



LEGISLATIVE UPDATE MAY 2024

The Fiscal Year 2024-2025 New York State Budget was enacted on April 16, 2024. The balanced \$237 Billion Budget does not raise income taxes or Statewide business tax. Aid to schools increased by \$1.3 Billion to nearly \$36 Billion, more than \$8.7 Billion was included for transit Systems, \$7.7 Billion for critical infrastructure, and a deal to increase housing supply and protect tenants was reached. Also included are measures to crack down on organized retail theft, hate crimes, and major investment to support New York's health care system. The legislature and Governor engaged in intense negotiations, dragging final passage several weeks past the April 1 deadline.

Highlights of the enacted budget include:

- Agreement to address New York's housing crisis by creating a new 485x tax incentive for affordable housing; extending the 421a incentive for projects already in the pipeline; making it easier to convert unused office space into affordable housing; eliminating outdated density caps in New York City.
- Creates a statewide tax incentive for multi-family housing; makes \$650 million in discretionary funds exclusively available to Pro-Housing Communities; provides incentives for communities that want more accessory dwelling units; investment of \$500 million to develop up to 15,000 new housing units on State-owned sites.
- Sunset of Covid Sick-Pay: Section 2 of chapter 25 of the laws of 2020, relating to providing requirements for sick leave and the provision of certain employee benefits when such employee is subject to a mandatory or precautionary order of quarantine or isolation due to COVID-19, is amended **to expire and be deemed repealed July 31, 2025**
- MWBE Extension: Executive Law Article 15-A governs requirements for the participation of minority and women-owned business enterprises ("MWBEs") in New York State contracting. The Division of Minority and Women's Business Development ("DMWBD) oversees the statewide MWBE program operated by "state agencies as defined by Article 15-A. The Division is charged with three primary functions: (1) to encourage and assist state agencies that are engaged in contracting activities to award a fair share of state contracts to MWBEs; (2) to review applications by businesses seeking certification as a MWBE and to maintain a directory of certified MWBEs; and (3) to promote the business development of MWBEs through education and outreach to agencies and MWBEs. The MWBE program was reauthorized in 2019 for five years and is set to expire on December 31, 2024. The enacted Budget agreed **to extend the Minority and Women-owned Business Enterprise (MWBE) program for six-months until July 1, 2025.**

- Maintains the \$3.9 billion commitment to support distressed hospitals and **\$20 billion multi-year investment to build new healthcare infrastructure**
- \$1.29 billion for SUNY and CUNY capital projects
- Notably, proposed **changes to the benefits for Short-Term Disability Insurance were omitted from the budget**; however, discussions continue during the current legislative session.

Bills of interest to the Electrical Industry currently being monitored:

Due to the lengthy budget negotiations, there are fewer Legislative session days left before the Legislature adjourns on June 6, 2024. Full text for bills below can be found at www.nysassembly.gov

A373A/ S5475A Ensures that construction and fabrication done off of a public work site for specific use only in a public work project be compensated at the prevailing wage rate.

The bill has a long history but has never been enacted. Closely monitoring in 2024.

Status: Senate Finance Committee, Assembly Ways and Means Committee

A6505/ S6979A Requires contractors and sub-contractors to electronically file annual employment reports to the agency authorizing a state contract, the department of civil service and the department of audit and control; makes the agency authorizing the contract responsible for ensuring such contractors or sub-contractors file such reports.

Status: Senate Finance Committee, Passed Assembly

S1736D/ A3780D Requires electric vehicle charging stations and electric vehicle ready parking spaces in certain new construction

Status: Senate Energy & Telecom Committee, Assembly Codes Committee

S5422/ A2512 Requires that modular construction projects (whether units installed in buildings or new construction) comply with applicable local plumbing, gas piping, electrical, and fire suppression licensing requirements, whenever such final construction project is to be located in a city having a population of one million or more.

Status: Senate Finance Committee, Assembly Labor Committee

S3372/ A5620 Ensures proper administration and enforcement of the uniform fire prevention and building code and the state energy conservation construction code; and makes conforming technical changes

Status: Senate Advanced to 3rd Reading, Assembly Governmental Operations Committee

S6979A/ A6505B Requires all state agencies to require all contractors that provide services for state purposes pursuant to a contract, submit an annual employment report with the names of the employees and the number of employees necessary to perform such contract; further provides that such information be submitted electronically in order for such information to be searchable and transferable to a spreadsheet or database.

Status: Senate Finance Committee, Passed Assembly

S1535B/ A4871B Requires certain state owned and operated parking facilities to install and maintain charging stations for plug-in electric vehicles

Status: Passed Both Houses
