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RMS End of Week Update 4/3/2026



(AP Photo/Mike Groll)

Happy Easter and Passover from all of us at Reid, McNally & Savage

Budget Update

The FY 2027 budget was due April 1st, and the first budget extender has been passed. The extender expires on Tuesday, April 7th at which time another extender will need to be passed if a budget agreement is not reached, something that at this point is highly unlikely with the holidays and members having left Albany on Wednesday.

According to press reports none of the big-ticket budget items are close to being resolved. Some progress has been made on some of the less significant items in state budget talks, according to Senate Majority Leader Stewart-Cousins.

One of the top sticking points in state budget talks remains Governor Hochul's proposed amendments to New York's mandates to reduce carbon emissions. She wants to move the

deadline to 2030 for the state to promulgate regulations to rapidly reduce emissions, set a new emissions reduction mandate for 2040 and change how the state measures its progress toward those mandates.

“We still don’t think we have full language from the governor of what she’s actually proposing,” Krueger said Tuesday. “I wish I could tell you there was a specific proposal in writing to share with everyone. But we don’t have one.” Without that language, there’s been no progress in discussions over potential amendments to those mandates.

Another of the sticking points in budget talks is Governor Hochul’s package of proposals intended to lower the cost of car insurance. She is proposing a handful of changes intended to lower costs for car insurance companies, who she’s said would pass those savings on to consumers. Several Democrats in the state Legislature aren’t convinced that costs would decrease for drivers if they approve Hochul’s proposals as they’re written, or at all.

Another of the key issues in the New York state budget is centered on proposed tax hikes in the one-house budgets. Democrats in the Assembly and Senate have included varying ideas in their budget proposals to increase taxes on people making over \$5 million and proposals to raise corporate taxes on businesses with incomes of at least \$5 million a year.

The conversation over how lawmakers will move forward is still up for discussion. “We really haven’t started talking about the money part,” said Senate Majority Leader Andrea Stewart-Cousins. “Our one houses express our willingness to make the uber wealthy pay a little more. We’re willing to have corporations that are doing well pay a little bit more because we’re in a time where not only are there the threats from Washington, but we have needs that we need to meet.”

State Budget Director Blake Washington when speaking with the Legislative Correspondents Association Wednesday confirmed that Hochul was opposed to allowing New York City to raise taxes on large corporations. She’s previously said she opposes raising income taxes on high-income earners but has been less clear on corporate taxes. “We want businesses that provide meaningful jobs to remain in the state of New York,” Washington said. “We don’t need to provide extra impetus for anybody to leave.”

During his discussion he was also asked about a push from local government groups for the state to fund any changes to New York’s public pension system.

“No, just candidly no,” Washington said of the state footing that bill. “Because the state would have its own share to pay and I think that shared responsibility in financing public sector pension systems has been the bedrock principle since they were created in the state of New York. That won’t change.”

We will continue to keep you updated as the budget process moves forward.

For more information please click [here](#).

Democrats Propose State-Funded Fix For 400,000 Losing Health Coverage In NY

Hundreds of thousands of people in New York will begin receiving letters from the state warning that their government subsidized health coverage through the state's online marketplace will end in three months. Democrats in the state Legislature are now proposing a measure that this week they said would preserve that coverage before it expires in July.

“This is critically important that we go forward, and I believe that we will have the cooperation of everyone in doing so,” said Assemblymember Paulin, Assembly Health Chair. Assemblymember Paulin and state Senate Health Chair Senator Rivera have introduced a bill that would require the state to pay for a new subsidized health care plan for the 400,000-plus people set to lose coverage.

It's the first formal proposal that's been made at the state Capitol to fund a fix for that problem since the state said last fall it would seek to end the Essential Plan, which provides coverage for low-income people who earn too much to qualify for Medicaid. Medicaid in New York is available to people who earn up to 138% of the federal poverty level — \$1,836 per month for single individuals as of January.

The Essential Plan is available to people who earn more than that but less than 250% of the federal poverty level, which was \$3,325 per month for single individuals in January. There are about 1.7 million people enrolled in the plan.

Another key difference is that the Essential Plan has historically been available to lawfully present noncitizens. Those include refugees, asylum seekers, green card holders and other immigrants with permission from the federal government to remain in the country. But that's no longer the case after Republicans in Congress and Trump approved legislation last year that made those noncitizens no longer eligible for government subsidized coverage under the Essential Plan.

That created a serious fiscal problem for the state. The Essential Plan was primarily funded by the federal government based on enrollment.

The immigrants who were enrolled generated billions of dollars in federal funding for the state to administer the Essential Plan. With that funding set to disappear, the state decided it couldn't afford to keep the plan online.

Governor Hochul decided to instead revert the income eligibility for the Essential Plan down to 200% of the federal poverty level — \$2,660 per month as of January. That’s where the cap was before 2024, when it was raised with federal approval. That will allow the state to continue offering a subsidized health insurance plan for 1.3 million low-income individuals who make too much to qualify for Medicaid. New York received federal approval for that change in March.

That will still leave the remaining 400,000-plus people currently on the Essential Plan without coverage. About 80% of them are citizens, according to Elisabeth Benjamin, vice president of health initiatives at the Community Service Society of New York, a nonprofit policy group focused on economic opportunity.

That’s where the bill from Assemblymember Paulin and Senator Rivera comes in. It would require the state to fund a new health care plan for those individuals. Not all of the individuals set to lose coverage under the Essential Plan would be expected to take advantage of the new option. Benjamin estimates that about 113,000 would enroll in the new plan. That would cost the state \$393 million over the next year, according to estimates from the Community Service Society of New York.

“They’re aware we have proposed this as an alternative,” Senator Rivera said of the Hochul administration. “Let’s just get it done so people can actually have coverage in July.”

Both Senator Rivera and Assemblymember Paulin said they expect that their proposal could realistically make its way into negotiations around the state budget. The spending plan was due Tuesday, but Hochul and lawmakers remain far apart on an agreement.

That could give lawmakers an advantage in advancing the proposal, Assemblymember Paulin said. Governor Hochul and lawmakers are currently negotiating major policy items, not spending.

“We haven’t even begun to talk about money yet. They’re still talking policy,” Assemblymember Paulin said. “I believe everybody wants to do something. It’s a matter of what we do.”

State Budget Director Blake Washington said such an idea wasn’t off the table as part of state budget talks but that it could be difficult to find the money to fund the proposal. If each of the 400,000-plus people set to lose coverage signed up for the health care option provided by the bill sponsored by Senator Rivera and Assemblymember Paulin, it would come with a price tag of \$3.5 billion, Washington said.

“It gets very, very tricky to find something that large in nature,” Washington said. “So, it’s going to be very challenging.”

The Hochul administration is not projecting that every individual who's set to lose coverage under the Essential Plan will lose health insurance altogether, Washington said. Many are expected to secure coverage through their employers or through a privately purchased plan, he said. They estimate that about a third of those will remain uninsured. "We surmise that roughly 300,000 would be able to secure coverage from the employer that they previously had it with just two years ago, prior to this product coming onto the market or becoming available in the state of New York," Washington said.

Governor Hochul said in a statement Wednesday that Republicans in Congress should find a solution for the people who will be without health insurance come July. "My administration is committed to helping impacted individuals find the most affordable coverage available," Hochul said. "New Yorkers deserve better than the decisions coming out of Washington. They must fix this now."

Governor Hochul and lawmakers have no expectation of when they will come to an agreement on this year's state budget, which is projected to be more than \$262 billion. "I've been here 26 years. Nothing phases me in this place," Assembly Speaker Carl E. Heastie said Wednesday.

To read the full article please click [here](#).

Comptroller DiNapoli Releases An Analysis On The Impact Of Federal Tariffs And Other Actions On New York's Tourism And Exports Industries

Earlier this week Comptroller DiNapoli released an analysis on the impact of Federal Tariffs and other actions on New York's tourism and exports industries. According to the analysis New York had one of the steepest drops of any state in international tourism in 2025, with overseas travelers falling 3%, a loss of over 176,000 visitors, second only to California. The decline is hurting the state's economy, as fewer visitors means less spending and a smaller number of jobs in hotels and restaurants. The impact is most acute for areas near the Canadian border, where travel from Canada fell by more than 21%, a decrease of nearly 3.6 million visitors. Exports to Canada also declined by \$3.8 billion due to tariffs.

"Federal policies are driving foreign travelers away and taking billions in tourism spending and harming our economy as exports substantially decline," DiNapoli said. "That loss of revenue means fewer jobs in New York and tougher times for those working in the tourism industry. We're already seeing the consequences, especially in hotels and restaurants in those regions near the Canadian border. New York is a top destination for tourists to the U.S., and policies that welcome and encourage international travel are needed to avoid damaging economic consequences."

The report found that international travelers spent nearly \$17 billion in New York in 2024 according to the U.S. Bureau of Economic Analysis. However, tourism-related Gross Domestic Product (GDP) was flat through 2025, hotel occupancy fell 1.2%, and employment trends were uneven — down 2.6% in the North Country and 2% in Western New York, but up 1% in New York City.

In 2024, there were over 932,400 private sector jobs in New York in industries associated with international travel, paying over \$45.4 billion in wages. Nearly three-quarters of the employment (74.2%) was in accommodation and food services. Through September 2025, average employment in these industries increased by 1,782 jobs, 0.2%, over the same period in 2024, compared to private sector job growth of 1% in all other industries in the state. However, there were 798 fewer jobs in accommodation and food services, a decline of 0.1%.

Additionally, as a result of new tariff policies implemented under the Trump administration in 2025, exports declined to almost one-half of New York's trading partners. Among the highest declines were in exports to Canada, the state's most significant trading partner. Exports of more than two-thirds of product categories from New York declined. Exports to almost half of the nations (46.1%) the state does business with declined; those to Canada decreased by \$3.8 billion and to Israel by \$1.4 billion. While Belgium is not one of the state's largest trading partners, it had the third largest decline in exports in 2025, \$853 million (36.5%).

Comptroller DiNapoli has [an online tool that](#) is tracking federal support to New York and how changes made by the federal government are affecting New York's industries and economy.

To view the full report please click [here](#).

Helpful Links and Resources

[RMS Budget One House Revenue and Tax Table](#)

[RMS Health/Mental Hygiene One House Budget Table](#)

[Assembly Yellow Book](#)

[Senate Blue Blook](#)

[FY 27 Senate Finance Economic and Revenue Report](#)

[FY27 Assembly Ways & Means Economic and Revenue Report](#)

[Empire State Development Tariff Resource Guide](#)

[NYS COVID-19 Monitoring Dashboard](#)

[NYS COVID-19 Fatalities Tracker](#)

[Eliminating Distractions In Schools Resource](#)

[Center for Disease Control and Prevention](#)

[Department of Financial Services information and resources](#)

[New York COVID-19 Vaccine Information Page](#)

Department of Health

<https://coronavirus.health.ny.gov/home>
[COVID-19 Guidance for Medicaid Providers](#)

Office of Mental Health

<https://omh.ny.gov/omhweb/covid-19-resources.html>

OPWDD

<https://opwdd.ny.gov/coronavirus-guidance>

State Education Department

<http://www.op.nysed.gov/COVID-19.html>

NYS Department of Labor

<https://dol.ny.gov/>