

STATE OF NEW YORK

2211

2017-2018 Regular Sessions

IN SENATE

January 12, 2017

Introduced by Sens. LAVALLE, BOYLE, MARCHIONE, RANZENHOFER, RITCHIE --
read twice and ordered printed, and when printed to be committed to
the Committee on Finance

AN ACT to amend the state finance law, in relation to establishing the
state university of New York upstate medical hospital operating
account, the state university of New York downstate medical hospital
operating account and the state university of New York Stony Brook
medical hospital operating account and to amend the education law, in
relation to apportionment to the state university; and to repeal
subdivision 8-a of section 355 of the education law relating thereto

The People of the State of New York, represented in Senate and Assem-
bly, do enact as follows:

1 Section 1. The state finance law is amended by adding three new
2 sections 99-aa, 99-bb and 99-cc to read as follows:

3 § 99-aa. State university of New York upstate medical hospital operat-
4 ing account. 1. There is hereby established in the joint custody of the
5 state comptroller and the commissioner of taxation and finance an
6 account to be known as the "state university of New York upstate medical
7 hospital operating account".

8 2. Such account shall consist of (a) any monies received by state
9 university health care facilities from fees, charges and reimbursement
10 from all other sources, and (b) any funding from the state general fund
11 provided to the state university health care facilities pursuant to an
12 annual transfer so designated as being associated with the state univer-
13 sity health care facility at Syracuse. Notwithstanding the provisions
14 of any law, rule or regulation to the contrary, a portion of such monies
15 credited may be transferred to a state university account as requested
16 by the state university chancellor or his or her designee. Monies to
17 establish reserves for long-term expenses of state university health
18 care facilities and to fulfill obligations required for any contract for
19 health care services authorized pursuant to subdivision sixteen of

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 section three hundred fifty-five of the education law may be designated
2 by the state university health care facility at Syracuse as a reserve
3 and transferred to a separate contractual reserve account. The amounts
4 in such accounts shall be available for use in accordance with paragraph
5 b of subdivision four and subdivision eight of section three hundred
6 fifty-five of the education law. Monies shall only be expended from the
7 state university of New York upstate medical hospital operating account
8 and the contractual reserve account pursuant to appropriation. Notwith-
9 standing any other provision of this chapter, the education law or any
10 other law to the contrary, such appropriation shall remain in full force
11 and effect for two years from the effective date of the appropriation
12 act making such appropriation. Monies so transferred may be returned to
13 the state university of New York upstate medical hospital operating
14 account; provided, however, that funds in such contractual reserve
15 account must be sufficient to meet the obligations of all such
16 contracts.

17 3. Notwithstanding the provisions of paragraph c of subdivision four
18 of section three hundred fifty-five of the education law, or any other
19 law, rule or regulation to the contrary, and except as outlined in this
20 section, such funds contained within the state university of New York
21 upstate medical hospital operating account shall be for the operations
22 of the state university health care facility at Syracuse alone and may
23 not be supplemented by monies contained within any other state universi-
24 ty account.

25 § 99-bb. State university of New York downstate medical hospital oper-
26 ating account. 1. There is hereby established in the joint custody of
27 the state comptroller and the commissioner of taxation and finance an
28 account to be known as the "state university of New York downstate
29 medical hospital operating account".

30 2. Such account shall consist of (a) any monies received by state
31 university health care facilities from fees, charges and reimbursement
32 from all other sources, and (b) any funding from the state general fund
33 provided to the state university health care facilities pursuant to an
34 annual transfer so designated as being associated with the state univer-
35 sity health care facility at Brooklyn. Notwithstanding any law, rule or
36 regulation to the contrary, a portion of such monies credited may be
37 transferred to a state university account as requested by the state
38 university chancellor or his or her designee. Monies to establish
39 reserves for long-term expenses of state university health care facili-
40 ties and to fulfill obligations required for any contract for health
41 care services authorized pursuant to subdivision sixteen of section
42 three hundred fifty-five of the education law may be designated by the
43 state university health care facility at Brooklyn as a reserve and
44 transferred to a separate contractual reserve account. The amounts in
45 such accounts shall be available for use in accordance with paragraph b
46 of subdivision four and subdivision eight of section three hundred
47 fifty-five of the education law. Monies shall only be expended from the
48 state university of New York downstate medical hospital operating
49 account and the contractual reserve account pursuant to appropriation.
50 Notwithstanding any other provision of this chapter, the education law
51 or any other law to the contrary, such appropriation shall remain in
52 full force and effect for two years from the effective date of the
53 appropriation act making such appropriation. Monies so transferred may
54 be returned to the state university of New York downstate medical hospi-
55 tal operating account; provided, however, that funds in such contractual

1 reserve account must be sufficient to meet the obligations of all such
2 contracts.

3 3. Notwithstanding the provisions of paragraph c of subdivision four
4 of section three hundred fifty-five of the education law, or any law,
5 rule or regulation to the contrary, and except as outlined in this
6 section, such funds contained within the state university of New York
7 downstate medical hospital operating account shall be for the operations
8 of the state university health care facility at Brooklyn alone and may
9 not be supplemented by monies contained within any other state universi-
10 ty account.

11 § 99-cc. State university of New York Stony Brook medical hospital
12 operating account. 1. There is hereby established in the joint custody
13 of the state comptroller and the commissioner of taxation and finance an
14 account to be known as the "state university of New York Stony Brook
15 medical hospital operating account".

16 2. Such account shall consist of (a) any monies received by state
17 university health care facilities from fees, charges and reimbursement
18 from all other sources, and (b) any funding from the state general fund
19 provided to the state university health care facilities pursuant to an
20 annual transfer so designated as being associated with the state univer-
21 sity health care facility at Stony Brook. Notwithstanding the
22 provisions of any law, rule or regulation to the contrary, a portion of
23 such monies credited may be transferred to a state university account as
24 requested by the state university chancellor or his or her designee.
25 Monies to establish reserves for long-term expenses of state university
26 health care facilities and to fulfill obligations required for any
27 contract for health care services authorized pursuant to subdivision
28 sixteen of section three hundred fifty-five of the education law may be
29 designated by the state university health care facility at Stony Brook
30 as a reserve and transferred to a separate contractual reserve account.
31 The amounts in such accounts shall be available for use in accordance
32 with paragraph b of subdivision four and subdivision eight of section
33 three hundred fifty-five of the education law. Monies shall only be
34 expended from the state university of New York Stony Brook medical
35 hospital operating account and the contractual reserve account pursuant
36 to appropriation. Notwithstanding any other provision of this chapter,
37 the education law or any other law to the contrary, such appropriation
38 shall remain in full force and effect for two years from the effective
39 date of the appropriation act making such appropriation. Monies so
40 transferred may be returned to the university of New York Stony Brook
41 medical hospital operating account; provided, however, that funds in
42 such contractual reserve account must be sufficient to meet the obli-
43 gations of all such contracts.

44 3. Notwithstanding the provisions of paragraph c of subdivision four
45 of section three hundred fifty-five of the education law, or any law,
46 rule or regulation to the contrary, and except as outlined in this
47 section, such funds contained within the state university of New York
48 Stony Brook medical hospital operating account shall be for the oper-
49 ations of the state university health care facility at Stony Brook alone
50 and may not be supplemented by monies contained within any other state
51 university account.

52 § 2. Subdivision 8-a of section 355 of the education law is REPEALED
53 and a new subdivision 8-a is added to read as follows:

54 8-a. The director of the budget, in consultation with the commissioner
55 of health and chancellor of the state university of New York, shall
56 develop a methodology for the apportionment of general fund monies to be

1 allocated annually to each of the state university of New York health
2 care facilities to reflect ongoing support for costs attributable to the
3 state agency status of such health care facilities. In developing such
4 methodology, the director of the budget shall take into consideration
5 each facility's share of labor costs, including fringe benefit costs, as
6 well as any applicable hospital industry norms, which shall include, but
7 not be limited to, the number of full-time equivalent employees, and
8 outpatient and inpatient volume. Such methodology shall be submitted to
9 the temporary president of the senate, the speaker of the assembly, the
10 chair of the senate finance committee, the chair of the assembly ways
11 and means committee and the chairs of the senate and assembly higher
12 education committees no later than thirty days prior to the allocation
13 of monies to each health care facility.

14 § 3. Notwithstanding any law to the contrary, and in accordance with
15 section 4 of the state finance law, the state comptroller is hereby
16 authorized and directed to transfer, upon request of the director of the
17 budget, the outstanding balance of the state university income fund,
18 state university hospitals income reimbursable account (22656) to the
19 state university of New York upstate medical hospital operating account,
20 the state university of New York downstate medical hospital operating
21 account and the state university of New York Stony Brook medical hospi-
22 tal operating account. Such transfer shall be done in direct proportion
23 to the share of the revenues received by each hospital for the state
24 university fiscal year ending on June 30, 2017.

25 § 4. This act shall take effect immediately, provided that sections
26 two and three of this act shall take effect on the thirtieth day after
27 it shall have become a law.