NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

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11:05 a.m.

REGULAR SESSION

SENATOR JEREMY COONEY, Acting President

ALEJANDRA N. PAULINO, ESQ., Secretary

P R O C E E D I N G S

ACTING PRESIDENT COONEY: The Senate will come to order.

I ask everyone to please rise and recite the Pledge of Allegiance.

(Whereupon, the assemblage recited the Pledge of Allegiance to the Flag.)

ACTING PRESIDENT COONEY: In the absence of clergy, let us bow our heads in a moment of silent reflection or prayer.

(Whereupon, the assemblage respected a moment of silence.)

ACTING PRESIDENT COONEY: Reading of the Journal.

THE SECRETARY: In Senate, Wednesday, March 11, 2026, the Senate met pursuant to adjournment. The Journal of Tuesday, March 10, 2026, was read and approved. On motion, the Senate adjourned.

ACTING PRESIDENT COONEY: Without objection, the Journal stands approved as read.

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Gianaris.

SENATOR GIANARIS: Good morning, Mr. President.

Let me begin by reminding my colleagues that today is an important day in this chamber. Of course I'm speaking of the fact that it's Senator Andy Lanza's birthday today.

(Laughter; applause.)

SENATOR GIANARIS: Always celebrates his birthday with the passage of the one-house budget.

But not to diminish Senator Lanza's birthday, but now he has to share it with Senator Zellner, Senator Jeremy Zellner, who's new to this chamber, but also has a birthday today.

(Applause.)

SENATOR GIANARIS: Not Jeremy Cooney, nor Zellnor Myrie, but Jeremy Zellner. Don't be confused.

(Laughter.)

SENATOR GIANARIS: Okay, motions.

Mr. President, on behalf of Senator Mayer, I wish to call up Senate Print 524, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT COONEY: The Secretary will read.

THE SECRETARY: Calendar Number 201, Senate Print 524, by Senator Mayer, an act to amend the Penal Law.

SENATOR GIANARIS: Move to reconsider the vote by which the bill was passed.

ACTING PRESIDENT COONEY: The Secretary will call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 55.

ACTING PRESIDENT COONEY: The bill is restored to its place on the Third Reading Calendar.

SENATOR GIANARIS: I offer the following amendments.

ACTING PRESIDENT COONEY: The amendments are received.

SENATOR GIANARIS: On behalf of Senator Skoufis, on page 15 I offer the following

amendments to Calendar 323, Senate Print 15, and ask that said bill retain its place on Third Reading Calendar.

ACTING PRESIDENT COONEY: The amendments are received, and the bill will retain its place on the Third Reading Calendar.

SENATOR GIANARIS: Mr. President, there's a privileged resolution at the desk, Senate Resolution 1722, by Majority Leader Stewart-Cousins. Please take that up and read its title.

ACTING PRESIDENT COONEY: The Secretary will read.

THE SECRETARY: Resolution 1722, by Senator Stewart-Cousins: Resolution in response to the 2026-2027 Executive Budget submission.

SENATOR GIANARIS: Mr. President, this is the Senate's one-house budget resolution. By agreement with the Minority, debate will be limited to two hours. It will be strictly enforced.

Our Finance chair, Senator Krueger, will lead the debate for the Majority.

And we are ready to begin.

ACTING PRESIDENT COONEY: Senator

O'Mara, why do you rise?

SENATOR O'MARA: Thank you, Mr. President.

I'm wondering if Senator Krueger would yield for some questions on this one-house budget proposal.

ACTING PRESIDENT COONEY: Senator Krueger, do you yield?

SENATOR KRUEGER: I live to yield to Senator O'Mara. Thank you.

(Laughter.)

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR O'MARA: That's a little concerning --

(Laughter.)

SENATOR O'MARA: -- but we'll proceed anyways. Thank you, Senator.

The one-house budget that we have before us here, it's very concerning to me in the increase in spending that we have here, considering that the Governor increased the budget from last year by a little over $7 billion for this year, and now this one-house adds and antes that up to $11.5 billion in overall

spending over last year, far outpacing the rate of inflation in the state -- or doubling the rate of inflation, anyways.

But the more concerning part is the state operating funds portion of this budget. The state operating funds are increasing over $16 billion, and that's -- state operating funds are the funds that we generate in the state with our own revenue sources, not flowing from the federal government.

That's about an 11 percent increase in spending. That is over 4.5 times the rate of inflation. How can we justify this type of increase in spending in the state budget overall? And how is this sustainable for New Yorkers in the affordability of living in New York State?

SENATOR KRUEGER: Thank you, Mr. President.

So I'll start out by pointing out we've lost 9 billion in federal funds since the year before. Thank you, Donald Trump. And so of course we still have to make sure we are funding those programs.

And so we have to deal with the reality that once -- what was once federal money

coming into our state, often even bypassing our specific budget, but going into our communities, is no longer going into our communities. And so they are crying out for us to help them through the state budget. So that's, I guess, more than half the question just there.

Then, while there is an inflation number, inflation often runs behind. And what it doesn't factor in, which we also have to confront, is that costs since a year ago seem to have gone up 20 percent, much due to these tariffs -- again, thank you, Donald Trump -- that in fact the courts have now ruled are illegal. And yet the consumers have had to pay that cost in all kinds of ways.

And even though the federal government's now been told they're supposed to give us that money back, nobody has any idea if they ever will and how they will. We just know that the costs are skyrocketing for every consumer in New York specifically because of federal decisions.

And we don't assume that those costs are going down, even though the tariffs have to stop, because when do companies raise

their prices and then reduce them later? They just don't.

So everyone's costs are going up. Therefore, there are more demands on the State of New York to come through for our citizens and our communities. And until this insane set of policies stop continuing at the federal level, I feel that this is going to continue to grow.

The most obvious new example is the war in Iran, the impacts already on the cost of oil. I will quote a staffer who was driving up to Albany on Monday, we happened to be talking on the phone on business, and they said: "You know, I really have to fill my car up before I get to Albany because if I wait till Thursday or Friday, it will probably have gone up another 40 cents a gallon and I can't afford that."

I won't name the staffer. But I believe that that's exactly right. At the rate the cost of oil is going up, thanks again to I believe very bad federal policy, we're going to just have to keep confronting new surprise cost increases. And we, the State of New York, are going to need to address those as best we can.

SENATOR O'MARA: Thank you,

Senator. And I'm glad you brought up the actions taking place in Iran and the impacts to gas prices, at least temporarily, with that, which I believe in the end will be resulting in a net positive for us in this country overall.

But, you know, just two weeks ago -- actually, the morning -- later in the morning after this war in Iran broke out, we had a revenue consensus meeting in the state. Which, for those watching, that's the Governor releases the budget and then the Assembly, the Senate, and the Director of Budget get together and determine an estimate of how much they think the revenues, extra revenues there's going to be by the end of the fiscal year that we can build into this budget.

And that revenue consensus came in at $800 million, correct?

SENATOR KRUEGER: Yes, above the Governor's original proposal, yes, sir.

SENATOR O'MARA: Now, this one-house increases spending by $5.6 billion, $4.8 billion -- or $3.8 billion more than what that revenue consensus is.

SENATOR KRUEGER: That's correct.

SENATOR O'MARA: So how are we making up that difference?

ACTING PRESIDENT COONEY: Senator, are you asking the Senator to yield?

SENATOR O'MARA: Yes, I am.

ACTING PRESIDENT COONEY: Okay.

SENATOR KRUEGER: And I'm yielding.

ACTING PRESIDENT COONEY: Thank you.

SENATOR KRUEGER: Thank you.

Yes, those numbers are correct.

Frankly, we are doing this, again, as a response to the first question. We need to help our people more. We need to help our municipalities more. And so we did increase revenue in our one-house over what the Governor projected.

That was based on a number of things that I'm sure we will get into today of additional taxes or additional revenue streams beyond what the Governor put in her Executive Budget.

Not because we want to. Because we feel a necessity to help our municipalities and our residents with crises they are now facing

because of the -- primarily of federal actions.

And so it is not unusual for either house's one-house each year to be higher than the Governor's original proposal. And frankly, this is a one-house because this is our hopes and dreams of where we can get to by April 1st.

People who have been here a while know we usually don't get there, but we try, because we want to -- we want to ensure the people of New York understand what realities we're facing and what we're trying to get done even though some of the Executive Budget will change by April 1st. It will include some of the things we are pushing hard for here; it won't include other things.

But I think the question is why are we doing something. And the answer is because that's why we do the one-house.

SENATOR O'MARA: Through you, Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT COONEY: The

sponsor yields.

SENATOR O'MARA: So we have a variety of tax increases in this one-house proposal to raise an additional $5.6 billion in spending, which is I guess your wish list as the Senate majority here.

Continuing, not allowing a business tax that was going to sunset to actually sunset. Not letting it go forward at the same rate without sunsetting it, as the Governor proposed in her budget. Yet we're increasing the taxes on business in this state at a time when businesses are struggling.

How much does that business tax extension and increase, how much does that add to the $5.6 billion in additional taxes we're talking about here?

SENATOR KRUEGER: Sorry, I need my glasses. The print is very small.

Slightly over $2 billion.

SENATOR O'MARA: And can you tell us -- through you, Mr. President, can you tell us where, then, the additional $3 billion is being generated?

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR KRUEGER: Of course.

Another large section, $1.7 billion, comes from decoupling New York State's tax policies from a series of changes the Trump administration created at the federal level to frankly reduce costs to large businesses.

So we are saying no, that's not good policy for New York State, we're not going to remain coupled, as we have in the past. And that therefore, as to our revenue, because we're not deducting it a la the Trump administration's model.

SENATOR O'MARA: Thank you, Senator.

You know, I guess -- you know, I'm at least thankful that somebody in government is being responsible about spending.

And while, you know, there may be some concerns over some actions that the Trump administration has taken, it's about responsibility in spending in government. It's about trying to improve the economy of this country. It's about trying to return manufacturing to this country, which is critical,

which we're seeing leave New York State weekly, from the state to other states.

You know, we continue to spend more and put more burdens on businesses and households in just the cost of doing business, the cost of utilities, the cost of taxes and every aspect of life. And I'm glad you recognized in your kind of initial remarks that these -- these costs do get passed along by business. Because there's often a feeling in this body that the Majority thinks that we can just raise these things on businesses and they're not passed on to consumers, when they are.

Every action we take that increases the cost of doing business doesn't mean that business is just going to automatically accept less profit. It means they're going to pass these expenses on to New Yorkers and to consumers.

And that's what's been impacting the affordability, the lack of affordability of living and doing business in this state.

But Senator, in addition to generating this $5.6 billion in new taxes and revenues for the state, you have some actions in

here to allow New York City to increase certain taxes. Primarily, a 10 percent increase on unincorporated business taxes in New York City.

And far more concerning than that -- that's very concerning. Far more concerning than that, even, is a 20 percent increase in tax on financial services firms in New York City. At a time that we're seeing job growth in the financial services industry in major areas across the country. Texas opening a Texas Stock Exchange very soon. These jobs moving to Texas, to Florida, to Tennessee. Yet we're going to increase taxes on those firms by 20 percent.

And while at the budget hearing with Mayor Mamdani, who is asking for these increases, you know, they showed a distinct lack of concern with financial service firms leaving New York State. And as they leave and those jobs go, that source of revenue for us and the city decreases.

What is your level of concern with the financial services industries departing from New York State? It makes up about 30 percent of our revenues at the state, not to mention what the city is generating for theirs off of it.

ACTING PRESIDENT COONEY: Did the

sponsor yield to that question?

SENATOR KRUEGER: I will. Although he asked a whole series of questions, so I'm going to go back to the first set of questions, which were not about the city tax changes but overall tax proposals within this.

I want to point out that we tried to be very careful in the taxes we decoupled from at the federal level and even some taxes that do have an increase for some companies at the state level. These are for large corporations. A few medium.

But we recognize the unfairness of the New York State tax system because, guess what, every time we do lower taxes for the highest-income companies who are doing, frankly, incredibly well, somebody else has to pay the taxes, and it usually is the small companies. And it usually is startups who are trying to move from small or even one employee to a larger company.

So we were very conscious about trying to make sure that unlike the Trump policies and taxes, we were not going to transfer costs to our small businesses. We were going to

try to make sure we were making our tax system both progressive and fair -- and again, very importantly, stopping the leakage of all tax costs translating to small businesses who are trying to stay in New York and grow in New York.

And in fact, I would argue I wish we had gone much farther, and we did a little of it, in challenging the kind of tax expenditures that we have in our system. So if you look at our state tax expenditure report, you will actually be able to find pretty easily billions of dollars that our largest corporations are not paying in taxes in New York because they have all kinds of special exemptions and credits and subsidies. I think we might be the state with the largest in the country at this point, to the largest corporations.

Amazon, for example. And trust me, they're going to sell to us no matter what we actually make them pay fairly in their own taxes. They're not leaving New York.

And many of the companies even that the -- my colleague pointed out they could leave New York, they still want to do business in New York. They're still going to sell to us in

New York. And so a lot of these taxes it actually doesn't matter physically where their locations are, they still owe us the taxes.

So sometimes I get told: They'll leave. And you look at what the taxes are, and you go, Well, guess what, you're still going to have to pay those taxes. But okay, if you want to double your costs by having to move everyone and build new warehouses somewhere, that's your business. But you're still going to sell the products across the lines in New York, and we're still going to tax you then.

So when you look at the big picture, our tax policies can be so much fairer and more progressive. And it absolutely helps our smaller businesses, our starting-up entrepreneurs in New York. Because again, when somebody over here isn't paying their fair share of taxes, somebody else is, usually the small guys and the individuals. So I want to do something about that. I want to do more about that.

Now to shift to the New York City question, thank you.

So yes, the City of New York came to us and said help, we need help. And they put

together a very long laundry list of possibilities. We said no to quite a few of the proposals because we thought those were not the best answers for New York City.

New York City would have preferred we just agree to hand them the money. We do hand them some money in this budget, right, because we owed them this money. We never gave them AIM since -- 2011? We stopped giving New York City its 900 million in AIM in 2011 for a financial-problem period. We promised to give it back. We never gave it back.

We cut our reimbursement on the administration of public benefits and social services. We promised to give it back. We never gave it back. We passed federal -- state laws at the state level to change the rules in child welfare programs and criminal justice programs for young people and said, This will be great.

And then we told New York City, even though you're going to end up taking the vast majority of these kids and the responsibility for making sure this model works well, we invented -- well, Governor Cuomo invented a way to claim New York City wasn't eligible to even file for

it. So we've owed them a huge amount of money.

And by the way, New York City's taxpayers send so much money here that they never get back. We tried to close that gap in a variety of ways. And I think that's absolutely fair and way overdue.

So we said no to the city on many things. We tried to close gaps that never should have been there. But yes, we did give them permission to tax themselves and their businesses. And frankly, I think that they will think carefully about what they implement and don't implement. But if we don't give them the authority to do so, they can't. Because let's not forget, the only tax our municipalities basically can control themselves is their property taxes.

And there are a few people who suggested raising New York City's property taxes by 9.5 percent. And I don't know about everybody else, but if you live in New York City you really can't imagine a 9.5 percent increase in our property taxes. So will companies -- again, they're only large companies that are impacted, of 5 million or more, I believe. Do I really

think they're going to pick up and leave New York City? Some might.

But the research shows that large corporations -- and we're talking large corporations -- don't make their business decisions or their location decisions based on local marginal tax rates.

So maybe my colleague's right, this will be a problem. But so far I'm not convinced. And I actually have not been hearing a lot from corporations that this is a problem for them. Just saying.

Thank you.

SENATOR O'MARA: Through you, Mr. President, if the Senator will yield.

ACTING PRESIDENT COONEY: Will the sponsor continue to yield?

SENATOR KRUEGER: Yes.

SENATOR O'MARA: The authority that we're giving in this one-house budget to allow New York City to raise unincorporated business taxes and the taxes on financial services, what is the total expected revenue to be generated from those actions if the city pursues them to the 10 percent, 20 percent increase that you want

to authorize them to do?

SENATOR KRUEGER: So the tax increases that we're giving the city permission to do total 3.1 billion.

I don't have a breakdown between those three taxes, which is which. So we can get you the breakdown of what that 3.1 translates to, but I don't think we have that today.

Is that right?

SENATOR O'MARA: Through you, Mr. President. If we could get to that, where you think -- actually, where we end up in the final budget bills by the time we get to debate those, that would be good to have that --

SENATOR KRUEGER: Absolutely.

SENATOR O'MARA: -- type of overall impact --

SENATOR KRUEGER: Yup.

SENATOR O'MARA: -- to that.

Now, another -- through you, Mr. President, if the Senator will yield.

ACTING PRESIDENT COONEY: Will the sponsor continue to yield?

SENATOR KRUEGER: I'm sorry, I'm getting an answer to the previous question as we

speak, so ...

The corporations tax would draw in 1.5 billion. It's 250 million on the unincorporated tax change. And -- those are the two, two answers to the question.

SENATOR O'MARA: Well, there's a third one I'm about to get to.

SENATOR KRUEGER: Okay, fine.

SENATOR O'MARA: So through you, Mr. President. And I'm not sure if that's the one you're thinking about or not.

SENATOR KRUEGER: Okay.

SENATOR O'MARA: But there is a -- through you, Mr. President, if the Senator will yield.

ACTING PRESIDENT COONEY: Does the sponsor continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: There's another tax increase in here on the transaction of the commodity of gold bullion in this state, which New York State has a large storage of the gold in this country but certainly not all of it. And

gold is transportable. You're authorizing the implementation of a sales tax on that commodity.

I don't believe there's any sales taxes on the sales of any other commodities. How much is that sales tax supposed to increase on the trading of gold in New York State?

SENATOR KRUEGER: I believe I remember the number is 600 million on -- oh, you've changed, hello. Sorry, I didn't notice I lost -- I traded staff.

So it's 600 million from the state tax that we would then collect. And I believe -- because we also allow the city to do this, because I think I'm still answering the city question, I believe it allows the city to also apply the same sales tax, which I think is $300 million for them.

And yes, people are describing gold bars as a commodity. But it's also metal. So if I go out and buy gold jewelry -- and I love gold jewelry, to be honest, I buy gold jewelry -- I pay sales tax on it. And if I buy a gold bar, I don't pay that tax.

And so it's just a perfect example, for me, of our decisions to prioritize some

people having to pay taxes and some people not having to pay taxes. Because I remember when I came to Albany 25 years ago, I think the gold tax -- the lack of gold tax was costing the state about a hundred million dollars in tax. And now we're up to 800 million.

And the problem, again, who's buying gold bars? Anyone here? Just curious. Anybody have gold bars? The New Jersey senator did --

SENATOR O'MARA: You can buy a small fortune in them in your jewelry.

SENATOR KRUEGER: No, I pay the tax when I buy my jewelry. Unless I'm buying a gold bar to melt it down to make my own jewelry. Which, trust me, I'm not.

So I don't even understand why we don't understand this kind of tax expenditure for certain companies and for certain individuals is justified because the rest of us are paying taxes even on the same product.

And you know what? Gold bullion companies, they don't actually create jobs. I think there are three companies. And somebody's pushing the gold bullion in and out of the bottom floor of several banks on Wall Street. But

pretty much those are the only jobs.

So it's not like even if they leave and go to a state that won't tax them, that we lose jobs. So please don't misunderstand.

New Yorkers who want to buy gold bullion are still going to buy gold bullion, don't kid yourself. But the companies say they'll leave, and I'm like, Okay, we'll have some less crowded space in the basements of a few banks on Wall Street. And we really won't lose jobs. And we'll actually get more tax revenue that is needed for everybody who's probably not buying gold bullion anyway.

SENATOR O'MARA: Through you, Mr. President, if the Senator would continue to yield.

SENATOR KRUEGER: Yes, absolutely.

ACTING PRESIDENT COONEY: Will the sponsor continue to yield?

The sponsor yields.

SENATOR O'MARA: I'm really amazed at your lack of concern of jobs leaving this state, whether it's in the gold bullion, whether it's financial services jobs.

My priority in the state, that

people live in New York and people have jobs to work at in New York. Not that we just collect tax revenues from out-of-state businesses doing business in New York State. We want to provide jobs for New Yorkers.

And on the gold sales, that's not the typical transaction where somebody goes in and buys a gold bar to take home and put on my mantel to show that I'm rich or whatever. It's not that kind of a retail transaction.

They're generally, on paper, trades of the commodity very similar to stock transactions.

So it's just -- it's going to drive this business out. It's a -- really a minor factor in the whole thing here, but it's just one more example of the lack of concern with business leaving this state and taking those jobs with them.

Moving on, Senator, if you'll continue to yield -- Mr. President.

ACTING PRESIDENT COONEY: Will the sponsor --

SENATOR KRUEGER: I do.

ACTING PRESIDENT COONEY: The

sponsor continues to yield.

SENATOR O'MARA: In addition to the increase in taxes that we're allowing to New York City, we have a significant amount of direct aid that you referenced a bit earlier in the AIM discussion that you mentioned.

The Governor, in her budget, had proposed I believe a $1.5 billion assistance to New York City for the situation, the financial situation that they're in now. And in addition to that, now, this one-house budget, by my read, the Senate Majority is adding another $693 million for temporary assistance to the city, both through TANF and for adult shelters, on top of that 1.5 billion.

For the additional adult shelters and Temporary Assistance for Needy Families to New York City, how much is this one-house budget increasing that for other areas of the state?

SENATOR KRUEGER: Okay. So the adult shelter money is 500 million. And the Temporary Assistance to Needy Families, 193 million. And then there's also 263 million for certain foster-care costs.

Several of these were cut from the

City of New York during the Cuomo administration, and so we see this as a replacement for money that was taken and never should have been taken.

I don't know that this was cut from other localities. So this was not money taken away from other municipalities, it was just a -- oddly, a Democratic governor and a Democratic mayor not liking each other, and the Democratic governor deciding that he was going to punish a Democratic mayor in the biggest city in the state by cutting funds that he could get away with cutting.

SENATOR O'MARA: Through you, Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: So relative to this additional 2.5 billion -- roughly now, I guess, with the other stuff that you added in there -- going to New York City from our revenues in the state, my understanding is that the

Governor, when she put forth the 1.5 billion for New York City for temporary assistance, that she offered up a hundred million dollars in temporary assistance for the rest of the state.

Have you increased that other assistance in addition to the $100 million that the Governor put in?

SENATOR KRUEGER: My one demand was that they number the pages this year for me. It's helpful.

SENATOR O'MARA: It's helpful.

SENATOR KRUEGER: It is helpful.

Through you, Mr. President. My colleague is correct about what the Governor did. And actually, happily, as I review ours, we also increased financial assistance to Rochester and Yonkers by 40 million each, Syracuse by 30 million, and Albany by 15 million, all above and beyond what the Governor proposed.

SENATOR O'MARA: Well, thank you, Senator. I've been informed that I'm out of town {sic}, but I'm just going to wrap up here -- of time. Did I say out of town?

(Laughter.)

SENATOR O'MARA: Yes. Maybe both.

But thank you for your answers. And this one-house bill is fantasy, but it's a very scary and concerning fantasy for the future of the State of New York.

I'm glad there's been some recognition finally from the Senator on the other side of the aisle that, yes, these increases may very well cause companies to move out of the state and take the jobs with them. That is a huge concern to us.

The massive increases in aid to New York City, in addition to them -- allowing them to increase their taxes that they're going to raise, is just patently unfair to the rest of the state. Well, maybe a couple of the upstate Thruway cities are getting a little more money in the end, but the rest of the state is not. And they have needs just as well.

You're worried about the mayor threatening a 10 percent property tax increase to New York City, and I certainly don't want to see that. But I have municipalities in my district that are facing those same types of increases in property taxes to New Yorkers in my district and across the rest of the state. And they're not

getting equal treatment.

And my constituents and constituents everywhere in New York State are struggling under the unaffordability of living in this state. This budget that the Governor has proposed, and is then exacerbated by this one-house proposal, just makes New York State all that much more expensive and less affordable for New Yorkers to live.

We need businesses here to provide jobs for people that live here, because we're sick and tired of people leaving this state to find the opportunity elsewhere because we've taxed and spent our way into an unaffordability crisis in this state.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator O'Mara.

Senator Gallivan, why do you rise?

SENATOR GALLIVAN: I would like to ask a few questions, Mr. President, on the Medicaid area of the budget.

ACTING PRESIDENT COONEY: Thank you, Senator Gallivan.

SENATOR GALLIVAN: And I also must

say that I'm very interested to hear of Senator Krueger's hopes and dreams to have adopted a budget by April 1st. I share that.

ACTING PRESIDENT COONEY: I believe Senator Rivera will be --

SENATOR GALLIVAN: Will Senator Rivera yield for a few questions?

ACTING PRESIDENT COONEY: Senator Rivera, do you yield?

SENATOR RIVERA: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR GALLIVAN: So when we look at Medicaid spending, we spend an awful lot. It's the biggest area of the budget. For fiscal year '27, spending is projected to be over -- approximately $120 billion. The state share has tripled in the last 15 years. It's increased nearly 60 percent in the last five years. And this Senate one-house proposed budget increases the state share by 11.4 percent year over year.

So the Senate one-house proposal increases Medicaid spending. It eliminates the Medicaid cap and removes several Executive

deficit reduction measures. My question is, how can you reconcile this approach with affordability and fiscal sustainability?

SENATOR RIVERA: Through you, Mr. President. First of all, I would remind us that what -- when we're talking about Medicaid, we're talking about a program that is a safety net for so many working-class and poor New Yorkers all across the state. And when we're talking about affordability, the cost of healthcare is one of the main drivers of unaffordability for basically -- it's something that could be said certainly for the entire country, and certainly for the State of New York.

But furthermore, Mr. President, I'd like to remind us that the federal government is taking some immensely negative actions against the State of New York that seem punitive in my view, Mr. President, that ultimately impact programs like this.

This is not something that is just given away to just anybody. We're talking about, Mr. President, folks who need medical coverage.

And so yes, indeed -- through you, Mr. President -- there are increases that we are

proposing in this one-house budget. But let us not forget that regardless of what we are proposing as far as an increase, in no way does it make up for the immense impacts that will be felt by the federal government's actions against the most vulnerable in our state. And certainly that includes those folks who are Medicaid recipients.

SENATOR GALLIVAN: Would the Senator continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor continue to yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR GALLIVAN: So the Executive proposal increased year-over-year state spending approximately 10 percent. And when she did this, she also alluded to the federal government and indicated that she backfilled the federal government cuts.

The Senate one-house, however, not only -- not only continues what the -- includes what the Governor had put in, it includes an additional $630 million in spending in Medicaid.

Where's the $630 million going?

SENATOR RIVERA: Through you, Mr. President. If the -- if he could repeat the last part of your question. Where is it going to, or where is it coming from?

SENATOR GALLIVAN: No. The Executive Budget -- according to the Executive when she presented it -- backfilled what she says were the federal cuts. The Senate one-house includes an additional $630 million.

The question is, where is that additional 630 million being spent?

SENATOR RIVERA: Through you, Mr. President. The biggest chunk of that would be for financially distressed hospitals. Which I will remind you, Mr. President, is not just something that impacts safety net institutions in the cities or in urban spaces, but certainly in urban districts and suburban districts, in rural districts all across our state. There are many safety-net institutions that are not just for this year but over many years of disinvestment, falling on hard times.

And so the extra money that we're proposing in this particular budget, number one,

is certainly -- in this the biggest chunk is for distressed hospitals. But again, I'll remind everyone that we are not making -- we're making a dent, certainly. But the amount that -- the way that I put it is the cuts that we already suffered, Mr. President, from the federal government are like a bat to the side of the head. But come January next year, there comes the ax for the other side of the head.

And so we're trying to do our best with the resources that we have to -- you say -- my colleague says backfill; I say try to avert the worst outcomes for the most vulnerable around the state.

SENATOR GALLIVAN: Through you, Mr. President, would the Senator continue to yield?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR GALLIVAN: Does the Senate one-house include any of its own cost-saving measures? In the area of Medicaid, of course.

SENATOR RIVERA: Through you, Mr. President -- (glass falling). Goddamn, I keep doing that to the damn bottle. Let me just put it over here. There.

Through you, Mr. President. There is language in the bill that refers generally to working alongside with our Assembly colleagues as well as the Executive on finding efficiencies. There's no specific outlined savings proposal per se.

SENATOR GALLIVAN: Through you, Mr. President, would the Senator continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Without flipping the bottle over, yes, I will, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields. Quietly.

SENATOR GALLIVAN: We've seen recently a number of investigations and audits that have identified, you know, significant amounts of fraud and improper payments across our system, the Medicaid system. Among them, $2.6 billion in Medicaid payments potentially

made to individuals who do not live in New York State; 196 million in improper payments under the non-emergency medical transportation program; $68 million involving daycare operators in Brooklyn; 3.5 million, fraudulent claims in Orange County, among others.

Does the Senate one-house budget do anything -- given this documented fraud and improper payments, does it do anything to specifically focus on strengthening program integrity and fraud prevention?

(Pause.)

SENATOR RIVERA: Through you, Mr. President. There are a few ways in which the State of New York can and indeed does find people who are abusing the system, both the Office of Medicaid Inspector General, OMIG, as well as a part of the Attorney General's office that investigates these types of crimes.

And I'll remind my colleague that it is precisely the fact that we have investigated and found people who are abusing the system, that any of the things that he is referring to have been found.

So certainly none of us on this side

of the aisle will ever defend those folks who are abusing the system, particularly one that, as I said before, not only serves the most vulnerable but also is on the brink of collapse because of the federal attacks to it.

So I am all for identifying folks who are being fraudulent, who are abusing the system, and certainly would, as they say, want the book thrown at them.

And we have entities in the State of New York that do that sort of work. I thank them for it. And we certainly would do whatever we can to augment their ability to continue to do that.

SENATOR GALLIVAN: Through you, Mr. President, would the Senator continue to yield?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR GALLIVAN: So the Senator referred to these people being caught. It's good that they're caught through existing measures.

But my question has to do with are -- does the Senate one-house provide for any additional fraud prevention measures in it?

SENATOR RIVERA: Through you, Mr. President. The budget itself doesn't have anything specific related to this.

But I certainly believe that if there are entities, either at the state level or at the federal level, that are looking to identify illegal and inappropriate actions, and they're asking for information to be able to determine that, that we should provide it to them.

SENATOR GALLIVAN: Thank you, Senator Rivera. Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Gallivan.

Senator Helming, why do you rise?

SENATOR HELMING: Thank you, Mr. President. If the sponsor would yield to a few questions regarding auto insurance.

ACTING PRESIDENT COONEY: I believe Senator Bailey will be responding.

Senator Bailey, do you yield?

SENATOR BAILEY: Delightfully so.

ACTING PRESIDENT COONEY: Senator Bailey yields.

SENATOR HELMING: Thank you. Through you, Mr. President, if Senator Bailey will yield to a question regarding Part F.

ACTING PRESIDENT COONEY: He yields.

SENATOR BAILEY: Certainly, Senator Helming.

SENATOR HELMING: Senator Bailey, in the Executive proposal was -- the executive proposal included reforming the definition of "criminal fraudulent act" and increasing penalties for crimes involving insurance fraud.

Does the Senate one-house support those initiatives?

SENATOR BAILEY: Through you, Mr. President. The Senate Majority was very clear in our resolution language that we support making sure that we have a more affordable New York, and by all measures in the Governor's budget that we applaud the Governor for taking the steps that she had. But we have -- reasonable minds can differ, and we differ in the way that the language was. The Senate Majority

certainly looks forward to resolving this at the end of this budget process and making sure that concepts that have been placed in the original Executive Budget, that they are resolved in favor of all New Yorkers.

SENATOR HELMING: Through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR BAILEY: Yes, I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Bailey, what alternatives have you proposed to address auto insurance fraud and to hold bad actors accountable in this one-house budget?

SENATOR BAILEY: Through you, Mr. President. Once again, that the conversation is something that this Majority has been very clear about. We've been contemplative through roundtables, through hearings, through discussions with individual stakeholders, with group stakeholders, associations, trade groups. Anybody that is willing to listen, we've had the

conversation.

In the language that was presented by the Executive, well-intended language, the Senate Majority, again in our resolution language, has clearly indicated that we look forward to having an ongoing conversation about resolving the issues that you, Senator Helming, have mentioned, and many of our colleagues have mentioned, because they come to us from our constituents.

Our constituents, our family group chats -- all of our conversations are related to the high cost of insurance and affordability and fraud. And our resolution language was crystal-clear that we intend to engage in ongoing and further discussion related to that.

SENATOR HELMING: Through you, Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR BAILEY: I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator, in

Part F or Part G can you point to the language that says that the Senate Majority intends to address this?

SENATOR BAILEY: Through you, Mr. President. The Senate's resolution language -- that was not necessarily in that part -- was very clear. And out of respect for the two-hour debate limit, I'm not going to repeat everything that I said.

But we are laser-focused -- I'll use another phrase -- to making sure that affordability is something that we conquer in this budget. But I think it was -- our resolution language was very clear.

SENATOR HELMING: Through you, Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR BAILEY: I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Bailey, why did the Majority reject the Executive proposal reconfiguring the New York Motor Vehicle

Theft and Insurance Fraud Prevention Board?

SENATOR BAILEY: Through you, Mr. President. For the same reasons in the prior iteration of the questions. When you have something that is as complicated and as complex as the issue of affordability as it relates to auto insurance, pointing out one particular thing or pulling one string simply does that.

This does not do that. There is no magic bullet to affordability. There is no one concept or one theory or one thought that will lead to affordability.

We're excited and willing to have conversations about fraud, incidents of fraud, data around fraud. We do not accept fraud. We do not want fraud to happen. And that is one thing I can certainly state: We are anti-fraud. We do not want to have anybody doing fraud in our state.

But the manner in which we should go about investigating it, looking at it, examining it, is something that we should have further discussion about as we conclude this year's budget.

SENATOR HELMING: Thank you.

Through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR BAILEY: Certainly.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Bailey, are you happy with the way that the New York Motor Vehicle Theft and Insurance Fraud Prevention Board is operating currently?

SENATOR BAILEY: Mr. President, "happy" is a relative term. "Happyish" is what Leader Andrea Stewart-Cousins often says when we speak about these conversations.

In all seriousness, my personal happiness is not what is of worth, is of measure in this Executive Budget. What matters in this Executive Budget is figuring out how can we deal with affordability.

And should we figure out a better way to deal with fraud and deal with crime as related to auto insurance? I'm certainly happy to have that conversation. Again, it is an ongoing conversation. And respectfully, my

personal happiness has nothing to do with the manner in which we mete out solutions and measures in this Executive Budget.

SENATOR HELMING: Through you, Mr. President, quickly on the bill.

ACTING PRESIDENT COONEY: Senator Helming on the bill.

SENATOR HELMING: So maybe "happy" wasn't the right term.

However, all you have to do is look at the New York State Comptroller audit of that board, the prevention board. They looked at a four-year period and saw that the board is basically dysfunctional. They don't have a quorum present, they can't take action.

The money that our ratepayers are putting into the fund to help control, deter, reduce fraud and reduce insurance rates, a large portion of that every single year gets swept from the Fraud Prevention Fund and goes into the general budget. So I think it's something that definitely needs to be addressed.

But through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR BAILEY: Certainly.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Bailey, in Part FF it appears that the Senate intentionally omits the Executive proposal to extend the time frame insurers have to report suspected fraud from 30 days to 60 days.

Why wouldn't the Majority want to make sure that any suspected fraud -- that there's time to investigate it and to resolve?

SENATOR BAILEY: Through you, Mr. President. For the same reasons I've articulated before. It -- on paper, it may seem reasonable to you -- and I don't even know what the -- what your position is, or your conference's position is. But let's say that for a second you did accept the Governor's language.

What is responsible legislating, what responsible legislators do is we take language, we review them and we have conversations. This is not to say that you're not a responsible legislator, Senator Helming. I certainly know that you are. And we've had

responsible conversations.

But it is up to us to be responsible and thoughtful and diligent. And when we see a well-intended, well-thought-out, reasonable argument, it's our job to continue the conversation about how exactly the end result comes.

SENATOR HELMING: Through you, Mr. President, on the resolution.

ACTING PRESIDENT COONEY: Senator Helming on the resolution.

SENATOR HELMING: So I just want to point out that I appreciate Senator Bailey saying that the Majority is going to work on the issue of reducing, preventing insurance fraud so that we can reduce rates to taxpayers -- or to ratepayers.

But I'd like to point out that the language that the Majority has included in the budget proposal is extremely weak. It doesn't make a firm commitment. It basically says "hopes to continue working on this issue with its partners in the Executive and Assembly."

And that's on everything. That's to hold bad actors accountable, to reduce fraud.

But I'd like to go on the record. As the ranking member of the Senate Insurance Committee, I'm deeply concerned. The Senate one-house budget proposal intentionally omits every single -- just about every single proposal that would help reduce auto insurance fraud.

This is a real missed opportunity to deliver reform and savings for New York drivers. We talk about affordability all the time. This was an opportunity to take proactive measures to actually put savings back in people's pockets. Motor vehicle fraud and staged accident schemes are not victimless crimes. Every fraudulent claim drives up premiums and forces honest New Yorkers to pay the price.

Staged crashes alone add about $300 a year to individuals' car insurance costs. In 2023 our state ranked second in the nation for staged auto crashes, with more than 38,000 suspected fraud cases being reported to the New York State Department of Financial Services.

As a result of all of this, New York drivers pay some of the highest auto insurance premiums in the country. I did some research and found that for many New Yorkers, auto insurance

now costs more than $4,000 a year. And for people who live in the New York City area, it is much, much higher than that.

I heard a comment earlier that when companies raise their prices, the costs don't come down. Well, guess what? It's different with the auto insurance industry. And we have opportunities to bring those costs down.

During the budget hearings, the Department of Financial Services confirmed that enacting reforms will significantly reduce auto insurance premiums. In total, the reforms that were omitted from this budget proposal by the Majority were projected to reduce rates by about 12 percent. That's real savings that families, seniors, businesses, the municipalities we heard that we should be watching over, the school districts -- those are real savings that we're walking away from.

The Senate Majority rejected every proposal to reduce auto insurance fraud and lower premiums. In place of real reforms, they offered only their hope to continue working on the issue.

You know what? Hope doesn't pay anyone's bills. We need action to reduce

insurance costs.

And for these reasons and so many more, I ask my colleagues on both sides of the aisle to help make our state more affordable and reject this budget resolution before us.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Helming.

Senator Mattera, why do you rise?

SENATOR MATTERA: Thank you, Mr. President. Would the -- this is on energy. Would the sponsor please yield for a couple of questions?

ACTING PRESIDENT COONEY: I believe Senator Parker will be answering those questions.

Senator Parker, do you yield?

SENATOR PARKER: Yes, Mr. President.

ACTING PRESIDENT COONEY: He yields.

SENATOR MATTERA: How are you, Senator Parker?

A quick question. You know, why is there nothing in the one-house that reflects the Governor's stated desire to roll back the

elements of the CLCPA? And this is like one of the most important subjects to all New Yorkers right now, what is happening with the utility bills.

So why isn't there anything put in this one-house?

SENATOR PARKER: Through you, Mr. President. Actually, I think there's a lot in the one-house as it relates to the CLCPA. I think we have stated opposition very clearly in this one-house that we support the goals of the CLCPA. We're talking about a law that was created in 2019 that we're in the process of implementing. And I think that we are going forward with a number of proposals that we think advance the goals of the CLCPA.

SENATOR MATTERA: Through you, Mr. President, would the sponsor continue to yield, please?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR PARKER: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MATTERA: Senator, with over 1.3 million New York residents behind on their utility bills, in light of the recent and troubling NYSERDA memo outlining moving forward with the CLCPA will have a very real financial impact on all New Yorkers, this is a time to see change. And we see nothing has really happened with real impact on the real, illogical mandates of the CLCPA, nothing to protect our residents from the all-electric mandates, nothing that increases -- it increases all utility bills.

This is in the face of NYSERDA's memo. We know there was a memo that was out, that this chamber said that that memo was false. But we know that it was totally true.

Obviously with gas prices going up, spiking, households throughout the state will pay thousands more and businesses' cost is totally increasing.

Again, what are we doing to help these 1.3 million residents that are behind on their utility bills?

SENATOR PARKER: Through you, Mr. President. The reality is right now we have a global increase in the prices of energy, right,

because of a Republican war that was unsanctioned by Congress, and it has literally raised the prices of oil, gas and natural gas not just in the State of New York, but throughout our country.

Over the last week we've seen gas rise over 50 cents per gallon -- in the last week -- because of that war.

And when we look at what raises prices of things like heating in our state, what NYSERDA will tell you, what the PSC will tell you, what the ISO will tell you is that that happens because of the global price of natural gas, not because of sustainable energy.

And so in this moment, the things that are actually happening globally actually emphasize the perspective that the Senate Democrats are coming from, which is that we need more sustainable energy in our state immediately in order to lower prices and to make our state energy-independent.

SENATOR MATTERA: Through you, Mr. President, would the sponsor continue to yield, please?

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR PARKER: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MATTERA: No, it's not that, Senator. That's this one week right now. This has been going on for -- you know, what's happening right now, since the CLCPA. We could talk about how the utility rates have gone up over a hundred percent in all areas in New York State. So stop the blame game all the time with the federal government.

You know what? Let's talk about the 2 billion plus, $2.4 billion that NYSERDA, Clean Energy Fund, unspent. And nearly 700 million being held by utility companies waiting to be transferred to the Clean Energy Fund.

Why is this happening? And why aren't we doing anything about that? Our conference is the one that brought this forward. And I'm still seeing nothing happening with that $2.4 billion going back to the ratepayers that are having a hard enough time, like we talked about -- there it is, 1.8 billion in arrears.

But this is what we're doing, gouging, by having a big fund of $2.4 billion.

Why isn't there anything right now in this one-house?

SENATOR PARKER: Through you, Mr. President. We actually have a number of measures in our one-house bill that actually really address the real need of utility affordability in our great state.

In fact, it's the Democratic Conference of the State Senate that five years ago came forward with the first-ever utility package. And we've passed it year after year after year in this very house -- with many of my colleagues, Mr. President, voting against it. Things that would provide deep affordability to their constituents as well as mine.

And so you have seen not just some of the things that the Governor has put forward, but in our one-house we've actually expanded the number of things that we believe would provide more affordability around utilities, and we're bringing them forward as things that we're going to be negotiating in the final budget.

And so, you know, I think that we're

doing all that we should be doing and frankly more.

But let's also be clear that the CLCPA and the plan hasn't even been implemented yet. So you can't even talk about like any raising of utility prices being because of the CLCPA because we haven't implemented the vast majority of the things.

And the big thing that we were going to do, right, which was the offshore wind, once again got thwarted by Trump's administration. So time after time after time we see the State of New York having to run to the defense of New Yorkers because of a federal government that continues to turn its back on us, that continues to go into unsanctioned wars and create energy crises globally. Right? As we look at prices going up for all of our homes even as we speak.

And so in this moment we look at this one-house bill brought by this Majority that says the way forward is to do the thing that we've already said we're going to do. Right? Which is protect New Yorkers by providing clean, sustainable energy. And it's the law already. So what we're talking about doing is following

the law.

I know that this is a tough time for everybody. But this is New York. And when things get tough, New Yorkers get going. And what we're doing in this one-house is our best efforts to make sure that we stay on course with the Climate Leadership and Community Protection Act, because that's what we believe that we must do, provide leadership in our community and protect our climate while simultaneously making sure that we have affordability, reliability and meeting the energy needs of our great state.

SENATOR MATTERA: Mr. President, would the sponsor still continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR PARKER: Yes, Mr. President.

SENATOR MATTERA: You know, you still didn't answer the question. You did not answer the question.

Do you really feel -- I'm going to ask you again -- the $2.4 billion that's sitting with NYSERDA, should that go back to the ratepayers that -- we talk about affordability?

This chamber -- that's what this budget was supposed to be about. Ask Governor Hochul about affordability. This isn't affordability. I know it. Our constituents are suffering. Again, 1.8 billion people can't even pay their bills.

What are we doing to give this money back to the ratepayer, Senator?

SENATOR PARKER: Mr. President, through you. What we actually know about the CLCPA and what we know about cap-and-invest, which is also the law of the land, that still needs to be implemented, is that -- two things.

One, high energy prices are due to the global increase in gas, natural gas. Which has not been helped -- in fact, exacerbated -- by Trump's war.

The second thing, that we understand that a full implementation of the CLCPA and a full implementation of cap-and-invest actually would lower prices for New Yorkers making $200,000 or less throughout the state. They would actually all benefit from it. And so what we're doing is advancing that long-term goal.

I get it. People want gimmicks. Right? And sending people a $30 check is a cute

gimmick, but it actually doesn't create the structural kind of change that we need in our system. And that's what we're committed to, is really addressing the issues and in a real, substantial way.

And so we stand here today proud of our one-house because we understood the amount of time and effort and energy that both legislators and staff have put into putting these ideas together, making sure that they're cost-effective, and making sure that we are addressing the affordability crisis that we have here in the state, especially around utilities.

And again, this is not something that we started this year on. You can look at the record. We've passed this, you know, for five consecutive years and really tried to bring these issues to the forefront.

And so in this moment what we're trying to do is say use the resources that the state has to advance the agenda that the law has set up, both the CLCPA and cap-and-invest. Because long term, our energy costs will be lower and our state will have the resources that it needs in order to meet the growing demand for

electricity in the state.

Let me be very clear. If the CLCPA was not in effect, we would still have the need to produce additional generation. And how could you in this moment argue that you should build more natural gas plants or coal plants or oil plants when the global price of natural gas and oil is what has everybody's energy prices so high in this moment?

And so really the answer is sustainable energy. Right? And then I have always argued for an all-of-the-above approach as it relates to sustainable energy. Right? Sun during the day, wind at night, battery storage, hydro, co-gen, all become part of a mix that will not just fuel our state but also provide the kind of affordability, reliability and safety that we all need and desire.

SENATOR MATTERA: Through you, Mr. President. Does the sponsor still please would yield for a couple more questions? Because I would appreciate that.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR PARKER: Yes,

Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MATTERA: And, Senator Parker that was great, that was a great whole story that you still didn't answer the question.

New Yorkers want a refund. And you know what? You went on with that whole story, which was very, very nice about your wind and solar, which I have no problem with, that all wind and solar, especially solar on buildings.

But battery storage? Like you said, you don't mind a battery storage facility on your building in Brooklyn. Which we know it's nothing but an experiment. We all know that.

So my question again to you is how do you feel about -- that we suspended, the Governor suspended the All-Electric Buildings Act in New York State? It should have happened in New York City, by the way, but in New York State, because we all know that in other words we can't survive -- 75 percent of New Yorkers want natural gas and need natural gas. Because guess what, we all know why our utility bills are going up.

But please answer that question for me about the suspension of the All-Electric.

SENATOR PARKER: I am -- I continue to be entertained in this chamber by people just creating numbers and saying what New Yorkers want.

We all represent New Yorkers. And I don't have a bunch of people beating down my door in my district talking about "We want natural gas." That's just literally not a thing. Right?

Look, people want energy and they want reliable energy, they want affordable energy. They are asking for us to meet their needs, which is what we have done in this chamber. At least under our leadership.

And so I'm hearing two separate questions, the first of which is about monies being held or held by the utility possibly going to NYSERDA and what we should do with that.

If you read our -- Mr. President, any close examination of our one-house proposal tells you that our parts that address the -- you know, what utilities should be doing through the PSC, is that we should be examining these rate cases, really just having a real good look and

not just giving rate cases a go just because they're brought forward.

And in the case in which we find that the rate cases don't have merit and a refund is in order, we actually are suggesting in our one-house that those refunds happen.

The second question seemed to be about, you know, other -- other things about, you know, energy. Let's be clear about this. We've been using sustainable energy in this state for a hundred years. Right? And frankly the base of our sustainable energy program is actually hydro. We have some of the best hydroelectric facilities in the entire world, starting with Niagara Falls. Right?

And so this is not like some new untested thing or, you know, as my colleague indicates, some kind of experiment. This is science. We actually -- this is -- this is a known thing. This is known, as they say. Right? And as we like to say in Brooklyn, what is understood need not be explained. Right? We have been doing sustainable energy globally for decades. And, like I said, you know, over a hundred years just here in this country.

And so in this moment we continue to be committed to the CLCPA and the goals of the CLCPA. We believe that what we should be doing with the Governor is working with her to look at the other options that are available.

We have not addressed the issues around demand response, which is over 10 percent. There's lots of resources for us to do weatherization and, you know, remodeling of buildings in order to save energy.

We understand in our Green Collar Jobs Act that we have not just -- you know, not just that I wrote 10 years ago that we have reupped for a number of years. It lowers people's energy prices. Right? It, you know, reduces our footprint and also creates full-time jobs at a living wage with benefits.

And so the work that we have done around sustainable energy and the work that should be done with the full implementation of the CLCPA and cap-and-invest are going to be really, really important not just for the future of the state from an energy perspective, but also for creating affordability, not just with utilities but in the lifestyles of New Yorkers

across our state.

SENATOR MATTERA: On the bill.

ACTING PRESIDENT COONEY: Senator Mattera on the bill.

SENATOR MATTERA: Thank you, Mr. President.

You know, this budget is supposed to be about affordability. You know what? This budget is just out of control. Sixteen billion dollars more than last year, and to do nothing to help our residents in New York State.

Energy is one of the most important things, topics today, about people's utility bills. They can't afford them. And they look at their bills every day and say, What am I supposed to do? There's a reason why we have 2.5 million people residents of this great state, that exited to go to Tennessee, North Carolina, South Carolina, Florida, Texas, even South Dakota, because of what's happening here. Gouging all New Yorkers in their pockets and their pocketbooks.

This chamber is doing this. I'm a very conservative person my whole life. With Plumbers Local 200, with our pensions, making

sure to make sure that people can survive. And you know what they're doing? Our workers are leaving. Our pension people are leaving. They can't afford to live here with that pension, especially with what's going on here.

Imagine that, a $270 billion budget, more than Florida, Texas, South Dakota and North Dakota combined. You can talk about our energy needs all day long. Our NESE pipeline is finally coming in because it's a necessity.

We had a meeting, we had a meeting before session started making sure that that NESE pipeline, we proved that we need to make sure that NESE pipeline is here for the future of our natural gas so we can survive here with our energy needs.

To go sit there and say all electric -- it doesn't work. We put the cart before the horse. We need to make sure that we invest in our infrastructure first, then transition into. No. It's always the cart before the horse with New York State.

But there's the Governor again, there she is, she sits there and she says: Affordability. Last year it was about discovery,

and that didn't happen. I think we're going to have a late budget, everybody, because of this situation. And I hope so. In other words, that we repeal the CLCPA, we repeal cap-and-invest. And you know what? And start over. Start over. New drawing board.

That's how it's important, especially for our energy needs for our future, for our ratepayers. They care about certain -- they want their own fuel choice. They want their energy choice. And you know what, Mr. President? I will be voting a big no on this, first of all, because it helps no New Yorker in their pockets. And that's what New Yorkers care about.

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Mattera.

Senator Walczyk, why do you rise?

SENATOR WALCZYK: Mr. President, I'd like to go briefly on the resolution and then ask some questions on energy.

ACTING PRESIDENT COONEY: Thank you. Senator Walczyk on the resolution.

SENATOR WALCZYK: Mr. President, in Part RR of this budget resolution, the Senate

Majority is using the Clean Energy Fund, which is paid for by the ratepayers, to pay for $2,000 rebates on used Teslas. In Part SS, the Senate Majority is using that same fund, asking people to pay for -- who pay an electric and gas bill to pay for an $1100 rebate for electric scooters and bikes. In Part GGG, the Senate Majority is asking ratepayers to give out $2,000 rebates for heat pumps through NYSERDA, paid for once again by ratepayers. In Part III, you're asking ratepayers to spend $3 billion more on NY-SUN to build a capacity of 20 gigawatts of solar by 2035.

New Yorkers cannot afford their energy bills now.

And with that, Mr. President, I would ask someone on Energy to yield for a couple of questions.

ACTING PRESIDENT COONEY: Senator Parker, do you yield?

SENATOR PARKER: I will, thank you.

ACTING PRESIDENT COONEY: Senator Parker yields.

SENATOR WALCZYK: Thank you. Through you, Madam -- through you, Mr. President,

does this resolution use $2 billion in unspent Clean Energy Fund and send them back to the ratepayers, as has been proposed by an esteemed member of our body?

SENATOR PARKER: Mr. President, not exactly.

There are -- as I indicated in my answer to Senator Mattera, there are instances in which we are directing the PSC in their examination of utilities and their rate cases, when they find places where it's appropriate to send back rebates -- I'm sorry, refunds, they are sending refunds in. No, no, sorry, they're directed to send refunds.

SENATOR WALCZYK: Mr. President, would the sponsor yield?

ACTING PRESIDENT COONEY: Will you yield?

SENATOR PARKER: I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR WALCZYK: Through you, Mr. President. Does your budget proposal here have a one-year tax and surcharge holiday, as has been proposed by a colleague here?

SENATOR PARKER: Through you, Mr. President, we do not.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield? Does the sponsor yield?

SENATOR PARKER: Yes. I'm sorry, yes.

ACTING PRESIDENT COONEY: Senator Parker yields.

SENATOR WALCZYK: Does this one-house budget resolution repeal the systems benefit charge, as I've proposed?

SENATOR PARKER: No, it does not, Mr. President.

SENATOR WALCZYK: And through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR PARKER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR WALCZYK: Does this budget

resolution repeal any piece of the CLCPA?

SENATOR PARKER: No, Mr. President, we proudly stand by the CLCPA, which we helped negotiate, and understand it as the most ambitious climate change law in the entire country, one that should be not just a model for the United States but hopefully will create the dynamic in which we need to do a multinational understanding to save our planet and to lower our greenhouse emissions globally.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR PARKER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR WALCZYK: New Yorkers have been screaming about energy prices for the better part of a year, and especially over the last few months. How much of a reduction, if your budget resolution became law, became the budget in New York State, how much of a reduction in utility costs could they anticipate?

SENATOR PARKER: Mr. President, through you. We don't have an exact answer to that because we're still trying to figure out how much money the utilities are overcharging our constituents, both yours and mine.

And so what we are suggesting in our one-house is to have some real answers around those numbers. That way we can understand how much savings our proposals will in fact bring.

SENATOR WALCZYK: Through you, Mr. President, will the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR PARKER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR WALCZYK: Does this one-house budget resolution include Senator O'Mara's bill on ratepayer transparency so they actually can see where every dollar on their bill is going to all of these things?

SENATOR PARKER: Through you, Mr. President. We actually have a number of proposals that create transparency, including

language from various members, including Senator Mayer, Senator Hinchey, myself and others, that create a level, a significant level of transparency and accountability that does not currently exist either in the PSC or in the rate-case process.

SENATOR WALCZYK: Through you, Mr. President, will the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR PARKER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR WALCZYK: The concern is specifically on green energy mandates. Will people be able to see what green energy projects are being paid for out of their utility bill if any of those proposals -- I didn't even see necessarily that they were included in this resolution, if they are. Will we see any of that out of this resolution?

SENATOR PARKER: Mr. President, through you. The proposals that we have put forward in our one-house actually requires an

examination of projects that is currently not required either by the CLCPA or in current law.

And so what we're suggesting is to create the kind of transparency that allows us to understand what projects are being paid for, how they're being paid, and where that energy is going. So we hope to in fact do that.

SENATOR WALCZYK: And through you, Mr. President, would the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR PARKER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR WALCZYK: On cap-and-invest -- and I don't want to rehash a lot of the things, but cap-and-invest, NYSERDA estimates, will cost New Yorkers about $5.7 billion additional each year. They say that the program will add $2.23 per gallon of gas. They say that each household energy cost can anticipate $4100 a year in additional cost to the ratepayer. They say that cap-and-invest will cost businesses 46 percent more in utility costs.

They say that delivery trucks will cost 60 percent more to run.

Is that affordable?

SENATOR PARKER: Through you, Mr. President. I love Doreen Harris, but they're absolutely wrong in this particular analysis.

Now, one, you can make numbers say almost whatever you want them to say. Part of what's not happening here is a real buildout of understanding where the program starts and where it ends. It also does not take into account the money that's actually going back into communities because of the care economy that's built into the CLCPA -- I'm sorry, into cap-and-invest.

And so there -- and also what's not built into there is funds that are used out of NYSERDA which are off-book and don't come out of the General Fund that actually pays for most of the stuff that you talked about earlier with the Clean Energy Fund, you know, and rebates that in fact get us to a place of less energy.

We actually know that using electric vehicles actually saves people money. So creating a rebate that in fact does that actually helps them both with the capital

purchase but, more importantly, with the long -- over time, use of the vehicle will in fact reduce the energy cost.

Heat pumps. The use of solar, whether community aggregated or utility-scale, is a much cheaper commodity for ratepayers to use than oil or natural gas that they're dependent on now.

SENATOR WALCZYK: Thank you.

Mr. President, on the resolution.

ACTING PRESIDENT COONEY: Senator Walczyk on the resolution.

SENATOR WALCZYK: You know, Doreen Harris and NYSERDA has often referred to as the experts that we're supposed to trust on these things. But it's amazing that we don't trust the experts when they show New Yorkers how much this is going to cost them. That is their concern. You're happy to -- you're happy to say, Oh, the experts are all right on all of these climate models, but when we ask them how much it's going to cost -- well, ignore the cost.

You're ignoring New Yorkers right now, and the experts. You don't want to trust the experts there? The Department of Public

Service reported in December of 2025 -- this is before all of your offices started getting calls about angry ratepayers over the cold months -- that 1.4 million customers in the State of New York were 60 days or more behind in their energy bills already. One in eight residential customers for our utilities were already in arrears in December.

Imagine what that looks like today. People can't afford -- they're not even paying their energy bills right now. I don't know how I could say it any louder or how I could emphasize it on their behalf any more. They can't pay what you've already done, and you're asking them to do more.

And you've ignored compromise. There's 63 Senators in here. Twenty-nine of you have signed on to a letter saying we don't want to move on the CLCPA. Got it. Guess what? That's no longer the majority. The majority in this body says we do want changes to the CLCPA. The majority of New Yorkers that can't afford it say that they want changes to the CLCPA because they can't afford their utility bills now.

You have an obligation not to

respond to me, to respond to the people of the State of New York who are saying what you're doing is unaffordable. And in your one-house bill resolution today you've completely missed that opportunity.

Stop raising our energy prices.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Walczyk on the resolution.

Senator Borrello, why do you rise?

SENATOR BORRELLO: Thank you, Mr. President. I would like to ask a question about HMH Article VII new Part KK, the gender affirming care access program, if somebody would answer that question.

ACTING PRESIDENT COONEY: I believe Senator Rivera will be responding.

Senator Rivera, do you yield to questions?

SENATOR RIVERA: I yield.

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR BORRELLO: Through you, Mr. President. This is a new program that was created, the Gender Affirming Care Access

Program. Does this Gender Affirming Care Access Program you're creating and funding allow minors to receive gender-affirming care?

SENATOR RIVERA: Through you, Mr. President. Gender-affirming care -- I should say age-appropriate gender-affirming care is a necessary thing for people all around our country and for, in this case, young people in this state and around our country.

I understand that my colleague perhaps -- or certainly -- you know what, I will not speak of my colleague. But certainly folks on the other side of the aisle like to paint this terrible picture, this horrible scene in which kids are manipulated into trying to become something that they are not, where they're operated on without their consent or their parents' consent or some other terrible thing.

As opposed to that, gender-affirming care, Mr. President, age-appropriate gender-affirming care is making sure that when there are young kids who are going through a situation in their lives where they're trying to find out who they are, they can be supported. Not through operations or other things that some

folks on the right have been trying to make seem like it was happening. No, no, no.

What we're talking about is age-appropriate gender-affirming care to make sure that kids and their parents who are going through a situation in which they're trying to figure out who they are, can be supported. And when they reach the appropriate age, Mr. President, and under medical supervision, they could potentially have medical procedures, have drugs that they might take, etc.

So just -- I just want to make sure that as far as the definition of what we're talking about, that is what we're talking about, and so -- when we speak about gender-affirming care.

And as far as this is concerned, as this particular program or part in the budget, it is a very -- it is similar to a bill that is carried by one of our colleagues here in this chamber, Senator Gonzalez. And it would be -- it will create a fund that would be available for -- to support parents and children that are going through this type of situation.

So it would indeed, Mr. President,

impact minors. It would indeed impact folks who are not 18. But it would indeed include their parents and would indeed be done with professionals who care deeply about these young people and the situations that they're going through.

SENATOR BORRELLO: Mr. President, will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR BORRELLO: All right, so you confirm that children under the age of 18 will have access to this.

But you brought up parents. So can you explain to me where in here it requires parental consent and parental notification to get that care? I don't see that here.

(Pause.)

SENATOR RIVERA: Through you, Mr. President, this current proposal does not change anything in current state law. Current state law requires this parental consent.

But again, there's a reference, an inference that people are supposed to make from this conversation and from the types of questions that are being asked. And I repeat again, we are not talking about some horror version of some transformation that happens to people without them wanting it. We're talking about young children who, yes, are under 18 and therefore still under their parents' care. But we're talking about the type of age-appropriate gender-affirming care that might be given to them.

It does not necessarily include surgery, does not necessarily include pharmaceuticals. But it does include care for those individuals and a respect for who they are.

So there's going to be all sorts of inferences. But the direct question -- the direct answer, Mr. President, is that there's nothing in reference in this particular part that refers to parental consent, but it does not change anything in current state law, which refers to parental consent.

SENATOR BORRELLO: Through you, Mr. President, will the sponsor continue to

yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I do.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR BORRELLO: I think it's very clear that there is no parental consent required. It's happened time and time again. In fact, schools are prohibited from telling parents should a child come to them and talk about, you know, their gender issues.

So I guess I'm going to ask the question, then, what part of the law in New York State outside of this bill would require parental consent before a child could get live-changing surgery or medication?

SENATOR RIVERA: Mr. President, through you. I will say it once again. And now my colleague says it directly. There is no situation in which there will be some sort of transformation without a process that an individual goes through.

This is -- I have a -- I have a trans niece, Mr. President, a trans niece who

lives in the worst place to live in this country at this moment for her situation, Florida, Mr. President, after the election, reelection of the person who currently sits in the White House.

She works at an Au Bon Pain or something like that, one of these places that makes French sandwiches or whatever. A person in a red hat, somebody wearing a nice red hat orders a sandwich, sees my niece making the sandwich, and then proceeds to berate her loudly and publicly in the restaurant, saying "I don't want that" -- and then said a slur -- "making my frigging sandwich." Had to be escorted outside. My niece had to go back home.

This person felt empowered to say those things. I believe that what we're talking about here, while it may be couched in a conversation about this particular piece of the one-house budget proposal, has this broader stigma attached to it. As though when we say gender-affirming care, we're talking about kids being taken away from their parents and being transformed without their consent.

That is not what gender-affirming care is, regardless of what my colleagues believe

or what certain people on the right believe.

And so I once again will say there's no one who is snatched from their parents' arms and transformed into something that they're not, and taken away from their families. That's not what gender-affirming care is. It never was, it never has been. And this certainly does not provide for anything like that to happen in the State of New York.

As opposed to that, it proposes the creation of a fund which would support individuals, parents and children, that are going through this process so that they can do so with care and with love and with support.

SENATOR BORRELLO: Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Borrello on the resolution.

SENATOR BORRELLO: So I really didn't get any real answers to the questions, but I appreciate your stories.

There's another part of this bill that's also concerning for me. I was going to ask the question, but I'm not going to get an answer. And that's the fact that this money

could be used to help pay for doctors' liability and malpractice insurance. And we all are aware of the fact that there was just a recent New York case where a jury awarded $2 million to a gender-transitioned patient who was transitioned as a minor but, later, courts determined that she had been unlawfully pressured and the doctors ultimately were found liable of medical malpractice for pushing her to have the gender-affirming surgeries.

So now we're going to allow more of that, and we're going to cover the cost for these doctors to do this.

What's interesting about this is this. In New York State you have to be 21 to buy alcohol or marijuana. You have to be 18 to get a tattoo. If a minor wants to get their ears pierced -- ears pierced -- they have to have parental permission, and when they go there, they actually have to have a copy of the child's birth certificate and the parent needs to present their photo ID to prove who they are. Shocking.

But if a 6-year-old decides that today I don't think I'm a boy anymore, I'm a girl, that can happen with no safeguards in

place. And this fund, this fund will allow that to happen.

Now, I don't have an issue with someone who's an adult who makes an adult decision about something that is irreversible. Irreversible. But I do have an issue with a child doing so. And that's the problem with this. It's reprehensible, and I'll be voting no.

Thank you.

ACTING PRESIDENT COONEY: Senator Ashby, why do you rise?

SENATOR ASHBY: Good afternoon, Mr. President. Would the appropriate Senator yield for questions regarding HMH Part H?

ACTING PRESIDENT COONEY: Senator Rivera, will you be yielding to the questions?

SENATOR RIVERA: Yup.

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR ASHBY: Through you, Mr. President. This has to deal with material transactions. There had been in place a $25 million threshold. Now, additional regulations will be in place when they exceed $100 million, or when deemed necessary.

Has there been any consideration to what this will do in terms of increasing Medicaid expenses?

(Pause.)

SENATOR RIVERA: Through you, Mr. President. So this particular part of the one-house budget proposal has to do with what are known as material transactions. In the State of New York we would -- we not only have it in law, but we certainly want to make sure that as many of our dollars go to actual care as possible.

The reality is that in some situations -- so I should back up. So for that to be the case, we want to make sure that facilities that provide care should be owned by folks who provide care.

But unfortunately, some of the ways that it works sometimes, because private equity gets involved, as you know, Mr. President, and figures out a way to make money somewhere, there are some times where there's all these sorts of transactions that happen when the cousin or the niece or the nephew or the brother or the father then owns the building and then rents it out, and then the cleaning company that's owned by this

and -- there's all sorts of things that might happen there that ultimately mean the dollars that should go from the State of New York to care instead are going to fatten the pockets of somebody who's just figured out to how to move the stacks around so that -- so that they can make some money in -- by owning a building, then renting the building to themselves, et cetera, et cetera, et cetera.

So the hundred millions that we're talking about are for the sake of the Department of Health -- they have the discretion to use as much as that to do further investigation, further searches, if you will, to determine whether these types of things are happening.

So that's -- that's ultimately what this is about. This is not about -- this is not about more money being charged to -- for -- to taxpayers, et cetera. It's about allowing the Department of Health to have a pot of money that they would have the discretion to use to further these investigations to determine whether the law is being followed.

SENATOR ASHBY: Through you, Mr. President, will the sponsor continue to

yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR ASHBY: So I'll take that as a no.

In terms of the length of time to delay these transactions, it's 180 days. That's six months. And certainly I can see this being applied when there are bad actors, right, but in many instances there are not bad actors. And in rural areas, for example, and in nonrural areas, there are non-bad actors where, when they face this hurdle, they're simply going to close rather than merge, then leaving their patients in deserts, healthcare deserts.

Has this been examined?

(Pause.)

SENATOR RIVERA: So through you, Mr. President, certainly I'm -- we should consider the conversation we had a little earlier about that extra money that we're putting into the budget that -- into this one-house budget

proposal that some of my colleagues criticized that has to do with providing support to distressed providers.

I'm certainly aware of parts of the state that are healthcare deserts or that have -- or have a dearth of services. But in this case what we're saying is that it is -- this is not intended to -- this is not intended to stop the folks who are good actors. Instead, it is meant to dissuade those who are bad actors.

And the -- and we found that -- that is ultimately the goal of this. And it is not to dissuade individuals from acquiring, you know, healthcare facilities if they're going to do so.

But we just want to make sure that we have a little bit of extra time to make sure that if these types of changes are happening, that they're being done as a way to make sure that more care can be provided and not just some more money can be made by certain people that might be involved. And I certainly think that that's a good thing that the state should do.

SENATOR ASHBY: On the resolution.

ACTING PRESIDENT COONEY: Senator Ashby on the resolution.

SENATOR ASHBY: Mr. President, what will eventually happen with this is that the patients who are unable to be seen because these mergers are being denied over a six-month period, huge fines being in place, is they will go to the hospital to be seen.

Which will drive up medical costs, because everybody in this body knows that hospital costs for healthcare and Medicaid are higher than a physician's office. And that doesn't just have to be with primary care, that's specialty care as well. So that's cancer care. That's OB care. That's across the board driving them into a setting that is more expensive, will drive up Medicaid costs continuously.

I will be voting no. Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Ashby.

Senator Borrello, why do you rise?

SENATOR BORRELLO: Thank you, Mr. President.

Coming up for a second time here. So I'm wearing this sport coat; I had to.

So would somebody answer a question on Part VV for me? VV.

Of what. Good question. I didn't get that part. It's a question about they were -- you're striking the word "citizen" in that section. Good question. I'm not sure.

(Pause.)

SENATOR KRUEGER: We're looking for it.

SENATOR BORRELLO: We'll come back around later. Thank you.

ACTING PRESIDENT COONEY: Senator Gianaris.

SENATOR GIANARIS: Thank you. And as we search for the section of the resolution that Senator Borrello is referring to, let me remind everyone we're now 15 minutes away from the two-hour mark.

And so with remaining members who have questions, just understand the time frame. Thank you.

ACTING PRESIDENT COONEY: Senator Martins, why do you rise?

SENATOR MARTINS: Thank you, Mr. President. I had a question -- or a few questions on SEQRA. And I was hoping someone would answer just a few questions.

ACTING PRESIDENT COONEY: I believe Senator Harckham will be responding.

Senator Harckham, do you yield?

SENATOR HARCKHAM: I do, Mr. President.

ACTING PRESIDENT COONEY: Senator Harckham yields to questions.

SENATOR MARTINS: Thank you, Senator.

This proposal differs from the Governor's proposal, isn't that correct?

SENATOR HARCKHAM: Through you, Mr. President, it does. It narrows the focus of what the Governor was trying to do.

We base -- through you, Mr. President -- our notion of what this should be on a bill this chamber passed before, a Senator May bill, much narrower focus, multifamily housing, focused on urban and semi-urban infill, as opposed to sprawl and other projects that the Governor had included.

SENATOR MARTINS: Through you, Mr. President, if the Senator would continue to yield.

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR HARCKHAM: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: This bill would -- or this provision would effectively determine that there is no impact under certain circumstances for the construction of multifamily homes in communities. Isn't that right?

SENATOR HARCKHAM: Through you, Mr. President, it would do a few things.

One, it narrows and puts a finite timeline on the environmental impact statement. So that would be limited to a year.

And then yes, essentially if a property had been developed, redeveloped, and was an infill site, yes, it would effectively do that. As opposed to, you know, a new virgin site. That would be a different thing.

SENATOR MARTINS: Mr. President, through you, if the Senator would continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR HARCKHAM: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: So if we tear down houses to build multifamily housing, that property has already been disturbed and therefore there would be a presumption, given certain parameters that are in the language of this provision, that that could be built without consideration of the impacts because it would be determined, because of the language of this bill, that there are no impacts.

(Pause.)

SENATOR HARCKHAM: Through you, Mr. President. It could require -- necessitate an exemption from SEQRA, but it does not exempt whatever the project is from the regular local zoning and planning and other environmental regulations that there may be, either statewide or through the municipality.

SENATOR MARTINS: Thank you, Senator.

Mr. President, on the resolution.

ACTING PRESIDENT COONEY: Senator Martins on the resolution.

SENATOR MARTINS: So that's the

issue with this particular piece, is that it presupposes that the local government, through their permitting process, has the same effect of SEQRA, which it doesn't.

Anyone who understands the process and the burden that this places on our local communities, on our villages and towns and cities, has to understand that merely saying that you can build 200 units in a community of less than 90,000 people without doing an impact statement and allowing for people and the developer to mitigate those costs, is a mistake. Whether it's water resources, sewer resources, whether it is the impact on the local community, and whether it's a right fit, height, density.

It doesn't speak to how big the property has to be, how many units per acre. It just says in a community -- and there are various stages here -- you can build up to a certain amount with no impact.

Now, the consequence of that, Mr. President, not only is that we're taking away the opportunity for a local community to properly gauge what the impact is -- and they have every right to do so.

But if you understand land use and you go beyond what the SEQRA requirements are, if they go and ask for a variance and an area variance, Mr. President, part of the determination of an area variance in a community is whether or not the impacts to the community are offset by the benefit from the project.

And if you're going to presuppose that there is no impact from the project, you are already putting your finger on the scale and forcing that community to build, and you are undermining zoning in every community of this state.

So for those of us who are concerned about the environment, if you are -- and I know, Senator, you are -- how do we do that and not allow for those items to be properly measured and properly determined in a way that is respectful for that local community?

This is a mistake. SEQRA can and should be streamlined. But this goes too far.

Mr. President, one more series of questions with regard to PPGG, Part L and PPGG Part M, having to do with immigration, if the sponsor would yield.

ACTING PRESIDENT COONEY: Yes, I believe Senator Myrie will be responding.

Senator Myrie, do you yield?

SENATOR MYRIE: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: Thank you, Senator.

I notice that these parts were eliminated from the Governor's budget altogether. Is that because the majority disagree with the Governor and feels that the Governor has gone too far with regard to these provisions and therefore wants no part of it? Or is it because you believe that the Governor's provision doesn't go far enough and you want to address it outside of the budget? Which is it?

SENATOR MYRIE: Through you, Mr. President. And I appreciate the question.

I think we make clear in our resolution language that we are concerned about some of the actions that we have seen, some of the constitutionality questions, some of the immigration enforcement that has had disproportionate impacts on particular

communities throughout the state.

And this is a complex area of law. We had, as a state, taken action in this space six years ago when we passed the Protect Our Courts Act that was challenged in our courts and upheld as constitutional.

And so the state has an ability to exercise its constitutional power. We respect and appreciate the constitutional power that the federal government has in the immigration space. And because of that, we think that this is a conversation that should be happening outside of the budget.

SENATOR MARTINS: Through you, Mr. President, if the Senator would continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR MYRIE: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: So is the Majority taking a position with regard to the language? Is it -- is it not -- does it not go far enough? Or is it just too much and therefore

you believe the Governor has gone too far?

I'm just looking for clarity with regard to the majority's position in repealing or removing these sections from the resolution.

SENATOR MYRIE: Through you, Mr. President. Our Majority Leader I think has been clear publicly about the sentiment of our conference in wanting to move forward on policies surrounding immigration.

I note that the Governor herself put this conversation outside of the budget by introducing three program bills, which to us indicates that she wants to have this conversation outside of the budget as well. So we look forward to working with the Assembly and the Governor to make that happen.

SENATOR MARTINS: And of course -- through you, Mr. President. And of course I'm sure the Senator means with every Senator in this chamber as well.

Thank you very much. And thank you, Senator.

SENATOR MYRIE: Thank you.

ACTING PRESIDENT COONEY: Senator Borrello, why do you rise?

SENATOR BORRELLO: I'm back. I do have the section now: Part VV of TED.

ACTING PRESIDENT COONEY: I believe Senator Harckham will be responding.

SENATOR HARCKHAM: Right, Mr. President. Sorry. Scribbling my notes. I apologize, Mr. President. Apologize, Senator.

SENATOR BORRELLO: Will the sponsor yield for a question?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR HARCKHAM: Absolutely.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR BORRELLO: So interesting that 19 times in this section you struck the word "citizen" and replaced it with "community." Can you explain why?

SENATOR HARCKHAM: Yeah. Thank you, Mr. President. Through you. Just it's a broader term. It's more inclusive.

SENATOR BORRELLO: Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Oberacker, why do you rise?

SENATOR OBERACKER: Thank you, Mr. President. I was wondering if I could get a answer to agriculture.

ACTING PRESIDENT COONEY: Senator Krueger, will you be responding?

SENATOR KRUEGER: I'm going to fill in for agriculture, yes.

ACTING PRESIDENT COONEY: Okay. Do you yield, Senator Krueger.

SENATOR KRUEGER: Yes, I do.

SENATOR OBERACKER: Thank you. Through you, Mr. President. And I would like it duly noted the fact that my question, Senator Krueger, will pertain to meat processing and meat processing plants.

And the fact that I am dressed as a cattleman today is strictly a coincidence that I would like duly noted.

So with that, Senator Krueger, the one-house fails to include funding for meat processing grants, and farmers have continued to express their concerns around the meat processing availability in this state.

So my question is -- through you, Mr. President -- why did the Senate fail to

include another round of funding for meat processing grants?

SENATOR KRUEGER: Through you, Mr. President. I will openly confess we predicted this question, and Senator Hinchey and I were able to have a conversation so that I would be prepared for you. So thank you for asking the right question.

(Laughter.)

SENATOR KRUEGER: So to answer, we created a funding stream previously to provide a grant program a few years ago to meet these needs, and it was a Senate add. It's been very successful. And in fact the funding was oversubscribed, so we did another year. That hasn't gone out yet, but it's going out very, very soon. So I'm just reading the notes.

The program was for the first time oversubscribed. We did a second round. It should be going out the door soon. Ag and Markets did an RFP. The Hudson Valley Agribusiness Development Corporation is who distributes the money. And we have also funded them in the budget as well with a line item, to help them with ensuring that this program

continues to move forward and that the money does get spent.

And I suspect if we were to ask Senator Hinchey on another day, she would say sounds like we'll probably want to fight for this yet again next year.

SENATOR OBERACKER: Thank you, Senator Krueger.

On the reso, Mr. President.

ACTING PRESIDENT COONEY: Senator Oberacker on the resolution.

SENATOR OBERACKER: Thank you for that answer.

Mr. President, you know, our farmers spend a lot of time, effort and of course money into getting their cattle ready to be sent to market. Any day after that is a maintenance program, which is extremely expensive and would also be an issue when it comes to quality.

You know, we have a saying, we say no farms, no food. Well, in this case, if we don't have the availability to process that food, we won't have the farms.

So with that I thank you, Senator Krueger, for that, and I would encourage

all of us to get behind this type of movement.

So Mr. President, thank you very much.

ACTING PRESIDENT COONEY: Thank you, Senator Oberacker.

Senator Rhoads, why do you rise?

SENATOR RHOADS: To speak on the resolution.

ACTING PRESIDENT COONEY: Senator Rhoads on the resolution.

SENATOR RHOADS: Thank you, Mr. President.

I want to thank all my colleagues for the debate today. I did have some questions, but I'm just going to speak on the bill.

I have heard the word "Washington" come out of the mouths of my colleagues on the other side of the aisle more than I've heard about Albany, more than I've heard about our constituents.

We're ignoring the problems that we're creating right here in this chamber. We talk about policies that are coming out of Washington. Let's take a look at what New York has done since 2019, when you have been in

charge, where New York stands in comparison to every other state.

We have the second-highest total tax burden between income, property and sales tax in the country. Highest individual tax burden in the country. Fourth-highest property tax burden in the country.

Our residential electricity rates are 50.7 percent higher than the national average. Commercial electricity rates, 61.6 percent higher than the national average. Home prices, 27 percent higher than the national average. Auto insurance, 41 percent higher than the national average. Childcare, 17.6 percent higher than the national average. We have the second-worst business climate in the country. The Tax Foundation ranks us dead last -- dead last -- in tax competitiveness. We're number one in outward migration. We've lost a million of our residents since 2020. One New Yorker leaves this state for somewhere else every two minutes and 23 seconds.

And what do we do with this bill today in our chamber? We make it worse. We raise taxes by $5.6 billion. We raise taxes on

small businesses. We raise taxes on large businesses. Rather than telling New York City to tighten its belt, we bend a knee to the whims of our socialist mayor, providing direct aid and tax authorizations for another $5.1 billion on top of the taxes that we're already raising.

We do nothing about Medicaid fraud. Empire Center says that we spent $2.1 billion on non-New Yorkers. Three million people more are on the rolls than are financially eligible for Medicaid in New York State.

We do nothing about NYSERDA. Democrats' radical environmental policies will cost the average New Yorker $4100 a year, will raise the price of a gallon of gas within five years by an extra $2.23 a gallon. We do nothing about it.

ACTING PRESIDENT COONEY: Thank you, Senator Rhoads. Appreciate your time, but we have reached that two-hour mark where debate is now closed.

We'll call the roll at this time.

(The Secretary called the roll.)

ACTING PRESIDENT COONEY: As we go into vote explanations, I remind the house that

we are limited to two minutes per member to explain your vote, and we will be looking to maintain that two-minute time frame.

Senator Ryan to explain his vote.

SENATOR RYAN: You know, I want to talk a little bit about why I'm going to vote for this, and talk about energy.

I think it was said that with respect to energy that not one thing was done for New Yorkers. I disagree with that. I take exception to that. I believe that we are passing a bill that adds additional inappropriate utility expenses for its review for the Public Service Commission.

We are requiring utilities to return revenues in excess of their authorized return, and equity back to taxpayers. And we're going to modify the Executive proposal to limit utility recovery of retroactive rate increase charges back to ratepayers. I think that's a good thing. It's transparency. And I'm dismayed as to why anybody would be voting against that.

Second, I want to tell you a little bit about -- we talk a lot about energy prices and affordability, and I think there's a lot of

conversations and I think, quite frankly, a lot of misinformation. And quite frankly, I think a lot of it's disingenuous. I had a little -- I'll tell you a quick story, and this is why I'm talking.

I had a little epiphany over the weekend. I happened to be visiting my brother and sister-in-law in the great state of Pennsylvania. And my brother-in-law happens to be in the banking business and the commercial lending business. We talked about energy, we were talking a little bit of politics, and he said, You know, it's hard and a lot of people aren't borrowing so much money because -- businesses aren't, because of the costs of their natural gas in business and the utility bills.

The point to that story is I would remind everybody that Pennsylvania is having the same problem that we are. And guess what they don't have? The CLCPA that everybody keeps blaming that on.

So I also want to talk about the NYSERDA report that everybody keeps talking about. There's also another report, the New York State Independent System Operators, which talks

about the price of utilities, the volatility of the gas market. And as we say back home, yes, you don't have to be an economist to understand that when the price of gas goes up and it's a colder winter and you use more of it, then it's going to go up.

ACTING PRESIDENT COONEY: Thank you, Senator Ryan.

SENATOR RYAN: Let's talk about the inconvenient truth {inaudible}.

ACTING PRESIDENT COONEY: Senator Tedisco to explain his vote for two minutes.

SENATOR TEDISCO: Thank you, Mr. President.

My colleagues on that side of the aisle in 2019, I believe, and for the last seven, eight years, have had the trifecta with the Assembly. You control all levers of power. '21, '22, '23, '24, Joe Biden was the president. It was budgets like this, over the last eight years, where you had full control -- and the taxpayers should know that -- of government, all levers of power. That we were number one in outmigration, one of seven states that lost another representative in 2022, when Joe Biden and you

were in total control. We're projected to lose two more representatives in 2032.

And this is -- Mr. Rhoads talks about -- Senator Rhoads -- this is interstate migration in minutes, how fast are taxpayers leaving states. And we're 48th. Every 2 minutes and 23 seconds, somebody leaves the State of New York. Not to go to Disneyland or take a vacation, to live in another state.

Only California is one minute and 44 seconds. Forty-eight other states retain people.

That exodus is going to continue. You've all seen Casablanca where the sheriff walks in, Claude Rains: "I'm shocked that there's gambling in this casino." Humphrey Bogart.

You're shocked, with the Governor, that there's an affordability problem? You created the affordability problem. And I don't know, I sent this to all the media, I haven't heard a word about it. If I was in a state where every two minutes or so people walked out, I would be talking about that. And I think this is another thing that's going to create an exodus.

We're not going to be the Empire State. And it's a beautiful state. People should be staying and coming here. We're going to be the empty state if budgets like this continue, with more taxing and spending.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Tedisco to be recorded in the negative.

Senator Murray to explain his vote for two minutes.

SENATOR MURRAY: Thank you, Mr. President. I actually was going to get up and ask some questions, but I understood, we ran out of time.

So I just want to point out one particular portion of the resolution, the Safe By Design Act. And listen, when we talk about business and small business and the things that we impose on them, I don't think it's done for nefarious reasons or bad reasons. In fact, I think it's -- for the most part, it's good intentions. But it's the understanding of what the implications those good intentions have.

So here's what this says it is. By the way, all of these pages are describing this

act. But it says privacy by default. No operator shall offer a covered platform in the state without conducting age assurance to reasonably determine whether a user is a covered minor.

So we go to what's a covered platform. Well, that shall mean an online platform. Well, what do we mean by online platform? Well, that shall mean a public or semipublic website, online service, online application or mobile application that -- and then we go on to all these subsections.

At the end of the day, I'm a small business owner going, Wait a minute, am I going to have to do this? Am I going to have to implement this? How much is it going to cost? How quickly do I have to do it? If I don't, what's the penalty?

This is what we do to small businesses in New York over and over and over again.

For that reason, and the increases in taxes and everything else, I'll be voting no on this resolution.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Murray to be recorded in the negative.

Senator May to explain her vote for two minutes.

SENATOR MAY: Thank you, Mr. President.

It has been quaint hearing our colleagues across the aisle preach fiscal responsibility and affordability while they and their party cede absolute unchecked power to a man who is literally burning through billions of dollars a day with an illegal war, with masked thugs in our streets, with building concentration camps for immigrant children, lining his own pockets and the pockets of his billionaire buddies while he's picking the pockets of my constituents, the farmers and small business owners who have to navigate between his tariffs and trade wars and now spiking costs of gas.

And the institutions that are linchpins of many of our upstate economies -- higher education, hospitals -- he is targeting them with precision, trying to ruin their business models.

With this budget document, we are

asserting that New York is still a civilized state where we feed the hungry, house the homeless, care for children, and invest in infrastructure, agriculture, environmental protection, science and public health. And where we defend our immigrant neighbors, trans young people like my son, and the rule of law.

I vote aye.

ACTING PRESIDENT COONEY: Senator May to be recorded in the affirmative.

Senator Harckham to explain his vote on the resolution.

SENATOR HARCKHAM: Thank you very much, Mr. President.

First I want to align my comments with Senator Ryan. Thank you very much, sir. Couldn't have said it better.

Just a couple of quick points. This $2.4 billion that we keep hearing about that needs to be returned to ratepayers, it's fictitious. We should not be selling red herrings to our constituents. That money is accounted for. It's going to programs.

Just because it's sitting in an account does not mean it's not targeted for

programs. We can look at state accounts and find tens of billions of dollars sitting there. They just haven't gotten out the door yet.

The second point I would say is that we are taking energy affordability very seriously in here. We have a number of measures by Senator May and by Senator Hinchey and others -- or Senator Mayer, actually, targeting how the PSC structures rates. We're taking a long-term structural approach.

And then as Senator Parker mentioned, through clean energy, by restoring the NY-SUN program we will be saving ratepayers $1 billion annually because we will be providing them more affordable clean energy.

As has been said many times on this floor, it is the price of natural gas that is driving the high prices of energy. There is no proof that it is the policies of the CLCPA, because as Senator Parker has mentioned, the Governor hasn't even started implementation yet.

I will be voting aye on this resolution.

ACTING PRESIDENT COONEY: Senator Harckham to be recorded in the affirmative.

Senator Bailey to explain his vote.

SENATOR BAILEY: Thank you, Mr. President.

I'm grateful for this opportunity to be able to speak on the resolution.

I just wanted to correct one thing on the -- from the prior debate. And I do thank Senator Helming and my colleagues for debate.

We spoke about the sweep of funds for the -- out of the death insurance, fraud prevention. That was rejected explicitly in the one-house.

And the reason why we rejected that sweep is because we do value making sure that we do combat fraud. And it's the beginning of a conversation. The one-house is a statement of our conference's values, led by the great Andrea Stewart-Cousins. And our values are that we do want to save New Yorkers money. We do want to get to the heart of affordability. We do want to make sure that New Yorkers are saving more.

If you note what we didn't have a conversation about, I guess for good reason, is that anything that was in the Executive Budget that related to automatic discounts, we accepted,

because we think that New Yorkers should be getting more discounts, more reporting, more data. We accepted those provisions.

When it came to the Article VII language, that came to what defines or what may happen with auto insurance, we wanted to have a deeper conversation. Because, Mr. President, New Yorkers are facing mental health reasons, financial reasons. And you know, we need to make sure that we're taking care of New Yorkers.

So -- and the last thing I'll say is that it was alleged about hope. In our one-house, we don't talk about hope. We spoke about a commitment. There is a commitment to have a conversation with all stakeholders, from the second floor, insurance, lawyers, anybody that has a role. So there's no hope, there's a commitment. And we commit to making sure that we do our part on this side of the aisle to make sure that we get through this budget process with real results for affordability.

I vote aye, Mr. President.

ACTING PRESIDENT COONEY: Senator Bailey to be recorded in the affirmative.

Senator Rhoads to explain his vote.

SENATOR RHOADS: It's ironic to -- I'm back. It's ironic to hear my colleagues talking about affordability when in reality your policies are making the state less affordable.

It's great to talk about the hungry and the homeless when your policies are creating more hungry and homeless.

You're spending, in this budget -- when you took charge, we spent $164 billion as a state. This budget will be just a tick under $270 billion, a 61 percent increase in spending by the state.

Inflation is at 2.4 percent this year. You're going to raise operating spending by 10.8 percent -- quadruple, quadruple the rate of inflation. And at the same time you ignore policies introduced by this side of the aisle that would actually help the issue.

HCRA taxes account for 5 to 6 billion dollars annually. We have a bill by Senator Gallivan that would repeal those taxes and actually save the average family 1400 on healthcare premiums per year.

No income taxes on overtime, by Senator Martins. Senator Weber, a three-year

freeze on property taxes that would save every one of our constituents, every one of our property owners money.

Myself, with the single largest tax cut in the history of New York State, which could be paid for by slowing the rate of growth to the same 2 percent cap that every other municipality lives by, that would save the average taxpayer $5,000 a year.

Those solutions you don't touch. It's more taxes, it's more spending, and it's exacerbating the affordability death spiral that the policies of this chamber over the course of the last eight years have put New York in. And this budget just throttles it up.

I'll be voting no.

ACTING PRESIDENT COONEY: Senator Rhoads to be recorded in the negative.

Senator Weik to explain her vote.

SENATOR WEIK: Thank you, Mr. President. We've heard concerns about the situations in Iran driving gas prices up. Yet there's no proposal for a gas tax holiday in this budget. My colleagues across the aisle have boasted about how they're making New York more

affordable for New Yorkers. But this budget only increases taxes and spending.

We proposed a bill that actually slashes taxes for New Yorkers and even eliminates income taxes for most New Yorkers when it's fully phased in. It's called the Taxpayer Rescue Plan, by Senator Rhoads. Yet it's nowhere in this budget.

This budget is an increase of 11.5 billion from last year's enacted budget, yet there's no relief at all on the massive energy increases caused by the CLCPA. No plan to eliminate fraud, waste and abuse of taxpayer dollars. An $11.5 billion increase, and yet the basic needs of most New Yorkers are still not being met.

This is another budget full of mismanaged special-interest funding, and I vote no.

ACTING PRESIDENT COONEY: Senator Weik to be recorded in the negative.

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you, Mr. President.

Mr. President, this document is not

a serious document. I think everyone in this chamber, including the Majority, knows it's not going to see the light of day. You've promised everything to everyone all at the same time. And eventually, between now and hopefully April 1st, you'll turn around and you'll tell everyone that it's either the Governor's fault or somebody else's fault that you're not going to be able to actually write that check.

You've increased spending by $16.1 billion year over year for state operations. Think about that for a second. If we could actually make this state more affordable by increasing spending, you've done it. But we all know that's not true, because we all hear from our constituents just how unaffordable the state is right now.

So what's your answer? You want to tax corporations. I've said it before: Corporations don't pay taxes. People pay taxes. And they pay all of them. Taxing corporations is just what politicians do as a sneaky way to pass taxes on to people. Not right.

Own it. You're not going to be affordable by just simply increasing spending.

Mr. President, I vote no.

ACTING PRESIDENT COONEY: Senator Martins to be recorded in the negative.

Senator Chan to explain his vote on the resolution.

SENATOR CHAN: Thank you, Mr. President.

In the short two minutes that I have, I hope I can cover enough and I hope I'm tall enough to address this tall order of a resolution.

I speak on behalf of the people of southern Brooklyn. The cost of living upon us is extremely high. It is very stressful. We are borderlining on struggling. We have utility bills that are outrageously high. And over the past six, seven years I believe they've gone upwards of 40 percent or so.

Here we have a golden opportunity to give our ratepayers a tax holiday, save them 25 to 30 percent over the next one year. In some cases, that can amount to two, three, four thousand dollars. Yet nowhere in this resolution does it address that.

My constituents are also very

concerned -- right now in Brooklyn we pay the highest auto insurance rates possibly in the country. We have no provisions to address that.

And when we try to address it, we talk about insurance fraud, but we never talk about uninsured motorists. Because I can say that almost every accident in my district involves some kind of uninsured motorist. As a result, the ratepayers of insurance premiums have to pick up that tab through their own policy.

My constituents cringe every time our mayor speaks. They feel that they're being held hostage. Every time he speaks, my constituents feel that here comes the kicker, we're going to get fleeced with something else. We feel that the mayor is shaking down the state, the if he doesn't get what he wants, he's going to take it out upon the taxpayers of New York City and the residents.

So on that reason, my vote is no.

ACTING PRESIDENT COONEY: Senator Chan to be recorded in the negative.

Senator Stec to explain his vote.

SENATOR STEC: Thank you, Mr. President, to explain my no vote on the

Senate's one-house budget bill.

This budget is proposing an increase from last year's 254 billion to a proposed $270 billion. That's clearly not addressing our affordability issue.

There are two key components that could have made a difference to every New Yorker's everyday lives that are completely ignored in your one-house budget bill.

Energy. In 2019, New York State was 136 percent the national average on energy costs. In 2024, it is 152 percent of the national average. So this is against -- we are an outlier against the national average. And oh, by the way, those are over the Biden years, not the Trump years.

One-point-four million ratepayers are in arrears at least 60 days or more as of December. That number could easily be twice that now. That's one in four New Yorkers are potentially already behind in their energy payments. And yet -- and that's according to the Public Service Commission, Rory Christian. Not our guy, the Governor's and your guy.

A $4,000 increase for every annual

energy cost for upstate homeowners, and $5.25 a gallon for gas when the CLCPA is implemented. That's according to NYSERDA, Doreen Harris. Your guy, not our guy. These are your numbers, not our numbers.

And yet this budget proposes to do nothing about the energy costs. Zero.

The other thing that's completely ignored is Medicaid. We spend $49 billion a year in this state on Medicaid. You've got the Comptroller saying you've got a Medicaid fraud problem. There are some estimates that have been done on the outside that say that that number is $20 billion a year in Medicaid fraud.

Nothing in your proposal to do that. If we fixed even a fraction of the Medicaid fraud and you did something about energy, those are two areas that you would make affordability a reality for New York. Because I'm not sure this body should use language if you don't know the definitions of the words.

I'll be voting no.

ACTING PRESIDENT COONEY: Senator Stec to be recorded in the negative.

Senator Weber to explain his vote on

the resolution.

SENATOR WEBER: Thank you, Mr. President.

You know, every budget year we start off in this chamber talking about affordability, saying we need to make New York State more affordable. And after every budget the last number of years, we said we addressed New York State's affordability. And yet here we are.

Now, Mr. President, I think I might be a couple of years older than you. But, you know, when I see bloated budgets it always reminds me of that Wendy's commercial from the early 1980s, "Where's the Beef"?

We found the beef. It's $16 billion more than last year's -- the current year's fiscal budget. That's where the beef is.

This budget raises taxes by $6 billion. Now, I thought we were going to deal with the tax issue, give serious middle-class tax cuts. Maybe it's on a page that I didn't get.

But, you know, this budget is not giving people the reasons to stay in this state. You talk about college-age kids like my daughter, talk about younger generations of my kids in

high school, you talk about retirees. What in this budget document is going to give them reasons to stay? It's not. And it just becomes more and more unaffordable.

We had an opportunity to deal with utility relief. It's not in here. And unfortunately people, as we heard earlier, are falling more and more behind on their utility bills without some of the changes that are going to happen.

So, you know, it's unfortunate, it's a missed opportunity. I have the same hope that we'll get this budget done on April 1st, so we have a couple of weeks to get this fixed. But we've really got to do a better job than this.

I'll be voting no on this resolution, and I encourage my colleagues to do the same.

ACTING PRESIDENT COONEY: Senator Weber to be recorded in the negative.

Senator Stavisky to explain her vote on the resolution.

SENATOR STAVISKY: Thank you, Mr. President.

I'd like to remind my colleagues on

the other side of the aisle that if you vote no on this budget, you are voting against a number of important issues.

For one thing, you are voting against the construction money, the capital budget for SUNY and CUNY. Desperately needed. You are voting against SUNY and CUNY Reconnect, which provides a wonderful program of free tuition for people between the ages of 25 and 55 in high-need areas of study.

And you are voting against the no tuition increase that we imposed when we took the Majority in 2019. There has not been an increase in tuition for your constituents since then, when in the past there was -- and when you controlled this chamber, there was a $200 increase every single year. And it was borne by your constituents.

I proudly vote aye.

ACTING PRESIDENT COONEY: Senator Stavisky to be recorded in the affirmative.

Senator Walczyk to explain his vote.

SENATOR WALCZYK: Thank you, Mr. President.

You can't spend your way to solve

the problem of affordability. If you could, New York State would already be the most affordable state in the union. And you know that.

You've proposed a $16 billion increase over last year's budget just in your one-house budget resolution. That accounts to 11 percent in increased state spending over last year. People's salaries haven't gone up 11 percent. Their wages haven't gone up 11 percent.

You've included $500 million in new funding for New York City public housing and $500 million in new funding for New York City homelessness.

I was looking at the school aid, expecting that you would invest in our next generation. I saw $285.3 million over what the Governor proposed in Foundation Aid. My school districts are hurting with energy costs. They're concerned about the e-bus mandate. But I didn't see anything repealing that in your budget resolution.

Their health insurance costs have skyrocketed, and they've got a lot of concerns

about special education costs in their schools. And yet for hold-harmless schools in the State of New York -- and if you don't know, that's two-thirds of the schools in the State of New York -- you're proposing a 2 percent increase in Foundation Aid. While you do an 11 percent increase in overall state spending. So you've showed me where your priorities are.

This falls onto property taxpayers, because school districts are going to have to go out -- unless they're cutting teachers from their school district, they're going to have to go out to the property taxpayers and ask them to pay a lot more. And it hurts our youth. So I'd ask you to consider that as you go on in budget negotiations.

ACTING PRESIDENT COONEY: Thank you, Senator --

SENATOR WALCZYK: I'm not voting on a budget resolution today that's going to become law. This is your answer --

ACTING PRESIDENT COONEY: Thank you, Senator Walczyk, your two minutes is up.

To be recorded in the negative.

Senator Kavanagh to explain his

vote.

SENATOR KAVANAGH: Thank you, Mr. President. I'm very proud to support this resolution today.

We've had a lot of discussion today on the clean energy transition that we are investing in. I'm very proud that we're doing a billion dollars for Sustainable Futures and thermal energy networks and the EmPower program and some others.

I want to just highlight a few of the housing aspects of the budget, as the chair.

This proposal includes $3 billion in new operating and capital subsidies for housing. That includes really large investments in our public housing both in New York City and throughout the state, $100 million to support our Mitchell-Lama developments, and numerous other programs that this house has championed, including block-by-block infill programs that are building housing in all of our communities throughout the state, and the Small Rental Development Initiative, which is working in smaller towns and villages in our rural communities.

There's also a very large investment that will be facilitated by this budget in the capital needs of both co-ops and condo buildings and rental buildings in New York by expanding and reforming the J-51 tax abatement program. Our proposal today is significantly more generous to the property owners than the Executive proposal, and I'm sure that's something that we'll be negotiating.

We also recognize that people need services to keep them in their homes. We are investing $40 million in the Homeowner Protection Program and $60 million for tenants who are facing eviction. We're investing $30 million in our Neighborhood and Rural Preservation Programs.

And finally, a big continued focus on rental assistance here: $250 million for the Housing Access Voucher Program, which has been successfully launched in the last couple of weeks, and a separate program to pay the rent when people are facing eviction. And the eviction rates in a lot of our communities are exceeding 10 percent. That is a program that we launched last year and has already kept almost 1600 households in their homes.

With that, and time is short, I will wrap up today just to say thank you for your -- for everyone's support for this, and I look forward to continuing negotiations.

And I vote aye.

ACTING PRESIDENT COONEY: Thank you. Senator Kavanagh to be recorded in the affirmative.

Senator Zellner to explain his vote on the resolution, two minutes and one second for your birthday.

(Laughter.)

SENATOR ZELLNER: Thank you, Mr. President.

I just got here, not 2019, but right now New York State is under attack from the federal government. A trillion and a half dollars cut across this country for healthcare. Millions cut from subsidies in our own state that help our most vulnerable who need food subsidies. And trillions taken from New Yorkers through illegal tariffs.

So we have a job to do here, I guess, and it's to help maintain the services and programs that make this the Empire State and to

help take care of the most vulnerable that the federal government seems to have abandoned.

And I think this budget does that, so I vote aye.

ACTING PRESIDENT COONEY: Senator Zellner to be recorded in the affirmative.

Senator Borrello to explain his vote.

SENATOR BORRELLO: Thank you, Mr. President.

You know, while this debate was going on I actually got a text from a friend of mine, Tom Daniels, who owns Tom's Family Restaurant in my town, a great place to get a meal at a really low price.

His -- he sent me a copy of his electric -- his utility bill, $3,891, which is almost double what it was last month.

Now, I heard a lot of excuses as to why this is happening in New York. But there was a great article actually in Syracuse.com, believe it or not, which I consider to be a pretty left-leaning publication, that says that this is really a uniquely New York problem. From 2021 to 2024, when almost every other state's utilities

were dropping, New York's were increasing.

And why are we having the problems we're having? Because we don't have enough baseload power. We don't have baseload power because you've told the power companies not to invest here. You said by 2040, that's it. Who's going to invest billions of dollars to modernize equipment when you're saying they're going to be obsolete in 2040?

This is a uniquely New York problem, and we've done nothing about energy prices in this budget.

Another issue, Medicaid. You all want to blame the federal government. We have billions upon billions of dollars of Medicaid fraud, waste and abuse that has not been addressed. And the Medicaid Inspector General? He's kind of like the Maytag repairman: Not doing much.

If you fix the fraud, a fraction of it, if you fixed a fraction of the fraud, we could stop everything that we've lost from the federal government impacting any single New Yorker. But you won't. Why? Because too many people are profiting off of that fraud.

That's the problem.

This budget itself is fraudulent, and I'll be voting no on this resolution.

Thank you.

ACTING PRESIDENT COONEY: Senator Borrello to be recorded in the negative.

Senator Skoufis to explain his vote.

SENATOR SKOUFIS: Thank you very much, Mr. President.

I certainly understand the loyal opposition's job is to identify and raise concerns and criticize, even when quite frankly sometimes there isn't anything to actually criticize on the merits.

I find it strange that there is this equating of spending more money with unaffordability. And so perhaps, you know, there are some colleagues here who when they go home and they criticize additional spending, go talk to the young family who has a 4-year-old who just saved $15,000 because we're increasing our investment, our spending, in universal pre-K.

Go talk to a young family who has a zero-to-3-year-old who's going to be part of the childcare expansion -- and by the way, we have to

do a lot more outside of New York City. But talk to one of those families who's going to save 20, $25,000 from their household budget thanks to the investments that we are making.

We've heard my colleague Senator Kavanagh talk about various programs, including an expansion of the Housing Access Voucher Program. Talk to one of those families who's going to save tens of thousands of dollars because of the investments that we are making.

And yes, the Governor came out with a 1 percent baseline in Foundation Aid. We're doubling that. Could we do more? Yeah, sure, I guess if we're sort of, you know, pretending in terms of putting together our own budgets and, you know, living in a fantasy land, it could be 10 percent or 20 percent or 50 percent.

But the simple matter of fact is we doubled what the Governor proposed, and that is a savings, would be a savings to property taxpayers who don't have to backfill that hole, that would be left with only a 1 percent baseline in Foundation Aid.

And so for all these reasons and many more, I'm proud of the investments that we

make. These are investments in affordability. Many of these programs bring down costs for our families. And for those reasons, I vote yes.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Skoufis to be recorded in the affirmative.

Senator Krueger to explain her vote on the resolution.

SENATOR KRUEGER: Thank you so much.

First off, I want to thank all my colleagues for their participation. I want to associate myself with pretty much everything this side of the aisle said today.

But I want to highlight my point. People are talking about affordability and fraud. Those are important issues. We're looking at it the wrong way, though. Because I lived through all the years of Republican majority rule where everyone was obsessed about Medicaid fraud and they kept saying, all these people are illegally using Medicaid.

So what did we do? We did a bunch of Medicaid fraud reform. Except nobody noticed Medicaid fraud is the medical institutions, not

individuals signing up for extra healthcare. It's the medical institutions.

So please be aware if we're going to go after Medicaid fraud, we're going after our hospitals, our nursing homes, our doctors, all of our healthcare providers. That's where Medicaid fraud takes place.

And I'll be damned if I'm going to defend them. I don't want anybody to go through fraud. I don't want to have to pay for fraud.

Car insurance. We had a hearing. We learned that the car insurance companies are claiming they're on the verge of bankruptcy when they're having some of the largest revenues in the history of insurance. There's some kind of fraud here, but it's not the occasional fake lawsuit, which then doesn't get through the courts anyway so isn't really the cause of the skyrocketing insurance. We have too much fraud.

And then we've all been really busy, but some of my colleagues had a hearing this week on white-collar fraud. Do you know that according to the federal government -- before this president -- it's the number-one cost driver for everyone in this country. Over a

trillion dollars a year of corporate fraud.

With a whole series of federal agencies who were supposedly going after it. Guess what? It's no longer in their job descriptions a year later. We're not even trying to go after fraud.

So you want to deal with affordability? Go after corporate fraud.

And then last night, by accident I was reading about that the IRS, in the last year, has basically ended any investigations of the ultrawealthy and corporate fraud in not paying their taxes. I'm always saying it here: If they don't pay their taxes, whoever they are, we pay their taxes.

So you want to do something about tax rates? Please. Let's do something about people committing fraud, corporate fraud not paying their taxes. It's ridiculous.

And finally, just because I've been here forever, I remember all the years of Republican control where everybody always talked about we're not raising taxes. So there's two models. There is borrow-and-spend. That was the Republican model. Kept borrowing and

skyrocketing long-term costs of the state for the next generation and the next generation.

Or tax-and-spend. Personally, I want to stand here and be able to justify why we do sometimes have to tax people who we're taxing, but then be able to say we're not just kicking the can down the road for the next generations to have to pay what we spend.

So I proudly vote yes today.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Krueger to be recorded in the affirmative.

Majority Leader Andrea Stewart-Cousins to close.

SENATOR STEWART-COUSINS: Thank you so much, Mr. President.

And of course before I begin I want to thank my deputy leader, Senator Mike Gianaris, for once again helping guide through the debates of the day.

I also want to thank his counterpart -- is this your birthday, too? Ah, Happy Birthday. This is probably not your birthday present as --

(Laughter.)

SENATOR STEWART-COUSINS: But we're going to get out early, so you're okay.

So thank you, Senator Lanza.

And of course to the Minority Leader, Bob Ortt and to the ranker, Tom O'Mara.

And of course special acknowledgement to the wonderful Senator Krueger, who again -- countless hours spent on trying to get through what we know is only the beginning of, you know, one of the most important things we do here.

I also want to thank Governor Hochul and Speaker Heastie for our year-round partnership. And again, I'm always grateful that we are collectively rowing in the same direction.

I want to offer my deep gratitude to our staffs on both sides of the aisle. Because, you know, none of this is really easy. But I particularly want to thank my senior staff and their crew, starting with Jonathan Lang -- where are you, Jonathan? Back there somewhere, okay -- the secretary of the Majority Counsel and Program, Dorothy Powell, counsel. Chris Friend, brand-new Finance Secretary. Did a great job for your first time out. Of course Mike Murphy, our

communications director. Emily Bruggeman, deputy director of intergovernmental affairs. And all the staff members whose hard work and dedication made our one-house possible.

So let's give them applause.

(Applause.)

SENATOR STEWART-COUSINS: Thank you so much. Thank you.

And of course I want to thank my amazing Senate Majority Conference, who have spent untold hours not only in hearings but, you know, on Zooms. And thank you always for your invaluable input -- I know I have to look back here, and there -- for your invaluable input and for your constant advocacy, not only on behalf of your own districts but on behalf of all the people of New York State.

Today we're advancing a one-house budget resolution that defends our values, lowers costs for families across multiple sectors, and delivers for all New Yorkers across this state.

Families are facing high costs. Municipalities are being asked to do more with less. And, once again, we are seeing harmful actions out of Washington that threaten essential

programs people rely on every day.

We've seen cuts to healthcare, to food assistance, to public benefits and other basic supports that help keep families afloat. New Yorkers are under pressure, and I hear from constituents every day in the same way you do about the stresses they feel in order to keep their lights on and to keep food on the table.

I talk to young people who are uncertain about their job prospects, and they're worried about whether they can pursue higher education.

Every year throughout this process, I say and we say the budgets are about our priorities. And this fiscally responsible and balanced budget resolution reflects our priorities. It protects essential services. It supports local communities. It invests in long-term economic opportunity. And it does ask those who can most afford it to contribute more so we can continue meeting the needs of working people across this state.

Our responsible revenue measures ensure the wealthiest individuals, large corporations and luxury industries pay their fair

share. At a time when federal threats and economic uncertainty are putting enormous pressure on our state and our local governments, we're taking responsible action to generate sustainable revenue so municipalities can continue delivering vital services and families can get the support they need.

We're also continuing our affordability agenda with targeted investments that help New Yorkers lower everyday costs. That includes working towards universal childcare, which you heard over and over again today.

Expanding access across the entire state, supporting the childcare workforce with a $500 million investment, beginning implementation of 2-Care seats in New York City, and helping ensure that families can actually access the care they need.

We're building on the work we've already done to lower energy costs, strengthening energy affordability. New Yorkers have long been burdened by some of the highest utility rates in the country, with little to no transparency about how these rates are determined.

And this cold winter has only

exacerbated the strain these high bills place on businesses, yes, and on families struggling to keep their heat on. This budget invests hundreds of millions of dollars in energy affordability and advances utility reforms to provide greater transparency, greater accountability, and fairness for ratepayers.

New Yorkers deserve utility bills they can understand, a process they can trust, and a government that is willing to stand up for them when costs go too high.

We also continue our strong commitment to education and youth opportunity with greater investments into our school districts to provide the proper resources so that every child, regardless of their zip code, has the opportunity to learn, to grow, and to succeed -- not just during the school day, but beyond it.

We support expanding the success of universal school meals by growing the Farm-to-School program to include breakfast and snacks.

We're strengthening Foundation Aid with additional investments for high-needs

students, increasing Transportation Aid, supporting universal pre-K, investing in community schools, after-school programming, tutoring, libraries, civic education, youth employment and, yes, youth sports.

We're also expanding higher education opportunities. This budget increases financial aid for students, supports a workforce training program, invests in SUNY, CUNY and community colleges. We're providing millions in tuition assistance, making it easier for our students to access this crucial help.

We're expanding nursing programs across at state, supporting a bilingual educator pipeline. Higher education remains one of the clearest pathways to opportunity, and we must keep this path open and affordable even as the federal government cuts down on your opportunity to borrow so that you can indeed contribute.

On healthcare, this budget sends a clear message: New York will protect care, protect coverage, and protect people. At a time when federal actions threaten to destabilize healthcare access, we're directing the Department of Health to minimize coverage losses while

strengthening support for financially distressed and rural hospitals, nursing homes, health centers, and long-term-care providers.

It also advances lower prescription drug costs. And we're providing funding, yes, for gender-affirming care in the wake of the federal administration's attack on healthcare for the LGBTQ+ communities.

We continue major investments in reproductive freedom and maternal health. New York will remain a firewall for reproductive freedom and a state that continues to confront maternal health disparities head-on.

We're also strengthening mental health and behavioral health services, because we know it all matters.

We're also standing with our brothers and sisters in labor by strengthening labor protections, cracking down on wage theft. And we remain committed as a conference to reforming Tier 6 and improving benefits so that a career in public service can continue to be a pathway to stability, security, and dignified retirement.

This budget restores and increases

arts funding, supports tourism and downtown revitalization. It redesigns AIM, which we have increased over the past few years, so it works better for our municipalities.

On housing, the Senate continues to take decisive action to expand affordable housing, prevent homelessness, protect homeowners and tenants. We're investing in rental assistance, public housing, and home ownership opportunities through the New York First Home Savings Program, while strengthening support for NYCHA, Mitchell-Lama preservation, and raising the SCRIE and DRIE thresholds.

We continue to lead on climate resilience and clean water. And under the belief that investments in renewable energy will continue to lower energy costs for New Yorkers, this budget restores a billion dollars for the Sustainable Futures Program, increases the Environmental Protection Fund, increases clean water funding to work towards lead pipe remediation, private well testing, and drinking water grants.

We invest in our local infrastructure, expand transit safety and

affordability. This budget builds on our past historic investment in CHIPS funding, which as you know continues to support our roads and infrastructure. And we provide resources to our crucial public transit systems in New York City and across the state.

We're continuing to value our New York farms and the agriculture industry that sustains our state's economy. We know that without farmers we won't have food on our tables.

We're making targeted investments in safer communities, including increased funding for successful community violence prevention programs like SNUG, and providing help for our local law enforcement and first responders.

We're strengthening human rights and justice by investing in legal services, including additional funding for the Office of New Americans. And we remain committed to achieving the goals of New York For All, with our partners, to advance solutions that protect immigrant families and ensure that every community in our state is treated with respect.

As we progress through this budget process, I welcome the challenging yet necessary

conversations and negotiations with the Executive and with the Assembly. The Senate Democratic Majority remains united in our commitment to ensuring New York remains an affordable, equitable, and resilient place to live.

And I look forward -- as I'm sure you all do -- to the work ahead as we continue negotiating a final budget that ultimately delivers for the people of New York State.

So thank you for your work. And of course we have only just begun. And just for everybody, this is the end of the beginning. Monday will be the beginning of the middle.

(Laughter.)

SENATOR STEWART-COUSINS: Thank you very much, Mr. President. Thank you.

(Applause.)

ACTING PRESIDENT COONEY: Majority Leader Stewart-Cousins to be recorded in the affirmative.

Announce the results.

THE SECRETARY: In relation to the resolution, those voting in the negative are Senators Ashby, Borrello, Canzoneri-Fitzpatrick, Chan, Gallivan, Griffo, Helming, Lanza, Martins,

Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Rolison, Stec, Tedisco, Walczyk, Weber and Weik.

Ayes, 38. Nays, 22.

ACTING PRESIDENT COONEY: The resolution is adopted.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, returning to motions for a moment, on behalf of Senator Jackson, on page 22, I offer the following amendments to Calendar 443, Senate Print 5183, and ask that said bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT COONEY: The amendments are received, and the bill will retain its place on the Third Reading Calendar.

Senator Gianaris.

SENATOR GIANARIS: Is there any further business at the desk?

ACTING PRESIDENT COONEY: There is no further business at the desk.

SENATOR GIANARIS: We will be back here on Monday, March 16th, at 3:00 p.m.

I move to adjourn until then, with the intervening days being legislative days.

ACTING PRESIDENT COONEY: On motion, the Senate stands adjourned until Monday, March 16th, at 3:00 p.m., with the intervening days being legislative days.

(Whereupon, at 1:59 p.m., the Senate adjourned.)