NYS Budget - Wins and Losses 2019

There were some wins and losses for SUNY and Stony Brook in the on-time budget recently passed by the Legislature. On the plus side, the budget includes an advancement of funds to SUNY that will cover one year of retroactive pay for contractual salary increases. While helpful, this still leaves Stony Brook with a gap of approximately \$24M in salary costs. The budget fails, however, to provide a restoration of \$78.6M in operating aid for Stony Brook Hospital, Downstate Medical Center and Upstate Medical University. Stony Brook Hospital would have received \$34M of that amount. There was extensive work done to outline the financial impact on the SUNY hospitals if this cut were to take effect, including a letter signed by President Stanley and his hospital leadership counterparts urging restoration or another type of fix that was circulated throughout the legislature.

ADDITIONAL OPERATING BUDGET ITEMS

- The one year of retroactive pay described above was included but there was no increase in non-fringe base aid for SUNY.
- While the issue of the need to cover the TAP Gap was discussed in both houses during budget negotiations, no funding was provided. This gap results from the fact that the Tuition Assistance Program (TAP) continues to be pegged to 2010-11 tuition levels, which costs SBU \$9M per year to fill the gap for our students.
- We received a second year of \$670,000 in funding that will be used towards the implementation of Stony Brook Cancer Center's application to the National Institute of Health to be designated a National Cancer Institute. We also received \$100,000 for Stony Brook's Algonquin Language restoration project.

CAPITAL BUDGET

- Direct critical maintenance support to all campuses declined sharply although the overall amount of capital for SUNY remains the same as last year. Stony Brook will receive \$23.3M down from \$49M in the FY2018-19 budget. \$396M in critical maintenance funding was provided to SUNY to distribute to priority projects on campuses across the state. Stony Brook has already developed a list of needed projects for SUNY funding consideration.
- No extra funding was provided for SUNY capital projects, including Stony Brook's request for a second round of funds for a <u>new engineering building</u>. It is possible, however, that the Legislature will introduce a separate capital funding bill to be considered before the end of the legislative session in June.

STUDENT TUITION AND FINANCIAL ASSISTANCE PROGRAMS

- Continues the Predictable Tuition plan authorizing another year of \$200 tuition increases for in-state students.
- Fully implements the Excelsior Scholarship program by increasing eligibility based on adjusted gross income to \$125,000 per year.
- Enacts the <u>Senator Jose R. Peralta DREAM Act</u> that allows students without lawful immigration status to be eligible for the <u>Excelsior Scholarship</u>, TAP and other state financial assistance programs.

ECONOMIC DEVELOPMENT

- The Centers of Excellence in Advanced Energy (<u>AERTC</u>) and Wireless and Information Technology (<u>CEWIT</u>)
 were again funded at \$1M each and the Centers for Advanced Technology (<u>CAT</u>) will again be funded at
 \$920,000 each.
- Universities, colleges and community colleges will be eligible to apply for \$55M in NY SUNY 2020 grants as well as \$150M in new funding provided to the Regional Economic Development Committees (REDC).

OTHER ISSUES

- A study will be conducted by the NYS Department of Health to determine how staffing enhancements and other initiatives could be used to improve healthcare at hospitals.
- The <u>Property Tax Cap</u> was made permanent, which limits the year-to-year increase to property tax rates to two-percent.
- Language for food scrap recycling was included that will require entities (excluding hospitals) that generate an
 annual average of two tons of or more of food scraps to recycle the waste under rules to be written by the
 Department of Environmental Conservation.

For a more in-depth summary of the budget's impact on public higher education, see <u>SUNY's summary</u> of the enacted state budget or email michael.arens@stonybrook.edu.