



THE NEW YORK STATE PUBLIC EMPLOYEES FEDERATION TESTIMONY

Mental Hygiene - Joint Legislative Budget Hearing

2026-2027 Executive Budget Proposal

February 4, 2026

Wayne Spence, President

Good afternoon, Chairpersons Krueger, Pretlow, Brouk, Fahy, Simon, Santabarbara, Fernandez and Steck and other honorable members of the Legislature. My name is Wayne Spence, and I am the President of the 56,000-member strong New York State Public Employees Federation (PEF). I want to thank you for the opportunity to speak to you about the 2026-27 Executive Budget Proposal. Our union is composed of professional, scientific and technical experts who provide critical services to the residents and taxpayers of New York State, including staff at the New York State Office of Mental Health (OMH), the Office for People with Developmental Disabilities (OPWDD) and the Office of Addiction Services and Supports (OASAS). PEF members take a great deal of pride in their work and the care they provide to New Yorkers and have continued to faithfully deliver these services through times of economic challenge and through a global pandemic.

Executive Budget Proposals:

PEF SUPPORTS the following Executive Budget Proposals

- (1) **Capital Support for the Institute for Basic Research (IBR):** Reappropriates \$75 million to fund a 5-year capital upgrade for IBR – PEF lauds the Governor for this long-overdue investment and urges both houses to support it in the final budget.

PEF BUDGET REQUEST: *ACCEPT* Reappropriation of \$75 million to continue upgrades at IBR.

(2) **Reducing Reliance on Temporary Staff to Stabilize New York’s Healthcare Workforce**

This proposal would ensure that temporary health care service agencies engaged in subcontracting or providing vendor management services register and report properly, as well as set maximum profits for such agencies.

PEF BUDGET REQUEST: *ACCEPT* S.9007/A.10007 Part J

(3) **Re-appropriate \$160 Million in Capital for 100 Forensic Beds at Manhattan Psychiatric Center**

In the 2025-26 state budget, PEF supported the allocation of \$160 million in capital to provide 100 additional forensic beds at Manhattan Psychiatric Center. PEF is pleased to see these resources reappropriated to continue this much-needed expansion.

PEF BUDGET REQUEST: *SUPPORT* \$160 million previously approved to expand forensic inpatient capacity at Manhattan Psychiatric Center.

PEF OPPOSES the following Executive Budget Proposal:

(1) Transfer Physicians, Physician Assistants and Specialist Assistants Licensure Oversight from SED to DOH: (S.9007/A.10007 – PART N)

While not technically contained in the Education Budget, this proposal would shift oversight and licensure from the State Education Department (SED) to the NYS Department of Health (DOH) for physicians, physician assistants and specialist assistants. This proposal raises concerns as the DOH operates directly under the Executive Department, while the SED operates under the NYS Board of Regents.

The New York State Office of the Professions currently regulates more than 50 different health care and other titles, including physicians, physician assistants and specialist assistants. The NYS Office of Professions serves as the sole licensure authority for all of these professions, each of which is regulated separately by a board of their peers.

PEF is unaware of any issues with the current protocols and procedures required for licensing these professionals through the existing process at the SED. In the future, PEF is concerned that this change could open up the regulation of these professions to unnecessary political influence or expediency. Additionally, moving the oversight for some titles from one agency to another could result in confusion for the professionals covered and/or a misalignment in licensure standards or practices between professions.

Despite being understaffed for over a decade, SED has done a good job managing the professions and PEF sees no reason to transfer this responsibility as the other health care professions remain regulated under SED.

PEF BUDGET REQUEST: *REJECT* the transfer of healthcare professions from the Office of Professions at the State Education Department to the NYS Department of Health.

Additional Solutions to Maximize State Service Effectiveness and Efficiency

(1) Increase Compensation, Skill Acquisition and Promotional Development and Growth Opportunities

As part of the 2023-24 State Budget, the Legislature authorized and funded two separate pay grade studies for the state workforce. PEF fully supported these studies to ensure that there is compensation parity for like titles in different agencies, as well as equity in the compensation packages for state employees versus similar titles in the private sector. PEF is concerned that the Department of Civil Service (DCS) is not being transparent with the status and/or outcomes of these studies which were authorized more than two years ago.

PEF remains concerned about the continuation of the NYHELPS program, which allows for the appointment of civil servants without competitive exams that measure skills. To strengthen talent pipelines, upskill employees and stabilize recruitment and retention efforts, New York must utilize the merit and fitness system to identify real competency in high-demand skills that strengthen civil servants and the services they provide. Effective and robust open-competitive and promotional examinations for executive branch employees must reflect these specific skills and allow examinees to demonstrate their competencies. Transparency is a requirement of this continuum and must be promoted at all levels.

Additionally, the state is failing to provide necessary promotional exams for staff to move forward in their careers. Despite the additional staff allocated to DCS and a doubling of its operating budget, the state is actually offering far FEWER promotional exams for its employees.

Promotional Exams Held by NYS DCS

Year	Number of Promotional Exams Held	Number of Transition Exams Held	Number of Open-Competitive Exams Held	Total Exams Held
2016	541	22	507	1,070
2017	508	47	600	1,155
2018	586	53	653	1,292
2019	584	26	578	1,188
2020	239	1	346	586
2021	420	5	439	864
2022	574	16	540	1,130
2023	532	38	381	951
2024	464	13	77	554
2025*	238	2	7	247

*Exams held as of 5/23/25

In order to attract and retain highly trained and talented behavioral health staff, the state needs to provide competitive compensation and opportunities for professional advancement and growth. Additionally, as has been done at other agencies with hard-to-staff titles, management needs to be more

proactive in identifying potential staff, including offering hiring bonuses and other financial and non-financial incentives to attract talent necessary to support OMH, OPWDD and OASAS operations and to ensure the delivery of quality and efficient services to service recipients.

(2) Repair Tier 6 Pension Plan

The state's defined benefit pension plan is designed to retain workers. However, Tier 5 and 6 members see the discrepancy in the benefit structure with their Tier 4 colleagues (i.e., higher contribution levels, lesser pension factor, overtime exclusions, etc.) or that they are ineligible to retire until age 62 or 63, respectively, and they fail to see the value of the pension plan or staying in state service over the long haul. While we have made some progress over the last few years by reducing the vesting period and going back to three-year final average salary calculation, more needs to be done. PEF urges policymakers to continue to improve the Tier 6 plan by reducing member contributions and by instituting an earlier retirement option when members are age 55 or older and have 30 or more years of service.

Since the enactment of the Tier 6 plan in 2012, the average length of service for state employees has declined by more than 20%, from 15.4 years to 12 and the annual cost of overtime has doubled, reaching more than \$1.2 billion annually. The over-reliance on overtime hurts retention, increases burnout and detracts valuable time from families. Also, high staff turnover reduces the development of expertise and increases onboarding and training costs. The Tier 6 plan may be saving money on pension costs, but it is increasing costs in other areas of the budget and undermining long-term expertise development for state agencies.

PEF Budget Request: Pass legislation to improve the Tier 6 pension plan by either reducing Tier 6 employee contributions or by allowing members in Tiers 5 and 6 who are age 55 or older and have 30 or more years of service to retire without penalty.

(3) Body Scanners and/or Metal Detecting Equipment for OMH, OPWDD and OASAS Facilities

PEF appreciates the inclusion of authorization for OCFS to use body scanning equipment in the Governor's Executive Budget. To reduce the flow of weapons, drugs and other contraband, the state must provide similar authorization and funding for the other agencies to secure scanners or metal detecting equipment for OMH, OPWDD and OASAS operated-facilities.

The surge in assaults has been demonstrated by Comptroller DiNapoli's OCFS Report entitled, "*Oversight of Juvenile Justice Facilities*" (April 2024), as well as the stabbing of three mental health professionals at the Buffalo Psychiatric Center on April 3, 2024.

PEF believes strongly that the first level of protection for staff begins upon client entry into a state-operated facility where the use of scanners or metal detection equipment is needed.

PEF Budget Request: Pass legislation to authorize the use of body scanners at secure and forensic facilities administered by OMH, OASAS and OPWDD in the same manner and with the same protocols as currently exist for DOCCS or, at a minimum, appropriate sufficient resources to procure metal detecting equipment for use at these facilities.

(4) Enhanced Penalties for Assaulting State Employees in the Performance of Their Jobs

The state of New York has rightly enacted enhanced penalties for individuals who knowingly and willfully assault workers performing their responsibilities. The list of covered employees includes peace officers, nurses, sanitation workers, housing authority staff, train operators, and public school teachers and staff.

PEF is seeing an increase in the frequency and the severity of assaults against PEF members. New York needs to expand this law to cover any state employee who is willfully and intentionally assaulted in the course of delivering services. The state of New York can no longer afford to tolerate these behaviors and must hold all New Yorkers accountable for their actions.

PEF Budget Request: Pass legislation to increase the penalties on individuals who willfully and knowingly assault state employees in the performance of their duties (See also, S.6045 by Sen. Baskin/A.3282 by Asm. Bronson).

(5) Support and Expand State-Operated Assertive Community Treatment (ACT) Teams

Since taking office, Governor Hochul invested significant state and federal taxpayer dollars to build a new private provider network to deliver community-based mental health services, including:

- Intensive Crisis Stabilization Centers (\$75 million)
- Supportive Crisis Stabilization Centers (\$71 million)
- Youth Assertive Community Treatment (ACT) Teams (\$21 million)
- New Comprehensive Psychiatric Emergency Programs, including new ACT Teams, new Safe Options support teams, and new home health care plus managers to expand clinic capacity (\$60 million)

Where PEF sees a gap in service is that the private provider network has no duty or obligation to render care and there is limited oversight on the use of these taxpayer dollars. While an important component to the overall network of mental health care delivery, PEF believes that in too many cases these providers are

often unable or unwilling to care for clients with needs that are either beyond their capacity or who require longer-term, resource intensive treatments that challenge their operating margins.

Over the years, policymakers have shifted resources away from state-operated ACT teams and diverted them toward private providers. And, while we understand that correlation doesn't necessarily mean causation, this shift has coincided with the very visible uptick in mental health related incidents, as well as the persistence of the crisis that we find ourselves in today.

Current Service Gaps

- (a) Facility Level Service Gaps: Of the 30 state-operated mental health facilities, only 12 have state-operated ACT teams operative; and
- (b) Regional Service Gaps: There are no state-operated ACT teams operative in Rochester, Syracuse, the Capital Region or Long Island and only 3 ACT teams covering the entire city of New York.

State-operated ACT teams have a duty to render care for individuals in crisis regardless of their circumstances or status – i.e., uninsured, underinsured, undocumented, indigent. The state's ACT teams integrate psychiatrists, social workers, nurses and addiction treatment counselors into a single treatment unit to address all levels of mental health and/or addiction issues by actively delivering quality care to clients in the community. However, ACT team caseloads have increased significantly in recent years, and not just in volume, but in acuity and complexity as well. To ensure that these service recipients are treated in a manner consistent with expectations and regulations set forth by the state legislature, it is paramount that those services are provided by state employees who are trained and knowledgeable about the standards of care.

State-operated ACT team members develop long-term rapport with the individuals they care for, and provide fast, effective and tailored treatment before and during times of crisis. This helps to keep individuals with persistent or recurring mental health issues stable and saves money by limiting interactions with high-cost emergency room treatment or re-admittance to a mental health facility for stabilization.

What is needed now are additional resources to support existing ACT team programs and to expand these programs to all OMH facilities. This would be a cost-effective approach as it would help to further reduce

the rates of re-admission in more communities across the state. ACT teams serve as an early, preventative tool to assist those who need services in a setting that meets clients where they are.

BUDGET REQUEST: \$25 million to fortify existing state-operated ACT teams and to begin the process of establishing new ACT teams and intensive case management staff at all OMH-operated mental health facilities.

(6) Establish OPWDD Facilities Improvement and Expansion Plan

Securing affordable housing is a problem for many New Yorkers and PEF supports efforts to address those concerns. Over the past several years, OPWDD has shuttered or “suspended services” at more than 130 state-operated residences for the developmentally disabled with the most profound needs. It is for this reason that we must allocate additional resources to acquiring new state-operated facilities to address the current and projected future backlogs.

The facilities that are being closed or suspended are generally located in rural areas with fewer service options, often leaving individuals and their families without local residential options. In order to keep these individuals in their communities and nearest to their families, it is critical that OPWDD work to enhance staff recruitment in these areas.

BUDGET REQUEST: \$30 million to renovate, maintain and/or acquire residences for the developmentally disabled.

(7) Universal On-Site Diagnosis and Treatment at State Facilities

OMH and OASAS facilities currently lack the appropriate number of qualified, licensed staff to provide immediate, onsite evaluation of New Yorkers who present for treatment. For those in crisis, this process delays care and short-term stabilization or inpatient support, if needed. Developing this capacity will enable an expedited diagnosis of mental health, addiction or co-occurring disorders; facilitate the identification and implementation of immediate and universally available treatment plans and/or appropriate referrals; and allow for a coordination of care between public and private providers of services predicated on the needs of the client.

BUDGET REQUEST: \$10 million to hire, train and deploy appropriate staff to provide on-site diagnosis for any New Yorker who presents for treatment at an OMH or OASAS facility.

(8) Improve Agency Culture and Collaboration

Workplaces have been different since COVID-19 and are losing qualified employees due to inappropriate workplace conduct. The state needs a legislative or regulatory policy to educate employees, as well as to identify and eradicate inappropriate conduct, like bullying and abusive conduct, in all state agencies. The state currently has a law requiring all state employees to undertake an education program to identify and eradicate sexual harassment in the workplace, but no training to identify abuses or uniform standards to prevent inappropriate workplace conduct. PEF is open to any and all solutions to this workforce problem as continued inaction is hurting the state's efforts to attract and retain staff.

BUDGET REQUEST: Pass S.4925 by Sen. Ramos/A.4936 by Asm. Bronson to address inappropriate workplace conduct.

Thank you for the opportunity to share our concerns with you. We look forward to working with you to ensure that the final budget provides state agencies with the resources they need to help improve the lives of all New Yorkers.

Respectfully submitted,

Wayne Spence
President, New York State Public Employees Federation