ALBANY, NEW YORK

October 12, 1995

12:02 p.m.

REGULAR SESSION

LT. GOVERNOR BETSY McCAUGHEY, President

STEPHEN F. SLOAN, Secretary

P R O C E E D I N G S

THE PRESIDENT: The Senate will come to order.

Would everyone please rise and join me in the Pledge of Allegiance.

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

May we bow our heads now in a moment of silence.

(Whereupon, there was a moment of silence.)

The reading of the Journal, please.

THE SECRETARY: In Senate, Wednesday, October 11. The Senate met pursuant to adjournment. Prayer by the Reverend Peter G. Young, Blessed Sacrament Church, Bolton Landing. The Journal of Tuesday, October 10, was read and approved. On motion, Senate adjourned.

THE PRESIDENT: 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 Bruno.

SENATOR BRUNO: Madam President. Can we at this time adopt the Resolution Calendar.

THE PRESIDENT: All in favor of adopting the Resolution Calendar, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The Resolution Calendar is adopted.

Senator Bruno.

SENATOR BRUNO: Madam President. Can we at this time return to the reports of standing committees and ask that the report of the Finance Committee be read.

THE PRESIDENT: The Secretary will read, please.

THE SECRETARY: Senator Stafford from the Committee on Finance reports the following nominations:

Member of the State Board of Parole, Michael T. Finnerty of Albany.

Senator Nozzolio.

SENATOR NOZZOLIO: Thank you, Madam President.

My colleagues. I rise with great happiness today to enthusiastically support the candidacy of Mike Finnerty to be a member of the New York State Board of Parole. Many who have worked with Mike here in the Senate know of his hard-working -

THE PRESIDENT: Order.

SENATOR NOZZOLIO: -- know of his hard-working spirit and enthusiasm for the job, and he works very hard on behalf of many of us here in the Senate.

But I would like to point out to my colleagues that we have in this candidate one who knows of the workings of Probation and Parole from the ground up through his work many years ago with the Wayne County Probation Department and knowing these issues, working

through responsibilities in the State Senate, first with late Senator Fred Warder and more recently with Senator Paul Kehoe; and in that work with Senator Kehoe, Mike was very instrumental in working with Paul when he was chairman of the Senate Committee on Crime and Corrections.

Mike has gleaned experience that will be, I believe, ideally suited and of great value to his new responsibilities as a member of the Parole Board.

I could say many good things about Mike Finnerty. I have known him for over 20 years, and I know those who work with him here share my happiness with his selection as a member of the Parole Board.

The challenges ahead for the Parole Board, not just Mr. Finnerty but a number of others who are going to be confirmed today is one of extreme challenge, one of extreme gravity, because certainly as things are being changed within our correctional system, more demand for prison space and more demand for those who must work in Parole as Parole in its whole role and purpose is being changed, I think

Mike will have a great value to the Parole Board because of his experience at the county level and his experience here with legislative policy.

Madam President. It is with great privilege and honor that I rise in support of this nomination. Certainly we will miss him in the state Senate. We will miss his guidance and support. He has been support to me and guidance to me in my responsibilities as chairman of the Senate Committee on Crime and Corrections. Because of Mike's experience with those matters, he has provided me with invaluable assistance, and I certainly will miss working with him on a day-to-day basis but look forward to his tenure as a member of the Parole Board. I believe, again, that his knowledge of this institution, his knowledge of what happens out in the field in local government in the area of probation, will stead this Parole Board with great service.

Mike, I wish you all the best.

And, Madam President, with great honor, I do second the nomination of Michael T. Finnerty as a member of the New York State

Parole Board.

THE PRESIDENT: Thank you, Senator Nozzolio.

Senator Hoblock.

SENATOR HOBLOCK: Thank you, Madam President. I appreciate the opportunity to second the nomination of Michael Finnerty as a member of the New York State Parole Board.

As Senator Nozzolio pointed out, Mike has a depth of experience that will enable him to approach his new job in both a practical and professional manner, and he will be a substantial asset as a member of the Board of Parole, and I congratulate the Governor in making this fine selection.

I think we will benefit. All of us in New York will benefit from Mike's appointment because I know that he will bring to this board the sensitivity of balancing the needs of the victim with the need of the accused or the criminal.

So it gives me great pleasure to second the nomination of Michael Finnerty as a member of the State Board of Parole.

THE PRESIDENT: Thank you,

Senator.

Senator Volker.

SENATOR VOLKER: Madam President. Michael who? No.

Mike, I just want to say that the whole group here today -- I'd just like to say that I think this group of parole commissioners is probably as excellent a group as we have - as I have seen since I have been here in the Senate in the 23 years that I have been here.

Michael, of course, who was staff director to Crime and Corrections, the committee that oversees parole, certainly knows this area. Those of us who have served with Mike know that he knows not only criminal justice but obviously parole and the workings of the Legislature. In fact, I really believe that one of the things that the Parole Board has or is providing here is a knowledge, a working knowledge not only of parole but of the whole system. Michael certainly provides that view.

We're going to miss him here. He's been not only an outstanding employee of the Senate but also a good friend. It's another one of those mixed feelings because I know it

adds a great deal to the Board of Parole, but we in the Senate will certainly feel his loss.

Good luck, Michael.

THE PRESIDENT: Thank you, Senator Volker.

Senator Maziarz.

SENATOR MAZIARZ: Thank you, Madam President. As a member of the Crime Victims, Crime and Corrections Committee, I want to join with Senator Nozzolio, our chairman, just to praise the background and the efforts that Mike Finnerty has made to this body over the years.

I have only known Mike for a short time, but I certainly have been impressed with him. He's been a great resource for me, and I certainly wish him well, and I join in seconding his nomination.

Thank you.

THE PRESIDENT: Thank you.

Senator Marchi.

SENATOR MARCHI: Madam President. You have been gracing us with your valued presence for only a short period, but it's been a happy experience.

You should know that Mike Finnerty, in addition to all of the qualities that have been described, and they are really valid and appropriate experience in the subject matter that he is going to be addressing, and a wisdom that he has demonstrated over a wide range of subjects, he is also a legendary figure. He is part of the legend of Albany. With a saving sense of humor, he has added immeasurably to the pleasure of being together.

These are qualities that, you know -- he has all of the great qualities. You know, we have a lot of geniuses. He does raise the spirit of everybody who works with him. So to have him continue in a position of responsibility, I know that that agency will have the benefit of his counsel and his contribution; and at the same time, it will be a happier place. I do hope he comes back once in a while to lift our morale.

You do it, though, so well that we feel adequately compensated. I take pleasure in endorsing this nomination with all the spirit and joy that I can muster.

THE PRESIDENT: Thank you,

Senator Marchi.

Senator Farley.

SENATOR FARLEY: Thank you, Madam President. I guess I have to rise to second the nomination of Michael Finnerty, who I have known a number of years, a great Irish-American to say the least, somebody that has served a number of our Senators that have been here and somebody that has been very loyal to this house and somebody that has been a great member of the Senate family.

Mike, we're very proud of you, to finally see that you have a job that you will like and know a lot about, the parole business. Mike, we wish you well, and I'm pleased to support your nomination.

THE PRESIDENT: Thank you, Senator Farley.

Senator Rath.

SENATOR RATH: Madam President. I rise to second, along with many of my colleagues, the nomination of Michael Finnerty. Senator Marchi spoke about Michael Finnerty being one of the legends of Albany. Well, for a while, Michael wasn't in Albany; and when he

wasn't in Albany, he was working for us in Erie County, and he likes to call me one of his five or six bosses. I can't remember how many members we had in the minority in those days, Michael, but we worked mightily at what we did, and Michael was our leader.

And it's with great pleasure that I second the nomination not only from the State Senate but from those of us who knew and loved you and your work in Erie County.

Thank you, Michael.

THE PRESIDENT: Thank you, Senator Rath.

The question -- oh, I'm sorry.

Senator Stafford.

SENATOR STAFFORD: Madam President. Mr. Finnerty has heard me speak before on this floor, and he asked me yesterday if I would say that this is one of the best appointments the Governor has ever made, and I on a serious note, obviously, support what's been said. I certainly can not add to it, but he is a dedicated professional and our state is better for him.

Thank you.

THE PRESIDENT: Thank you.

Senator Dollinger.

SENATOR DOLLINGER: Madam President. I think both Senator Jones, who gave her views in the Finance Committee, and myself find this a bittersweet vote, since Michael Finnerty, while being a legend here in Albany, is also a legend of sorts in Monroe County.

I sometimes feel like Senator Jones and I have been the leading targets on that dartboard he keeps in his office. In November of every other year, we seem to see a lot of Michael Finnerty or a lot of evidence of him, and this is a bittersweet vote for us, but -

I will say one thing on a personal note. As someone whom I have been in some very difficult campaign with on the other side of the fence, I perhaps haven't liked what he's done. I'm sure he hasn't liked necessarily what I have done, but I've always found him to be a man of humor and a man of political insight. He's an interesting guy to sit down with and have a political conversation even though he may come from entirely the other side

of the fence.

I think he's got wit. I think he's got intelligence, and I think he will bring an asset to the Parole Board, and the other thing that's most encouraging to me today is I finally figured out what he did all those years. He was the senior constituent relations coordinator. I have always thought he was the political man, but I now know what that means.

Good luck, Michael.

THE PRESIDENT: Thank you, Senator Dollinger.

The question is on the confirmation of Michael T. Finnerty, as a member of the State Parole Board.

All those in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Michael T. Finnerty is hereby confirmed as a member of the State Board of Parole.

Congratulations.

(Applause.)

The Secretary will read, please.

THE SECRETARY: Member of the State Board of Parole, Kenneth Graber of Lancaster.

THE PRESIDENT: Senator Volker.

SENATOR VOLKER: Madam President. I rise to second the nomination of Ken Graber, who, very honestly, is my neighbor and lives right down the street from me, whom I've known for -- well, I guess for 20 years - 20 years or so, who is probably one of the most qualified people to be appointed to the Parole Board. He's been an administrative law judge for I think about -- something like seventeen years, if I'm not mistaken. He was also in the Attorney General's Office. He's been active in the community for many, many years, he and his family, which is one of the more prominent families in the Erie County community. He will make, in my opinion -- as I said before about this whole group, I think represents one of the finest groups of Parole commissioners that I have seen since I have been in the Senate.

I have no question that Ken will add a great deal to the Parole Board, and that

he will do a great job. My congratulations to the Governor on this appointment, in particular, and my best wishes to Ken as a member of the Parole Board.

THE PRESIDENT: Thank you.

Senator Maziarz.

SENATOR MAZIARZ: Thank you, Madam President. Just very briefly, I want to say that I have known Ken Graber a long time. I served with both he and his wife in the General Casimer Pulaski Society in Western New York. He is a fine man, a fine lawyer. He is going to do a great job on the State Board of Parole.

Thank you.

THE PRESIDENT: The question is on the confirmation of Kenneth Graber as a member of the State Board of Parole.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Kenneth Graber is hereby confirmed as a member of the State Board of Parole.

Congratulations.

(Applause.)

The Secretary will read.

THE SECRETARY: Member of the State Board of Parole, Lawrence P. Ibsen of Bronxville.

SENATOR SPANO: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Spano.

SENATOR SPANO: It's my pleasure to move the nomination of Larry Ibsen as member of the State Board of Parole. I have had an opportunity to know Mr. Ibsen for a number of years. As a resident of Westchester County, he is a person who has a strong background in parole in working for the county of Westchester for a long, long time, has distinguished himself in that area, is involved in many local activities, and has the temperament to serve as a member of this state board.

And I commend the Governor for this appointment and move the nomination of Larry Ibsen.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Lawrence P.

Ibsen as a member of the State Parole Board.

All those in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Lawrence P. Ibsen is hereby confirmed as a member of State Board of Parole.

Congratulations.

(Applause.)

Secretary will read.

THE SECRETARY: Member of the State Board of Parole, Gabriel Pagan of the Bronx.

ACTING PRESIDENT NOZZOLIO: Senator Mendez.

SENATOR MENDEZ: Mr. President. I do rise in support of the nomination of Gabriel Pagan as a member of the Parole Board.

I have known Mr. Pagan for about 20 years. He has worked in that agency. He knows the agency through and through.

Besides his professional accomplishments, Mr. Pagan has been a person very strongly involved in civic, religious

organizations, doing great voluntary work not only in the Bronx but also in the City of New York.

I want to congratulate the Governor not only for appointing Mr. Pagan but also for appointing to this very important board such a group of so highly-qualified individuals.

So I move the nomination of Gabriel Pagan, Mr. President.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Mendez.

The question is on the confirmation of Gabriel Pagan as member of State Parole board.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

It gives me great pleasure in hereby confirming Gabriel Pagan as member of the State Board of Parole.

Congratulations, Mr. Pagan.

(Applause.)

Secretary will read.

THE SECRETARY: Commissioner of Agriculture and Markets, Donald R. Davidsen of Canisteo.

ACTING PRESIDENT NOZZOLIO: Senator Kuhl.

SENATOR KUHL: Yes, Mr. President. It's my privilege to second the nomination of Donald R. Davidsen to the position of Commissioner of the Department of Agriculture and Markets.

I have known Don for a number of years, and I have seen him serve in a number of capacities. Don has an education in the agricultural arena. He attended the College of Agriculture and Life Sciences at Cornell University before he transferred to the Vet College of Medicine. He graduated from that, became a practicing veterinarian.

But he has also had an extensive career in the community. He has done such things as been a county coroner. He's been a county legislator. He has served on a school board; and, certainly, for the last nine years, he's been one of our colleagues and served with

great distinction in the Assembly.

Don was raised on a dairy farm in Washington County. He has practiced veterinary medicine in Steuben County for close to 20 years. He is now retired from that. He served in the Air Force as an Air Force captain. So he has had an extensive background.

I can't think of anybody who will serve with greater distinction than Donald Davidsen as Commissioner in the Department of Agriculture and Markets. He certainly has a vision. I have had the luxury -- and I say truly luxury -- as having him as one of my colleagues and served with him representing people in Steuben and Yates and Schuyler Counties, and he has truly dedicated himself to their service. Whenever called upon, he was always ready and willing to respond and to answer.

He has a sensitivity, I think, that a lot of our colleagues don't have. He has an insight, certainly, that a lot of our colleagues don't have. I hear it continually from my constituents that they like Don Davidsen, and they view this as an opportunity

for him to really reach the pinnacle of his career in public service.

Certainly, as many of us who have served in the minority at one time or another know, it's a frustrating experience to be in the minority either in the Senate or in the Assembly. You don't always have an opportunity to impact the residents in total in this state as you might in serving in the majority. So this position really serves all of us well, I think, in having him appointed to this position. I know that he takes the opportunity with a great deal of thought and certainly with a great deal of obligation and a sense of tremendous responsibility to do what is right for agriculture in New York.

Agriculture certainly is a predominant economic force. We have seen the seams of our communities in Upstate New York unraveling because of the tremendous pressures on the farms. There isn't a person that I know of in this state who has the experience, the intellect, the education, to be able to try to solve those problems as Don Davidsen has.

So it's with a great deal of

pleasure that I stand here before you and ask all of my colleagues to join me in supporting his nomination, because I truly think that if there ever was hope for the people on the small farms, the big farms, people involved in agriculture, whether they're the employers or the employees, it comes with this nomination and, certainly, giving him the opportunity to move agriculture back to the forefront of what it once was in New York.

This nomination certainly is a great one in my view coming from the Governor. I don't think there could have been another person who could have filled this role at this time in this state other than Don Davidsen, so I ask all of you to support him in this nomination, and I move the nomination, Mr. President.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Kuhl.

Senator Leibell.

SENATOR LEIBELL: Thank you, Mr. President.

I could not let this opportunity go by without rising to comment, as my colleague

Senator Kuhl just has, on the excellent nomination we receive here today. I had the chance and the good fortune over a number of years to serve with "Doc" in the State Assembly. We see someone who comes before us today with wonderful credentials for this position by training, by his experience here in the Legislature, his professional background, his vision and dedication, as a man of great integrity who I think, as was noted, will help agriculture tremendously in the State of New York.

I would also note that for -- I think for the entire Assembly, "Doc" was our unpaid veterinary consultant for all of us who have pets. He did a great job of it. Anytime one of us had a puppy with a dry nose, we went over to see "Doc". He and his wife have brought great grace to the Legislature. They are wonderful people, and I take great pleasure in seconding this nomination today.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Leibell.

Senator Volker.

SENATOR VOLKER: I also want to

rise in support of Don, who as I said in -- in the Finance Committee, it's another one of those mixed feelings. It's great to have Don as the Commissioner of Agriculture. He is a fine gentleman and knows agriculture inside out, and I don't think there could be a better pick by the Governor; but I think the other side of the coin is that, unfortunately, we won't have Don as an Assemblyman, as somebody who is not only a fine gentleman but somebody who represented his district so well and represented Western New York so well. It's a great appointment. I know he will do a great job, but I personally will miss Don out on the hustings as the saying goes, but -- but I know he will do well, and I wish him the very best.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Volker.

Senator Wright.

SENATOR WRIGHT: Thank you, Mr. President.

I, too, rise to second the nomination of Don Davidsen. I represent an area that is probably the heart of the North Country in terms of agriculture, and I'm very pleased to

have the Governor nominate an individual of the caliber of Don Davidsen.

I think anyone who had the opportunity yesterday to watch the Commissioner designee address the questions that were being posed to him at the Agriculture Committee knows full well his understanding of the issue, the breadth of knowledge that he brings, the unique perspective that he brings, having been both a practicing veterinarian as well as a member of the legislative body here in the Capitol, and I think that's a unique combination.

So I, too, rise to second the nomination and look forward to working with Commissioner Davidsen and wishing him the best of luck from the agricultural North Country.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Wright.

Senator Saland.

SENATOR SALAND: Thank you, Mr. President. I, too, rise in support of Don Davidsen, a former colleague when I had the opportunity, as many of us did in this house, to serve in what our colleague Senator Velella called "the big house."

I would submit that Don Davidsen would be an excellent nomination to any position. He is a talented very, very well qualified individual; and beyond his qualifications particularly for Ag and Markets, he's just an extraordinarily decent human being.

It's my pleasure as a former colleague and a member of this house to join in moving your nomination, and wish you nothing but the best. You deserve it. We deserve you, and the people of the State of New York will be well served by you.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Saland.

Senator Larkin.

SENATOR LARKIN: Thank you, Mr. President.

I rise to second the nomination of Don Davidsen as Commissioner of Ag and Markets. Those of us who had the privilege of working with Don as a member of the Assembly, we were always cognizant of the fact that he was concerned about every issue that ever came up on the table, and, you know, when you look at the Ag and Markets, as Senator Kuhl alluded to so

far before, those of us who have ag districts in our communities and have the wide breadth of what agriculture to this state means, the Governor had to find somebody who could commit himself, not part time, not half time, but 150 percent of the time. His selection and nomination of Don Davidsen sends a clear indication to the farm community of the State of New York that we will have somebody at the helm who's going to be responsible to whatever area of interest you have.

I can tell you, Mr. Davidsen, that the members of my community, the farm community and the business community, were elated when they received copies of your nomination and your background, and I'm very proud to stand here and say I look forward to many, many years of your success and many, many years of success for the ag business in the State of New York under your leadership.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Larkin.

Senator Seward.

SENATOR SEWARD: Thank you, Mr. President.

I, too, am honored and privileged to rise and second the nomination of Don Davidsen to be the Commissioner of the Department of Agriculture and Markets. He is our good friend and colleague.

Even in tough times, agriculture remains our state's largest industry and there are many, many challenges that are being faced by the agricultural community in these days; however, I am fully confident with Don Davidsen's background both in agriculture and in public service and government that he is the right man in the right job to assist the agricultural community and the state as a whole in meeting the challenges that confront them.

So I'm very pleased to second the nomination of Don Davidsen who has my enthusiastic support.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Seward.

The question is on the confirmation of Donald R. Davidsen as Commissioner of Agriculture and Markets.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Donald R. Davidsen, it gives me great pleasure as privilege of the chair to tell you, as one who served with you for six years in the Assembly, four years on the Ag Committee with you as ranking member, and gives me tremendous honor to hereby announce the confirmation of you as New York State Commissioner of Agriculture.

Congratulations, Don.

(Applause.)

Also congratulations to Betty. Very nice honor for both of you.

Secretary will read.

THE SECRETARY: Member of the Unemployment Insurance Appeal Board, Michael R. Cuevas of Schenectady.

ACTING PRESIDENT NOZZOLIO: Senator Farley.

SENATOR FARLEY: Thank you, Mr. President.

It's with a great deal of enthusiasm that I nominate Mike Cuevas for this

Unemployment Insurance Appeals Board.

Michael Cuevas is the -- heads the City Law Department in the city of Schenectady, has for a number of years. I have known him for a long time. I know his family. He is a remarkable young man and an outstanding lawyer.

Let me just say this. In the city of Schenectady politics and the City Council and Mayor and everybody, it's always been a tempestuous and exciting situation and a lot of really partisan sparring, but Mike Cuevas, who was the counsel to the Mayor and headed the city department, was respected by both sides of the aisle. He is a real fine human being and somebody that is extremely competent. Seldom have I met a young man who is so respected within the community from which he comes.

He is not only one of the leading Hispanics in our community, he is also respected by all members of the bar, by the press, by people on both sides of the aisle. This is a terrific appointment.

And, Mike Cuevas, we're honored

to have you, and I congratulate the Governor on choosing this outstanding human being for this important job.

Mike, we wish you well. I know that you will serve well, and the state is indeed fortunate to have you.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Farley.

Senator Mendez.

SENATOR MENDEZ: Mr. President. I also do rise to second the nomination of Mr. Michael Cuevas to the position of member of the Unemployment Insurance Appeals Board.

Mr. Cuevas is a young man, as was stated before by Senator Farley, a bright - very bright young lawyer; and he is, Mr. President, a Puerto Rican American just like me.

So, once more, I have to congratulate the Governor for making these appointments and, in this instance, two very wonderful Puerto Rican men, two great professionals, and that, as a Puerto Rican, fills my heart with joy and contentment.

I know that this young man is

going to make a great contribution in his new position; and, therefore, I move his confirmation.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Mendez.

The question is on the confirmation of Michael Cuevas as member of the New York State Unemployment Insurance Appeals Board.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Michael Cuevas is confirmed as member of the Unemployment Insurance Board. Sitting with Commissioner Cuevas is his wife, Judy. Congratulations to you both.

(Applause.)

Secretary will read.

THE SECRETARY: Member of the State Council on Youth, Gerard J. Papa of Brooklyn.

ACTING PRESIDENT NOZZOLIO: Senator Saland.

SENATOR SALAND: Mr. President. Mr. Papa was considered by the Children and Families Committee for the appointment to this position. He certainly has an extraordinarily impressive background, and the committee has unanimously made the recommendation; and by merely glancing at his resume and seeing not only his professional background, his experience but his involvement with children, it seems to me that the Governor has made an excellent appointment, one which the director, Director Johnson, also highly recommends, as well.

So I would move the appointment of Mr. Papa to this position.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Saland.

Senator Solomon.

SENATOR SOLOMON: Yes, Mr. President. I have known Jerry Papa for over - I guess close to 20 years. He lives several blocks from me. He's been involved with a number of youth organizations. One notably called the Flames has been highlighted on the cover of New York Magazine and -

ACTING PRESIDENT NOZZOLIO:

Excuse me, Senator Solomon, if you will suffer an interruption.

(Whereupon, the gavel was used.)

It was getting too noisy to hear you, Senator.

SENATOR SOLOMON: What some of the people don't know, he is so dedicated to the youth that he actually gave up a position as a tax lawyer on Wall Street to dedicate himself to some of the youth activities as a nonsalaried individual in Brooklyn, to serve with these individuals, and, in fact, he has really made a mark for himself in the communities that he has served in my area, in Brooklyn, and I am more than happy to second his nomination.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Solomon.

The question is on the confirmation of Gerard J. Papa as member of the State Council on Youth.

All in favor, signify by saying aye.

(Response of "Aye.")

All opposed, nay.

(There was no response.)

Gerard J. Papa is hereby confirmed as a member of the State Council on Youth.

Secretary will read.

THE SECRETARY: Member of the New York Job Development Authority, David H. Feinberg of New York City.

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Leichter.

SENATOR LEICHTER: Yes, Mr. President. On the nomination, I asked in the Finance Committee that Mr. Feinberg appear before the Finance Committee. I made the same request for Charles E. Dorkey and also Anthony H. Gioia, and my comments will now also pertain to those two nominees.

The reason that I asked that they appear before the Finance Committee is because it is my understanding that all three of them are actively engaged in raising money for Governor Pataki. Now, there's nothing wrong in the fact that these three individuals have also in past years made substantial contributions to the Governor, and I think we ought to be very

clear what the issue is because in the Finance Committee, although I thought I was clear, obviously I wasn't because people focused on the wrong issue.

Let's be clear what the two issues are. One issue is whether people are being appointed to high government posts solely and exclusively because of their political activity and/or fund giving or raising. That deals with the qualification of these candidates and, frankly, in this administration, I think we have seen an excess of people who come before us and whose resume is chock full of their political activity for the Republican Party and Governor Pataki.

But that's not the issue in regard to these three people. Although they have given substantially to the Governor, I would vote -- I would vote to confirm them except for the second issue, which is a separate issue, which is the issue I raised and which is the issue which needs to be considered; that is, that these people are being appointed to a very sensitive, powerful, economic body.

This particular nomination I

believe is as a member of the New York Job Development Authority. The others are to the Board of Directors of the New York State Science and Technology Foundation. Both of these bodies make substantial economic grants. They give money. They give contracts.

Moreover, it's my understanding that both the Job Development Authority and the New York State Science and Technology Foundation are going to be folded into one super economic agency that's going to be called the Empire Development Corporation, really the successor or the new name for the Urban Development Corporation.

Now, to appoint people to that economically sensitive body and not to know whether they're going to continue their fund raising activities, to my mind, is a lack of or, if you will, is really an abdication of our responsibility to see that the public interest is protected.

I called one of these nominees, Anthony Gioia. I found him a very engaging person. But he told me when I asked him, "Mr. Gioia, if you are confirmed in this position,

will you pledge to discontinue any political fund raising?" He said to me, "Senator, I can't say that. I will talk to some people. I will get back to you." He has not.

I have not heard from the other two people; and, as I said, they did not appear before the committee. They did not make a statement as to whether they are going to continue their fund raising activities.

I think that we're seeing, unfortunately, here a pattern of putting members of the Pataki Finance Committee in these positions that enhance their fund raising capability. In some ways, it's -- to quote Willie Sutton in another context, maybe "that's where the money is"; and if that's why they are being appointed and if that's what they are going to be doing, it is absolutely wrong; and we should not act on these nominations until we know they will give up their fund raising activities.

Now, earlier this summer, there was an incident in Saratoga, a fund raiser, that was chaired by the person who is the acting head of the Racing and Wagering Board; and at that

time, when it was publicly disclosed and criticized, the Governor stated that top people in his administration will no longer engage in fund raising, but we have never seen anything in writing. There's no rules. There's no guidelines. We don't know who's covered, and we don't know the extent or the inclusiveness of this prohibition.

Just very recently, the press secretary of Charles Gargano, who is head of this particular authority, stated and was quoted in the paper as stating in regard to Mr. Gargano's fund raising activities that he would not engage -- and I want to -- bear with me just a moment while I find the exact statement, but it was to the effect that he would not engage "in an official capacity." I don't know what that means.

Does that mean that instead of using the title of Commissioner when calling people to raise money, he is going to say I'm Ambassador Gargano or I'm Charles Gargano? What does it mean "official capacity"? I asked his press secretary for clarification. I haven't received it. Does it mean he's going to engage

in fund raising in an unofficial capacity. I think it's absolutely wrong for the head of economic development in the State of New York to be engaged in fund raising.

And these three nominees that I'm questioning, they are going to be on that same board. They have extensive powers; and if they are going to engage in political fund raising, it is against the public interest. It will lead to conflict of interest. It should not be done, and I think that we have a responsibility to be more than just rubber stamps.

I agree there's a great deference to be given to a governor, and you have seen me oppose Governor Cuomo when I thought that that deference should not been given because the nominee was not either qualified or for some other reason should not be confirmed.

And I'm asking you not to vote them down at this time. Lay this aside. Bring these three people before us. Get an answer to the question, "Are you going to engage in political fund raising?" If the three of them say, "I will not engage in political fund raising" while I hold these positions, I will

join you in voting for their confirmation. I may differ with them politically, but I think under those circumstances the Governor is entitled to have his nominees confirmed. But if they are going to engage in fund raising, it's wrong. It's a misuse, and at that point we have to say, no, that can not occur.

Now, some people may say, "You are being partisan. Didn't other governors also have some of their commissioners engage in fund raising?" Yes, they did. But I must say I have not seen such a single-minded focus in any other administration in putting people who are politically active in high government positions as I have with the Pataki administration.

And I criticized Governor Carey at a time when he had a picture of himself and the four legislative leaders. Some of you may remember. I joined you in criticizing Governor Cuomo when he used so-called public service announcements which really were a way of getting his name out. Last year, I publicly criticized Vince Tese when two UDC employees ghost wrote a book for Governor Cuomo, and I went to John Daly who was then the chairman of the Corporation

Committee, and I said, "You ought to hold hearings on it. It's wrong."

So I'm not being partisan. I'm saying that we as Senators have a responsibility, and I think to have those three people in view of their active political work, in view of their fund raising activity, and in view of the positions that they are being appointed to without knowing the key answer, "Are you going to give up all political fund raising?" without knowing that, we should not act on those nominations.

Now, all I asked the Finance Committee was lay it aside until these three people can come before us, or let them make a written statement. Let them call me or other members of the committee and state what their position is, and then we can act on it, but I urge you not to act on it today. If you are going to force this issue through, I will vote against them because I think the public deserves to know that the people who hold high government office and posts, and posts economically so powerful, will not use those posts in any way to engage in political fund raising.

ACTING PRESIDENT NOZZOLIO:

Senator Stafford.

SENATOR STAFFORD: Mr. President. We had this discussion in the Finance Committee; and as I pointed out there, we can debate campaign financing and there will be many people on many, many sides of the issue, because there are more than two sides, but, today, we have before us people who have been nominated, they are capable, they want to be involved. And I think we have to be very careful if we say, "If you're working with us well, that you can't be involved in the political process."

I only emphasize that if we are to say that you can't been involved, you know, we're infringing upon their freedom as a matter of fact, and we will find there are many nominated who don't contribute. Some do, some don't. All of us would rather have people involved in the political system.

Yes, we can debate about changing it. As I say, those debates are going to be ongoing; but, today, we have three people who have been pointed out here today who are in

non-paying positions, one who has been confirmed before, and we have people, again, who have had their backgrounds checked. They want to be involved. They are concerned. I think they are good candidates, and I think here today we're talking about these nominations, not how campaigns are financed.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Stafford.

The question is on the confirmation of David Feinberg, member of the New York Job Development Authority.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(Response of "Nay.")

The ayes have it.

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Leichter.

SENATOR LEICHTER: I would like to be recorded as voting against this nomination.

ACTING PRESIDENT NOZZOLIO: The

record will so reflect.

SENATOR DOLLINGER: Mr. President. I would join Senator Leichter in voting in the negative.

ACTING PRESIDENT NOZZOLIO: The record will so reflect. Senator Leichter and Senator Dollinger recorded as voting against.

Secretary will read.

THE SECRETARY: Member of the Board of Directors of the New York State Science and Technology Foundation, the Reverend Calvin O. Butts, III, of New York City.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Calvin Butts, III, as member of the Board of Directors of the New York State Science and Technology Foundation.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Reverend Butts is confirmed as a member of the Board of the New York Science and Technology Foundation.

Secretary will read.

THE SECRETARY: Member of the Board of Directors of the New York State Science and Technology Foundation, Charles E. Dorkey of New York City.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Charles E. Dorkey as a member of the Board of Directors of the New York State Science and Technology Foundation.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(Response of "Nay.")

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Leichter.

SENATOR LEICHTER: Will the record show that for the reason I stated previously that I will vote against the confirmation of Mr. Dorkey.

ACTING PRESIDENT NOZZOLIO: The record will so reflect.

Senator Dollinger.

SENATOR DOLLINGER: I join in the sentiments expressed by Senator Leichter, and I will also be voting in the negative.

ACTING PRESIDENT NOZZOLIO: The record will so reflect.

Charles Dorkey has been confirmed as a member of the Board of Directors of the New York State Science and Technology Foundation.

Secretary will read.

THE SECRETARY: Member of the Board of Directors of the New York State Science and Technology Foundation, David H. Feinberg of New York City.

ACTING PRESIDENT NOZZOLIO: Question is on the confirmation of David Feinberg as a member of the Board of Directors of the New York State Science and Technology Foundation.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(Response of "Nay.")

Senator Leichter, and Senator Dollinger -

SENATOR LEICHTER: For the reasons previously stated, you will record me in the negative on this nomination.

SENATOR DOLLINGER: Likewise, Mr. President.

ACTING PRESIDENT NOZZOLIO: - will be recorded in the negative.

David Feinberg is confirmed as a member of the Board of Directors of the New York Science and Technology Foundation.

Secretary will read.

THE SECRETARY: Member of the Board of Directors of New York Science and Technology Foundation, Anthony H. Gioia of Buffalo.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Anthony Gioia as member of the Board of Directors of the New York State Science and Technology Foundation.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(Response of "Nay.")

Senator Leichter.

SENATOR LEICHTER: Yes, Mr. President. Will you again vote me in the negative for the reasons previously stated.

ACTING PRESIDENT NOZZOLIO: Record will reflect.

Senator Dollinger.

SENATOR DOLLINGER: Likewise, Mr. President.

ACTING PRESIDENT NOZZOLIO: Record will reflect.

Anthony Gioia is hereby confirmed as a member of the Board of Directors of the New York State Science and Technology Foundation.

Secretary will read.

THE SECRETARY: Member of the Finger Lakes State Park, Recreation and Historic Preservation Committee, Beverly C. Anania of Geneva.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Beverly -

Senator Leichter.

SENATOR LEICHTER: Yes, Mr. President. Very briefly on the nomination.

I'm going to vote against this particular nomination and, for one -- I'm

sorry. I'm going to yield to Senator Rath. Did you want to speak on the nomination?

SENATOR RATH: Yes, Senator Leichter.

SENATOR LEICHTER: All right. Let me yield to you, and then I will explain my reasons for voting against it.

ACTING PRESIDENT NOZZOLIO: Senator Rath.

SENATOR RATH: Yes, Mr. President. I would like to speak on behalf of Beverly Anania today. Beverly Anania is someone I have known briefly for three, four, five years, and I know her as someone deeply committed to her community, someone whose roots go very far and very deep into the community that she's being asked to serve and be part of, and I think that the contributions that she can make to the Finger Lakes State Park, Recreation and Historic Preservation Commission will be those as a community activist and someone whose care will be forthright and outstanding in this kind of service, and I would like to second her name for the nomination.

ACTING PRESIDENT NOZZOLIO: Thank

you, Senator Rath.

Senator Leichter, on the nomination.

SENATOR LEICHTER: Yes, Mr. President. I'm going to oppose Beverly Anania. She's not being appointed to a powerful economic position. The reason I'm going to oppose her is for the first of the issues that I said that we have to face. One is, is the person qualified or is it solely a political appointment? The second issue which we dealt with, with the other three, is, are we creating a possible conflict of interest because of their continuing fund raising activity?

But I thought what was really telling about this nominee is, in her resume, she attached a page saying, "I have raised money for seven candidates," and she lists the candidates and very proudly her political fund raising activity. Now, you know, when you submit a resume, you put in there what you hope is going to catch the eye of the hiring or, in this instance, the appointing authority, and it's going to be something that is going to appeal to them.

I think maybe the cat is out of the bag that the way to get an appointment to these commissions and authorities and bodies is to show how active you have been in raising money for Republican candidates. If that's what she thinks is her qualification. It tells me enough that I will not vote to confirm her.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation.

SENATOR DOLLINGER: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Dollinger.

SENATOR DOLLINGER: Just one brief agreement, concurrence with my colleague, Senator Leichter. I agree with his evaluation of the first three candidates. This candidate, as I think the resume suggests, these are political appointments to government jobs. What I think has happened as the resume suggests is that the person applying assumes that they are totally political jobs; and I think when you list all the candidates that you have been doing fund raising for as your qualification, you suggest that the only thing that's important is

your politics and not your government experience or, for that matter, the benefits that you can bring to government.

I agree with Senator Leichter that this one seems to cross a line. I know that there was another nominee we did a long time ago, early in the spring, who when seeking one of the highest ranking positions in this state happened to include right at the top of his resume that he had raised money for the Republican Party, and I suggested at the time that if that's the one thing you put on your resume, that's the one thing you think is the most important qualification.

And I suggest with this nominee the suggestion that the most important qualification is that you raise money for candidates is not the qualification for this job. Senator Rath may be correct. This person may bring good experience, may bring important experience; but from their point of view, they thought their political involvement was more important than that experience; and I suggest that that's a bit wrong-headed and it's wrong-headed for this state to seem to rely on

that criteria more than other more appropriate criteria.

So I will be voting with Senator Leichter in the negative on this nomination.

ACTING PRESIDENT NOZZOLIO: Senator Kuhl.

SENATOR KUHL: Yes, Mr. President. Not to belabor this particular nomination, but I think if the record did not reflect that I know this individual as I know you do, and this individual is a constituent of yours, Senator Nozzolio, and we have, I know, worked with this individual not only in a political arena but certainly in a number of other community kinds of positions, and to allow the record to reflect that there seems to be some opposition because one of the things that this individual has done is to be supportive of candidates who happen to be in control of this administration would be absolutely wrong.

Beverly Anania is one terrific, one tremendously outstanding individual. To have her put her application in to take a position that is non-paying, to take up the time to try to contribute to the environment of our

community, I think, speaks for itself. I welcome her opportunity, coming through this nomination. I support her nomination, and I think that she will be one terrific contributing member of the Finger Lakes Parks Commission.

It's one of those thankless jobs where there isn't enough money to do everything you want. You've got to come up with new kinds of avenues to support a park system that is in need of repair that prior administration left in need of repair, and I think to take on that task speaks noble of the person itself, and I think the record should reflect that.

And I move the nomination.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Kuhl.

The question is on the nomination of Beverly C. Anania as a member of the Finger Lakes Park Commission, Recreation and Historic Preservation Committee.

All in favor, signify by saying aye.

(Response of "Aye.")

All opposed, nay.

(Response of "Nay.")

Senator Leichter.

Gives me pride in announcing the confirmation of Beverly C. Anania as a member of Finger Lakes State Park, Recreation and Historic Preservation Committee.

Secretary will read.

Record will reflect Senator Dollinger is in the negative.

THE SECRETARY: Member of the Genesee State Park State Park, Recreation and Historic Preservation Committee, Peter G. Humphrey of Warsaw.

ACTING PRESIDENT NOZZOLIO: Question is on the confirmation of Peter G. Humphrey as a member of the Genesee State Park, Recreation and Historic Preservation Committee.

All in favor, signify by saying aye.

(Response of "Aye.")

Those opposed, nay.

(There was no response.)

Peter G. Humphrey has been confirmed as member of the Genesee State Park, Recreation and Historic Preservation Committee.

Secretary will read.

THE SECRETARY: Member of the Long Island State Park, Recreation and Historic Preservation Committee, Howard C. DeMartini of Sayville.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of the Howard C. DeMartini as member of the Long Island State Park, Recreation and Historic Preservation Committee.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Howard C. DeMartini has been confirmed as a member of the Long Island State Park, Recreation and Historic Preservation Committee.

Secretary will read.

THE SECRETARY: Director of the New York State Urban Development Corporation, the Reverend Calvin O. Butts, III, of New York City.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of the Reverend

Calvin Butts as Director of the New York City Urban Development Corporation.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Yes, Senator Montgomery.

SENATOR MONTGOMERY: I would like to speak on this nomination.

ACTING PRESIDENT NOZZOLIO: On the confirmation. Senator Montgomery.

SENATOR MONTGOMERY: On the confirmation. I happen to know Reverend Butts very well, and I think that his name and work precedes him, certainly, in a very important and meaningful way as it relates to especially children and especially people who don't have a voice in communities.

Reverend Butts has been for many years a very outspoken advocate on behalf of children. He is a member of the National Black Child Development Institute and has hosted any number of meetings regarding issues related to what happens to juveniles, what is happening to

young people in the school system, what is happening to children in child care, foster care, and a whole range of issues related to children.

And Reverend Butts also is a very brave, courageous and outspoken advocate on behalf of young people as it relates to their moral standards. He does not simply speak about it from his position as a religious leader, he gets out in the streets and organizes people and proceeds to take action against what he views as the corrupting evils for young people in the City of New York.

He is also a leader as it relates to the economic revitalization of East Harlem. I only wish that Reverend Butts were in Brooklyn, but, nonetheless, I benefit from his work because wherever he is able to influence what happens in a positive way to people, it also is good for me, and it's good for my community.

So I am very, very proud and pleased to be able to stand here and speak to the nomination and confirmation of Reverend Butts. I think he will bring a tremendous

degree of skill, but, more importantly, vision and determination to this important economic development agency of the state.

So I wholeheartedly vote for him and appreciate the fact that he will be in a position to help people in an even more significant way as director of UDC.

Thank you.

ACTING PRESIDENT NOZZOLIO: Senator Paterson.

SENATOR PATERSON: Thank you, Mr. President. I'm only sorry that Reverend Butts is not here at the moment to hear the kind words that Senator Montgomery bestowed upon him. He actually grew up in Queens, New York, got his bachelor of arts from Morehouse College and eventually his Doctor of Divinity at Drew University.

He has led the fight around New York City against negative advertising on billboards and also negative stereotyping in the music industry. For this, he has undergone great criticism and has stood fast to his principles and his points of view. In fact, he is so principled, I was thinking maybe we should

have a rider on this nomination that he be compelled to raise money for somebody, because usually his interests lie in the development of housing in the greater Harlem area, the outreach of his Church the Abyssinian Baptist Church where he is the Pastor -- and I see I'm getting a lot of sympathy and understanding about my ideas here that we compel our nominees to act.

Also, Reverend Butts is one who has distinguished himself for a number of years on taking the difficult positions on a lot of social issues, in many ways bringing to light issues such as police brutality and discrimination in employment which have previously not been addressed.

So I am very pleased to lend my voice to Senator Montgomery as one who is very pleased to see him not only serving on the Urban Development Corporation but also on the Science and Technology Board. It is a great tribute to the Governor that he thought of this nomination.

ACTING PRESIDENT NOZZOLIO: Question is on the confirmation of the Reverend Calvin Butts as Director of the New York State Urban Development Corporation.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Reverend Butts is hereby confirmed.

The Secretary will read.

THE SECRETARY: Member of the Dormitory Authority, Gail Hill Gordon of Slingerlands.

ACTING PRESIDENT NOZZOLIO: Question is on the confirmation of Gail Hill Gordon as a member of the Dormitory Authority.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Gail Hill Gordon is hereby confirmed as a member of the Dormitory Authority.

Secretary will read.

THE SECRETARY: Public member of State Banking Board, Peter M. Ryan of Larchmont.

ACTING PRESIDENT NOZZOLIO: Question is on the confirmation of Peter M. Ryan as member of the State Banking Board.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Peter M. Ryan is hereby confirmed.

Secretary will read.

THE SECRETARY: Member of the Niagara Frontier Transportation Authority, David N. Greenfield of Lockport.

ACTING PRESIDENT NOZZOLIO: Question is on the confirmation of David Greenfield as member of the Niagara Frontier Transportation Authority.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

David Greenfield is hereby confirmed as a member of the Niagara Frontier

Transportation Authority.

Secretary will read.

THE SECRETARY: Member of the Metropolitan Transportation Authority, Rudy Washington of Laurelton.

ACTING PRESIDENT NOZZOLIO: Senator Smith.

SENATOR SMITH: Thank you, Mr. President.

I rise to second the nomination of Rudy Washington for the member of the Metropolitan Transit Authority.

Mr. Washington is a lifetime resident of the County of Queens, has been an active participant in all phases of civic activities and now honors us by serving as the Commissioner of Business Development Services for the City of New York.

Mr. Washington has been a dedicated person to all phases of the community, starting from his college days when he served with children who were in day care, and keeping that commitment serving as chairman of the board -

ACTING PRESIDENT NOZZOLIO:

Pardon me, Senator Smith. Will you suffer an interruption?

(The gavel was sounded.)

Thank you, Senator.

SENATOR SMITH: Thank you.

-- until the time that he took on the commissionership of the Business Development Services Agency. Rudy Washington is also a businessman and understands the plight of businesses and of people and will be a dedicated servant for all of us on the Metropolitan Transit Authority, and he reminded us yesterday that he still rides the subways which is important, because we need someone who understands the system, and he made a commitment to us that he will attend the board meetings, and that is most important to us because we have not had members of the board participating, especially at public hearings.

I have told him that if he does not attend, I will picket his house and I will get some of my colleagues to join me, and I don't think he'd want to have that, but I thank the Governor for making a wise choice and even the Mayor of the City of New York for putting

forth the name of Rudy Washington, who will be a fine public servant.

Thank you.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Smith.

Senator Montgomery.

SENATOR MONTGOMERY: Yes, thank you, Mr. President.

I just want to join Senator Smith in commending the Governor on this appointment, as well. I met Rudy Washington recently. I'm only sorry that he decided at some significant point in his life to become a Republican; but, nonetheless, he is a young, committed person and has proven that in his capacity as Commissioner of Economic Development in the City of New York.

So I am happy that the Governor has seen fit to put him on the Board of the MTA. I believe that as a present Queens'ite and as a person who rides the subway so he uses public transportation, he will stand up for the interests of other people, other citizens in New York, most of the other citizens in New York, in fact, who also use public transportation.

So I am happy to also second this

nomination. Thank you, Mr. President.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Rudy Washington as a member of the Metropolitan Transportation Authority.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Rudy Washington is hereby confirmed.

Secretary will read.

THE SECRETARY: Non-voting member of the Metropolitan Transportation Authority, Joseph Rutigliano, of Holtsville.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Joseph Rutigliano as a non-voting member of the Metropolitan Transportation Authority.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Joseph Rutigliano is hereby confirmed.

Secretary will read.

THE SECRETARY: Deputy Comptroller for the City of New York, Rosemary Scanlon, of Brooklyn.

ACTING PRESIDENT NOZZOLIO: The question is on the confirmation of Rosemary Scanlon as Deputy Controller for the City of New York.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

Rosemary Scanlon is hereby confirmed as Deputy Controller for the City of New York.

Senator Skelos.

SENATOR SKELOS: Mr. President. Is there any housekeeping at the desk?

ACTING PRESIDENT NOZZOLIO: There's some motions, yes.

Senator Present.

SENATOR PRESENT: Mr. President.

I wish to call up my bill, Print 469, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Calendar Number 20, by Senator Present, Senate Print 469, an act to amend the Public Authorities Law, in relation to creating the Alfred, Almond Hornellsville Sewer Authority.

SENATOR PRESENT: Mr. President. I move to reconsider the vote by which this bill was passed.

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

(The Secretary called the roll on reconsideration.)

THE SECRETARY: Ayes 54.

ACTING PRESIDENT NOZZOLIO: The bill is before the house.

Senator Present.

SENATOR PRESENT: Mr. President. I now offer the following amendments and move to discharge from Committee on Rules Assembly Print 1671A.

ACTING PRESIDENT NOZZOLIO:

Amendments received and adopted.

SENATOR PRESENT: And substitute it for my identical bill.

ACTING PRESIDENT NOZZOLIO: Substitution ordered.

SENATOR PRESENT: Mr. President. I now move that the substituted Assembly bill have its third reading at this time.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Calendar Number 20, by Member of the Assembly Davidsen, Assembly Print 1671A, an act to amend the Public Authorities Law and the Executive Law, in relation to creating the Alfred, Almond Hornellsville Sewer Authority.

ACTING PRESIDENT NOZZOLIO: Read the last section.

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

ACTING PRESIDENT NOZZOLIO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 54.

ACTING PRESIDENT NOZZOLIO: The

bill is passed.

Senator Farley.

SENATOR FARLEY: Thank you, Mr. President.

I wish to call up Senator Stafford's bill, 3312, having passed both houses and not delivered to the Governor.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Calendar Number 928, by Senator Stafford, Senate Print 3312, an act to amend the Tax Law, in relation to authorizing the County of Washington to allocate certain proceeds from the tax on mortgages.

SENATOR FARLEY: I don't know why that wasn't delivered. Anyway, Mr. President, I now move that we reconsider the vote by which this bill was passed, and I ask that the bill be restored to the order of third reading.

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

(The Secretary called the roll on reconsideration.)

THE SECRETARY: Ayes 54.

ACTING PRESIDENT NOZZOLIO: The

bill is before the house.

Senator Farley.

SENATOR FARLEY: Mr. President. I now offer the following amendments and I move to recommit this bill.

ACTING PRESIDENT NOZZOLIO: Amendments received. Recommitted.

SENATOR FARLEY: Mr. President. On behalf of Senator Johnson, I wish to call up his bill, Print Number 4648, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Calendar Number 1369, by Senator Johnson, Senate Print 4648, an act in relation to authorizing, Harry S. Reik to purchase certain retirement service credit.

SENATOR FARLEY: Mr. President. I move to reconsider the vote by which this bill was passed and I ask that the bill be restored to the order of third reading.

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

(The Secretary called the roll on reconsideration.)

THE SECRETARY: Ayes 54.

ACTING PRESIDENT NOZZOLIO: The bill is before the house.

Senator Farley.

SENATOR FARLEY: Thank you. I now move to recommit Senate Print Number 4648, Calendar Number 1369, on the order of the third reading to the Committee on Civil Service and Pensions with instructions to this committee to strike out the enacting clause.

ACTING PRESIDENT NOZZOLIO: The bill is recommitted with enacting clause stricken.

Senator Tully.

SENATOR TULLY: Yes, Mr. President. I have a privileged resolution at the desk. May I have the title read, please.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: By Senator Tully, Legislative Resolution, commemorating October 19, 1995, as National Mammography Awareness Day in the State of New York.

SENATOR TULLY: Yes, thank you, Mr. President.

My colleagues, on Thursday, October 19, 1995, New Yorkers will join with Americans in other states as we celebrate National Mammography Awareness Day. As many of you know, breast cancer will strike an estimated 182,000 women and 1,000 men in the United States in 1995. Education, self-detection and mammography are currently the best weapons in the fight against breast cancer.

New York State is one of the leaders in the battle against breast cancer, and I'm glad to say that most of the legislation in the fight against breast cancer originated in this house.

On Thursday, October 19, National Mammography Awareness Day, we seek to call attention to the benefits of mammography and inform even more people that early detection is the best protection.

At this time, Mr. President, I would like to open this resolution to my colleagues for sponsorship, and it might be appropriate to include all unless otherwise indicated.

Thank you.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Tully.

Senator Skelos, do you wish for every member to be added?

SENATOR SKELOS: Unless they the notify desk, otherwise all members with the consent of the Minority, will be put on the resolution.

Would you please recognize Senator Paterson.

ACTING PRESIDENT NOZZOLIO: Question is on the resolution.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The Resolution is adopted.

Senator Paterson.

SENATOR PATERSON: Mr. President. I believe I have a privileged resolution at the desk.

ACTING PRESIDENT NOZZOLIO: Yes.

SENATOR PATERSON: I would like the title read and waive the rest of the

reading.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: By Senator Paterson, Legislative Resolution, honoring Grambling State University Coach Eddie Robinson as America's Winningest Football Coach.

SENATOR PATERSON: Thank you, Mr. President.

Just this past week, Eddie Robinson, who for 54 years has been the coach of football at Grambling State University won his 400th game. This is more than Bobby Bowden from Florida State or Joe Paterno from Penn State or Bear Bryant from Alabama or Pop Warner or even Senator Stachowski's old coach, Amos Alonzo Stagg.

This achievement comes to an individual whose motto is that he had one job and one wife and that he was the only child of a share cropper years ago and came to Grambling State University and led them to all of these victories.

His record of 400 victories, 145 losses and 15 ties, stands alone in the annals

of college football history. He has been a coach of 200 professional and countless All American athletes. He is an individual who also is known for his virtuous conduct and his outstanding achievements off the field and his role model to all children of America.

I had the privilege ten years ago of sitting next to him at a dinner. My assistant and I found him to be as warm an individual as we ever met; and at this time, commemorating his 400th victory in his 54 years of service, we wanted to pause in our deliberations to recognize that great achievement.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Paterson.

The question is on the resolution.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The Resolution is adopted.

Senator Santiago.

SENATOR SANTIAGO: Mr. President. I believe I have a privileged resolution at the desk.

ACTING PRESIDENT NOZZOLIO: Yes, you do.

Secretary will read.

THE SECRETARY: By Senator Santiago, Legislative Resolution, commemorating the 60th anniversary of the Lycee Francais de New York.

ACTING PRESIDENT NOZZOLIO: Senator Santiago on the resolution.

SENATOR SANTIAGO: I move for its adoption.

ACTING PRESIDENT NOZZOLIO: The question is on the resolution.

All in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The Resolution is adopted.

Senator Skelos.

SENATOR SKELOS: Mr. President. I believe there is a report of the Rules

Committee at the desk. I ask that it be read.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Senator Bruno from the Committee on Rules reports the following bills:

Assembly Print 8228, by the Assembly Committee on Rules, an act to amend the Retirement and Social Security Law and others, relating to the promotion of the health and efficiency of policemen in certain cities.

Assembly Print 8201, by the Assembly Committee on Rules, an act in relation to collective bargaining between the Unified Court System and the New York State Court Clerks Association.

Senate Print 5320, by Senator Connor, an act to amend the General City Law, the Real Property Tax Law, the Tax Law, Chapter 772 of the Laws of 1966, relating to enabling any city having a population of one million or more to raise tax revenue.

Senate Print 5423, by Senator Connor, an act to amend the Real Property Tax Law, in relation to tax abatements and making

certain technical changes relating thereto.

And, Senate Print 5537, by the Senate Committee on Rules, an act to amend the Real Property Tax Law, in relation to exemption from local taxation of accessory parking in new multiple dwellings.

All bills ordered directly for third reading.

SENATOR BRUNO: Mr. President. I move we accept the report of the Rules Committee.

ACTING PRESIDENT NOZZOLIO: All those in favor of accepting the report of the Rules Committee, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The report is accepted.

Senator Skelos.

SENATOR SKELOS: Mr. President. At this time, if we could take up Calendar Number 1617, A.8201.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Calendar Number

1617, by the Assembly Committee on Rules, Assembly Print 8201, an act in relation to collective bargaining between the Unified Court System and the New York State Court Clerks Association.

ACTING PRESIDENT NOZZOLIO: Read the last section.

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

ACTING PRESIDENT NOZZOLIO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 54.

ACTING PRESIDENT NOZZOLIO: The bill is passed.

Senator Bruno.

SENATOR BRUNO: Can we at this time take up Calendar 1608.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Calendar Number 1608, by the Assembly Committee on Rules, Assembly Print 8228, an act to amend the Retirement and Social Security Law and others, relating to the promotion of the health and

efficiency of policemen in certain cities.

ACTING PRESIDENT NOZZOLIO: Read the last section.

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

ACTING PRESIDENT NOZZOLIO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 54.

ACTING PRESIDENT NOZZOLIO: The bill is passed.

SENATOR BRUNO: Mr. President. Can we at this time take up Calendar 1631.

ACTING PRESIDENT NOZZOLIO: There have been some negatives on the other bill. Would those who were voting negative, please raise their hands.

Clerk will announce the results.

THE SECRETARY: Ayes 53. Nays 1. Senator Paterson recorded in the negative.

ACTING PRESIDENT NOZZOLIO: Secretary will read Calendar Number 1631.

THE SECRETARY: Senator Bruno moves to discharge from the Committee on Rules Assembly Bill Number 8319 and substitute it for

the identical Calendar Number 1631.

ACTING PRESIDENT NOZZOLIO: Substitution ordered.

THE SECRETARY: Calendar Number 1631, by the Assembly Committee on Rules, Assembly Print 8319, an act to amend the Real Property Tax Law, in relation to exemption from local taxation of accessory parking in new multiple dwellings.

ACTING PRESIDENT NOZZOLIO: Read the last section.

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

ACTING PRESIDENT NOZZOLIO: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT NOZZOLIO: Record the negatives.

THE SECRETARY: Those recorded in the negative on Calendar Number 1631 are Senators Leichter, Montgomery and Stavisky. Ayes 51. Nays 3.

ACTING PRESIDENT NOZZOLIO: The bill is passed.

Senator Bruno.

SENATOR BRUNO: Mr. President. Can we now call up calendar 1603.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Senator Bruno from the Committee on Rules moves to discharge Assembly Bill Number 8028 and substitute it for the identical Calendar Number 1603.

ACTING PRESIDENT NOZZOLIO: Substitution ordered.

Read the last section.

Explanation is asked for.

Read the bill.

THE SECRETARY: Calendar Number 1603, by the Assembly Committee on Rules, Assembly Print 8028, an act to amend the General City Law and others, in relation to rebates of charges for energy in revitalization areas.

SENATOR CONNOR: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Connor.

SENATOR CONNOR: Thank you, Mr. President. This bill in a nutshell is the so-called "Lower Manhattan Revitalization Bill," and it contains a number of features designed to

deal with the situation which may or may not surprise some of my colleagues who haven't been down in the Wall Street area in sometime.

Once upon a time, many years ago, I started work after I got out of school on Wall Street. It was indeed the financial capital of not only New York but the world. We have heard expressions like the canyons of Wall Street. You have streets down there like Broad Street, Broadway, the Stock Exchange is still there, John Street, so on and so forth, that once housed virtually the entire insurance industry, all the largest law firms, the accounting firms and the brokerage and other financial institutions as well as banks.

Lower Manhattan, the Wall Street area, has in recent years been experiencing somewhere in the order of 20 percent vacancy rate, 20 to 30 percent. It varies. Indeed, virtually half of the commercial leases in that area will expire within the next nine months to a year. Overall assessed value has -- of the property down there and we're talking of commercial property -- has decreased 28.6 percent as opposed to an 8 percent decrease in

the rest of Manhattan. It's no secret, these firms have moved to New Jersey, Connecticut, elsewhere in the country. Technology has made it no longer necessary that all these financial services and related services be within a few blocks so that transactions, messages, and so on, can be transmitted by messenger.

This proposal grew out of an effort involving many of the large real estate owners in Lower Manhattan, the Mayor's office, the City Council, to put together a comprehensive package to do two things: Retain -- retain existing tenants who employ people, obviously, and to attract hopefully new tenants.

You may say, come on, where is Manhattan -- in the present day market, where is Lower Manhattan going to get anybody to move in? The fact is Manhattan has been experiencing an inflow of small companies in the multimedia, computer technology areas, companies who have once thought to have been founded out in the plains of Montana, except they found out the only problem with being there is you're in Montana. It's real hard to find somebody else

in your field to sit down and have a cup of coffee with or a glass of wine and exchange the kind of creative ideas that produce the joint ventures and the so on and so forths of these entrepreneurs who are the Bill Gateses of our economy. They have been moving into Manhattan into inadequate space, into lofts and so on in other parts of Manhattan.

So part of this plan is directed towards making some of these buildings so-called smart; in other words, revising decades old buildings, renovating them so that they have the kind of wiring and infrastructure that supports the new technology era.

How does the bill do this?

Really, through a series of tax abatements and energy rebates. The design being, in a nutshell, to make the commercial rents attractive and affordable. Unlike many other tax abatement programs, the principal benefits in the commercial area here do not inure to the owner. Oh, yes, maybe their building will be worth more some day, but the direct benefits are passed through to the commercial tenants, and there are requirements

as to percentages of the assessed value that has to be increased by renovation, and there are also caps in terms of certain companies will be required to take five-year leases, others ten-year leases, mainly to make sure no one moves in and gobbles up the benefits and disappears from the employees.

So unlike some other programs, there are some safeguards here. There are some incentives to ensure that we're talking about employment.

The bill also contains provisions recognizing the inevitable that the literally tens of thousands of square feet of office space in Lower Manhattan simply, no matter what we do, will never be filled with commercial tenants. So there is a provision for some conversion to residential property with a tax abatement program. However, that is capped. All of the buildings in Lower Manhattan can't suddenly become luxury housing. There is a percentage cap on that.

It's a thoughtful program. It's one we must try because, indeed, in the rest of the world, in the rest of the country, there's

still that image of the Wall Street area.

One example, there is a building across the street and a block down from the New York Stock Exchange, a very large, tall office building -- I forget, 100-and-some thousand square feet -- that has been vacant for five years, totally vacant for five years.

Some people say, well, but do you know what? If you give these tax abatements, the City will lose money in tax revenue. And I point out, the City supports this. It has a home rule message. It comes from the City. The City supports it.

Yes, but the City is already losing millions of dollars in revenue by the constantly decreasing assessed value on buildings like that that are unoccupied, so to the extent that there is a pass-through, also the assessed value -- the idea of this is also to raise the assessed value by giving these abatements and passing them through to the tenants by creating occupancy. So all in all I think it's a fair measure.

There have been amendments to it that have addressed some of the concerns that

people had in terms of some of the bad experiences we've had in the past with tax abatement incentive programs, really designed to make sure, one, the benefits go to the tenants that employ people; two, designed to make sure they employ people. There's a program basically for companies with less than 50 employees and companies with more than 50 employees that will go in there; and we have to try this because with the expiring leases in the next year, the whole Wall Street area is in grave danger of becoming a ghost town, a town of literally tall office towers totally empty, which is not good for New York City. It's not good for the State of New York. We just have to make this attractive for some tenants.

So I would urge -- I think all of you received a memo. I mean there are many detailed provisions.

I will be happy to answer questions; but that, in summary, is what this bill does and what its motivation and intent is.

Thank you, Mr. President.

ACTING PRESIDENT NOZZOLIO:

Senator Leichter.

SENATOR LEICHTER: Mr. President. I'm chagrined to be in disagreement with my distinguished leader, my good friend Senator Connor.

SENATOR CONNOR: Don't worry about it.

SENATOR LEICHTER: Well, I did overcome the diffidence that I had, Senator, but I must disagree with you, and I appreciate that this is a bill developed really by the City of New York and particularly by the real estate industry.

Now, there is no question that Lower Manhattan has a problem. The issue is whether this bill addresses that problem, is going to cure it, and there's also a question of how the problem came about.

Now, the cost of the programs that we're talking about are very expensive. The cost of these abatements and exemptions is $354.1 million over a period of seven years. That's a lot of money for the City of New York, and I think the question is, is this money being well spent?

Now, Lower Manhattan, as Senator Connor rightly points out, has a vacancy rate. It's a vacancy rate of 25.6 percent. Midtown has a vacancy rate of 13.7 percent. There are business areas in the City of New York where the vacancy rate is even greater. Maybe if you go to the South Bronx, if you go to the Rockaways, if you go to other areas -- Senator Velella is nodding his head and he knows his district, but there are many areas in the City of New York where there are high vacancy rates where we wish the economic activity was more vibrant, but we have chosen Lower Manhattan to be the recipient of this governmental largesse, and I would go along with it.

I would go along with it if it could be shown that this was going to cure the problem of Lower Manhattan. Now, to me, the appalling and the astounding fact is that all of the supporters of this bill -- and there are some very strong organizations, including, of course, the City of New York, backing this bill. I have asked, "Show me one study, one survey that will prove or at least indicate that if we put this amount of money into commercial

modernization and residential conversion that we're actually going to create the jobs that are being claimed, that we're going to get a good return for the public investment." You know what? There isn't one survey. They haven't made one market study.

They haven't even made a market study of the firms that are presently there whose the leases are expiring and where Senator Connor expressed the concern that they may move out of the City. I must say not to have some evidence that this program is going to work, to my mind is astounding and appalling, and it just means that the proponents of this legislation have not met the burden of showing that this sort of public investment is going to produce commensurate benefits.

I think one of the things that we've got to look at, what is really the problem of Lower Manhattan? First of all, the real difficulty is and when the problems of Lower Manhattan started is government involvement. It's government building in Lower Manhattan. The real decline started when the World Trade Center was put up and emptied a lot of the

buildings that Senator Connor now pointed to. You may remember at that time the World Trade Center had difficulty attracting tenants. In fact, Nelson Rockefeller baled them out to some extent and moved in state agencies, but they also emptied a lot of businesses from the buildings that had been there; and over the years, government has continued that.

We put up Battery Park City. Do you know what happened when Battery Park City was put up? We created millions of square feet of space. American Express, for one, moved out of offices that they had in Lower Manhattan and moved to the World Trade Center.

But it goes beyond that. The City of New York through various retention deals has actually helped companies move out of Lower Manhattan. Some of the instances of that was Donaldson, Lufkin and Jenrette, which moved a lot of office workers and gave up space in Lower Manhattan, moved to 270 Broadway. There were other retention deals. C.S. First Boston, they were given money to move out of Lower Manhattan and to move to the Met Life Building and Chase was given a lot of government support to move

jobs to Metro-Tech in Brooklyn.

So one of the real difficulties we have or one of the reasons for the difficulty that we have is that government has involved itself and government as entered actively into moving jobs out of Lower Manhattan.

The other reason that there is a problem in Lower Manhattan is there has been overbuilding by developers. Do you know how much office space has been put up in New York City and primarily in Manhattan in the last ten years? Fifty-three million square feet between 1980 and 1991 and much of that was in Lower Manhattan. The actual figures on that are - and I think it's significant -- 55 buildings were completed uptown and 26 were completed downtown; 24,642,000 square feet of office space was built downtown.

Speculators went in, doing I guess what speculators do. There's nothing wrong with being a speculator; but if you speculate, sometimes you may find that your investment doesn't turn out to be particularly profitable. So some of the empty buildings that Senator Connor is talking about were put up by

people who had those rosy glasses that many people had in the 1980s, and they built and they built and they built. Now, they come to the Legislature, they come to the City of New York and say bail us out.

This is a problem that was created by the real estate industry. I think it's a problem that they have to solve. Are we every time that some company makes a mistake in judgment, every time that you have some over construction, is it the responsibility of the State of New York to come in and bail those people out?

You know, I'm amused by the fact that this has the support of, apparently, the Majority, people who believe in the free market, who are always saying let the market determine. Well, the market has determined. I have no problem, by the way, with what's called industrial policy. I have no difficulty with government going in and helping out if it's going to work. I would support this bill if I thought it was going to work.

That brings me to the third reason that there has been a decline in economic

activity in Lower Manhattan, and that is the changes in the economy, the technological revolution, the fact that you can conduct business in South Dakota as easily, in some respects, as you can if you are opposite 40 Wall Street. These are economic trends and forces that there's no way that I think we can reverse; and by saying we're going to create some cheaper space and that's going to create businesses, I just don't think it's going to work.

And, as I pointed out before, there is no study that says, yes, we've gone to Frankfort, Germany, we've gone to Tokyo, we've gone to New Jersey, we've gone to Chicago, and we know there's 20 firms that will move into Lower Manhattan.

I'll tell you who may move to Lower Manhattan are firms that are in Midtown because now the rent is going to be cheaper, and you may suck firms out of the other boroughs. Now, I know Senator Connor said, yes, but there are protections in this bill. But let me tell you, the protections are not going to work. First of all, they don't work because if there is a firm that does want to move into New York,

it's more likely now if this bill passes with these benefits to move to Lower Manhattan. I grant that may well be so, but doesn't that discriminate against other areas of the City? Doesn't that discriminate against the Bronx, Queens, Brooklyn, which are also trying to attract businesses which also have high vacancy?

But it's not going to work for a second reason because the amount of surveillance and check that would have to be made to determine that a firm that has moved from Brooklyn into one of these converted buildings actually came from Brooklyn. What do you do? You just change the name. Or if you have a law firm that's a merger of two law firms, one came from Midtown and one came from Brooklyn, how are you going to handle this? Do you think the New York City Finance Department is really going to be able to check on that? Of course not.

So I don't think that this plan is going to bring jobs into Lower Manhattan that are not presently in New York. It's just not going to attract them.

But let me tell you what I think

this bill is really about. I don't think it's about commercial revitalization. What this bill is about is residential conversion. That gives me a lot of problems. That gives me a lot of problems.

Why should we subsidize the conversion of commercial space to residential space which is going to be luxury housing? This is going to rent inevitably well above $2,000 a month an apartment. Senator Bruno, who I understand was worried about some of the aspects of rent regulations, is not going to have to worry because under the rent laws those buildings are not going to be controlled anyhow.

Clearly, the aim of many of the developers here is going to be creating residential housing. Donald Trump, who either has bought or is about to buy 40 Wall Street - it's the seven tallest building in the world, and he is saying I'm going to build -- to create beautiful condos; and if you've ever been to 40 Wall Street, it has a spectacular view. That's great. Let Donald Trump do that. I think that's fine, but should it be done with my

taxpayer's money? Should government fund that? I find no justification for that whatsoever.

Also, one of the effects of the conversion of the commercial space to residential is that in that area 4 to 5 percent of the commercial space is industrial space, industrial jobs, some of the areas of Lower Chinatown and so on. It's not great space, but it happens to be occupied. It happens to be creating jobs. Now, you are providing an incentive for taking that space and converting it into residential.

I submit there are things that can be done for Lower Manhattan. I'm not suggesting ignore Lower Manhattan. Let the market take care of it. There's nothing government can do. I think there are things that can be done.

I think the City can use the power of zoning. I think there are things that can be done in transportation. I think there are things that can be done in quality of life that will help Lower Manhattan and that the City should do and, in fact, they are part of the plan. What I object to are the tax abatements

and the tax exemption, particularly and especially when there is no showing that this in any way is going to enhance and increase economic, commercial economic activity and when I see that we are subsidizing luxury housing.

For that reason, I think this particular bill is a mistake, and I would urge its defeat.

SENATOR CONNOR: Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Connor.

SENATOR CONNOR: Thank you, Mr. President.

Let it be recorded -- Senator Bruno. Mr. President. Let it be recorded in the annals of the State Senate that there came a day, once upon a time, when Senator Leichter rose and urged that we let the market take its course, and Senator Connor answered and said, "No, no, no, taxes are too high; let's lower them."

(Laughter.)

What have we come to? But an honest debate among fellow conservatives is always in order in the Senate.

(Laughter.)

Senator Leichter, I understand you are saying the problem there is the market, but I'm saying the problem is the government. The taxes were too high there. That's why people went to South Dakota because the rent was cheaper in South Dakota. One of the factors - two of the majority factors are energy costs and -- let me point out something. The rest of New York City has been relieved from the burden of the commercial occupancy tax. Manhattan north of 96th Street -- 96th Street -- has been relieved of the burden of the commercial occupancy tax, the commercial rent tax.

Lower Manhattan is still under it. This would provide relief, the same relief the rest of the city got from this tax.

Senator Bruno looks confused about this. You have to be enjoying this, Senator.

And, in fact, Senator Leichter says, "Where is the study?" Well, we've all seen studies and reports and false promises in paper. The people in this business, in this real estate market, got together with their

consultants and devised this because they believe it works, and they are the people that have to go out and sell. They're the people who have to go out and sign those leases, sign up those tenants with these employees, and they believe it will work, and I say give them a chance.

Senator Leichter would say, but all this government money gone. Three hundred and some million dollars is a pittance compared to what's been lost in the decreased assessed value because of the vacancy rate, because of the unattractiveness of these buildings, because they are not renovated. They are not wired; they are not smart buildings. They're not ready for occupancy by the kind of commercial tenants that we still have a chance to attract in New York City.

As Senator Leichter pointed out, the idea is not to attract tenants from the other boroughs. They wouldn't be covered by this program.

This also, I would point out, of the six major features offers two of them to all the boroughs in the City of New York, which is

something that was put in when they modified the bill. That safeguard about attracting businesses from other boroughs was designed to protect, among other things, developments like Metro-Tech like downtown Brooklyn. I represent downtown Brooklyn, as well. If I thought we were going to suck in business from downtown Brooklyn, I would have to do my math. I think it's 55 percent Brooklyn, 45 percent Manhattan, in the votes, but I am confident that that's not what this program is. That's not who the target is.

And I think that the market - the market, Senator Leichter. The market says you can't have all that commercial space. Some will have to be converted to residential. That's just facing facts. Some of the buildings are not suitable for conversion, for renovation to modern office space, modern commercial space.

I think, on balance, this is a fair effort. Frankly, if the people who put this together, the people who renovate the buildings, the people who rewire them, make them smart, can't go out and sell, can't get tenants,

can't sign up leases, remember the abatement is going. The benefits can only be passed through to the tenants. They will fail. The government won't be in for a lot. Literally, the owner, if they misjudge the market that badly will be out of business. Not a good development, though. Not good for the City. But, you know, the City will be in no worse position than it was before it started.

So I would urge everyone, seriously, to vote yes because I think we do have to do this. We've done some similar things, some similar things for other boroughs, that are in this bill; and I think Lower Manhattan needs this shot in the arm to bounce back.

Thank you, Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Leibell.

SENATOR LEIBELL: Thank you, Mr. President.

When this legislation came before us in June, Senator Bruno and I had expressed some concerns regarding some provisions of the original bill.

I understand now that the Mayor has contacted us and cleared up this concern, and I would like to have the opportunity, if I might, to just read in the Mayor's letter, Mayor Giuliani's letter to Senator Bruno, dated August 16, this year.

Dear Senator Bruno: "I am writing as a follow-up to our conversation regarding passage of the Lower Manhattan legislation. In our discussion, you asked that the legislation be amended to insure that any residential units created as a result of the legislation are subject to the most current rent stabilization laws of the state. I have discussed this matter with the drafters of the legislation and with the Commissioner of the Department of Housing Preservation and Development (HPD), the City agency responsible for implementing the residential conversion program proposed in the legislation. The City's intention has always been that dwelling units and property receiving benefits under the residential conversion program, bill Section 14, and the mixed use program, bill Section 15, would be subject to rent stabilization to the

same extent as but to no greater extent than other rent-regulated property. Any provision of law that generally exempts any housing accommodation from rent stabilization would apply as well to dwelling units in property receiving benefits under the aforementioned program; thus, the provisions of the Rent Regulation Reform Act of 1993 that provide for the exclusion of high rent accommodation and for high income rent decontrol would apply to property receiving benefits under the program created by the Lower Manhattan legislation. Any future amendments to the Rent Stabilization Law would also apply to these properties. The City agencies responsible for administering the residential conversion and mixed use programs will promulgate rules that reflect our intention to apply the Rent Stabilization Law as a whole, including any provisions that exempt housing accommodations from rent stabilization to property receiving benefits under those programs.

"If you have any further questions regarding this matter, please do not hesitate to contact me. On behalf of myself the

business community of New York and the people of New York City generally, I ask for your assistance in insuring the passage of this legislation at the earliest possible moment.

"Sincerely, Rudolph Giuliani, Mayor of the City of New York."

Thank you, Mr. President.

ACTING PRESIDENT NOZZOLIO: Senator Goodman.

SENATOR GOODMAN: Mr. President. For some years before becoming a state Senator, I happened to have worked in this downtown area which is the subject of this bill. I worked in an area which at the time was good and growing and vital economically and was an economic engine of considerable significance to the overall economic health of the City and the state.

In the years since and there have been more than I'm readily willing to admit that have elapsed, there has been an extraordinary toboggan ride downward of this entire area, and this has to be something of deep concern to this Legislature and to anyone who cares about the future of New York.

I'm, therefore, somewhat stunned to find some of the people who care most deeply about New York, including my colleague Senator Leichter, taking such exception to this bill based on a series of hypotheses which, in my opinion, are not accurate reflections of what the bill will accomplish.

Senator Leichter, in a small nutshell, this bill will reintroduce into this downtown area, which is so deeply depressed and countercyclically depressed, a whole series of new possibilities for growth not just to act like an Electrolux sucking business from midtown to downtown but bringing more financial businesses which would otherwise be located in New Jersey or Connecticut or other nearby states with more favorable tax structures, creating for them the incentive to be in the downtown area and to recapture some of the greatness which characterized the whole Wall Street and downtown business community.

Now, I must say that I think the arguments for the bill are almost overwhelming. Not only does Lower Manhattan hold a truly unique place in the history of the City and the

nation, but it does have the potential, once again, to become the anchor for the whole financial community of the world. This is now an international financial community, and it would be less than appropriate if the City of New York did not reclaim its place as the focal point of all of the international business for which we are so notably famed but which starts to slip away so rapidly in view of recent events.

The tax abatements and assessments and diminution of assessments which this bill involves are tried and true methods to stimulate economic activity. I would cite to you some of the beneficial effects of other tax stimuli which we've created in this body and the enormous building and construction which has emanated from those efforts on our part.

So that I would simply like to stress that the savings associated with the Lower Manhattan program would probably equal about $5 a square foot based on average occupancy cost spread over ten years. That would narrow the cost differential between Lower Manhattan and surrounding areas and provide

prospective tenants with competitive reasons for wanting to be in the Lower Manhattan area. An increased tax base and the growing employment picture and the creation of a multifaceted 24-hour downtown community are among the longer term benefits which we can expect from the adoption of this plan.

I don't think we have any choice. If we don't take action of some sort that's dramatic and palpable and constructive, I would have to say that in my opinion we will stand a serious chance of losing this precious asset which means so much to all New Yorkers.

And I strongly urge its adoption by an overwhelming vote of this body to reflect both our concern and our constructive involvement in the future of a healthy city.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Goodman.

Senator Leichter.

SENATOR LEICHTER: Yes, just very briefly. I wanted to say to Senator Connor that when he talked about lower taxes, I thought he did a very good job of reading one of Senator Bruno's speeches.

One of my colleagues came up to me and asked after my strong statement in support of the free market whether I would get the Conservative Party endorsement. I said, well, maybe. And maybe Joe Bruno, for the support of this bill, will get the backing of the Socialists who believe in government interference and government involvement and so on.

But in all seriousness, I certainly support doing government support where it's going do work; and it's for that reason I really wanted to get up again because, as Senator Connor pointed out, that we really had in Manhattan some new businesses coming in, in the Tribeca area, the multimedia. But that's the point. That was done without government support.

I happen to believe in government stimulus, but I think real estate is one area where government has shown itself to be particularly inept. That's the point that I tried to make when I talked about we financed the World Trade Center, we financed Battery Park City, we financed a lot of other developments in

Lower Manhattan which, I think, have created the problem, and now to say, "Well, we're going to do more financing, and that's going to cure the problem," I don't think it's going to work, and maybe in this particular instance the free market, indeed, will tell us and will guide us, just as it has in the development in Tribeca and in the development in SoHo.

Some years ago in the City of New York, we were going to tear down the whole SoHo area. It was called Hell's Hundred Acres, and there has been a wonderful development without government assistance, without government interference.

I would just say that if the City of New York has $354 million available, use it overall for the whole City of New York, reduce some of the taxes that are burdensome on business, deal with some of the quality of life and quality of business conditions such as a trade work force, some of the other quality of business and quality of life matters that I think are a deterrence to businesses moving to New York. I really think that makes much more sense.

I know this is a well-intentioned bill. I appreciate Senator Connor's and other people's concerns, Senator Goodman, with Lower Manhattan. I just don't think that this is going to work and that this is the way to go.

ACTING PRESIDENT NOZZOLIO: Senator Bruno.

SENATOR BRUNO: Mr. President. Just to close.

I want to appreciate our good Senator Leichter for his comments, and it's just an indication that no matter how learned or intelligent you are that you are not always right.

And, Senator Connor, I want to thank you for all of your good work on behalf of this legislation; and, Senator Goodman, and all the others in the City that have been so diligent, Senator Leibell, in helping get this to the floor.

Mr. President. I think this is an indication that people can differ. They can have good, honest discussion and then, on the merits, resolve their differences and go forward, and I'm just as pleased as I can be to

hear Senator Connor endorse the tax cut policies that are truly economic stimulation because we're going to have some other good stuff like this that we're going to talk about that may affect some other parts of the state as well as the City; and he is absolutely right, Mr. President, the bottom line will be all the people of this state will prosper. So we thank him for all of his good work, and all the others, on this bill.

And I would move its adoption.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Bruno.

Read the last section.

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

ACTING PRESIDENT NOZZOLIO: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT NOZZOLIO: Senator Stachowski.

SENATOR STACHOWSKI: Just to explain my vote.

ACTING PRESIDENT NOZZOLIO: Senator Stachowski to explain his vote.

SENATOR STACHOWSKI: Senator Bruno, before my vote is taken any way, I would like to give you my position on future tax cuts, but at this point in the budget process, I'm prohibited from doing so.

Vote yes.

ACTING PRESIDENT NOZZOLIO: Senator Stachowski, aye.

THE SECRETARY: Ayes 53. Nays 1. Senator Leichter recorded in the negative.

ACTING PRESIDENT NOZZOLIO: The bill is passed.

Senator Bruno.

SENATOR BRUNO: Mr. President. Can we now call up Calendar Number 1630.

ACTING PRESIDENT NOZZOLIO: Secretary will read.

THE SECRETARY: Senator Bruno moves to discharge from the Committee on Rules Assembly Print 8142 and substitute it for the identical Calendar Number 1630.

ACTING PRESIDENT NOZZOLIO: Substitution so ordered.

THE SECRETARY: Calendar Number 1630, by the Assembly Committee on Rules,

Assembly Print 8142, an act to amend the Real Property Tax Law, in relation to tax abatements and making certain technical changes relating thereto.

ACTING PRESIDENT NOZZOLIO: Read the last section.

THE SECRETARY: Section 5. This act shall take effect on the same date as such chapter.

ACTING PRESIDENT NOZZOLIO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 53. Nays 1. Senator Leichter recorded in the negative.

ACTING PRESIDENT NOZZOLIO: The bill is passed.

Senator Connor.

SENATOR CONNOR: Yes, Mr. President. As we come to a close, you know, of this mini session, I'm certainly not going to make a closing speech. But on behalf of all my colleagues in the Senate Democratic Conference, I did want to note that our Finance Committee Secretary John Quirk -- I believe today is his last day of service, but he is here on the job,

and he is moving on to bigger and better things in the private sector, which after his many years of service in the Legislature, first in the Assembly and for these last -- I suppose it's seven years, is it? -- as the secretary to the Minority Finance Committee, so -

John, certainly, in my first year as leader, has been of inestimable help. He's been a good friend, a wise counsellor. Occasionally, even, he is humorous. I know all the colleagues on this side of the aisle and, I'm sure all who have dealt with John will wish him well in his future endeavors. I know he will do well, and thank him for his past efforts.

ACTING PRESIDENT NOZZOLIO: Thank you, Senator Connor.

Senator Bruno.

Senator Connor.

SENATOR CONNOR: We probably won't be back, we hope. There is someone who served with me in this body literally every moment -- we were elected on the same day February 14, 1978 -- who's been a good colleague and friend to all of us and particularly good

friend to me, has served in a variety of leadership roles in our Democratic Conference; and while he faces opposition and -- you know, with some Republicans here from Brooklyn, he faces, I believe, opposition in the general election -- it's generally acknowledged that he will undoubtedly prevail and become a judge and will assume the bench probably before we return here.

So I did just want to thank Senator Martin Solomon on behalf of all of us for his many years of service.

(Applause.)

SENATOR SOLOMON: Thank you.

ACTING PRESIDENT NOZZOLIO: Senator Bruno.

SENATOR BRUNO: Mr. President. I would like to just offer my condolences to Senator Connor for losing such an able assistant, and I hope that you can persevere and recover from this. John has really been great support, and we have enjoyed the relationship as well and wish you well in what you're going to be doing in your life in the future, and I'm sure that we will be staying in touch, I have a

feeling.

SENATOR CONNOR: Not for a year.

SENATOR BRUNO: Not for a year?

Mr. President. It's always sad when a colleague leaves to do other things even if it's to be adorned by the robes that only attorneys aspire to.

But I served with Marty when he was ranking as I chaired the Insurance Committee, and I can tell you that his knowledge and his assistance in all the things that we were doing then were invaluable to me and his assistance on the floor here, whether he was for or against any particular issue was extremely beneficial to all the people of this state, so we're going to miss him here.

But we wish you well, happiness and good health, as you go on with your future, Marty. And I have a feeling as we go forward with our budgets that we'll also hear from you, but hopefully not too soon.

Any housekeeping at the desk, Mr. President?

ACTING PRESIDENT NOZZOLIO: There is none.

SENATOR BRUNO: Hearing none, I would move that -- there being no further business to come before the Senate that we adjourn subject to the call of the Majority Leader.

And thank you and be healthy.

ACTING PRESIDENT NOZZOLIO: Without objection, Senate stands adjourned subject to the call of the Majority Leader.

(Whereupon at 2:15 p.m., the Senate adjourned.)