



## **Summary of the New York State Enacted Budget Proposal Fiscal Year 2027**

The enacted FY2027 budget delivers a major victory for CSEA members in Tiers 5 & 6. After years of advocacy and organizing, CSEA has secured a historic reduction in employee contribution rates that puts money back in members' pockets.

Here's what that means for members:

- 90 percent of Tier 6 CSEA members will now pay 3 percent toward their pension.
- Every Tier 6 member will either receive a contribution rate reduction or continue paying the lowest rate allowed under law.

This is real, immediate financial relief. Lower contribution rates mean bigger paychecks every pay period. For thousands of members, this reform amounts to an automatic raise. For members already paying 3 percent, this reform ensures that you won't pay more when you receive a raise or promotion.

The budget also includes a sharp increase in the amount of overtime earnings that can be included in the pensions of Tier 5 and 6 members. With this reform, members who work substantial overtime may receive higher benefits in retirement. Notably, overtime earnings will continue to be excluded from contribution rate calculations, meaning members' rates will be determined by base salary only.

These are the biggest improvements to Tier 6 since its creation and demonstrate what can be achieved when CSEA members stand together and fight for change. This is major progress, but not the end of the fight – CSEA remains committed to improving Tiers 5 & 6 going forward.

Beyond Tier 6 reforms, this budget delivers major wins for CSEA members across the board, including new investments in state and local governments, additional funding for safety-net hospitals, increased childcare funding, stronger protections for highway worker safety, and more.

## Tier 6 Reform

### Reduced Contribution Rates

The enacted FY2027 State Budget reduces Tier 6 employee contribution rates across every salary band above \$45,000 as follows:

Salary	Current Rate	New Rate
\$45,000 or less	3%	3%
\$45,000.01 to \$55,000	3.5%	
\$55,000.01 to \$75,000	4.5%	
\$75,000.01 to \$100,000	5.75%	4%
\$100,000.01 to \$125,000	6%	5.25%
\$125,000.01+	6%	5.75%

### Increase in Pensionable Overtime

The budget increases the amount of overtime earnings Tier 5 and 6 members can count toward their pension to \$30,000 and increases this cap annually by 3 percent.

### Excluding Overtime from Contributions

The budget extends a law that excludes overtime earnings when calculating a Tier 6 employee's contribution rate through 2028. This means that a person's contribution rate reflects base salary only.

### Reduced Retirement Age (only for members in the Teachers' Retirement System)

The budget reduces the retirement age for members in the Teachers' Retirement System. These employees will be eligible to retire at age 58 after 30 years of service. The earliest date by which a Tier 6 employee can reach 30 years of service is 2042.

## State Agencies

### Department of Civil Service

\$13 million in additional funding to the Department of Civil Service for programs aimed at modernizing the State's civil service system.

### State University of New York (SUNY)

\$15.1 billion in total funding for SUNY, including:

- \$233.8 million in additional operating funds.
- \$1.64 billion in new capital funding for SUNY four-year colleges, including \$795 million for critical maintenance at SUNY State-operated campuses.

### **Office for People with Developmental Disabilities (OPWDD)**

\$191.3 million in additional funding to OPWDD, including:

- \$25 million this year as a part of a five-year capital plan to establish Regional Disability Clinics.
- \$15 million to expand independent living opportunities for individuals with developmental disabilities.

Extends for 2-years:

- Requirement that OPWDD give 90-days' notice prior to closing or transferring operation of an Individualized Residential Alternative (IRA).
- Authority to operate the Care Demonstration Program.

### **Office of Children and Family Services (OCFS)**

While originally proposed in the budget, legislation allowing juvenile justice facilities to utilize body scanning technology to screen for contraband was passed by both houses outside of the budget process (S.8963 Skoufis / A.9333 Hevesi).

### **Department of Corrections and Community Supervision (DOCCS)**

Continues investments from last year's budget, including \$400 million in funding to install fixed cameras in all facilities and \$18 million for the body-worn camera program.

The budget makes it a class A misdemeanor for unlawful use of a drone when flown in and over a prohibited space, including:

- State or local correctional facilities.
- Police stations.
- Fire department stations.
- Emergency services dispatch stations.
- Large public gatherings (500 or more people).

### **Department of Agriculture and Markets**

\$44 million in capital investments at the State Fairgrounds.

### **Office of Parks, Recreation and Historic Preservation**

\$316.4 million in capital funding for State Parks and historic sites.

\$75 million for the creation of a new High Falls State Park in Rochester.

### **Unified Court System**

\$199 million in additional funding to the Office of Court Administration, including funding to support:

- Three court officer academy classes.
- Staffing increases to improve case processing and address backlogs.
- Increased financial assistance to local governments for the maintenance and repair of court facilities.

- Increments, longevity bonuses, uniform allowances, location pay, and security differential payments for all eligible nonjudicial employees.

### **Olympic Regional Development Authority (ORDA)**

\$100 million in new capital funding for ORDA to support continued maintenance and enhancements to Olympic and other ORDA-owned facilities.

### **Transportation Agencies**

Expands the work zone speed camera program by allowing use of cameras on all highways owned and maintained by the Department of Transportation, Thruway Authority, and Bridge Authority. Current law limits the use of these cameras to controlled-access highways, such as I-81 and I-690. Under the new law, cameras can be in work zones on roads such as Routes 5, 20, 9, or 347.

\$375.2 million in operating support for mass transit systems outside of New York City, such as the Niagara Frontier Transportation Authority.

### **Canal Corporation**

\$50 million for the improvement of the canal system, including dam and lock repair, flood mitigation, infrastructure improvements, canal system resiliency, and other projects.

### **Other Areas of Note**

\$12 million in additional funding for the State Museum, Library, and Archives.

Additional funding to the Division of Criminal Justice Services to establish a Crime Analysis Center in Westchester County.

\$150 million in capital funding for the Division of Homeland Security and Emergency Services to construct a new centralized State Emergency Operations Center.

## **Local Governments**

### **Funding**

\$150 million in additional temporary municipal assistance to cities, towns, and villages.

Provides additional funding for cities across the state, including:

- Albany - \$40 million.
- Auburn - \$2.2 million.
- Buffalo - \$55 million.
- Mt. Vernon - \$10 million.
- Rochester - \$20 million.
- Syracuse - \$20 million.
- Yonkers - \$40 million.

\$225 million to support the Rochester-Monroe Transformation Initiative.

\$5 million grant program for District Attorneys to investigate wage theft.

### **Workforce**

\$1 million to establish a First Responder Behavioral Health Center of Excellence, which will develop peer support programs for first responder agencies within the State.

### **Community Colleges**

Maintains the funding floor for community colleges at 100 percent of prior year's funding and adds \$12 million in new operating aid. *Without a funding floor, SUNY Community Colleges would face a \$61 million (16 percent) loss in formula aid due to enrollment declines.*

\$128 million in additional capital funding for SUNY Community Colleges.

Expands last year's "Free Community College" initiative to associate's degrees offered at SUNY and CUNY four-year schools. This applies to certain high-demand fields.

Provides \$13.6 million to expand the program to additional high-demand fields and to students with prior degrees pursuing a nursing degree.

### **Infrastructure**

\$50 million increase in funding for local highway and road programs.

\$100 million for Extreme Winter Recovery and \$140 million for the State Touring Routes program.

### **Social Services**

\$59 million in additional funding to Local Social Services Districts for the provision of preventative services.

### **Law Enforcement**

Prohibits law enforcement, including peace officers, from wearing face coverings while on duty, with exceptions for coverings necessary for protection.

Requires uniformed law enforcement officers, including peace officers, to display at least one kind of identifying information, such as name, badge number, or shield number.

Requires un-uniformed law enforcement to at least display one logo, patch, or similar item identifying them as law enforcement and who they work for when interacting with the public.

## **Education**

### **K-12**

\$1.66 billion increase in total school aid (4.45 percent), including a \$1.03 billion increase to foundation aid. Each school district will receive a minimum 2 percent increase in foundation aid.

Funding to achieve Universal Pre-K for all four-year-olds by the 2028-29 school year.

\$55 million (16.2 percent) increase to continue implementation of the Universal Free School Meals Program.

Delays implementation of the zero-emission school bus mandate for five years.

- The requirement that school districts only purchase zero-emission school buses is delayed from 2027 to 2032.
- The requirement that school districts only operate zero-emission school buses is delayed from 2035 to 2040.

\$75 million to assist schools with the transition to zero-emission buses.

### **Special Schools**

\$114.9 million for schools that educate the deaf and blind (4201 schools) and \$25.5 million for capital.

### **Libraries**

\$104.7 million for library aid, equal to the 2027 school year statutory funding amount.

\$44 million in new capital funding for library construction grants.

## **Healthcare**

### **Safety-Net Hospitals**

Increases Medicaid reimbursement rates by \$706 million for hospitals and \$480 million for nursing homes.

\$750 million in operating funding for safety-net hospitals.

\$1.3 billion in additional capital and operating support to supplement the Safety Net Transformation Program.

\$212 million in federal funding for the Rural Health Transformation Program, which will be used to improve healthcare access in rural areas. This is funding for the first year of the five-year program.

### **SUNY Hospitals**

\$100 million in operating support to SUNY Downstate Hospital.

\$150 million in new capital support for SUNY Hospitals.

Continues funding for major projects at SUNY Upstate Hospital and SUNY Downstate Hospital.

### **Roswell Park Comprehensive Cancer Center**

\$55.5 million in operating funds to Roswell Park Comprehensive Cancer Center and \$51.3 million in capital.

## **Childcare**

Includes significant investments to put New York State on a path towards universal, affordable childcare.

Increased investment in the Child Care Assistance Program.

Requires all childcare providers to establish written procedures for instances when a parent is unavailable to retrieve the child for any reason.

- Prohibits providers from contacting the statewide central register for child abuse and maltreatment unless reasonable efforts have been made to contact all individuals authorized to retrieve the child.
- Requires providers to retain the child on premises until they are picked up by an authorized individual or law enforcement.

Allows childcare providers to deny access to any portion of their facility that is not accessible to the general public to any individual seeking access for the purposes of immigration enforcement.

## **Not-For-Profit Agencies**

2.7 percent funding increase to non-profit providers of the Office for People with Developmental Disabilities, Office of Mental Health, and Office of Children and Family Services.

\$53.8 million in funding to support minimum wage increases for staff at programs licensed, certified, or otherwise authorized by OPWDD, OMH, and OASAS.

Additional \$373 million in funding for non-profit OPWDD providers.

## **Retirees**

The budget rejects the elimination of the State's Income-Related Monthly Adjustment Amount (IRMAA) Medicare Part B reimbursement for NYSHIP retirees.

## **Revenue**

3-year extension of the increased corporate tax rate, which applies to corporations with net profits above \$5 million.

75 percent tax on tobacco-free nicotine pouch products like ZYN, which will create \$54 million in additional revenues to support healthcare spending.

Eliminates income taxes on tipped wages—up to \$25,000 per year for single filers earning up to \$150,000 and joint filers earning up to \$300,000.

One-time energy rebate credit to eligible taxpayers as follows:

<b>Tax Status</b>	<b>Income</b>	<b>Rebate</b>
Married filing jointly or qualified surviving spouse	Less than \$150,000	\$200
	Greater than \$150,000, less than \$300,000 per year	\$150
Single, married filing separately, head of household	Less than \$150,000 per year	\$100

## **NY For All Act**

The enacted FY2027 State Budget includes the “NY For All Act,” which prohibits certain cooperation between employees of New York State, local governments, and school districts with federal immigration enforcement.

The law:

- Prohibits all state and local government employees from assisting federal immigration enforcement in civil immigration matters.
- Bars most information sharing with federal immigration authorities except where required by federal law.
- Prohibits the use of state and local resources for federal civil immigration enforcement activities.
- Limits the access of federal immigration authorities to non-public areas of state and local facilities without a judicial warrant.

This law includes several provisions that are relevant to CSEA members, including:

- Requiring training for state employees on how to interact with federal immigration authorities in adherence to this law.
- Requiring public employers to designate a “point person” in each office to serve as the main contact between federal immigration enforcement and the employer.
- Providing \$10 million in funding in order to provide an attorney to public employees if they are accused by the federal government of obstruction or another crime related to their compliance with this law.

**If you have any questions about these proposals, please contact the CSEA Legislative & Political Action Department at (518) 436-8622.**