



NEW YORK STATE SENATE Democratic Conference

Staff Analysis of the 2016-17 Executive Budget



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RULES

January 25, 2016

Dear Colleagues:

On Wednesday, January 13th, Governor Cuomo proposed his SFY 2016-17 Executive Budget. The Executive Budget presents the Governor's plan for closing an anticipated General Fund gap of \$1.78 billion. The recommended Budget proposal closes this gap primarily through cost control measures saving \$2.0 billion, partially offset by somewhat smaller than expected available Federal and State revenue.

The overall proposed All Funds budget is \$154.1 billion. This represents a 1.6 percent increase over the current year's budget, with most of the increase coming from Federal funds regarding implementation of the Federal Affordable Care Act, capital spending funded through monetary settlements, school aid, and Department of Health Medicaid spending.

This year's budget gap is similar to the gaps the State faced in previous years. It is clear that the Senate will still face extremely difficult choices in achieving a balanced budget that meets the needs of New Yorkers, particularly in the challenging economic times we are still facing.

In addition to closing the budget gap, the Governor has proposed a number of significant policy changes in the SFY 2016-17 Executive Budget that the Senate will need to evaluate and carefully consider. For example, these proposed changes include enacting the New York State Dream Act, increasing the minimum wage, raising the age of juvenile jurisdiction, modifying New York City's local funding contribution under the Medical Assistance Program, establishing the Criminal Justice Reform Act of 2016, and establishing paid family leave.

The data and analyses prepared by the Senate Finance Committee staff included in this document will provide insights into these and other proposals in the Executive Budget which can inform the difficult decisions the Senate faces. I look forward to working with all of you as we consider the Governor's proposals in our shared effort to develop a final budget that addresses existing budget gaps, protects the most vulnerable New Yorkers, and continues to reform and improve state government operations.

Sincerely,

A handwritten signature in black ink that reads "Liz Krueger".

Liz Krueger
Ranking Minority Member
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**As prepared by Senate Democratic Conference
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Legislature and Judiciary

LEGISLATURE

Funding Source	Adjusted Appropriation 2015-16	Executive Recommendation 2016-17	\$ Change	% Change
General Fund	\$217,844,801	\$217,844,801	\$0	0%
Special Revenue-Other	\$1,600,000	\$1,600,000	\$0	0%
Total	\$219,444,801	\$219,444,801	\$0	0%

The New York State Constitution vests the State's law-making power in a two-house Legislature composed of a 63-member Senate and a 150-member Assembly. Each representative is elected for two-year terms, and with all 213 being elected every two years. The Legislature convenes annually on the first Wednesday after the first Monday in January and remains in session until it concludes its business.

Overview of the Executive Budget Proposal

The recommended General Fund appropriation of \$219.4 million for SFY 2016-17 for the Legislature represents no change from the amount appropriated for each of the last six years.

The recommended appropriation of \$1.6 million in Special Revenue-Other funds includes \$500,000 in non-state grants for the Chamber Restoration and is unchanged from the amounts appropriated in prior years.

JUDICIARY

Funding Source	Adjusted Appropriation 2015-16	Executive Recommendation 2016-17	\$ Change	% Change
General Fund	\$1,863,494,575	\$1,906,868,329	\$43,373,754	2.3%
Special Revenue- Federal	\$8,000,000	\$8,500,000	\$500,000	6.3%
Special Revenue- Other	\$212,777,463	\$217,158,016	\$4,380,553	2.1%
Total	\$2,084,272,038	\$2,132,526,345	\$48,254,307	2.3%

The Judiciary is one of the three branches of New York State Government. Article VI of the State Constitution establishes a Unified Court System (UCS), defines the organization and jurisdiction of the courts and provides for the administrative supervision of the courts by a Chief Administrator on behalf of the Chief Judge of the State of New York. Pursuant to the Unified Court Budget Act, the cost of operating the UCS, excluding town and village courts, is borne by the State. The Judiciary provides a forum for the resolution of civil claims and family disputes, criminal charges and charges of juvenile delinquency, disputes between citizens and their government, and challenges to government actions. It also supervises the administration of estates, considers adoption petitions, and presides over dissolution of marriages, and provides protection for children and the mentally ill. In addition, the Judiciary regulates the admission of lawyers to the New York State Bar and regulates their conduct.

Overview of the Executive Budget

The Judiciary proposed Budget is \$2.13 billion, an increase of \$48.2 million or 2.3% from the SFY 2015-16 Enacted Budget. The Judiciary submits its budget agreed upon by the Court of Appeals. It is submitted by the Chief Judge to the Governor by December 1 of every year. The only branch of government that can amend the Legislative and Judicial Budget bill is the Legislature. This budget continues support for the following programs;

- \$104.9 million for Court Facility Maintenance, an increase of \$749,035 from last year;
- \$15 million for the Interest on Lawyer Accounts (IOLA); and,
- \$2.4 million for the Town and Village Justice Court Assistance Program.

After the submission of the Judicial Budget, the Commission on Judicial Compensation, by a 4-3 vote, approved a pay increase to the Judges of 95% of the Federal Judicial pay, followed by an increase to 100% of the Federal pay next year, and continued the 100% parity in perpetuity. The recommended pay raise will cost \$26 million this year. The three dissenting votes were all from the Executive's appointees. The 3 members in the minority wrote a dissent stating that the Judicial pay increase should be at 90% of the Federal Salary for Judges in perpetuity which would cost \$13.0 million.