



Council of Industry

The Manufacturers Association of the Hudson Valley

The FY 2021 Enacted State Budget

It goes without saying that this has been a tough fiscal year as the state battles the current COVID-19 pandemic. On April 2, a day after the budget deadline, the State Legislature passed a final FY2021 State Budget. Below you will find an overview report on some of the main budget bills that MACNY and its Manufacturers Alliance Partners had been monitoring for our member companies and organizations since the beginning of the year. If you have any further questions, please contact me at 315-474-4201 ext.13.

The Senate and Assembly have now adjourned after passage of the budget. It is unclear at this time when the State Legislature may reconvene in Albany this legislative session. We will keep you up to date on any further developments.

MIAP Funding

Manufacturers Intermediary Apprenticeship Program (MIAP) receives \$750,000

The FY2021 Enacted State Budget includes \$750,000 for MIAP to ensure that this important program can continue to operate and grow in partnership with our Manufacturers Alliance Partners. Thank you to MACNY and our Alliance Partners and member companies that tirelessly advocated with us to sustain MIAP funding. We are thankful to the State Senators and Assembly Members who realized the value of MIAP and worked hard to ensure that funding of the program was included in the final state budget agreement.

Employee Voting

From the start of the 2020 Legislative Session, The Manufacturers Alliance led by MACNY and CI, and many of our members fought to change provisions in the last state budget that provided employees with three hours of paid time off to vote on any election day. Changes in the FY2021 Enacted State Budget reduce the provision from three hours back to two hours. The new law also states that if an employee has four consecutive hours between the opening and closing of the polls and the beginning and end of his/her shift, then that is enough time outside of working hours to vote. If the employee has less than the four consecutive hours, he or she may take no more than two hours during work to vote.

Paid Sick Leave

The Manufacturers Alliance and many of our member companies reached out to state legislators to express concern over the paid sick leave program that was proposed in the Executive Budget. The bill that passed as part of the FY2021 Enacted State Budget includes a modified paid sick leave program. An employer that already provides a sick leave policy will not have to provide additional sick time, and an employer can cap the amount of paid sick leave per calendar year.

Here is a breakdown:

Beginning January 2021, an employer with four or fewer employees, and a net income of less than \$1M, would have to provide 40 hours **unpaid** sick leave per year.

- For an employer with four or fewer employees with a net income of \$1M or more: 40 hours paid sick leave
- For an employer with 5-99 employees: 40 hours of paid sick leave
- For an employer with 100 or more employees: 56 hours of paid sick leave

Accrual:

- Employees will accrue sick leave at a rate of at least one hour for every 30 hours worked
- Unused sick leave shall be carried over to the following calendar year. However, employers with fewer than 100 employees may limit such use to 40 hours per year, and employers with 100 or more employees may limit use to 56 hours per year.

Reasons for Use of Sick Leave:

Employees may make oral or written leave requests for:

- Mental or physical illness, injury or condition diagnosed or requiring medical care
- When the employee or their family is victim to domestic violence, a sexual offense, stalking or human trafficking, and to complete tasks related to such incidents.

Definition of a Family Member:

- An employee's child, spouse, domestic partner, parent, sibling, grandchild or grandparent
- A child or parent of the employee's spouse or domestic partner
- "Parent" meaning biological, foster, step, adoptive or legal guardian, or anyone in loco parentis

In addition, the final state budget also:

- Creates a refundable, discretionary Green Jobs Tax Credit totaling up to 7.5 percent of wages for each net new job created fostering the expansion of green economy businesses. The State will also create a refundable, discretionary Green Investment Tax Credit totaling up to 5 percent of qualifying new capital investments in connection with qualifying green economy projects and increasing to up to 8 percent of eligible investment for research and development.
- Makes the Buy American Act, which is set to expire this month, permanent in NY.

Prior to COVID-19, we made strides with our tax parity proposal to help small and medium sized manufacturing companies, by gaining strong support in the State Legislature. We will continue to advocate for tax parity as the year progresses and for options to restart our economy are considered.

Also - Not included in the final state budget agreement was the legalization of adult cannabis, which several of our members were concerned with because of workplace safety issues.

For more information on the FY2021 Enacted State Budget, please [click here](#) to access Governor Cuomo's press release.