ALBANY, NEW YORK

April 5, 1995

11:01 a.m.

REGULAR SESSION

SENATOR JOHN A. DeFRANCISCO, Acting President

STEPHEN F. SLOAN, Secretary

P R O C E E D I N G S

ACTING PRESIDENT DeFRANCISCO: The Senate will come to order.

All please rise and repeat with me the Pledge of Allegiance to the Flag.

(Whereupon, the Senate and those present joined in the Pledge of Allegiance to the Flag.)

In the absence of clergy may we please bow our heads in a moment of silence.

(Whereupon, there was a moment of silence.)

Reading of the Journal.

THE SECRETARY: In Senate, Tuesday, April 4. The Senate met pursuant to adjournment. Senator Kuhl in the chair. The Journal of Monday, April 3, was read and approved. On motion, Senate adjourned.

ACTING PRESIDENT DeFRANCISCO: 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 Farley.

SENATOR FARLEY: Thank you, Mr. President. On behalf of Senator Padavan, on page 20, I offer the following amendments to Calendar 339, Senate Print 3089, and I ask that this bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT DeFRANCISCO: Amendments received.

Senator Bruno, we have some substitutions at the desk.

SENATOR BRUNO: Mr. President. Can we make the substitution, please?

ACTING PRESIDENT DeFRANCISCO: Secretary will read.

THE SECRETARY: On page 6, Senator Seward moves to discharge from the

Committee on Codes Assembly Bill 1541 and substitute it for the identical Calendar Number 380.

THE SECRETARY: On page 7, Senator Holland moves to discharge from the Committee on Codes Assembly Bill 3039 and substitute it for identical bill Calendar Number 382.

ACTING PRESIDENT DeFRANCISCO: Substitutions ordered.

SENATOR BRUNO: Mr. President. Can we, now, at this time take up the noncontroversial calendar.

ACTING PRESIDENT DeFRANCISCO: Secretary will read.

THE SECRETARY: Calendar Number 116, by Senator Spano, Senate Bill 1088A, an act to amend the Penal Law, in relation to the crime of criminal employment.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the first day of

November.

ACTING PRESIDENT DeFRANCISCO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 36.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar 190, by Senator Velella, Senate Print 297, an act to amend the Real Property Tax Law, in relation to increasing the combined household income limit.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

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

ACTING PRESIDENT DeFRANCISCO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 37.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar Number 239, by Senator DeFrancisco, Senate Bill 1971,

an act to amend the Criminal Procedure Law, in relation to compliance with orders fixing bail.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

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

ACTING PRESIDENT DeFRANCISCO: Please call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 37.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar Number 253, by Senator Seward, Senate Bill 1105, an act to amend the Real Property Tax Law, in relation to real property held in trust for certain veterans.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

THE SECRETARY: Section 3. This act shall take effect on the first day of January.

ACTING PRESIDENT DeFRANCISCO:

Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 38.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar Number 264, by Senator Farley, Senate Print 2836, an act to amend the Banking Law, in relation to money transmitters.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

THE SECRETARY: Section 6. This act shall take effect on the 90th day.

ACTING PRESIDENT DeFRANCISCO: Please call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 39.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar Number 265, by Senator Farley, Senate Print 3268, an act to amend Chapter 720 of the Laws of 1976 and 403 of the Laws of 1982, amending the Banking

Law.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

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

ACTING PRESIDENT DeFRANCISCO: Please call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 39.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar Number 274, by Senator Hannon, Senate Print 2416A -

SENATOR PATERSON: Lay it aside.

THE SECRETARY: -- an act to amend the General Municipal Law, Housing Law, and State Finance Law.

ACTING PRESIDENT DeFRANCISCO: Please lay the bill aside.

THE SECRETARY: Calendar Number 284, by Senator Rath, Senate Bill 2760, an act to reopen the optional 20-year retirement plan.

ACTING PRESIDENT DeFRANCISCO:

There is a home rule message at the desk.

Please read the last section.

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

ACTING PRESIDENT DeFRANCISCO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 41.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

THE SECRETARY: Calendar Number 286, by Senator Trunzo, Senate Bill 2893, an act to amend the Retirement and Social Security Law, in relation to additional pension benefits.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

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

ACTING PRESIDENT DeFRANCISCO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 42.

ACTING PRESIDENT DeFRANCISCO:

The bill is passed.

THE SECRETARY: Calendar Number 315, from the Committee on Rules, Senate Print 3955, an act to amend the Tax Law and the Public Service Law.

SENATOR PATERSON: Lay it aside.

ACTING PRESIDENT DeFRANCISCO: Lay the bill aside.

That completes the reading of the noncontroversial calendar.

SENATOR BRUNO: Mr. President. Can we at this time take up the controversial calendar.

ACTING PRESIDENT DeFRANCISCO: The Secretary will read.

THE SECRETARY: On page number 21, Calendar 274, by Senator Hannon, Senate Print 2416A, an act to amend the General Municipal Law, the Public Housing Law, the State Finance Law and Chapter 585 of the Laws of 1939.

ACTING PRESIDENT DeFRANCISCO: An explanation is asked for.

Senator Hannon.

SENATOR HANNON: Mr. President. This bill, which passed this house last year, would index the rate of interest that various governmental entities have to pay on a judgment or an accrued claim. This would be -- the idea would be to reflect economic reality in regard to the claims that have to be paid out.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Mr. President. I don't have a particular problem with this bill. I just have a question of Senator Hannon in terms of the assessment of the interest rate.

I see that it comes more at the time of the judgment than the date of injury; and so where we have this disparity in the law where it comes to contract law as opposed to personal injury liability, I just want to know why he set the date at the time of judgment when the interest rate theoretically could fall which would inure to the detriment of the plaintiff.

ACTING PRESIDENT DeFRANCISCO:

Senator Hannon.

SENATOR HANNON: I would think that at the time the judgment is made, whatever the award is at that time, they have taken into account any changes in economic situations from the incident for which the case has been brought to the time of the award. So when you put the judgment in, you've already had that adjustment. So our thought was to go forward from that point in time to whenever the payment is actually made.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Thank you very much, Senator Hannon.

On the bill. I think it's a little bit of an assumption. It really doesn't affect the merit of the bill. It is a fine bill, and this house has seen to its unanimous passage before, but I would just recommend that one of the ways that this might become an agreed upon bill would be to address that particular issue where there is a discrepancy, in my

opinion, in the Contract Law as opposed to personal liability recovery; and in the event that the award is not made with the compensation for the lowering of the interest rate -- I think this is why the New York State Trial Lawyers Association brought this up -- the fact that you do have this opportunity for discrepancy.

Thank you.

ACTING PRESIDENT DeFRANCISCO: Read the last section.

THE SECRETARY: Section 5. This act shall take effect on the first day of January.

ACTING PRESIDENT DeFRANCISCO: Please call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT DeFRANCISCO: Results.

THE SECRETARY: Ayes 45. Nays 1. Senator Abate voting in the negative.

ACTING PRESIDENT DeFRANCISCO: The bill is passed.

SENATOR DOLLINGER: May I be

recorded in the negative as well? My apologies. It's on Calendar Number 274.

THE SECRETARY: Also Senator Dollinger.

ACTING PRESIDENT DeFRANCISCO: Please read.

THE SECRETARY: Calendar Number 353, by the Committee on Rules, Senate Print 3955, an act to amend the Tax Law and the Public Service Law, in relation to a reduction in the tax rate.

SENATOR PATERSON: Explanation.

ACTING PRESIDENT DeFRANCISCO: An explanation is asked for.

SENATOR BRUNO: Mr. President. We have before us a piece of legislation that when it is enacted into law will create hundreds of thousands of jobs that are desperately needed by the people of this state. It will stimulate the economy of this state. This is an economic development package and if people in this chamber understand what this does, they will support it.

Starts with construction jobs, thousands of them in various parts of the state relating to the stadia that take place in various regions of the state. Creates jobs initially, construction jobs, then it creates economic development with the functions that will take place in the stadia, tourist dollars, local dollars, economic stimulation and development.

Secondly, it creates jobs with a huge tax cut package, tax cuts starting with the utility gross receipts tax. Cost of energy in this state is driving businesses to other states. It is inhibiting their ability to grow or come to New York. This deals with that. Petroleum business tax will be cut. We have truckers, we have airlines, that are fueling up with their diesel fuel in other states, costing jobs here in this state. This corrects that.

There is a circuit breaker in this, taking the income levels from the present 18,000 to 32,000. There are people in their homes that can not afford to stay in their homes

because of the high and escalating local property taxes. This helps in that regard.

Critically important, there are people who leave New York State to go to Florida to avoid the estate taxes that are confiscatory here in New York State. This conforms the state income taxes to the federal taxes, critically important.

It also deals with the container tax, two cents on containers, and the 10 cents per gallon on beer. You will recall that that was put in place in 1990. For what reason? Who in this chamber knows? Senator Leichter knows. He knows why this tax was put on, and Senator Onorato knows why that tax was put on.

SENATOR ONORATO: And I agree with you.

SENATOR BRUNO: And I know it because they are having a discussion about it now, Mr. President, and their discussion relates to the fact that that tax was put on in 1990 to fund the environmental bond issue; and guess what? It didn't pass. So, Senator, that tax

has been in place for five years to fund the interest cost on that bond that never passed. Now, I know that you want to address that and do something about it and we're five years late, but this is our opportunity.

There is also help, Mr. President -- and, again, you have to realize what we're trying to do is stimulate the economy. There is NYRA relief in this. We do things with the taxes, with the takeout, with the NYRA tracks and the tracks across this state that are being driven into bankruptcy, again, by overtaxation of the state.

And, Mr. President, and this is so important, we did what came to be known in this state as the Cuomo real estate tax. When we levied that tax -- and you want to talk about things that we do that are counterproductive - the revenue from real estate sales at the higher end in this state was about $800 million. Do you know what the revenue is now from those sales? I won't ask for a show of hands. About 80-90-100 million. That's what we did to the

transfer of property in this state by laying taxes at the higher end. We took the income to this state down from 800 million when we levied this tax to less than 100 million today. That's going to go, Mr. President, and that going will create economic stimulus and jobs.

We, in New York State, rent two prisons from you in New York City. We are going to, through this package, buy those prisons from the City instead of renting them. Saves the state money, and it puts $120 million into the City budget. You, from the City, know that the Mayor's desperately trying to balance the budget. So a vote for this is a vote for your constituency in New York City, $120 million directly into the City.

Also in the City, there is 62 million in school restoration money used as capital expenditures to repair the schools. Most of it goes into New York, but it goes across the state in some other areas; but in New York City, there is a desperate need for that money. That is in this package, and there is

some miscellaneous things.

But, Mr. President, the reason this is before us is that the people of New York State desperately need jobs and the intent of this is economic development, job creation, and there is no other purpose for this to be before us other than to fulfill that requirement for the people of this state.

So people will say, Mr. President, and I know there is one or two people in this chamber right now -- one of them is making notes -- thinking about, Where will the money come from? How much will this cost? Well, let me answer. Where will the money come from? I'm reading your mind, Senator. It's very dangerous. Where will the money come from?

(Laughter.)

Okay, Mr. President, the money that we are spending is -- my learned counsel indicates -- and I don't like to say anything until I know it's absolutely a fact. I won't ask anyone in this chamber to guess, with all of

this economic development, all of this job stimulation, hundreds of thousands of jobs potentially being created, what the investment would be -- investment would be -- $15 million THE first year. 15 million.

Now, the other tax cuts amount to 80 million first year, 645 million second year. Where does that money come from? There will be further cuts. There will be potential increased revenues when the three leaders -- five leaders agree, with their conferences, that there may be additional revenue. There may be. If there is, then the first 15 ought to go, Mr. President, to create jobs, and the 80 million for the tax reduction package will come from either the agreed on revenues -- the Speaker of the Assembly, for instance, says that there may be 80 million or 100 million from one item alone, collecting the taxes that are apparently due from the Indian reservations. Now, the Speaker seems to feel strongly that that money is there. If that money is there, we are saying and we agree that -- people pay their taxes -

that money should be used for one purpose, to create jobs, for economic development and no other purpose. It represents, Mr. President, an investment in the present and in the future of New York State.

And, Mr. President, I am comfortable that my colleagues on both sides of the aisle will support this job creation package.

Thank you, Mr. President, for this opportunity to address my colleagues.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson is next on the list.

SENATOR PATERSON: Mr. President. Would the Majority Leader be willing to yield for a question?

ACTING PRESIDENT DeFRANCISCO: Senator Bruno, would you yield?

SENATOR BRUNO: With pleasure, Mr. President. It's always a pleasure.

SENATOR PATERSON: Thank you. Actually, the Majority Leader knows my question because he's read my mind; but just for the

benefit of the rest of you here, I thought I would state it publicly.

Let's review, Mr. Majority Leader. We have a utility tax, a real property circuit breaker. We have a real estate tax. We have estate and gift tax. We have a petroleum tax, a beer tax, a container tax, and a pari-mutuel racing tax. It will save us $80 million in the first year.

But my question to you relates to $650 million that are actually going to come out of our budget in fiscal year 1996-1997. Now, I know that this house has passed the budget, but I don't understand why we are actually working out the figures in the budget for next year in this bill when we haven't finished really negotiating the budget for this year.

To be specific, the Governor has announced that he is going to veto and has on three occasions already vetoed pieces of legislation that have come out of our house, and he promises he is not going to pass any laws until we pass this year's budget. So my

question is, Why are we going beyond that to next year and working out figures that we really can't be sure of until we make the necessary agreements arranged for this year?

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: Thank you, Mr. President.

That's an excellent question, and I will attempt to answer that. We saw, I believe, an ad by the CEO of Eastman Kodak in the papers in New York imploring us to do what's right in terms of economic development in this state and that relates to this budget. We saw IBM locate their headquarters and expand here by 245 million. Investment immediately. Those are just a couple of the biggest businesses in the world saying they think New York is headed in the right direction under this Governor and with this Legislature.

So, Senator, we are reinforcing the message to the people of this state that we are serious about changing the direction of

government. We want the people of this state to understand that we know that more jobs have left this state in the last four years than in any other state. Forty percent of all the jobs in the country lost came from New York. We know that. We also know that we are lagging the rest of the country in economic recovery. We also know that we are 49 out of 50 in our bond rating in the country.

So we have to stimulate the economy. We have to deliver the message, Senator. We have to help the people of this state understand that we're not just talking. We are acting. So by this action, we are delivering a strong message that we are not talking. We're taking action; and by the time this gets on the Governor's desk after you support it and we support it, gets supported in the other house, hopefully, we will have a budget in place, we will know what the Assembly's numbers are and that will give us an opportunity to negotiate; and when we do that, we will have a budget, and the Governor will

sign this bill, and it will become law, Senator. So I wouldn't worry that far along.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Mr. President. I welcome some of what the Majority Leader is doing. I would like to point out that our conference, the Minority Conference, voted against a lot of the increases that exist in this -- that this bill is actually addressing. We voted against it in 1990. We were not in lock step at that time with anybody in particular. We did not think that this was a good fiscal policy and we voted against it.

But I'm not totally clear on how we're taking a new direction. It looks to me as if we're bonding out not just large items that you have to bond out on certain occasions. We're bonding out a lot of smaller ones.

Now, some of the issues that this bill addresses are very good. I'm glad to see that in spite of the fact that we left out of the capital budget last week some stadiums that

are now in this particular bill, two in Rochester, one in Syracuse, some stadiums that were left out before, it's actually a good thing. But what I don't understand is where we are going to get the money from. It appears to me it's going to come from our own debt service, and what we are doing -- if we're really taking a new direction, how are we not -- Mr. Majority Leader, how are we not doing the same thing that I got the impression that you would rail against?

How are we bonding out finances that we're going to have to pay for down the road at a level that we really don't know? I don't understand that. Perhaps you could enlighten me.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: Mr. President. These are capital expenditures that we would bond out, and the most appropriate thing that happens in states, at the federal government, and in business is to get a mortgage. When you

bond out a stadium or you bond out something like a school, you are building something and you are mortgaging that property.

Now, this country was built on this concept that is acceptable in business, in the country, in the state. So, Senator Paterson, we're not doing anything new or different. We are not inventing anything. We are taking an accepted practice and we are utilizing it to create jobs in Rochester, Syracuse, Broome County, New York City, Senator -- your district -- Buffalo, and hopefully around here in the Capital District.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Mr. President. This is really my last question, but we usually don't bond out school maintenance. That is something that I think is new in this particular bill; and although I agree with the Majority Leader -- as a matter of fact, I think the Majority Leader is helping to make a point that I have been trying to make over the past

few weeks when all we hear, the newly shrill cry for attention, is about balancing budgets; and I maintain that balancing budgets is something that sounds very nice but really isn't making any economic sense. If you always had a balanced budget, individually, you couldn't have a credit card; you couldn't have a mortgage.

So I'm not objecting to the necessary bonding that takes place, but we're bonding $200,000 items here. We're bonding really very low-cost items, and these are also some items that appeared in last week's capital budget. So if we pass this bill, aren't we really spending money on the same thing twice? In other words, this is what I just don't understand about this bill at this particular time.

The Governor has said he is against bonding out items; so, in other words, it is the confusion really more than the merit that is difficult for me to understand.

ACTING PRESIDENT DeFRANCISCO: Senator Leichter.

SENATOR LEICHTER: Mr. President.

Senator Bruno, I enjoyed your presentation. You never cease to amaze me. I don't want to say this is an irresponsible program. I think more accurate would be to say that it's totally irresponsible. I think it's really interesting, Senator Bruno, in view of the statements that you have made, and members of your side of the aisle, in the last few days about how, "We're going to tighten the belt and this is a new day and we don't have the money to spend," and so on; but, lo and behold, suddenly we found this pot of money, pot of gold. I guess somebody went down the halls and looked in the corner; and, lo and behold, there is all this money available; and much of it, I see, goes for so-called economic development programs in the Capital Region.

The Capital Region does really quite well. The Albany County Airport, the Rensselaer County Building Acquisition and Restoration Program, that's good for 5 million.

Saratoga Performing Arts Center, 3.95 million, and -- I don't know where Gould Pumps, Inc., of Seneca Falls is, but that's only a million. I don't think that's in your district, Senator Bruno.

So, yes, I think certain Senate districts seem to do well as far as getting some pork. I know we got all the sports stadiums in here, but the thing that fascinated me was the economic theory that the Majority Leader set forth in trying to justify this bill.

This is a tax cut that benefits almost exclusively the very, very wealthy; and to get up and to say this is a program of economic stimulus for the State of New York, take a look at who benefits from these tax cuts. This Majority is legislating solely for the wealthy. The Pataki budget is a budget solely that benefits the wealthy. It hurts 90 percent of the people of this state. You are trying to make it that 95 percent are going to be hurt and more benefits for wealthy.

Senator Bruno, your explanation

of the loss of jobs in New York State and how we're doing poorly as against other parts of the country, Senator, the fact is that the whole Northeast has been in a recession; and the last time I looked, New Jersey, with that great Republican governor and her economic theory, was doing particularly badly, with unemployment up, facing a large deficit; and Governor Pataki, with your cheerleading, is going down that same path because, frankly, there is no economic basis with any rationality to support this sort of a program.

I would like to say, Senator Bruno, that I'm going to set up a fund to send you to some classes in economics; and as soon as we get paid, I pledge $100 to that fund and I hope other members will join me because, with all due respect, you need some economic underpinning for these programs that you're putting forth.

I think it's a dishonest bill. I think in some parts it's a fig leaf to cover up the failings of the budget that you passed

earlier because you refused to carry out promises that you had made to the people when we said that we would pay for school repairs and maintenance and now we weren't doing it. So this is the fig leaf. Republicans are going to be able to say, "Oh, no, I didn't break the promise. Look, in our economic revitalization bill" -- or whatever you're calling it -- "the Economic Development Act of 1995, we provided for this money," and you did it in a totally irresponsible fashion, as Senator Paterson rightly pointed out.

Let me just say on these claims how we're helping business and we're stimulating business by these programs, there is no empirical data, whatsoever, that these sort of programs in any way are an assistance to business or to create jobs. You take a look at other states that are doing better -- and they are doing better for various economic reasons that really have very little to do with the sort of legislation that we're considering, but they don't have the sort of give-away programs that

we have for business.

I issued a report about a month ago showing the corporate welfare program in the State of New York. Last year, we spent $1.2 billion in assistance to corporations. Most of it was completely wasted. Much of it was totally foolish. Some of it was totally counterproductive. For instance, where the investment tax credit -- which actually gives money mainly to the largest corporations in this state to put in so-called labor saving devices. That particular economic stimulus program actually costs us jobs in the State of New York.

This bill goes along the same line of really throwing money away on so-called economic stimulus programs that do not create jobs. We would be much better off dealing with the overall quality of life in the State of New York with the business climate; and, unfortunately, this bill doesn't address that and the budget only makes the overall business climate worse.

So, this bill may create good

press releases, may be claims that the Republicans can make, but I'll say this to you, Senator Bruno. I consider this just more pandering, the same as the pandering we did yesterday on refusing to pay legislative staff, although we understand they are going to be paid now, anyhow; but none of this really addresses the needs of the people of the State of New York; and when it's contrasted to the statements that you made last week, when it's contrasted to the budget that you passed and your claims of, "We are going in a new direction," that direction is one of gross fiscal irresponsibility.

ACTING PRESIDENT DeFRANCISCO: Senator Waldon.

SENATOR WALDON: Thank you very much, Mr. President. I would like to ask the learned Senator from Rensselaer to respond to a question or two. But, first, yesterday, my doctor had scheduled an examination for me, and I had to repair to that place for the examination. I would like the record to show

that had I been present here I would have voted no -- I believe it was Bill Number 4000. My doctor, my colleagues, had scheduled a sigmoidoscopy. I respectfully requested that the doctor wait until the budget process - until the budget process was over, that we were having enough difficulty with that up here on the hill.

But if the learned Senator would respond -- yield to a question or two?

ACTING PRESIDENT DeFRANCISCO: First, the record will reflect that you would have voted in the negative on that bill had you been present.

Senator Bruno, would you yield to a question?

SENATOR BRUNO: Yes, Mr. President.

SENATOR WALDON: My dear colleague, have you had any discussion with the Speaker Sheldon Silver in regard to a companion bill for this particular bill that you are submitting for our consideration today?

SENATOR BRUNO: Yes, I have, Senator. Not about the particular package that we have before us, but almost every item that we're talking about here in some way or other has been part of the discussions that relate to the budget process.

SENATOR WALDON: If I may continue, Mr. President?

ACTING PRESIDENT DeFRANCISCO: Senator Waldon.

SENATOR WALDON: I'm sorry.

ACTING PRESIDENT DeFRANCISCO: Yes.

SENATOR WALDON: Thank you, Mr. President.

Senator, in your colloquy with the Speaker, has he agreed to do -- if not the precise things that you are looking to accomplish with this, has he agreed to do something similar that could be conformed to relatively easily when the respective committees from each house meet to address these concerns?

ACTING PRESIDENT DeFRANCISCO:

Senator Bruno.

SENATOR BRUNO: Mr. President. I don't like to even paraphrase what the Speaker might or might not agree to, but it is my impression and understanding from our discussions that he is open to and receptive to much of what is before us in this house. There may be some specific items that he may want to discuss further.

But, generally, I think, in pieces, if you take the 62 million for schools, part of what he talks about, 120 million for the City for us to buy the jails from them since the state prisoners inhabit those jails, he talks about that and I believe is supportive of that. The stadia, he has indicated in the past that he is supportive of that as relates to job creation. The tax package, he has a little different mix, but I know that some of these items are important to him and his conference. He has some others like the sales tax that if this were to become law he would want to negotiate as to that potentially being part of

it.

But I would say if I were just paraphrasing that most of what is before us is something that he would be interested in helping make happen.

SENATOR WALDON: If I may continue, Mr. President. If the Senator will continue to yield.

SENATOR BRUNO: Yes, Mr. President.

SENATOR WALDON: Senator, this bill will pass in this house simply because of the numbers. I would like to know upon its passage, do you intend to hold it at the desk or are you going to present it outside of this house for consideration by the Governor?

SENATOR BRUNO: We will, upon passage, send it over to the Assembly; and if they were to pass it in the next couple of days, which I think would be a great public service, and send it to the Governor, then I would with my colleagues -- and I would ask the Speaker to accompany me. I would have a discussion with

the Governor about his signing this piece of legislation, because the Governor has said that he will sign legislation that represents dealing with emergencies or dealing with things that are critically important to the health and welfare of this state, and, Senator, I think that the Governor would recognize that this bill represents an emergency.

It's a reaction to an emergency in this state where, if in this state we were only keeping pace with the rest of the country in the recovery in this recession, we would have about 651,000 more jobs today creating about 3 billion in revenue, and what a godsend that would be in meeting this deficit that we have before us if that were a fact.

So, Mr. President, I believe - and I can't speak for the Governor, but I believe that if this lands on the Governor's desk this week that he would be inclined to sign it because it stimulates the economy and it creates jobs.

ACTING PRESIDENT DeFRANCISCO:

Senator Waldon.

SENATOR WALDON: Just a few more questions. I will not belabor this too long. Will the Senator continue to yield?

ACTING PRESIDENT DeFRANCISCO: Will you continue to yield?

SENATOR BRUNO: Yes, Mr. President.

SENATOR WALDON: My learned Senator from Rensselaer County, have you received any personal assurances from our governor that he will sign this if you present it to him via the normal process through the Assembly to his desk?

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: Mr. President. I must answer negatively. I have had no guarantees from the Governor that he would sign this. I only have a very strong feeling that if we presented it to him in finished product that he might see the wisdom of the job creation that's contained, but I have no assurance from

him personally that he supports everything that is in this bill.

SENATOR WALDON: May I continue, Mr. President, through you?

ACTING PRESIDENT DeFRANCISCO: Yes, sir.

SENATOR WALDON: Mr. Majority Leader, I read in the paper today that the closest ally our Governor has in this body is yourself, and I also read in that same newspaper article that this Governor -- and one of the bills that he vetoed was our dear colleague Senator Farley's bill which dealt with laundering of money, et cetera, a very positive bill, a good bill for the banking industry, which supported this Governor and supported, I'm sure, the Republican side of this house -- that article continued to say that it is the understanding of the writer that this Governor would veto all bills coming before him if there is no budget in place.

Now, when I left for the doctor's last night we had not passed the budget, to my

knowledge. I assume, because no one said to me with glad-handedness and a great spirit as I entered the hall of this chamber this afternoon -- this morning, I should say -- that we, in fact, had passed the budget, so I have to assume that we did not pass the budget in my absence last evening. Therefore, we have no budget.

Therefore, I ask again the question. In your feeling stage, your feelings at your feeling level, do you think that this will be signed post haste if we pass it today and it gets to the Governor's desk?

SENATOR BRUNO: Mr. President. The good Senator is correct. In his absence, the state did not enact a budget. So you accurately reflect the condition of the state, and we haven't passed a budget, Mr. President, because the Assembly hasn't seen fit to pass the budget that we diligently passed by March 31st in cooperation in an agreement with the Governor; and had the Assembly done their job the way we did our job in this house -- with the assistance of my colleagues on both sides of the

aisle, we put a balanced budget in place by March 31 for all of the people of this state. But, Mr. President, the Assembly hasn't seen fit to pass other than two budget bills. We have passed, I believe, 70-some budget bills to get a budget completely in place, and that is a sad state of affairs.

I keep reading that I am one of the closest allies of this good Governor. I keep reading that; and, Senator, as you know, everything that ends up in print is usually the Gospel truth, and we recognize that.

So that being the case, I would take the other allies of the Governor, both sides of the aisle, and discuss with the Governor the merits of this job creation package; and while he may not agree totally and completely, I think he would understand the wisdom of this, attempting to correct the errors of the past administration that has led us into this fiscal embarrassment that New York State finds itself with a $5 billion deficit.

So I believe that our ally,

yours, mine, would see fit to look favorably upon this legislation if it lands on his desk by tomorrow.

SENATOR WALDON: Mr. President. Just one last question of the Majority Leader if he would submit.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno, do you continue to yield?

SENATOR BRUNO: Yes, Mr. President.

SENATOR WALDON: In keeping with our concerns, at least my concern in reading the article this morning, Senator, have you have had any -- Mr. Majority Leader. I apologize -- have you had any conversations with this Governor in regard to other legislation that we will pass and his intention to veto and/or to sign said legislation?

SENATOR BRUNO: Yes, Senator, I have had a discussion, several discussions, and the Governor's message to me was, it is critically important that we in this Legislature stay focused on putting a budget in place.

Every day that goes by costs the taxpayers of this state huge sums of money. One estimate is $13,700,000 a day every day.

So the Governor said, "Stay focused." The Governor said, "I know that you in the Senate did your job and did your budget. I know the Speaker in the Assembly hasn't done his job and hasn't done his budget, but, Senator, I'm going to veto everything other than emergency bills. I'm going to veto everything so that we can keep the attention of this Legislature and this state focused on getting a budget in place."

So, I said,"Governor, I disagree with you vetoing our best friends' legislation that the people of this state need and your - one of your closest allies, Senator Farley, Senator Sears. I disagree, Governor, with that because this was legislation that was passed before April 1, before the budget deadline."

And the Governor said, "Thank you, Senator, for your opinion," and he vetoed the bills.

ACTING PRESIDENT DeFRANCISCO: Senator Waldon.

SENATOR WALDON: On the bill, Mr. President. I appreciate the indulgence of the Majority Leader to my questions.

We danced very well, Senator. The music was smooth, and it did the job. I don't know if you really responded to the questions, but I do believe I accomplished my point.

So on this bill let me say I believe that this is not an emergency bill; therefore, if the pattern of behavior of this Governor, to date, regarding similar pieces of legislation we have passed which were, in fact, vetoed by him, that he will also veto this bill.

But the interesting piece is that $13-plus million by your estimation -- I believe it is much more when we consider the debt service -- is accumulating negatively to the state as we are here doing nothing. Because if he is vetoing what we do, what we are empowered

to do as legislators, what we are mandated and obligated to do as legislators, he has, in effect, constructively evicted us from our roles as legislators.

That's the point that I wish to make. This Governor by his arbitrary, capricious, unheralded, historically not substantiated action is constructively evicting all of us, Senators and Assemblypersons, staff recently paid but a fear of not being paid yesterday; and thanks to the good graces of the system and the superman, Carl McCall, the checks arrived.

But I believe that this Governor is doing a disservice to the people of the State of New York, and we can sit here and fidget if we wish. We can sit here and try to do the business of the people of state if we wish, but there is only one impediment stopping us from achieving the people's business, and he's on the second floor.

Thank you, Mr. President.

SENATOR BRUNO: Mr. President.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: Can I ask the house's indulgence? One of our members has to be somewhere very, very shortly that's important in his life, and I ask that you interrupt the proceedings and read the last section on this bill so that he might vote.

Senator Hoblock.

ACTING PRESIDENT DeFRANCISCO: Please read the last section.

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

ACTING PRESIDENT DeFRANCISCO: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT DeFRANCISCO: Senator Hoblock, how do you vote?

SENATOR HOBLOCK: Vote in the affirmative. Thank you, Mr. President.

ACTING PRESIDENT DeFRANCISCO: Please withdraw the roll call.

Senator Dollinger.

SENATOR DOLLINGER: Mr. President. Will the real Majority Leader yield to a few questions?

SENATOR BRUNO: Yes, Mr. President.

ACTING PRESIDENT DeFRANCISCO: Excuse me. I misunderstood you. Who were you asking to yield to a question?

SENATOR DOLLINGER: I was asking the Majority Leader, Mr. President. I'm astounded, I guess, because -

ACTING PRESIDENT DeFRANCISCO: Excuse me. You are asking the Majority Leader to yield?

SENATOR DOLLINGER: Yes, Mr. President.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno, would you yield to a question from Senator Dollinger?

SENATOR BRUNO: Yes, Mr. President.

SENATOR DOLLINGER: Mr. President. The reason I put that adjective in

front of the phrase was -

SENATOR BRUNO: Mr. President. Is it worth repeating?

SENATOR DOLLINGER: No, I simply said, "the real Majority Leader." I only ask that, Senator Bruno -- I hope you'll appreciate a little attempt at humor -- because last week I heard you sound like Ronald Reagan when you talked about the importance of budget cuts and how you were going to revitalize the economy; and, today, I thought you sounded a lot like Franklin Roosevelt, when you talked about the importance of public works projects and how we had to use the public's money to spur all this job creation.

ACTING PRESIDENT DeFRANCISCO: Is there a question, Senator?

SENATOR DOLLINGER: There is a question. Is it the position of the Majority in this house that we're now going to use public money to create a publicly-financed job creation project in this state rather than use the tax cut approach that we were trying to put into the

budget last time, to use a privately financed creation of jobs?

SENATOR BRUNO: Senator, was that a question?

SENATOR DOLLINGER: Yes, I was simply asking through you, Mr. President, whether there has been a philosophical change on the other side of the aisle -

SENATOR BRUNO: Yes.

SENATOR DOLLINGER: -- whether to use publicly-financed -

SENATOR BRUNO: Yes. Mr. President. There has not been a philosophical change, but I want to thank Senator Dollinger for calling attention to the fact that I in my life, my colleagues on this side of the aisle are big enough to embrace philosophically great Americans like President Roosevelt, a former Senator who stood in this house and debated as we're debating and I admire him and I respect him and his memory and applaud so many of the things that he did to move this country forward, as did so many other Presidents, like President

Reagan, President Bush, to help stimulate the economy of this state by doing what is necessary, states in the country, at appropriate times.

So philosophically, Mr. President, yes, we are for job creation. Jobs create revenue; and, Mr. President, unlike some other states' people that were Presidents who created the welfare system in the United States, like President Johnson, that has taken this country to the brink of financial ruin and thanks to the good works that are presently being done in both houses, trying to change the direction of this country as the people have mandated this past November, and we embrace much of what's being done there, and we embrace now job creation and if that means that it is following philosophically in the steps of the great President Franklin Delano Roosevelt, then we do. So the answer is yes.

SENATOR DOLLINGER: Through you, Mr. President. The Majority Leader also said this would create hundreds of thousands of

jobs. Do you have an estimate of exactly how many jobs will be created; and how long will these jobs remain in place?

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: How long the jobs will last? Well, for instance, in Rochester, you will have construction jobs that would take place immediately, and then you would have hundreds of ongoing jobs, maintaining facilities, utilizing the facilities, for instance; and when people attend functions, there are jobs created in restaurants, gas stations, dry cleaners, you name it. So it truly is economic stimulation; and, Senator Leichter, had mentioned -- and in this answer, Mr. President, I would like to incorporate very specifically something that relates to you - talked about Gould Pumps; and I sense that it was disparaging in the way you addressed it which appeared, and I know you didn't mean it, almost like disdain, but I know you didn't mean it. That Gould Pumps that was mentioned in this

bill, it is a $1 million loan by UDC which leverages a $10 million availability that will create 1200 jobs in your neighborhood.

Now, Senator -- Mr. President, would you -- do you support the construction of the facilities in Rochester and Gould Pumps employing these 1200 people? Do you support that?

SENATOR DOLLINGER: Is he asking me to yield?

SENATOR BRUNO: May I?

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger, would you yield to that question?

SENATOR DOLLINGER: Absolutely. In fact, I voted against the capital budget that took out both the projects in Rochester. You remember that, last week, one week ago today, when the budget came to this floor, "a balanced budget," as I was told by the Majority, and the Majority happened to delete both the Rochester projects. You may remember, Mr. Majority Leader, that I stood up and said, "I'm going to

vote against that budget because we're breaching our faith with the people in my community," and I voted against that, and, lo and behold, I find it suddenly dashed back into the economic development.

With all due respect to the Majority Leader, do you remember the poster I made? I mean I got it sitting out in the hall. I've been told I can't bring it in; but remember the poster I made? Remember, it said in big letters, "NO POOL." Lo and behold, the pool is back. We're swimming in money.

SPAC. Remember, no SPAC. All of a sudden SPAC is back. There it is right in the economic stimulus bill.

Seems as though the Majority wants to have it both ways. Cut it with one hand and deliver it with the other. Sort of a little -- I don't know, some people would call it a shell game. You take with one hand; you give with the other; you take with one hand; you give with the other. It's like the old bob and weave style that Sugar Ray Leonard was famous

for. I see a lot of bobbing and weaving in all this discussion about a budget.

But let me ask a specific question about a project in Senator Bruno's district.

ACTING PRESIDENT DeFRANCISCO: Excuse me. Senator Nozzolio, why do you rise?

SENATOR NOZZOLIO: I would like Senator Dollinger to yield, Mr. President.

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger, would you yield to a question?

SENATOR DOLLINGER: I will be glad to yield to Senator Nozzolio as soon as I ask a question of Senator Bruno.

ACTING PRESIDENT DeFRANCISCO: All right. Senator Bruno, do you yield?

SENATOR BRUNO: Yes, Mr. President, and I would yield to Senator Nozzolio if he had a comment and if that's appropriate on the floor.

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger, would you consent to that?

SENATOR BRUNO: Would you concur in that little transition, Senator?

SENATOR DOLLINGER: Mr. President. I was hoping I could ask my question of Senator Bruno first about the Rensselaer County project.

SENATOR BRUNO: Fine.

SENATOR DOLLINGER: So I could figure out what this all means as far as the money we're spending on the specific capital projects.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno?

SENATOR BRUNO: All right, Mr. President. I will be happy to answer.

SENATOR DOLLINGER: Mr. President. There is a five million appropriation in this economic stimulus bill for a project in Rensselaer County, and I understand you were asked by the press what it was and didn't divulge any details as to what the project was. Could you tell me what the project was and where it is?

SENATOR BRUNO: Well, first, Senator, I'm sorry that I have to let you understand that everything we have to do with building, construction, job creation, can't go into Rochester. Sorry about that. Okay?

SENATOR DOLLINGER: I appreciate that. I shouldn't be a glutton for all the state spending right in Rochester. I'm willing to spread it around.

SENATOR BRUNO: Having said that, there is a very, very small piece that might find itself into Rensselaer County, Mr. President, and that very small piece would create potentially thousands of jobs because there are several sites in Rensselaer County suitable for private industry to move in and occupy and that five million was earmarked - for instance, Sterling Winthrop that moved out of this area, closed, cratered, thousands of jobs that moved out of this state due to the negative policies of the Cuomo administration in the last 12 years that you, Senator, have to take a responsibility for because he was your

Governor and he was on the same side of the aisle -- I'm answering your question.

SENATOR DOLLINGER: I appreciate that.

SENATOR BRUNO: But because of that, Sterling left town. They said, "We've had enough of taxes and spending by the Cuomo administration and all of those people on his side of the aisle that support him, so we're taking our good jobs," and they moved to Pennsylvania and other parts of the country.

So that five million, Senator, is intended, for instance, to renovate that facility that sits there. You can see it from this side, the east side of the LOB or the Capitol, sits there empty with 350,000 usable feet. With a paltry sum of potentially up to five million, we might have that 350,000 feet inhabited by people who are off welfare, off unemployment, and working; and that helps you, Senator. It helps your constituents, and it helps mine.

So, yes, that's what that is

intended for.

Now, can I give you details? No. Are we talking to some people that can occupy that facility? Yes. If we went public with that, can that be detrimental? Yes. And will we? No.

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger, now that Senator Bruno has answered your question, will you yield to the question of Senator Nozzolio?

SENATOR DOLLINGER: I would like to follow-up with Senator Bruno for a second. I apologize to my colleague from Seneca.

ACTING PRESIDENT DeFRANCISCO: So at this time you will not yield to Senator Nozzolio?

SENATOR DOLLINGER: Not at this time. I would like to just follow up with Senator Bruno. I guess, Senator, I'm always surprised -

ACTING PRESIDENT DeFRANCISCO: Excuse me. The Senator will not yield at this time. He requests that Senator Bruno yield

again for another question. Senator Bruno, will you yield?

SENATOR BRUNO: Mr. President. The good Senator had indicated that he just wanted to finish with one question before he would accommodate our colleague. So I would just ask him if you wouldn't mind accommodating our colleague, because that's what you had said earlier?

SENATOR DOLLINGER: Certainly, Senator.

SENATOR BRUNO: I would appreciate that.

SENATOR DOLLINGER: I believe that admonition is appropriate.

I will now yield to Senator Nozzolio.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio.

SENATOR NOZZOLIO: Thank you, Mr. President.

Senator Dollinger, are you aware that this measure has two athletic stadium

facilities in it for the Rochester area?

SENATOR DOLLINGER: Yes, Mr. President, I am.

SENATOR NOZZOLIO: And if Mr. Dollinger will continue to yield?

ACTING PRESIDENT DeFRANCISCO: Will you continue to yield?

SENATOR DOLLINGER: I will.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio.

SENATOR NOZZOLIO: Are you aware, Senator, that among the projects listed here is a project that is very critical to the future of one of the larger manufacturers in our region, Gould Pumps?

SENATOR DOLLINGER: I understand there is a million dollar appropriation, Mr. President. I don't know exactly what it goes for. It isn't detailed in the budget, but I understand there is a million dollar loan appropriation to Gould Pumps. I don't know the specifics of it.

SENATOR NOZZOLIO: It's a million

dollars -- just to clarify, Senator, it's a million dollar capital appropriation to RIT, Rochester Institute of Technology, to expand their Center for Integrated Manufacturing, the CIM's project into the Finger Lakes Region, and that RIT, the Rochester Institute of Technology, is extremely interested in expanding their efforts of economic development. I wanted to test your awareness of those projects because I have a number of questions I would like to ask you.

If the Senator will continue to yield?

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger, will you continue to yield?

SENATOR DOLLINGER: I will. Certainly.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio.

SENATOR NOZZOLIO: Thank you, Senator Dollinger. Senator Dollinger, let me just ask you your philosophical -- attempt at a philosophical argument. You mentioned public

works jobs. I just want to point out, Senator, that public works jobs as I view them are short term government supported jobs. You are supporting the stadium facility in Rochester, are you not?

SENATOR DOLLINGER: I am, Mr. President.

SENATOR NOZZOLIO: And, Senator, it's my understanding, too, that you are supportive of the auditorium, the War Memorial renovations in the city of Rochester.

SENATOR DOLLINGER: I do also support state participation in that project, as well.

SENATOR NOZZOLIO: Senator, if you will continue to yield?

You support both of those projects because I think you believe as I do - and please correct me if this statement is not accurate, but you believe as I do that both projects are important to the economic climate of the Rochester area.

SENATOR DOLLINGER: I think both

of them will have some positive benefit to the economic community of Rochester, that is correct.

SENATOR NOZZOLIO: And, Senator, in the past -- if you will continue to yield - you have supported RIT and CIMs, have you not?

SENATOR DOLLINGER: I have. Mr. President, I have.

SENATOR NOZZOLIO: And do you have any objection to the funding in this bill for RIT CIMs, the War Memorial facility, and the stadium at Rochester?

SENATOR DOLLINGER: Under the context of this bill, one of the things I will say before I finish my speech is that I intend to vote for this bill. I think this is a wonderful bill. I think this bill is the perfect bill. I feel like I've died and gone to political nirvana. This is a bill that allows me to cut taxes and to spend money without having to worry about its repercussion in the budget. You've given me a wonderful opportunity. I would love to vote for this. I

have voted for this every time. I can reach up my sleeve and find a couple hundred million, just as I think you are.

But I think this bill doesn't make any sense because the budget we've passed that was balanced took all this stuff out; and, frankly, what I think happened is the Majority said, "Uh-oh, we can't do that. We've got to have a political fig leaf," in the words of Senator Leichter. So all of a sudden, the very next minute, even before the ink was dry on that budget bill the Majority of this house passed, all of a sudden, "It isn't a budget; it's economic development," and that's what everybody says now.

Well, I support economic development. I'm going to vote in favor of economic development. I voted against the capital budget because it was taken out of the capital budget. My view is you can't have it both ways. You can either take with one hand and move with the other. That's what you would like. I understand the politics of that; but,

frankly, I'm going to vote in favor of this.

You have given me a wonderful opportunity which I fully intend to take. It's sort of like risk-free law making.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio.

SENATOR NOZZOLIO: Will Senator Dollinger continue to yield?

ACTING PRESIDENT DeFRANCISCO: Will you continue to yield, Senator Dollinger?

SENATOR DOLLINGER: Yes, I will.

SENATOR NOZZOLIO: Senator Dollinger, have we passed a state budget?

SENATOR DOLLINGER: I believe this body has. Not with my support, but I believe it has passed a version of the state budget.

SENATOR NOZZOLIO: Certainly we would have liked your support, Senator, but I understand -

SENATOR DOLLINGER: It didn't have the stadium in it. I couldn't vote for it.

SENATOR NOZZOLIO: -- that this

house has passed -

SENATOR DOLLINGER: Oh, excuse me.

SENATOR NOZZOLIO: -- a state budget, but the other has not. Is that correct?

SENATOR DOLLINGER: That is my understanding.

SENATOR NOZZOLIO: So we do not have a final state budget at this point, do we Senator?

SENATOR DOLLINGER: I don't believe so, and I think it becomes more difficult for us to get one when you vote a capital budget one day and the very next day you announce that you're going to do economic development which has a direct effect on our capital needs in this state. I regard that as hypocritical.

SENATOR NOZZOLIO: Senator, you believe in an open budget process, do you not?

SENATOR DOLLINGER: I do.

SENATOR NOZZOLIO: What we're

attempting to do is, and the Majority Leader has made it very clear in every statement he's made on this issue, that we are proposing these projects openly, not behind closed doors, not three men in a room, not to hide them from the public. We are putting them on the table in front of everyone now before there is a final state budget; because, as I understand it, the budget negotiations are continuing.

Do you have any word to the contrary that they are not continuing?

SENATOR DOLLINGER: Through you, Mr. President. I don't know whether they are continuing. As you know, I don't participate.

What I will do is I think it's very confusing to our colleagues in the Assembly and to our Governor on the second floor when this body passes a budget one day that takes out a bunch of capital projects, takes out SPAC, takes out the natatorium, and the very next day, before the ink is dry, announces it's not part of the budget; it's economic development and, therefore, it's something different.

That's kind of what I regard as open -- perhaps open budgeting process and back room hypocrisy is what drives our colleagues in the Assembly and, frankly, the Governor and I believe everybody in this state crazy about this process.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio.

SENATOR NOZZOLIO: Will Senator Dollinger continue to yield?

SENATOR DOLLINGER: I will, Mr. President.

SENATOR NOZZOLIO: Senator Dollinger, it is my understanding the Assembly has yet to pass a capital budget. They have not enacted a project-by-project budget for our consideration. However, the Assembly, as I understand it, has put in an amendment on stadium and other project funding. Among - some of those projects are listed here, particularly those in Rochester. Some have been directly excluded that were in the Governor's budget in the first instance, like a project in

Auburn, like a project in Binghamton, in my opinion, for crass political purposes. What we're suggesting is that we put our project list on the line and put it before the public, put it before this house and enact it as part of our negotiating strategy. How possibly could you be opposed to that?

SENATOR DOLLINGER: Mr. President, through you. What I am opposed to is that you put your list before the people of this state last Wednesday. You approved a capital budget that didn't have the War Memorial or the new stadium in it. So you tell everybody in the state we're not going to fund these projects this year; and then with the other hand, you are out issuing an economic development piece that says we want to fund them. Frankly, I can't understand which side of the mouth the Senate Majority is talking with when it comes to economic development projects. One mouth, one hand, one side says, "We don't want these." The other side says, "Please give us these." No wonder people are confused.

SENATOR NOZZOLIO: Mr. President. Will Senator Dollinger continue to yield?

SENATOR DOLLINGER: I will.

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger yields.

SENATOR NOZZOLIO: Thank you, Mr. President.

Senator, are you aware -- I'm not sure, you may not be aware. From your comments, you don't appear to be aware that there is a funding mechanism in this budget bill. Although it's not technically a budget bill, this bill before us has in it not just a project list but a revenue stream list, a funding list. Doesn't that really answer the question that you are objecting to, that we have a funding list identified along with a project list?

SENATOR DOLLINGER: Mr. President. If that were the case, why isn't it in the capital budget? Why? If it's balanced, put it in the capital budget. I suspect and, lo and behold, I haven't been here long enough to

know, but I'll just suspect. I'll suspect that the Majority of this house wanted to pass a budget that would back the Governor and look tough on spending, and the reason why this wasn't in the budget is because if you put this in the budget you wouldn't look as tough as you want to appear to be.

SENATOR NOZZOLIO: Was that a rhetorical question, or may I answer that?

SENATOR DOLLINGER: That's rhetorical. I will let Senator Nozzolio answer it.

ACTING PRESIDENT DeFRANCISCO: I forgot who's got the floor.

SENATOR DOLLINGER: So have I, Mr. President.

SENATOR NOZZOLIO: Senator, answering your question, which I think is a question that certainly can be answered. We do not have a budget yet. There is nothing cast in stone. This is a fluid part of the negotiations, albeit unprecedented, because we have never had an opportunity until Senator

Bruno became Majority Leader to actually place the negotiation process before the public.

This is not a cast-in-stone budget. We are making a legitimate attempt to list not only the capital projects we would like to see above and beyond what the Governor has already agreed to, we are taking a position in this house that a capital project list above what the Governor has suggested should be considered by our Legislature.

You, yesterday, were railing on the fact that the Legislature was abdicating responsibility. Our Senate is taking responsibility for forming a budget. We have agreed with the Governor, but we also believe that if this revenue is adopted that we think this should be part of the budget consideration.

Senator, your argument falls down because you superimpose that a budget is agreed on. There is no agreement on a budget. We're saying we want to forge that agreement and, frankly, we want to forge that agreement with

projects that are very important to the area where you and I serve.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio, is there a question there?

SENATOR NOZZOLIO: That was my answer to Senator Dollinger's nonrhetorical question.

ACTING PRESIDENT DeFRANCISCO: All right. At this point, Senator Dollinger has the floor.

SENATOR DOLLINGER: I think Senator Nozzolio's question highlights the problem that the people of this state have when the Senate Republicans say, "We have done our work; we've finished the budget." Senator Nozzolio acknowledges it's fluid. It's moving. It's a moving target.

It's moving so fast that on one day last week we sent a budget bill over to the Assembly that said, "We don't want the stadiums. We don't want them. We don't want the pool. We don't want SPAC. We don't want the MMA. We don't want them." The very next

moment there is a press conference in which they announce, "We really do. We really want them. We would love to have them. We're going to call it economic development."

But imagine the confusion in the other house. Imagine our colleagues in the Assembly who are trying to fashion a budget, and they get a budget bill that says, "no stadiums." And then they get a press release that says, "We want stadiums." Then they get a budget bill that says, "no SPAC." Then we get one that says, "Yes, we want SPAC." Imagine how confused they must be when they sit down at the table and try to figure out what was really wanted.

Mr. President. I consider this one of the easiest votes you will ever get in this chamber. Please, all of my colleagues, vote for economic development. Stand up with the legacy that Senator Bruno articulated of Franklin Delano Roosevelt. Approve projects that will help our state. Approve projects that will improve the possibility for jobs in this state. Take advantage of that.

Put the laundry list back in. Approve handicapping tournaments for bettors at OTB. I'm not sure what that will approve, but approve that, too; and, also, cut almost every tax you can find. What a wonderful thing. We get to spend more money, we get to cut more taxes, and it's all done without even worrying about its affect on the budget.

Believe me, I think this is the greatest opportunity you can have. Vote for lower taxes, vote for increased spending. It seems to be that everything we do in this house involves both of those. It may be -- some may say it's basely hypocritical. Not me. I'm ready to vote to cut taxes and increase spending. Let's do it.

ACTING PRESIDENT DeFRANCISCO: Senator Stachowski.

SENATOR STACHOWSKI: Could I have somebody to answer some questions on the horse raising section of this? Would it be Senator Bruno, or would it be somebody else? On the horse section, I would like you to walk me

through that.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno. Would you yield to a question?

SENATOR BRUNO: Senator -

SENATOR STACHOWSKI: Senator, if you wait a minute, your guy is coming.

SENATOR BRUNO: Mr. President. I would be happy to attempt to answer the questions.

SENATOR STACHOWSKI: Mr. President. First, could you -- in this bill, which is rather extensive, this part of the section on horse racing, can you tell me how NYRA will benefit?

SENATOR BRUNO: Generally, NYRA will benefit by lowering the taxes they pay on the money that is bet to the state. They will benefit because they get to retain more of that, and there will also be some of the money that will instead of coming in as taxes will go back to the bettors that will stimulate the betting activity that will increase the revenue.

NYRA has been functioning at

something -- depending on what numbers you use, from a $9-15 million a year deficit. This will help close that deficit so their cash flow at least will be balanced. That's the intent here.

ACTING PRESIDENT DeFRANCISCO: Senator Stachowski.

SENATOR STACHOWSKI: Mr. President. If Senator Bruno will yield again? Can you tell me, then, how will OTB benefit from this?

SENATOR BRUNO: OTB, as you know, is stimulated by people's opportunities to bet. There will be more races that will go through the OTB parlors and the simulcast that they get most of the revenue from will be broadened somewhat so they will benefit.

SENATOR STACHOWSKI: Mr. President. If Senator Bruno will yield again?

SENATOR BRUNO: Yes, Mr. President.

SENATOR STACHOWSKI: How will the harness tracks benefit from this particular legislation?

SENATOR BRUNO: They run, as you know, simulcasts at their facilities as well as races. They will have more opportunities to derive revenue from increased exposure from other races out of state, and they are quite pleased with what is in this bill in terms of helping them get additional revenues because they are in desperate straits, as well.

SENATOR STACHOWSKI: Mr. President.

ACTING PRESIDENT DeFRANCISCO: Senator Stachowski.

SENATOR STACHOWSKI: If Senator Bruno will yield again?

SENATOR BRUNO: Yes, Mr. President.

SENATOR STACHOWSKI: How, in this bill, will Finger Lakes benefit? Because, as you know, they are separate from the harness tracks and they are also separate from NYRA.

SENATOR BRUNO: Mr. President. They will have additional races and more money will be driven to the purses there because they

will have opportunities to have additional racing occasions.

SENATOR STACHOWSKI: If Senator Bruno would yield again?

SENATOR BRUNO: Yes, Mr. President.

SENATOR STACHOWSKI: And the fact that both Finger Lakes and the harness tracks don't get a direct tax break on the amount taken out of their bets doesn't make any difference to them?

SENATOR BRUNO: Well, they participated, and they recognize this, last year in the cuts that they got last year, and they are very appreciative because it helped them balance their books and go forward, so they have been party to all the negotiations that were part of the process to put this package together and they have signed off on this, Mr. President, and we all recognize that we can't make all parties 1,000 percent happy. It doesn't represent everyone getting everything that they would like to have happen, but they have signed

off and feel that this helps them a great deal.

SENATOR STACHOWSKI: Mr. President. I have two last questions.

SENATOR BRUNO: Yes, Mr. President.

SENATOR STACHOWSKI: If that's okay. One at a time, obviously.

Mr. President. Can Senator Bruno answer how are the horsemen treated in this? Are they happy with this? Do they get better treatment?

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: The Thoroughbred horsemen get about 15 million more in terms of their activities and their anticipation that's made available through purses and the other activities that benefit them.

SENATOR STACHOWSKI: The one last question, is there any effect on the New York breeders in this, or they are not touched by this at all, or there is no benefit?

ACTING PRESIDENT DeFRANCISCO:

Senator Bruno.

SENATOR BRUNO: There is about 500,000 that's of immediate benefit to them; but, Mr. President, you all recall that we did a very special bill last year for the breeders that enhanced their ability to thrive here in this state. We did some things for them that was against the better judgment of some people, allowing brood mares to be out of state and be bred out of state and still qualify as New York bred, and all of that took place last year, and that was at their recommendation and direction. So this year, they get some help. It's minimal. They are not jumping with joy because, of course, every year they would like to be like to be visited, and they would like their lives to be made more profitable. We would like to do that. But the attitude was that we helped them the most last year, so this year we ought to broaden it, and that's what this bill reflects, but there is some help for them and, Mr. President, there is the ongoing help that I just described from last year.

ACTING PRESIDENT DeFRANCISCO: Senator Stachowski.

(There was no response.)

Senator Onorato.

SENATOR ONORATO: Mr. President. Would Senator Bruno yield to a couple of simple questions from a nonattorney?

SENATOR BRUNO: If they are simple questions. I doubt it coming from my learned colleague, but I will try and answer them.

SENATOR ONORATO: No, I think these are very simple. They have to be simple coming from me.

Senator Bruno, I understand originally we passed a budget bill last week for approximately $63 billion.

SENATOR BRUNO: Mr. President. It was 62 billion point 900 million and some change.

SENATOR ONORATO: I stand corrected.

We offered a few amendments to

make some restorations and were told at that particular time, "Where are you going to get the money?" Lo and behold, this week we found that there was another $449 million added to the original budget that we passed. We are just attempting to make another tax cut of about $80 million or $90 million for this particular bill. Wouldn't it be much more advantageous to us now to delay this budget? Because it seems that every day we're finding more and more money revenue to spend. Maybe if we go another month, we will wipe out the deficit completely.

(Laughter.)

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: And then the Senator woke up and recognized that he was having a wonderful dream.

Senator, let's all just be clear on what we've done so far, okay, because this is important, and thank you for the question. It's just as we rehearsed it.

(Laughter.)

We -- on March 31, Senator, we passed a balanced budget. That budget increased spending by $335 million. The Governor submitted a budget of 62.6. We added 335 million, making it the 62.935, approximately.

Now, where did that money come from, Mr. President? Where did we find the $335 million? We found it at the table negotiating with your Leader, Speaker Silver, the Governor, and "Rap" Rappleyea, the leader of the Minority in the Assembly. We agreed that next year there will be approximately 300 million in additional revenues to the state based on the best thinking and the best forecasts. We all agree that is realistic and reasonable. The other 35 came from reestimating the lottery receipts, and we agreed that that was a minimum number. We think there is more than that. The Speaker thought there was 130 million. The Governor thought there was 25 million. We know the best number is 60 million, but we couldn't agree on it. So we took the minimum 35 million. We put that in the budget.

Mr. President. That's 335 million, and we spent 499 million. Where did the difference come from? We moved some additional cuts and moved the money into restorations in Medicaid, in school aid, in higher ed aid, 164 million. 164 million, 335, makes 499, and that's exactly what we passed on March 31 for the people of this state. You were in the chamber. Such a great service by debating those bills and helping us make the point whether you supported them or not. So we thank you for that participation.

But, Senator, you now ask where does this additional money come from? The Speaker has said over and over, he thinks that there is anywhere from 300 million to... pick a number, because we're trying still to get it from him. He still hasn't given us his numbers. He thinks there is 300 million to a billion in additional revenue that has not been agreed on or verified, and I mentioned earlier that he thinks there is 80-100 million in revenue from sales taxes that aren't being paid

from Indian reservations that are legally due the state. For example, he thought there was about 150 million at UDC sitting there idle, waiting for us to use it, okay, to jump at it.

He thinks that, for instance, in Medicaid that the spending is overestimated. That it's really not what is in the Governor's budget. He thinks it's about a $275 million number; and we thought it was 100; the Governor thought it was a hundred; and that was part of the 499.

That, Senator, is where the money will come from to fund the 50 million and the 80 million in restorations, the 95 million that we deal with in this which represents an investment.

Once the leaders agree -- and I'm sure you are going to agree, Senator, that Speaker Silver if he thinks there is 300 million to... you name the number, there must be 95 million; and once we agree on a number, what we are saying is, the first 95 million has to go to create jobs, and the Speaker has said that his

priority in this state is the same as ours, create jobs.

So, he wants to create jobs. We want to create jobs. The Governor wants to create jobs. The first 95 million that we agree on ought to go to our first priority that we all agree on, to create jobs; and, Mr. President, I am sure the good Senator will agree with that.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson, why do you rise?

SENATOR ONORATO: If you will continue to yield?

ACTING PRESIDENT DeFRANCISCO: Senator Onorato.

SENATOR BRUNO: Yes, Mr. President.

SENATOR ONORATO: Senator Bruno, what about the Keno money? We haven't passed anything dealing with Keno, but I believe the projected Keno money is a part of this budget. Is that a fact?

SENATOR BRUNO: Mr. President. My very learned colleague must know something

that I don't know. I don't believe that Keno is even proposed in the Governor's budget, Mr. President. Has it been?

SENATOR ONORATO: Quickdraw.

SENATOR BRUNO: Oh, Quickdraw. Yes, Quickdraw. Not Keno, Mr. President. Quickdraw is in the budget. We have used that 115 in the budget. We used it to balance the budget.

SENATOR ONORATO: We haven't passed a bill to allow it.

SENATOR BRUNO: No. We did that on purpose. Mr. President. I am pleased that the Senator has recognized that we did not pass the specifics of implementing that legislation because we are still discussing that in our conference, but we have told the Governor, the Speaker, that if that 115 million in our balanced budget is not there, then we will be back in this house with additional cuts, or we will then use some of this money that the Speaker says he is certain is there and that he is holding out for. We will fill that 115 with

that money that the Speaker will find for us, and we will be indebted to him if we can't pass it.

ACTING PRESIDENT DeFRANCISCO: Senator Onorato.

SENATOR ONORATO: Mr. President. It would be safe to assume that my question was correct, that this budget is not balanced.

SENATOR BRUNO: No, Mr. President, that is not correct because we have created the legislation indicating that the revenue will be there. The specifics of the Article 7 bill we didn't pass, and that's a second step for us to be specific. So that is not correct.

It is, unfortunately, political rhetoric to say that we don't have a balanced budget. It is not a fact. It is not accurate.

What is accurate is that we did not do the Article 7 bills that specifically show the implementation. I've asked the Speaker, "Is Quickdraw alive in your house?" He says it's alive, and I believe him, and I say,

"Do you think you can pass it?" and he says he believes he can.

Well, Mr. President, at the appropriate time we will do whatever is necessary to be specific, but that money is there, and that budget was balanced, and you can be comfortable with that, and you can sleep well and have very pleasant dreams thinking about that.

ACTING PRESIDENT DeFRANCISCO: Senator Onorato.

SENATOR ONORATO: Again, you've totally confused me again. You're telling me that if we bet on this horse next week and it wins, we will have the money for it; but if the horse loses, we're right back where we started from. That's the only way that I can analyze it, Senator Bruno.

Again, I'm not involved in your budget part; but as a layman, I think I probably speak on behalf of the laymen that I represent in my district, and these are some of the questions that they would like answered.

SENATOR BRUNO: Mr. President. We have to recognize that among the greatest beneficiaries of this economic development package are the bricklayers of this state, and those bricklayers are imploring us to do this bill.

I just share that with you.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Thank you, Mr. President.

What I think we really need to put a stop to once and for all is just this discussion of whether or not we have passed or not passed a budget. We have not passed a budget. The only difference between the Senate and the Assembly is that the Senate, this house, has put on the table some negotiations and, really, some programs that are empty in the sense that there is really no specific discussion of the funding or, in some cases, the funding exists but we don't know what the program is.

If it's going to be that slipshod, I really would suggest that we do something more responsible, such as what the Assembly is doing, which is just negotiating not in any way really pandering.

But since Senator Dollinger earlier advised us that this is a good bill, what we have just decided -- what I have decided is to issue an amendment.

And with the assistance of some underpaid superstars of our Finance Committee, we have an amendment which is at the desk, Mr. President?

ACTING PRESIDENT DeFRANCISCO: It is at the desk.

SENATOR PATERSON: Thank you. I waive its reading and will just describe it as some of the great benefits that would actually be conferred upon many of Senator Onorato's constituents. As Senator Dollinger was saying before, since we have this opportunity, we should actually use it.

It is that kind of enlightened

thinking, by the way, that I think that former Senator Roosevelt used to go on and become President, and I think he was probably hoodwinked and cajoled in this chamber the same way that Senator Dollinger has been on occasion, so maybe you may not see the wisdom in what he's saying right now, but, years later, you will be able to tell many of your offspring that you served with Senator Dollinger.

(Laughter.)

ACTING PRESIDENT DeFRANCISCO: Senator Paterson to explain the amount.

SENATOR SKELOS: Senator Paterson, will you yield?

ACTING PRESIDENT DeFRANCISCO: Senator Skelos.

SENATOR SKELOS: Are you suggesting that Senator Dollinger is planning to leave this chamber and seek higher office?

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Only the highest of offices and with your endorsement,

Senator, I think that he may get there.

SENATOR PATERSON: This amendment is really one that would roll back and eliminate a number of taxes and fees that have been imposed or initiated since 1989, many of which were in the 1990 tax bill which this Conference voted against. It is really these types of taxes that are causing the greatest economic disincentive to the state and it is to the little people of the state not to corporations.

What we would do is actually roll back and reduce 33 taxes and eliminate 7 of them. We eliminate the tax on the transfer of ownership of automobiles, the tax for the registration of automobiles. We eliminate the tax on insurance for automobiles. Also, we are eliminating the tax for farm commissaries and for child abuse research, which is one that never should have existed in the first place. We also are going to reduce the taxes on marriage licenses, death certificates, and the like; and so I offer this amendment at this time, Mr. President.

ACTING PRESIDENT DeFRANCISCO: The question is on the amendment. All in favor, signify by saying aye.

SENATOR PATERSON: Party vote in the affirmative.

SENATOR BRUNO: Party vote, Mr. President, in the negative.

And if I might just add this comment that we on this side of the aisle support everything that is in that package, and I want to speak to the record in that recognition, and I applaud my colleagues on that side of the aisle for being so diligent and specifically recognizing the disasters of the past 12 years of the Cuomo administration, and I respectfully suggest that we have to be in the negative because they didn't give us that 24 hours notice that they always would like to have on this amendment on that side of the aisle, and they didn't do that so, procedurally, we can't be in the affirmative, Mr. President. That makes me feel very badly; and, further, had we had this list yesterday, we would have added to

the list many things that you have missed and that you then could have been voting on something that would have been even more meaningful.

So respectfully, we must be in the negative, and I feel badly about that.

ACTING PRESIDENT DeFRANCISCO: Senator Paterson.

SENATOR PATERSON: Mr. President. I don't feel so badly about that, because we are still in budget negotiation and the Majority Leader has now put on the record that he would like to see these tax cuts put into the final budget, and I'm sure he knows from whence they came. This is the type of cooperation that we would like to have.

We could lay this bill aside for a day, Mr. Majority leader, and we could come back, and at that time -

He doesn't want to lay this bill aside for the day. Well, that's all right. As long as the point is made that if we are going to be cutting taxes for corporations, cutting

taxes for businesses that may be housed in - somewhere, we don't know where it is, but we know how much money it's going to cost, and we'll appropriate it, but we will wait until negotiations later on, that we're going to do something for the little people of the state, people who are registering their cars, people who have to pay tax for the transfer of ownership of their cars, often parking permit taxes, the parking taxes themselves.

We're happy to know that we have the support of everyone here in the house on those particular issues; and so since the amendment was defeated, Mr. President, I'm glad to see the staff got paid today. I guess I won that round; and with that, I will retire.

ACTING PRESIDENT DeFRANCISCO: Senator Leichter, why do you rise?

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT DeFRANCISCO: Yes.

SENATOR LEICHTER: To explain my

vote, please.

ACTING PRESIDENT DeFRANCISCO: Well, I believe the Secretary has not completed taking the party line vote as yet.

Would you please call the roll and take the party line vote.

(The Secretary called the roll.)

SENATOR LEICHTER: Call my name, please, Mr. President.

ACTING PRESIDENT DeFRANCISCO: Please take the party vote first, and then you can explain your vote.

THE SECRETARY: Ayes 23. Nays 35. Party vote.

ACTING PRESIDENT DeFRANCISCO: The amendment is defeated.

To explain your vote, Senator Leichter.

SENATOR LEICHTER: Thank you, Mr. President. I must say I feel somewhat dizzy having listened to this debate and the Majority Leader. If I understand his position on this amendment is that he thinks it's an excellent

amendment. It's something that all the taxpayers of the State of New York and the people of the State of New York are entitled to, but he won't give them this benefit because he is going to insist on the procedural ground that not having had 24 hour notice, he is telling the people of the State of New York you can't have a benefit that he thinks they ought to have.

I just want to say we are trying to compete with you in irresponsibility but we're no match for you whatsoever. We've tried, but you are much better. When it comes to irresponsibility, I've got to say we're novices here but we're trying.

Mr. President. I vote in the affirmative.

SENATOR WALDON: Mr. President.

ACTING PRESIDENT DeFRANCISCO: Why do you rise?

SENATOR WALDON: To explain my vote. Very briefly, Mr. President.

ACTING PRESIDENT DeFRANCISCO: This is to explain your vote on the amendment;

correct?

SENATOR WALDON: That's correct.

ACTING PRESIDENT DeFRANCISCO: All right. Please, Senator Waldon to explain his vote.

SENATOR WALDON: Mr. President and my colleagues. I thought when our distinguished Majority Leader spoke to Quickdraw and said that if we were short in terms of balancing the budget that we would come back and do something else, I wonder what that would be. I heard whispered in the background that maybe we would have a contrast to Quickdraw. It would be "slow draw". I don't know, but because of the positive side of Senator Paterson's amendment, I have to vote with Senator Paterson on this issue.

ACTING PRESIDENT DeFRANCISCO: Please read the last section on Calendar 353.

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

ACTING PRESIDENT DeFRANCISCO: Please call the roll.

(The Secretary called the roll.)

SENATOR CONNOR: This is on the main bill. Slow roll call.

ACTING PRESIDENT DeFRANCISCO: The Secretary will read the roll slowly.

THE SECRETARY: Senator Abate.

SENATOR ABATE: No.

THE SECRETARY: Senator Babbush.

(There was no response.)

Senator Bruno.

SENATOR BRUNO: Yes.

THE SECRETARY: Senator Connor.

SENATOR CONNOR: Mr. President. To explain my vote. I'm going to vote against this bill because, frankly, it's nothing but an empty political exercise on the part of the Majority. When this bill first surfaced last week, I was asked by a reporter if there was any pork in it. I said there was enough pork to make sausage for the whole state, but it's not just because there are local projects in here. There are tax cuts that will balloon; and I feel very, very strongly we have a budget deficit

this year, and everybody in this budget process is struggling to close that deficit.

Somewhere between $4 billion and $5 billion it's been reported as, or claimed, and it ought to be our job to close that deficit, pass a balanced budget and not create future deficits which these ballooning tax cuts would do. I support doing something about getting rid of taxes like the petroleum business tax, and getting rid of -- I'm not a fan of gross receipts taxes and things like that, but I think we have to be fiscally responsible. We have to balance this year's budget and not create structural deficits in the future; and I asked the Governor -- when this surfaced last week, I asked the Governor, "Do you support this?" Because if you will recall, last week, the Majority is putting out a budget that they said they had agreement on. The Governor and the Majority did a budget last week, and now we have a bill that the Governor doesn't support. He said, "I don't support that." In fact, Senator Bruno said we have one-way agreement on

it, namely, the Majority only in this house, and I don't think that's a responsible way to go about this budget process.

You can call it anything you want, but this spends money, cuts taxes, changes tax laws, and in one way or another spends money whether by bonding or otherwise. That looks like a budget bill to me, and I don't think it has any place at this stage of the debate, since it doesn't even have the support of the Governor much less anyone in the other house.

ACTING PRESIDENT DeFRANCISCO: How do you vote?

SENATOR CONNOR: No.

ACTING PRESIDENT DeFRANCISCO: Please continue the roll call.

THE SECRETARY: Senator Cook.

SENATOR COOK: Yes.

THE SECRETARY: Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes.

THE SECRETARY: Senator DiCarlo.

SENATOR DiCARLO: Aye.

THE SECRETARY: Senator Dollinger.

SENATOR DOLLINGER: To explain my vote, Mr. President.

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger to explain his vote.

SENATOR DOLLINGER: The logic of this bill reminds me of the old adage from Catch-22. I think it was Milo Milabender. He could buy eggs for a nickel, sell them for 3 cents, and make a penny, and I've never understood that logic. I don't understand the logic of this; but, as I said before, you give me the opportunity to vote for all kinds of tax cuts which I don't have to pay for and all kinds of projects which I don't have to pay for, many of them very good, many of which I strongly support.

Let's do it in a context of a budget when we get serious. When we do it in that serious vein, I will be voting in a way that, at least from my point of view, I'll be able to say to the people of my district, I've

done the right thing on this. I'm going to vote in the affirmative. I'm going to take the opportunity, gentlemen. I hate to pass it up. There are some good things in this, but I think we need to get serious, and let's start doing that. I'm voting in the affirmative.

ACTING PRESIDENT DeFRANCISCO: Senator Dollinger in the affirmative.

Please continue the roll call.

THE SECRETARY: Senator Espada.

SENATOR ESPADA: No.

THE SECRETARY: Senator Farley.

SENATOR FARLEY: Aye.

THE SECRETARY: Senator Galiber.

(There was no response.)

Senator Gold.

(There was no response.)

Senator Gonzalez.

(There was no response.)

Senator Goodman, excused.

Senator Hannon.

SENATOR HANNON: Yes.

THE SECRETARY: Senator Hoblock

voting in the affirmative earlier today.
Senator Hoffmann, excused. Senator Holland.

SENATOR HOLLAND: Yes.

THE SECRETARY: Senator Johnson.

SENATOR JOHNSON: Aye.

THE SECRETARY: Senator Jones.

SENATOR JONES: To explain my vote.

ACTING PRESIDENT DeFRANCISCO: Senator Jones to explain her vote.

SENATOR JONES: I, too, want to say thank you for this opportunity to cut taxes and do all these wonderful things. Sometimes in life you have to accept something on faith alone, so I'm just here to say I have faith in you. I expect this money is going to turn up, so I will be waiting until I see it, but I will certainly support you in the meantime. I vote yes.

THE SECRETARY: Senator Jones in the affirmative.

Senator Kruger.

SENATOR KRUGER: No.

THE SECRETARY: Senator Kuhl.
SENATOR KUHL: Aye.
THE SECRETARY: Senator Lack.
SENATOR LACK: Aye.
THE SECRETARY: Senator Larkin.
SENATOR LARKIN: Aye.
THE SECRETARY: Senator LaValle.
SENATOR LAVALLE: Aye.
THE SECRETARY: Senator Leibell.
SENATOR LEIBELL: Aye.
THE SECRETARY: Senator Leichter.
SENATOR LEICHTER: Mr. President. To explain my vote. I have some advice for Senator Bruno. If this budget impasse continues and we don't get paid and he runs out of money, I know the perfect job for him. Along Fifth Avenue, there's people that play these little card games. They are called three-card Monte, and he has shown much more skill than any of these. I have listened to the debate. I heard Senator Nozzolio say, "Well, of course, we don't have a budget; nothing is

written in stone," meaning what you people did on March 31, "Don't take us seriously. What? Are you so foolish as to think that we actually believed it?"

Then I heard Senator Bruno say, Yes, we have a budget. It's a balanced budget, but, of course, there's holes in it. Maybe we'll do something about it. If we don't, we will always turn to our friend the Speaker and take whatever estimate that he comes up with; and, of course, we've got to get rid of these terrible taxes.

Wait a second. These are the taxes that Senator Bruno and the Majority enacted. Over the years, you guys enacted it. Suddenly, they're so -- you know, they are so terrible. So I can just say this is -- what we have here, clearly, is a three-card Monte budget.

Mr. President. I vote in the negative.

ACTING PRESIDENT DeFRANCISCO: Senator Leichter in the negative.

Please continue the roll call.

THE SECRETARY: Senator Levy.

SENATOR LEVY: Aye.

THE SECRETARY: Senator Libous.

SENATOR LIBOUS: Aye.

THE SECRETARY: Senator Maltese.

(There was no response.)

Senator Marcellino.

SENATOR MARCELLINO: Aye.

THE SECRETARY: Senator Marchi.

SENATOR MARCHI: Aye.

THE SECRETARY: Senator Markowitz.

SENATOR MARKOWITZ: Mr. President. I want to be as principled as I can, like my colleagues who are fortunate enough to have stadiums in their respective senatorial districts if and when this ever becomes reality. Let me just say that I represent a borough of Brooklyn, 2.3 million people, perhaps even more than that; and Senator DiCarlo, who I am delighted has introduced legislation creating a Brooklyn sports complex, we in Brooklyn with

2.3 million people have nothing but back lots, empty lots, that we have to use as little mini stadiums; and, to me, looking at the stadiums that are being proposed throughout Upstate New York, when the largest, most populated county in the entire state hasn't even got one stadium, I can't in good conscience vote for this bill as much as those of you who have stadiums in your conscience are voting for the bill.

I vote no.

ACTING PRESIDENT DeFRANCISCO: Senator Markowitz in the negative.

Please continue the roll.

THE SECRETARY: Senator Maziarz.

SENATOR MAZIARZ: Yes.

THE SECRETARY: Senator Mendez.

SENATOR MENDEZ: No.

THE SECRETARY: Senator Montgomery.

SENATOR MONTGOMERY: Mr. President.

ACTING PRESIDENT DeFRANCISCO: Senator Montgomery to explain her vote.

SENATOR MONTGOMERY: Yes, I would like to explain my vote.

Mr. President. I'm voting against this legislation and following what my leader has so eloquently stated regarding the structural deficit that this bill seems to be leading to. We don't have -- at least I have not had the privilege of seeing any analysis that the Republicans may have had as to how much this tax cut will cost us in addition to the tax cut that the Governor is proposing, which we estimate to be $14 billion over the long period of those tax cuts.

So I don't know what this does to the budget, so that obviously is a major problem; and then I look at this -- the proposals for bonding 270 -- over $270 million that we are authorizing in bonding for obviously some projects that many of us appreciate and approve of. However, my question is, can we afford this at this time as we look at a $5 billion budget deficit in our state? This bonding is stretched out over 30 years, and I

can't calculate how much it is going to cost us, but I certainly can look around the room and I know who's going to pay for it. Just look around the room on the Republican side and on the Democratic side and all of these young people sitting along this wall and standing back here, and all of those young people are going to pay for it, not us. It's going to create a deficit for them to have to deal with when they are ready to buy their homes and send their children to college and appreciate the quality of life that we've always -- we've expected, grown to expect and many of us have profited by.

So that's what we're doing with this proposal, and I'd just like to put on record that this is a Republican proposal which Democrats will be blamed for, will be blamed for as big spenders. It's the social programs. It's the welfare people in my district and throughout this state. It's the poor old people who are in the nursing homes. They will be blamed for this that we're proposing today; and

even though it doesn't happen, I think we should make note of where the proposal comes from. It's the idea. It's the attitude that it doesn't matter what we do right now because someone else will pay for it; and when it comes time for it to be paid for, it's the poor people and the small people in this state and in this nation who are going to pay for it.

I vote no.

ACTING PRESIDENT DeFRANCISCO: Senator Montgomery in the negative. Please continue the roll call.

THE SECRETARY: Senator Nanula.

SENATOR NANULA: Yes.

THE SECRETARY: Senator Nozzolio.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio to explain his vote.

SENATOR NOZZOLIO: Thank you, Mr. President, my colleagues. This house passed a budget, but we do not have a final budget, and I believe this step today is a way to put on the table those investments that we seek to place in

our state.

There is so much of our state budget that does not yield a return in terms of additional job and economic development. We have less manufacturing jobs today than we did when Roosevelt was President; and, unfortunately, that is Theodore Roosevelt. We have less manufacturing jobs today than the state of Alabama, a state that is much more rural than New York. What this does is instill a spark of investment into our economy that will help in the jump-starting of the economy that we so much want to see. A million dollars is earmarked for the largest private sector manufacturer within my district that will help keep 1300 jobs in New York State, jobs that are very seriously threatened to move to other states.

Senator Bruno, the Governor, the Speaker, are all negotiating a budget. We are negotiating with our votes here in this body. We are negotiating in public with the public scrutinizing what we do because of the efforts

of our Majority Leader. This funding not only puts stadia in Upstate New York, and that will help economic development, but, most importantly, it enhances the manufacturing base by investing in our future.

Mr. President. It's a great step in the right direction, and I fully support it.

I vote aye.

ACTING PRESIDENT DeFRANCISCO: Senator Nozzolio in the affirmative.

Please continue the roll call.

THE SECRETARY: Senator Onorato.

SENATOR ONORATO: To explain my vote.

ACTING PRESIDENT DeFRANCISCO: Senator Onorato to explain his vote.

SENATOR ONORATO: Mr. President. I do believe a great deal of merit is in this bill, but I have a great deal of problems voting for it only because of the fact that there is too much "if" money in here, and that's $110 million based upon the Quickdraw. If it doesn't go through, we're going to raise false hopes in

most of our constituency who have had some of their funding restored to the budget. If this doesn't come through, we're going to have to come back here again and tell them, "Well, we made a mistake. We are going to have to withdraw all of the restorations that we made to the tune of another $110 million; and until such time that we can get an established amount of money that we actually have on hand to spend I can not support this legislation.

I vote no.

ACTING PRESIDENT DeFRANCISCO: Senator Onorato in the negative.

Please continue the roll call.

THE SECRETARY: Senator Oppenheimer.

SENATOR OPPENHEIMER: Yes.

THE SECRETARY: Senator Padavan.

SENATOR PADAVAN: Yes.

THE SECRETARY: Senator Paterson.

SENATOR PATERSON: No.

THE SECRETARY: Senator Present.

SENATOR PRESENT: Aye.

THE SECRETARY: Senator Rath.

SENATOR RATH: To explain my vote.

ACTING PRESIDENT DeFRANCISCO: Senator Rath to explain her vote.

SENATOR RATH: Mr. President, my colleagues. It has been very interesting going back to the district as we all did last weekend for a day or two. I was fortunate enough to be out, as it were, on the hustings and talking with people that I have known for a long time, and I have started a new opener when I start conversations. I say to people who I know are in business or involved, I start with "How's business?" That's my question, "How's business?"

Let me tell you what I got. Last week I said this to a gentleman who is a CEO of a very large manufacturing concern. He said, "Business is great. It's never been better." He said, "I can't tell you what's happening, but it's wonderful."

The second business is a woman

owned business opened just a year ago. I'm not really sure whether she had some help from the state, but I wouldn't be surprised. She told me about how hard she's working, but she's putting people to work for her, added two or three more employees, and it's going very, very well. She said she was working very hard.

The third was one I thought, "This is going to be a real negative, but I'm going to ask it anyway." It's a small family business that was an electronics business and the father was a very proficient engineer and everyone said he was the business. Unfortunately, the man died very unexpectedly and his two sons continued with the business, and I said to the mother, "How is the business going?" She said, "Well, my boys are working two jobs but it looks like the electronics business is going to come together. They are getting more and more contracts."

That's the best news I have heard in Western New York in a long, long time. Now, whether there is a change in attitude starting

in New York State, I certainly hope so. Is it because we have a Republican Governor? I don't think it could happen that quickly, but what I see us passing here today are more opportunities and more incentives for business to take a second look at New York State.

I ask you when you're out on the hustings in your district, use that as an opener. People who are in business, ask them, "How's business?" I think it will be a really interesting exercise.

I vote yes.

ACTING PRESIDENT DeFRANCISCO: Senator Rath in the affirmative.

Please continue the roll call.

THE SECRETARY: Senator Saland.

SENATOR SALAND: Aye.

THE SECRETARY: Senator Santiago.

SENATOR SANTIAGO: No.

THE SECRETARY: Senator Sears.

SENATOR SEARS: Aye.

THE SECRETARY: Senator Seward.

SENATOR SEWARD: Aye.
THE SECRETARY: Senator Skelos.
SENATOR SKELOS: Aye.
THE SECRETARY: Senator Smith.
SENATOR SMITH: No.
THE SECRETARY: Senator Solomon.
SENATOR SOLOMON: No.
THE SECRETARY: Senator Spano.
SENATOR SPANO: Aye.
THE SECRETARY: Senator Stachowski.
SENATOR STACHOWSKI: Yes.
THE SECRETARY: Senator Stafford.
SENATOR STAFFORD: Aye.
THE SECRETARY: Senator Stavisky.
SENATOR STAVISKY: No.
THE SECRETARY: Senator Trunzo.
SENATOR TRUNZO: Yes.
THE SECRETARY: Senator Tully.
SENATOR TULLY: Aye.
THE SECRETARY: Senator Velella.
SENATOR VELELLA: Yes.
THE SECRETARY: Senator Volker.

SENATOR VOLKER: Yes.
THE SECRETARY: Senator Waldon.
SENATOR WALDON: (Indicating no.)
THE SECRETARY: Senator Wright.
SENATOR WRIGHT: Aye.
ACTING PRESIDENT DeFRANCISCO: Please call the absentees.
THE SECRETARY: Senator Babbush.
SENATOR BABBUSH: No.
THE SECRETARY: Senator Galiber.
(There was no response.)
Senator Gold.
(There was no response.)
Senator Gonzalez.
(There was no response.)
Senator Maltese.
SENATOR MALTESE: Aye.
ACTING PRESIDENT DeFRANCISCO: Results.
THE SECRETARY: Ayes 40. Nays 16.
ACTING PRESIDENT DeFRANCISCO:

The bill is passed.

Senator Bruno.

SENATOR BRUNO: Mr. President. Is there any housekeeping at the desk that we should deal with?

ACTING PRESIDENT DeFRANCISCO: Yes, there is.

Senator Farley.

SENATOR FARLEY: Thank you, Mr. President. On behalf of Senator Hannon, on page 24, I offer the following amendments to Calendar Number 306, Senate Print 2086, and I ask that that bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT DeFRANCISCO: Amendments received, and I believe we have a substitution.

THE SECRETARY: On page number 21, Senator Leibell moves to discharge, from the Committee on Housing, Assembly Bill 5098, and substitute it for its identical Senate Bill, Calendar Number 277.

ACTING PRESIDENT DeFRANCISCO:

Substitution ordered.

That completes the housekeeping.

SENATOR BRUNO: Mr. President. We have finished our business here in this house, and we have finished our business on behalf of the people of this state. We have passed a balanced budget in this house, Mr. President, and we passed it before the April 1 deadline, and I am proud of this; and on behalf of my colleagues, I say thank you.

The people of this state know where we stand on this budget. We, Mr. President, having done our work, are going home and we will go home to communicate with our constituents, and we will share with our constituents the differences between this house and the Assembly, and we will share with our constituents, Mr. President, that we are waiting for the Assembly to give us numbers so that we can negotiate in good faith. We don't have numbers. We need them; and when the Assembly gives us numbers, when the Assembly passes their own budget, when the Assembly puts us in a

position where we can negotiate a budget for the people of this state in good faith, we will return and we will be back; and, Mr. President, I would hope and pray it would be tomorrow and if not tomorrow, Friday; and if not Friday, Saturday; and if not Saturday, Sunday and, Mr. President, what comes after Sunday is Monday; and there being no further business to come before the Senate -

SENATOR PATERSON: Mr. President.

ACTING PRESIDENT DeFRANCISCO: Excuse me. Senator Paterson, why do you rise?

SENATOR PATERSON: Might I ask the Majority Leader to yield for a brief question before he goes home? I just wanted to clear something up. Tomorrow was actually a regular calendar day on the original schedule, and it is the deadline at which we would file motions for discharge for bills that we would like to bring to the floor of the Senate. Being that we will not have a session on tomorrow, April the 6th, may we file those motions tomorrow anyway without a session, or may we

file those motions on April the 10th when we come back on Monday?

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR PATERSON: When can we accomplish that? September 10th I hear.

SENATOR BRUNO: In terms of good government, that's a good suggestion that you file them on September 10th.

Mr. President. I would leave that up to the pleasure of the Deputy Minority Leader.

My very learned counsel is indicating to me that we need a specific date and they need a specific date, and I would recommend that that be on Monday, April 10, when we will definitely be back here; and if we should be back here before that, then we can adjust accordingly; but I would recommend, Senator Paterson, if that meets with your approval, that we do that on April 10th.

SENATOR PATERSON: That very much meets with my approval, and we thank the

Majority Leader for moving that date up five months, just at the wave of his hand; and, hopefully, we will be back here before then to pass the budget.

ACTING PRESIDENT DeFRANCISCO: Senator Bruno.

SENATOR BRUNO: Mr. President. We certainly concur in that. That would be a godsend for us and for all of the people of this state. Recognize, Mr. President, that this Governor has said he is going to veto bills, so that for us to just be here doing things to land on the desk to get vetoed doesn't make a lot of sense.

So, there being no further business to come before the Senate, I move we stand adjourned until Monday, April 10th, at 3:00 p.m., Republican conference at 2:00, and intervening days to be legislative days.

Thank you.

ACTING PRESIDENT DeFRANCISCO: Without objection, the Senate stands adjourned until Monday, April 10, at 3:00 p.m.,

intervening days being legislative days.

(Whereupon, at 1:14 p.m., Senate adjourned.)