

# STATE OF NEW YORK

3669--A

2025-2026 Regular Sessions

## IN SENATE

January 29, 2025

Introduced by Sen. PERSAUD -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend part FF of chapter 57 of the laws of 2025, relating to establishing a targeted inflationary increase for designated programs, in relation to providing further targeted inflationary increases for designated programs

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

1 Section 1. Section 1 of part FF of chapter 57 of the laws of 2025,  
2 relating to establishing a targeted inflationary increase for designated  
3 programs, is amended to read as follows:

4 Section 1. 1. Subject to available appropriations and approval of the  
5 director of the budget, the commissioners and directors of the office of  
6 mental health, office for people with developmental disabilities, office  
7 of addiction services and supports, office of temporary and disability  
8 assistance, office of children and family services, office of victim  
9 services, department of health, and the state office for the aging  
10 (hereinafter "the commissioners") shall establish a state fiscal year  
11 2025-2026 targeted inflationary increase, effective April 1, 2025, for  
12 projecting for the effects of inflation upon rates of payments,  
13 contracts, or any other form of reimbursement for the programs and  
14 services listed in subdivision four of this section. The targeted infla-  
15 tionary increase established herein shall be applied to the appropriate  
16 portion of reimbursable costs or contract amounts. Where appropriate,  
17 transfers to the department of health (DOH) shall be made as reimburse-  
18 ment for the state and/or local share of medical assistance.

19 2. Notwithstanding any inconsistent provision of law, subject to the  
20 approval of the director of the budget and available appropriations  
21 therefor, for the period of April 1, 2025 through March 31, 2026, the

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

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1 commissioners and directors shall provide funding to support a [~~two and~~  
2 ~~six tenths percent (2.6%)~~] seven and eight-tenths percent (7.8%) target-  
3 ed inflationary increase under this section for all eligible programs  
4 and services as determined pursuant to subdivision four of this section.

5 3. Notwithstanding any inconsistent provision of law, and as approved  
6 by the director of the budget, the [~~2.6~~] 7.8 percent targeted inflation-  
7 ary increase established herein shall be inclusive of all other infla-  
8 tionary increases, cost of living type increases, inflation factors, or  
9 trend factors that are newly applied effective April 1, 2025. Except for  
10 the [~~2.6~~] 7.8 percent targeted inflationary increase established herein,  
11 for the period commencing on April 1, 2025 and ending March 31, 2026 the  
12 commissioners and directors shall not apply any other new targeted  
13 inflationary increases or cost of living adjustments for the purpose of  
14 establishing rates of payments, contracts or any other form of  
15 reimbursement. The phrase "all other inflationary increases, cost of  
16 living type increases, inflation factors, or trend factors" as defined  
17 in this subdivision shall not include payments made pursuant to the  
18 American Rescue Plan Act or other federal relief programs related to the  
19 Coronavirus Disease 2019 (COVID-19) pandemic public health emergency.  
20 This subdivision shall not prevent the office of children and family  
21 services from applying additional trend factors or staff retention  
22 factors to eligible programs and services under paragraph (v) of subdi-  
23 vision four of this section.

24 4. Eligible programs and services. (i) Programs and services funded,  
25 licensed, or certified by the office of mental health (OMH) eligible for  
26 the targeted inflationary increase established herein, pending federal  
27 approval where applicable, include: office of mental health licensed  
28 outpatient programs, pursuant to parts 587 and 599 of title 14 CRR-NY of  
29 the office of mental health regulations including clinic (mental health  
30 outpatient treatment and rehabilitative services programs), continuing  
31 day treatment, day treatment, intensive outpatient programs and partial  
32 hospitalization; outreach; crisis residence; crisis stabilization,  
33 crisis/respite beds; mobile crisis, part 590 comprehensive psychiatric  
34 emergency program services; crisis intervention; home based crisis  
35 intervention; family care; supported single room occupancy; supported  
36 housing programs/services excluding rent; treatment congregate;  
37 supported congregate; community residence - children and youth;  
38 treatment/apartment; supported apartment; community residence single  
39 room occupancy; on-site rehabilitation; employment programs; recreation;  
40 respite care; transportation; psychosocial club; assertive community  
41 treatment; case management; care coordination, including health home  
42 plus services; local government unit administration; monitoring and  
43 evaluation; children and youth vocational services; single point of  
44 access; school-based mental health program; family support children and  
45 youth; advocacy/support services; drop in centers; recovery centers;  
46 transition management services; bridger; home and community based waiver  
47 services; behavioral health waiver services authorized pursuant to the  
48 section 1115 MRT waiver; self-help programs; consumer service dollars;  
49 conference of local mental hygiene directors; multicultural initiative;  
50 ongoing integrated supported employment services; supported education;  
51 mentally ill/chemical abuse (MICA) network; personalized recovery  
52 oriented services; children and family treatment and support services;  
53 residential treatment facilities operating pursuant to part 584 of title  
54 14-NYCRR; geriatric demonstration programs; community-based mental  
55 health family treatment and support; coordinated children's service  
56 initiative; homeless services; and promise zones.

1 (ii) Programs and services funded, licensed, or certified by the  
2 office for people with developmental disabilities (OPWDD) eligible for  
3 the targeted inflationary increase established herein, pending federal  
4 approval where applicable, include: local/unified services; chapter 620  
5 services; voluntary operated community residential services; article 16  
6 clinics; day treatment services; family support services; 100% day  
7 training; epilepsy services; traumatic brain injury services; hepatitis  
8 B services; independent practitioner services for individuals with  
9 intellectual and/or developmental disabilities; crisis services for  
10 individuals with intellectual and/or developmental disabilities; family  
11 care residential habilitation; supervised residential habilitation;  
12 supportive residential habilitation; respite; day habilitation; prevoca-  
13 tional services; supported employment; community habilitation; interme-  
14 diate care facility day and residential services; specialty hospital;  
15 pathways to employment; intensive behavioral services; community transi-  
16 tion services; family education and training; fiscal intermediary;  
17 support broker; and personal resource accounts. The office for people  
18 with developmental disabilities, in collaboration with the education  
19 department, shall also provide a comparable targeted inflationary  
20 increase to the independent living centers program.

21 (iii) Programs and services funded, licensed, or certified by the  
22 office of addiction services and supports (OASAS) eligible for the  
23 targeted inflationary increase established herein, pending federal  
24 approval where applicable, include: medically supervised withdrawal  
25 services - residential; medically supervised withdrawal services -  
26 outpatient; medically managed detoxification; inpatient rehabilitation  
27 services; outpatient opioid treatment; residential opioid treatment;  
28 residential opioid treatment to abstinence; problem gambling treatment;  
29 medically supervised outpatient; outpatient rehabilitation; specialized  
30 services substance abuse programs; home and community based waiver  
31 services pursuant to subdivision 9 of section 366 of the social services  
32 law; children and family treatment and support services; continuum of  
33 care rental assistance case management; NY/NY III post-treatment hous-  
34 ing; NY/NY III housing for persons at risk for homelessness; permanent  
35 supported housing; youth clubhouse; recovery community centers; recovery  
36 community organizing initiative; residential rehabilitation services for  
37 youth (RRSY); intensive residential; community residential; supportive  
38 living; residential services; job placement initiative; case management;  
39 family support navigator; local government unit administration; peer  
40 engagement; vocational rehabilitation; support services; HIV early  
41 intervention services; dual diagnosis coordinator; problem gambling  
42 resource centers; problem gambling prevention; prevention resource  
43 centers; primary prevention services; other prevention services; compre-  
44 hensive outpatient clinic; jail-based supports; ~~and~~ regional addiction  
45 resource centers; and addiction treatment centers.

46 (iv) Programs and services funded, licensed, or certified by the  
47 office of temporary and disability assistance (OTDA) eligible for the  
48 targeted inflationary increase established herein, pending federal  
49 approval where applicable, include: the nutrition outreach and education  
50 program (NOEP); New York state supportive housing program; solutions to  
51 end homelessness program; and state supplemental nutrition assistance  
52 program outreach program.

53 (v) Programs and services funded, licensed, or certified by the office  
54 of children and family services (OCFS) eligible for the targeted infla-  
55 tionary increase established herein, pending federal approval where  
56 applicable, include: programs for which the office of children and fami-

1 ly services establishes maximum state aid rates pursuant to section  
2 398-a of the social services law and section 4003 of the education law;  
3 emergency foster homes; foster family boarding homes and therapeutic  
4 foster homes; supervised settings as defined by subdivision twenty-two  
5 of section 371 of the social services law as added by section 1-a of  
6 part L of chapter 56 of the laws of 2021; adoptive parents receiving  
7 adoption subsidy pursuant to section 453 of the social services law;  
8 [~~and~~] congregate and scattered supportive housing programs and support-  
9 tive services provided under the NY/NY III supportive housing agreement  
10 to young adults leaving or having recently left foster care; child care  
11 resource and referral agencies; healthy families New York; maternal,  
12 infant, and early childhood home visiting (MIECHV) initiative; New York  
13 state learning and enrichment after-school program supports (LEAPS); New  
14 York state commission for the blind; and residential and non-residential  
15 domestic violence services and preventative services as defined by  
16 section 409 of the social services law.

17 (vi) Programs and services funded, licensed, or certified by the state  
18 office for the aging (SOFA) eligible for the targeted inflationary  
19 increase established herein, pending federal approval where applicable,  
20 include: community services for the elderly; expanded in-home services  
21 for the elderly; [~~and~~] the wellness in nutrition program; New York  
22 connects program; long term ombudsman program; naturally occurring  
23 retirement communities (NORCs); neighborhood naturally occurring retire-  
24 ment communities (NNORCs); and social adult day services program.

25 (vii) Programs and services funded, licensed, or certified by the  
26 department of health eligible for the cost of living adjustment estab-  
27 lished herein, pending federal approval where applicable, include:  
28 health home care management agencies authorized under section 365-1 of  
29 the social services law; rape crisis programs; and Medicaid transporta-  
30 tion program.

31 (viii) Programs and services funded, licensed, or certified by the  
32 office of victim services eligible for the cost of living adjustment  
33 established herein, pending federal approval where applicable, include:  
34 crime victim service programs as defined by section 631-a of the execu-  
35 tive law.

36 5. All state-funded human services programs not listed in paragraphs  
37 (i), (ii), (iii), (iv), (v), (vi), (vii), and (viii) of subdivision four  
38 of this section shall be deemed eligible for the cost of living adjust-  
39 ment established herein, pending federal approval where applicable, if  
40 such program or service is provided to individuals or groups of individ-  
41 uals, for the purpose of improving or enhancing such individuals' health  
42 and/or welfare, by addressing social problems. The commissioners and  
43 directors of the office of mental health, the office for people with  
44 developmental disabilities, the office of addiction services and  
45 supports, the office of temporary and disability assistance, the office  
46 of children and family services, the state office for the aging, the  
47 department of health, and the office of victim services shall publish a  
48 list of such newly eligible programs and services each year on depart-  
49 ment websites no later than March first and review the current list of  
50 cost of living adjustment eligible programs every five years.

51 6. Each local government unit or direct contract provider receiving  
52 funding for the targeted inflationary increase established herein shall  
53 submit a written certification, in such form and at such time as each  
54 commissioner or director shall prescribe, attesting how such funding  
55 will be or was used to first promote the recruitment and retention of  
56 non-executive direct support [~~staff~~] professionals, non-executive direct

1 care staff, non-executive clinical staff, non-executive administrative  
2 staff, or respond to other critical non-personal service costs prior to  
3 supporting any salary increases or other compensation for executive  
4 level job titles.

5 [~~6-~~] 7. Notwithstanding any inconsistent provision of law to the  
6 contrary, agency commissioners and directors shall be authorized to  
7 recoup funding from a local governmental unit or direct contract provid-  
8 er for the targeted inflationary increase established herein determined  
9 to have been used in a manner inconsistent with the appropriation, or  
10 any other provision of this section. Such agency commissioners and  
11 directors shall be authorized to employ any legal mechanism to recoup  
12 such funds, including an offset of other funds that are owed to such  
13 local governmental unit or direct contract provider.

14 § 2. This act shall take effect immediately and shall be deemed to  
15 have been in full force and effect on and after April 1, 2025.