, eliminating duplication of government services or consolidation or dissolution of governments or school districts.

Creation of the Real Property Tax Relief Credit

Cuomo’s budget calls for the expansion of the existing New York State real property tax circuit breaker credits, providing \$1.6 billion dollars of tax credits. The program would be phased in over four years and require taxing jurisdictions to adhere to the existing real property tax cap.

Homeowners in cap compliant areas would be eligible if they earn less than \$250,000 a year in adjusted gross income and are assessed property taxes that exceed 3.75 percent of their income in 2015 and 6 percent in years after.

Once fully phased in, the credit would be valued at up to 50 percent of the amount by which property taxes, or rent percentage in the case of eligible renters in New York City, exceeds the six percent burden threshold. The statewide average credit will be \$950 under the Governor’s proposal.

Special Education “Mandate Relief “

Cuomo’s budget would allow districts, BOCES and approved special education providers and private schools the ability to petition the State Education Department for flexibility in complying with certain special education requirements — raising significant concerns about potential erosion of services to students with disabilities.

The process would be as follows:

The district would submit a waiver from special education requirements, at least 60 days prior to the possible effective date of the waiver.

Notice would be required to be provided to parents of the students impacted by the waiver and would include information on how parents can submit written comments. Parents would have 60 days to submit comments and all parental comments must be included in the waiver application to SED.

The Education Commissioner could grant a waiver upon a finding that the waiver will allow the district to “implement an innovative special education program that is consistent with applicable federal requirements and will enhance student achievement and/or opportunities for placement in regular classes and programs.”

The district would also be required to submit an annual report to the Education Department regarding the operation and evaluation of the waiver no later than 30 days after the end of the school year.

The enactment of a waiver to current statutory and regulatory special education mandates may erode the quality of education to these students and diminish the protection these mandates provide.

Extend education services for children in OMH Hospitals

The Executive Budget would amend a pilot program providing school age children currently residing in OMH Hospitals with specialized educational program aligned to their home school district curriculum.

BOCES would be authorized to provide students with any educational service that is being provided to their home component school districts.

SUNY

SUNY State-Operated Campuses

- Cuomo’s budget would provide a net increase of \$10.4 million in general state support (operating aid) to these campuses for a total of \$726 million — far short of what is needed and tied, like school aid, to the expectation that a political agenda will be implemented — in this case, a skewed market-based accountability system. Performance based funding would erode campus autonomy and local control.
- Performance Based Funding – Campus Performance Improvement Plan. Ten percent of each campuses state appropriated funding would be contingent upon a submission of, and SUNY Board of Trustees approval of, a campus performance improvement

plan by December 31, 2015. This plan would serve as the basis for future performance funding allocations. Such plans would have to include: 1. criteria to improve access, completion, academic success and post-graduation success, research, and community engagement; 2. experiential learning as a graduation requirement; 3. a master research program in partnership with the Research Foundation to pay bonuses to professors generate the greatest R&D and commercialization opportunities; and 4. financial incentives for campus presidents who demonstrate commercial success through StartUp NY.

- SUNY System Administration. Funding to SUNY System Administration would be increased by \$10.4 million for a total of \$31.8 million. This increase would be allocated to campuses for performance based funding. This amount reflects an increase of \$18 million that is offset by a cut of \$7.6 million that was added in last year's enacted state budget.

In addition, a portion of the total funding (\$31.8 million) would be used to establish regional community college councils (See SUNY community college section for details) and for the chancellors of SUNY and CUNY to jointly develop a back-office consolidation plan to be submitted to the director of the budget by November 1, 2015.

- Tuition and other Campus Revenue. The Executive Budget would authorize SUNY to expend an additional \$155 million in tuition revenue and other special revenues.

SUNY Hospitals

- Cuomo's budget would cut the state subsidy to these hospitals by a draconian \$19 million for a total of \$69 million.
- Health Care Delivery Systems Pilot Program: Cuomo would provide a pilot program to assist in restructuring health care delivery systems by allowing for increased capital investment in health care facilities. (See Article VII Health and Mental Hygiene for Details).

SUNY Community College Base Aid

- Despite demonstrated need, Cuomo would limit state base aid to these campuses at last year's level of funding in the amount of \$2,497 per full-time equivalent (FTE) student. In addition, ten percent of a campuses state base aid would be contingent upon the approval of a campus performance improvement plan, spreading to higher ed from the corporate model of education.
- Performance Based Funding – Campus Performance Improvement Plan. Ten percent of each community colleges state-base operating aid would be contingent upon a submission and SUNY Board of Trustees approval of a campus performance improvement plan by December 31, 2015. This plan would serve as the basis for future performance funding allocations. Such plans must include: criteria to improve access, completion, academic and post-graduation success, job placement of graduates, new programs and certifications aligned with local business needs and alignment with regional economic development councils.
- Regional Community College Councils. In addition, a portion of this funding would be used to establish regional SUNY community college councils, whose members will be appointed by the chancellor, to align the operations of such colleges with the state's regional economic development councils.
- Community Schools Grants. Cuomo proposes a new \$1.5 million grant program for SUNY Community colleges to improve student outcomes through the use of campus facilities as community hubs to deliver co-located or college-linked child and elder care services, transportation, health care services, family counseling, employment counseling, legal aid and/or other services to students and their families.

Grants would be based on an RFP sent to the chancellor and the program authorizes up to three grants of a maximum of \$500,000. No more than one community college from each region of the state (outside NYC) could be awarded a grant. Grants would be paid in installments over a three-year period upon successful implementation of each phase of a campuses approved proposal.

- Next Generation NY Job Linkage Program. The Executive Budget provides flat funding in the amount of \$3 million for this program.
- Graduate Achievement and Placement Program (GAP). Funding for this program would be completely eliminated in the amount of \$1.7 million.

- Rental aid for leased space would be maintained at last year's level for a total of \$11.6 million.
- Funding for child care centers would be reduced by \$653,000 for a total of \$1 million.
- Funding for high need programs (\$1.69 million), contract courses (\$1.88 million), and low enrollment colleges (\$940,000) would be maintained at last year's level.

University Wide Programs

- The Executive Budget would reduce overall funding to these programs by \$2.8 million which is mostly attributed to not carry forward last year's legislative increases to EOP and the ATTAIN labs of the EOCs.

SUNY State Operated Campuses High Need Programs

- Funding for high need programs such as information science, engineering, nursing and other allied health programs would be maintained at last year's funding level for a total of \$4.8 million.

Educational Opportunity Program (EOP)

- Funding for this program would be reduced by \$1.3 million from last year's enacted state budget for a total of \$21 million.

Educational Opportunity Centers (EOC)

- Funding for SUNY's Educational Opportunity Centers would be reduced by \$994,160 which reflects a cut to the ATTAIN labs. The total funding for these centers is \$51 million.

Office of Diversity and Educational Equity

- Funding for this program would be maintained at last year's level of \$591,400.

Student Loans

- The Executive Budget would maintain the prior year funding level of \$34 million.

CUNY

Senior Colleges State Funding

- Cuomo's 2014-15 Executive Budget would also painfully shortchange CUNY with a flat year-to-year overall General Fund support (state operating aid) to these campuses in the amount of \$525 million.
- Performance Based Funding – Campus Performance Improvement Plan. Ten percent of each campus state appropriated funding would be contingent upon a submission of, and SUNY Board of Trustees approval of, a campus performance improvement plan by December 31, 2015. This plan, tantamount to the corporate model being pushed in public schools, would serve as the basis for future performance funding allocations. Such plans would have to include: 1. criteria to improve access, completion, academic success and post-graduation success, research, and community engagement; 2. experiential learning as a graduation requirement; 3. a master research program in partnership with the Research Foundation to pay bonuses to professors who generate the greatest R&D and commercialization opportunities; and 4. financial incentives for campus presidents who demonstrate commercial success through StartUp NY.
- Initiatives and Management Funding. The Executive Budget would provide an increase of \$12 million for CUNY central administration for a total of \$48.3 million. This increase would be allocated to campuses for performance based funding. In addition, a portion of the total funding would be used to jointly develop with SUNY a back-office consolidation plan to be submitted to the director of the budget by November 1, 2015.
- Tuition. The Executive Budget would authorize CUNY to expend an additional \$60 million in tuition revenue.

CUNY Community College Base Aid

- The Executive Budget would provide state base aid to these campuses at last year's enacted level of funding in the amount of \$2,422 per full-time equivalent (FTE) student. In addition, ten percent of a campuses state base aid is contingent upon the approval of a campus performance improvement plan.
- Performance Based Funding – Campus Performance Improvement Plan. Ten percent of each community colleges state base operating aid would be contingent upon a submission and CUNY Board of Trustees approval of a campus performance improvement plan by December 31, 2015. This plan would serve as the basis for future performance funding allocations. Such plans would include: criteria to improve access, completion, academic and post-graduation success, job placement of graduates, new programs and certifications aligned with local business needs and alignment with regional economic development councils.
- Community Schools Grants. Cuomo proposes a new \$1 million grant program for CUNY Community colleges to improve student outcomes through the use of campus facilities as community hubs to deliver co-located or college-linked child and elder care services, transportation, health care services, family counseling, employment counseling, legal aid and/or other services to students and their families.

Grants would be based on an RFP sent to the chancellor and the program authorizes up to two grants of up to a maximum of \$500,000. Grants would be paid in installments over a three-year period upon successful implementation of each phase of a campuses approved proposal.

- Rental aid for leased space would be maintained at last year's funding level of \$8.9 million.
- Funding for contract courses /workforce development would be maintained at last year's level of \$1.9 million.
- Funding for the ASAP program would be completely eliminated in the amount of \$1.7 million.
- Funding for the College Discovery Program would be cut by \$54,000 for a total funding level of \$883,390.

- Funding for child care centers would be reduced by \$544,000 million for a total of \$813,000.

NYCUNY 2020

- The Executive Budget expands would provide \$55 million in additional capital funding for challenge grants.

Search for Education, Elevation and Knowledge (SEEK)

- Funding for this program would be reduced by \$551,340 for a total of \$18.4 million.

Joseph Murphy Institute

- Funding for this program would be reduced by \$750,000 for a total of \$500,000.

Higher Education Services Corporation

Tuition Assistance Program (TAP)

- The Executive Budget would increase spending by \$43 million to this program for a total of \$1 billion.

Tuition Assistance to Part-time Students

- Funding for this program would be maintained at last year's level of \$14.4 million.

NYS Education Department of Higher Education

BUNDY Aid

- The Executive Budget would maintain last year's level of funding for a total of \$35.1 million.

Higher Education Opportunity Program (HEOP)

- The Executive Budget would increase funding to this program by \$869,880 for a total of \$26.6 million.

Liberty Partnerships Program

- The Executive Budget would increase funding to this program by \$449,600 for a total of \$13.8 million.

STEP

- The Executive Budget would increase funding to this program by \$390,150 for a total of \$11.8 million.

CSTEP

- The Executive Budget would increase funding to this program by \$293,370 for a total of \$9 million.

Article VII Legislation

Education, Labor and Family Assistance

- Streamline New Education Program Approval (Part B). This proposal would authorize any new curriculum or program study at SUNY and CUNY that does not require Board of Regents approval of a Master Plan Amendment, and that is approved by the Board of Trustees, would be deemed registered with the department.
- Get On Your Feet Loan Forgiveness Program (Part C). The program would be offered to state residents who attended college in New York and who:
 - graduated in or after the 2014-15 academic year and who continue to reside in the state following graduation.

- participate in the federal Pay As You Earn (PAYE) income-based loan repayment program, and earn less than \$50,000 in annual income.

For qualified residents, the state would pay the first two years of their monthly student loan obligations under the PAYE program.

- New York State Dream Act (Part D). The New York State DREAM Act would make students without lawful immigration status eligible for the Tuition Assistance Program and other State financial assistance programs.
- Standardization of College Financial Aid Award Letters (Part F). This proposal would create a standardized financial aid award letter, which would provide information to prospective students on the total costs of an education, how much aid they will receive and how much needs to be repaid. The letter would also include data regarding institutional performance including campus-specific graduation, median borrowing, loan default rates, and any other information determined by the superintendent in consultation with the president.
- College and University Uniform Prevention and Response Policies and Procedures for Sexual Violence (Part H). This legislation would require all colleges and universities in this state to implement uniform prevention and response policies and procedures relating to sexual violence. This includes: sexual assault, domestic violence, dating violence, and stalking. This proposed legislation would build on the reforms that were already made within SUNY by enacting similar policies in all colleges and universities across the state.
- SUNY/CUNY Experiential Learning Graduation Requirement (Part Q). This legislation would require the SUNY and CUNY Boards of Trustees to pass a resolution by Dec. 31, 2015, to provide that students enrolled in an academic program shall be required to participate in an approved experiential or applied learning activity as a degree requirement. This proposal also requires that the resolution define approved experiential or applied learning activities; methods of faculty oversight and assessment; responsibilities of business, corporate, nonprofit or other entities hosting students; and a plan for full implementation of this requirement.

Health and Mental Hygiene

- Private Equity Pilot Program (Part Q). The Executive Budget advances Article VII language to provide for a pilot program to assist in restructuring health care delivery systems by authorizing for profit capital investment in health care facilities. This

legislation allows for the establishment of up to five business corporations, one of which must affiliate with an academic medical institution or teaching hospital. The business corporation cannot be publicly traded and would be authorized to own and operate hospitals, as well as other health care facilities. The proposal includes provisions that attempt to address concerns connected to the potential impact private investment would have on: the employees and workforce of the hospital(s); the interests of the patients and the communities surrounding the hospital; quality and access to care; and access and employees if the business corporation begins negotiations with a subsequent investor.

GENERAL LABOR ISSUES

Minimum Wage

- The Governor's executive budget proposal seeks to raise the state minimum wage from \$9.00 to \$11.50 in New York City and \$10.50 in the remainder of the State. This increase would take effect December 31, 2016.

Pension forecasting

- The Governor's executive budget proposal would add a new reporting requirement to all public retirement systems requiring an annually forecast of employer contribution rates two years ahead of the current employer rate.

Election Law Changes

- The Governor's executive budget proposal again seeks to create a voluntary public campaign finance program similar to his budget submissions in previous years.
- The Public Trust Act of 2014 was enacted last year to address ethics issue and create a pilot program designed to allow public campaign financing of State Comptroller elections. This pilot program failed to be utilized in the 2014 Comptrollers race; the candidate challenging the sitting Comptroller was unable to raise the minimum campaign funds required to trigger the public matching funds. The Governor's new proposal would expand this existing program to all state offices by 2018.
- Additionally, the executive budget proposal seeks to lower contribution limits, closes loopholes in the campaign finance law, clarify restrictions on the personal use of campaign funds and shorten contribution disclosure timelines.

Legislative and Executive Salary Commission

- The Governor proposes the creation of a salary commission that would convene every four years, beginning June 1, 2015, to make recommendations regarding compensation for the governor, lieutenant governor, attorney general, comptroller, members of the legislature and high ranking state appointed employees such as agency heads and commissioners.

HEALTH CARE

Hospitals and Health Care Funding

\$141.6 billion spending plan would include roughly \$1.4 billion in total capital funding for hospitals and health care providers, a boost for facilities unable to use funds from an \$8 billion federal waiver approved last year to support their infrastructure needs.

The spending plan would be divided between upstate and downstate facilities.

- \$700 million would be allocated for health care facilities in central and East Brooklyn, money intended to "stabilize the health care delivery system in these communities, reduce unnecessary patient beds" and "increase access to community-based primary and preventive health care services."
- A second set of funds would provide another \$700 million for smaller, community-based and geographically isolated hospitals and health care providers, which would be divided two ways. \$300 million would be given to "create an integrated health care delivery system in Oneida County," while another \$400 million would be provided for debt restructuring and capital projects in rural communities.

Workers Providing Care for Ebola Patients

Proposes a bill of rights for health care workers returning to New York after treating Ebola victims in West Africa. The plan would cover some lost wages for workers who were quarantined, if their sponsoring organizations didn't already cover the costs.

Medicaid and Trend Factors

Medicaid (state share) Spending Cap which was extended for an additional year to March 31, 2016, in the 2014 budget. 2015 Executive budget continues year-to-year cap growth no more than a ten year rolling average of CPI and allows the DOH Commissioner to adjust if spending exceeds cap. The 2015 Executive budget increases Medicaid spending under the 2015 Global Cap is \$17,104M (+ \$597M/3.6 %). Total 2015 Medicaid spending (all funds) is \$62,046M (+ \$3,294M/ 5.6 % increase).

The governor proposes a reassessment of the Medicaid Global Cap.

Final 2014 Annual (trend) factor reimbursement rates for Medicaid providers were at a zero percent rate. 2015 Executive budget extends exclusion of trend factor adjustments for nursing homes and extends a .25 perfect trend factor reduction for hospitals and nursing homes.

The governor proposes reinstatement of the Annual Inflation (trend) Factors for health care facilities that have been denied such funding since 2005.

Nurse Practice Act

The Executive Budget language would allow Home Health Aides to administer medication and perform new and additional tasks under the supervision of a Registered Nurse.