



NEW YORK STATE – JULY 2024

Recovery Plan and Performance Report



Contents

- 3 EXECUTIVE SUMMARY
- 7 USE OF FUNDS
- 8 PROMOTING EQUITABLE OUTCOMES
- 9 COMMUNITY ENGAGEMENT
- 10 USE OF EVIDENCE
- 11 PERFORMANCE REPORT
- 12 PROJECT INVENTORY



Executive Summary



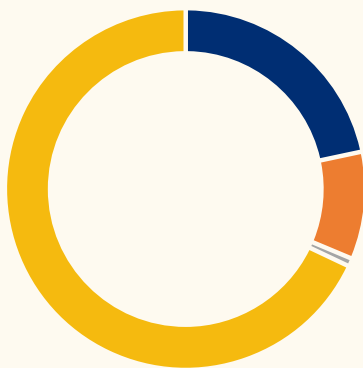
The State and Local Fiscal Recovery Funds (SLFRF), as awarded under the American Rescue Plan (ARP) Act of 2021, enabled New York State to respond to and recover from the many impacts of COVID-19 by providing funding for public health, public safety and other economic relief efforts. Today, the SLFRF allows New York State to provide funding for a broad variety of government services.

NYS and its local governments were awarded \$23.4 billion in SLFRF

to be used during the period of performance as prescribed by the United States Department of the Treasury Final Rule 31 CFR Part 35 RIN 1505–AC77 Coronavirus State and Local Fiscal Recovery Funds (Final Rule).

Treasury’s Final Rule establishes the requirements associated with the use of funds and defines the period of performance as beginning with expenses incurred on or after March 3, 2021, and obligated by December 31, 2024, with funding required to be fully expended by December 31, 2026.

In prior fiscal years, \$3.4 billion in SLFRF resources were used to provide assistance to New Yorkers across the State. This included housing aid to renters and landlords; over one million meals for those in need, prepared by restaurants in need; tens of thousands of small business recovery grants; and significant resources to fund the State’s public safety response to the COVID-19 pandemic.



Prior SLFRF Programmatic Spending

- Small Business Recovery Grants
- Rental Assistance
- Restaurant Resiliency
- Public Safety – Personal Service

EXECUTIVE SUMMARY



In the fourth year of the program, New York State was committed to funding government services that impact New Yorkers and drive outcomes that uphold the principles established in the American Rescue Plan. Of the \$23.4 billion, the State centrally administered approximately \$12.7 billion which has been budgeted to be spent over the lifetime of the program. The remaining \$10.7 billion was distributed among counties, non-entitlement units of government (NEUs), and cities.¹ To date, \$9.1 billion has been expended, and the remaining \$3.645 billion will be utilized in SFY 2025, allowing State agencies to continue providing services.

\$12.7 billion to be transferred to the New York State General Fund

An additional \$10.7 billion allocated to local governments*

*Including counties, non-entitlement units of government (NEUs), and cities¹

¹ The NYS Division of the Budget does not have direct financial control or central oversight over how Federal funds provided directly to localities were expended.



SLFRF Background

New York Governor Kathy Hochul provided valuable leadership throughout New York State’s COVID-19 response and recovery in partnership with cities, counties, and school districts, as well as through outreach efforts. Under Governor Hochul, the New York State Division of the Budget (Division or DOB) continues to centrally manage the use of SLFRF funds. DOB has worked with State agencies to identify projects and programs that both meet the needs of New Yorkers and meet the eligibility requirements as set forth by the Final Rule and other guidance issued by the Treasury.

New York has met these important requirements by funding many COVID-19 response and recovery programs as described in previous Annual Recovery Plan and Performance Reports and continues to meet these important goals by funding government services. The State’s multi-year plan for use of the SLFRF has ensured the State’s long-term growth and stability.

New York State received its SLFRF award early in State Fiscal Year 2022 (SFY 2022²). During SFY 2022, the State attributed \$4.5 billion of the State’s \$12.7 billion award toward SLFRF program expenditures. Consistent with the State’s established Financial Plan, in SFY 2023, Governor Kathy Hochul directed the use of \$2.35 billion of the State’s remaining \$8.2 billion award towards providing essential government services and serving the individuals, businesses, and communities that have suffered the most during the COVID-19 pandemic. For SFY 2024, which began April 1, 2023, the New York State Financial Plan directed another \$2.25 billion to SLFRF projects. As funding approaches its conclusion, DOB continues to prioritize maintaining economic stability while ensuring New Yorkers have access to government services.

² New York Fiscal Year; April 1 to March 31




Commitment to Transparency

Through its reporting, New York State provides transparency in how the funds were used, and safeguards the funds from fraud, waste, and abuse. New York has used SLFRF funds to maximize the impact on vulnerable communities while also ensuring budget stability to support the State’s goals.

In SFY 2024, New York State directed SLFRF funds toward the provision of government services and faced no extraordinary challenges during SLFRF utilization, aside from the usual learning and integrating of the Final Rule and associated guidance. The State continues to leverage the flexibility provided under the Final Rule to use SLFRF to cover administrative and operational costs associated with the provision of important government services.

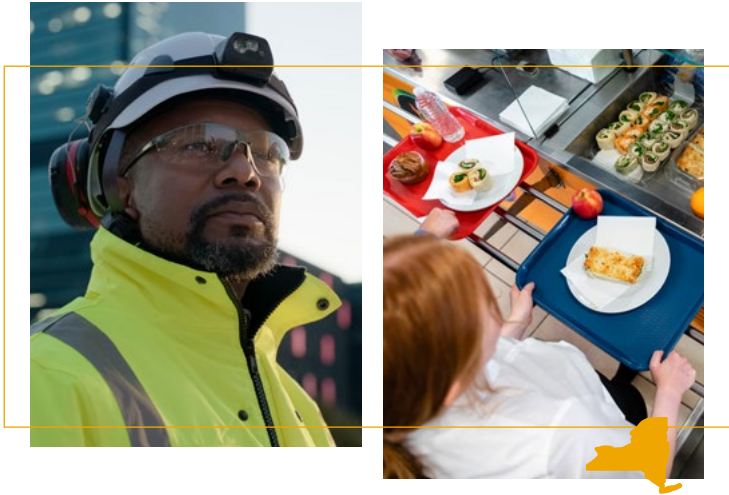
New York State recognizes the crucial role of programmatic and performance data in effectively monitoring and measuring services and resources for individuals, businesses, and communities and has guidance in place requiring its agencies to consider Federally established best practices in strategic planning, evidence-based policy making and performance management.

NYS SLFRF funds Utilized in SFY 2024

Provision of Government Services (Revenue Replacement)	\$2.25 Billion	
<p>New Yorkers have access to a variety of important services through the work of State agencies (including authorities, departments, divisions, offices, public benefit corporations, and other governmental entities). In addition to public health and safety, service areas include but are not limited to: environmental protection and recreation; business, employment, and economic development; nourishment programs to those in need; temporary and disability services; transportation; criminal justice; and many other core government services.</p>		

Use of Funds

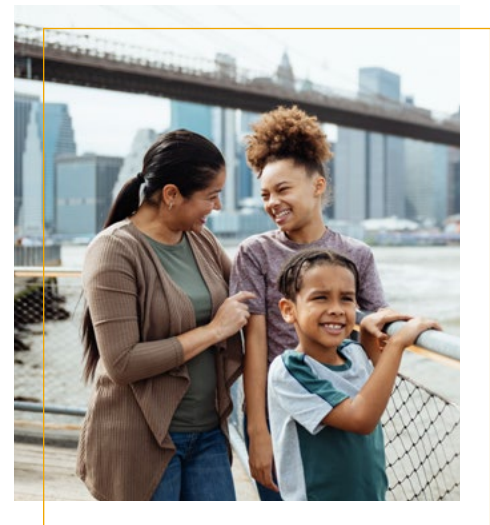
New York continues to prioritize the use of Federal recovery funding to meet the diverse needs of New Yorkers by providing operating funds to State agencies.



New York State’s established budgetmaking process considers public input and program data to inform budget recommendations. This approach to budget development extends to the selection of the State’s use of SLFRF dollars to support the costs associated with maintaining the State’s workforce. By helping to fund the State’s General State Charges budget (GSC), the SLFRF has helped the State fulfill its responsibilities associated with staff costs, including salaries and social security contributions.

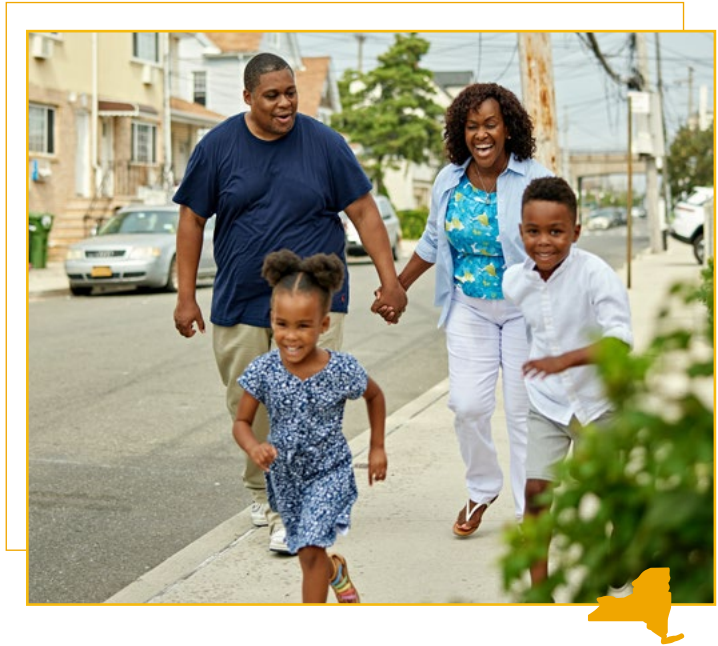
Moving Forward in SFY 2025

For SFY 2025, New York State will use the remaining \$3.645 billion to continue to support government services – positioning the State to provide services to all New Yorkers, and to prioritize service delivery that meets the State’s unique needs and important goals.



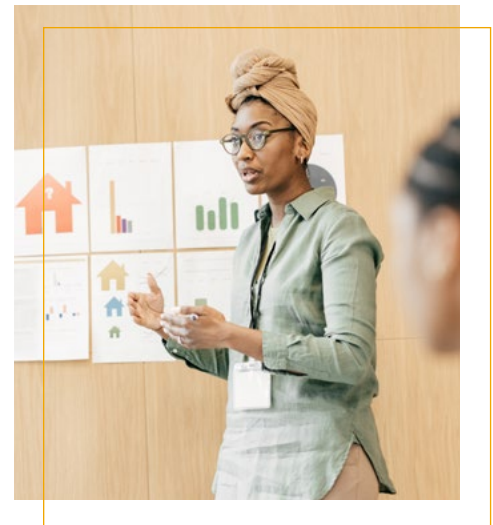
Promoting Equitable Outcomes

SLFRF has provided New York State with the opportunity to respond effectively to disparities highlighted during this public health crisis and to continue to deliver New York’s critical services and programs to all citizens. New York State administers all programs and services with a focus on equity and outcomes.



Promoting Equity

As part of the program inventory, agencies must define each program’s purpose, beneficiaries served, delivery mechanisms and the activities program staff perform to provide services, as well as additional data elements intended to identify programs that prioritize economic and racial equity as a goal, provide an opportunity for community engagement and public input, and encourage capacity building within underserved communities. These efforts inform the State’s ability to respond to the Federal government’s increased focus on equity, evidence, and results.



Community Engagement



Engaging New Yorkers

Governor Hochul and her administration regularly engage regional and community voices across the State.

Agency Stakeholder Engagement

The State’s commitment to community engagement is also demonstrated through agency efforts to seek and receive public input associated with service implementation and resource utilization. Through community engagement, the State is working to ensure individuals, businesses, and communities receive the support that they need for future success.



Labor Practices

New York State has thus far chosen to allocate its available and future funds to Expenditure Categories other than EC5: Infrastructure Projects, and therefore this section does not apply to the Recovery Plan and Performance Report for the period of April 1, 2023 – March 31, 2024.

Use of Evidence



To date, New York State has not dedicated SLFRF funding to any specific evidence-based programs, instead programming the funding across that State enterprise maintaining a variety of government services. In New York State, agencies and the Division routinely use both program data and statistical data generated both internally and supplied externally by reliable sources like the U.S. Census Bureau. Data sets like the American Community Survey – which provides information on social, economic, housing, and demographic characteristics – have long been supporting policy analysis and decision-making. New York also uses the Centers for Disease Control/Agency for Toxic Substances and Disease Registry Social Vulnerability Index (CDC/ATSDR SVI) when determining need and assessing current efforts to address areas including poverty, lack of vehicle access, and crowded housing.

CDC/ATSDR SVI is grouped into databases by four themes:

1

Socioeconomic status

2

Household composition

3

Race, ethnicity, and language

4

Housing and transportation

Performance Report

New York State uses a performance-informed approach for the development of the State Executive Budget, and considers program data, including metrics related to program outputs, outcomes, populations, and financing to inform budget recommendations. New York encourages performance management and drives State agencies to maximize programmatic impact and effective, efficient, and equitable outcomes.

SLFRF funding expended during SFY 2024 was directed to fund employee related expenses and other general government service operations. In SFY 2025, the remaining \$3.645 billion in SLFRF funding will continue to support government services.

SFY 2024 Project Inventory Listing



Provision of Government Services

Project Number	Funding Amount	Expenditure Category
50101GS-24	\$2.25 Billion	6.1

Project Overview

This project incorporates all programs utilizing SLFRF to provide government services to the citizens of the State of New York. This project includes salary costs associated with general government services including tax and finance, transportation, child and family services, public safety, and other general government service operations. The expenses in this project are personal service costs and GSC costs, which include salary payments to individuals, as well as employment taxes paid by the State.

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