

# Key Budgetary Changes Affecting Small Businesses - FY 21-22 to FY 22-23

**Agency:** Department of Labor

**Program:** Empire State Apprenticeship Tax Credit Program

**2021-22 Budget:** As of January 1, 2018, the Empire State Apprenticeship Tax Credit Program is providing up to \$10 million annually through 2022 to offer tax incentives to certified businesses for employing qualified apprentices in demand occupations or industries or regional growth sectors. These include, but are not limited to, those trades identified by the Regional Economic Development Councils such as clean energy, healthcare, advanced manufacturing, and conservation. Qualified apprentices must be employed full-time for at least six months of a calendar year and must have been enrolled as an apprentice on or after January 1, 2018. With the impact of COVID-19 on the economy, including small businesses, the Empire State Apprenticeship Tax Credit Program offers incentives to aid businesses looking to rebuild their workforce again post-COVID. Also available is the Apprenticeship Expansion Grant-2 RFA which, when braided together with this tax credit, offers a significant incentive to businesses.

**2022-23 Budget:** As of January 1, 2018, the Empire State Apprenticeship Tax Credit Program is providing up to \$10 million annually to offer tax incentives to certified businesses for employing qualified apprentices in demand occupations or industries or regional growth sectors. These include, but are not limited to, those trades identified by the Regional Economic Development Councils such as clean energy, healthcare, advanced manufacturing, and conservation. Qualified apprentices must be employed full-time for at least six months of a calendar year and must have been enrolled as an apprentice on or after January 1, 2018.

This tax credit was originally scheduled to run through 2022; however, as part of Governor Hochul's 2022 State-of-the-State address, the tax credit is expected to be extended through 2026.

As New York State continues to rebound economically from the COVID-19 pandemic, the Empire State Apprenticeship Tax Credit program continues to offer incentives to aid businesses looking to rebuild their workforce, post-COVID. NYSDOL is also exploring the possibility of issuing another funding opportunity to continue apprenticeship expansion opportunities which, if issued, can be braided together with this tax credit, offering a significant incentive to businesses.

**Summary:** Saves New York businesses money: This program will make the tax credit available to businesses across the state as they train New York's future skilled workforce.

**Agency Contact:**

Chris Pinheiro

Director

Apprenticeship Training

New York State Department of Labor

State Campus – Building 12, Room 450

Albany NY 12240

[Chris.Pinheiro@labor.ny.gov](mailto:Chris.Pinheiro@labor.ny.gov)

518-457-1996

**Agency:** Department of Labor

**Program:** New York Youth Jobs Program

**2021-22 Budget:** As of January 1, 2021, the available credit remains at \$750 per month up to six months for eligible youth hired full-time with an additional \$1,500 for retaining the youth an additional six months and another \$1,500 for retaining the youth a second full year. For youth hired part-time the available credit remain at \$375 per month up to six months for with an additional \$750 for retaining the youth an additional six months and another \$750 for retaining the youth a second full year. Number of certified youth: 62,329.

**2022-23 Budget:** As of January 1, 2022, the FY 2023 Executive Budget extends the New York Youth Jobs Program with an annual \$40 million allocation over the next five years, through 2027. The available credit remains at \$750 per month up to six months for eligible youth hired full-time with an additional \$1,500 for retaining the youth an additional six months and another \$1,500 for retaining the youth a second full year. For youth hired part-time the available credit remain at \$375 per month up to six months for with an additional \$750 for retaining the youth an additional six months and another \$750 for retaining the youth a second full year.

**Summary:** The program has been extended another five years, through 2027.

**Agency Contact:**

Conor Donnelly

Project Coordinator

New York State Department of Labor

State Campus – Building 12, Room 408

Albany, NY 12240

[Conor.Donnelly@labor.ny.gov](mailto:Conor.Donnelly@labor.ny.gov)

518-457-7977

**Agency:** Department of Labor

**Program:** Existing Employee Training (EET) Program

**2021-2022 Budget:** Included in the Governor’s Consolidated Funding Application Workforce Development Initiative (CFA WDI), up to \$25 million is available for all CFA WDI programs on a first-come, first-serve basis. EET Program funds are available to provide occupational skills training courses for employed, existing workers seeking to enter or remain in middle-skill occupations at private for-profit or not-for-profit businesses with two or more full-time employees.

**2022-2023 Budget:** Included in the Governor’s Consolidated Funding Application Workforce Development Initiative (CFA WDI), up to \$25 million is available for all CFA WDI programs on a first-come, first-served basis. EET Program funds are available to provide occupational skills training courses for employed, existing workers seeking to enter or remain in middle-skill occupations at private for-profit or not-for-profit businesses with two or more full-time employees.

**Summary:** The EET Program saves New York businesses money: supports training programs that meet the specific needs of business; helps current workers obtain the skills needed to meet the ever-evolving demands of business to retain employment or advance to higher positions within the company.

**Agency Contact:**

Liz Martin  
Employment Services Manager  
New York State Department of Labor  
State Campus – Building 12, Room 440  
Albany, NY 12240  
[Elizabeth.Martin@labor.ny.gov](mailto:Elizabeth.Martin@labor.ny.gov)  
(518)457-1438

**Website Link:** <https://dol.ny.gov/funding-opportunities-0>

**Agency:** Department of Labor

**Program:** Unemployed/Underemployed Worker Training (UWT) Program

**2021-2022 Budget:** Included in the Governor’s Consolidated Funding Application Workforce Development Initiative (CFA WDI), up to \$25 million is available for all CFA WDI programs on a first-come, first-serve basis. UWT Program funds are available to fund private for-profit or not-for-profit businesses; municipalities; and educational institutions, including colleges and universities with two or more full-time employees. Participating entities will provide occupational skills training courses that will qualify unemployed and/or underemployed individuals, with an emphasis on priority populations, to enter employment or obtain a higher level of employment.

**2022-2023 Budget:** Included in the Governor’s Consolidated Funding Application Workforce Development Initiative (CFA WDI), up to \$25 million is available for all CFA WDI programs on a first-come, first-serve basis. UWT Program funds are available to fund private for-profit or not-for-profit businesses; municipalities; and educational institutions, including colleges and universities with two or more full-time employees. Participating entities will provide occupational skills training courses that will qualify unemployed and/or underemployed individuals, with an emphasis on priority populations, to enter employment or obtain a higher level of employment.

**Summary:** The UWT Program saves New York businesses money and develops a local talent pool with relevant occupational skills that provide a competitive advantage to businesses. It also supports training programs that will address the insufficient supply of workers by providing the specific occupational skills and credentials needed by local businesses.

**Priority Populations:** With an emphasis on serving priority populations, UWT will provide additional points in scoring to proposals that seek to train at least 50% of their intended participants from one or more of the following categories: displaced homemakers, low income individuals, Native Americans, individuals with disabilities (including youth with disabilities and recovering drug addicts), older individuals, individuals currently and formerly involved in the justice system, homeless individuals or homeless youth, youth who are in or have aged out of the foster care system, individuals who are English language learners, individuals who have low levels of literacy, individuals facing substantial cultural barriers, migrant and seasonal farm workers, single parents (including single pregnant women), long term unemployed workers, Temporary Assistance and Needy Families (TANF) recipients, Supplemental Nutrition Assistance Program (SNAP) recipients, and veterans.

**Agency Contact:**

Liz Martin  
Employment Services Manager  
New York State Department of Labor  
State Campus – Building 12, Room 440  
Albany, NY 12240  
[Elizabeth.Martin@labor.ny.gov](mailto:Elizabeth.Martin@labor.ny.gov)  
(518)457-1438

**Website Link:** <https://dol.ny.gov/funding-opportunities-0>

**Agency:** Department of Labor

**Program:** Western NY Employment Strikeforce

**2021-22 Budget:** As of July 2021, there were 35,904 customers served by Western NY staff and 25,658 individuals have been placed into employment, a placement rate of 71%.

- In March 2020 the Coronavirus Pandemic impacted the WNY Strikeforce program. In-person service delivery and hiring events were halted, and staff were re-deployed to assist NYSOL's Unemployment Insurance Division with claims processing for a significant period of time. Subsequently, NYSDOL began implementing new virtual tools designed to remotely engage jobseekers and businesses with placement services, recruitment assistance, and hiring events and look forward to serving Strikeforce customers with these new tools.

**2022-23 Budget:** As of June 15, 2022, there were 38,039 customers served by Western NY staff and 28,936 individuals have been placed into employment, a placement rate of 76%.

**Summary:** The WNY Strikeforce saves New York businesses time and money while providing a competitive advantage: The Strikeforce initiative will provide skilled jobseekers directly to hiring businesses.

- Outreach that engages members of the business community, identifies hiring businesses, develops job openings for Jobs Express and provides customized recruitment services that fill those openings with the initiative's customer's skill sets.
  - Daily outreach directly engaging businesses to connect Strikeforce customers to jobs.
  - Development of customized recruitments and job fairs: coordinates and schedules events, posts all openings, works in conjunction with Career Center staff to ensure all openings are matched and qualified customers are referred.
  - Maintains communication with business customer and monitors matching and referral services of Career Center staff to ensure business satisfaction with quantity and quality of candidates referred.
  - Provides resumes of qualified applicants directly to hiring managers and advocates on behalf of customers with the business.
- Job placement services that match each unemployed customer to multiple job openings with the goal of job placement. Services include:
  - Work with community partners to identify customer base of jobseekers in need of assistance.
  - An initial assessment of a customer's knowledge, skills, abilities and work history.
  - A job search strategy with customer's unique employment needs in mind.
  - A job-search-ready resume.
  - Job leads and referrals to jobs.

**Agency Contact:**

Vicki Mockler

Deputy Bureau Chief

New York State Department of Labor

State Campus - Building. 12, Room 428

Albany, NY 12240

[Vicki.Mockler@labor.ny.gov](mailto:Vicki.Mockler@labor.ny.gov)

518-485-2601

**Agency:** Department of Labor

**Program:** Apprenticeship Expansion Grant (combined with the Middle Skills Jobs Gap Training Fund)

**2021-2022 Budget:** With the impact of COVID-19 on the economy, including small businesses, continue the grant solicitation by making \$0.7 million available to serve apprentices in Registered Apprenticeships (RA) in trades in high-demand occupations, with a focus on the emerging fields of Advanced Manufacturing, Healthcare, and Information Technology, as well as other in-demand occupations many of which have been hard hit by the COVID-19 pandemic. RAs in the field of construction are not eligible for funding under this Request for Applications (RFA) unless the trade is to be used for the upkeep and maintenance of a facility owned by the business entity employing the apprentice. This funding will cover costs associated with training apprentices through RA, such as Related Instruction (RI), On-the-Job (OJT), books, and tools. Also available is the Empire State Apprenticeship Tax Credit Program which, when braided together with the Apprenticeship Expansion grant, offers a significant incentive to businesses.

**2022-2023 Budget:** With New York State continuing to rebound economically from the COVID-19 pandemic, this grant solicitation was amended in August 2021 to make up to \$2 million available to serve apprentices in RA in trades in high-demand occupations, with a focus on the emerging fields of Advanced Manufacturing, Healthcare, and Information Technology, as well as other in-demand occupations many of which have been hard hit by the COVID-19 pandemic. RAs in the field of construction are not eligible for funding under this RFA unless the trade is to be used for the upkeep and maintenance of a facility owned by the business entity employing the apprentice. This funding covers costs associated with training apprentices through RA, such as RI, OJT, books, and tools.

This current opportunity is set to expire on July 1, 2022; however, NYSDOL is exploring the possibility of issuing a new funding opportunity to replace this existing grant solicitation, to continue apprenticeship expansion opportunities. If issued as expected, this new funding opportunity can also be braided with the Empire State Apprenticeship Tax Credit Program, which will offer a significant incentive to businesses.

**Summary:** This funding opportunity has saved New York businesses money while providing a competitive advantage and ensuring that New York has a pool of middle-skill workers available to meet the business needs specific to each region. It is anticipated that, if issued as expected, this new funding opportunity will enable innovation-based businesses to continue to bring their employment opportunities to New York, thereby expanding access to available talent, reducing recruitment costs for businesses, providing a competitive advantage, and helping to retain businesses in the State.

**Agency Contact:**

Chris Pinheiro

Director

Apprenticeship Training

New York State Department of Labor

State Campus – Building 12, Room 455

Albany, NY 12240

[Chris.Pinheiro@labor.ny.gov](mailto:Chris.Pinheiro@labor.ny.gov)

518-457-1996

**Agency:** Department of Health

**Program:** Promote Primary Care

**2021-22 Budget:** N/A

**2022-23 Budget:** To be effectuated this fiscal year, the FY 2023 Enacted Budget included an increase to the Medicaid Physician Fee Schedule for non-facility settings. Effective July 1, 2022, physician fees for Evaluation & Management and Medicine procedure codes were increased to 70% of the current Medicare Fee Schedule. Through this benchmarking, the State is investing \$9.9 million in SFY 2023 in order to incentivize providers to accept more Medicaid patients in private practice settings and increase access to primary care. Medicaid's Nurse Practitioner and Midwife Fee Schedules are benchmarked to the Physician Fee Schedule and have been commensurately increased.

**Summary:** The Medicaid Physician Fee Schedule was last benchmarked to Medicare (at 60%) in 2009 and prior to the SFY 2023 budget action, some rates benchmarked to only 14% of Medicare's current rate. Finding Medicaid-participating providers with available appointments can be a barrier to preventive and chronic care, and providers were disincentivized to provide services to Medicaid enrollees because of outdated and comparatively lower reimbursement rates.

To incentivize physicians to expand services to more Medicaid enrollees, the Fee-for-Service (FFS) Medicaid reimbursement rates for physicians, including primary care providers, was benchmarked to 70% of current Medicare reimbursement rates. Increasing the availability of preventive, community-based care will impact the more than seven million Medicaid enrollees in New York as well as 25,000 primary care physicians participating with Medicaid.

**Agency Contact:**

April Hamilton

Executive Deputy Director

Division of Program Development and Management

Office of Health Insurance Programs

New York State Department of Health

1 Commerce Plaza

Albany, NY 12210

[April.Hamilton@health.ny.gov](mailto:April.Hamilton@health.ny.gov)

518-473-0919

**Agency:** New York State Homes and Community Renewal, Office of Community Renewal, Governor's Office of Storm Recovery

**Program:** Hurricane Sandy Business Assistance Programs (Small Business Grant Program, Small Business Mentoring Program, Tourism and Marketing Program)

**Summary:**

New York State has allocated \$120.47 million of the State's first and second allocations of supplemental federal Community Development Block Grant Disaster Recovery (CDBG-DR) for programs designed to assist in the recovery of small businesses impacted by Superstorm Sandy, Hurricane Irene, and Tropical Storm Lee. As of Action Plan Amendment 30, effective January 27, 2022, the Sandy Business Assistance Programs allocation was increased by \$200,000, to \$120.47 million. The Small Business (\$90.9 million allocation) and Business Mentoring programs (\$298,735 allocation) are now closed to applicants, and the increase in the allocation accounts for additional Program delivery needed to proceed with Program closeout. These funds were reallocated from the Local Government, Critical Infrastructure and Non-federal Share Match Program as described in the Amendment.

- **Small Business Recovery Grant Program:** Provides grants to eligible storm-impacted businesses for working capital expenses, for the purchase or repair of damaged equipment, for the renovation of facilities that were damaged or destroyed, and to support mitigation efforts to protect the business from future storms. Grants of up to \$50,000 are available to small businesses, as defined by the SBA, in one of the State's designated disaster areas (not including NYC). Businesses that have suffered physical damage and are at risk of closure or significant employment loss can have grants extended up to \$250,000. Businesses must have suffered eligible uncompensated losses and/or incurred mitigation costs as a direct result of Superstorm Sandy, Hurricane Irene, or Tropical Storm Lee. The Program has been closed to applicants since May 1, 2015, and completed award determinations on all original applications as of the fall of 2016. All eligible future construction projects were completed as of December 1, 2018. As of July 2021, the Program has awarded 1,053 businesses a total of more than \$52.9 million and has provided disbursements in the amount of approximately \$54.3 million. Additionally, the Program has closed out all Small Business Program applications.
  - **Coastal Fishing Industry Businesses:** Provides additional grant assistance of up to \$50,000 to affected businesses or individuals qualified as a Coastal Fishing Industry that are eligible for assistance under the Small Business Recovery Grant Program. Businesses that are eligible for additional assistance under the Coastal Fishing Industry Program are not eligible for additional assistance under the Seasonal Tourism Industry Program.
  - **Seasonal Tourism Industry Businesses:** Provides additional grant assistance of up to \$50,000 to eligible seasonal tourism businesses that are eligible for assistance under the Small Business Recovery Grant Program. Businesses that are eligible for additional assistance under the Seasonal Tourism Industry Program are not eligible for additional assistance under the Coastal Fishing Industry Program.

- Economic Hardship: Provides additional grant assistance of up to \$50,000 for eligible small businesses that experienced documented losses of at least 30% in gross revenues in the year following the applicable storm.
- Mitigation: Provides additional grant assistance of up to \$100,000 for eligible small businesses that experienced documented physical damage from any of the storms and requested assistance for activities that are determined to act as mitigation against future storm damage, such as elevating buildings or utilities above the projected flood level, or upgrading materials or otherwise flood-proofing building elements to better withstand future damage.
- Small Business Mentoring Program: Provides a web-based platform for small businesses to connect with larger, mentor businesses and/or business professionals. This \$298,735 program was implemented by NY Empire State Development (ESD) to provide eligible technical or legal assistance and business coaching to assist businesses in rebuilding their businesses and become more resilient in the face of future disaster events. Consultants and business coaches were made available to small businesses, as defined by the SBA, to discuss business development and recovery issues. Although the use of Sandy CDBG-DR funding was terminated as of November 2015, ESD continues to operate the innovative Program independently, and as of August 2019, more than 7,123 small businesses and 1,668 mentors had participated, having held 4,249 engagements and providing one-on-one counsel and guidance for establishments in need.
- Tourism and Marketing Program: Provided \$29,277,793 in assistance to NY ESD and the City of Long Beach to implement a tourism and marketing program designed to promote the storm-impacted areas of New York State.