

Interim

SFY 2027 Enacted Budget County Impact Report



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Philip R. Church, NYSAC President
Hon. J. Ryan McMahon II, NYSCEA President
Stephen J. Acquario, Executive Director

**SFY 2027 Enacted Budget
County Impact Report**

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Introduction

On May 27th and 28th, the final components of the New York State Budget were adopted by the Assembly and Senate and signed by Governor Kathy Hochul, enacting a spending plan for state fiscal year (SFY) 2027, which officially began April 1, 2026, funded for nearly two months through 15 budget extensions.

This year's state budget process, which began on January 20, 2026, when Governor Kathy Hochul unveiled her proposed budget for State Fiscal Year (SFY) 2027, was the most protracted in 17 years. Policy debates, negotiations over spending priorities, and holidays all played a role in prompting the delays.

The first state budget bill enacted was Debt Service, passed on March 26, 2026. Following this, 15 Emergency Appropriation bills of varying length kept the state operating, with the last ending on May 28th. In late May, individual budget bills were passed by the Legislature, with all Article VII and appropriations bills being passed by May 27th.

NYSAC staff worked with our members, standing committees, state legislative representatives, and the Governor's Office through the entire process, ensuring that county concerns and priorities were considered by negotiators through every step of the process.

This report details areas of the adopted budget that have a direct or indirect impact on county operations, including various departments, services, and programs. It is considered an interim report, as it will be updated as more details become available with continued analysis and clarifications from the Governor, legislative leaders, and the Division of Budget.

Financial Plan Update

Upon the release of the Enacted SFY2027 budget, it was reported in press releases that the final spending plan amounted to \$268.5 billion, ~\$15 billion increase over the Enacted SFY2026 budget. Since that time, the Enacted State Financial Plan for SFY2027 has been released.

According to the Enacted State Financial Plan, the adopted SFY2027 budget total all funds spending is projected to be \$277 billion, ~\$23 billion increase over the prior year enacted budget, +9 percent. State Operating Funds' (SOF) spending is projected to be about \$12.3 billion higher, +8.3 percent.

The bulk of the increased SOF spending supports school aid \$40 billion (+4.9%) and Medicaid \$39 billion (+16.1%). Support for mental hygiene and social services account for \$17.4 billion (a combined increase of 17.9 percent across both programs). The chart below highlights year-over-year changes in projected spending.

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Change in State Spending - SFY 2026 to SFY 2027				
Program/Area of Spending	SFY 2026¹	SFY 2027¹	\$ Change	% Change
Assistance and Grants	<u>\$105,169</u>	<u>\$116,599</u>	<u>\$11,430</u>	<u>10.9%</u>
Medicaid (DOH)	\$33,984	\$39,443	\$5,459	16.1%
School Aid	\$37,775	\$39,635	\$1,860	4.9%
Mental Hygiene	\$8,382	\$9,555	\$1,173	14.0%
Social Services	\$6,490	\$7,897	\$1,407	21.7%
Transportation	\$5,354	\$5,671	\$317	5.9%
Higher Education	\$3,550	\$3,686	\$136	3.8%
Other Education	\$2,967	\$3,498	\$531	17.9%
All Other	\$6,667	\$7,214	\$547	8.2%
State Agency Operations	<u>\$37,891</u>	<u>\$41,353</u>	<u>\$3,462</u>	<u>9.1%</u>
State Operations ²	\$26,056	\$28,507	\$2,451	9.4%
General State Charges	\$11,835	\$12,846	\$1,011	8.5%
<i>Pension Contribution</i>	\$3,141	\$3,771	\$630	20.1%
<i>Health Insurance</i>	\$6,137	\$6,549	\$412	6.7%
Capital Projects (St & Fed \$)	<u>\$17,894</u>	<u>\$21,460</u>	<u>\$3,566</u>	<u>19.9%</u>

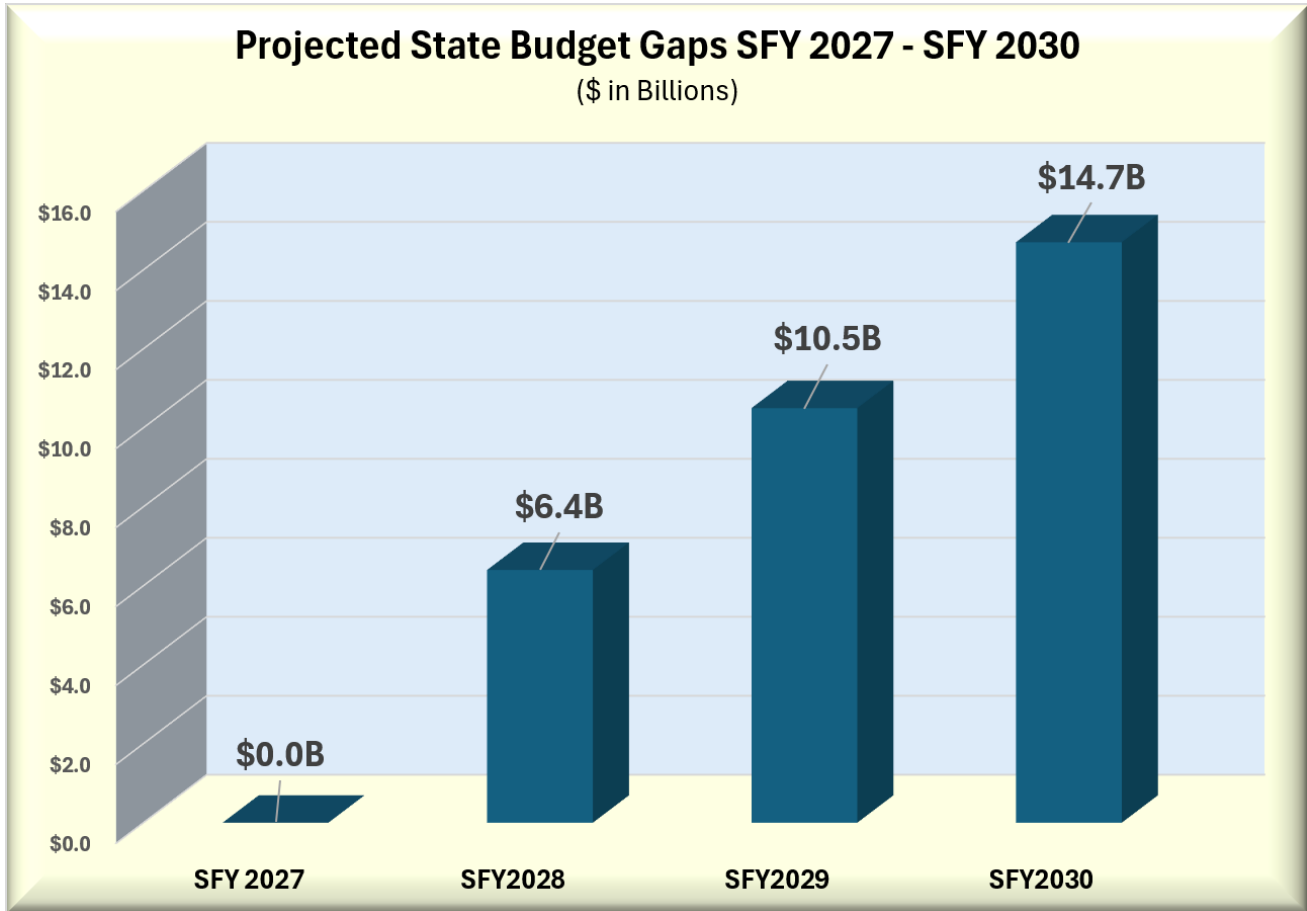
¹ SFY 2026 represents actual spend, SFY 2027 is projected spend

² Includes Executive Agencies, State University System, Judiciary, Other Elected Officials

State Agency Operations spending is projected to increase by \$3.5 billion (+9.1%). The state projects its pension contributions for the related workforce will increase by \$630 million (+20.1%). Another key expense is related to tentative collective bargaining agreements that have yet to be ratified as of mid-June with CSEA and UUP. The total five-year cost of the two tentative agreements is estimated at \$5.6 billion -- \$2.7 billion for CSEA and \$2.9 billion for UUP. The cost of similarly structured agreements for all unions, including CSEA and UUP, is estimated to total roughly \$12 billion over the five-year period.

Out-year budget gaps are projected to approach \$32 billion. The loss of federal funding is a key contributor to future gaps with the projected loss of \$16 billion in federal aid through SFY2030. A large share is expected to come from lower Medicaid funding from the federal government.

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The Financial Plan also highlights the strong growth in certain spending areas since SFY2021 that heavily impact State Operating Funds. As the chart indicates, growth has been dramatic in key programs.

Change in State Spending - Major Areas SFY 2021 to SFY 2027				
(\$ in Billions)				
Program/Area of Spending	SFY 2021	SFY 2027	\$ Change	% Change
Medicaid (DOH)	\$22.8	\$39.4	\$16.6	73%
School Aid	\$26.5	\$39.6	\$13.1	49%
Executive Agencies	\$10.0	\$15.4	\$5.4	54%
Other Assistance and Grants	\$17.8	\$37.5	\$19.7	111%
University Systems	\$6.2	\$9.4	\$3.2	52%

It should be noted that Medicaid spending through DOH is only part of the total spend of \$135 billion from all payors for SFY27, including counties/NYC contribution of ~\$9 billion annually when DSH and other local matches are included. The Financial Plan assumes SFY27 will be the peak in federal Medicaid aid at \$77.5B, dropping to \$68.5B by SFY30. The Enacted Budget assumes the state will backfill the loss of federal funding (~\$14B), while essentially achieving 0% growth in total Medicaid spending over the next 4 years. New York State seldom meets

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multi-year spending targets in Medicaid. Over the last decade, the state has built budget assumptions on slowing the annual growth in Medicaid to ~3% in future years. In SFY17, total All Funds Medicaid spending was \$69 billion, for SFY27 the projection is \$135 billion (+96%), with an average annual increase of ~7.1% over that period.

Major Changes in Taxation

Most changes to the New York tax structure stem from actions enacted at the federal level under H.R.1, and the extension of existing state business taxes through 2030. Overall, the combined changes are expected to generate about \$6 billion in additional revenue for the state for SFY 2028 through SFY 2030.

Enhances and Reforms New York’s Child and Dependent Care Creditⁱ

The enacted budget reforms and enhances the state’s child and dependent care credit for taxable years beginning on or after January 1, 2026. Qualifying expenses include expenses for care provided both inside and outside the home to enable the taxpayer to work or be a full-time student. The qualifying expenses are capped based on the number of individuals: \$3,000 for one; \$6,000 for two; \$7,500 for three; \$8,500 for four; and \$9,000 for five or more. Expenses cannot exceed the taxpayer's income. The credit is set at 55% for taxpayers with a New York Adjusted Gross Income (NYAGI) of \$15,000 or less, and the percentage is reduced as income rises but cannot fall below 4%. Initial estimates from the NYS Division of Budget (DOB) projected this would provide an aggregate benefit of up to \$65 million for those eligible.

Decouples from Certain H.R.1 Tax Provisionsⁱⁱ

The Executive Budget decouples the State and New York City tax codes from the amended tax treatment of research and experimental expenditures and the newly enacted immediate expensing of certain qualified production property provisions. These actions would preserve about \$3.4 billion in state revenues over the next four years.

Extends the Temporary Article 9-A Tax Rates for Three Yearsⁱⁱⁱ

The SFY 2022 Enacted Budget established temporary tax rates on the business income base for Article 9-A filers with business income tax bases over \$5 million, as well as reinstated the capital base. The SFY 2027 Executive Budget extends the current 7.25 percent tax for three years. This increases state revenues by \$4.7 billion through the end of 2030.

Eliminates State Income Tax on Tipped Wages^{iv}

The enacted budget provides a new state tax deduction for certain tip income. For taxable years beginning on or after January 1, 2026, taxpayers may subtract from their federal adjusted gross income an amount of up to \$25,000 in tips. This deduction is available to the extent the tips are allowed as a federal deduction pursuant to Section 224 of the Internal Revenue Code, which are currently scheduled to sunset after federal tax year 2028. Initial estimates by DOB project state income tax savings for eligible filers as follows:

- \$52 million in SFY 2027;
- \$69 million in SFY 2028;

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- \$60 million in SFY 2029; and
- \$19 million in SFY 2030.

Standardizes the Definition of Farmer^v

The enacted budget standardizes the definition of “eligible farmer” across various state tax credits to ensure consistency. A taxpayer generally qualifies if at least two-thirds of their federal gross income (income from all sources minus \$30,000) is derived from farming.

Increases Tax Credits for Food Pantry Donations^{vi}

The enacted budget enhances existing tax incentives for farmers who donate to food pantries. The tax credit for qualified donations made by eligible farmers to food pantries is increased from 25% to 50% of the fair market value of the donation. The maximum annual credit per taxpayer or entity is raised from \$5,000 to \$20,000. These enhancements apply to taxable years beginning on or after January 1, 2026.

Imposes Tax on Alternative Nicotine Products^{vii}

The enacted budget establishes a regulatory and tax framework for alternative nicotine products, aligning them with other tobacco product regulations. “Alternative nicotine product” is defined as a noncombustible product (other than vapor products) that contains nicotine but no tobacco and is intended for human consumption (eaten, chewed, or dissolved). These products are added to the definition of “tobacco products” for tax purposes. Possessing more than 75 units without proper invoices is considered prima facie evidence of being an unlicensed dealer, and willful evasion involving 6,600 units or more is a Class E felony. Police and peace officers are authorized to seize alternative nicotine products in excess of 150 units if taxes have not been paid. Effective April 1, 2027, \$50 million from the taxes and penalties collected on tobacco products (including these new items) will be deposited annually into the Tobacco Control and Insurance Initiatives Pool.

Extends the Residential Energy Storage Exemption^{viii}

The enacted budget provides a two-year extension of the sales tax exemption for residential energy storage systems (through June 1, 2028).

Extends Alternative Fuels Tax Exemptions^{ix}

The enacted budget extends various exemptions, reimbursements, and credits from various taxes for certain alternative fuels. These provisions, which were set to be repealed on September 1, 2026, are extended for five years to September 1, 2031.

Makes Technical Corrections to STAR Exemption and Credit Programs^x

The enacted budget allows property owners who already have a basic School Tax Relief (STAR) exemption to request a change to Enhanced STAR after the taxable status date if they believe they have become eligible. This request must be made before the last day for paying school taxes. If the commissioner determines a property is ineligible for a STAR exemption, the owner must be provided with notice and an opportunity for review. The budget also updates the criteria for the STAR credit to include resident individuals who maintained their primary residence in the state on July 1st (previously December 31st) of the taxable year.

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Extends Assessment Ceilings for Local Public Utility Mass Real Property^{xi}

The enacted budget extends the assessment ceilings for local public utility mass real property until January 1, 2031.

Authorizes NYC Surcharge on High-Value Second Homes^{xii}

The enacted budget authorizes New York City to impose a surcharge on high-value properties that do not serve as a primary residence of an owner, an immediate family member, or a natural person occupying it under a bona fide lease of at least one year. Surcharges are collected like real property taxes, but they are kept separate from the standard tax levy for calculation and rate-setting purposes. This authority expires and is repealed on June 30, 2031.

Creates the Protect Our Wallets Energy Rebate (POWER) State Income Tax Credit

The tax credit is designed as a one-time payment to taxpayers with adjusted gross income below \$300,000 for joint filers for tax year 2024, and single filers with adjusted gross income below \$150,000 for tax year 2024. The payments would be as follows:

- Joint filers with AGI below \$150,000 the credit is \$200;
- Joint filers with AGI between \$150,000 and below \$300,000 the credit is \$150; and
- Single filers, married filing separately, or head of household, with AGI below \$150,000 the credit is \$100.

Direct Local Government Assistance Grants

The Governor and legislative leaders prioritized local assistance funding increases to New York City, and other major cities to help address funding shortfalls and fiscal stress. There was also a \$100 million increase in Temporary AIM, bringing the level for SFY2027 to \$150 million.

The County Infrastructure Grant Program is funded at \$50 million for another year with an increase in the maximum grant amount to \$1.5 million, up from \$1 million. There is also a new \$50 million grant program for counties to address homeland security readiness and response (please see the DHSES section below for more details).

Direct Local Government Assistance Programs			
Program	SFY 2026	SFY 2027	\$ Change
AIM	\$715,172,213	\$715,172,213	\$0
County Partnership Program	\$50,000,000	\$50,000,000	\$0
Temporary AIM	\$50,000,000	\$150,000,000	\$100,000,000
Citizen's Empowerment Grants	\$35,000,000	\$35,000,000	\$0
Local Govt. Efficiency Grants	\$8,000,000	\$8,000,000	\$0
VLT Aid	\$10,519,594	\$10,519,594	\$0
Commercial Gaming Rev. Offset	\$17,000,000	\$17,000,000	\$0
County of Monroe	\$15,000,000	\$0	(\$15,000,000)

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Madison County Gaming	\$3,750,000	\$3,750,000	\$0
Onondaga County	\$1,200,000	\$1,200,000	\$0
Broome County	\$115,000	\$115,000	\$0
City of Albany*	\$20,000,000	\$40,000,000	\$20,000,000
City of Buffalo	\$0	\$55,000,000	\$55,000,000
City of Yonkers	\$0	\$40,000,000	\$20,000,000
City of Rochester	\$0	\$20,000,000	\$20,000,000
City of Syracuse	\$0	\$20,000,000	\$20,000,000
City of Mt. Vernon	\$0	\$10,000,000	\$10,000,000
City of New York*	\$0	\$695,000,000	\$695,000,000
City of Auburn*	\$0	\$2,200,000	\$2,200,000
Small Government Assistance Program			
Essex	\$124,000	\$124,000	\$0
Franklin	\$72,000	\$72,000	\$0
Hamilton	\$21,300	\$21,300	\$0
TOTAL	\$889,659,107	\$1,873,174,107	\$983,515,000

*Total of various payments to each city.

State Financial Plan

The State Financial Plan for the enacted budget will not be available for several weeks, and NYSAC will provide more details when they become available. The basics on total spending may vary from recent announcements by the Governor and legislative leaders but, in general, the SFY 2027 budget appears to have grown to about \$268 billion, about \$15 billion more in All Funds than the enacted SFY 2026 budget, about 5.9%.

State Spending by Functional Areas

Below is an interim analysis of how the SFY 2027 enacted budget impacts county programs, services, and operations.

Aging Services

Increases State Aid for Aging Services^{xiii}

The enacted budget includes \$72 million for county aging services, compared to \$69.9 million for SFY 2026, as well as an additional \$53 million to address unmet needs and waitlists for aging services across the state.

Funds Naturally Occurring Retirement Communities^{xiv}

The enacted budget includes \$8 million for Naturally Occurring Retirement Communities (NORCs) and \$8 million for Neighborhood Naturally Occurring Retirement Communities (NNORCS) to allow more older adults to age in place, improve health outcomes, and reduce social isolation.

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Agriculture and Nutrition Assistance

Increases Agriculture and Markets Local Assistance Funding^{xv}

The enacted budget includes \$93.56 million in local agriculture assistance, a \$32 increase from SFY 2026. The budget also includes \$20 million for non-point source pollution control, farmland preservation, and other agricultural programs.

Provides Tariff Relief for New York’s Farmers^{xvi}

The Executive Budget includes \$30 million for direct payments to specialty crop growers, livestock producers, and dairy farmers to help support New York’s agricultural sector and offset rising costs caused by tariffs.

Funds Nutrition Programs^{xvii}

The enacted budget provides \$106 million for nutrition programs, including \$51 million for the Hunger Prevention and Nutrition Assistance Program (HPNAP) and \$55 million for the Nourish New York Program.

Extends the Refundability of the Investment Tax Credit for Farmers^{xviii}

Currently, state law allows eligible farmers to claim a credit of 20 percent of the cost of qualifying investments, such as machinery and equipment, as well as claim a refund of any unused credit, known as refundability. The enacted budget extends the sunset date for the refundability provisions for an additional five years, until January 1, 2033, to provide a more stable financial incentive for New York’s agricultural community.

Community Colleges & Higher Education Tuition Assistance

Maintains the Community College Floor^{xix}

The Executive Budget maintains a funding floor for community colleges at 100% of prior year funding. Without a funding floor, community colleges would face a \$101 million (16%) loss in formula aid due to enrollment declines. Funding related to base aid costs is funded at \$442 million in SFY 2027, an \$11 million increase. This is augmented with \$25 million in targeted funding for a variety of initiatives with \$11.6 million set aside for rental assistance, and \$6 million split evenly between job linkage and the SUNY apprentice programs.

Expands the New York State Opportunity Promise Scholarship Program^{xx}

The enacted budget expands the New York State Opportunity Promise Scholarship, also known as SUNY Reconnect, to include all SUNY schools with an approved associate degree program in a high-demand field. Additionally, it expands eligibility to students with prior degrees pursuing a nursing degree. The SFY2026 budget provides \$34.6 million in state funding for this program, a \$13.4 million increase (63%).

Reforms Certificate of Residence Policies at Community Colleges

The Executive Budget proposed to authorize the SUNY Board of Trustees to promulgate regulations reforming certificate-of-residence policies at community colleges, including instituting a schedule of late fees and exceptions, to reduce the likelihood that students are

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charged out-of-state tuition due to administrative and student filing delays. Counties are responsible for issuing certificates of residence to eligible students to avoid out-of-state tuition charges. The legislation authorizes SUNY to standardize timelines and permit late-fee structures when certificates are submitted after prescribed deadlines.

While this provision was removed from the budget, it has been passed by both chambers as a stand-alone bill and SUNY has been working with NYSAC and county officials on best procedures to implement this process once the bill is delivered to the Governor.

Extends Authorization for SUNY and CUNY Non-Resident Tuition Rate^{xxi}

The enacted budget extends authorization for SUNY and CUNY to set campus-specific non-resident undergraduate and graduate tuition rates for an additional three academic years (through 2028-29).

Early Childhood Development and Children with Special Needs

Expands Child Care Subsidies^{xxii}

The adopted budget provides an additional \$944 million from the state general Fund to increase the Child Care Assistance Program CCAP for families, the State's subsidy program for families below 85 percent of the state median income (~\$114,000 for a family of four). Overall state funding for child care will exceed \$3.1 billion, up from \$2.2 billion in SFY2026.

Key initiatives include:

- New funding of \$73 million for a 2-year-olds based childcare program;
- \$66 million for Dutchess County, Broome County and Monroe County for a pilot program to establish a zero- to three-year-old childcare services program;
- \$753 million in federal childcare funding, the same as last year;

Increases Foster Care Block Grants^{xxiii}

Funding for the Foster Care Block Grant increases slightly to \$426 million, up by \$12 million. Funding available for medical care for foster children is \$160 million; a \$41 million increase (34%) over the prior year.

Increases Child Welfare Services^{xxiv}

Funding to support child welfare services is provided at \$959 million, up \$59 million from the prior year. Adoption subsidies are increased slightly to \$246 million for SFY2027. Additional state funding of \$300 million is restored to New York City related to youth diversion, prevention and other youth justice or support services.

Funds Foster Care Congregate Services^{xxv}

Provides continued state funding of \$17 million for services and expenses to assist foster care congregate care programs licensed by OCFS that meet the definition of an Institution for Mental Disease (IMD) under federal law to support medical staffing needs, services to Medicaid enrolled children placed in a foster care congregate facilities and other necessary services.

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Creates the Office of Child Care and Early Education^{xxvi}

The Executive Budget includes \$1.5 million for the creation of the Office of Child Care and Early Education. The new office will coordinate the implementation of universal childcare, continued investments in 3K, the launch of 2-Care in New York City, and workforce supports.

Expands Masters-in-Education Teacher Incentive Scholarship to Early Childhood Educators^{xxvii}

The enacted budget expands eligibility for the Masters-in-Education Teacher Incentive Scholarship to include early childhood educators and allows recipients to fulfill service requirements through early childhood classroom settings.

Economic Development

Regional Economic Development Councils (REDCs)^{xxviii}

The enacted budget includes \$150 million in core funding for the REDC program.

Downtown Revitalization^{xxix}

The enacted budget provides \$100 million for the Downtown Revitalization Initiative (DRI) and \$100 million for New York Forward.

NY Works Economic Development Fund^{xxx}

The enacted budget includes \$455 for the NY Works Economic Development Fund.

Tourism Promotion Matching Grants^{xxxi}

The enacted budget includes \$2.45 million for local tourism promotion matching grants, consistent with SFY 2026.

Build Recreational Infrastructure for Communities, Kids and Seniors (NY BRICKS) Program^{xxxii}

The enacted budget includes \$75 million for a second round of the NY BRICKS program to support construction and renovation of community centers.

Brownfield Redevelopment Tax Credit Extensions^{xxxiii}

The enacted budget extends the duration of brownfield tax credits for specific redevelopment sites in Albany, Manhattan, Milton/Ballston Spa, Tonawanda, and Rochester. Site preparation, groundwater remediation, and tangible property credit components are allowed for eligible costs incurred through the 2031 or 2033 tax years, depending on the specific site.

Elections

Appropriations for Pre-Paid Return Postage^{xxxiv}

The enacted budget includes \$5 million for the reimbursement of costs related to providing pre-paid return postage and outgoing postage on ballots and applications for absentee and early voting.

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Environment and Energy

Enhances Funding for Clean Water Infrastructure^{xxxv}

The enacted budget includes \$525 million for clean water infrastructure projects authorized by the Water Infrastructure Improvement Act of 2017. This funding supports a broad range of initiatives, including water quality and management, green infrastructure, source protection and remediation, lead service line replacement, upgrades to septic systems and cesspools, and testing and remediating emerging contaminants in private drinking water wells. Additionally, the budget appropriates \$225 million for water infrastructure improvement projects necessary to promote housing development, improvements, and rehabilitation, with \$50 million earmarked for rural areas.

Funds the Environmental Protection Fund (EPF)^{xxxvi}

The enacted budget includes \$425 million for the Environmental Protection Fund to support projects that mitigate the effects of climate change, improve agricultural resources, protect water sources, advance conservation efforts, and provide recreational opportunities. Key allocations include:

- **Climate Resilient Farms:** \$20.5 million for soil health, research on agrivoltaics, satellite research farms, and maintaining woodlands on agricultural land;
- **Climate Smart Communities:** \$12 million for local projects, including \$1 million for municipal pilot programs for publicly accessible electric vehicle fast chargers;
- **Smart Growth Program:** \$3.9 million for state assistance payments to local governments to update comprehensive plans;
- **Climate Coordinators:** \$2.5 million specifically for coordinators serving disadvantaged communities;
- **Farmland Protection:** \$27 million for farmland protection activities;
- **Harmful Algal Blooms:** \$18.7 million for agricultural non-point source abatement to combat harmful algal blooms;
- **Conservation:** \$19 million for Soil and Water Conservation District activities;
- **Invasive Species:** \$18.55 million for invasive species eradication and management;
- **Parks:** \$28.75 million for park projects, with at least \$14 million prioritized for densely populated or underserved areas;
- **Local Waterfront Revitalization:** \$14.275 million, with a minimum of \$10.5 million for projects in disadvantaged or underserved communities; and
- **Waste Reduction and Recycling:** \$23 million for municipal and non-profit projects, including \$6 million dedicated to food donation and food scrap recycling.

Supports the EmPower Plus Program^{xxxvii}

The enacted budget includes \$50 million for NYSERDA's EmPower Plus program to help low-income families with clean energy, energy efficiency, heating and cooling, health and safety, and other related energy improvements.

Funds Green Affordable Pre-Electrification^{xxxviii}

The Executive Budget includes \$3 million in capital funding to help low-income households complete upgrades that enable them to qualify for other energy retrofit programs.

Continues Capital Funding for the Sustainable Future Program^{xxxix}

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The enacted budget reappropriates \$1 billion in capital funding for the Sustainable Future Program and provides an additional \$1 billion in new funding.

Provides Funding for Mechanical Insulation in Public Buildings^{xl}

The enacted budget includes \$5 million for a new Mechanical Insulation Energy Savings Program, which would provide grants to public housing, public hospitals, and school districts for mechanical insulation that increases the energy efficiency of their heating and cooling systems.

Reforms the State Environmental Quality Review Act (SEQRA)^{xli}

The enacted budget implements several reforms to SEQRA aimed at streamlining the review process for housing and infrastructure projects on previously developed land. The reform provides additional exclusions from the requirements of SEQRA, including actions that meet certain criteria related to housing, public parks and trails, water and wastewater infrastructure, and green infrastructure. The agency responsible has 120 days to determine if a project is a “qualified action” exempt from review. These reforms do not supersede local government authority over zoning, site plan reviews, and land use; environmental protections for wetlands, air and water quality, and endangered species; or historic preservation. The legislation takes effect immediately and applies to pending proceedings, unless a determination to require an Environmental Impact Statement (EIS) was already made before the effective date.

Authorizes Increased Flexibility for the Municipal ZEV Grant Program^{xlii}

The enacted budget amends the Environmental Conservation Law to authorize DEC, in consultation with NYSEERDA, to increase the cap on municipal electric vehicle purchases from \$7,500 per vehicle to \$30,000 per vehicle. The intent behind increasing the rebates is to incentivize the purchase of medium-duty and heavy-duty electric vehicles for municipal fleets.

Promotes Energy Affordability^{xliii}

The enacted budget modernizes how utility rate cases are reviewed and resolved and requires each gas corporation and electric corporation to submit an annual energy affordability index showing the existing energy burden upon their residential customers.

Exempts Emergency Back-Up Generation from Siting Requirements^{xliv}

The enacted budget exempts major electric generating facilities that provide emergency back-up generation for semiconductor manufacturing and fabrication facilities from the requirements of Article 10 of the Public Service Law, which generally governs the siting of major electric generating facilities. These provisions are temporary and are scheduled to expire and be repealed on December 31, 2030.

Enacts the Accelerate Solar for Affordable Power (ASAP) Act^{xlv}

The enacted budget establishes the Blue Ribbon Commission on Residential Affordability through Energy Savings, also known as the RATES Commission, to study the causes and origins of rising utility rates. Its primary goal is to recommend specific actions or reforms that can be taken to reduce those rates for New Yorkers.

Delays Climate Act Goals^{xlvi}

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The enacted budget amends the Environmental Conservation Law to update several key definitions, regulatory targets, and procedural timelines related to New York's climate change goals:

- **100-Year Time Frame:** The method for calculating “carbon dioxide equivalent” for greenhouse gases is changed from a twenty-year integrated time frame to a one-hundred-year time frame.
- **Greenhouse Gas Emission Limit:** The definition is updated to exclude emissions from biogenic sources that are reported separately.
- **Statewide Emissions Scope:** The definition of “statewide greenhouse gas emissions” is narrowed by removing the requirement to include emissions associated with the extraction and transmission of fossil fuels imported into the state.
- **Scoping Plan Updates:** The Climate Action Council is no longer required to update its plan every five years. Instead, the law mandates the first update in 2028, with subsequent updates due every six years thereafter.
- **New Reduction Target:** The Department of Environmental Conservation (DEC) is directed to promulgate rules by December 31, 2028, designed to achieve a 60% reduction in statewide greenhouse gas emissions from 1990 levels by the year 2040.
- **New Regulatory Considerations:** When developing regulatory programs to meet these limits, the DEC must now consider several additional factors, including the affordability of programs for state residents and businesses and the impact on economic growth.
- **Disadvantaged Communities Goals:** The goal for these communities to receive the overall benefits of clean energy and efficiency spending is increased from 40% to 45%, and the mandatory minimum share of overall benefits these communities must receive is increased from 35% to 40%.

Establishes the Excelsior Power Program^{xlvi}

The enacted budget establishes the Excelsior Power Program to reduce peak energy demand through the use of smart-grid technology. The Public Service Commission (PSC) is required to establish a program to reduce peak energy demand by remotely operating smart thermostats or other smart devices voluntarily enrolled by residential customers. Participation is strictly voluntary and requires the affirmative written consent of the customer. Customers must have the ability to manually override their smart thermostat settings during extreme heat or cold events without incurring any fees, charges, or penalties. Customers have the right to opt out at any time through a process that must be as convenient as the enrollment process.

The Protecting Our Wallets Energy Rebate (POWER) Credit^{xlvi}

The enacted budget provides a one-time energy rebate tax credit for the 2026 tax year. To be eligible, taxpayers must have been a full-year resident in 2024 and have filed a timely 2024 tax return. The credit amount is \$200 for joint filers or surviving spouses with incomes of \$150,000 or less and \$150 for joint filers or surviving spouses with incomes between \$150,000 and \$300,000. The credit is \$100 for all other filers with incomes of \$150,000 or less. The Commissioner of Taxation and Finance will determine eligibility based on 2024 returns and automatically advance the payment to eligible taxpayers.

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Gaming

Commercial Gaming Offset Fund^{xlix}

The enacted budget includes \$17 million to compensate localities for lower reimbursements due to the state lowering tax rates for commercial gaming facilities.

VLT & Other Host Community Aid^l

The enacted budget provides \$30.1 million for municipalities with video lottery gaming facilities, including \$19.6 million for the City of Yonkers.

Commercial and Tribal Compacts^{li}

Total commercial gaming revenues for local aid are level-funded at \$62 million. Projected tribal compact gaming revenues have increased from \$251 million in SFY 2026 to \$306 million in SFY 2027. These funding levels often include additional room if funds become available and do not guarantee an increased distribution.

General Government

Continues Funding for the County Infrastructure Grant Program^{lii}

The enacted budget includes \$50 million in new funding for the County Infrastructure Grant Program and increases the maximum award to \$1.5 million (up from \$1 million).

Extends Videoconferencing and Remote Participation in Public Meetings^{liii}

The enacted budget amends the Public Officers Law to extend the provisions that allow members of public bodies to participate in meetings remotely via videoconferencing under certain circumstances. The authority for remote participation, which was previously scheduled to expire on July 1, 2026, is now extended to July 15, 2028.

Homeland Security

Local Assistance Grants^{liv}

Establishes a new \$50 million grant program for “...counties related to emergency services and response, including but not limited to supplies, equipment, vehicles, and other items deemed essential to effective emergency preparedness and response activities.” Requires the Division of Homeland Security and Emergency Services to submit a plan to the Director of the Budget for approval.

Statewide Public Safety Communications

Funding to counties for grants or the reimbursement for the development, consolidation or operation of public safety communication systems or networks to support state interoperable communications for first responders is maintained at \$65 million. This funding is supported by \$10 million for public safety answering point centers, and \$10 million for costs related to public safety dispatch centers.

Housing

Funds and Authorizes the Expansion of Land Banks^{lv}

The enacted budget includes \$40 million in new funding for land banks to redevelop blighted or abandoned properties. In addition, the budget increases the cap on the number of land

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banks that can be established from 35 to 45. There are currently 32 land banks across New York State.

Provides Resilient and Ready Funding^{lvi}

The enacted budget provides \$50 million in new capital funding to support resiliency efforts for low- and moderate-income homeowners. The program assists households that experience flood damage in making necessary repairs in the aftermath of storms and helps cover the cost of proactive flood mitigation improvements.

Allocates Lead Abatement Funding for Landlords^{lvii}

The enacted budget provides an additional \$20 million in capital funding to assist landlords in meeting lead remediation requirements to protect tenants.

Human Services

Authorizes the Pass-Through of Any Federal Supplemental Security Income Cost of Living Adjustment^{lviii}

Local social services districts administer public assistance benefits that incorporate federal Social Security Income (SSI) calculations. The enacted budget authorizes automatic pass-through of SSI cost-of-living adjustments for aged, blind, and disabled persons living in the community. This provision allows federal COLAs to be reflected in benefit levels.

Makes Permanent the Committee on Special Education Financing Structure^{lix}

The enacted budget extends the sunset on the existing cost-sharing framework for residential special education placements outside of New York City to April 1, 2027. Reimbursement rates and fiscal shares remain unchanged.

Insurance

Expands the Definition of Insurance Fraud^{lx}

This enacted budget amends the Penal Law to expand the definition of “fraudulent insurance act” to include a person who hires, requests, encourages, orchestrates, or invites another individual to stage a motor vehicle accident. The legislation intends to crack down on fraud that increases the cost of auto insurance.

Prohibits the Use of Certain Data in Determining Insurance Rates^{lxi}

The enacted budget prohibits insurers from employment, education, homeownership, and zip code as the sole basis for determining private passenger motor vehicle insurance rates.

Judiciary and Court-Related Matters

Extends Orders of Protection^{lxii}

The executive budget requires courts to extend temporary orders of protection when a defendant fails to appear. Additionally, the legislation requires courts to notify defendants at the time an order is issued.

Allows Municipalities to Create Traffic Camera Bureau/Tribunal for School Bus Stop Arm Violations^{lxiii}

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The Budget allows for the establishment of a traffic camera violations bureau and tribunal. The bureau/tribunal shall have jurisdiction to adjudicate the liability of car owners for violations of failure to comply with school bus red visual signals.

The municipality shall appoint hearing examiners who shall preside at hearings for the adjudication of charges of violations and/or, as applicable, the liability of owners. Such hearing examiners shall not be considered employees of the county, city, village, or town in which the administrative tribunal has been established. Every hearing examiner shall have been admitted to the practice of law in this state for a period of at least five years.

The Tribunal will have the following powers and duties:

- To hear and determine the liability of owners for violations school bus marked and equipped with a stop arm sign and camera;
- To provide for penalties in accordance with the applicable local law or ordinance;
- To adopt rules and regulations prescribing the internal procedures and organization of the bureau, the manner and time of entering pleas, the conduct of hearings, and the amount and manner of payment of penalties;
- To issue subpoenas to compel the attendance of persons to give testimony at hearings and to compel the production of relevant books, papers and other things; and
- To enter judgments and enforce them, without court proceedings, in the same manner as the enforcement of money judgments in civil actions in any court of competent jurisdiction or any other place provided for the entry of civil judgment within the state of New York.

Modifies Motor Vehicle Accident Liability^{lxiv}

The enacted budget introduces significant changes to state laws regarding motor vehicle accident liability. Specifically focusing on the definition of “serious injury,” limits non-economic loss recovery, and the application of comparative negligence. The law amends the Insurance Law to narrow the definition of serious injury to removes a previous category that included medically determined injuries of a non-permanent nature that prevented a person from performing substantially all of their usual and customary daily activities for at least 90 days during the 180 days following the occurrence. The law also requires that fault be determined before the trier of fact can decide whether the injury qualifies as a serious injury and allow recovery for non-economic loss (such as pain and suffering). For serious injuries other than those resulting in death, recovery for non-economic loss is capped at \$100,000 if the injured person was engaged in certain illegal activities at the time of the accident.

The bill amends the Civil Practice Law and Rules (CPLR) to change how damages are awarded when the claimant is partially at fault. In motor vehicle personal injury actions, a claimant is completely barred from recovery if their own culpable conduct (negligence) is greater than the conduct of the person(s) they are seeking recovery from. This moves New York away from a general “pure” comparative negligence standard—where a plaintiff can recover regardless of their percentage of fault—to a modified standard where they cannot be more at fault than the defendant(s). These provisions take effect immediately and apply to all actions and proceedings commenced on or after the date the act became law.

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Office of Indigent Legal Services & Legal Defense

Provides State Aid for Indigent Legal Services^{lxv}

The enacted budget includes \$486.87 million in Aid to Localities funding for the Office of Indigent Legal Services, up \$5 million from SFY 2026. This includes:

- **ACP Rate Increase:** \$92 million to reimburse 50% of eligible expenditures that counties and NYC incur because of the increased statutory rate for County Law Article 18-B assigned counsel. This funding will continue at SFY 2026 levels and is to be disbursed upon submission of a certification submitted to ILS on a quarterly basis.
- **Article 18-B Family Court Representation:** \$30 million is allocated to improve the quality of representation to persons who, under County Law Article 18-B, are entitled to assigned counsel in Family Court matters.
- **Article 18-B Family Court Representation – Parental Defense:** \$9.9 million is allocated for parental representation in child welfare matters.
- **Extension of Hurrell-Harring Reforms Statewide:** \$274 million to fully fund statewide implementation of Hurrell-Harring settlement reforms pursuant to plans filed by ILS on December 1, 2017. The appropriation language includes the same annual reporting requirement that was in previous years' final budgets, as well as the same authorization to transfer a portion of these funds to support ILS' State Operations budget and/or suballocate funding to other state agencies.

- **ILS Distributions and Grants:** \$81 million to finance ILS distributions and grants. This funding amount will continue at SFY 2026 funding levels for ILS programs.

Funds Workers' Compensation Fraud Compensation Units Within District Attorneys' Offices^{lxvi}

The enacted budget permits the Workers' Compensation Board to assess and collect funding from businesses for grants to district attorneys' offices to establish and maintain dedicated workers' compensation fraud units.

Medicaid & Health Care

Preserves the Local Medicaid Cap^{lxvii}

The enacted budget assumes the continuation of the local cap on Medicaid costs through FY 2027. Beginning in January 2006, counties' Medicaid cost contributions were capped based on 2005 expenditures and indexed to a growth rate of 3.5 percent in 2006, 3.25 percent in 2007, and 3 percent per year thereafter. In FY 2013, the State committed to phasing out all growth in the local share of Medicaid costs over a three-year period.

The State takeover, which capped local districts' Medicaid costs at calendar year 2015 levels, is projected to save local districts a total of \$9.2 billion in FY 2027. Since 2015, the Medicaid cap has saved counties and New York City \$62.8 billion. An estimate of county savings by NYSAC for SFY2027 is below.

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County and New York City Medicaid Savings in SFY 2027 2005 Cap and 2012 Growth Takeover					
Jurisdiction	Savings	Jurisdiction	Savings	Jurisdiction	Savings
Albany County	\$66,708,630	Herkimer County	\$24,727,270	Saratoga County	\$52,740,109
Allegany County	\$10,561,022	Jefferson County	\$36,817,067	Schenectady County	\$73,231,895
Broome County	\$87,314,252	Lewis County	\$8,675,532	Schoharie County	\$10,430,164
Cattaraugus County	\$30,575,632	Livingston County	\$18,854,544	Schuyler County	\$6,246,380
Cayuga County	\$30,489,638	Madison County	\$21,226,432	Seneca County	\$11,263,855
Chautauqua County	\$60,874,578	Monroe County	\$327,472,732	Steuben County	\$34,957,507
Chemung County	\$33,870,756	Montgomery County	\$25,943,702	Suffolk County	\$553,074,437
Chenango County	\$17,558,212	Nassau County	\$468,510,875	Sullivan County	\$43,221,960
Clinton County	\$27,390,390	Niagara County	\$80,273,151	Tioga County	\$13,081,234
Columbia County	\$24,932,355	Oneida County	\$101,153,729	Tompkins County	\$22,300,624
Cortland County	\$17,867,748	Onondaga County	\$200,878,934	Ulster County	\$80,970,290
Delaware County	\$17,592,668	Ontario County	\$32,301,492	Warren County	\$20,442,355
Dutchess County	\$107,592,807	Orange County	\$173,485,446	Washington County	\$23,486,537
Erie County	\$362,307,802	Orleans County	\$16,101,113	Wayne County	\$35,909,604
Essex County	\$11,511,356	Oswego County	\$50,444,250	Westchester County	\$361,782,139
Franklin County	\$17,493,619	Otsego County	\$17,556,471	Wyoming County	\$10,938,036
Fulton County	\$22,158,117	Putnam County	\$22,077,080	Yates County	\$7,572,612
Genesee County	\$18,089,778	Rensselaer County	\$51,617,103	All Counties	\$9,171,664,713
Greene County	\$19,034,433	Rockland County	\$160,931,765	City of New York (53.8%)	\$4,947,802,062
Hamilton	\$1,350,137	St. Lawrence County	\$37,890,293	57 Counties (46.2%)	\$4,223,862,650

Reauthorize the Health Care Reform Act (HCRA) for Three Years^{lxviii}

The Executive Budget extends the Health Care Reform Act (HRCA) through March 31, 2029, including continuation of hospital assessments, surcharges, and dedicated health care funding streams.

Targeted Healthcare Investments

- \$353M (up to \$706M gross) provider rate increases
- \$47M (up to \$94M gross) thru a capital rate increase for nursing homes
- \$120M per diem increase (net \$316M)
- \$120M for rate increases
- \$100M for Quality Incentive Vital Access Pool
- \$10M for assisted living providers/hospice
- \$500M in operating aid for financially distressed hospitals
- Mental Health and other “O” agency inflation adjustment = +2.7%, adding \$104 million in funding for a total of \$280M

Pensions—Changes to Tiers 5 and 6

Lowers the Retirement Age for Full Benefits^{lxix}

Amends Tier 5 and 6 by lowering the age of full retirement without any penalty from 63 to 58 with 30 years of service for members of the NYS and NYC teachers’ retirement system.

Lowers Employee Retirement Contributions^{lxx}

Modifies employee retirement contributions established by Tier 6 for NYS (ERS & PFRS) and most NYC employees by lowering contributions beginning on and after October 1, 2026, for members who first became members of the New York state and local employees’ retirement

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system on or after April 1, 2012, the contributions in any current plan year shall be determined as follows:

<u>Salary Range</u>	<u>Current Contribution</u>	<u>New Contribution</u>
Less than \$45,000	3%	3%
\$45,001 to \$55,000	3.5%	3%
\$55,001 to \$75,000	4.5%	3%
\$75,001 to \$100,000	5.75%	4%
\$100,001 to \$125,000	6%	5.25%
Greater than \$125,000	6%	5.75%

When determining a member’s contribution rate, overtime earnings are excluded from wages until SFY beginning April 1, 2028.

For members of the university system, including community colleges, there are slight increases to employer contributions (increase of 1% salary). Employee contributions will follow the same schedule above for those that have elected to do so.

Increases the Overtime Ceiling^{lxxi}

Commencing January 1, 2027, the pensionable overtime ceiling for Tier 5 (currently \$24,000) and Tier 6 (\$22,000) is lifted to \$30,000 and shall be increased by 3% per year thereafter. The overtime ceiling for NYSPFRS is increased from 15% of salary to 25% of salary.

For all pension enhancements, Section 25 of the NYS Retirement Law does not apply (this section requires the State to pay the full costs of any pension enhancements made after 2012 under the establishment of Tier 6).

Overall Cost of the Pension Enhancements

According to an actuarial estimate included in the legislation, the annual contribution required by all participating employers in NYSLERS would increase by 0.6% of billable salary, with Tier 6 billing rates increasing 0.8% on average. NYSAC estimates the annual costs for the 57 counties would be about \$50 million and grow each year thereafter as Tier 6 grows.

Actuarial estimates also assume annual costs for New York City will be about \$151 million and grow each year thereafter with a 25-year cost of \$6.7 billion.

Across all payors, the pension enhancements are estimated to cost \$557 million annually and increase thereafter, with the State subject to a one-time immediate past service cost of \$36 million due March 1, 2027.

The State Financial Plan assumes their employer contributions will continue to increase and may approach rates last seen in the wake of the Great Recession due to:

- Continued growth in the salary base, expected workforce levels and collective bargaining agreements,
- Conservative investment returns relative to the current 5.9 percent annual rate of return assumed by NYSLRS,

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- Recent experience related to higher-than-expected retirements, fluctuating investment returns, and Tier 6 enhancements in 2022, 2024, and 2026
- The assumption that salaries will continue to rise much faster than previously expected

State ERS & PFRS Projected Contribution Rates		
State Fiscal Year <i>(Proportionate Change)</i>	System Average Normal Rate¹	
	ERS	PFRS
SFY 2027	17.6%	36.5%
SFY 2028 (+11.9%)	19.7%	38.3%
SFY 2029 (+11.2%)	21.9%	40.1%
SFY 2030 (+13.7%)	24.9%	42.5%

¹ State DOB estimates. The System Average rate represents the average normal contribution rate across all retirement plans in each system for a given fiscal year. They will vary by county and are subject to change based on future actions and actuarial assumptions.

Pension Amortization^{lxxii}

The budget allows New York City to amortize their pension contributions for unfunded accrued liability as of June 30, 2024. This plan will provide fiscal relief to New York City starting at about \$900 million beginning in CFY 2026, and growing thereafter through 2032, when annual payments will be larger than what are currently scheduled.

Public and Mental Health

Increases Core Public Health Funding^{lxxiii}

The enacted budget includes \$288.2 million for local health departments to provide public health services pursuant to Article 6 of the Public Health Law, a \$58 million increase over SFY 2026. The enacted budget also restores funding for the Health Neighborhoods Program (\$1.5 million) and Tickborne Disease Institute (\$69,400), which were proposed for elimination in the Executive Budget.

Provides Public Health State Aid Parity for New York City^{lxxiv}

The enacted budget aligns the state aid reimbursement rates for core public health services in New York City with those of other counties. Previously, New York City was limited to a minimum state aid reimbursement rate of 20% for expenditures on core public health services (after the base grant). New York City will now receive state aid at the same rate as other local health departments—no less than 36% of the difference between core public health expenditures and the base grant.

Extends Sunset for Various Healthcare Programs and Regulatory Frameworks^{lxxv}

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The enacted budget extends the expiration dates of various existing healthcare programs and regulatory frameworks that were otherwise set to sunset in 2026. This includes maintaining the authority for pharmacists to direct limited service laboratories and to order and administer tests for COVID-19 and influenza. The budget also continues the modernization of nurse practitioner practice standards established in 2022. Reimbursement authority for both commercial and Medicaid services provided via telehealth is extended for two years until April 1, 2028, ensuring continued access to remote care. Authorization for the state to provide reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons (Medicaid) and the administrative costs associated with those programs is also extended for two years.

Funds Early Intervention Services^{lxxvi}

The enacted budget includes up to \$40 million for the Early Intervention (EI) program to cover expenditures that are not otherwise reimbursable by the medical assistance program (Medicaid).

Public Safety

Restricts Federal Civil Immigration Enforcement^{lxxvii}

Part LL of the 2026–27 PPGG (S.9005-C/A.10005-C) establishes a broad statewide framework limiting participation by state and local governments, schools, and certain public and private institutions in federal civil immigration enforcement activities. The legislation creates new operational restrictions for counties and municipalities, establishes new civil liability provisions, and authorizes enforcement by the Attorney General through a newly created Office of Immigrant Trust.

Subpart A – “Local Cops, Local Crimes Act”

Subpart A prohibits local governments, law enforcement agencies, correctional facilities, and youth detention facilities from entering into, renewing, or extending agreements with federal immigration authorities for civil immigration enforcement purposes. This includes participation in the federal 287(g) program, under which local officers may assist federal immigration enforcement, as well as contracts to detain individuals for federal civil immigration violations.

The legislation permits detention agreements related to individuals facing pending federal criminal charges, but prohibits agreements involving detention solely for civil immigration purposes. Existing 287(g) agreements and immigration detention contracts become void and unenforceable after 90 days of enactment of the law. The budget includes \$14 million to reimburse counties for revenue losses associated with these agreements. The funding will be distributed pursuant to a plan developed by DCJS and approved by DOB.^{lxxviii}

Subpart B – “New York State Bivens Act”

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This section creates a new state-level cause of action allowing individuals to sue government officials for alleged violations of rights secured under the U.S. Constitution. The legislation is intended to provide plaintiffs with a New York forum for constitutional claims against federal, state, or local officials.

Available remedies include compensatory damages, punitive damages, injunctive and declaratory relief, nominal damages, and attorneys' fees. The law applies retroactively to January 1, 2025, although claims arising prior to the effective date are limited to compensatory and nominal damages.

Subpart C – Restrictions on Immigration Enforcement by State and Municipal Employees (non-police or peace officer)

Subpart C establishes new restrictions on the use of state and municipal resources for civil immigration enforcement activities.

Municipal government employees generally may not:

- Use municipal resources, facilities, or on-duty time for immigration enforcement purposes;
- Share personally identifiable information with immigration authorities absent qualifying judicial process;
- Ask about or collect information regarding immigration status, nationality, or country of origin except in limited circumstances;
- Grant immigration authorities access to non-public government facilities without a judicial warrant or court order.

However, the legislation contains significant carve-outs. The definition of “municipal government employee” excludes police officers, peace officers, and civilian employees of local law enforcement agencies, including sheriff’s office civilian personnel. Local correctional facilities are also excluded from the definition of “municipal government” for purposes of these restrictions.

Subpart D – Schools and Public Education

Subpart D adds new protections prohibiting denial of a free public education based on actual or perceived immigration or citizenship status of students or their parents.

Schools and school personnel, including school resource officers, are prohibited from:

- Using school resources for immigration enforcement;
- Sharing student or parent information with immigration authorities absent qualifying judicial process;
- Asking about or collecting immigration status information except in limited circumstances;

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- Granting immigration authorities access to non-public school areas without a judicial warrant.

Subpart E – “Sensitive Location Protection Act”

This section authorizes certain privately operated “sensitive locations” — including child care facilities, hospitals, houses of worship, housing facilities, schools, colleges, summer camps, senior centers, parks, and polling places — to adopt policies denying immigration authorities access to non-public areas absent a judicial warrant or court order.

Entities choosing to deny access are shielded from state-law liability. The Attorney General, the Office of Immigrant Trust, affected individuals, or facility operators may seek injunctive or declaratory relief for alleged violations.

Subpart F – Law Enforcement Face Coverings

Subpart F prohibits federal, state, and local law enforcement officers from wearing face coverings that conceal their identity while interacting with the public, subject to numerous exceptions including undercover operations, medical protection, protective gear, and religious accommodations.

Uniformed officers must visibly display their agency affiliation and at least one identifying marker, such as a name or badge number. Violations are punishable as a violation for a first offense and a misdemeanor for subsequent offenses. This section takes effect 30 days after enactment.

Subpart G – Office of Immigrant Trust

The legislation creates a new Office of Immigrant Trust within the State Department of Law. The office is authorized to receive and investigate complaints alleging violations of the immigration enforcement provisions established in Part LL.

The office has authority to issue subpoenas, review documents, inspect local correctional facilities, and interview detainees. Investigations involving state agencies under the Governor’s authority require gubernatorial referral, while investigations involving municipalities, counties, schools, and local entities may proceed independently.

Potential remedies include injunctive or declaratory relief, compliance agreements, and monitoring periods.

Subpart H – Child Care Procedures

Childcare providers and legally exempt childcare programs must adopt written procedures addressing situations where a parent or guardian is unavailable to retrieve a child, including circumstances involving immigration detention. Providers must attempt to contact authorized individuals before contacting child protective authorities and must retain custody of the child until an authorized individual or lawful authority assumes responsibility.

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Most provisions of Part LL take effect immediately, although certain operational requirements include delayed implementation timelines.

Authorizes Borrowing for Police Emergency Response Vehicles^{lxxxix}

The enacted budget amends Local Finance Law to allow local governments to issue debt for police emergency vehicles and repay the debt over a five-year period.

Provides Raise the Age Funding^{lxxx}

The SFY 2027 enacted budget includes \$250 million in new funding for implementation of the Raise the Age initiative.

Creates New Penalties for Illegal Homegrown Guns^{lxxxix}

The enacted budget creates new criminal penalties related to the manufacture, modification, and sale of firearms and firearm components, including 3-D printed firearms. The legislation amends Penal Law provisions to define prohibited conduct related to unserialized and self-manufactured firearms and components.

Enacts a Comprehensive Plan for Drones^{lxxxii}

The executive budget establishes new offenses related to the unlawful use of drones, expands law enforcement authority to mitigate drone-related threats, and requires reporting of mitigation actions to the State Police. The legislation identifies specific locations and circumstances under which drone operation is prohibited or restricted. Law enforcement agencies are authorized to disable or mitigate drones posing safety or security risk.

Extends the Suspension of the Subsidy to Revolving Loan Fund from Cell Surcharge Revenue^{lxxxiii}

The enacted budget extends the existing suspension of the annual transfer of \$1.5 million from the Public Safety Communications Account to the Emergency Services Revolving Loan Fund for two fiscal years. The Emergency Services Revolving Loan Fund is a means to assist local governments, fire districts and not-for-profit fire/ambulance corporations in financing emergency response equipment, such as firefighter apparatus, fire engines and ambulances, and construction costs related to the housing of such equipment. Since it is structured as a revolving loan fund (i.e., payments of principal and interest are deposited into the fund) and presently there is a robust balance, eliminating the annual transfer from the Public Safety Communications Account should not diminish the ability of Revolving Loan Fund's administrators to make new loans.

Transportation

Increases Funding for Local Highways and Bridges^{lxxxiv}

The enacted budget funds the Consolidated Highway Improvement Program (CHIPS) at \$698.1 million—a \$50 million increase over SFY 2026—and the Marchiselli program at \$39.7 million. The budget further provides \$100 million for Extreme Winter Recovery and \$140 million for State Touring Route.

Extends Authorization for Autonomous Vehicle Demonstrations^{lxxxv}

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The enacted budget extends the authority of the Commissioner of the Department of Motor Vehicles (DMV) to approve demonstrations and tests of motor vehicles equipped with autonomous vehicle technology until April 1, 2028. It does not include the Governor's proposal to authorize a pilot program for the limited deployment of commercial for-hire autonomous passenger vehicles outside of New York City.

Expands Automated Work Zone Speed Enforcement^{lxxxvi}

The enacted budget amends the Vehicle and Traffic Law (VTL) to expand the Automated Work Zone Speed Enforcement Program to include additional highways. Eligible roadways may now include non-controlled-access highways, subject to program parameters set by the Department of Transportation. Counties that own or maintain participating roadways may be included in expanded enforcement areas consistent with state guidance.

Veterans

Authorizes a Disabled Veteran Real Property Tax Exemption^{lxxxvii}

Section 458-a of the real property tax amended to allow for a county, city, town, village or school district to adopt a local law or resolution allowing for the primary residence of any seriously disabled veteran to be exempt from taxation and special district charges, assessments and special ad valorem levies.

Qualifying disabled veterans must have been discharged or released from active military, naval, space or air service, including army and air national guard service performed pursuant to federal orders under title 10 of the United States code, under honorable conditions; or must have a qualifying condition, as defined in section one of the veterans' services law, and must have received a discharge other than bad conduct or dishonorable from such service; or must be a discharged LGBT veteran, as defined in section one of the veterans' services law, and must have received discharge other than bad conduct or dishonorable from such service; and must be considered by the United States department of veterans affairs to be permanently and totally disabled as a result of military service, as evidenced by a letter, official form, or other document sent to such veteran from such department that specifically states such veteran is considered to be permanently and totally disabled as a result of such service.

This act shall take effect immediately and shall apply to assessment rolls based on taxable status dates occurring on and after October 1, 2026.

Funds the Joseph P. Dwyer Peer Support Program^{lxxxviii}

The Executive Budget includes \$8.023 million for Joseph P. Dwyer funds, which is flat funding from the SFY 26 enacted budget.

Joseph P. Dwyer Grant Allocations
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County Name	SFY 26 Enacted Budget	SFY 27 Enacted Budget
Albany County	\$109,200	\$109,200
Allegany County	\$104,000	\$104,000
Broome County	\$192,400	\$192,400
Cattaraugus County	\$192,400	\$192,400
Cayuga County	\$104,000	\$104,000
Chautauqua County	\$192,400	\$192,400
Chemung County	\$104,000	\$104,000
Chenango County	\$104,000	\$104,000
Clinton County	\$54,600	\$54,600
Columbia County	\$104,000	\$104,000
Cortland County	\$104,000	\$104,000
Delaware County	\$104,000	\$104,000
Dutchess County	\$192,400	\$192,400
Erie County	\$192,400	\$192,400
Essex County	\$104,000	\$104,000
Fulton County	\$104,000	\$104,000
Genesee County	\$83,200	\$83,200
Greene County	\$104,000	\$104,000
Hamilton County	\$104,000	\$104,000
Herkimer County	\$104,000	\$104,000
Jefferson County	\$192,400	\$192,400
Lewis County	\$104,000	\$104,000
Livingston County	\$104,000	\$104,000
Madison County	\$104,000	\$104,000
Monroe County	\$192,400	\$192,400
Montgomery County	\$104,000	\$104,000
Nassau County	\$192,400	\$192,400
Niagara County	\$192,400	\$192,400
Oneida County	\$109,200	\$109,200
Onondaga County	\$192,400	\$192,400
Ontario County	\$104,000	\$104,000
Orange County	\$192,400	\$192,400
Orleans County	\$54,600	\$54,600
Oswego County	\$104,000	\$104,000
Otsego County	\$104,000	\$104,000
Putnam County	\$192,400	\$192,400
Rensselaer County	\$192,400	\$192,400
Rockland County	\$192,400	\$192,400
Saratoga County	\$192,400	\$192,400

**SFY 2027 Enacted Budget
County Impact Report**

Schenectady County	\$109,200	\$109,200
Schoharie County	\$104,000	\$104,000
Schuyler County	\$104,000	\$104,000
Seneca County	\$104,000	\$104,000
St. Lawrence County	\$104,000	\$104,000
Steuben County	\$104,000	\$104,000
Suffolk County	\$192,400	\$192,400
Sullivan County	\$192,400	\$192,400
Tioga County	\$104,000	\$104,000
Tompkins County	\$104,000	\$104,000
Ulster County	\$192,400	\$192,400
Warren and Washington Counties	\$192,400	\$192,400
Wayne County	\$104,000	\$104,000
Westchester County	\$192,400	\$192,400
Wyoming County	\$54,600	\$54,600
Yates County	\$104,000	\$104,000
University at Albany School of Social Welfare	\$218,400	\$218,400
New York City	\$416,000	\$416,000

Budget References

- ⁱ REV, Part A
- ⁱⁱ Part F & G, Revenue Bill
- ⁱⁱⁱ Part E, Revenue Bill
- ^{iv} REV, Part B
- ^v REV, Part D
- ^{vi} REV, Part BB
- ^{vii} REV, Part K
- ^{viii} REV, Part Q
- ^{ix} REV, Part S
- ^x REV, Part T
- ^{xi} REV, Part U
- ^{xii} REV, Part HH
- ^{xiii} Aid to Localities, Office for the Aging (10319) and (10716)
- ^{xiv} Aid to Localities, Office of the Aging (10330) and (10331)
- ^{xv} Aid to Localities, AGM (11498)
- ^{xvi} SFY 2027 Briefing Book, p. 59
- ^{xvii} Aid to Localities, p.897+
- ^{xviii} TEDE, Part K
- ^{xix} Aid to Localities, p.1404+
- ^{xx} ELFA, Part C
- ^{xxi} ELFA, Part E
- ^{xxii} SFY 27 Briefing Book, p. 90

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- xxiii Aid to Localities, p.486+
- xxiv Aid to Localities, p.494+
- xxv Aid to Localities, p.521
- xxvi State Operations, OCFS
- xxvii ELFA, Part F
- xxviii Capital Projects, Urban Development Corporation (91142609) (47009)
- xxix SFY 2027 Briefing Book, p. 31; Capital Projects (51275)
- xxx Capital Projects, OPRHP
- xxxi Aid to Localities, Dept. of Economic Development (21417)
- xxxii Capital Projects, OPRHP (49BR2603) (40446)
- xxxiii REV, Part JJ
- xxxiv Aid to Localities, State BOE (23504)
- xxxv Capital Projects, DEC (09CW2657) (25722) and (09WH2657)
- xxxvi Capital Projects, DEC (30455)
- xxxvii Capital Projects, NYSERDA (03EM26EM)
- xxxviii Capital Projects, HCR
- xxxix Capital Projects, Miscellaneous (SFEC26SD)
- xl Capital Projects, NYSERDA
- xli TEDE, Part R
- xlii TED, Part S
- xliiii TEDE, Part O and P
- xliv TEDE, Part PP
- xlv TEDE, Part SS
- xlvi TEDE, Part VV
- xlvii TEDE, Part III
- xlviii REV, Part FF
- xlx Aid to Localities, Miscellaneous, Commercial Gaming Payment Reduction Offsets (47710)
- l Aid to Localities, Misc. (80480)
- li Aid to Localities, NYS Gaming Commission (23701) and (22169)
- lii Capital Projects, Urban Development Corporation (91812609)
- liii TEDE, Part OO
- liv Aid To Localities, p1126
- lv Capital Projects, HCR; ELFA, Part N
- lvi Capital Projects, HCR
- lvii Capital Projects, HCR
- lviii ELFA, Part L
- lix ELFA, Part K
- lx PPGG, Part F
- lxi PPGG, Part JJ
- lxii PPGG, Part H
- lxiii TEDE, Part UU
- lxiv TEDE, Part EE
- lxv Aid to Localities, ILS; ACP rate increase (55520); ILS distributions (55502); 18-B counsel (55518); Hurrell-Harring extension (55515);
- lxvi PPGG, Part W
- lxvii SFY 27 Briefing Book, p. 73
- lxviii HMH, Part C
- lxix TEDE, Part XX, p.111+
- lxx TEDE, Part XX, P.112, Section 3, line 21
- lxxi TEDE, Part XX, p123, Section 9, line 18

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- lxxii TEDE, Part YY, p.131+
- lxxiii Aid to Localities, DOH (26815)
- lxxiv HMH, Part T
- lxxv HMH, Part B
- lxxvi HMH, Part C
- lxxvii PPGG, Part LL
- lxxviii Aid to Localities, DCJS
- lxxix PPGG, Part NN
- lxxx Aid to Localities, Misc. (80604)
- lxxxi PPGG, Part C
- lxxxii PPGG, Part D
- lxxxiii PPGG, Part B
- lxxxiv Capital Projects, DOT - CHIPS (17CH2521) (54267); Marchiselli (17MA2521) (54265); Extreme Winter Weather (17EW2621) (53160); State Touring Route (17TR2621) (54229)
- lxxxv TEDE, Part E
- lxxxvi TEDE, Part G
- lxxxvii REV, Part EE
- lxxxviii Aid to Localities, OMH (37001)