



NYS LEGISLATIVE COMMISSION ON RURAL RESOURCES

FY 2026-27 Enacted Budget and Its Impact on Rural Communities



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Senate Chair (48th District)



Assemblymember Anna Kelles
Assembly Chair (125th District)



June 10, 2026

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 2026-2027 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

<i>Topic</i>	<i>Highlight</i>	<i>Page Number</i>
Economic Development	\$575 million for New York Works and \$100 million for FAST NY to attract businesses and bring jobs—particularly valuable for the burgeoning semiconductor industry Upstate.	5-6
Higher Education, Workforce Development	New York Opportunity Promise Scholarship funding has been increased to \$34.8 million and expanded to more educational institutions with a wider range of eligibility for in-demand sectors.	10
Labor, Public Protection	Immigration reforms protect law-abiding workers who contribute to industries like agriculture while ensuring taxpayer funds are used for <i>local</i> law enforcement.	13
Education, Energy, Transportation	The deadline for school districts to convert to zero-emission buses has been delayed by five years; school building aid now includes charging infrastructure.	6-7

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Glossary of Terms

AIM - Aid and Incentives for Municipalities
CCAP - Child Care Assistance Program
CHIPS - Consolidated Local Street and Highway Improvement Program
DEC - Department of Environmental Conservation
DOH - Department of Health
EIS - Environmental Impact Statement
ELL - English Language Learners
FQHC - Federally Qualified Health Center
HABs - Harmful Algal Blooms
HPNAP - Hunger Prevention and Nutrition Assistance Program
MCO - Managed Care Organization
OCFS - Office of Children and Family Services
PSC - Public Service Commission
SAIPE - Small Area Income and Poverty Estimate
SBHCs - School-Based Health Centers
SEQRA - State Environmental Quality Review Act
UDC - Urban Development Corporation (Empire State Development)

Article VII Legislation Bills:

TEDE - Transportation, Economic Development, and Energy
ELFA - Education, Labor, and Family Assistance
HMH - Health and Mental Hygiene
PPGG - Public Protection and General Government

Aging

New York has one of the fastest growing aging populations with 4.6 million individuals aged 60 or older. By 2030, this population is expected to reach 5.4 million, with many older adults facing challenges related to mobility, daily living activities, and chronic health conditions, increasing the demand for services that support aging in place.

Demographically, rural New Yorkers also tend to be older than residents in urban and suburban areas.

Appropriations

- **Community Services Programs:**

- \$43.3 million for **Expanded In-home Services for the Elderly (EISEP)**, which is administered by county offices for aging.
- \$8 million for **Naturally Occurring Retirement Communities**, which are housing developments or neighborhoods with large populations of older adults where community providers offer supportive services for residents, such as healthcare navigation and case management.
- \$6.2 million for the **Long Term Care Ombudsman Program**, which provides advocacy and resources for older adults and people with disabilities who live in nursing homes, assisted living, and other licensed adult care homes.

Agriculture

Agriculture remains a cornerstone of the rural economy in the State. Budget investments in farm modernization, research, and resiliency programs help farmers respond to rising costs, global market pressures, and climate challenges while maintaining a strong food supply.

Appropriations

- **Agricultural Resiliency Against Tariffs Program:** \$30 million in direct payments to New York specialty crop growers, livestock producers, and dairy farmers to offset the costs of tariffs.
- **Climate Resilient Farming:** See *Environment* section.
- **Non-Point Source Pollution Control and Farmland Preservation:** \$20 million.
- **Dairy Modernization Program:** \$15 million, a \$5 million increase, to expand another round of the program for storage and transportation upgrades and to extend the refundable investment tax credit to give farms time to modernize operations and complete major projects.
- **Agribusiness Child Development Program:** \$11.3 million to support a network of thirteen child care centers that serve 1,000 children from agricultural families.
- **New York Meals Infrastructure in Schools:** \$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. The Lab is dedicated to improving the health of food and fiber-producing animals, companion animals, sport and recreational animals, exotic animals, and wildlife.
- **Industrial Hemp Pipeline:** \$2 million in funding to create a research and development consortium and pilot a greener economy for industrial hemp by constructing a processing facility and workforce training center.
 - *Note: This appropriation is located in UDC Capital Projects.*
- **Mary Imogene Bassett Hospital:** \$1.25 million for on-farm health and safety programs.

Article VII Legislation (TEDE)

- **Updates to Tax Law for Farmers:** See *Revenue* section.
- **Dairy Promotion Act (Part J):** This bill transfers authority from UDC to the Commissioner of the Department of Agriculture and Markets to issue marketing orders with the intent of encouraging the consumption of milk and milk products, protecting consumer health, and providing for research.
- **Extending the Investment Tax Credit for Farmers (Part K):** The proposal extends this credit for another five years through the end of 2032; this popular incentive encourages farmers to reinvest in and make upgrades to property and equipment used in farming production. Eligible claims qualify for up to a 20% credit.

Agriculture Analysis:

- Farms are facing numerous headwinds nationwide, including, but not limited to, the price of inputs, succession planning, consolidation, labor, and a changing climate. Tariffs at the federal level have increased costs for farmers for items such as equipment and fertilizer, and **NYS tariff relief** is intended to relieve some of those pressures.
- New York State continues to invest heavily in agricultural research and technology, including programs at **Cornell University and SUNY**, many of which are not listed above. **Dairy modernization** has been a multiyear investment with the goal of maintaining and expanding New York's role as a leader in dairy, with an eye toward the expansion of producers and processors. There are also several appropriations that assist agricultural professionals with being stewards of the environment, including **non-point source pollution control, climate resilient farming**, and several funding allocations in the *Environment* section.
- Finally, while there are several tax credits available to farmers, navigating eligibility and criteria for each credit could be tedious, and the tax code was simplified in order to ease the burden on farmers when filing. For more on that, see *Revenue*.

Economic Development

State investments in economic development and infrastructure support job creation, community revitalization, and regional growth. These programs are particularly important in rural communities where strategic investments can help attract businesses and strengthen local economies.

Appropriations

- **New York Works Economic Development Fund:** \$575 million, an increase of \$175 million, which is dedicated to providing capital grants in order to support projects that facilitate an employer's ability to create new or retain existing jobs, or to fund infrastructure investments necessary to attract new businesses or expand existing businesses.
- **Regional Economic Development Councils:** \$150 million to support economic development projects in every region of the State.
 - 2025 award recipients for larger rural projects include the Town of Bolton (\$2.5 million), the Village of Weedsport (\$2 million), the Town of Canandaigua (two awards for a total of \$4.8 million), the Village of Canajoharie (\$1.5 million), and the Town of Chazy (almost \$2 million).
- **NY Forward:** \$100 million to renovate and redevelop downtown areas in smaller and more rural communities.
- **FAST NY:** \$100 million to prepare and develop more shovel-ready sites to attract businesses and build off of Micron's investment.
- **Olympic Regional Development Authority:** \$100 million in capital funding is proposed for projects in the North Country and the Catskills.

Economic Development Analysis:

- New York’s investments in economic development (**New York Works** and **FAST NY**) were cited by Chobani as some of the reasons that they decided to open a new plant in Rome, which will create 1,000 new jobs. Programs like these combined with federal policy under the Biden administration (The CHIPS and Science Act) are positioning Upstate New York to be a leader in semiconductor manufacturing. The NY SMART I-Corridor links Buffalo, Rochester, Syracuse, and Ithaca as it builds out a supply chain for the industry that includes companies in rural areas, and it projects that by 2034, 1 out of 4 domestic chips will be made within 350 miles of this corridor. In Clay, Micron is scheduled to begin pouring concrete this year and will provide 50,000 permanent jobs, as well as 4,000 construction jobs over the next two decades.

Education

Education funding is a critical component of rural community stability and economic development. Rural school districts often face unique challenges, including declining enrollment, limited local tax capacity, and higher transportation costs. State aid helps to ensure these districts can continue providing quality education and essential services to students across geographically dispersed communities.

Appropriations

- **Universal School Meals:** \$395 million, an increase of \$55 million, for free breakfast and lunch for all students in K-12 public schools.
- **30% Farm-to-School Reimbursement:** \$10 million for reimbursements to schools that serve lunches that contain at least 30% New York food products.

Article VII Legislation (ELFA)

Foundation Aid Updates	
Pupil Needs Index: Extraordinary Needs Count (Part A)	<ul style="list-style-type: none"> ● Adds weight of 0.12 for students in foster care or experiencing homelessness ● Increases the weighting for English Language Learners from 0.53 to 0.6

Article VII Legislation, Continued (ELFA)

- **Universal Pre-K:** See *Human Services* section.
- **Community Schools Set-Aside (Part A):** \$250 million in dedicated funding for schools that provide wraparound services to students and families.
- **Building Aid for Renewable Energy Projects (Part A):** Allows schools to be reimbursed for projects such as solar or geothermal systems; requires ground-mounted renewable energy projects to be sited in a way that minimizes the impact on athletic fields, outdoor educational space, and other natural areas serving the school.
- **Zero-emission School Buses (Part A):** Extends the deadlines for zero-emission school bus implementation by five years; by July 1, 2032, school districts shall only purchase or lease zero-emission school buses, and by July 1, 2040, districts shall only operate and maintain zero-emission school buses.

Education Analysis:

- This is the second budget cycle since the Rockefeller Institute completed its report¹ containing recommendations for updating Foundation Aid. Last year's Enacted Budget contained critical updates for how the State measures student poverty and funds education for English Language Learners. This year's formula for education funding maintains the 2% annual minimum increase (first implemented last year) and includes increased reimbursements for English Language Learners, as well as new considerations for students in foster care or experiencing homelessness. The annual minimum increase is particularly beneficial to rural areas as student populations decline, but the need to offer robust coursework to prepare students for college or the workplace remains.
- A persistent concern that we've heard from rural districts is the timeline for converting traditional school buses to zero-emission fleets. Even though the State has provided various funding sources through the Bond Act and NYSEKDA, anxieties about cost, availability, and reliability in harsh winters or over long distances are common. In response, full **zero-emission school bus implementation** has been extended for five years, allowing technology and supply chains to catch up with the demand of rural districts while simultaneously giving those districts more time to plan financially for conversion. A new category of **building aid** has also been created this year to assist schools in building out projects that include charging infrastructure.

Energy

Energy affordability and infrastructure access are particularly important in rural communities where residents often rely on older housing, heating fuels such as propane or heating oil, and longer distribution networks. State programs that support energy efficiency, clean energy adoption, and utility system improvements help reduce costs and improve reliability for rural households and businesses.

Appropriations

- **NY-SUN:** \$200 million to offer incentives to residents and businesses to install solar.
- **Empower Plus:** \$150 million for financial assistance to low- and moderate-income households to make energy-efficient home improvements.

Energy Analysis:

- The cost of a megawatt of solar or wind energy has fallen rapidly, while we have seen firsthand the volatility of oil and gas prices in 2026. This is why, even with delays to the full implementation of the Climate Leadership and Community Protection Act in this year's Enacted Budget, New York State remains committed to converting to green energy. Dedicated funding streams for energy efficiency and the implementation of solar, wind, and other zero-emission technologies are sure to continue for the foreseeable future. The role that rural communities can play in this transition is still evolving, but entities like the Tug Hill Commission are dedicated to advising local governments on how to handle the siting process.²
- **Note:** After the Budget was passed, both the Senate and the Assembly passed a **one-year moratorium on permits for large data centers**,³ with significant attention to alleviating the pressures that they put on the electric grid and local water supplies and on maximizing benefits to local communities.

¹ *Foundation Aid Study* | Rockefeller Institute of Government. (2024, June 13). Rockefeller Institute of Government.

<https://rockinst.org/foundation-aid-study/>

² *Planning for Solar Energy Projects*. (n.d.). Retrieved May 28, 2026, from

<https://tughill.org/wp-content/uploads/2025/08/Planning-for-Solar-Energy-Projects-August-2025.pdf>

³ *NY State Senate Bill 2025-S10642*. (2025). NYSenate.gov. <https://www.nysenate.gov/legislation/bills/2025/S10642>

Environment

New York continues to invest in environmental protection initiatives that safeguard natural resources, improve water quality, and strengthen climate resilience. These investments are especially important in rural communities that rely on healthy ecosystems for agriculture, recreation, and economic activity.

Appropriations

- **New York Works:** \$455 million for infrastructure projects, repair, rehabilitation, and maintenance in State Parks.
 - An additional \$114 million for **New York Works** is appropriated under DEC Capital Projects to maintain State lands, including addressing dam safety projects, water quality improvement, and the remediation of legacy environmental contamination.
- **Clean Water Infrastructure:** \$525 million, an increase of \$25 million, for a variety of purposes, including: water infrastructure, water quality improvement projects, nonagricultural non-point source abatement, wastewater treatment, stormwater and sewer system projects, road salt management, the remediation of solid waste sites, upgrading or replacing septic systems and cesspools, and the testing and remediation of emerging contaminants in private drinking water wells.
- **Stormwater and Wastewater Projects:** \$28 million.
- **Farmland Protection:** \$27 million for land classification, agricultural district mapping and a master list of soils, and capacity grants.
- **Downstate HABs:** \$26 million to combat harmful algal blooms.
- **Climate Resilient Farming:** \$20.5 million to improve soil resiliency, mitigate greenhouse gases, study the ecological impacts of agrivoltaics, and maintain forests and woodlands located on agricultural land for the purpose of carbon sequestration.
- **Agricultural Non-Point Source Abatement:** \$18.7 million to combat harmful algal blooms.
- **Soil and Water Conservation Districts:** \$19 million for projects that include combating harmful algal blooms.
- **Environmental Health Assessments:** \$12 million for testing and actions related to contaminated drinking water, harmful algal blooms, tick-borne illnesses, and lead exposure; also includes up to \$4.5 million to expand and improve access to local, fresh, and nutritional food to nutritionally underserved neighborhoods.
- **Hudson River Estuary Action Agenda:** \$8 million to combat harmful algal blooms, including \$1.5 million for the Mohawk River Action Plan.

Article VII Legislation (TEDE)

- **SEQRA Reforms (Part R):** creates SEQRA exemptions for certain kinds of housing, parks, trails, water/sewer projects, and green infrastructure upgrades.
 - Relevant lead agencies must determine whether an environmental impact statement (EIS) is needed for a project within one year and require an EIS for permits or authorizations to be completed within two years after such agency determines an EIS is required.
 - *Outside of New York City*, housing actions are exempt from SEQRA if they:
 - create no more than 20 units in a municipality with no zoning, 100 units in a municipality with zoning, or 300 units in a municipality located in a Census-designated urban area;
 - contain no more than 20 percent of the floor area of nonresidential space;
 - do not include single-family homes on parcels greater than one acre;
 - are connected to water and sewer systems at the time of initial occupancy; and
 - are located on previously disturbed sites.

Environment Analysis:

- New York State has some of the oldest water infrastructure in the country, and the State continues to invest in upgrading and building new **water infrastructure**. In fact, water quality issues as a whole receive substantial investments year-over-year as New York has a substantial amount of freshwater that will be increasingly important in the years to come. The Enacted Budget again contains a multitude of appropriations to protect water quality from contamination as a result of agricultural practices, road salt usage, or products containing forever chemicals. Mitigating **harmful algal blooms (HABs)** is again a high environmental priority, as they hurt local economies and pose a threat to public health. For more on HABs, see our report⁴ from 2025.
- **The State Environmental Quality Review Act, or SEQRA**, was first established in 1975 to take into account the environmental impacts of development. However, since then, it has been utilized to hinder, delay, or block the construction or development of projects such as affordable housing. The reforms put forth in this year's Enacted Budget are meant to prevent abuses of the law and streamline projects that will bring housing online while leaving important guardrails in place. The impacts on housing development could be significant, including in rural areas. Two important points for rural communities:
 - These SEQRA changes *do not impact local law, zoning, or other local land use authority*.
 - Regarding housing development and farmland protection, to be considered a "previously distributed site" and therefore qualify for SEQRA exemptions, *land must not have been used for agricultural purposes within the last two years or within three of the last five years in total*.

Health and Mental Hygiene

Major investments to improve access to healthcare, expand services, and strengthen the healthcare delivery system are crucial and are particularly significant for rural communities that face provider shortages and barriers to accessing care.

Appropriations

- **Safety Net Hospitals:** \$1 billion in capital support to fund hospitals with financial troubles and/or those with high populations of Medicaid, Medicare, or uninsured patients.
- **Indian Health Programs:** \$36.7 million for financial assistance.
- **HPNAP:** \$72.8 million, an increase of \$15 million, for hunger prevention and nutrition assistance.
- **Nourish New York:** \$55 million to help connect food banks with surplus farm goods.
- **Rural Health Programs:** \$9.4 million for State grants for rural healthcare access and network development, plus an additional \$1.1 million for the NYS Association for Rural Health.

Article VII Legislation (HMH)

- **Health Care Stability Fund Investment (Part O):** will utilize MCO tax revenue to support Medicaid investments for certain healthcare providers, including financially distressed hospitals, safety net hospitals, and FQHCs; \$750 million in new investments includes \$400 million for hospitals.
- **School-Based Health Centers (Part Z):** permanently carves out SBHCs from Medicaid Managed Care, keeping it a fee-for-service model; this prevents SBHCs from having to negotiate terms and conditions of payment through managed care plans, which could have included delays in care due to processes such as prior authorizations and other administrative barriers.

⁴ *Commission on Rural Resources Releases Joint HABs Hearing Report with Senate Environmental Conservation Committee.* (2025). NYSenate.gov.

<https://www.nysenate.gov/newsroom/press-releases/2025/rachel-may/commission-rural-resources-releases-joint-habs-hearing>

Health and Mental Hygiene Analysis:

- Provider shortages, barriers to care, and the threat of hospital closures continue to characterize healthcare in rural New York. The State continues to support **safety net and financially distressed hospitals** that serve the most vulnerable communities to keep them operating.
- Food insecurity has been a statewide focus since the pandemic, and New York has increased investments in **HPNAP** and **Nourish NY** to feed residents, the latter of which helps to tie farm communities to population centers.

Higher Education

The State's higher education system plays an important role in workforce development, research, and regional economic growth. SUNY campuses and community colleges often serve as major employers and key partners in training workers for industries critical to rural economies.

Appropriations

- **New York Opportunity Promise Scholarship:** \$34.8 million to fund free tuition, fees, and books at State institutions of higher education for students between the ages of 25 and 55 pursuing degrees in high-demand sectors.
 - Degrees include those in advanced manufacturing, technology, cybersecurity, engineering, AI, nursing and other health professions, green and renewable energy, and pathways to teaching in shortage areas.

Article VII Legislation (ELFA)

- **Expanded Eligibility for the New York Opportunity Promise Scholarship (Part C):** expands the enrollment eligibility for this program beyond community colleges to include all State public institutions of higher education.

Higher Education Analysis:

- As the growth of the semiconductor industry is noted in *Economic Development*, the need to properly train its workforce is crucial to employing the New Yorkers who already live in our communities. The **New York Opportunity Promise Scholarship** has been expanded in this year's Budget to include more in-demand sectors, some of which will serve CHIP manufacturing supply chains. SUNY's community college campuses are geographically located to allow for proximity to rural residents, and this scholarship gives prospective students who want to upskill the opportunity to train and prepare for Upstate New York's future economy.

Housing

Investments in affordable and supportive housing are critical to expand access and address housing shortages across the State. These initiatives help rural communities preserve existing housing stock and support new development.

Appropriations

- **MOVE-IN/Modular and Starter Homes:** \$100 million—double last year's appropriation—to facilitate fast and cost-effective housing development.
- **Resilient and Ready Program:** maintains \$50 million to assist with repairs and improvements for low- and moderate-income homeowners who experience flood damage.
- **Land Banks:** \$40 million.
- **Lead Abatement:** \$20 million for initiatives outside of New York City.

- **Small Rental Development Initiative:** \$10 million to support the creation and preservation of high-quality, affordable multifamily rental units. The appropriation includes new language that limits applicants to communities of less than 100,000.
- **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.
- **Manufactured Homes Park Improvement Revolving Loan Fund:** \$6 million to provide park owners with affordable capital to finance critical infrastructure improvements.
- **Manufactured Home Advantage Program:** \$5 million for affordable financing for the acquisition and/or rehabilitation of manufactured home communities.
- **Access to Home:** \$5 million to make residential units accessible for low- and moderate-income persons with disabilities.
- **Main Street:** maintains \$4.2 million in funding to revitalize historic downtowns, commercial districts, and village centers.
- **Housing Opportunities for the Elderly:** \$4 million to help provide safe, decent, and affordable housing for older adults in New York State by keeping them in their homes.

Article VII Legislation (ELFA)

- **SEQRA Reform:** See *Environment* section.
- **Rural Rental Assistance (Part M):** \$25.382 million, a \$24,000 increase.
- **Rural Preservation Programs (Part M):** \$8.57 million, an increase of over \$500,000, to provide a variety of services to rural residents, such as housing rehabilitation, accessibility, property management, weatherization, and septic and well upgrades; includes a \$250,000 carveout for the **Rural Housing Coalition**.
- **Increasing the Number of Land Banks Permitted (Part N):** Increases the number of land banks that can simultaneously exist in New York State from 35 to 45.

Housing Analysis: With the focus on housing in the past few budget cycles, there have been programs developed (**Manufactured Homes Park Improvement Revolving Loan Fund, USDA 515 Rental Properties**), increased (**Modular and Starter Homes, Rural Preservation Programs**), or sustained (**Small Rental Development Initiative, Housing Opportunities for the Elderly**) that either benefit rural areas or are dedicated to them entirely.



Human Services

Access to affordable child care is a critical issue for families and employers across the State. Rural communities often face additional challenges due to provider shortages, long travel distances, and limited workforce capacity, making State investments in child care programs and workforce development particularly important.

Appropriations

- **Child Care Assistance Program:** \$3.1 billion, an increase of more than \$1 billion.
- **Upstate Child Care Pilot Projects:** \$66 million for pilot projects in Dutchess, Monroe, and Broome counties to provide child care services to children aged 0 to 3.

Article VII Legislation (ELFA)

- **Universal Pre-K (Part A):** Requires all school districts to serve every eligible four-year-old child whose parent applies to enroll them in a full-day (minimum of five hours/day) pre-kindergarten program by the 2028-29 school year.
 - Increased funding is also made available for this policy in Foundation Aid, with a minimum of \$10,000 per pupil. The current per-pupil minimum is \$5,400.
 - Providers that are eligible to participate now also include nonprofit organizations, charter schools, libraries, museums, and community-based organizations.
 - The bill creates a unified “universal pre-kindergarten apportionment” that combines funding for programs that serve both three-year-olds and four-year-olds. The formula is based on enrollment, aid-per-pupil calculations, and approved expenditures, with full-day students receiving a full funding weight and half-day students receiving a partial weight.

Human Services Analysis:

- The expansion of **Universal Pre-K** to include all four-year-olds by 2028 helps to provide free child care to parents, allowing them to work while simultaneously creating new job opportunities in the industry and bolstering local providers by almost doubling the per-pupil minimum. Of significance in rural areas will be recruiting, training, and retaining the workforce to serve children and families.

Local Government

State aid programs provide important support for local governments across the State, particularly in rural communities where smaller tax bases and limited local resources can make it difficult to fund essential services and infrastructure. Programs such as AIM funding and other municipal assistance help support local budgets and maintain critical public services.

Appropriations

- **AIM Funding:** \$758.2 million, plus \$150 million in **Temporary Municipal Assistance** for eligible municipalities.
- **County Partnership Grant Program:** \$50 million in new capital funding in UDC to support vital, small-scale projects that can pertain to roads, sewers, or utilities to encourage housing growth.

Public Protection

Public safety services in rural communities often cover large geographic areas and rely heavily on coordination between State agencies, local law enforcement, and volunteer emergency services. State funding helps support policing, emergency response capacity, and public safety infrastructure that rural municipalities may not be able to sustain on their own.

Article VII Legislation (PPGG)

- **Immigration-Related Issues (Part LL)**

- **Local Cops, Local Crimes Act (Subpart A):** prohibits 287(g) agreements and intergovernmental service agreements between State and local police agencies and the federal government for the purposes of immigration enforcement.
- **New York State Bivens Act (Subpart B):** authorizes lawsuits against government officials who violate the U.S. Constitution.
- **Restriction on Immigration Enforcement by State Employees (Subpart C):** prohibits State and local governments and their employees from collecting, sharing, or inquiring about immigration-related information and prohibits sharing certain information with federal immigration authorities unless there is a judicial warrant or unless otherwise required by law.
- **Education Protections (Subpart D):** ensures the right to a public education regardless of immigration status, prohibits sharing of information with federal immigration authorities by public schools and public school employees, and prohibits schools from allowing immigration authorities onto nonpublic school property without a judicial warrant.
- **Sensitive Location Protection Act (Subpart E):** reinforces private businesses' and organizations' right to refuse to permit federal immigration authorities to private areas of their premises without a judicial warrant.
- **Prohibition of Face Coverings for Law Enforcement (Subpart F):** prohibits law enforcement agents from covering their faces while interacting with the public in performance of their duties, except as permitted.
- **Office of Immigrant Trust (Subpart G):** establishes an office within the Office of the Attorney General to enforce these provisions.
- **Procedures for Child Care Programs (Subpart H):** requires schools and daycares to establish custody procedures for instances where a child's parents or guardians are unable to pick a child up as scheduled, including instances when the parent or guardian is detained by immigration authorities.

Public Protection Analysis:

- New York State has a long, rich history of immigration, and many immigrants have become embedded in rural communities—attending schools and working in factories, on farms, and in service industries. In response to the way that ICE has carried out immigration enforcement since early 2025, often without respect to due process, immigration status, or criminal history, the Enacted Budget contains many **immigration reforms** to protect productive, law-abiding immigrants who contribute to their communities, especially in the agricultural sector. These measures also serve to use taxpayer resources responsibly, allowing local law enforcement to enforce criminal laws without the added responsibilities of carrying out federal immigration enforcement for civil offenses. It's important to note that these provisions do not change law officers' ability to arrest, charge, prosecute, or detain anyone for committing a crime, regardless of immigration status. They merely prohibit them from taking part in aiding ICE agents in detention and deportation policies.

Revenue

Over the last few decades, New York State has implemented various tax credits for farmers to help ease the financial burden in an industry that operates on tight margins. This year's Enacted Budget contains changes to make claiming such credits even easier.

Article VII Legislation (REV)

- **Updates to Tax Law for Farmers (Part D):** This provision amends the definition of “eligible farmer” to create a singular definition for various tax credits, such as the **Farm Workforce Retention Credit**, the **Farm Employer Overtime Credit**, the **Investment Tax Credit**, and the **Agricultural Property Tax Credit**.
 - Under this new standard definition, an “eligible farmer” is a taxpayer whose New York gross income from farming for the tax year, or the average of their New York gross income from farming over the current and previous two tax years, is equal to at least two-thirds of their total federal gross income for the tax year from all other sources minus \$30,000. The definition of New York gross income from farming would be the federal gross income from farming plus payments from the State's farmland protection program and from a variety of farming activities like horse boarding, maple syrup, growing Christmas trees, and earnings from a farm winery or cidery.
- **Farmers Food Donation Credit (Part BBB):** increases the maximum amount for this credit from \$5,000 to \$20,000 beginning in Tax Year 2026.

Transportation and Infrastructure

Investments in transportation infrastructure support economic growth, improve safety, and maintain the State's road and bridge network. State programs also provide essential funding for local transportation systems that connect rural communities to jobs, child care, and essential services.

Appropriations

- **CHIPS:** \$698.1 million for local street, highway, and bridge improvements.
- **Rural and Small Urban Transit Aid Program:** \$32.3 million for planning and operating assistance to support public transportation services.





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