NYS LEGISLATIVE COMMISSION ON RURAL RESOURCES

FY 2025-26 Enacted Budget and Its Impact on Rural Communities

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Senate Chair (48th District)

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Assembly Chair (125th District)

NYS LEGISLATIVE COMMISSION ON RURAL RESOURCES

June 2025

The New York State Legislative Commission on Rural Resources is a bicameral commission established by law on June 29, 1982. As stated by that law:

- "The Legislature hereby finds and declares that the economic and social well-being of the people of the State is clearly related to the State's rural resources. The rural economy and environment contribute greatly to the quality and maintenance of life in New York State."

The roles of the Commission include, but are not limited to, the following:

- aggregating information to help better inform legislators of the impacts of policy on rural New York communities;
- communicating to inform New York State residents of the work of the New York State Legislature; and
- providing resources to contextualize the important relationships between rural and urban communities and their residents.

The following is the Legislative Commission on Rural Resources' summary of the FY 2025-2026 Budget. This document provides an overview of the significant proposals contained in the Enacted Budget and their impacts on rural communities in New York. Please do not hesitate to reach out to our office with questions or for clarification.

Sincerely,

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Rural Budget Highlights

Topic	*Highlight*	*Page Number*
Economic Development	$100 million for the **FAST-NY Program** to create shovel-ready sites for businesses.	4
Healthcare	$450 million for **Upstate University** to build more capacity in its emergency department.	8
Housing	Increases for **Rural Rental Assistance**, **Rural Preservation Companies**, **Access to Home**, **Farmworker Housing**, and **RESTORE**; new funding for **modular and starter homes**.	9
Revenue	Extension of the **Farm Workforce Retention Credit**; extension of, and new incentives for, the **Excelsior Jobs Tax Credit**; an update for the **Farm Employer Overtime Tax Credit**.	12, 14

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Agriculture

Appropriations

- **State Fair Projects:** $44 million for the Suburban Park, Chevy Court, and Expo Center facilities.
- **Farmland Preservation and Non-point Source Pollution Control:** $20 million.
- **Expanding Dairy Processing Capacity and On-Farm Storage Technologies:** $10 million to build on last year's investments to update dairy infrastructure in anticipation of a changing climate.
    - Intended to improve dairy supply chain efficiency and invest in milk transfer systems, cooling technologies, and other purposes to assist dairy farmers in transportation or storing their products.
- **Supporting NYS Farm Products:** $10 million to support kitchen facilities that prepare meals from New York farms for K-12 schools.
- **NYS Veterinary Diagnostic Laboratory at Cornell University:** $8.97 million, which includes a small increase to add capacity for monitoring diseases such as bird flu.
- **Meat Processing Expansion Grants:** $5 million for grants of at least $50,000 to be used for the expansion of existing plants, creation of new plants, job training, safety upgrades, and other purposes to further meat processing opportunities within the State.
- **Mary Imogene Bassett Hospital:** $1.25 million for on-farm health and safety programs.
    - This funding, through the **New York Center for Agricultural Medicine and Health**, helps to improve health, safety, and labor conditions for farmworkers statewide. Beyond safety training, the medical professionals also deliver healthcare on site for farmworkers who may otherwise have difficulty accessing care.
- **Cornell Agricultural Workforce Program:** $702,000 to manage tools and information to aggregate and disseminate information for farmers and their employees; provides office hours, webinars, and a website that acts as a central hub; "a one-stop shop" for farm labor workforce development, assisting over 55,000 farm employees.
    - The program is intended to provide upward mobility for farm laborers and offers many resources and trainings in Spanish.
- **Cornell CALS Center for Agrivoltaics Research & Development:** $500,000 to continue studies on the ecological impacts of agrivoltaics.
- **Maple Programs:** A total of $251,000 to the Maple Producers Association for promotion and additional services.
    - New York is second only to Vermont in maple syrup production.

Article VII Legislation

- See *Revenue* section for updates to the **Farm Workforce Retention Credit** and the **Farm Employer Overtime Tax Credit**.

Agriculture Analysis:

- The initial funding for **State Fair** renovations in the Executive proposal only included the Expo Center and was intended to make upgrades that would facilitate the hosting of year-round events. In the Enacted Budget, there is an additional $9 million for the Suburban Park and Chevy Court as well.
- As federal funding for public health programs gets cut, it will be up to other entities at the State level to step in. **The NYS Veterinary Diagnostic Laboratory at Cornell** is poised to do just that, given its work during the pandemic. Recent outbreaks of bird flu bring health and financial concerns to farmers and consumers alike, and the Vet Lab, after receiving funding for a building expansion last year and a small increase in its appropriation this year, is dedicated to monitoring and preventing the spread of infectious diseases in animals.
- A common theme we hear in our conversations with the agricultural community is the need for in-state processing facilities. The grants for expanding **meat processing** will help to build that out, cutting down costs and boosting local economies.

Economic Development

Appropriations

- **Regional Economic Development Councils:** $150 million to support economic development projects in every region of the State.
    - 2024 award recipients for larger rural projects include the Town of Phelps ($5 million), the Town of Kent ($2.5 million), the Village of Fort Plain ($3 million), the Village of Saranac Lake ($9.3 million), the Village of Endicott ($10 million), and the Town of Friendship ($6.8 million).
    - For a complete list, visit: https://regionalcouncils.ny.gov/2024-awards.
- **FAST-NY:** $100 million to prepare and develop more shovel-ready sites to attract businesses and build off of Micron's investment.
- **NY Forward:** $100 million to renovate and redevelop downtown areas in smaller and more rural communities.
    - Recipients are awarded funding in every region. Recent awardees include Greenwich, Chittenango, Brockport, Dobbs Ferry, Canajoharie, and Dryden, among others.
    - For a complete list, visit: https://www.ny.gov/ny-forward/ny-forward-round-three.
- **Olympic Regional Development Authority:** $110 million in capital funding for the North Country, Mid-Hudson, and Capital Region.

Article VII Legislation (TEDE)

- **Olympic Regional Development Authority (Part T):** allows the ORDA to enter into reciprocal ski pass arrangements with other mountains.

Economic Development Analysis:

- There's been a lot of focus on semiconductor manufacturing in recent years, and a number of State incentives and tax breaks seek to expand the industry in New York. However, programs like **FAST-NY** and the **Excelsior Jobs Tax Credit Program** (see *Revenue* section) are resulting in significant investments in other industries. Chobani recently announced its intentions to build a new yogurt plant in Rome that will create over 1,000 jobs and further boost the dairy industry. That new plant was made possible with $23 million through **FAST-NY** to prepare the site, and now, Chobani is investing $1.2 billion for construction. It will also be eligible for the **Excelsior Jobs Tax Credit** for 10 years. Without economic development policies like these, it's likely that we wouldn't be seeing such massive investments from companies across industries relocating or expanding in rural and Upstate communities.

Education

Appropriations

- **Universal School Meals:** $340 million (see also: **ELFA, Part B**) to offer free breakfast and lunch for *all* students in K-12 public schools.
- **Indigenous Nation Schools:** $20.1 million for rehabilitation and renovation projects at the St. Regis Mohawk School, the Onondaga Nation School, and the Tuscarora Nation School.

Article VII Legislation (ELFA)

	Foundation Aid Updates (Part A)
Pupil Needs Index	**Extraordinary Needs: Poverty Count** ● Replaces 2000 Census poverty data with more recent Small Area Income and Poverty Estimates (SAIPE) ● Replaces the Free- and Reduced-Price Lunch Count with the Economically Disadvantaged Count Note: Both of the items above were recommendations coming out of the Rockefeller Institute's study. **Extraordinary Needs: English Language Learners** ● The English-language learners (ELL) weight will increase from 0.5 for the 2024-2025 year to 0.53 in 2025-2026 and subsequent years.
State Sharing Ratio	Includes a recalculation to drive additional State aid to low- and moderate-wealth districts
Annual Increase	2% minimum increase

Article VII Legislation, Continued (ELFA)

- **Community Schools Foundation Aid Set-Aside (Part A):** $250 million.
- **Electric School Buses (Part A):** New modifications to the zero-emission school bus transition requirements allow school districts to receive up to two waivers if they are unable to meet the current bus purchasing deadlines due to external factors and show a good faith effort to comply. Each waiver can last up to two years.
    - The external factors that the State must consider in granting a waiver to a school district include sudden changes in the cost of buses and the availability of electric school buses (ESB). In addition, the Enacted Budget adds language requiring ESB manufacturers to provide independent range estimates that factor in weather and terrain.
- **BOCES Salary Cap Increase (Part A):** Phases in an increase in the State reimbursement from $30,000 to $60,000–the first such increase for CTE instructors in over 20 years.

Education Analysis:

- This year's Enacted Budget expands the **free school meals** appropriation that was established in the budget two years ago to make it universal. Since its initial implementation, which covered about 75%-80% of districts, we have received a lot of feedback that it assists in school budgeting by allowing districts to redirect resources toward educational services, as well as providing food security and improving attendance.
- **Foundation Aid Updates:** We've heard from both the Rockefeller Institute and the Rural Schools Association that updating the Foundation Aid formula will be a multiyear process, and this year begins with making sure that the formula is run with more current data (**SAIPE** is recalculated every year by the U.S. Census Bureau and is thus readily available at no cost to New York State; similarly, school districts already collect and report **Economically Disadvantaged Counts**). The enacted changes make funding more reflective of the socioeconomic realities that schools see on the ground today and offer more financial support for districts that are educating ELLs.
    - The automatic **2% annual increase** differs from the Governor's elimination of hold harmless in last year's Executive Budget, although once more pieces of the formula are updated, certain schools and districts are sure to see cuts over the coming years as Foundation Aid seeks to become more equitable, accurate, and reflective based on current data. The **annual increase** establishes the idea that once new baselines are met, schools will still see an increase from year-to-year.
    - One component of the formula that did not come with a formal recommendation from the Rockefeller Institute was the **sparsity count**, which compensates schools that serve a smaller number of students across a larger geographic area. We've gotten feedback that the current measure is not adequate in many instances. In the coming years, this may be an area to revisit in order to build more equity into the formula for our rural and remote districts.
- The **Community Schools** set-aside is maintained this year, allowing these schools to act as wraparound support centers for rural communities, as evidenced in districts like Massena. There were pushes for additional funding this year, and increases will most likely continue to be a part of the conversation in the future. In our experience, these districts create better access to healthcare, mental health services, food security, and more.
- There has been concern, particularly from rural districts, about the transition to **electric school buses**. One such concern is how these buses will hold up over long drives in rugged terrain. For that reason, the Enacted Budget requires independent range estimates to be provided that account for real-world driving conditions prior to purchase. In terms of timeline and cost, districts now have the opportunity to acquire waivers to extend the deadline, and there have been numerous funding avenues to help schools financially during the transition. These include:
    - $500 million in the **Environmental Bond Act**
    - $300 million through **NYSERDA's NY School Bus Incentive Program**
    - $100 million in this year's Enacted Budget through the **Sustainable Future Program**
    - Financing through the **New York Green Bank**
- **BOCES** remains integral to educational and job training opportunities, particularly in rural areas when individual districts may not have the resources to provide certain offerings. The first increase in State reimbursement for CTE instructors in more than two decades will help recruit and retain these instructors, benefiting students' educational and employment outcomes.

Energy and Environment

Appropriations

- **Sustainable Future Program:** $1 billion for climate mitigation and adaptation projects. Items that could be relevant for rural New York include:
    - $450 million for reducing greenhouse gas emissions in buildings (with $50 million of that dedicated to the **EmPower+ Program**, which helps low- and moderate-income households make energy improvements on their homes)
    - $250 million for zero-emission transportation, $100 million of which goes toward the purchasing or conversion of **zero-emission school buses**
    - $200 million for thermal energy network projects on State-owned land, including **SUNY**
    - $50 million for the **Clean Green Schools Program**
        - The Cuba Rushford Central School District was recently awarded $6.1 million through this program to improve energy performance in its buildings.
    - $40 million for municipal thermal energy networks
- **Clean Water Infrastructure:** $500 million that includes funding for municipal wastewater and sewer system projects, soil and water conservation districts, replacing lead service lines, and the remediation of emerging contaminants in private drinking wells.
- **Environmental Protection Fund:** $425 million to mitigate the effects of climate change, improve agricultural resources, protect our water sources, advance conservation efforts, and provide recreational opportunities.
    - **Farmland Protection:** $25 million.
- **Harmful Algal Blooms (HABs):** Over $100 million in various lines of capital project funding to combat HABs.
- **New York Works:** $90 million is appropriated for DEC to maintain State lands, dams, recreational facilities, trails, waterfronts, and fish hatcheries.

<u>Energy and Environment Analysis:</u>

- With climate change, New York has a vested interest in protecting its freshwater resources for potential population increases in addition to our agricultural needs. In recent years, there has been a lot of attention around combating **HABs**, and there are a number of appropriations totaling over $100 million to protect impacted bodies of water for drinking and recreational purposes. Furthermore, **Clean Water Infrastructure** continues to get significant investments this year, and there is still a high demand to replace aging infrastructure statewide, but especially in rural areas.

Health and Mental Hygiene

Appropriations

- **Safety Net Hospitals:** $1 billion in capital support; $300 million in operating funds to expand this program.
    - This program helps fund hospitals with financial troubles and/or those with high populations of Medicaid, Medicare, or uninsured patients. Without this important investment, it's likely that many of these facilities would be closed.
- **Upstate University Hospital:** $450 million for a new emergency department and annex.
    - ***Note:*** *This item is listed under SUNY Capital Projects.*
- **Nourish NY:** $55 million to help connect surplus farm goods to food banks.
- **Indian Health Programs:** $36.74 million for financial assistance.
- **Clinic Investments:** $20 million, which includes funding for **Federally Qualified Health Centers**.
- **Rural Health Programs:** $10.51 million with $1.1 million itemized for the NYS Association for Rural Health.
    - This local aid is used to fill the gaps in care that exist and is specifically dedicated to serving rural communities. Between hospital closures and workforce shortages in the healthcare industry, this funding is critical to delivering essential healthcare to rural residents.
- **FarmNet:** $500,000 for farmer mental health services.

Health and Mental Hygiene Analysis:

- The existing emergency room at **Upstate University Hospital** is outdated and overcrowded; it treats three times as many patients as it has the space to accommodate, as reported by Syracuse.com. The second-busiest trauma center in New York State (and the only Level 1 trauma center in Central New York), it serves 14 counties; it also houses the Clark Burn Center and the Upstate New York Poison Control Center, which are the primary such facilities for most of the Upstate region. This funding will be needed to more adequately address current conditions and prepare for increased demand with the arrival of Micron.

Higher Education

Appropriations

- **Upstate University Hospital:** $450 million for a new emergency department and annex.
    - **Note:** Although this item is in the SUNY budget, this document also lists it in the previous section, *Health and Mental Hygiene*. See that *Analysis* section for more context.
- **Cornell Cooperative Extension:** $6.12 million to bring Cornell's research to agricultural communities across New York.

Housing

Appropriations

- **Modular and Starter Homes:** $50 million in new capital funding to incentivize the building of starter homes, especially factory-built and modular development.
- **Rural Rental Assistance (ELFA):** $23.455 million (an increase of $275,000).
- **USDA 515 Rental Properties:** $10 million to maintain affordability for housing built under this program; assists over 15,000 rural New Yorkers across 85% of New York's counties.
- **Rural Preservation Companies (ELFA):** $8.05 million (an increase of $493,000) to provide a variety of services to rural residents, such as housing rehabilitation, accessibility, property management, weatherization, and septic and well upgrades.
- **Access to Home:** $5 million (an increase of $1 million) to make residential units accessible for low- and moderate-income persons with disabilities.
- **Manufactured Home Advantage Program:** $5 million for affordable financing for the acquisition and/or rehabilitation of manufactured home communities.
- **Farmworker Housing Program:** $5 million to build, renovate, and improve more housing for agricultural workers.
- **Main Street:** $4.2 million to revitalize historic downtowns, commercial districts, and village centers; some recent award recipients include Fredonia, Victor, Warrensburg, and Lowville.
- **RESTORE:** $4 million (a $2.6 million increase) to help provide safe, decent, and affordable housing for older adults in New York State by keeping them in their homes.

Housing Analysis:

- Housing is one of rural New York's big wins in this year's Enacted Budget. Due to advocacy from groups like the **Rural Housing Coalition** and **Rural Advocates**, many programs that benefit rural communities saw increases, especially rural-specific appropriations for **Rural Rental Assistance**, **Rural Preservation Companies**, and the **Farmworker Housing Program**. Additionally, the **USDA 515 Rental Properties** line, which was new last year, was not in the Executive Budget, but made it across the finish line. Finally, the new funding for **modular and starter homes** offers a faster way to create more housing supply when compared to traditional construction.
- Quality farmworker housing remains essential to recruiting and retaining the agricultural workforce, yet much of the infrastructure is aging and in need of updates or repair. The **Farmworker Housing Program** has been oversubscribed in the past, and inflation has driven up the cost of projects post-pandemic. Increased funding means more money for projects, and the previous cap per project was $200,000; it's now being raised to $400,000. The result will be more of these necessary projects being completed while providing better, safer housing for workers.

Human Services

Appropriations

- **Child Care Subsidies:** $2.19 billion total; in this year's Enacted Budget, an extra $50 million is available for counties outside of New York City that exhaust their child care subsidy allocations and can demonstrate a need for additional funds.
- **Home and Community-Based Services for Older New Yorkers:** $41.7 million appropriated through the Office for the Aging for in-home services to reduce the number of older adults waiting for services.
    - This funding addresses unmet service needs for local area agencies on aging, including nutritional support and transportation.
- **Long Term Care Ombudsman Program:** $6.2 million to provide advocacy and resources for older adults and people with disabilities who live in nursing homes, assisted living, and other licensed adult care homes.
    - "Ombudsmen help residents understand and exercise their rights to good care in an environment that promotes and protects their dignity and quality of life."[1]

Human Services Analysis:

- For **child care subsidies**, counties outside of NYC can request up to 6.5% of their current subsidy allocation or $250,000, whichever is greater. This supplemental allocation would require no local match, but any unused funds would not be able to be rolled over into future fiscal years. If any allocated funds are not used by March 31, 2026, those funds could be reallocated to other counties that may have spent beyond their supplemental allocation of funds. Finally, the most any county could receive is $10 million. Another $350 million is available statewide for counties that exhaust their child care allocations, but New York City will be given first priority for this funding.
    - One piece of feedback we have received is that local governments and rural communities are thankful for child care subsidies and capital funding (see *Human Services* in the *Other Items of Rural Interest* section of this document), but more investment is needed in developing the child care workforce in order to make universal child care a reality.
- Rural New York represents an aging demographic, and access to care and transportation barriers are naturally more pronounced in these areas. Providing services to seniors where they reside, to the extent possible, is supported by the funding for **in-home services** and the **Long Term Care Ombudsman Program**.

Local Government

Appropriations

- **AIM Funding:** There is over $758 million allocated, plus the second installment in **Temporary Municipal Assistance**, $50 million, for AIM-eligible municipalities.

[1] *Long Term Care Ombudsman program*. (n.d.). Office for the Aging. https://aging.ny.gov/long-term-care-ombudsman-program

Public Protection

Appropriations

- **V-FIRE Grant Program:** There is $25 million in funding to allow volunteer fire departments to renovate or construct compliant fire stations equipped to meet the needs of modern firefighting.

Article VII Legislation (PPGG)

- **Lowering the Age of Correctional Officers (Part ZZ):** Lowers the age of eligibility for becoming a correctional officer from 21 to 18. However, they are subject to the following restrictions:
    - They are prohibited from carrying firearms until they reach the age of 21.
    - They cannot be assigned to posts (job placements) that require firearm possession, such as transporting incarcerated individuals, wall tower duties, or arsenal responsibilities.
    - They are restricted from performing outside hospital coverage or supervising outside work/community crews.
    - During the first 18 months of employment, they cannot be assigned to unsupervised contact posts with incarcerated individuals.
- **Prison Closure Authorization (Part BBB):** The Enacted Budget authorizes the closure of up to three DOCCS correctional facilities within SFY 2025-26. Prior to a closure, the Executive must provide the Senate and Assembly at least 90 days' notice. The proposal requires reporting details about staff relocations to the Senate and Assembly within 60 days after closure. This authorization expires March 31, 2026.

Public Protection Analysis:

- Advocates have asked for a slight change to the **V-FIRE Grant Program**. It is meant for smaller departments and has the potential to greatly benefit rural areas. However, departments are required to match the funding up front with no guarantee of receiving the grants, and this makes it unaffordable and too risky. Advocates would like to see an amendment here that uses OSC's auditing threshold. If implemented, it would not require departments with less than $400,000 in revenue to match funds up front and open up funding for departments that truly need it, but are currently prevented from applying due to logistical constraints.
- There is a workforce shortage when it comes to **correctional officers**. Lowering the age requirement is one step that will expand eligibility to help fill vacant positions. At the same time, **prison closures** can assist in consolidating prison populations when facilities are under capacity. This also reduces the demand for correctional officers to ease the shortage. In some rural communities, prisons are among the largest employers, so prison closures can have significant economic impacts on those communities. Importantly, the legislation passed here requires the Executive to report on staffing relocations to the Legislature, providing a plan that takes into account the futures of the workers in these facilities.

Racing, Gaming, and Wagering

Appropriations

- **Tribal State Compact:** $251 million to establish terms and conditions for gaming on tribal territories.
- **Thoroughbred Fetlock Joint Injury Detection Study:** $5.8 million in funding for a longitudinal study of the thoroughbred fetlock joint through advanced imaging.

Revenue

Article VII Legislation: (REV)

- **Amending the State Historic Property Tax Credits (Part E):** Allows taxpayers to transfer State historic tax credits to other taxpayers when approved by the Department of Parks and Recreation. It also removes existing geographic limitations for use of this credit for affordable housing projects where affordability is guaranteed for at least 30 years.
    - Governor Hochul has said that this will be particularly beneficial for building affordable housing Upstate.
- **Farm Workforce Retention Credit (Part JJ):** Extends this tax credit for three more years, now expiring in 2029. The current tax credit is equal to the total number of eligible farm employees multiplied by $1,200.
- **Farm Employer Overtime Tax Credit (Part KK):** Allows a corporate entity to claim the farm employer overtime tax credit and makes the tax credit retroactive for the 2024 and 2025 calendar years.
    - This is meant to close a loophole that previously left many dairy farmers ineligible for receiving the tax credit.
    - Another update allows farmers to seek the tax credit in advance by certifying their overtime costs for the first half of the year.
    - Qualified farm employers can now receive a credit equal to 118% of the overtime expenses incurred.

Transportation and Infrastructure

Appropriations

According to the Governor's press release, the Enacted Budget includes almost $7 billion in the fourth year of the $34.3 billion five-year NYSDOT Capital Plan. Other transportation highlights include:

- **Local Roads and Bridges:** record support, totaling nearly $1.4 billion in each of FY 2026 and 2027.
- **Consolidated Local Street and Highway Improvement Program (CHIPS):** $648 million, a $50 million year-to-year increase.
- **State Touring Routes Program:** $140 million.
- **Pave Our Potholes Program:** $100 million.

Other Items of Rural Interest by Category

Economic Development

- **New York Works:** $400 million is dedicated to provide capital grants to support projects that facilitate an employer's ability to create new, or retain existing, jobs, fund infrastructure investments necessary to attract new businesses, or expand existing businesses.
- **Launch NY AI Consortium:** $90 million; SUNY, RPI, and Cornell are among the institutions involved in participating in this program to spur artificial intelligence research and innovation.

Health and Mental Health

- **Healthcare Workforce Development Programs** (Note: Both of these programs fall under the 1115 Medicaid Redesign Waiver in DOH Aid to Localities, but are not lined out specifically with allocations.)
    - **The Career Pathways Training Program** is funding educational and career support services for new and advancing health, behavioral health, and social care workers. Through three regional Workforce Investment Organizations (the 1199SEIU Training and Employment Funds, the Iroquois Healthcare Association, and the Finger Lakes Performing Provider System), the program covers tuition, textbooks, and educational and career supports and places individuals in high-demand titles. Participants will make a three-year service commitment to work at providers that serve at least 30% Medicaid or uninsured members.
    - **The Student Loan Repayment Program** will provide loan payments for psychiatrists, primary care physicians, dentists, nurse practitioners, and pediatric clinical nurse specialists who make a four-year commitment to work at providers that serve at least 30% Medicaid or uninsured members.
- **Opioid Settlement Fund:** $70.5 million to support programs for treatment, recovery, and prevention.

Higher Education

- **Free Community College for High-Demand Sectors:** $21.2 million to fund free tuition, fees, and books at SUNY community colleges for students between the ages of 25 and 55 pursuing degrees in high-demand sectors, such as nursing, teaching, technology, and engineering; also known as **The New York Opportunity Promise Scholarship** and is established in **ELFA, Part F**.
    - Nursing and teaching are two areas of need across rural New York, and this program could help to facilitate a pipeline of developing more workforce professionals in these fields. With investments in the semiconductor industry, it is also vital to develop the technological and engineering skills of people who already live in New York, and this program is geared toward those switching careers or going back to school and could serve Upstate and rural communities well in filling high-skill manufacturing jobs.

Housing

- **PRO-Housing Community Program:** $100 million in capital funding for infrastructure and $4.2 million for technical assistance grants that support housing development in cities, towns, and villages.
    - We've gotten positive feedback from advocates about this program, as it gives local governments the autonomy to opt in if they are interested in building housing.
- **Mixed-Income Revolving Loan Fund:** $50 million in seed money to provide low-cost second mortgages to spur development of mixed-income rental housing outside of New York City. The fund is meant to fill construction financing gaps by providing a lower cost and more flexible form of capital than is generally available in market financing.
- **Homeowner Protection Program:** $40 million.
- **Infill Housing in Upstate Cities:** $30 million.
- **Affordable Housing Corporation:** $26 million.

Human Services

- **Child Care Construction and Renovation Grants:** $100 million to expand access to child care and target child care deserts. $25 million of this is set aside specifically for counties and municipalities to construct, maintain, or repair such facilities.
- **Support for New Mothers:** $9 million to provide maternal health and newborn supplies (such as diapers) to an estimated 100,000 families; focuses on new mothers in an effort to reduce maternal mortality and assist with postpartum depression and anxiety.
- **Substitute Child Care Pool:** $3 million to create a pool of vetted, trusted professionals to step in to cover for child care staff when necessary.
- **Birth Allowance for Public Assistance Recipients (ELFA, Part Q):** This $8.5 million allocation establishes a one-time cash award of $1,800 for eligible recipients, specifically Temporary Assistance for Needy Families recipients, upon the birth of their child.

Labor

- **Unemployment Insurance Debt Repayment:** Up to $8 billion to pay off New York State's UI debt; also raises the maximum UI benefit from $504 to $869 per week; starting in October 2026, it will be equal to 50% of the State average weekly wage.
    - Paying off this debt means that employers no longer need to pay an annual surcharge that can add up to $450 annually per employee. We've gotten positive feedback from the agricultural community that this will benefit farms.

Revenue

- **Enhanced Empire State Child Credit for Three Years (REV, Part C):** The Enacted Budget increases the Empire State Child Credit for three years and decouples it from the federal credit. Families with children under four will get $1,000 per child. For Tax Year (TY) 2025, families with children aged 4-16 will get $330, and then for TY 2026 and 2027, they will get $500.
    - A study by the Child Poverty Reduction Advisory Council has shown that refundable child tax credits result in a significant reduction in child poverty, and the pandemic-era expansion of the child tax credit generated over $1 billion in economic activity in New York.
- **Excelsior Jobs Tax Credit Program (REV, Part H):** Creates a new, enhanced benefit for semiconductor supply chain companies and a new program to provide tax credits for large-scale semiconductor R&D investments of $100 million or more. It also includes a manufacturing workforce training incentive and extends the overall tax credit for five years.
    - This tax credit benefits more than just the semiconductor industry; it was one of the incentives that led to Chobani recently announcing the development of a new yogurt plant in Rome.

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