







## RESPONDING TO THE PANDEMIC

Over the past year, the State workforce was instrumental in responding to the COVID-19 pandemic.

The Department of Health and its workforce has coordinated and led the statewide COVID-19 vaccination campaign, an effort without precedent in living memory. This work has involved implementing and rapidly scaling up distribution of life-saving COVID-19 vaccines that, to date, have reached 95 percent of adult New Yorkers, and 83.4 percent of all New Yorkers.

The Mental Hygiene agencies (OMH, OPWDD, OASAS and JC) have gone to great lengths to ensure the most vulnerable New Yorkers continue to receive services during the pandemic, from pivoting to providing services through telehealth, to adjusting service delivery models to provide services while preventing spread, implementing the NY Project Hope emotional support line, staffing the State's pandemic call center, and working significant amounts of overtime to provide services.

The Office of Information Technology Services (ITS) and its workforce have created new technology solutions in response to the pandemic. These efforts include the development of dozens of applications, including the NYS Excelsior Pass Program, and providing technical support at the State's mass vaccination and testing sites.

The NYS Department of Transportation (DOT) and its workforce have provided assistance with pandemic response efforts by delivering vaccines to local health departments, mass vaccination sites, and pop-up vaccination pods. Staff have also assisted with delivering supplies and setting up drive-through testing locations across the State.

The Human Services agencies (OCFS, OTDA, HCR, DOL, DHR, DVS) supported programs that have been a lifeline for vulnerable New Yorkers as the global pandemic persists, including administering rental relief to help keep New Yorkers in their homes, delivering record unemployment insurance payments, providing benefits to excluded workers, and ensuring access to child care so people could return to work. These programs helped families stave off financial ruin, and the work was done while critical ongoing efforts to bolster social and economic justice and open doors to opportunity continued.

The Division of Homeland Security and Emergency Services (DHSES) has continued to coordinate the receipt, storage and distribution of PPE, test kits, and medical equipment that the State has received. Most recently, DHSES served an integral role in distributing millions of rapid tests and masks across the State to counties, school districts, and state-run vaccination sites to respond to the surge caused by the Omicron variant.

The Division of State Police (DSP) has expanded the scope of their mission and assumed new responsibilities related to the management, security, and logistical support to dozens of testing and vaccination sites throughout New York. State Police continues to play a significant role in the State's response including: transporting thousands of test samples from across the State to the Wadsworth Laboratory in Albany; assisting in establishing, operating, and securing State testing and vaccination sites; and supporting other state and local agencies in enforcement operations to help stem the spread of the virus.

In March of 2020, the Department of Tax and Finance (DTF) established New York State's COVID Hotline, which answered the public's questions about COVID-19 and scheduled appointments for COVID testing throughout the state. The hotline was operational 24-hours a day and staffed with DTF employees, volunteers from other state agencies, and national guardsmen and women. While under DTF's management, the hotline answered over 2.7 million calls from the public. DTF was also instrumental in assisting the Department of Health launch New York State's COVID-19 Vaccination Hotline.

## STATE AGENCIES

The Executive Budget is committed to regrowing the state workforce to pre-pandemic levels through continued suspension of the hiring freeze and new fill investments.

The Budget assumes a workforce level of approximately 184,195 annual-salaried, full-time equivalent (FTE) positions within the 59 Executive agencies, the State University of New York (SUNY), the City University of New York (CUNY), and the Offices of the Attorney General and the State Comptroller. The assumed level of the workforce under the direct control of the Executive is approximately 118,673 FTEs (64 percent).

The State has collective negotiating agreements in place with most of the State unions through FY 2023, including the recently settled agreement with the Public Employees Federation (PEF), and continues to negotiate in good faith with the unsettled unions for successor agreements.

The Executive Budget includes several new state workforce initiatives, including recognition of the essential workers who have sustained the healthcare and mental hygiene systems, and other initiatives, including recruiting the next generation of public servants, expanding the State's 'technology pipeline,' making New York a model for the employment of workers with disabilities, and investing in workforce regrowth.

- **Healthcare and Mental Hygiene Worker Retentions Bonuses.** This retention program will provide up to \$3,000 bonuses to full-time workers who remain in their positions for one year, and prorated bonuses for those working fewer hours.
- **Expansion of the Statutory Shift Pay Differential.** The Executive Budget advances legislation to improve staffing of hard-to-fill shifts within the State's institutional settings, including healthcare settings, by authorizing the provision of the shift pay differential for any work shift which it is deemed necessary to incentivize employees to work.
- **Make Civil Service Exams More Accessible.** New Department of Civil Service testing centers will be established at the designated SUNY college campuses throughout the state to make it easier for students to enter into New York State service upon graduation.
- **Promote Diverse Hiring.** To help state agencies hire the best and brightest as quickly as possible, the Budget proposes legislation to change Civil Service Law to accelerate the hiring of qualified diverse candidates to public service careers and streamline hiring practices.
- **Improve Civil Service Exam Quality.** DCS will expand efforts to ensure that civil service exams are maintaining the highest standards of integrity and equity.
- **A New Fellowship Program.** The Executive Budget will expand the tech talent pipeline by increasing exposure to technical

roles in government service through a new fellowship program intended to provide graduates, including those historically under-represented in technology, the opportunity to enter public service for two years right out of school.

- **Digital Swat Team.** A new Digital Swat Team program will offer mid-career technologists the opportunity to spend an 18-month stint in government, working to accelerate the State's ability to deliver quality digital services for New Yorkers.
- **Office of the Chief Disability Officer (CDO).** This new CDO will address the multiple factors preventing more people with disabilities from finding meaningful employment.
- **Commit New York State Government to Becoming a Model Employer.** The Executive Budget will charge DCS with working with other State agencies to improve the Civil Service 55-b-/c programs, which authorize the State to designate up to 1,200 positions in the non-competitive class to be filled by qualified people with disabilities and up to 500 positions to be filled by qualified wartime veterans with disabilities.
- **Commission on Prosecutorial Conduct (CPC).** This new commission will investigate complaints and make recommendations that a prosecutor should be removed and transmit its findings of fact and recommendations to the Appellate Division. The Commission consists of 11 members appointed by the Governor, Legislature and the Chief Judge of the Court of Appeals. The FY 2023 Executive Budget provides \$1.75 million to support the CPC, including \$1.35 million for staff \$400,000 for other costs to create the office.
- **Invest \$106 Million in Full-Time Faculty.** The Executive Budget provides SUNY and CUNY with \$106 million – \$53 million each – to hire additional full-time faculty at both four-year colleges and community colleges. This investment will fund an estimated 880 additional full-time faculty – 340 at SUNY and 540 at CUNY, including support for CUNY's plan to convert adjuncts to full-time faculty.

## EMPLOYEE FRINGE BENEFITS AND FIXED COSTS

The State provides a variety of fringe benefits to its current and



former employees, including health insurance, pensions, payment of the Social Security payroll tax and workers' compensation coverage for injured workers. Fixed costs include payment in lieu of taxes to the City of Albany for the Empire State Plaza and taxes on other state-owned land, as well as payments for judgments / settlements against the State under the Public Officer's Law and in the Court of Claims.

All Governmental Funds spending is projected to increase by \$322 million (3.1 percent) as illustrated in the table in this section.

- NYSHIP - The increase is reflective of medical inflation, including the potential for increased utilization following the height of the pandemic.
- Pensions - The decrease is reflective of the State Comptroller's material actuarial adjustments within the New York State and Local Retirement System which have resulted in a significant reduction in the FY 2023 employer contribution rates. This is primarily the result of the Comptroller resetting the valuation of assets following the Common Retirement Fund's record-level of investment earnings in FY 2021.
- Social Security Payroll Tax - The reduction reflects the Judiciary's accelerated repayment of the deferral of the employer-share of the payroll tax authorized by the CARES Act.
- All Other - Workers' Compensation, other fringe benefits and fixed costs reflect wage and property tax increases, and current spending trends.

## PROPOSED EXECUTIVE BUDGET ACTIONS

### Provide a Market Rate of Interest on Court Judgments

The Executive Budget proposes a variable market-based interest rate on court judgments paid by public and private entities, which will provide mandate relief for local governments and lower state taxpayer costs. The market-based interest would be the weekly average one-year constant maturity treasury yield, which is the same rate utilized by the Federal court system. Currently, the interest rate on judgments is established at a fixed rate of as much as 9 percent annually. A prevailing market rate will help ensure that neither side in a lawsuit will be disadvantaged by an interest rate that is above or below what

otherwise could be earned while cases are being adjudicated.

### Waive the Income Cap for Retired Teachers and School Workers

The Executive Budget will incentivize retired teachers and other school workers to rejoin the workforce by temporarily waiving the \$35,000 income limit for retirees. This cap serves as a disincentive to return to work, and thousands of educational professionals have left the workforce during the pandemic.

## EXPANDING THE STATE WORKFORCE

STATE WORKFORCE CATEGORY	YEAR-END ACTUAL 3/31/2019	YEAR-END ACTUAL 3/31/2020	YEAR-END ACTUAL 3/31/2021	YEAR-END ESTIMATE 3/31/2022	YEAR-END ESTIMATE 3/31/2023	YEAR-TO-YEAR CHANGE
Subject to Direct Executive Control	117,967	118,193	111,230	117,648	118,673	1,025
University Systems	60,396	61,023	59,853	60,043	60,932	889
Independently Elected Agencies	4,436	4,499	4,476	4,539	4,590	51
<b>GRAND TOTAL</b>	<b>182,799</b>	<b>183,715</b>	<b>175,559</b>	<b>182,230</b>	<b>184,195</b>	<b>1,965</b>

## SUMMARY OF ALL FUNDS FRINGE BENEFIT AND FIXED COST SPENDING

CATEGORY	FY 2022 (MILLIONS OF DOLLARS)	FY 2023 (MILLIONS OF DOLLARS)	DOLLAR CHANGE (MILLIONS OF DOLLARS)	PERCENT (%)
<b>NYSHIP</b>	5,016	5,475	459	9.2
<b>Pensions</b>	2,525	2,369	(156)	(6.2)
<b>Social Security</b>	1,483	1,429	(54)	(3.6)
<b>Workers' Compensation</b>	569	600	31	5.4
<b>Other Fringe Benefits / Fixed Cost</b>	660	702	42	6.3
<b>TOTAL</b>	<b>10,253</b>	<b>10,575</b>	<b>322</b>	<b>3.1</b>