



- New York State Legislative Update**
- Amy Kellogg, Esq.**
- Harter Secrest & Emery LLP**
- August 18, 2025**

Speaker Disclosures

Choose one

- I have no financial conflicts of interest to disclose**
- I have the following to disclose**

Harter Secrest & Emery LLP

ATTORNEYS AND COUNSELORS

New York State Legislative Update



Who am I

- A Partner at Harter Secrest & Emery
- I am a Government Affairs Attorney
- I've been working with NYSCLA for over 20 years now
- What I do for the Association



Presentation Overview

- Provide overview of Albany and the legislative process
- Discuss major legislative and regulatory efforts

Albany Overview



Two main players:

- The Legislature
- The Governor

Albany Overview



The Legislature:

- The Assembly
- The Senate

Albany Overview

New York State Assembly



- 150 Members
 - 105 Democrats (with 1 Independent), 42 Republicans (1 Conservative) and 3 vacancies
 - Speaker of the Assembly is head of the house
 - Assemblymember Carl Heastie is the Speaker
 - Speaker appoints the Majority Leader
 - Assemblymember Crystal Peoples-Stokes is the Majority Leader



Albany Overview

New York State Senate



- 63 Members
 - 41 Democrats, 22 Republicans
- The Senate Majority Leader is the leader of the Senate
 - Senator Andrea Stewart-Cousins is the Senate Majority Leader
- Majority Leader picks the Deputy Majority Leader
 - Senator Michael Gianaris is the Senate Deputy Majority Leader

Governor Kathy Hochul

- Serving as the 57th Governor of New York
- Elected to her first four-year term in November 2022
- First female Governor in New York history
- First Governor from Western New York since the early 20th century



Albany Overview

- Two-year legislative cycles
- Session begins with the State of the State address
- A budget must be done every year
- Budget process begins with the Governor's proposed budget in mid-January
- The budget is due on April 1
- Once the budget is done, we turn to non-budget issues

Albany Overview

- While the budget deadline was April 1, the final budget was not passed until May 8
- This is the fourth year in a row that the budget has been late
- This year's budget was 37 days late making it the latest state budget since 2010
- Last schedule day of session was June 12
 - Senate finished June 13
 - Assembly finished June 18



NYSED vs. NYSDOH

- Two agencies that oversee issues related to laboratories in New York State
- NYSED
 - Oversees the licensed laboratory professionals
 - Charged with overseeing and regulating the education and licensing of the provider
- NYSDOH
 - Oversees the licensed laboratory facilities
 - Charged with overseeing and regulating the running and operation of the facility itself



We successful passed the Laboratory Cleanup Bill in 2022, and this bill:

- Created the title of Histotechnologist
- Changed the title of Histological Technician to Histotechnician
- Allowed for national or state licensing and certification to fulfill the education requirements for all Clinical Laboratory titles in New York
- Created a pathway for Clinical Laboratory Technicians to become Clinical Laboratory Technologists
- Corrected the fee that is paid for a Provisional Permit (technical issue) and changes the duration of the permit from 1 year to 2 years

NYSCLA Legislative Priorities

- All provisions of this bill have been in place for over a year now
- Since the passage of the major bill provisions, we have worked on legislation to address a few other outstanding issues
 - Restricted licenses for molecular diagnosis
 - Certificate of qualification legislation related to NY's CLIA exemption
- During this legislative session, we did not work on any legislation related to the licensing law
- We instead have been reviewing the existing law and talking to interested stakeholders to see what other changes may be necessary



NYSCLA Legislative Priorities

- We are still gathering information and feedback, so if you have thoughts or suggestions, please let us know
- At a high level, some of the issues we are looking at include:
 - The need for additional restricted licenses
 - The need to update names and terminology for some of the licenses
- While we weren't working on licensing legislation, there were still other legislative priorities that we were working on



NYSCLA Legislative Priorities

Pre-natal Testing Bill

- For a few years now, we have been monitoring a bill related to pre-natal testing
- The bill, S11 (Senator Skoufis)/A44 (Assemblymember Paulin), as originally written would have required a written notice on the occurrence of a false-positive result for any condition tested during a prenatal test
- While NYSCLA had no objection to the intent of the bill – providing prospective parents with as much information as possible interpreting and acting on prenatal test results – the language of the bill was problematic
- We felt that the bill was vague and did not distinguish between screening tests and diagnostic tests. Further, the bill placed the onus for providing the information for prenatal testing on the labs that perform the testing rather than by the healthcare provider recommending the test



NYSCLA Legislative Priorities

Pre-natal Testing Bill

- We had numerous meetings with the Senate sponsor of the bill and his staff
- We walked them through our concerns and the challenges that we felt the bill presented as it was currently drafted
- Based on these conversations, the bill will now require written notice providing the patient with information on the test by the test manufacturer and will be provided to the patient before the test
- The bill also requires the Department of Health to develop comprehensive information on pre-natal tests that would be available to all New Yorkers
- While the bill passed the Senate, it did not move in the Assembly



NYSCLA Legislative Priorities

Direct Pay

- As many of you know, the current law in New York restricts laboratories from partnering with nonprofit clinics to provide testing kits because the patient is not the one paying for the test, the nonprofit clinic is the one paying – a violation of New York’s direct pay law
- This restriction led to another bill that we worked on this session – S3356-A (Senator Rivera)/A482-A (Assemblymember Clark)
- This bill would amend the lab services accessibility act to expand the definition of health services purveyor to include persons or entities that facilitate the provision of the health-related services and exempts nonprofit clinics, or other health care providers, who purpose is the promotion of public health from the direct pay restrictions in New York



NYSCLA Legislative Priorities

Direct Pay

- This bill was proposed by Molecular Testing Laboratories, and we worked with them and the Department of Health on this legislation
- This bill would change New York law to allow for this flexibility and allow more patients greater access to testing
- The bill passed the Senate but did not pass the Assembly this session
- We will continue to work with Molecular Testing Laboratories and DOH to get this change passed in both houses next year



NYSCLA Legislative Priorities

Certificate of Qualifications Chapter Amendment

- As some of you may remember, last year, we worked on legislation to amend the certificate of qualification process in New York
 - Every 6 years, NY applies for their CLIA exemption
 - In March 2021, NY DOH was told they had to amend Title 10, Part 19, which applies to Clinical Laboratory Directors
 - One of the pathways under Part 19 allows someone to become a Clinical Laboratory Director with two years of experience in specific areas of expertise
 - Under the federal CLIA rules, someone can only be a Clinical Laboratory Director with board certification – this certification does not have to relate to testing that they are overseeing, they just have to be board certified
 - If someone does not have the board certification, they can supervise under a different license, but they are not called Clinical Laboratory Directors



NYSCLA Legislative Priorities

Certificate of Qualifications Chapter Amendment

- Legislation was drafted to amend Sections 572 and 573 of the public health law to remove references to specific categories that existed in the New York law to comply with the requested change from the feds
- The proposed legislation also made a few other changes including increasing the licensing fee, which has not changed in over thirty years, and removing a host of cytotechnologist requirements that are no longer needed or relevant because of the licensure law changes
- This legislation was signed by the Governor in December 2024, but a chapter amendment was needed



NYSCLA Legislative Priorities

Certificate of Qualifications Chapter Amendment

- A chapter amendment is a negotiated agreement between the Governor and the Legislature to make changes to the underlying legislation
- In this case, the chapter amendment clarified that the minimum qualifications for lab directors are prescribed by the Department of Health in accordance with federal law
- In addition, the chapter amendment removed the prescription of qualification for laboratory directors from the sanitary code as it was unnecessary and duplicative
- The chapter amendment was signed into law in February 2025



NYSCLA Legislative Priorities

Certificate of Qualifications Chapter Amendment

- DOH is now working on drafting the underlying regulations in Part 19 of the rules and regulations to have a license for Clinical Laboratory Director, which will require the board certification, and a license for Technical Director, which will be the equivalent to the other category under CLIA, and which will allow experience to count towards licensure
- Importantly, there will be a grandfathering clause for anyone who is currently serving as a Clinical Laboratory Director when the new regulations are issued so that a shortage issue is not created
- As for timing, the current CLIA exemption expires in March 2027. The application process for the expiration waiver opens in May 2026. The goal is to have the final regulations ahead of the May 2026 application process
- Stay tuned!



Federal Action

- At the beginning of July the U.S. House and Senate passed the One Big Beautiful Bill Act, which was then signed by the President
- This was a tax bill
- The bill made significant cuts to the Medicaid program as well as other social programs
- Significantly, this bill cut \$3.9 billion in yearly Medicaid funding to New York

Federal Action

- There was talk that the New York legislature would return to Albany for a special session to address the current year budget shortfall of \$750 million
- However, they will not be returning
- The \$750 million will be covered through the existing budget with some being covered by higher-than-expected revenues and the Division of Budget will implement several current year budget savings to cover the shortfall

Federal Action

- While this year is covered, the impact of these federal cuts cannot be underestimated
- In addition, this was a federal tax bill
- We are still awaiting action on the federal budget bills
- It is unclear at this point if there will be full budget bills passed or if another Continuing Resolution (CR) is passed to fund the federal government until the next date certain

Federal Action

- While we wait to see what actions the federal government takes next, here is what we already know:
 - The cuts in the tax bill will create a \$3.9 billion budget hole that will recur every year
 - The projected New York State Budget deficit over the next 5 years is over \$30 billion
 - The Governor and the elected leaders have said that a budget deficit this large cannot be addressed with tax increases

Looking Ahead

- Addressing a budget deficit
 - So how do we address the budget deficit?
 - We don't yet know
 - We have not seen a projected budget deficit this large since 2008 and that deficit was the result of an economic situation not funding cuts from the federal government
 - Without federal action to restore New York funding, the answers look different this time around

Looking Ahead

- Addressing a budget deficit
 - Tax increases
 - Fee increase
 - Across the board budget cuts

Looking Ahead

- This budget situation is also happening in 2026, which is an Election Year in the State
 - All three (formerly four) statewide offices are up for election
 - All 213 members of the Senate and Assembly are up for reelection
 - All 26 Congressional seats are up for election

Looking Ahead

- There will be a Gubernatorial Primary on the Democratic side
- It remains to be seen if there will be a Gubernatorial Primary on the Republican side
- For the first time recent New York history, there will not be four statewide Primary Elections
 - In the past, while each Gubernatorial candidate selected their preferred running mate for Lieutenant Governor, the candidate for Lieutenant Governor had to run separate and apart from the Governor on the Primary ticket
 - This meant that we had cases where the Gubernatorial candidates preferred running mate did not end up winning the Lieutenant Governor Primary and the Gubernatorial candidate ended up on the November ballot with a running mate not of their choosing
 - To avoid this issue going forward, the Legislature passed legislation stating that for the Primary Elections, the Gubernatorial candidate would run as a ticket with their chosen Lieutenant Governor candidate



Looking Ahead

- It is unclear if there will be primary challenges for the Attorney General on either side, but we do know that there will be a Democratic primary for Comptroller
- It is also unclear at this time which current members of the legislature may not seek reelection for a variety of reasons including retirement, new opportunities, etc.

Looking Ahead

- As bad as the 2026 budget may be, the 2027 budget may be even worse
- Many of the largest and worst cuts don't take effect until January 2027

Looking Ahead

- The legislative session will start on January 7, 2026 with the Governor's State of the State address
- Her budget will be due in mid-January
- Per the State Constitution, the final budget should be passed by April 1
- The June 2026 Primary Elections will be held on Tuesday, June 23, 2026



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