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ALBANY, NEW YORK

April 20, 1994

11:59 a.m.

REGULAR SESSION

SENATOR JOSEPH L. BRUNO, Acting President

STEPHEN F. SLOAN, Secretary

## 1 P R O C E E D I N G S

2 ACTING PRESIDENT BRUNO: Senate  
3 will come to order.

4 Join me in the Pledge of  
5 Allegiance.

6 (Whereupon, the Senate joined in  
7 the Pledge of Allegiance to the Flag.)

8 We're pleased to have the  
9 Reverend Arthur Bolden, Pastor of the  
10 Pentecostal Church in Brooklyn, join us for the  
11 opening prayer.

12 Reverend.

13 REVEREND ARTHUR BOLDEN: Thank  
14 you very much. It is a pleasure and honor to be  
15 here again, and I hope that you will listen to  
16 me for a few minutes.

17 And let's bow our heads.

18 O gracious God, as we come before  
19 You at this hour thanking You for the  
20 opportunity, and realize that with this  
21 opportunity coming from Senator Babbush, we're  
22 hoping, Almighty God, that You can touch the  
23 heart of all Senators throughout this state.

1                   We have so many problems, and we  
2                   have so many things that need to be done. You  
3                   know they are still fighting for the -- for the  
4                   budget and we're hoping that You realize that  
5                   when You touch the budget and when You resolve  
6                   it in the hearts of all Senators, Almighty God,  
7                   and the Assembly that You would touch the hearts  
8                   of those that are seeking, and that is those who  
9                   are unfortunate and that are seeking education,  
10                  almighty God, that we have to realize the  
11                  importance of all of the new, the children that  
12                  are seeking to become the Senators, to become  
13                  doctors, to become lawyers, to become  
14                  scientists.

15                  I hope you will stand tall and  
16                  work together and find the solutions to the  
17                  problem of senior citizens, and those who are in  
18                  the street, Almighty God, don't have any home.  
19                  We pray that you will find the solution; and the  
20                  solution there I give you in looking for your  
21                  faith and my faith. There is hope. God bless  
22                  you. Continue to fight on.

23                  Thank you.

1                   ACTING PRESIDENT BRUNO: Thank  
2                   you very much, Reverend Bolden.

3                   Reading of the Journal.

4                   THE SECRETARY: In Senate,  
5                   Tuesday, April 19. The Senate met pursuant to  
6                   adjournment. Senator Larkin in the chair upon  
7                   designation of the Temporary President. Prayer  
8                   by Father Megerdichian of the Holy Cross  
9                   Armenian Apostolic Church of Troy, New York.  
10                  The Journal of Monday, April 18, was read and  
11                  approved. On motion, Senate adjourned.

12                  ACTING PRESIDENT BRUNO: Hearing  
13                  no objection, the Journal stands approved as  
14                  read.

15                  Order of business:  
16                  Presentation of petitions.  
17                  Messages from the Assembly.  
18                  Messages from the Governor.  
19                  Reports of standing committees.  
20                  Secretary will read.

21                  THE SECRETARY: Senator Hannon  
22                  from the Committee on Housing and Community  
23                  Development reports the following bills directly

1 for third reading:

2 Senate Bill Number 276, by  
3 Senator Hannon, an act to amend the Public  
4 Housing Law.

5 Senate Bill Number 277, by  
6 Senator Hannon, Administrative Code of the City  
7 of New York.

8 4975, by Senator Hannon, Private  
9 Housing Finance Law.

10 6797, by Senator Hannon, Private  
11 Housing Finance Law.

12 Senator LaValle from the  
13 Committee on Higher Education reports the  
14 following bills directly for third reading:

15 Senate Bill Number 7064, by  
16 Senator LaValle, an act to amend the Education  
17 Law.

18 7150, by Senator LaValle,  
19 Education Law, filing State University financial  
20 statements.

21 7410, by Senator Seward, State  
22 University of New York to lease certain lands.

23 And 7525, by Senator LaValle, an

1 act to amend the Education Law, in relation to  
2 reporting requirements of the City University.

3 All bills reported directly to  
4 third reading.

5 ACTING PRESIDENT BRUNO: Without  
6 objection third reading, reported to third  
7 reading.

8 Motions and resolutions.

9 Senator DeFrancisco.

10 SENATOR DeFRANCISCO: Mr.  
11 President. On page number 21, I offer the  
12 following amendments to Calendar Number 642,  
13 Senate Print Number 4742, and ask that the said  
14 bill retain its place on the Third Reading  
15 Calendar.

16 ACTING PRESIDENT BRUNO: Without  
17 objection.

18 SENATOR PRESENT: Recognize  
19 Senator Farley.

20 ACTING PRESIDENT BRUNO: Senator  
21 Farley.

22 SENATOR FARLEY: Thank you, Mr.  
23 President. Thank you, Senator Present.

1                   Before I ask that a privileged  
2 resolution be read, I would like to star two  
3 bills on behalf of Senator Cook. That's  
4 Calendar 613 and 615.

5                   ACTING PRESIDENT BRUNO: So  
6 ordered.

7                   SENATOR FARLEY: Mr. President,  
8 there is a privileged resolution at the desk,  
9 and I would ask that the Secretary read the  
10 resolution in its entirety and it be adopted,  
11 and I would like to speak to it.

12                  ACTING PRESIDENT BRUNO: The  
13 Secretary will read.

14                  THE SECRETARY: Senate Resolution  
15 Number 3098, by Senator Farley, congratulating  
16 the St. Johnsville High School Lady Saints  
17 Basketball Team and their talented coach, Pam  
18 Macek, on their outstanding season and overall  
19 team record.

20                  Whereas, the State of New York  
21 takes pleasure and pride in honoring talented  
22 young athletes who take part in competitive  
23 sports and who achieve success through a

1 combination of serious practice and dedicated  
2 coaching.

3 The entire Capital District has  
4 been following the exciting progress of St.  
5 Johnsville Lady Saints, who this year have  
6 claimed their second consecutive New York State  
7 Public High School Class D Championship.

8 This remarkable team of talented  
9 athletes is already highly respected having  
10 maintained a perfect 54-0 record over the past  
11 two years; the Lady Saints have also  
12 participated in six straight years of Tri-Valley  
13 League play without a loss, and they hold an  
14 outstanding 100-3 record over four years.

15 On Saturday, March 26, 1994, the  
16 Lady Saints further distinguished themselves in  
17 their latest triumph by winning the finals of  
18 the Federation Cup at Marist College; this  
19 victory was bittersweet in that while it marked  
20 Coach Pam Macek's 200th career win, it also  
21 heralds the departure of seniors Janice Miklic  
22 and Wendi Schoff, whose efforts have contributed  
23 so much to the team's record of two years of

1           undefeated competition.

2                         Senior forward Wendi Schoff was  
3 named the tournament MVP in recognition of her  
4 strong and experienced performance.

5                         The Lady Saints consistently  
6 exhibit athletic ability and good sportsmanship;  
7 athletically and academically, the team members  
8 have proven themselves to be an unbeatable  
9 combination of talents, reflecting well on their  
10 school.

11                         St. Johnsville Coach, Pam Macek,  
12 deserves praise for the suburb job she has done  
13 in successfully guiding, molding and inspiring  
14 each of the team members toward her goals.

15                         Sports competition instills the  
16 values of teamwork, pride and accomplishment;  
17 and Coach Macek and her outstanding athletes  
18 have clearly made a contribution to the spirit  
19 of excellence which is a hallmark of the school;  
20 now, therefore be it

21                         Resolved, that this Legislative  
22 Body pause in its deliberations to congratulate  
23 the entire St. Johnsville Lady Saints Basketball

1 Team and Coach Pam Macek on their outstanding  
2 season and overall team record; and it be  
3 further

4 Resolved, that this Legislative  
5 Body commend the dedication and accomplishment  
6 of these athletes and honor them for the  
7 excellence displayed in their chosen  
8 disciplines; and be it further

9 Resolved, that copies of this  
10 resolution, suitably engrossed, be transmitted  
11 to David A. Lapone, Principal of St. Johnsville  
12 High School, Coach Pam Macek and her staff and  
13 to the St. Johnsville Lady Saints Basketball  
14 Team.

15 ACTING PRESIDENT BRUNO: On the  
16 resolution. Senator Farley.

17 SENATOR FARLEY: Thank you, Mr.  
18 President. My colleagues. In the gallery, up  
19 here, we have one of the finest basketball teams  
20 I think that this nation has ever seen. Not  
21 only are they the New York State Champions, but  
22 what a record: 54 and zero; 100 victories to 3  
23 losses over four years; a team that comes from a

1 small town in Upstate New York; a team that has  
2 been absolutely remarkable in its academic  
3 performance. The team average, academic average  
4 of this team is 91 percent. Not only are they  
5 great basketball players and athletes but they  
6 are also scholars.

7 Pam Macek, the coach, has truly  
8 been recognized as one of the finest coaches in  
9 the United States. I'm so very, very proud to  
10 have these young athletes here with us today,  
11 and I ask for -- that the resolution be adopted,  
12 and that you give them a warm welcome, Senator  
13 Bruno, who is also from the Capital District and  
14 is so very proud of this team.

15 ACTING PRESIDENT BRUNO: We are  
16 proud by your presence here in the chamber  
17 joining us and can see by what you have done  
18 with your lives, your young lives so far, that  
19 you will have continued success; and in all the  
20 things that you do with your lives, you will  
21 truly be shining stars and good examples for a  
22 lot of the people who will be looking to you for  
23 your leadership and your direction. We are

1 very, very pleased to have you join with us.

2 Ladies and gentlemen. The State  
3 Champions.

4 (Applause.)

5 And the resolution is adopted.

6 Senator Trunzo.

7 SENATOR TRUNZO: Mr. President.

8 I have a privileged resolution at the desk, ask  
9 that the title be read, and the resolution  
10 adopted.

11 THE SECRETARY: Legislative  
12 Resolution by Senators Trunzo, Marino, Padavan,  
13 Johnson, and other members of the Senate  
14 commending Josephine L. Gambino, Civil Service  
15 Commission President, upon the occasion of her  
16 retirement.

17 ACTING PRESIDENT BRUNO: On the  
18 resolution. All in favor, aye.

19 (Response of "Aye.")

20 Opposed.

21 (There was no response.)

22 The resolution is carried.

23 Senator Nozzolio.

1                   SENATOR NOZZOLIO:  Senator Bruno,  
2           I have a privileged resolution at the desk.  I  
3           ask consent to have the title read and it  
4           adopted.

5                   ACTING PRESIDENT BRUNO:  The  
6           clerk will read.

7                   THE SECRETARY:  Legislative  
8           Resolution, by Senator Nozzolio, commending  
9           Matthew Fiola of Seneca Falls, New York, upon  
10          the occasion of his recognition by the Italian  
11          Heritage Society on Sunday April 24, 1994.

12                   (Whereupon, Senator Farley was in  
13          the chair.)

14                   ACTING PRESIDENT FARLEY:  On the  
15          resolutions, all those in favor, say aye.

16                   (Response of "Aye.")

17                   Those opposed, nay.

18                   (There was no response.)

19                   The resolution is adopted.

20                   We have some substitutions.

21                   The Secretary will read the  
22          substitutions.

23                   THE SECRETARY:  On page 18 of

1           today's calendar, Senator DeFrancisco moves to  
2           discharge the Committee on Education from  
3           Assembly Bill Number 11323 and substitute it for  
4           the identical Third Reading 618.

5                        ACTING PRESIDENT FARLEY:  
6           Substitution is ordered.

7                        THE SECRETARY:   On page 20,  
8           Senator Maltese moves to discharge the Committee  
9           on Codes from Assembly Bill Number 6344A and  
10          substitute it for the identical Third Reading  
11          639.

12                       ACTING PRESIDENT FARLEY:  
13          Substitution is ordered.

14                       THE SECRETARY:   On page 21  
15          Senator Stafford moves to discharge the  
16          Committee on Codes from Assembly Bill Number  
17          5756A and substitute for the identical Third  
18          Reading 643.

19                       ACTING PRESIDENT FARLEY:  
20          Substitution is ordered.

21                       THE SECRETARY:   On page 21,  
22          Senator Johnson moves to discharge the Committee  
23          on Codes from Assembly Bill Number 7124 and

1 substitute it for the identical Third Reading  
2 645.

3 ACTING PRESIDENT FARLEY:  
4 Substitution is ordered.

5 Senator Present.

6 SENATOR PRESENT: Mr. President.  
7 Let's take up the noncontroversial calendar,  
8 please.

9 ACTING PRESIDENT FARLEY:  
10 Secretary will read the noncontroversial bills.  
11 Page 8, I think.

12 THE SECRETARY: On page 13,  
13 Calendar Number 556, by Member of the Assembly  
14 Grannis, Assembly Bill Number 619, an act to  
15 amend the Real Property Law, in relation to  
16 apartment information vendors.

17 ACTING PRESIDENT FARLEY: Senator  
18 Present. There is an appropriation message here  
19 at the desk. Did you wish to make a motion?

20 SENATOR PRESENT: Mr. President.  
21 I move we accept the message.

22 ACTING PRESIDENT FARLEY: All in  
23 favor of accepting the message, say aye.

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(Response of "Aye.")

Those opposed, nay.

(There was no response.)

The message is accepted.

You can read the last section.

THE SECRETARY: Section 3. This act shall take effect on the first day of January next succeeding the date on which it shall have become a law.

ACTING PRESIDENT FARLEY: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes -

ACTING PRESIDENT FARLEY: Which bill did you have? Did we do the wrong one.

Senator Present, unfortunately the desk made a little boo-boo. There's no message for this particular bill.

SENATOR PRESENT: I think you made the mistake, but that's all right.

ACTING PRESIDENT FARLEY: I only do what they tell me.

SENATOR RATH: 556, I'm down.

1                   ACTING PRESIDENT FARLEY: 556.

2           Secretary will call the roll.

3                   (The Secretary called the roll.)

4                   THE SECRETARY: Ayes 37. Nays

5           2. Senators Daly and Rath recorded in the  
6           negative.

7                   ACTING PRESIDENT FARLEY: The  
8           bill is passed.

9                   THE SECRETARY: Calendar Number  
10          586, by Senator Trunzo.

11                  SENATOR TRUNZO: Lay it aside for  
12          the day.

13                  ACTING PRESIDENT FARLEY: Lay  
14          that bill aside for today.

15                  I am told that this is the one  
16          that has the message, but the Secretary will  
17          read it.

18                  THE SECRETARY: Calendar Number  
19          588, by Member of the Assembly Vitaliano,  
20          Assembly Bill 10629, an act to amend the Civil  
21          Service Law, in relation to the powers and  
22          duties of the director -

23                  SENATOR GOLD: Lay it aside.

1                   ACTING PRESIDENT FARLEY: Lay the  
2 bill aside.

3                   SENATOR GOLD: Accept the  
4 message? Wait a minute. Hold on.

5                   ACTING PRESIDENT FARLEY: Senator  
6 Present, what's your pleasure?

7                   SENATOR PRESENT: Just hold a  
8 moment.

9                   Mr. President.

10                  ACTING PRESIDENT FARLEY: Senator  
11 Present.

12                  SENATOR PRESENT: I understand  
13 there is a message at the desk.

14                  ACTING PRESIDENT FARLEY: There  
15 is a message at the desk for this bill.

16                  SENATOR PRESENT: I move we  
17 accept the message at this time.

18                  ACTING PRESIDENT FARLEY: All in  
19 favor of accepting the message, please say aye.

20                  (Response of "Aye.")

21                  Those opposed, nay.

22                  (There was no response.)

23                  The message is accepted.

1 SENATOR PRESENT: Last section.

2 SENATOR GOLD: Last section.

3 ACTING PRESIDENT FARLEY: Read  
4 the last section.

5 THE SECRETARY: Section 2. This  
6 act shall take effect immediately.

7 ACTING PRESIDENT FARLEY: Call  
8 the roll.

9 (The Secretary called the roll.)

10 THE SECRETARY: Ayes 39.

11 ACTING PRESIDENT FARLEY: The  
12 bill is passed.

13 THE SECRETARY: Calendar Number  
14 591, by the Senate Committee on Rules, Senate  
15 Bill Number 6120A, an act to amend the Public  
16 Authorities Law, in relation to allowing the  
17 Oswego Port Authority to create industrial  
18 projects.

19 ACTING PRESIDENT FARLEY: Read  
20 the last section.

21 THE SECRETARY: Section 2. This  
22 act shall take effect immediately.

23 ACTING PRESIDENT FARLEY: Call

1 the roll.

2 (The Secretary called the roll.)

3 THE SECRETARY: Ayes 39.

4 ACTING PRESIDENT FARLEY: The  
5 bill is passed.

6 THE SECRETARY: Calendar Number  
7 601, by Senator Marino, Senate Bill Number 7543,  
8 an act to amend a Chapter of the Laws of 1994,  
9 as proposed in Legislative Bill Number S.724 -

10 SENATOR GOLD: Lay it aside.

11 ACTING PRESIDENT FARLEY: Lay it  
12 aside.

13 THE SECRETARY: Calendar Number  
14 607, by Senator Levy, Senate Bill Number 71A, an  
15 act to amend the Vehicle and Traffic Law and the  
16 Education Law.

17 ACTING PRESIDENT FARLEY: There  
18 is a local fiscal impact note here at the desk.

19 You can read the last section.

20 THE SECRETARY: Section 2. This  
21 act shall take effect immediately.

22 SENATOR DOLLINGER: Is that  
23 Calendar 607?

1                   ACTING PRESIDENT FARLEY: This is  
2                   607.

3                   SENATOR DOLLINGER: Would you lay  
4                   that bill aside, please.

5                   ACTING PRESIDENT FARLEY: Lay it  
6                   aside. Withdraw the roll call.

7                   THE SECRETARY: Calendar number  
8                   608, by Senator Cook, Senate Bill Number 2273,  
9                   an act to amend the Highway Law.

10                  ACTING PRESIDENT FARLEY: We have  
11                  a home rule message here at the desk.

12                  Read the last section.

13                  THE SECRETARY: Section 2. This  
14                  act shall take effect immediately.

15                  ACTING PRESIDENT FARLEY: Call  
16                  the roll.

17                  (The Secretary called the roll.)

18                  THE SECRETARY: Ayes 42.

19                  ACTING PRESIDENT FARLEY: The  
20                  bill is passed.

21                  THE SECRETARY: Calendar Number  
22                  609, by Senator DeFrancisco, Senate Bill Number  
23                  2341, an act to amend the Highway Law, assist in

1 certain roads in the Village of Camillus.

2 ACTING PRESIDENT FARLEY: There  
3 is a home rule message here at the desk.

4 You can read the last section.

5 THE SECRETARY: Section 2. This  
6 act shall take effect immediately.

7 ACTING PRESIDENT FARLEY: Call  
8 the roll.

9 (The Secretary called the roll.)

10 THE SECRETARY: Ayes 43.

11 ACTING PRESIDENT FARLEY: The  
12 bill is passed.

13 THE SECRETARY: Calendar Number  
14 612, by Senator Babbush, Senate Bill Number  
15 2465A, authorizing the City of New York to  
16 reconvey its interest in certain real property.

17 ACTING PRESIDENT FARLEY: Senator  
18 Babbush has a home rule message here at the  
19 desk.

20 You can read the last section.

21 THE SECRETARY: Section 2. This  
22 act shall take effect immediately.

23 ACTING PRESIDENT FARLEY: Call

1 the roll.

2 (The Secretary called the roll.)

3 THE SECRETARY: Ayes 43.

4 ACTING PRESIDENT FARLEY: The  
5 bill is passed.

6 THE SECRETARY: Calendar Number  
7 614, by Senator Velella, Senate Bill Number  
8 6571, authorizing the City of New York to  
9 reconvey its interest in certain real property.

10 ACTING PRESIDENT FARLEY: There  
11 is a home rule message here at the desk.

12 You can read the last section.

13 THE SECRETARY: Section 2. This  
14 act shall take effect immediately.

15 ACTING PRESIDENT FARLEY: Call  
16 the roll.

17 (The Secretary called the roll.)

18 THE SECRETARY: Ayes 44.

19 ACTING PRESIDENT FARLEY: The  
20 bill is passed.

21 THE SECRETARY: Calendar Number  
22 616, by Senator Levy, Senate Bill Number 7379,  
23 authorize the payment of transportation aid to

1 the Roosevelt Union Free School District.

2 ACTING PRESIDENT FARLEY: There  
3 is a local fiscal impact note at the desk.

4 Read the last section.

5 THE SECRETARY: Section 2. This  
6 act shall take effect immediately.

7 ACTING PRESIDENT FARLEY: Call  
8 the roll.

9 (The Secretary called the roll.)

10 THE SECRETARY: Ayes 46.

11 ACTING PRESIDENT FARLEY: The  
12 bill is passed.

13 THE SECRETARY: Calendar Number  
14 619, by Senator Skelos, Senate Bill Number 1296.

15 SENATOR PRESENT: Lay it aside.

16 ACTING PRESIDENT FARLEY: Lay  
17 that bill aside. For the day, Senator Present?

18 SENATOR PRESENT: For the day.

19 ACTING PRESIDENT FARLEY: For the  
20 day.

21 THE SECRETARY: Calendar Number  
22 620, by Senator Sears, Senate Bill Number 3501A,  
23 an act to amend the Vehicle and Traffic Law.

1                   ACTING PRESIDENT FARLEY: Read  
2                   the last section.

3                   THE SECRETARY: Section 2. This  
4                   act shall take effect immediately.

5                   ACTING PRESIDENT FARLEY: Call  
6                   the roll.

7                   (The Secretary called the roll.)

8                   THE SECRETARY: Ayes 51.

9                   ACTING PRESIDENT FARLEY: The  
10                  bill is passed.

11                  THE SECRETARY: Calendar Number  
12                  621, by Senator Maltese, Senate Bill Number  
13                  4112A, an act to amend the Vehicle and Traffic  
14                  Law.

15                  ACTING PRESIDENT FARLEY: Read  
16                  the last section.

17                  THE SECRETARY: Section 2. This  
18                  act shall take effect immediately.

19                  ACTING PRESIDENT FARLEY: Call  
20                  the roll.

21                  (The Secretary called the roll.)

22                  THE SECRETARY: Ayes 51.

23                  ACTING PRESIDENT FARLEY: The

1 bill is passed.

2 THE SECRETARY: Calendar Number  
3 623, by Senator Johnson, Senate Bill Number  
4 7374, an act to amend the Vehicle and Traffic  
5 Law.

6 ACTING PRESIDENT FARLEY: Read  
7 the last section.

8 THE SECRETARY: Section 2. This  
9 act shall take effect immediately.

10 ACTING PRESIDENT FARLEY: Call  
11 the roll.

12 (The Secretary called the roll.)

13 THE SECRETARY: Ayes 51.

14 ACTING PRESIDENT FARLEY: The  
15 bill is passed.

16 THE SECRETARY: Calendar Number  
17 624, by Senator DiCarlo, Senate Bill Number  
18 7381, an act to amend the Executive Law,  
19 designating June 12 as Woman Veterans  
20 Recognition Day.

21 ACTING PRESIDENT FARLEY: Read  
22 the last section.

23 THE SECRETARY: Section 2. This

1 act shall take effect immediately.

2 ACTING PRESIDENT FARLEY: Call  
3 the roll.

4 (The Secretary called the roll.)

5 THE SECRETARY: Ayes 52.

6 ACTING PRESIDENT FARLEY: The  
7 bill is passed.

8 THE SECRETARY: Calendar Number  
9 626, by Senator Saland, Senate Bill Number 3378.

10 SENATOR PRESENT: Lay it aside  
11 for the day.

12 ACTING PRESIDENT FARLEY: Lay  
13 that bill aside for today.

14 THE SECRETARY: Calendar Number  
15 627, by Senator Saland, Senate Bill Number 3759,  
16 Domestic Relations Law, in relation to orders  
17 for child custody and support.

18 ACTING PRESIDENT FARLEY: Read  
19 the last section.

20 THE SECRETARY: Section 2. This  
21 act shall take effect immediately.

22 ACTING PRESIDENT FARLEY: Call  
23 the roll.

1 (The Secretary called the roll.)

2 THE SECRETARY: Ayes 52.

3 ACTING PRESIDENT FARLEY: The  
4 bill is passed.

5 THE SECRETARY: Calendar Number  
6 628, by Senator DiCarlo, Senate Bill Number  
7 6511, Executive Law, in relation to  
8 qualifications of employment as a youth division  
9 aide.

10 ACTING PRESIDENT FARLEY: Read  
11 the last section.

12 THE SECRETARY: Section 2. This  
13 act shall take effect immediately.

14 ACTING PRESIDENT FARLEY: Call  
15 the roll.

16 (The Secretary called the roll.)

17 THE SECRETARY: Ayes 52.

18 ACTING PRESIDENT FARLEY: The  
19 bill is passed.

20 Senator Holland, I understand you  
21 have a motion.

22 SENATOR HOLLAND: Yes, Mr.  
23 President. On page 9, I offer the following

1 amendments to Calendar Number 432, for Senator  
2 Levy, Senate Print Number 79A, and ask that said  
3 bill retain its place on the Third Reading  
4 Calendar.

5 ACTING PRESIDENT FARLEY: Without  
6 objection.

7 Senator Present.

8 SENATOR PRESENT: Mr. President.  
9 Can we stand at ease for a few moments.

10 ACTING PRESIDENT FARLEY: Senate  
11 will stand at ease for a moment.

12 (Whereupon, at 12:23 p.m., Senate  
13 was at ease.)

14 SENATOR PRESENT: Mr. President.  
15 May we return to motions for a few moments?

16 ACTING PRESIDENT FARLEY: Yes, we  
17 may.

18 Senator Kuhl, do you have a  
19 motion.

20 SENATOR KUHL: Yes, Mr.  
21 President. On behalf of Senator Libous, I move  
22 that the following bills be discharged from  
23 their respective committees and be recommitted

1 with instructions to strike the enacting  
2 clause: These are Senate Prints 1335, 2015,  
3 2199, 2731, 4383, 4423, 4435, 4647, 4789, 4807,  
4 5746, 6107.

5 ACTING PRESIDENT FARLEY: Those  
6 are all Senator Libous's?

7 SENATOR KUHL: Yes. Yes.

8 ACTING PRESIDENT FARLEY: His  
9 program is recommitted with the enacting clause  
10 struck, without objection.

11 SENATOR PRESENT: Continue to  
12 stand at ease.

13 ACTING PRESIDENT FARLEY: Thank  
14 you.

15 (The Senate continued at ease.)

16 ACTING PRESIDENT FARLEY: Senator  
17 Montgomery.

18 SENATOR MONTGOMERY: Yes, thank  
19 you. I would like unanimous consent to be  
20 recorded in the negative on Calendar 628.

21 ACTING PRESIDENT FARLEY: 628,  
22 Senator Montgomery will be in the negative,  
23 without objection.

1 SENATOR MONTGOMERY: Thank you.

2 ACTING PRESIDENT FARLEY: Senator  
3 Galiber.

4 SENATOR GALIBER: 628, Mr.  
5 President, could I have unanimous consent to be  
6 recorded in the negative, please.

7 ACTING PRESIDENT FARLEY: Without  
8 objection, Senator Galiber will be in the  
9 negative on Calendar Number 628.

10 (Whereupon, at 12:34 p.m., the  
11 Senate reconvened.)

12 ACTING PRESIDENT FARLEY: Senator  
13 Present.

14 SENATOR PRESENT: Call up  
15 Calendar 601, please.

16 ACTING PRESIDENT FARLEY: The  
17 Secretary will read Calendar Number 601.

18 THE SECRETARY: 601, by Senator  
19 Marino, Senate Bill Number 7543, an act to amend  
20 a Chapter of the Laws of 1994, as proposed in  
21 Legislative Bill Number S.7246, amending the Tax  
22 Law.

23 ACTING PRESIDENT FARLEY: Read

1 the last section.

2 SENATOR GOLD: Explanation  
3 please.

4 ACTING PRESIDENT FARLEY:  
5 Explanation has been asked for. Senator  
6 Stafford.

7 SENATOR STAFFORD: Thank you, Mr.  
8 President. You will recall that not too many  
9 weeks or days ago, we passed a tax reduction  
10 bill. We felt that we have to go in this  
11 direction. As I stated yesterday, I'm afraid  
12 this sort of becomes a broken record, and it's a  
13 difference in philosophy. It's one of the  
14 advantages we have with this system, is we can  
15 disagree. I think there have been wars fought  
16 over that; and, fortunately, we have that  
17 opportunity, and we no doubt will have some  
18 discussion today as far as this legislation is  
19 concerned.

20 This is a chapter amendment to  
21 the tax cut bill. Now, when I first arrived  
22 here a number of years ago, we used to say this  
23 is a chapter amendment with technical

1 corrections, and we didn't talk much more about  
2 it, but I know that there are some questions on  
3 the bill that passed and no doubt on the chapter  
4 amendment.

5 But, Mr. President, once again  
6 last evening, I was talking to a group of  
7 business people, ladies and gentlemen, and  
8 again, they were pressing me -- pressing me,  
9 stating that unless we have some changes in the  
10 State of New York, we're going to continue to  
11 see our economy move out of this area. It's  
12 very serious.

13 And I say this, this is very  
14 fundamental and, again, hopefully not boring  
15 people, but if we don't have the private sector  
16 supplying the funds, the revenues, taxes, so to  
17 speak, in this state, then we'll have nothing,  
18 we'll have absolutely nothing to support the  
19 responsibilities of the state government.

20 Now, the provisions of this  
21 chapter amendment clarifies the treatment of net  
22 operating loss as we proposed it.

23 Real estate gains, tax exemption

1 for residential subdivisions and exchanges of  
2 like kind property. Some real concerns with  
3 developers.

4 Also, the alcoholic beverage tax  
5 on beer would be reduced from 21 cents to 16  
6 cents in 1994 and, further, to 11 cents in 1995  
7 to repeal that portion related to the  
8 Environmental Bond Act of 1990 which was  
9 defeated, as we remember.

10 New York's fuel use tax would be  
11 restructured to conform with federal law and the  
12 international fuel tax agreement on January  
13 1995.

14 The agriculture exemption for the  
15 petroleum business tax which is passed in this  
16 bill is expanded to include commercial fishing.

17 It does provide additional tax  
18 relief of \$20 million.

19 May we stand at ease for just a  
20 few moment.

21 ACTING PRESIDENT FARLEY: Senate  
22 will stand at ease for a moment.

23 (Whereupon, at 12:35 p.m., Senate

1 was at ease and reconvened at 12:37 p.m.)

2 ACTING PRESIDENT FARLEY: Senator  
3 Galiber.

4 SENATOR GALIBER: Mr. President.  
5 Senator Jones has an amendment which is now  
6 prepared, and I thank you for your patience. It  
7 is at the desk.

8 ACTING PRESIDENT FARLEY: There  
9 is an amendment here at the desk.

10 Senator Jones.

11 SENATOR JONES: Yes, I would like  
12 to call it up, please, and waive its reading.  
13 It's Senate Bill 7462.

14 ACTING PRESIDENT FARLEY: Right.  
15 The amendment has been served.

16 SENATOR JONES: Okay. I would  
17 like to speak on the bill. I certainly support  
18 the things that Senator Stafford is doing in  
19 regard to tax credits.

20 ACTING PRESIDENT FARLEY: 7543?

21 SENATOR JONES: Yes. It's an  
22 amendment to 7543. Sorry.

23 ACTING PRESIDENT FARLEY: Thank

1       you.

2                   SENATOR JONES:  Got it?  I  
3       certainly support everything that Senator  
4       Stafford is doing, but I would like to add  
5       another little addition to what we've been  
6       talking about as far as tax credits for  
7       business, and I think this has a very important  
8       element to it that I haven't heard in some of  
9       the other ones.

10                   I heard Senator Leichter and  
11       Senator Stafford discussing yesterday how we can  
12       be sure that we're increasing jobs in our  
13       community, and I read a little article recently  
14       from the Fiscal Policy Institute that said,  
15       "Ohio last year led the nation in attracting  
16       new facilities, expansion and, in particular,  
17       manufacturing plants."

18                   So what I would like to propose  
19       is an amendment today.  It takes off on this  
20       Ohio plan, and what it would offer is a tax  
21       credit to businesses that is directly related to  
22       new employees.  It would give a business 50  
23       percent of the income tax for each new

1 employee. But, in addition, the credit goes to  
2 the company only after hiring. They may take it  
3 for up to ten years, but they must agree to keep  
4 the employee on for at least double the amount  
5 of time they take the tax credit.

6 I think the big advantage to this  
7 is it has a direct impact on job growth and  
8 retention. And isn't that what it's all about?  
9 What we're hoping is to both bring businesses  
10 here and to keep the new ones here and cause  
11 them to grow.

12 So I think this does both, and I  
13 would just point out that it in no way affects  
14 the current investment tax credit. An employer  
15 does not have to take this. It's their option.

16 But I think it also has the  
17 advantage of saying to an employer, "You need to  
18 do some good long-range planning so that you  
19 know that five years from now this is where you  
20 want to be. So in that case, it would be to  
21 your advantage to take this tax credit, knowing  
22 that these employees will continue to be part of  
23 your work force."

1           Every new employee, I don't think  
2           I have to tell you that, every new person that's  
3           hired in this state is a person that's paying  
4           income tax, is a person that's adding to the  
5           economy by the things they are buying, and all  
6           this, so I think this would be a very good  
7           addition to what we are already trying to do for  
8           business, and it has the double impact of both  
9           helping labor and business.

10                        So I would move to its adoption.  
11           ACTING PRESIDENT FARLEY:  Senator  
12           Dollinger.

13                        SENATOR DOLLINGER:  On the  
14           amendment.  I join with my colleague from Monroe  
15           County in support of this amendment.

16                        Seems to me that there are two  
17           lessons here.  One is that we -- in the new  
18           federalism in the approach to a national  
19           government which encourages experimentation by  
20           the states, we in New York State should be  
21           receptive to those experiments which have  
22           succeeded elsewhere, as apparently the Ohio tax  
23           incentive and tax credit has.

1           It seems to me that we ought to  
2           import that little genius of Ohio and make it a  
3           part of the Tax Law of New York State, so that  
4           we send a two-fold message. One, we can send a  
5           message that we've got a home sweet home for our  
6           business here in New York; and, number two, we  
7           can roll out the welcome mat to send the right  
8           messages to businesses that want to locate in  
9           the State of New York.

10           I appreciate what Senator  
11           Stafford is doing. I appreciate what the  
12           Republican majority is doing. I think there are  
13           a number of initiatives from this side of the  
14           aisle. This is one of the better ones. It's  
15           been proven to work in Ohio. We ought to take a  
16           little bit of Ohio's know-how and put it to work  
17           here in the State of New York.

18           I urge the adoption of this  
19           amendment.

20           ACTING PRESIDENT FARLEY: Senator  
21           Galiber.

22           SENATOR GALIBER: Yes, thank you,  
23           Mr. President.

1                   Yesterday, on one of Senator  
2                   Stafford's bills, I alluded to the fact that we  
3                   have this tax credit problem here in our state,  
4                   and that as we move into the final days, if you  
5                   will, of this budgetary process that the  
6                   question of tax credits is going to be extremely  
7                   important, and also the question of how we cut  
8                   and how much we cut and what is it going to cost  
9                   us in the out years.

10                   The Ohio procedure in that state  
11                   is an excellent one. We have found in this  
12                   state because of the secretiveness, if you will,  
13                   of the tax credits, they do not let us know how  
14                   they use those tax credits. We have our tax  
15                   department, who is not duty bound, if you will,  
16                   to not give us the information on those tax  
17                   returns.

18                   There is on a federal level,  
19                   however, and we should be leaning toward  
20                   adopting that, close to the Ohio, close to the  
21                   amendment which is offered by my colleague from  
22                   Monroe County, to say "If you want to get the  
23                   benefit, then we should know what you are doing

1 with those credits." And up to date, they  
2 refuse to do so.

3 Some have suggested that we  
4 should perhaps put them on the dole, so to  
5 speak, and issue a check, if you will, make it a  
6 subsidy. Let's issue a check based on what you  
7 do each year. Give you it back in monetary  
8 form. But at least there should be the  
9 disclosure.

10 When we hear the horror stories  
11 of large corporations which are making billions  
12 and billions and billions of dollars and then  
13 you look at their tax return and their tax  
14 return, they're returning to them two, three,  
15 four hundred million dollars.

16 Something is wrong with our  
17 system. And it's a simple amendment, a simple  
18 concept. If you want our credits tell us what  
19 you are doing with those credits, and we'll  
20 gladly give them to you.

21 Especially in the area of  
22 employment, and we are all concerned about that,  
23 you create jobs, we'll give you the benefits in

1       this state. But if you are hiding this and  
2       using the loopholes and doing -- out in the  
3       other states, and avoiding the tax penalties in  
4       this state because you are not disclosing to us  
5       what you are doing with those credits -- and I'm  
6       sure Senator Stafford would agree with me that  
7       the system that we have is not a good one.

8               So I support the amendment, as we  
9       all should support it. Keep it in the back of  
10      our minds, because certainly it's -- when we  
11      come down to the last days, hours, if you will,  
12      as I mentioned before, perhaps this one-house  
13      bill that for the first time -- or for a long  
14      time, I find myself, as my other colleagues do,  
15      finding technical changes in what is a one-house  
16      bill. I have never experienced that before, but  
17      then I have never experienced a lot of things  
18      that are happening this year.

19              I understand that -- you know,  
20      the people who are being hit the hardest or  
21      concerned the most, I know that the net  
22      operating loss is a key factor to our growth in  
23      this country or in this state, and there are

1       those of us who believe you can go forward, you  
2       can go back a bit, but you can't go back, but  
3       it's certainly that the business community is  
4       aware of and needs to look at as we are looking  
5       at it now.

6                       Those of us, Senator Stafford, on  
7       this side of the aisle agree with you that the  
8       theory is good in actuality. Not a theory.  
9       What you are saying is what we are desirous of  
10      also. We are merely saying, as you should be  
11      saying, that if you take my tax credits, let me  
12      know how you are using them. Is it in fact  
13      being beneficial to our community and to our  
14      state?

15                      So, Mr. President, I would urge  
16      the adoption of the amendment and hope that the  
17      wisdom of this amendment will spread in the  
18      waning hours of this session.

19                      ACTING PRESIDENT FARLEY: Thank  
20      you, Senator Galiber.

21                      All in favor of accepting  
22      amendments -

23                      Senator Nozzolio.

1                   SENATOR NOZZOLIO: Mr.  
2           President. Will the sponsor yield?

3                   SENATOR JONES: Yes.

4                   ACTING PRESIDENT FARLEY: Senator  
5           Stafford, would -- no, I'm sorry. Senator Jones  
6           is the sponsor.

7                   SENATOR JONES: Yes, I will.

8                   SENATOR NOZZOLIO: Senator,  
9           Jones, I have just had the opportunity to review  
10          some of the text of the amendment and have some  
11          questions about it that I hope you can clarify.

12                   How does an employer go about  
13          obtaining this proposed tax credit that you are  
14          suggesting?

15                   SENATOR JONES: Senator, the  
16          employer would make application, I believe, to  
17          the Department of Economic Development, and they  
18          also would be the monitor of this tax credit.

19                   As they hire a new employee -  
20          the way it's working in the state of Ohio, when  
21          you take on a new hire, you may take the tax  
22          credit. There is a limit of ten years that you  
23          may take this tax credit, and you must agree at

1 the time of getting the credit that you will  
2 keep the employee double the amount of whatever  
3 time you keep that you take the credit you must  
4 keep that new employee.

5 The credit -- it's monitored by  
6 the Office of Economic Development. I believe  
7 it's every five years, and there is also a place  
8 in there the Tax Commissioner can recoup the  
9 money should a company either not live up to its  
10 expectations or the employee is no longer there  
11 or whatever other condition there is.

12 SENATOR NOZZOLIO: If the Senator  
13 will continue to yield?

14 ACTING PRESIDENT FARLEY: I'm  
15 confident she will. Senator Jones?

16 SENATOR JONES: Yes.

17 SENATOR NOZZOLIO: Thank you,  
18 Senator. Senator, so that in order to achieve  
19 the credit, you must produce a job. How long in  
20 duration does the job have to be guaranteed for  
21 the credit to be viable?

22 SENATOR JONES: Senator, it's in  
23 relation to how long the employer takes the tax

1 credit. For instance, the employer must agree  
2 to keep the tax -- if he takes the credit for  
3 ten years, he must agree to keep the employee  
4 double whatever amount of time he takes that tax  
5 credit.

6 SENATOR NOZZOLIO: So that the  
7 employer, as I understand your amendment,  
8 Senator, must guarantee a 20-year duration if he  
9 takes a 10-year credit.

10 SENATOR JONES: That's right,  
11 Senator.

12 SENATOR NOZZOLIO: Let me take  
13 this one step further and try to put it in the  
14 form of a question. If an employer takes this  
15 credit, he must guarantee operations ten years  
16 beyond what he can project. He must guarantee  
17 this job that he took the credit for for a full  
18 ten years. Is that correct?

19 SENATOR JONES: If that's what he  
20 takes the credit for, Senator, but he is not  
21 obligated to keep the credit for that period of  
22 time.

23 Let me just add to that,

1 Senator. It's basically the employment level.  
2 It's not necessarily John Smith, but it's the  
3 level of the number of employees that he has or  
4 agrees to have at that point.

5 SENATOR NOZZOLIO: Thank you,  
6 Senator.

7 Mr. President, on the amendment.

8 ACTING PRESIDENT FARLEY: Senator  
9 Nozzolio on the amendment.

10 SENATOR NOZZOLIO: Mr.  
11 President. I believe we all support the  
12 concepts of additional credits and tax breaks  
13 for businesses to produce jobs. However, what  
14 I'm concerned with in this particular amendment  
15 is an extremely onerous requirement that the  
16 taker of the credit not only support this job  
17 for a period of time of the credit but support  
18 the job for twice the period of time of the  
19 credit. By doing so, you are requiring an  
20 employer to predict the economic conditions of  
21 his business or her business for an additional  
22 potentially ten years beyond the tax advantages  
23 that are being proposed. No employer, no

1       economist, certainly at the state level and I  
2       doubt at even the federal level, could make such  
3       a prediction. That's what concerns me about  
4       this particular provision, Mr. President.

5                   I believe it's well intentioned;  
6       however, I think the requirement upon an  
7       employer will produce a counter result that, in  
8       effect, the credit will become meaningless by  
9       having such an onerous requirement. I am also  
10      concerned that there is potentially an undue  
11      bureaucratic power authorized by this provision,  
12      Mr. President, my colleagues, that the  
13      Commissioner of Economic Development basically  
14      determines whether this tax credit is or is not  
15      viable. That may in practicality not be  
16      difficult; however, as we're proposing less and  
17      less regulation on business and less and less  
18      bureaucratic review of our businesses, I think  
19      that the paperwork requirement alone that I  
20      predict, compliance of this tax credit proposal  
21      would be so onerous it wouldn't be worth seeking  
22      the credit.

23                   I have no quarrel with the

1 sponsor's intentions, but I think what we have  
2 on paper here is a provision that's not going to  
3 work, that will be counterproductive, that will  
4 be sending a positive signal to business  
5 politically but, in practicality, be just  
6 another burden to business that we're trying to  
7 eliminate.

8 For that reason, I question the  
9 wisdom of this amendment, Mr. President.

10 ACTING PRESIDENT FARLEY: Senator  
11 Jones.

12 SENATOR JONES: Yes, on the  
13 amendment. I just would like to clarify a  
14 couple of points that Senator Nozzolio made.

15 First of all, the employer is not  
16 obligated to take it ten years, five years, it's  
17 entirely in his hands. He can guarantee it for  
18 one year, two years. The option is entirely up  
19 to the employer himself.

20 What we're really offering is  
21 just another option. It's entirely in his hands  
22 whether or not he chooses to go for this  
23 credit. As we well know, there are other

1 investment tax credits out there.

2 So this is really just an  
3 additional incentive which as far as I can see  
4 is entirely up to the employer what he wants to  
5 do with it. No one is telling him that he has  
6 to take this for ten years and keep the  
7 employment up for 20. He can say I want this  
8 for one year; and, again, it obligates him for  
9 two.

10 But I think it's entirely up to  
11 the employer. I think it's an additional  
12 carrot, or whatever we want to call it, that  
13 we're offering him to stay in New York and do  
14 business, and I think it makes good sense. And,  
15 again, it's entirely up to the employer. We are  
16 just making him another offer to try to make New  
17 York State a better place to do business.

18 ACTING PRESIDENT FARLEY: Senator  
19 Dollinger.

20 SENATOR DOLLINGER: Mr.  
21 President. I also want to respond to the  
22 comments from my colleague from Wayne County.  
23 It seems to me -- and I understand the concern

1           that we not overburden our corporate taxpayers  
2           with paperwork, but the fortunate thing is we  
3           have an example of where it's already working,  
4           where employers in the state of Ohio have said,  
5           "We're willing to do whatever minimal paperwork  
6           is required in order to get the benefit of this  
7           tax credit and to bring new jobs to the state of  
8           Ohio."

9                                 We're not cutting this out of  
10           whole cloth or new cloth. We're cutting it out  
11           of already well worn cloth. It's worked in the  
12           state of Ohio. Let's take the example of Ohio,  
13           follow the leadership of Ohio, follow the  
14           leadership of my colleague from Monroe County.  
15           Let's append this to this tax bill. Let's make  
16           this available and let the employers decide  
17           whether they want to do it. The evidence is  
18           that they do.

19                                 ACTING PRESIDENT FARLEY: Senator  
20           Connor.

21                                 SENATOR CONNOR: Yes, Mr.  
22           President. I'm delighted to support this  
23           amendment.

1                   And let me say to my colleagues  
2                   on the other side of the aisle we hear year-in  
3                   and year-out from the Republicans that taxes and  
4                   jobs are related. Frankly, some of us are often  
5                   skeptical that you just, you know, lower a whole  
6                   bunch of of taxes willy-nilly, and somehow  
7                   you'll create jobs.

8                   Here's a program to test your  
9                   theories. Here is a program to show that when  
10                  there are tax benefits employers will create  
11                  jobs. In this case, they are directly linked.  
12                  Let's prove to the public, prove to some of us  
13                  that your theories are right, but let's do it in  
14                  a way that we guarantee to the people, to the  
15                  public and to the taxpayers, that real jobs will  
16                  be created.

17                  It's really something that I  
18                  believe your side of the aisle has advocated,  
19                  and this is a vehicle to do it that's proven to  
20                  work and have a direct benefit. And I think if  
21                  you talk to the people throughout this state,  
22                  jobs are uppermost on their mind, jobs, jobs,  
23                  jobs, and this does it.

1                   And I congratulate Senator Jones  
2                   for bringing it to the floor, for bringing such  
3                   a proven, innovative program to the floor of the  
4                   Senate.

5                   ACTING PRESIDENT FARLEY: All in  
6                   favor of the amendment, please say aye.

7                   SENATOR GOLD: Party vote in the  
8                   affirmative.

9                   SENATOR PRESENT: Party vote in  
10                  the negative.

11                  ACTING PRESIDENT FARLEY: Call  
12                  the roll on a party vote.

13                  (The Secretary called the roll.)

14                  THE SECRETARY: Ayes 24. Nays  
15                  34. Party vote.

16                  ACTING PRESIDENT FARLEY: The  
17                  amendment is not accepted.

18                  Read the last section of the  
19                  bill.

20                  SENATOR LEICHTER: Mr.  
21                  President.

22                  ACTING PRESIDENT FARLEY: Senator  
23                  Leichter.

1                   SENATOR LEICHTER:  Yes, thank  
2                   you, Mr. President.

3                   ACTING PRESIDENT FARLEY:  You're  
4                   welcome.

5                   SENATOR LEICHTER:  Would Senator  
6                   Stafford yield please?

7                   ACTING PRESIDENT FARLEY:  Senator  
8                   Stafford, would you yield to a question from  
9                   Senator Leichter?

10                  SENATOR STAFFORD:  (Indicating  
11                  yes.)

12                  SENATOR LEICHTER:  Senator  
13                  Stafford, I'm interested in Section 3 (d), which  
14                  amends Chapter 418 -- amends Section 418 of  
15                  Chapter 57 of the Laws of 1993.  As I read this,  
16                  it seems to make a provision where we provided  
17                  -- certain tax that we provided as to property  
18                  that went into service on or after April 1,  
19                  1993, and now you are excepting property where  
20                  certain conditions were met before April 1,  
21                  1993.  I just wonder if there is some specific  
22                  property in some specific business that you are  
23                  seeking to benefit by this provision?

1                   SENATOR STAFFORD: Just summarize  
2 your question, please, a little?

3                   SENATOR LEICHTER: Yes, I would  
4 be interested in knowing if there is a specific  
5 business that you are seeking to benefit by this  
6 provision? What's the rationale?

7                   SENATOR STAFFORD: Which  
8 provision?

9                   SENATOR LEICHTER: Section 3 (d),  
10 Senator, it's on page 2, starts on line 35.

11                   SENATOR STAFFORD: In all of that  
12 section?

13                   A couple of businesses' plants  
14 were just about ready to be used, go in effect,  
15 and this, in effect, allows them, but investment  
16 tax credit was cut off as of April 1, 1993.

17                   SENATOR LEICHTER: Right. I read  
18 that, too, Senator. That was exactly my reading  
19 of it. And my question to you is what are those  
20 businesses you are seeking to benefit?

21                   You obviously have some  
22 businesses in mind. We ought to know who they  
23 are.

1                   SENATOR STAFFORD:  There were  
2                   some cogeneration projects that we have  
3                   throughout our state, and they had worked this  
4                   out with the tax department.

5                   SENATOR LEICHTER:  Are you saying  
6                   the tax department is supporting this  
7                   provision?

8                   SENATOR STAFFORD:  They helped to  
9                   draft it, and they have been in negotiations.  I  
10                  think you have to ask them.

11                  SENATOR LEICHTER:  Well, Senator,  
12                  I'm not sponsoring the bill as you are.  I'm not  
13                  up here defending the bill as you are.  I'm not  
14                  as knowledgeable about the bill as I assume you  
15                  are.  You made some reference to the tax  
16                  department, and then you said go ask them.  Is  
17                  the tax department supporting this provision?

18                  SENATOR STAFFORD:  I would, as I  
19                  said earlier -- that they were involved with the  
20                  negotiations, I understand, and they also were  
21                  involved in the drafting.  Now, whether they are  
22                  going to officially support this legislation,  
23                  you would have to speak -- I think there are

1       some vagaries and vicissitudes that might be  
2       present before any agency right now would be  
3       supporting it in the executive branch, in all  
4       fairness to them.

5                    SENATOR LEICHTER:  Mr.  
6       President.  If Senator Stafford would be good  
7       enough to continue to yield.

8                    ACTING PRESIDENT FARLEY:  I'm  
9       confident he will.  Senator Stafford.

10                   SENATOR LEICHTER:  Senator, other  
11       than these cogeneration plants, are there any  
12       other businesses that you are aware of for whom  
13       this particular provision has been tailored and  
14       seeks to benefit?

15                    SENATOR STAFFORD:  No.

16                    SENATOR LEICHTER:  You do not  
17       know whether there are any or there are none.

18                    SENATOR STAFFORD:  No, I  
19       didn't -- N-O, no.

20                    SENATOR LEICHTER:  No what?

21                    SENATOR STAFFORD:  Other  
22       businesses.

23                    SENATOR LEICHTER:  There are no

1 other businesses that you know of?

2 And where are these cogeneration  
3 plants located, Senator, that you referred to?

4 SENATOR STAFFORD: I believe the  
5 sites are in Onondaga and Columbia County.

6 SENATOR LEICHTER: Senator, if  
7 you would be good enough to yield just to one or  
8 two other questions. There is a provision in  
9 your tax bill which lowers the tax on beer. Can  
10 you tell us what the total cost of that tax  
11 reduction would be?

12 SENATOR STAFFORD: It's 15  
13 million per year. But if you will allow me to  
14 answer with a few more points, I think you will  
15 find that in this state indication of the  
16 problems we're having. If you lived in the  
17 county of Oswego or the county of Fulton or the  
18 county of Onondaga, very possibly, and you  
19 received a notice that the brewery is closing,  
20 "We're leaving, we're not here any more,"  
21 that's what happened with Miller. I remember  
22 the great day it was that they opened.  
23 Unfortunately, they are leaving. How many jobs

1 is that, by the way? It's large.

2 Go ahead.

3 SENATOR LEICHTER: Senator, so  
4 what you are saying is that the cost of this  
5 particular amendment to the state treasury would  
6 be \$15 million on an annual basis?

7 SENATOR STAFFORD: Yes.

8 SENATOR LEICHTER: Okay. Thank  
9 you.

10 SENATOR STAFFORD: Thank you.

11 ACTING PRESIDENT FARLEY: Senator  
12 Leichter on the bill.

13 SENATOR LEICHTER: Mr.  
14 President. Colleagues. I'm just concerned  
15 where we get bills such as this one and the bill  
16 that previously passed that this is supposed to  
17 be a chapter amendment to without our having an  
18 overall economic plan, without it being part of  
19 a budget which takes a look at those things that  
20 the State of New York needs to do and that we  
21 need to have money for.

22 You know, the people on the other  
23 side of the aisle -- and Senator Stafford is a

1 very articulate spokesperson for this view that  
2 we have to improve the business climate. None  
3 of us disagree with you.

4 What I have a problem with is  
5 when you announce this like a man-trap. We have  
6 to improve the business climate without putting  
7 forward bills that give us a clear indication  
8 that your program, in fact, is going to create  
9 jobs, is going to improve business, without  
10 taking a look to see what this means for the  
11 revenue of the State of New York and whether we  
12 can deal with the infrastructure, with all of  
13 the other things that are necessary for  
14 businesses to succeed in the State of New York.

15 It's more than just reducing  
16 corporate taxes. There are lot of other things  
17 that need to be done, and I don't see that those  
18 are being addressed by the Republican majority.  
19 Frankly, this seems sort of like a helter  
20 skelter approach. Well, cut this tax. Cut that  
21 tax. Maybe somebody in their district has a  
22 business, and they once overheard somebody at  
23 the country club say, "Oh, you know, taxes are

1       too high," and so on.

2                   I mean Senator Stafford gets up  
3       and he says, "Breweries have closed." Senator,  
4       we lost an enormous number of breweries before  
5       we raised the tax on beer. I would say most of  
6       the breweries we loss were before this  
7       particular increase of the tax on beer. I don't  
8       know if there is any relationship between the  
9       closing of that brewery and the increase in  
10      taxes, which, by the way, I think many of the  
11      people on this side of the aisle have voted  
12      against.

13                   You know, in part, your amendment  
14      is sort of the mea culpa. All these taxes that  
15      you voted for over the last few years, then you  
16      come back one or two years later with bills  
17      which are usually one-house bills to try to  
18      eliminate those taxes. So we're very much in  
19      favor of a good program to help business in this  
20      state to create jobs, but it can't be the sort  
21      of the bills like the bill you presented  
22      yesterday, Senator -- in fact, afterwards, when  
23      I looked at it, and I was very strong in support

1 of providing monies for communities such as  
2 Plattsburgh which have lost military bases, then  
3 I realized there is nothing in the bill that  
4 even obligated UDC to make any monies available  
5 to that particular community. They could have,  
6 under that bill, given the money to a lot of  
7 other communities, and that's the problem.

8 I don't see a well thought out  
9 plan. Now, maybe I see a good political plan.  
10 I'm not arguing with that. I think you people  
11 are very skillful in that. But do we have  
12 something here that really is going to benefit  
13 the people of the State of New York by creating  
14 economic stimulus, by creating jobs? I don't  
15 think so.

16 Read the last section of the  
17 bill.

18 THE SECRETARY: Section 11. This  
19 act shall take effect -

20 SENATOR GOLD: Mr. President.

21 ACTING PRESIDENT FARLEY: Call  
22 the roll.

23 SENATOR GOLD: Mr. President.

1                   ACTING PRESIDENT FARLEY:  Senator  
2                   Gold.

3                   SENATOR GOLD:  I will be very  
4                   brief in closing, because it really isn't  
5                   necessary to repeat what we have been saying on  
6                   this side of the aisle on this issue.

7                   Senator Leichter used a number of  
8                   key phrases which really tell what it is; in  
9                   other words, what does this mean?  Well, what  
10                  does it mean to business?  What does it mean to  
11                  the entire budget process, to every person in  
12                  this state?

13                  Breweries have closed.  I can  
14                  tell you right now that the closing of a brewery  
15                  has a much, much more dramatically damaging  
16                  effect on every worker in that brewery than the  
17                  person who happens to be the CEO, the chairman  
18                  of the board, who obviously has concerns and  
19                  obviously will suffer.  But if you want to  
20                  measure the suffering, look at the working  
21                  people.  Look at the working people, you will  
22                  measure the suffering.

23                  So in saying that, am I saying

1       that these things are bad? I will tell you what  
2       is bad. What is bad without pointing a finger  
3       and without assigning the blame is the fact that  
4       we are not presented with a budget that is put  
5       together.

6                       We have a Comptroller of this  
7       state, who I happen to think is a terrific guy  
8       and a very talented person, which is more  
9       important, who tells us that there are greater  
10      numbers in the surplus than some other people.  
11      Well, if that's the case, it might just be that  
12      some of the tax suggestions of a Senator Jones  
13      from Rochester, tax reduction suggestions, I  
14      mean, and some of the suggestions from other  
15      people in this side have meaning. It may be  
16      that within that framework, we can have  
17      significant tax relief that helps business, that  
18      helps workers, that helps jobs, but that also  
19      takes care of programs for people who need that  
20      extra little bit help to live on a day-to-day  
21      basis.

22                      And all this conference has said  
23      is that we are not anti this or anti that. This

1 conference has said we got to take a look at a  
2 budget like every other normal human being in  
3 America would look at a budget when they were  
4 dealing with their own household, and that is,  
5 what are we talking about with income and what  
6 are the expenses?

7 But this itsy-bitsy business and  
8 this posturing, it is too late to posture. I  
9 can't resent a Republican majority that wants to  
10 posture on the budget in January or February,  
11 but this is not even March. It's April. Why  
12 are we posturing? Is it because we haven't been  
13 overrun yet by the local school boards that have  
14 done that to us in the past, whose budgets you  
15 are putting in jeopardy; or that we haven't been  
16 overrun by other groups? We shouldn't have to  
17 wait for that.

18 The time of posturing is very  
19 much over, and it is dangerous. Getting a  
20 budget put together is essential. And when that  
21 budget comes out if there are programs in it  
22 such as will help business and thereby help  
23 working people and there are programs in there

1           that give the proper kind of tax relief not only  
2           to businesses but also to individuals, and there  
3           are programs in there that help the working  
4           poor, we can look at a budget and very proudly  
5           join in if it's appropriate and vote for it.

6                         But I voted against the original  
7           and I'm going to vote against this and Senator  
8           Connor joined me with Senator Espada and Galiber  
9           and Kruger and Leichter and Markowitz and Mendez  
10          and Ohrenstein and Onorato and Paterson and  
11          Smith, Stavisky and Waldon, and I urge us to do  
12          the same thing until the time comes that we have  
13          a budget in front of us that makes sense as a  
14          totality.

15                        ACTING PRESIDENT FARLEY: You can  
16          read the last section.

17                        THE SECRETARY: Section 11. This  
18          act shall take effect on the same date as the  
19          Chapter of the Laws of 1994.

20                        ACTING PRESIDENT FARLEY: Call  
21          the roll.

22                                 (The Secretary called the roll.)

23                        ACTING PRESIDENT FARLEY: Senator

1           Daly to explain his vote.

2                         SENATOR DALY:   Yes.  Mr.  
3           President.  I'm delighted to have the Minority  
4           join us in a cry to change the business climate  
5           in New York State and make it better.  I  
6           certainly commend the effort.

7                         However, I would remind my  
8           colleagues that the bill that passed the Senate  
9           about three weeks ago cut business taxes by  
10          almost \$700 million.  And now because of  
11          negotiations with the Governor and the Assembly,  
12          that has been reduced down to \$400 million.  To  
13          me, that would indicate that the state might  
14          better be served if the Minority members on the  
15          other side joined us in our discussions with the  
16          Assembly to try to get even the \$400 million tax  
17          cuts that passed this house.

18                         So I commend them for their  
19          interests and their concern.  I would hope they  
20          would help us, help the state by impressing upon  
21          their party members in the other house the need  
22          to improve the business climate in New York  
23          State by the methods that this house has passed

1 and certainly has strongly demonstrated that it  
2 believes in.

3 I vote yes.

4 ACTING PRESIDENT FARLEY:

5 Results.

6 THE SECRETARY: Those recorded in  
7 the negative on Calendar Number 601 are Senators  
8 Connor, Espada, Galiber, Gold, Kruger,  
9 Markowitz, Mendez, Montgomery, Ohrenstein,  
10 Onorato, Smith, Waldon, also Senator Leichter.  
11 Ayes 45. Nays 13.

12 ACTING PRESIDENT FARLEY: The  
13 bill is passed.

14 Senator Present.

15 SENATOR PRESENT: Mr. President.

16 Any housekeeping?

17 ACTING PRESIDENT FARLEY: Yes, we  
18 do. Senator Holland has a motion, I believe.

19 SENATOR HOLLAND: Mr. President.  
20 On page 20, I offer the following amendments to  
21 my bill, Calendar Number 632, Senate Print  
22 Number 207, and ask the said bill retain its  
23 place on the Third Reading Calendar.

1                   ACTING PRESIDENT FARLEY: Without  
2                   objection.

3                   Any other motions?  
4                   Senator Dollinger.

5                   SENATOR DOLLINGER: Point of  
6                   order. Did we do 607 or has that bill been laid  
7                   aside?

8                   ACTING PRESIDENT FARLEY: It's  
9                   been laid aside.

10                  SENATOR DOLLINGER: Thank you,  
11                  Mr. President.

12                  ACTING PRESIDENT FARLEY: Any  
13                  other motions on the floor?

14                  Seeing none, Senator Present.

15                  SENATOR PRESENT: Mr. President.  
16                  On behalf of Senator Levy, I would like to  
17                  announce an immediate conference of the Majority  
18                  in Room 332.

19                  ACTING PRESIDENT FARLEY: There  
20                  will be an immediate meeting of the Majority for  
21                  a conference in Room 332.

22                  SENATOR PRESENT: Mr. President.  
23                  There being no further business, I move that we

1 adjourn until Monday, April 25, at 3:00 p.m.,  
2 intervening days being legislative days.

3 I would also advise the members  
4 that they are subject to the call of the  
5 Majority Leader upon receiving 24 hours' notice.

6 ACTING PRESIDENT FARLEY: The  
7 Senate will stand adjourned until Monday at 3:00  
8 p.m. All members will be subject to a 24-hour  
9 call from the Majority Leader.

10 Senate stands adjourned.

11 (Whereupon, at 1:17 p.m., Senate  
12 adjourned.)

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