



Assemblyman
CARL E. HEASTIE
Reports To The People

SPRING 2012

Dear Neighbor(s),

Our state has just passed a budget to close a \$3.5 billion deficit. This year's budget restores critical funding for education and health care. State appropriations fund important job-creation and infrastructure programs, while continuing the lowest middle-class tax rate in 58 years, which cut taxes for 99 percent of New Yorkers in December.

This year's on-time state budget also brings much needed relief to hardworking Bronx families, by investing in job creation and increasing aid to our schools and health care system. This year's budget addresses the needs of New Yorkers, and attempts to strengthen our state's economic recovery.

There is still much work to be done. I pledge to you that I will continue to do all that I can to bring the necessary resources to continue the improvement of our community.

As always, if there is any way that I can be of assistance to you, please do not hesitate to contact me. My office is here to serve you.

With Love and Hope,

*Carl E. Heastie
 Member of Assembly*



Assemblyman Carl E. Heastie meets with members of the Williamsbridge NAACP to discuss legislative priorities.

Investing in Education

The final budget increases school aid by 4 percent—or \$805 million. That includes a \$111.5 million increase in Foundation Aid, a \$400 million increase in the Gap Elimination Adjustment restoration and a full restoration of \$239 million for expense-based aids. This budget resulted in an increase of \$292 million for New York City schools.

“A major key to a successful future for our children starts in the classroom,” Assemblyman Carl Heastie said. “That’s why I fought to increase school aid, making sure our children have access to the quality education they deserve.”

Raising Funding for Higher Education

The final budget increases support to \$2,272 per-Full Time Equivalent (FTE) student for a total of \$22.1 million for SUNY community colleges and \$9.1 million for CUNY community colleges. The base aid increase is \$150 per-FTE student, the first community college base aid increase in five years.

In addition, the budget provides \$1.6 million to SUNY child-care centers, a \$653,000 restoration, and \$1.3 million to CUNY child-care centers, a \$544,000 restoration. The spending plan also restores \$27.8 million to be distributed equally among the three SUNY teaching hospitals.

“As many families are still struggling to make ends meet, we cannot let our children miss out on a college education simply because they can’t afford it,” Carl Heastie said.



Assemblyman Heastie and his colleague, Marcos Crespo, wear hoodies on the floor of the Assembly Chamber to express their distress about stereotyping young men of color and showing support for the families of Ramarley Graham and Trayvon Martin.

Budget Raises Public Assistance Grant by 10%

The final state budget includes \$16 million for full implementation of the 10 percent public-assistance grant increase. It will increase 5 percent on July 1, 2012, and an additional 5 percent on Oct. 1, 2012.

“This tough economy has wreaked havoc on our state’s neediest residents,” Assemblyman Carl Heastie said. “By increasing the public-assistance grant, we can help ensure that hard-working families who are struggling get the financial assistance they need to put food on the table, pay bills and clothe their children.”

State Budget Repeals Tax on Clothing under \$110

As of April 1, New York State is exempting the state’s 4 percent sales tax on clothing, footwear and related items sold for less than \$110 each so working families can save more of their hard-earned dollars.



Helping People During Tough Times

The state budget appropriates \$6.5 billion for unemployment insurance benefits. This amount reflects an increase of \$2.25 billion over the executive budget proposal due to federal extensions passed in February.

Supporting Minority- and Women-Owned Businesses

The final budget also allocates \$1.6 million in the area of Minority- and Women-owned Business Enterprises (MWBE). In addition, support for the Minority- and Women-owned Business Development and Lending Program was increased by \$365,000 to a total appropriation of \$1 million.

Assemblyman Carl E. Heastie said the funding will be used to develop a new computerized system to better monitor MWBE access to state contracting opportunities, and to expand the Department of Economic Development’s MWBE workforce by 15 full-time equivalent positions. These budget provisions further the goal of 20 percent participation by MWBEs in state contracts.

“Minority- and women-owned businesses are often small businesses and have had trouble breaking into the job of supplying state government,” Assemblyman Heastie said. “This funding will provide those businesses with a helping hand so they are in the best position possible to compete, and to hold the state accountable in how it does business.”



Providing Funds for Critical Health Care

The final budget increases health care spending by 4 percent. The plan also includes a provision for the state to take over the local share of the costs of Medicaid growth, to be phased in over three years, saving local governments \$1.2 billion over the next five years. Currently, all growth over 3 percent is paid by the state. Additionally, the budget provides for the state to relieve local governments from Medicaid administrative burdens.

In addition, the final budget includes funding for the following:

- Home and Personal Care Worker Benefits (\$10 million);
- Tobacco Prevention and Control Program (\$5 million);
- Public health and wellness programs at SUNY teaching hospitals (\$2 million);
- Additional funding for infertility programs (\$2 million);
- Family Planning Services (\$750,000);
- School Based Health Centers (\$557,000);
- HIV/AIDS Community Service Programs (CSP) (\$525,000);
- HIV/AIDS Multi Service Agencies (MSA) (\$525,000);
- NORC and Neighborhood NORC programs (\$458,000); and
- Breast Cancer Network (\$50,000).



Assemblyman Heastie meets with members of Boston East Senior Center visiting Albany to lobby the legislature.

EPIC Restorations for Co-payment Assistance

The 2012-13 state budget restores \$30.6 million to the Elderly Pharmaceutical Insurance Coverage (EPIC) program – helping reinstate co-payment assistance for approximately 300,000 EPIC enrollees. Currently, seniors enrolled in the EPIC program are forced to pay 25 percent of the cost of each prescription drug. With the co-payment assistance restored, enrollees will return to paying no more than a \$20 co-payment for each prescription.

Safe Prescription Provision in Budget

Requires language assistance from mail order and chain pharmacies

This year's state budget has taken a very progressive step to reduce the health care disparity in communities of color by requiring language assistance from chain pharmacies and mail order pharmacies in order to reduce the prevalence of adverse drug events for non-native English speakers. This new law is being implemented in conjunction with Assemblyman Heastie's law to stop mandatory mail order prescription plans. Coupled together, these new measures help make the pharmaceutical drug market safer and more user friendly.

"This provision will ensure that prescription medication instructions are easier to understand for patients with low health literacy, seniors, and limited English proficient communities," stated Assemblyman Carl Heastie.

Funding the Metropolitan Transportation Authority (MTA)

The 2012-13 state budget provides \$4 billion to the MTA – a 5 percent increase from last year. Under this year's budget, \$25 million is provided for the School Fare program and a \$250 million transfer from the General Fund goes to the MTA Mobility Tax Account. The budget provides an appropriation of \$770 million to assist in financing the final three years of the MTA 2010-14 Capital Plan. This funding allows for the Second Avenue Subway East Side access (LIRR into Grand Central) and the Fulton Street Transit Center projects to proceed.

"So many New Yorkers depend on the MTA regularly to travel in and around New York City," Assemblyman Heastie said. "That's why it's crucial that we provide the MTA with the funding necessary to replace train cars and tracks, provide jobs and upgrade the MTA's infrastructure, the economic lifeblood of the New York MTA Region."

Funding Foreclosure Prevention Programs

The Foreclosure Prevention Program, which provides legal assistance, counseling and other support services to homeowners, will be funded over a three-year period with a first-year investment of \$25 million. As part of this funding, existing program contracts will be extended for at least six months.

“During these troubling financial times it’s so important that we invest in programs that provide our families with affordable housing and assistance to make sure they don’t end up forced out of their homes,” said Assemblyman Heastie.



Tips for Homeowners in Foreclosure

By Justin I. Haines, Director, Foreclosure Prevention Unit, Legal Services NYC – Bronx

TIP 1:

You don't have to pay for help with loan modification.

Beware of companies promising to get you a low interest loan modification for a fee. Most of the claims these companies make are not true. We have seen many homeowners scammed out of thousands of dollars without getting a modification. Instead, there are non-profit legal service and housing counseling providers who are located in **Bronx Supreme Court's Residential Foreclosure Center (851 Grand Concourse, Room 607A, Tuesday - Friday)** who can help you apply for a modification for free or give you free advice about defending your home against foreclosure. These non-profits have tons of experience based on helping hundreds of homeowners and are funded by state and city grants to help homeowners for free.

TIP 3:

Document ALL of your income in your modification application.

Many people do not qualify for modification if their income is too low. Proof of income includes pay stubs from an employer, benefits statements or pensions, rental income and family contributions. For pay stubs, the loan servicer generally wants to see your last two consecutive pay stubs showing the year-to-date total of what you have earned so far. If you are paid in cash, you should be depositing all that income into a bank account so that you can verify the amount you actually receive.

TIP 5:

New modification programs are coming soon.

Starting in June 2012, a new program called HAMP Tier 2 will go into effect for many loan servicers. Under HAMP Tier 2, if you previously failed a HAMP modification or trial plan, you may be eligible for modification. Also, HAMP Tier 2 will modify not only primary residence, but also investment rental properties. In February 2012, it was announced that the five largest servicers (Bank of America, Wells Fargo, Chase, Citibank, and Ally Financial) reached settlement with the 49 states Attorneys General and will be offering loan modifications with some principal forgiveness. Only loans that are NOT government owned or insured will be eligible for this program and banks will notify homeowners soon if you are eligible. Also homeowners who are current but underwater may refinance under this settlement to get some relief. To find out more, go to: <http://www.nationalmortgagesettlement.com/help>. Please note banks may have up to 9 months to identify eligible borrowers.

TIP 2:

Attend court and respond to court papers.

Even if you think you are close to a final modification or have been told by your servicer that you do not need to appear in court, you should always respond to notices from the court that require you to either answer court papers or appear at a scheduled court date. When you receive the foreclosure summons and complaint, you only have 20 or 30 days to respond with an answer. Non-profit lawyers can assist you in completing an answer and doing so can keep you in your home longer. If the home in foreclosure is your primary residence, you will be entitled to a settlement conference in court 60 days after the foreclosure was started, where the court will supervise your attempt to modify your mortgage. Take advantage of that opportunity when it is offered to you by the court.

TIP 4:

Not all loans are eligible for the same modification options.

While it is true that many loans are eligible for the Home Affordable Modification Program (HAMP) where the mortgage might be reduced to as low as 2% over 40 years, some loans, like the ones insured by the Federal Housing Administration (FHA), will not be reduced to 2% in a modification. If you have a FHA loan, the FHA loan number will be marked on the first page of your mortgage. With these loans, the lowest interest rate may be somewhere between 4-5% over 30 years. There are different programs and modification options depending on who your bank/mortgage servicer is and whether Fannie Mae, Freddie Mac or FHA owns or insures your loan. It is important to speak with a non-profit counselor or lawyer to help you figure out what program you are eligible for.

You can be connected with non-profit foreclosure prevention legal services and housing counselors by calling 311. You can request help from Legal Services NYC–Bronx foreclosure prevention unit by calling 718-841-7001 and leaving a message requesting an appointment.



Contact information for Assemblyman Carl E. Heastie

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