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NYPIRG: “THE GOOD, THE BAD, AND THE UGLY” OF THE 2024-25 STATE BUDGET

This is based on a preliminary review of final budget bills approved by lawmakers. There may be additional items, or changes, after a more detailed review.

The “Good”

Significant improvements to the Tuition Assistance Program (TAP) on its 50th anniversary. For the first time in decades, as the result of aggressive advocacy by the Legislature, the state increased the income eligibility to \$125,000 and increased the size of the minimum award from \$500 to \$1,000 – essentially updating those amounts to cover the loss in purchasing power due to inflation.

Restorations of Governor Hochul’s proposed cuts to educational opportunity programs. These programs aid needy college students.

A mandate that all high schools require students to fill out a FAFSA form (used to determine eligibility for college financial aid) unless they affirmatively choose to decline.

Hospital financial aid (also known as “charity care”) was expanded to include providing assistance to patients up to 400% of the federal poverty level. Payment plans for medical debt cannot exceed 5% of a patient’s income. The budget also allows patients to apply for financial aid at any time during the collections process.

The state’s voluntary system of public financing appears to have survived efforts to weaken the program and it has been adequately funded.

The Legislature rejected the governor’s reduction in aid for upgrading water infrastructure and maintained the \$500 million that has been annually appropriated over the past five years.

The “Bad”

Despite the improvements to TAP mentioned above, the state budget does not include an increase in the amount of the maximum award for the neediest students. The maximum TAP award *still* does not cover the full tuition costs of students attending SUNY and CUNY.

Despite a growing financial crisis in the independent sector of higher education, at the insistence of the governor, a major cut was approved in the program providing state assistance to independent colleges and universities with large endowments (Bundy Aid).

Loopholes in the tax code and other benefits granted to climate polluters were kept in place.

On healthcare, the governor and the Assembly did not support a proposal to prohibit SUNY hospitals from suing patients. An increase in the eligibility level to access state's financial aid to hospital patients at 600% of the federal poverty level was reduced, the final budget only increased it to 400%.

Flatline funding for SUNY and CUNY.

The “Ugly”

Despite a worsening climate crisis and staggering costs, major climate initiatives were derailed.

The Assembly killed NY HEAT. The state Senate advanced NY HEAT legislation in its budget bill and the governor offered a more limited version. Nothing was included in the budget, so ratepayers will continue to subsidize gas hookups across the state to the tune of \$200 million.

The governor killed the Climate Change Superfund Act. The Senate advanced legislation and the Assembly offered vague rhetorical support. Nothing was included in the budget, so taxpayers will continue to be on the hook for massive – and growing – billions of dollars in climate costs.

The process. The budget was late again with virtually the entire process shrouded in secrecy.