ALBANY, NEW YORK

August 3, 1997

2:40 p.m.

REGULAR SESSION

SENATOR JOHN R. KUHL, JR., Acting President

STEPHEN F. SLOAN, Secretary

P R O C E E D I N G S

ACTING PRESIDENT KUHL: Senate will come to order. Members take their places. Staff take their places.

I'd ask everybody in the chamber to rise and join with me in saying the Pledge of Allegiance to the Flag.

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

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

(Whereupon, there was a moment of silence.)

Reading of the Journal.

THE SECRETARY: In Senate, Saturday, August 2nd. The Senate met pursuant to adjournment. The Journal of Friday, August 1st, was read and approved. On motion, Senate adjourned.

ACTING PRESIDENT KUHL: Hearing no 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 Marcellino.

SENATOR MARCELLINO: Thank you, Mr. President. On behalf of myself, I wish to call up my bill, Print Number 5620, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT KUHL: The Secretary will read.

THE SECRETARY: By Senator Marcellino, Senate Print 5620, an act authorizing the county of Suffolk.

ACTING PRESIDENT KUHL: Senator Marcellino.

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

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

(The Secretary called the roll on reconsideration.)

THE SECRETARY: Ayes 39.

ACTING PRESIDENT KUHL: The bill is before the house.

Senator Marcellino.

SENATOR MARCELLINO: Mr. President, I now offer the following amendments.

ACTING PRESIDENT KUHL: Amendments are received and adopted.

SENATOR MARCELLINO: Thank you.

ACTING PRESIDENT KUHL: Senator Marcellino.

SENATOR MARCELLINO: Mr. President, on behalf of Senator Stafford, on page number 4, I offer the following amendments to Calendar Number 1155, Senate Print Number 5349A, and ask that said bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT KUHL: Amendments are received and adopted. The bill will retain its place on the Third Reading Calendar.

SENATOR MARCELLINO: Thank you.

ACTING PRESIDENT KUHL: Senator Lack.

SENATOR LACK: Thank you, Mr.

President. I would like to announce that in 14 minutes, at 3:00 o'clock, there will be a Committee on Judiciary meeting in Room 332, the Majority Conference Room.

ACTING PRESIDENT KUHL: There will be a Judiciary Committee meeting at 3:00 p.m. this afternoon in the Majority Conference Room, Room 332.

Senator Skelos.

SENATOR SKELOS: Are there any substitutions to make at this time?

ACTING PRESIDENT KUHL: None at the desk.

SENATOR SKELOS: Mr. President, there will be an immediate meeting of the Rules Committee in the Majority Conference Room, and if we could take up Calendar 65, noncontroversial.

ACTING PRESIDENT KUHL: There will be an immediate meeting of the Rules Committee, immediate meeting of the Rules Committee in the Majority Conference Room, Room 332.

Senator Skelos.

SENATOR SKELOS: If we could take

up Calendar Number 1616 first.

ACTING PRESIDENT KUHL: Secretary will read the title to Calendar Number 1616.

THE SECRETARY: Calendar Number 1616, by the Committee on Rules, Senate Print 5778, an act to amend the Racing, Pari-Mutuel Wagering and Breeding law.

ACTING PRESIDENT KUHL: The motion is to accept the message of necessity which is at the desk on Calendar Number 1616.

All those in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The message is accepted.

SENATOR STACHOWSKI: Explanation.

ACTING PRESIDENT KUHL: Senator Larkin, are you doing the explanation of Calendar Number 1616?

SENATOR LARKIN: Yes.

ACTING PRESIDENT KUHL: Senator Stachowski asked for an explanation.

SENATOR LARKIN: Bill, all this does is extend simulcasting for another day.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT KUHL: Record the negatives and announce the results.

THE SECRETARY: Ayes 38, nays 2, Senators Padavan and Tully recorded in the negative.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Holland.

SENATOR HOLLAND: Senator Kuhl, can we do Calendar 485, please.

ACTING PRESIDENT KUHL: Secretary will read the title to Calendar Number 485.

THE SECRETARY: Calendar Number 485, by Senator Bruno, Senate Print 3A, an act to amend the Education Law.

SENATOR HOLLAND: Is there a message of necessity, Mr. President?

ACTING PRESIDENT KUHL: There is.

SENATOR HOLLAND: Move we accept the message.

ACTING PRESIDENT KUHL: The motion is to accept the message of necessity on Calendar Number 485.

All those in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The message is accepted.

The Secretary will read the last section.

THE SECRETARY: Section 10. This act shall take effect immediately.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 40.

ACTING PRESIDENT KUHL: The bill is passed.

SENATOR HOLLAND: Mr. President, may we do Calendar 1577, please.

ACTING PRESIDENT KUHL: Secretary will read Calendar Number 1577.

THE SECRETARY: Calendar Number 1577, by Senator Seward, Senate Print 5730A, an act to amend a Chapter of the Laws of 1997.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

THE SECRETARY: Section 3. This act shall take effect on the same date as such chapter.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 40.

ACTING PRESIDENT KUHL: The bill is passed.

SENATOR HOLLAND: Mr. President, can we do Calendar 1614, please.

ACTING PRESIDENT KUHL: Secretary will read Calendar Number 1614.

THE SECRETARY: Calendar Number 1614, by Senator Meier, Senate Print 5743, an act to amend the Alcoholic Beverage Control Law.

ACTING PRESIDENT KUHL: Senator Holland.

SENATOR HOLLAND: Is there a message of necessity at the desk?

ACTING PRESIDENT KUHL: There is.

SENATOR HOLLAND: Move the message.

ACTING PRESIDENT KUHL: The motion is to accept the message of necessity on Calendar Number 1614.

All those in favor, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The message is accepted.

The Secretary will read the last section.

SENATOR DOLLINGER: Explanation.

ACTING PRESIDENT KUHL: Senator Meier, an explanation of Calendar Number 1614 has been requested by Senator Dollinger.

SENATOR MEIER: Thank you, Mr. President. Although I was not here last year, members will recall that last year legislation was changed with regard to the brewing industry and its relationship with wholesalers and the nature of the agreements between them.

At the time that the Governor

approved and signed that bill into law, the message of approval indicated certain concerns expressed mostly on the part of the small native breweries within the state of New York. The bill before the Senate today addresses those concerns.

Generally speaking, what it does is in the instance of agreements that are made between a wholesaler and a large national brewery or a limited partnership formed between a wholesaler and a large national brewery or a credit arrangement between them that would result in a concern on the part of smaller native brewers that they might, in effect, be squeezed out of the wholesale market:

First, that notice of that change be given so that they can work with the wholesaler to take care of those concerns;

Secondly, if the concern becomes realized that they are able, because of that change in the marketing strategy that squeezes out the native smaller brewers, to terminate the agreement.

That's broadly speaking what this does.

ACTING PRESIDENT KUHL: Senator Dollinger.

SENATOR DOLLINGER: If Senator Meier will yield?

ACTING PRESIDENT KUHL: Senator Meier, will you yield to a question?

SENATOR MEIER: Yes.

ACTING PRESIDENT KUHL: The Senator yields.

SENATOR DOLLINGER: Senator, I appreciate the intent of this bill, and I have not been through all the text of it, but last year when we did the franchisee wholesalers agreement for the brewing industry, F.X. Matt's and Genesee Brewery were two of the native brewers that you, I think, are referencing, came out in opposition to that bill and led the opposition to that bill, and I voted against that bill because Genesee Brewery is one of the largest employers right in the heart of Rochester, New York.

My question is, do you know whether those breweries have had an opportunity to look at this bill and determine a position on it?

SENATOR MEIER: Yes, they have. My understanding is that the Matt Brewing Company supports this bill. I do have a letter in my hand from the Vice-President and General Counsel of Genesee, who indicates that his company neither opposes nor supports this bill.

SENATOR DOLLINGER: May I just examine that for a second.

Mr. President, on the bill.

ACTING PRESIDENT KUHL: Senator Dollinger, on the bill.

SENATOR DOLLINGER: Mr. President, I'm going to vote in favor of this technical correction. I want to commend Senator Meier and the Governor's office for working to correct some of the deficiencies in the bill last year. The bill last year was largely written for major national wholesalers of beer, and it created, in my judgment, a disincentive for the system to support our native brewing industry and for someone who represents, as I said, 600 employees of the Genesee Brewing Company -- I didn't get a chance to read the whole memo, but it appears as though they have at least taken a position of neutrality and that

this bill may improve to some extent the competitive disadvantage that they now have against large national wholesalers.

So I'm going to support this, Mr. President. I wish I had actually gotten the memo from Genesee Brewery directly, but I will support this move, and I think it's a good step, and I commend the Governor and Senator Meier and others for working on this problem to make sure that our -- when we try to improve the lot of franchisees, we don't do it at the expense of our own brewing industry.

ACTING PRESIDENT KUHL: Is there any other Senator wishing to speak on the bill?

Hearing none, the Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 44.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Holland.

SENATOR HOLLAND: Mr. President, can we stand at ease awaiting the report of the Rules Committee, please.

ACTING PRESIDENT KUHL: The Senate will stand at ease.

(Whereupon, at 2:58 p.m., the Senate was at until 3:04 p.m.)

ACTING PRESIDENT KUHL: Senate will come to order.

SENATOR HOLLAND: Mr. President.

ACTING PRESIDENT KUHL: Senator Holland.

SENATOR HOLLAND: Mr. President, do you have some housekeeping?

ACTING PRESIDENT KUHL: Yes. We'll return to the order of motions and resolutions.

The Chair recognizes Senator Marcellino.

SENATOR MARCELLINO: Thank you, Mr. President. On behalf of Senator Larkin, I wish to call up his bill, Print Number 4285A, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT KUHL: The

Secretary will read.

THE SECRETARY: By Senator Larkin, Senate Print 4285A, an act to amend the General Municipal Law.

ACTING PRESIDENT KUHL: Senator Marcellino.

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

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

(The Secretary called the roll on reconsideration.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is before the house.

Senator Marcellino.

SENATOR MARCELLINO: Mr. President, I now offer the following amendments.

ACTING PRESIDENT KUHL: The amendments are received and adopted.

SENATOR MARCELLINO: Thank you, sir.

ACTING PRESIDENT KUHL: Senator Holland.

SENATOR HOLLAND: Mr. President, can we return to the order of standing committees and have a report of the Rules Committee, please.

ACTING PRESIDENT KUHL: We'll return to the order of reports of standing committees.

The Secretary will read the report of the Rules Committee, which is at the desk.

THE SECRETARY: Senator Bruno, from the Committee on Rules, offers up the following bills:

Senate Print 95A, by Senator Velella, an act to amend the Insurance Law;

Senate Print 1456A, by Senator Kuhl, an act to amend the Alcoholic Beverage Control Law;

Assembly Print 7548, by the Committee on Rules, an act to amend the Tax Law;

Senate Print 5531, by the Committee on Rules, an act to amend Section 564 of the Laws of 1970;

2808, by Senator Montgomery, an act to authorize the city of New York;

5358B, by Senator Wright, an act to amend the County Law;

5485A, by Senator Marcellino, an act to amend the Environmental Conservation Law;

5632, by the Committee on Rules, an act to amend the Tax Law;

5710, by Senator Velella, an act to amend the Penal Law;

5744, by Senator Johnson, an act to amend the Insurance Law;

5754, by Senator Velella, an act to amend the Insurance Law; and

5771, by Senator Saland, an act to amend the Social Services Law.

All bills directly for third reading.

ACTING PRESIDENT KUHL: Senator Holland.

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

ACTING PRESIDENT KUHL: The motion is to accept the report of the Rules Committee.

All those in favor, signify by

saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The Rules Report is accepted.

Bills are ordered directly to third reading.

Senator Holland.

SENATOR HOLLAND: Mr. President, can we do the Supplemental Calendar 65A, the noncontroversial reading, please.

ACTING PRESIDENT KUHL: The Secretary will read the noncontroversial reading of Supplemental Calendar 65A, which is on the members' desks together with the bills.

THE SECRETARY: Calendar Number 233, by Senator Velella, Senate Print 95A, an act to amend the Insurance Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: In relation to Calendar Number 876, Senator Kuhl moves to discharge from the Committee on Rules Assembly Print 1524A and substitute it for the identical Senate bill, Third Reading 876.

ACTING PRESIDENT KUHL: The substitution is ordered. The Secretary will read the title.

THE SECRETARY: Calendar Number 876, by Member of the Assembly Matusow, Assembly Print 1524A, an act to amend the Alcoholic Beverage Control Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 896, by the Assembly Committee on Rules, Assembly Print 7548, an act to amend the Tax Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 1353, by the Committee on Rules, Senate Print 5531, an act to amend Section 564 of Chapter 170 of the Laws of 1994.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 1615, by Senator Montgomery, Senate Print 2808, an act to authorize the city of New York to reconvey its interest.

ACTING PRESIDENT KUHL: There is a home rule message at the desk.

The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 1617, by Senator Wright, Senate Print 5358B, an act to amend the County Law.

ACTING PRESIDENT KUHL: There is a home rule message at the desk.

The Secretary will read the last

section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: In relation to Calendar Number 1618, Senator Marcellino moves to discharge from the Committee on Rules Assembly Print 7909C and substitute it for the identical Senate print, Third Reading 1618.

ACTING PRESIDENT KUHL: Substitution is ordered. The Secretary will read the title.

THE SECRETARY: Calendar Number 1618, by the Assembly Committee on Rules, Assembly Print 7909C, an act to amend the Environmental Conservation Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: In relation to Calendar Number 1619, Senator Bruno moves to discharge from the Committee on Rules Assembly Print 8340 and substitute it for the identical Senate bill, Third Reading 1619.

ACTING PRESIDENT KUHL: Substitution is ordered. Secretary will read the title.

THE SECRETARY: Calendar Number 1619, by the Assembly Committee on Rules, Assembly Print 8340, an act to amend the Tax Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 1620, by Senator Velella, Senate Print 5710, an act to amend the Penal Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

THE SECRETARY: Section 4. This act shall take effect on the 1st day of November.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 1621, by Senator Johnson, Senate Print 5744, an act to amend the Insurance Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

THE SECRETARY: Section 4. This act shall take effect on the same date as a chapter of the laws of 1997.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 1622, by Senator Velella, Senate Print 5754, an act to amend the Insurance Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

THE SECRETARY: Section 8. This act shall take effect in 90 days.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 45.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: For the benefit of the members, Calendar Number 1623 is high. There is no message at the desk. So the bill has to be laid aside.

Senator Holland, that completes the reading of the noncontroversial Supplemental

Calendar No. 65A.

SENATOR HOLLAND: Mr. President, can we stand at ease awaiting the report of the Judiciary Committee.

ACTING PRESIDENT KUHL: The Senate will stand at ease awaiting the report of the Judiciary Committee.

(Whereupon, at 3:12 p.m., the Senate was at ease until 4:07 p.m.)

ACTING PRESIDENT KUHL: Senate will come to order. I ask the members to find their places, staff to find their places.

Senator Holland.

SENATOR HOLLAND: Mr. President, may we return to reports of standing committees for a report of Judiciary Committee, please.

ACTING PRESIDENT KUHL: Return to the order of reports of standing committees. There is a report of the Judiciary Committee at the desk.

I'll ask the Secretary to read it.

THE SECRETARY: Senator Lack, from the Committee on Judiciary, offers up the following nominations:

As a Judge of the Family Court of Nassau County, Richard S. Lawrence, of Merrick.

ACTING PRESIDENT KUHL: Senator Lack.

SENATOR LACK: Thank you, Mr. President.

I rise to move the nomination of Richard S. Lawrence of Merrick as a Judge of the Family Court of Nassau County. Mr. Lawrence appeared before the Committee on Judiciary today. His credentials have been looked at by the staff of the committee. He appeared before the committee which has unanimously moved - moved him to the floor.

I would like if I could, before yielding to Senator Tully, to say a word on behalf of our colleague, Senator Norman Levy, who called me yesterday to talk about his very longtime friend Richard Lawrence, who has served as a counsel on his staff and has been a close and intimate friend of his for many years.

Senator Levy, of course, regretted not being able to be here on the floor today so that he himself could stand and say how well he thought of this appointment and to thank

the Governor on his behalf -- Senator Levy's behalf -- for the appointment of Mr. Lawrence to the bench, and that he considered -- Senator Levy did -- Mr. Lawrence's experience, his demeanor, his close ties to a variety of community organizations in Nassau County to be of such great extent that he more than welcomed the appointment and is just sorry that he can't be here today personally to stand and say that himself.

So on behalf of both myself and Senator Levy, I would most respectfully yield to Senator Mike Tully for purposes of a second.

ACTING PRESIDENT KUHL: Chair recognizes Senator Tully, on the nomination.

SENATOR TULLY: Thank you, Mr. President.

I'd like to take the opportunity to congratulate the Governor on his fine nomination of Richard Lawrence to be a Judge of the Family Court in Nassau County. I've known Richard since he was a very, very young man. He holds his age very well. I wish I could say the same, and I'd like all to know that Richard comes from a judicial family. His father's a

judge, and was one of my early neighbors when I first moved into the county. He was very helpful to me as a young attorney.

And in Richard's case, he comes with all of the qualifications that one would want in a member of the judiciary. He is well-schooled. He is very, very intelligent. He has judicial temperament, and beyond all that, he has been very, very active in his community. He has worked very actively in his bar association. He has been involved in the grievance committee of the bar association and involved in the grievance committee of the Appellate Division.

I think all of us will be served by this nomination. I am privileged to be here to confirm it today.

Thank you, Mr. President.

ACTING PRESIDENT KUHL: Senator Marcellino, on the nomination.

SENATOR MARCELLINO: Thank you, Mr. President.

I have known Richard Lawrence for many, many years. As a former teacher, I've had a lot of dealings with people involved in Family

Court, and I can think of no better person with no better temperament to go into that very difficult situation and do it with intelligence, common sense and just the right touch of caring. Dick will be a fine addition to the Court.

Congratulations and Godspeed to you.

ACTING PRESIDENT KUHL: Senator Skelos, on the nomination.

SENATOR SKELOS: Mr. President, thank you.

I would like to join my colleagues from Nassau County in congratulating you, Rick, on this appointment.

I've had the opportunity to attend numerous functions with you over the years as you have represented Senator Levy in such a fine way. I know that this is a very special day for Norman with you being confirmed as a judge of the Nassau County Family Court, and I know Norman is at home with Joy right now, smiling, and thanking the Governor for this nomination.

Congratulations.

ACTING PRESIDENT KUHL: Is there any other Senator wishing to speak on the nomination?

Hearing none, the question is on the nomination of Richard S. Lawrence of Merrick, New York, to become a Judge of the Family Court of Nassau County.

All those in favor of the nomination, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The nominee is unanimously confirmed.

We are very, very pleased to have Mr. Lawrence with us in the chamber in the gallery on your left. He is joined with his wife, Ronnie; son, Kyle; and friends John Ward, Mr. Chin, Marge and George Leibowitz.

If you would rise, please, and be recognized by the chamber, I know they wish you all well.

(Applause.)

The Secretary will continue to read.

THE SECRETARY: As a judge of the Family Court of Suffolk County, Ettore A. Simeone, of Islip Terrace.

ACTING PRESIDENT KUHL: Senator Lack.

SENATOR LACK: Thank you, Mr. President.

I rise to move the nomination of Ettore A. Simeone of Islip Terrace, who has been nominated by the Governor as a judge of the Suffolk County Family Court.

"Et", as he is known universally to everyone, has had his credentials vetted by the staff of the Senate Judiciary Committee. He appeared before the committee just before, about a half hour ago and was unanimously confirmed and his nomination moved to the floor of the Senate.

Et Simeone is currently principal Law Clerk to Supreme Court Justice Pat Leis, and in that capacity he works in the -- by designation, that is, Justice Leis, as the Article 81 Judge for Suffolk County.

For those of you who do not remember, Article 81, of course, is the

guardianship article and requires some of the most complex legal and nonlegal maneuvers by anybody who is attached to that part. It also requires that you have to have a demeanor equal to that of Job. You have to be able to take what are ordinary occurrences for any of us and put it into the complexion of Article 81 and the requirements attached thereto.

I can't think of a better appointment the Governor can make to Family Court of Suffolk County than somebody like Et Simeone, who has spent years of doing just that, being able to take the ordinary, put it into the complex requirements of our legal system, and make sure that people come out of it whole. If there is a better definition for how to become a Family Court Judge, I don't know it.

I'm not going to go on too much longer because I know Senator Trunzo has a few remarks he'd like to make to second the nomination.

But, Et, I'd like to offer you my congratulations and the Governor for appointing you for this nomination and wish you great success in our Family Court in Suffolk County.

And, Mr. President, I would most respectfully yield to Senator Trunzo.

ACTING PRESIDENT KUHL: The Chair recognizes Senator Trunzo, on the nomination.

SENATOR TRUNZO: Thank you, Mr. President.

Senator Lack, you took my speech away. I have known Et Simeone for many years, and even though his name is Ettore, there's not too many people who understand what that is, but it's a good old Italian name. But Et Simeone has been a friend and a very dedicated individual and, as Senator Lack pointed out, he has been the principal law clerk for Supreme Court Justice Patrick Leis.

But prior to that, he was also, for eight years, an assistant district attorney of Suffolk County, and he served in the Felony Trial Bureau as well as the Rackets Bureau, among many others, and also had been in private practice working very much on matrimonial and Family Court items.

He has spent quite a bit of his time active in the community. He's a very active individual, having belonged to many, many

organizations -- community organizations as well as professional organizations, such as East Islip Soccer League, East Islip Little League, Knights of Columbus, Sons of Italy, and many of the other organizations, professional organizations within the law practice.

He is highly respected by his peers, and he has done an outstanding job, and I would like to really commend the Governor for making this appointment for Et Simeone to be Family Court Judge.

And with that, I wish you lots of luck, Et. I'm sure you will do a great job.

ACTING PRESIDENT KUHL: Chair recognizes Senator LaValle on the nomination.

SENATOR LAVALLE: Thank you, Mr. President. I, too, rise to commend the Governor in this nomination, and I think we can't say enough. The Family Court is a difficult court and it requires that the judge have the kind of temperament, have the kind of concern in dealing with young people.

Et has always been involved in his community from the time he was in high school, college and into this very time, and I

think that being a father of five children also will be very, very helpful in making him a sensitive judge in a court that requires sensitivity and a steady hand.

Congratulations to Et and his family.

ACTING PRESIDENT KUHL: Senator Johnson, on the nomination.

SENATOR JOHNSON: Mr. President, I would like to also rise to commend the Governor on this very fitting nomination.

Certainly, you have heard of the background of this candidate from Senator Lack and Senator Trunzo, but I can tell you that I've been privileged to know his family, I guess, perhaps before he was born or just about that time and other relatives of his, and realize that here's a young fellow who went to school in West Babylon like many others -- North Babylon, next to our community of West Babylon -- took advantage of every opportunity, was active in his schools, got very good grades, got to college, very good education, working, had positions even while he was going to college, and he worked himself up to a position where now

he's a very well respected lawyer, has a wonderful wife, Terry, a family. In fact, his mother is with him.

This is really the American success story, and I just tell you I rise to say I'm very proud to know this young man and -- not a young man any more -- middle-aged man, but to see what he's made of his life and he's a great example to others, his family and others in the community and in the State of New York that you can make what you want of yourself, and I'm just proud that he has achieved this estimable position that we can be here to nominate - confirm his nomination, rather, today.

ACTING PRESIDENT KUHL: Senator Marcellino on the nomination.

SENATOR MARCELLINO: Thank you, Mr. President.

I rise also to commend the Governor on this very excellent appointment. About 40 percent of my district runs into Suffolk County, and I am relatively the new kid on the block with the representation of Suffolk, but ever since the first day, Et's name has been spoken of and spoken of highly.

He is a good person, a community activist, well-known in the neighborhood, well-known in Suffolk County, and well-known for his ability to show common sense and caring with respect to his judicial decisions.

So I'm pleased and proud that Et will be representing us on the Family Court. And, again, it's a difficult court and needs the kind of people with the kind of temperament and attitude that Et has.

So congratulations and Godspeed.

ACTING PRESIDENT KUHL: Is there any other Senator wishing to speak on the nomination?

Hearing none, the question is on the nomination of Ettore A. Simeone, of Islip Terrace, to become a judge of the Family Court of Suffolk County.

All those in favor of the nomination, signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The nominee is unanimously confirmed.

We're very pleased to have Judge Simeone with us in the chamber to your left, together with his wife, Terry; their five children, Joanne, Alfred, Michael, Mark and Matthew; his mother, Josephine; and friends Pat and Marcia Cursio and Ken and Lauren Auerbach.

Judge, if you will rise and be recognized.

Congratulations.

(Applause.)

Secretary will continue to read.

THE SECRETARY: As a Justice of the Supreme Court, Second Judicial District, Vasilios C. Arniotes, of Brooklyn.

ACTING PRESIDENT KUHL: Senator Lack.

SENATOR LACK: Thank you, Mr. President.

I rise to move the nomination of Vasilios Arniotes, of Brooklyn, as a judge of the Supreme Court from Kings County.

The judge appeared before the committee this afternoon. His credentials have been examined. The committee unanimously moved the nomination to the floor.

I will yield to Senator Connor, but I have to say just in passing that with this nomination, when we checked his credentials, it was the unanimous comment of everybody we spoke to, regardless of any political affiliation, in Kings County, that this is one of the most dignified and one of the best judges that have served in that county, and we were asked to move this nomination as soon as possible having received it from the Governor, and I'm most happy to do so, and I would most respectfully yield to Senator Connor for purposes of a second.

ACTING PRESIDENT KUHL: The Chair recognizes Senator Connor, on the nomination.

SENATOR CONNOR: Thank you, Mr. President.

This, indeed, is my, I guess, 20th session in this body, and I can truly say that today seconding the nomination of Judge "Billy" Arniotes is indeed about the proudest thing I've done. I've had other friends, acquaintances, people I thought very, very highly of, from my district, from Brooklyn, appear before this body in nomination for

various offices and for judicial office, but I can truly say I am so proud, so delighted, that the Governor has made this appointment and, as Senator Lack said, by virtue of he and his staff calling, as they do, numerous people and bar associations on the bench, in and out of the legal profession, I can assure you, Senator Lack, from my many years of personal acquaintanceship and friendship with Judge Arniotes, that what you have found out is indeed true.

He is one of the finest gentlemen I have had the privilege of ever knowing in my time in Brooklyn, in politics and community activities.

Judge Arniotes is a graduate of St. John's University School of Law, as are so many other distinguished lawyers in this body and in our state. He has had a long, long career in public service in the court system as a law secretary to several justices. He was once the president of the Association of Law Secretaries. He has rendered distinguished service in the Estate Tax Part of the Estate Taxation; and I was privileged some years ago,

certainly, before he took the bench to be closely associated with Judge Arniotes on several cases where we defended truth, justice, and the Democratic organization in the courthouses of Brooklyn and New York City.

And the one thing -- you know, a lot of things -- a lot of things go into making a superb judge, certainly intellect, education, background, but I've found over the years, as a lawyer and as a public official appearing before many judges and knowing many judges, that the most important ingredient in the topmost respected and excellent judges are elements of character, are old virtues like patience, a kindly manner, the ability to listen well, to convey to litigants, lawyers and others, your genuine concern for being fair, for upholding the law and being fair. And there are many, many judges who are fair, but they don't quite get the message out as to why they are doing what they do and convey that kind of concern for fairness.

Judge Arniotes has those -- has to perfection those qualities of character and temperament which make him one of the finest

judges, I think, that has ever served in Kings County.

I'm delighted that the Governor, looking across partisan lines -- and I congratulate the Governor because, as I said before, Judge Arniotes is a Democrat but, while a loyal Democrat, was never one who regarded people in other political parties as enemies - merely adversaries, merely people with whom he disagreed, but certainly always to be respected and as he respects and conveys that respect to the lowliest litigants who appear before him, to the people who work for him in and around the courts and to the lawyers who appear before him.

And I know he will go on now to -- he's been an Acting Justice of the Supreme Court. He will continue his distinguished - distinguished judicial career as a Justice of the Supreme Court, and I am just truly delighted on a personal basis. He is just a wonderful, wonderful man.

He has served on the community board. He has been involved in community activities. He is, indeed, one of our finest citizens we are privileged to have in the County

of Kings.

I might note he has also been an instructor in continuing education programs. He continues to do that in Kingsborough Community College. He renders that kind of service. We were once privileged in the Legislature to have his services as attorney to several legislative committees. He is an active parishioner and legal advisor to his church, and he is a family man, wonderful wife and five children, and he makes wonderful -- where is Senator Skelos? He makes wonderful souvlaki. He's just a man of many, many talents and superb grace.

Mr. President, I'm so delighted to move the confirmation of Judge "Billy" Arniotes of the County of Kings.

ACTING PRESIDENT KUHL: Senator Smith, on the nomination.

MR. SMITH: Thank you, Mr. President.

I, too, am delighted to be able to second the nomination of Judge "Billy" Arniotes. It is not often that you have the privilege of seconding the nomination of someone who has played an important role in your life,

and I truly would not be standing here today if it were not for Judge Arniotes.

He truly exemplifies all of the things that our astute leader, Senator Connor, has stated. He has a judicial temperament. He is kind. He is generous and he listens, and I believe that, as a judge, listening is one of the most important ingredients.

I, too, convey my thanks to the Governor for making such a wise choice, and I thank each and every one of you on the committee for voting for him and making this day possible, for he truly deserves it and he will make each and every one of us proud of him.

Thank you.

ACTING PRESIDENT KUHL: Senator Marchi, on the nomination.

SENATOR MARCHI: Thank you.

Mr. President. Senator Lack has presided over many discussions and meetings of the committee where we had candidates present; and for multiple reasons, I don't think that we ever had a meeting that so reflected a kind of warmth that three candidates developed.

I had both Judge Arniotes and

Senator Connor as my constituents way, way back, but he is six years my junior, Mr. President, so he has a lot of qualities there that will serve him in good stead. He enjoys that deep respect and esteem with which he is held in his county.

And if there is such a thing, I guess I'm an Arniotes Republican; and I'm most pleased that the Governor has given us three fine nominations, and, certainly, based on the length of experience that I have had knowing him -- Judge Arniotes -- I feel especially pleased and honored to see him receive this nomination and the acclaim with which and the impact it made on those who attended and those who listened to Senator Connor's fine development of his background.

So I'm very delighted to be part of this experience, Judge.

ACTING PRESIDENT KUHL: Is there -- Senator Sampson, on the nomination.

SENATOR SAMPSON: I would like to take this opportunity to thank the Governor for nominating Judge Arniotes to the Supreme Court.

Within the last year I had an opportunity and throughout my six years of

practicing law, I had an opportunity to appear before Judge Arniotes, and his judicial temperament is second to none.

One thing, as Senator Smith said, he is a man who listens. On numerous occasions, I had cases before him. He cut to the chase, and I had an opportunity to really learn my lawyering skills from Judge Arniotes.

And, once again, I want to thank the Governor for nominating Judge Arniotes.

Thank you.

ACTING PRESIDENT KUHL: Is there any other Senator wishing to speak on the nomination?

Senator Kruger, on the nomination.

SENATOR KRUGER: Mr. President. It gives me great privilege this afternoon to rise in support of this nomination.

I have known "Billy" both professionally and personally for the better part of 20 years. He's been an honest, forthright, decent human being, an asset to the bench, a caring and compassionate community leader, involved in his church, committed to

noble causes, and it's, I think, a privilege that we today have the community to confirm "Billy" Arniotes as a Judge of the Supreme Court, and I know that he will add not only the professionalism that has become a hallmark in his chambers but more particularly the compassion, the caring, the understanding, and the decency, that we so look for and that we so need in the Supreme Court today.

ACTING PRESIDENT KUHL: Any other Senators wishing to speak on the nomination?

Hearing none, the question is on the nomination of Vasilios -

Senator Markowitz?

SENATOR MARKOWITZ: The only thing I might say -

ACTING PRESIDENT KUHL: From the left chamber.

SENATOR MARKOWITZ: -- to the Judge, if I may, is Kali Tee-hee.

Thank you very much.

ACTING PRESIDENT KUHL: The question is on the nomination of Vasilios C. Arniotes of Brooklyn, New York, to become a Justice of the Supreme Court in the Second

Judicial District.

All those in favor of the nomination signify by saying aye.

(Response of "Aye.")

Opposed, nay.

(There was no response.)

The nominee is unanimously confirmed.

We're very, very pleased to have Judge Arniotes with us in the chamber in the gallery to your left. He is accompanied by his wife, Kate, and also Nick and Ann Marie Clemente.

If you would please acknowledge Judge Arniotes.

(Applause.)

Senator Holland.

SENATOR HOLLAND: Mr. President, could we stand at ease, please.

ACTING PRESIDENT KUHL: Senator Dollinger.

SENATOR DOLLINGER: Before we stand at ease, Mr. President, may I have unanimous consent to be recorded in the negative on two bills? I was in the Judiciary Committee

when we considered Calendar Number 896, Assembly Bill 7548. I would ask to be recorded in the negative on that bill as well as, Mr. President, Calendar Number 1619, Senate Bill 5632. I would ask to be recorded in the negative on that, as well.

ACTING PRESIDENT KUHL: Without objection, hearing no objection, Senator Dollinger will be recorded in the negative on Calendar Number 896 and also Calendar Number 1619.

Senator Gentile, why do you rise?

SENATOR GENTILE: Yes, Mr. President, thank you. I also ask unanimous consent to be recorded in the negative also on Calendar Numbers 896 and 1619.

ACTING PRESIDENT KUHL: Without objection, hearing no objection, Senator Gentile will be recorded in the negative on Calendar Number 896 and Calendar Number 1619.

Senate will stand at ease.

(Whereupon, at 4:55 p.m., the Senate was at ease.)

ACTING PRESIDENT KUHL: Senate

will come to order.

The Chair recognizes Senator Skelos.

SENATOR SKELOS: Mr. President. The Senate will stand in recess until 8:00 p.m., and I believe Senator Paterson has an announcement, also.

ACTING PRESIDENT KUHL: Senator Paterson.

SENATOR PATERSON: Mr. President, there will be a Minority Conference in the Minority Conference Room, which seems appropriate, at 7:30 this evening.

ACTING PRESIDENT KUHL: There will be a Minority Conference in the Minority Conference Room 7:30 this evening.

SENATOR PATERSON: Sharp.

ACTING PRESIDENT KUHL: The Senate stands in recess until 8;00 p.m. this evening, sharp.

(Whereupon, at approximately 6:00 p.m., the Senate was in recess.)

(The Senate reconvened at 9:07 p.m.)

ACTING PRESIDENT KUHL: The

Senate will come to order.

The Chair recognizes Senator Larkin.

SENATOR LARKIN: Mr. President, there will be an immediate meeting of the Finance Committee in room 332.

ACTING PRESIDENT KUHL: Immediate meeting of the Finance Committee, immediate meeting of the Finance Committee in the Majority Conference Room, Room 332. Senate stands at ease.

(The Senate stood at ease from 9:08 p.m. To 9:31 p.m.)

ACTING PRESIDENT KUHL: The Senate will come to order. Members will take their chairs, staff take their place.

The Chair recognizes Senator Skelos.

SENATOR SKELOS: Mr. President, if we can return to reports of standing committees, I believe there's a report of the Finance Committee at the desk. I ask that it be read.

ACTING PRESIDENT KUHL: There is. We'll return to the order of reports of

standing committees. The Secretary will read the report of the Finance Committee which is at the desk.

THE SECRETARY: Senator Stafford, from the Committee on Finance, offers up the following bills:

Senate Print 704B, budget bill, an act making appropriations for the support of government;

Senate Print 5783, by the Committee on Rules, an act in relation to appropriations made by the Chapters of the Laws of 1997 enacting the Public Protection, Health, and Mental Hygiene budgets;

Senate Print 5784, by the Committee on Rules, an act to amend the Military Law.

All bills directly for third reading.

ACTING PRESIDENT KUHL: Senator Skelos.

SENATOR SKELOS: Move to accept the Report of the Finance Committee.

ACTING PRESIDENT KUHL: Motion is to accept the report of the Finance

Committee.

All in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The report is accepted. The bills are ordered directly for third reading.

Senator Skelos.

SENATOR SKELOS: Mr. President, would you call up Calendar Number 1624.

ACTING PRESIDENT KUHL: Secretary will read the title of Calendar Number 1624, a copy of which is on the members' desks.

THE SECRETARY: Calendar Number 1624, Senate Print 704B, Budget Bill, an act making appropriations for the support of government.

ACTING PRESIDENT KUHL: Senator Skelos.

SENATOR SKELOS: Mr. President, is there a message of necessity and appropriation at the desk?

ACTING PRESIDENT KUHL: There

is.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT KUHL: Motion is to accept the message of necessity on calendar 1624.

All in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(Response of "Nay.")

The message is accepted.

Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes -

ACTING PRESIDENT KUHL: Senator Dollinger, to explain his vote.

SENATOR DOLLINGER: Mr. President, I just rise -- I know that the hour

is late. This is not the time, perhaps, to dissect this enormous bill and the implications that it has for the state. I rise just to recognize one part of it and that is for the Temporary State Commission on Lobbying, which is going to be extended for two years, an issue that we should have spent time taking a good look at this year.

The Temporary State Commission seems to go on and on and we seem to all be satisfied to have a toothless tiger acting in the public interest to try to determine the relationship between elected government and the vast amounts of money that support its election campaigns, and it seems to me that this is a time we should have spent taking a little time to find out what the future of lobbying should be and how we should do it. It's put off for two years. It's convenient, I guess, for everyone involved, it gets us through another election cycle, both for statewide office and for ourselves.

This may be in someone's interests, but it's clearly not in the public's interests.

ACTING PRESIDENT KUHL:

Senator Dollinger, how do you vote?

SENATOR DOLLINGER: No.

ACTING PRESIDENT KUHL:

Senator Dollinger will be recorded in the negative.

Senator Stafford, to explain his vote.

SENATOR STAFFORD: Mr. President, I tend to sometimes not say enough, on the floor, that is. I can't let this document be voted upon without sharing with everyone that a tremendous amount of work went into this. The Majority Leader and the staff and countless members are to be complimented; the Speaker, his staff, countless members are to be complimented, and the Governor and his people.

I, again, want to share on a positive note that as the Majority Leader said the other day when we were discussing the budget, he said, "I want to be very clear and make sure every one of you know that everything you want in here isn't here;" and we all know that, and, in a state like this, it's impossible

to have everything that we want.

However, I would be remiss if I did not say that some major decisions were made in this budget and all of us have our districts and I would be remiss if I didn't thank the Majority Leader, the Governor and the Speaker and all here in the Legislature for some decisions that were made, and I think you all know what I'm talking about.

I compliment all the staff; they've worked tirelessly. I don't mean to overdo this, but I think it should be said. I don't apologize for the work that's done here, I'm very proud of it. I, too, would maybe like to have things on a bit of a different date, but I think sometimes that's overdone when we talk about exactly when something should be done.

With that, Mr. President, I vote aye.

ACTING PRESIDENT KUHL: Senator Stafford will be recorded in the affirmative.

Senator Gold, how do you vote?

SENATOR GOLD: Thank you, Mr. President. Are we on a roll call?

ACTING PRESIDENT KUHL: We're on a roll call.

SENATOR GOLD: That's great news. I just wanted to explain my vote very briefly and say -- and Senator Stafford said that there are some positive things, and there are; and while I'm critical sometimes of the Majority Leader, I will say this: He has my congratu- lations for having the guts not to put out the Governor's budget for seven months and, along with the rest of the members of the Senate, rejecting the Governor's budget.

We should all understand that the Governor's original budget of 32.8 of general funds was corrected by the Governor in February to 32.9; and while some people were critical of the Assembly's attempt to spend more money, the final budget that we are passing, God willing, today, is 34.5 and more money than the Assembly was talking about.

Now, it's not only a question of spending the money. I think what's important is that everyone here should understand that the 750 million of school aid dollars that, if it wasn't for us, wouldn't be going to the schools.

Certainly it wasn't because of the Governor because he didn't have it in there. And there's 51 million in local government aid which, thanks to the Assembly and to us, is going out to local governments, no thanks to the Governor, it wasn't in his budget. If we passed his budget, it wouldn't be in there.

There's 275 million in SUNY and CUNY and TAP aid that's going to help our youngsters go to college, no thanks to the Governor. I guess the Medicaid figure is about a billion.

And, the bottom line of it all is that I'm very proud of the fact that we did not pass a budget on time, if it had to be the Governor's budget.

There is a lady who wrote a letter to the editor of the Daily News and I'm going to write a letter back to her where she says if we don't pass a budget, we shouldn't get paid. And madam, if you're listening, I earned my money by holding out to get a budget that takes care of people. The Governor didn't do it. Thank God we have a Legislature.

I vote yes.

ACTING PRESIDENT KUHL:

Senator Gold will be recorded in the affirmative.

Announce the results

THE SECRETARY: Ayes 56, nays one, Senator Dollinger recorded in the negative.

ACTING PRESIDENT KUHL:

Senator Leichter also in the negative.

SENATOR LEICHTER: Yes, sir.

THE SECRETARY: Excuse me.

ACTING PRESIDENT KUHL:

Senator Leichter recorded in the negative also.

THE SECRETARY: Also Senator Leichter. Ayes 55, nays 2, Senators Dollinger and Leichter recorded in the negative.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, would call up Calendar Number 1625.

ACTING PRESIDENT KUHL: The Secretary will read the title.

THE SECRETARY: Calendar Number 1625, by the Committee on Rules, Senate Print 5783, an act in relation to certain

revisions which would impact upon expenditures of certain appropriations.

SENATOR SKELOS: Is there a message of necessity at the desk?

ACTING PRESIDENT KUHL: There is.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT KUHL: The motion is to accept the message of necessity on Calendar Number 1625.

All in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(Response of "Nay.")

The message is accepted.

The Secretary will read the last section.

THE SECRETARY: Section 80. This act shall take effect immediately.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT KUHL: Senator Leichter, to explain his vote.

SENATOR LEICHTER: Mr. President, this explanation really also applies to the bill that we passed, Senate 704B, and really the whole budget bill.

I think this budget is such an affront to the public. It's such an insult to openness in government and democratic procedures. To have this budget pushed out in this fashion at this hour on August 2nd is an absolute disgrace after the leaders had fiddled around for months, negotiating this budget to find out that bills are being printed and put on our desks without any review by the members of what's in the bills. We're appropriating some $63 billion, or maybe more, $68 billion dollars, bills of thousands of pages, no opportunity for review. I just think that is disgraceful.

And I just want to say that the process here gets worse and worse and worse. The public is being disenfranchized. We, as members, are not doing our job, we're not

meeting our responsibilities of representing the public.

I don't know how anybody can get up and proclaim, "This is a wonderful budget. We've done our job. We've worked hard," and so on. This is an absolute disgrace, Mr. President.

I vote in the negative.

ACTING PRESIDENT KUHL: Senator Leichter will be recorded in the negative.

Senator Marchi, to explain his vote.

SENATOR MARCHI: I just wanted to explain my vote. I certainly don't feel offended by the remarks of Senator Leichter because I know they're sincere, and certainly he should vote that response.

On the other hand, I think we should not overlook the fact that this Governor has given a definite thrust, it's a national phenomenon and it's a state phenomenon on economic stimulation; and had we adhered with total exactness to the dimensions and the timetable that is provided in the Constitution,

it would have been unrealistic because it wouldn't have reflected the present state of our economy, the promise that it implies.

So that I think every single member here, whether they voted for or against it, and obviously it was very persuasive, and the same sentiment seems to be prevailing in the Assembly, is something that we all can take pride of. No matter what, how you feel, everyone makes a contribution.

And even if there is perplexion, it should be raised. And I don't - certainly it does not offend me to hear that. It just gives us, I think, added confidence that a prevailing wisdom didn't adhere with that kind of fanaticism to a constitutional requirement that at this point, neither the nation or the state, the first state in the Union, as far as I'm concerned, took a pragmatic and realistic view without sacrificing the principles that should undergird the future of our economy and the future of public policy.

So, I'm very proud to be able to vote positively and affirmatively for this bill.

ACTING PRESIDENT KUHL:

Senator Marchi will be recorded in the affirmative.

Senator Hoffmann, to explain her vote.

SENATOR HOFFMANN: Thank you, Mr. President. I appreciate the fact that the two-minute rule has been extended for explanations. I'll try to keep my remarks within that time, if possible; but, I would like to note for the record, and occasionally my constituents check the record so I feel this at least gives me an opportunity to provide some communication to them about how things are carried out here in Albany.

This particular bill came to us in a matter of 15 minutes, moved through the Finance Committee, and I would like to note, for the record, that it was still warm off of the copying machines when it was presented to us.

This bill on which we are now voting is 456 pages long. It includes a table of contents because it is so detailed in its discussion of various state agencies. It includes the Advocates for Persons with

Disabilities -- the Office of; Office of Aging; Capital Defender Office; Commission of Corrections; Department of Correctional Services; Crime Victims' Board; Criminal Justice Services; Developmental Disabilities Planning Council; Health Department; Interest on Lawyer Account, that's a new one to me; investigation on -- the Temporary State Commission on Investigation; Judicial Commissions; Department of Mental Hygiene; Office of Mental Health; Office of Mental Retardation and Developmental Disabilities; Office of Alcoholism and Substance Abuse; Military and Naval Affairs Division; Department of Motor Vehicles; Division of Parole; Division of Probation and Correctional Alternatives; Commission on Quality Care for the Mentally Disabled -

SENATOR TULLY: Mr. President.

SENATOR HOFFMANN: -- State Police; and then Section 2, contingent and other appropriations; and finally, as a late starter, Department of Health.

In 15 minutes, my friends, the Finance Committee passed on this and it's now

before us and we're passing it in even less time.

SENATOR TULLY: Point of order.

SENATOR HOFFMANN: And as a duly-elected member of this body, I find that terribly offensive.

ACTING PRESIDENT KUHL: Senator Hoffmann, excuse me.

Senator Tully, why do you rise? I assume that that's concluding your remarks, Senator Hoffmann?

SENATOR HOFFMANN: Yes, Mr. President, I've concluded. I think it was close to within the time limit.

ACTING PRESIDENT KUHL: You're voting in the negative, Senator Hoffmann?

Senator Hoffmann will be recorded in the negative.

SENATOR TULLY: Mr. President, I was wondering if Senator Hoffmann was voting on Senate bill 1625, which did not certainly include all of the things her remarks alluded to.

ACTING PRESIDENT KUHL:

Senate 1625 is before the house, Senator Tully.

Senator Gold, to explain his vote.

SENATOR GOLD: Thank you, and I'll be very brief, but something Senator Marchi said I think has to be responded to. And, Senator Marchi, this is coming from not only one of your colleagues, but the head of the Forest Hills branch of the John Marchi fan club, so you know how I feel about you.

But Senator, I don't understand your remarks about the Constitution. You know, Senator Marchi, from your vast experience that the Constitution provides a budget by a certain date and that for years, this state was able to do that and everybody understood that at the end of session, there might be a, quote, supplemental budget, and that would take into account any changes that may have taken place.

As a result of that procedure, some people have said, well, we shouldn't have a budget by April 1 and we should change the date to June 1, maybe that's more realistic.

But, living with the Constitution, I think is urgent and we should

have a budget by March 31st and then we can do a supplemental budget. Not only that, Senator Marchi, you and I both know there used to be a deficiency budget that came in February or March of the following year and the deficiency budget would take into account the realities of the year and then make the adjustments.

So, nobody ever anticipated, in doing the Constitution, Senator Marchi, that we would have total knowledge by March 31st. But the founding fathers said, "You'll do it by March 31st." For years, people did it by March 31st. This year, we have seen no leadership or push to do it.

And I don't give Kudos to the Governor. Mario Cuomo, if he couldn't bring one in on time, used to pester people, at least come to a meeting; and it was uncomfortable, but there would be meetings. Nothing seems to bother George Pataki about a late budget this year, and if there are Kudos and congratulations to go around, I think unquestionably the Speaker gets it, and unquestionably Senator Bruno, for at least not passing the Pataki budget.

I vote aye.

ACTING PRESIDENT KUHL:

Senator Gold will be recorded in the affirmative.

Senator Dollinger, to explain his vote.

SENATOR DOLLINGER: Very briefly, Mr. President, I want to just join my colleague, Senator Leichter. We voted against both these bills, and it goes back to that old line about fooling some of the people some of the time but you can't fool all the people all the time.

I don't think the people in this state are fooled by this whole process. They know that we delayed, we delayed, we delayed, we didn't get down to work, we didn't do the people's work on time. It could have been done on time. They know that we were distracted by rent control, they know we were distracted by other things, all of which fit the political agendas of all these people.

With all due respect to Senator Marchi, I understand that practicality and reality may play a role in politics, but the people of this state set up a Constitution that

said -- and I will only quote from the button that Senator Libous wore so proudly two years ago, "Get it done by April 1." They didn't say get it done by August 3rd.

And frankly, my hope is that the people of this state, not having been fooled, will send everyone in this chamber a very specific message on Election Day of this year, they'll vote for a Constitutional Convention to set some real limitations on the Legislature to redesign it so that it does the people's work the way they want it, not the way we want it.

ACTING PRESIDENT KUHL: Announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 1625 are Senators Dollinger, Hoffmann and Leichter. Ayes 54, nays 3.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, would you call up Calendar Number 1626?

ACTING PRESIDENT KUHL: The Secretary will read.

THE SECRETARY: Calendar Number 1626, by the Committee on Rules, Senate Print 5784, an act to amend the Military Law.

ACTING PRESIDENT KUHL: Senator Skelos.

SENATOR SKELOS: Mr. President, is there a message of necessity at the desk?

ACTING PRESIDENT KUHL: There is.

THE SECRETARY: Move to accept.

ACTING PRESIDENT KUHL: The motion is to accept the message of necessity on Calendar Number 1626.

All in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(Response of "Nay.")

ACTING PRESIDENT KUHL: The message is accepted. The bill is before the house.

Secretary will read the last section.

THE SECRETARY: Section 76. This act shall take effect immediately.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT KUHL: Record the negatives and announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 1626 are Senators Dollinger, Hoffmann and Leichter. Ayes 54, nays 3.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, if we could continue with the report of the Finance Committee.

ACTING PRESIDENT KUHL: The Secretary will read.

THE SECRETARY: Senator Stafford, from the Committee on Finance, offers up the following nomination:

As Commissioner of the Port Authority of New York and New Jersey, David Mack of Kings Point.

SENATOR STAFFORD: Move the nomination.

ACTING PRESIDENT KUHL: The question is on the nomination of David Mack, of Kings Point, as a Commissioner of the Port Authority of New York and New Jersey.

All those in favor of the nomination signify by saying aye -- Senator Leichter.

SENATOR LEICHTER: Mr. President, on the nomination, and I'm sorry I didn't raise this issue in the Finance Committee, but did Mr. Mack appear before any of the standing committees of this house? Senator Stafford, if you could answer that. I know he didn't appear before the Finance Committee.

SENATOR STAFFORD: Yes, that's a very legitimate question; and all of us have been concerned about people appearing, yourself, Senator Gold, myself, and others. I asked that question, and let me see now. What, two days ago or yesterday, when he appeared,

when we went through the -- there was a renomination for -- it was a renomination for the MTA, and also we were remiss in not including he also is going to be on the Port Authority, but he has been before us.

SENATOR LEICHTER: Mr. President, if Senator Stafford would yield for just one further question.

ACTING PRESIDENT KUHL: Senator Stafford, do you yield?

SENATOR LEICHTER: This is a new appointment, isn't it? This is not a reappointment, is it?

SENATOR STAFFORD: The one yesterday was a reappointment. This is new.

SENATOR LEICHTER: No, no, the one today.

SENATOR STAFFORD: This is new.

SENATOR LEICHTER: Okay, fine. Thank you very much. Just very briefly, this is, again, an example of how we do business. I mean, we've had the whole session. This is an incredibly important position, a member of the board of directors, the trustees, or whatever it

is, but, in any event, the governing body of the Port of New York and New Jersey Authority, terribly important. A lot of issues, issues that particularly concern New York State. There is more money being spent in New Jersey than in New York State. What's happening to the airports in New York? That person should have appeared.

Frankly, the only thing I know of Mr. Mack is that he is a very substantial contributor to the Republican party and to George Pataki. Maybe he's also qualified. Maybe he has a viewpoint as to what should be done and maybe he could tell us. Nobody seemed to ask him.

Now, I didn't say, "Please have him appear," and Senator Stafford has been exceptionally cooperative and when you ask him to have somebody appear, he does; but, I don't remember receiving a notice that would have allowed me to say, "Please have Mr. Mack appear."

We ought to be doing our job. We ought to be taking our job seriously. If we want to be just a rubber stamp, then we ought to

continue acting as we are now. If we want to be serious about it, if we want to protect the public interest, then when somebody like Mr. Mack comes for confirmation, we, as Senators, having the obligation of advice and consent, will say,"Appear before us and let us hear what it is you are going to do, what contribution you're going to make in this important position."

Mr. President, I'm going to vote in the negative and ask that I be recorded in the negative on this.

ACTING PRESIDENT KUHL: Senator Leichter will be recorded in the negative.

The question is on the nomination of David Mack, of Kings Point, to become a Commissioner of the Port Authority of New York and New Jersey.

All those in favor of the nomination signify by saying aye.

(Response of "Aye.")

Opposed nay.

(Response of "Nay.")

Senator Leichter will be

recorded in the negative.

The nominee is confirmed.

Senator Skelos.

SENATOR SKELOS: Mr. President, on the original Calendar Number 65, would you call up Calendar Number 1590.

ACTING PRESIDENT KUHL: Return to the original calendar of the day, Calendar Number 65. The Secretary will read Calendar Number 1590.

THE SECRETARY: In relation to Calendar Number 1590, Senator Volker moves to discharge from the Committee on Rules, Assembly Print 8458B and substitute it for the Senate bill Third Reading 1590. Senate bill is high, the Assembly bill is not.

ACTING PRESIDENT KUHL: The substitution is ordered.

Secretary will read the title.

THE SECRETARY: Calendar Number 1509, by the Assembly Committee on Rules, Assembly Print 8458B, an act to amend the Education Law.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, on the same calendar, would you call up Calendar Number 1609.

ACTING PRESIDENT KUHL: The Secretary will read.

THE SECRETARY: Calendar Number 1609, by Senator Hannon, Senate Print 5690A, an act in relation to persons who may practice a profession.

ACTING PRESIDENT KUHL: Senator Skelos.

SENATOR SKELOS: Mr. President, is there a message of necessity at the desk?

ACTING PRESIDENT KUHL: There

is.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT KUHL: The motion is to accept the message of necessity on Calendar Number 1609.

All in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message is accepted. The bill is before the house.

Secretary will read the last section.

THE SECRETARY: Section 2. This act shall take effect March 1st.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, on Senate Supplemental Calendar 65A, would you call up Calendar Number 1623.

ACTING PRESIDENT KUHL: Go to Calendar 65A, Supplemental 1, Secretary will read the title of Calendar Number 1623.

THE SECRETARY: Calendar Number 1623, by Senator Saland, Senate Print 5771, an act to amend the Social Services Law.

ACTING PRESIDENT KUHL: Senator Skelos.

SENATOR SKELOS: Is there a message of necessity at the desk?

ACTING PRESIDENT KUHL: There is.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT KUHL: Motion is to accept the message of necessity on Calendar Number 1623.

All in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message is accepted. The bill is before the house.

SENATOR DOLLINGER: Can we have an explanation?

ACTING PRESIDENT KUHL: Senator Saland, an explanation has been requested by Senator Dollinger of Calendar Number 1623.

SENATOR SALAND: Thank you, Mr. President.

Mr. President, this bill is, in essence, the child support collection piece. The bill contains a number of provisions, the intention of which, quite obviously, is to strengthen child support collections here in the state of New York. It's intended to comply with recent changes in the federal law. It provides, among other things, for a COLA, a COLA which will be handled administratively through the Support Collection Unit.

All child support orders will be reviewable; any that are two years older or more will be subject to review if, in fact, there is a -- going back to the inception of the order or when it was most recently modified, and

if there is a ten percent increase in the CPI since the inception of the order, those orders would be modified upwards.

There also is a provision in here that deals with the pre-CSSA orders, the Child Support Standards Act orders, going back to 1989. There is, in effect, what some have called the swat team being created to go back and look at these 70,000 orders to review and adjust them and to bring them forward.

This COLA provision, which I referred to earlier, is, in fact, a new alternative available to states by way of federal action. Previously we had what was called a triennial review and adjustment statute, which unfortunately, and we believe from the start, unfortunately, could not handle the volume of cases that we were required to deal with and, in fact, only could handle, since its inception back in 1993, about ten percent of the cases that had been presented for consideration at that time -- since that time.

There is a means here for administrative liens which, again, would be intended to try and shortcut the process, speed

up collections.

There are additional information access abilities which will now be available to serve to assist in enforcement of these orders. There will be additional means to secure interstate enforcement through adoption of the Uniform Interstate Family Support Act, called UIFSA.

There will be additional paternity measures which will be adopted in this legislation that will expedite findings of paternity and, in turn, support collections.

Welfare reform in this state obviously cannot work without a couple -- not without a number of key ingredients, certainly daycare, which we have yet to reach, is one of those key ingredients and effective support collection is another.

What this bill does is, in fact, provide assistance to single families, single head of household families, will provide additional dollars by way of the various enforcement tools that have been provided, will expand the ability for increased self sufficiency, particularly for women, who are

generally the noncustodial parents, and children and families.

ACTING PRESIDENT KUHL: Senator Dollinger.

SENATOR DOLLINGER: Just a couple quick questions, Mr. President, if the sponsor would yield.

ACTING PRESIDENT KUHL: Senator Saland, do you yield to a question from Senator Dollinger?

SENATOR SALAND: Yes, Mr. President.

ACTING PRESIDENT KUHL: Senator yields.

SENATOR DOLLINGER: Senator Saland, this is an awful big piece of work and someone should be congratulated for putting this together, but has this been considered in your committee? Was this -- have we previously reported this bill?

SENATOR SALAND: This bill is a bill which is the product of -- a Governor's program bill -- negotiations with the Senate and with the Assembly. I think I would be terribly remiss if I did not speak of the Governor's

commitment to children and families, to his desire to expand and build upon his record of dealing with child support enforcement. Certainly we in this chamber, along with the Governor, over the course of the past two or three years, have adopted a number of measures that have appreciably increased the amount of child support protections in New York State, and this is another step in that same direction.

SENATOR DOLLINGER: Through you, Mr. President, just a couple other quick questions.

ACTING PRESIDENT KUHL: Senator Saland, do you continue to yield?

SENATOR DOLLINGER: There are 70,000 child support orders in effect in this state, is that what I heard you say?

SENATOR SALAND: No, but there are some 70,000, I believe, pre-1989 or pre-C - let me get it right -- CSSA awards or orders that are outstanding. The task force or, as I mentioned earlier, something called the "swat team", will have, I believe, until December 31st of the year 2000 in which to accomplish the review and adjustment of those orders.

There is some $300,000 provided for that purpose matched by about 660 or 670,000 federal dollars, so there is a pool immediately of some $1 million for the additional work that will be required to do that.

SENATOR DOLLINGER: Through you, Mr. President, again, if Senator Saland would continue to yield.

ACTING PRESIDENT KUHL: Senator Saland, do you continue to yield?

SENATOR SALAND: Yes, Mr. President.

ACTING PRESIDENT KUHL: Senator yields.

SENATOR DOLLINGER: Is there any additional money for either Family Court judges or judicial hearing officers to hear these cases?

SENATOR SALAND: The likelihood is that this will not be something that's going to impose a burden on hearing officers or Family Court judges. This procedure is going to be dealt with primarily by way of administrative option. There will be the

ability, whether it's a public assistance case or a nonpublic assistance case, where you object to the application of the COLA, to seek application to the Court to be heard; but the assumption is, and I think it's a reasonable one, that the vast, overwhelming majority of these cases will be handled administratively; in fact, that's the purpose of this legislation.

SENATOR DOLLINGER: Okay. Again, through you, Mr. President, if Senator Saland would continue to yield.

SENATOR SALAND: Yes, Mr. President.

ACTING PRESIDENT KUHL: Senator continues to yield.

SENATOR DOLLINGER: It's your opinion, then, that those who are paying will voluntarily recognize the COLA and not appeal for judicial review? My experience is exactly just the opposite in dealing with Family Court matters. These decisions are fought over for long periods of time. When they're reopened, suddenly all the issues are reopened, and we go back to court, we seem to march back to court endlessly because of the opening of increased

payments. There's an issue of how often the custody occurs, and it seems to open up a whole gamut of other issues.

My concern is if you don't put any money in for additional Family Court personnel, you're going to take the Family Courts already strapped and strap them further.

SENATOR SALAND: I believe, and this certainly will require, obviously, some record to see if I'm correct, but I believe that, given the fact that any number of these 1989, pre-1989 orders or any of the orders that were subsequently enacted under CSSA, for folks to seek to try and go back and have the CSSA standards apply, there is a degree of consideration as to the equities that were involved, as distinguished from a mere COLA. Once you break that ten percent, there's a host of other issues that the court would consider in the application of the Support Standards Act. That might encourage most people, and I would think the vast majority of people, to merely have the matter handled administratively. And if, in fact, that turns out not to be correct, I'd be more than happy to revisit this with you,

Senator Dollinger, based on whatever the track record is, and find out if there is need for more additional personnel.

SENATOR DOLLINGER: Through you, Mr. President.

ACTING PRESIDENT KUHL: Senator Dollinger.

SENATOR DOLLINGER: I appreciate Senator Saland's concern. As you know, I've been very concerned about the Family Courts in this state, particularly in my home county of Monroe County, because we seem to put additional burdens in those courts time and time again, both in the area of juvenile justice and now in child support enforcement. We continually put burdens on them, all of it very beneficially intended, but running the risk that we're going to take justice in the Family Court and really substitute arbitrariness because these judges won't have the time to deal with the questions.

SENATOR SALAND: May I add that there is the intent through this to, in fact, relieve the court of a number of the responsibilities that it currently has,

including not merely the problem of dealing with deviations by way of modifications of orders that people would now come back to the court for routinely to try and handle it administratively, but also a number of paternity-related issues which previously might have been exclusively within the domain of the court will now be able to be handled at least in part administratively.

ACTING PRESIDENT KUHL:

Senator Dollinger.

SENATOR DOLLINGER: Thank you, Mr. President, and I appreciate Senator Saland's comments.

I like what I heard, Senator. I'm prepared to vote for this. I'd only suggest, though, just from my personal point of view, this isn't the right time to do it. We should have done this back in March or April. I know it may have been difficult to reach agreement with the other house and with the Governor, but this is a very important piece of legislation. This does many, many good things. I would like to see the beneficial intents that you've described actually come to pass as quickly as possible; but I'm afraid that doing

it now, being presented with a 106-page bill, I certainly am not going to be able to go back and say this is going to work.

I'm going to share your confidence today and I'm going to vote for it. I hope that that confidence proves to be well founded and we don't have to revisit it forever.

But, I do have my own skepticism that says it's a great idea but it's going to take a lot to work out.

I commend you for getting it done, but it would have been nice to see it a couple months ago so we could have taken more time on it.

ACTING PRESIDENT KUHL: Senator Mendez.

SENATOR MENDEZ: Would Senator Saland yield for a question?

ACTING PRESIDENT KUHL: Senator Saland do you yield to Senator Mendez?

SENATOR SALAND: Yes.

ACTING PRESIDENT KUHL: Senator yields.

SENATOR MENDEZ: Thank you. Senator Saland, some years

ago, when the programs started to collect moneys for child support from delinquent fathers, I remember I read that at the time that that program was implemented, more moneys were being spent -

SENATOR SALAND: Senator Mendez, may I interrupt you? Mr. Speaker -- Mr. President, my apologies. Can I ask for just a little bit of quiet? It's just a little bit difficult for me to hear.

ACTING PRESIDENT KUHL: You certainly can.

Senator Mendez, if you can speak up, and we'll try and get the conversations terminated; let's wait until they are.

SENATOR MENDEZ: Thank you; and thank you.

Senator Saland, some years back when the ptorgram to get the moneys for child support from the delinquent fathers, I read somewhere at the time that that program was implemented, the costs of administering those programs was higher than the amounts of moneys that they were able to recoup, recuperate. Has

that situation changed?

SENATOR SALAND: I would - I'm not familiar with the information that you received at that time, but that's certainly not the case now. And while there's still room for improvement, there's been dramatic improvement, double-digit increases in the amounts and the numbers of collections over the course of the past couple of years.

You may recall, for instance, we did a measure a couple of years ago which enabled us to suspend somebody's license if they were delinquent in paying; that was an initiative that came, you know, from this house.

We subsequently have resorted to the use of the Department of Taxation and Finance to collect arrears. Again, that, too, we reasonably expect to see considerable benefit from, and this continues in that same vein.

So, we're getting better, but there is room for improvement, and this is part of that improvement.

SENATOR MENDEZ: Thank you. It is a very good bill and I intend to support it. Thank you.

SENATOR SALAND: Thank you.

ACTING PRESIDENT KUHL: Is there any other Senator wishing to speak on the bill?

(There was no response.)

Hearing none, the Secretary will read the last section.

THE SECRETARY: Section 149. This act shall take effect on January 1st 1998.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT KUHL: The bill is passed.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Mr. President, is there any housekeeping at the desk?

ACTING PRESIDENT KUHL: There is. If we could, we'll return to the order of motions and resolution.

The Chair recognizes Senator Marcellino.

SENATOR MARCELLINO: Thank you, Mr. President. On behalf of Senator Stafford, on page number 4, I offer the following amendments to Calendar Number 1155, Senate Print Number 5349B, and I ask that said bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT KUHL: Amendments are received and adopted.

SENATOR MARCELLINO: Thank you.

ACTING PRESIDENT KUHL: And the bill will retain its place on the Third Reading Calendar.

ACTING PRESIDENT KUHL: Senator DeFrancisco.

SENATOR DeFRANCISCO: It's my understanding there is a resolution calendar at the desk; I would move the adoption of it.

ACTING PRESIDENT KUHL: The motion is to adopt the Resolution Calendar which is on the members' desks.

All those in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The Resolution Calendar is adopted.

Senator Hoffmann, why do you rise?

SENATOR HOFFMANN: Mr. President, how am I recorded on Calendar 1624? It was brought to my attention I may have been recorded in the affirmative. I wish to be recorded in the negative.

ACTING PRESIDENT KUHL: Senator Hoffmann, the Clerk informs me that you are currently recorded in the affirmative on Calendar Number 1624.

SENATOR HOFFMANN: I would request to be recorded in the negative on 1624.

ACTING PRESIDENT KUHL: The request is to have unanimous consent of the body to be recorded in the negative on Calendar Number 1624. Hearing no objection, Senator Hoffmann will be recorded in the negative on Calendar Number 1624.

Senator DeFrancisco.

SENATOR DeFRANCISCO: We're

going to have to stand at ease for a few moments.

ACTING PRESIDENT KUHL: The Senate will stand at ease for a few moments.

(The Senate stood at ease from 10:12 p.m. to 10:26 p.m.)

ACTING PRESIDENT SEWARD: Senator Skelos.

SENATOR SKELOS: Mr. President, there will be an immediate meeting of the Rules Committee in the Majority Conference Room.

ACTING PRESIDENT SEWARD: Immediate meeting of the Rules Committee in the Majority Conference Room.

(The Senate stood at ease from 10:27 p.m. to 10:52 p.m.)

ACTING PRESIDENT KUHL: The Senate will come to order. Members take places.

Senator Larkin.

SENATOR LARKIN: Mr. President, would you recognize Senator Mendez, please?

ACTING PRESIDENT KUHL: Senator Mendez.

SENATOR MENDEZ: Mr. President, there will be an immediate conference of the Minority, Room 314.

ACTING PRESIDENT KUHL: Senator Larkin.

SENATOR LARKIN: Can we return to reports of standing committees before they go into conference -- oh, they can go? Okay. Could we please have the Rules Committee report read, Mr. President?

ACTING PRESIDENT KUHL: Return to the order of reports of standing committees. There is a Rules report at the desk. I'll ask the Secretary to read.

THE SECRETARY: Senator Bruno, from the Committee on Rules, offers up the following bills:

Assembly Print 7728A, by the Committee on Rules, an act to amend the Insurance Law;

Assembly Print 2300, by the Assembly Committee on Rules, an act to amend the Public Housing Law;

Senate Print 5031D, by Senator Goodman, an act to amend the Tax Law;

5262B, by Senator Padavan, an act to amend the New York City charter;

3389A, by Senator Seabrook, an act authorizing the city of New York;

1476B, by Senator Breslin, an act relating to the repayment of the state in an advance;

4450A, by Senator DeFrancisco, an act to amend the Arts and Cultural Affairs Law;

4502A, by Senator Tully, an act to direct the New York City Taxi and Limousine Commission;

4683A, by Senator Levy, an act in relation to authorizing;

4894A, by Senator Saland, an act to reopen the special retirement plan;

5451, by Senator Connor, an act to authorize the city of New York;

5486C, by Senator LaValle, an act to amend the Town Law;.

5488A, by Senator Stafford, an act to amend the State Finance Law;

5583A, by Senator DeFrancisco, an act authorizing the State University;

5665A, by Senators Lack and Trunzo, an act to amend the Tax Law;

5717A, by Senator Farley, an act to amend the Banking Law;

5765A, by Senator LaValle, an act to amend the Tax Law;

5781, by Senator Johnson, an act to amend the Environmental Conservation Law;

5782, by Senator Trunzo, an act to amend a Chapter of the Laws of 1997.

All bills directly for third reading.

ACTING PRESIDENT KUHL: Senator Larkin.

SENATOR LARKIN: Move to accept the report, Mr. President.

ACTING PRESIDENT KUHL: The motion is to accept the report of the Rules Committee.

All those in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The Rules report is accepted.

The bills are ordered directly to third reading.

Senator Larkin.

SENATOR LARKIN: Mr. President, there will be a meeting of the Finance Committee at 11 p.m. In Room 332.

ACTING PRESIDENT KUHL: There is an immediate meeting of the Minority Conference, five-minute conference, in the Minority Conference Room; and there will be a meeting of the Senate Finance Committee in five minutes at 11 o'clock p.m., August 3rd, and the Senate will stand at ease.

(The Senate stood at ease from 10:57 p.m. to 11:21 p.m.)

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: First of all, if we could have order, please.

ACTING PRESIDENT MAZIARZ: The chamber will come to order.

Senator Skelos.

SENATOR SKELOS: If we could take up Senate Supplemental Calendar 65C, noncontroversial.

ACTING PRESIDENT MAZIARZ:

Secretary will read.

THE SECRETARY: Calendar Number 340, by the Committee on Rules, Assembly Print 7728A, an act to amend the Insurance Law.

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT MAZIARZ: Senator Leichter.

SENATOR LEICHTER: I don't think we have a calendar yet. Is there a calendar on our desks?

ACTING PRESIDENT MAZIARZ: Senator Leichter, it is calendar -- Senate Supplemental Calendar 65C.

SENATOR LEICHTER: Could we ask the clerks, please, to distribute it because I don't think we have it here.

ACTING PRESIDENT MAZIARZ: It is on all the desks.

SENATOR LEICHTER: Well, where?

ACTING PRESIDENT MAZIARZ: The Secretary will read.

THE SECRETARY: Calendar Number 340, by the Committee on Rules, Assembly

Print 7728A, an act to amend the Insurance Law.

ACTING PRESIDENT MAZIARZ: Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 706, by Member of the Assembly Ramirez, Assembly Print 2300, an act to amend the Public Housing Law.

ACTING PRESIDENT MAZIARZ: Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 719, by Senator Goodman, Senate Print 5031D, an act to amend the Tax Law.

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: Mr. President, is there a message of necessity at the desk?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT MAZIARZ: All in favor of accepting the message of necessity, please signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message is accepted.

Secretary will read -- read the last section.

THE SECRETARY: Section 7. This act shall take effect immediately.

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: In relation to Calendar Number 1241, Senator Padavan moves to discharge from the Committee on Rules Assembly Print 7787B, and substitute it for the identical Senate Print, Third Reading 1241.

ACTING PRESIDENT MAZIARZ: The substitution is ordered.

Secretary will read.

THE SECRETARY: Calendar Number 1241, by the Committee on Rules, Assembly Print 7787B, an act to amend the New York City charter.

ACTING PRESIDENT MAZIARZ: There is a home rule message at the desk. Read the last section.

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

ACTING PRESIDENT MAZIARZ:

Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 1510, by Senator Seabrook, Senate Print 3389A, an act authorizing the city of New York.

ACTING PRESIDENT MAZIARZ: There is a home rule message at the desk. Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: In relation to Calendar Number 1627, Senator Breslin moves to discharge from the Committee on Rules, Assembly Print 2245B, and substitute it for the

identical Senate Print, Third Reading 1627.

ACTING PRESIDENT MAZIARZ: The substitution is ordered. Read the last section -- I'm sorry, Secretary will read.

THE SECRETARY: Calendar Number 1627, by Member of the Assembly Canestrari, Assembly Print 2245B, an act relating to the repayment of the state.

ACTING PRESIDENT MAZIARZ: Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 56, nays 1, Senator Hannon -- ayes 55, nays 2, Senators Hannon and Kuhl recorded in the negative.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Also Senator Larkin. Ayes 54, nays 3, those recorded in the negative, Senators Hannon, Kuhl and Larkin.

ACTING PRESIDENT MAZIARZ:

The bill is passed.

THE SECRETARY: Calendar Number 1628. In relation to Calendar Number 1628, Senator DeFrancisco moves to discharge from the Committee on Rules, Assembly Print 7543B, and substitute it for the identical Senate bill, Third Reading 1628.

ACTING PRESIDENT MAZIARZ: The substitution is ordered. Secretary will read.

THE SECRETARY: Calendar Number 1628, by the Assembly the Committee on Rules, Assembly Print 7543B, an act to amend the Arts and Cultural Affairs Law.

ACTING PRESIDENT MAZIARZ: Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ:

The bill is passed.

THE SECRETARY: Calendar Number 1629, by Senator Tully, Senate Print 4502A, an act to direct the New York City Taxi and Limousine Commission.

SENATOR PATERSON: Lay it aside.

ACTING PRESIDENT MAZIARZ: Calendar Number 1629 is laid aside.

THE SECRETARY: Calendar Number 1630, by Senator Levy, Senate Print 4683A, an act in relation to authorizing the State University of New York.

ACTING PRESIDENT MAZIARZ: Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar

Number 1631, by Senator Saland, Senate Print 4894A, an act to reopen the special retirement plan.

ACTING PRESIDENT MAZIARZ: There is a home rule message at the desk. Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 56, nays 1, Senator Leichter recorded in the negative.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 1632. In relation to Calendar Number 1632, Senator Connor moves to discharge from the Committee on Rules, Assembly Print 8236 and substitute it for the identical Senate Print, Third Reading 1632.

ACTING PRESIDENT MAZIARZ: The substitution is ordered. Secretary will read. There is a home rule message at the desk.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 1633. In relation to Calendar Number 1633, Senator LaValle moves to discharge from the Committee on Rules, Assembly Print 8274B, and substitute it for the identical Senate bill third reading 1633.

ACTING PRESIDENT MAZIARZ: The substitution is ordered. Secretary will read.

THE SECRETARY: Calendar Number 1633, by the Assembly Committee on Rules, Assembly Print 8274B, an act to amend the Town Law.

ACTING PRESIDENT MAZIARZ: Read the last section.

THE SECRETARY: Section

2. This act shall take effect immediately.

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 56, nays 1, Senator Hannon recorded in the negative.

ACTING PRESIDENT MAZIARZ: The bill is passed.

Senator Gold.

SENATOR GOLD: Mr. President, I had asked a question about 1629 in committee and as a courtesy to me, I understand Senator Paterson laid it aside. However, Senator Tully was kind enough to send somebody over earlier and explain it and I do not have an objection.

If it's convenient and you want to call up 1629, I have no objection -- oh, I understand Senator Leichter wants to debate.

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: Regular order, please.

ACTING PRESIDENT MAZIARZ: Continue the calendar. Secretary will read.

THE SECRETARY: Calendar Number 1634, by Senator Stafford, Senate Print 5488A, an act to amend the State Finance Law.

ACTING PRESIDENT MAZIARZ: There is a message at the desk.

SENATOR SKELOS: Move the message.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity on Calendar Number 1634 signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message is accepted.

Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 1635, by Senator DeFrancisco, Senate Print 5583A, an act authorizing the State University of New York.

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: Is there a message of necessity at the desk?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity on Calendar Number 1635 signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message is accepted.

Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 1636, by Senator Lack, Senate Print 5665A, an act to amend the Tax Law.

ACTING PRESIDENT MAZIARZ: Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 56 -

ACTING PRESIDENT MAZIARZ: May we please have some order in the house.

THE SECRETARY: Ayes 55, nays 2, Senators Dollinger and Gentile recorded in the negative.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar

Number 1637, by Senator Farley, Senate Print 5717A, an act to amend the Banking Law.

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: Is there a message of necessity at the desk?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity on Calendar Number 1637 signify by saying aye.

(Response of "Aye.")

Opposed nay.

(Response of "Nay.")

The message is accepted.

Read the last section.

THE SECRETARY: Section 7. This act shall take effect immediately.

SENATOR VELELLA: Lay it aside.

ACTING PRESIDENT MAZIARZ: Calendar Number 1637 is laid aside at the

request of Senator Velella -

Read the last section.

THE SECRETARY: Section 7. This act shall take effect immediately.

SENATOR VELELLA: Mr. President, I believe I laid the bill, 1637 - Calendar 1637, I believe I laid that aside.

ACTING PRESIDENT MAZIARZ: I'm sorry, Senator Velella, with all the noise in the chamber, we didn't hear you.

SENATOR VELELLA: Oh.

ACTING PRESIDENT MAZIARZ: You're requesting -- Senator Velella is requesting that Calendar Number 1637, by Senator Farley, Senate Print Number 5717A, be laid aside, is that correct, Senator Velella?

SENATOR VELELLA: Absolutely correct.

ACTING PRESIDENT MAZIARZ: The bill is laid aside.

THE SECRETARY: Calendar Number 1639, by Senator Johnson, Senate Print 5781, an act to amend the Environmental Conservation Law.

SENATOR SKELOS: Is there a

message of necessity at the desk?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk on Calendar Number 1639.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message of necessity is accepted.

Read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar

Number 1640, by Senator Trunzo, Senate Print 5782, an act to amend a Chapter of the Laws of 1997.

SENATOR SKELOS: Mr. President, is there a message of necessity at the desk?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity on Calendar Number 1640 signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message of necessity is accepted.

Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the same date as a Chapter of the laws of 1997.

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

SENATOR SKELOS: Mr. President.

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: If we could take up Senate Supplemental Calendar 65C, controversial.

ACTING PRESIDENT MAZIARZ: Secretary will read.

THE SECRETARY: Calendar Number 1629, by Senator Tully, Senate Print 4502A, an act to direct the New York City Taxi and Limousine Commission.

ACTING PRESIDENT MAZIARZ: There is a home rule message at the desk.

Senator Tully, an explanation has been requested of Calendar Number 1629 - read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT MAZIARZ: The bill is passed.

THE SECRETARY: Calendar Number 1637, by Senator Farley, Senate Print 5717A, an act to amend the Banking Law.

ACTING PRESIDENT MAZIARZ: Can we have some order in the house?

Thank you.

Secretary will read.

SENATOR LEICHTER: Explanation.

ACTING PRESIDENT MAZIARZ: Senator Farley, an explanation has been requested of Calendar Number 1637 by, I believe, Senator Leichter, was that -

SENATOR FARLEY: This is the so-called "Wild Card" bill, which has been under negotiation since last year. I don't think it's very funny; it's a significant piece of legislation. It's a Governor's program bill.

ACTING PRESIDENT MAZIARZ: Senator Farley is absolutely right. Can we hold Senator Farley to the respect of listening to his explanation on this extremely important piece of legislation?

Senator Farley.

SENATOR FARLEY: This is a Governor's program bill which has been under negotiation by all three parties since last year. And, incidentally, I'd like to thank a few people here, particularly my ranking person from the Banking Committee, Senator Santiago, who's not here today, but she's been a major force in helping this bill along. Kathy McCartney and Peter Edman, from my staff, and Michael Boxley from Senator Connor's staff; and of course "Denny" Farrell and Aurelia Greene.

This is not a totally agreed upon bill, this is two-way agreement between the Governor and this house. There's -- I can honestly say there's nothing in this piece of legislation that the Assembly objects to, in my judgment.

We have made several amendments to this legislation to address

concerns that have been made by the insurance industry, and let me just give you the genesis of this. This legislation comes about as a result of a March 1996 decision of the Supreme Court of the United States basically that said that any nationally-chartered bank could sell insurance if they had an office in a small town; and consequently, the National Conference of State Legislators, the Council of State Governments, the National Governors' Association, all urged that the states protect the dual banking system by passing "Wild Cards"; and to this date, 44 states have passed this legislation; New York, the financial center of the world, is a little bit slow in coming up with this legislation.

Unfortunately, we've already had two major banks in New York State switch to a national charter. Key Bank, which had its headquarters here in Albany and now is in Cleveland, went to a national charter; Fleet last week announced that they are going to a national charter and the lagging on the "Wild Card" was given as one of the reasons.

We have worked out amendments

on this bill because there was concern about the -- from the insurance industry. There was concern from the insurance industry; and the professional insurance agents have spoken to me, they support this; the independent insurance agents support this legislation. The Association of Life Underwriters support this legislation. It's my understanding that LICONY, from Kathy McCartney, concurs. We have made amendments; they concur, and most of their concerns have been resolved by these recent amendments.

Let me just say what this authorizes the banking board to do: To enact regulations to provide state banks with the same powers as national banks. It governs bank insurance powers and it includes language supported by the banking industry, the insurance agents, regarding the sale of insurance by banks. In these particular -- these provisions ensure functional regulation; therefore, insurance activities of banks will be subject to the same laws, regulations that apply to the insurance activities of any other entity.

As far as civil penalties are

concerned, this bill significantly increases the penalties and establlishes a three-tier penalty structure. These provisions are very similar to the existing penalty provisions authorized by federal law.

ACTING PRESIDENT MAZIARZ: Excuse me, Senator Farley.

Senator Skelos.

SENATOR SKELOS: Excuse me, Senator Farley. We have an important piece of legislation -- not that yours isn't -- that we have to deal with immediately. So I'm going to ask at this time if we could withdraw this piece of legislation at this time, lay it aside temporarily, and return to reports -- messages from the Assembly.

ACTING PRESIDENT MAZIARZ: We will withdraw the roll call and lay the bill aside temporarily. Return to messages from the Assembly.

The Chair hands down a message from the Assembly. Secretary will read.

THE SECRETARY: Assembly returns Assembly Bill 8642, by the Assembly Committee on Rules, an act authorizing the

creation of a state debt in the amount of $2 billion.

ACTING PRESIDENT MAZIARZ: Senator Skelos.

SENATOR SKELOS: Mr. President, without objection, could we have third reading -- advance it to third reading.

ACTING PRESIDENT MAZIARZ: Without objection, third reading is ordered. Secretary will read.

THE SECRETARY: Calendar Number 1642, by the Assembly Committee on Rules, Assembly Print 8642, an act authorizing the creation of a state debt in the amount of $2,400,000,000.

SENATOR SKELOS: Mr. President, is there a message of necessity at the desk?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk.

SENATOR SKELOS: Move to accept.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity signify by saying aye.

(Response of "Aye.")

Opposed no.

(There was no response.)

The message is accepted.

Senator Skelos -- read the last section.

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

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Those recorded in the negative on Calendar Number 1642 are Senators Dollinger, Hoffmann, and Saland. Ayes 54, nays 3.

ACTING PRESIDENT MAZIARZ: The bill is passed.

Can we have some order in the house, please?

Senator Farley, we're going to return to your explanation on Calendar Number 1637. The Chair apologizes to you, Senator Farley, but the bill had to be passed before midnight.

Senator Farley.

SENATOR FARLEY: Without these recent developments, the "Wild Card" -

ACTING PRESIDENT MAZIARZ: Senator Farley, I don't know why this bill is generating so much conversation in this chamber.

The chair recognizes Senator Farley and only Senator Farley.

Senator Farley.

SENATOR FARLEY: Thank you, Mr. President.

Recent developments have made this federal charter issue -- the federal char ter much more attractive and it poses a major challenge to the threat of the state banking system and these include the implementation of the Federal Interstate Branching Law and the aggressive efforts by the federal regulators to expand powers, cut red tape, and reduce regulatory fees.

As a result of these developments, banks are making decisions now regarding the future structure of their institutions. Recently, as I mentioned, we have seen two large regional banks flip to a state

charter -- to a national charter.

New York has much to lose if we don't respond to these changes and keep New York State's charter attractive and competitive.

There are 140 state chartered banks in New York versus 70 federal. Of the 25 largest banks in New York, 20 are state chartered, including the largest bank in the nation, Chase Manhattan. We need to reassure these state chartered banks that New York is committed to the state charter.

I have made amendments to this legislation to address all of the concerns of the insurance industry. I think that they are all on-board. I have -- there's no known opposition, at least that I know of, to this bill. It's very, very important to the state of New York. It's been described to me by some of the insurance lobbyists as a national model and one that they would like to see on the books because there being no federal insurance department, it gives the states a guideline as to how to regulate banks should they be in the insurance business.

With that, I'll be happy to

answer any questions.

ACTING PRESIDENT MAZIARZ: Thank you, Senator Farley.

Read the last section.

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT MAZIARZ: Senator Leichter.

SENATOR LEICHTER: I'll yield to Senator Velella. I understand, Senator, you said you wanted to be heard on this?

SENATOR VELELLA: Originally I had some problems with this bill but -

ACTING PRESIDENT MAZIARZ: Senator Velella.

SENATOR VELELLA: Thank you for yielding, Senator. I had some problems with this bill, but Senator Farley's explanation covered almost everything I could think of and was such an outstanding explanation that it cleared up any confusion I had on the bill, and I would think that there would be no questions at all. He covered all the bases, so I move that we move the bill.

ACTING PRESIDENT MAZIARZ:

Senator Leichter.

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

And, Senator Velella, it's good that your confusion was cleared up, but obviously when you put your name on the bill you must have still been confused because I see your name on the bill, and I'd like to ask some questions to see whether we can't clear up some confusions that I think generally surround this bill.

Senator Farley, would you yield, please?

ACTING PRESIDENT MAZIARZ: Senator Farley, would you yield for a question from -

SENATOR FARLEY: Yes, I will.

ACTING PRESIDENT MAZIARZ: - Senator Leichter.

Senator Leichter.

SENATOR LEICHTER: Senator Farley, I think you rightly said this is an important bill and I know it's a bill that you've been very much concerned with throughout this session, and I believe early in January or

maybe it was early in February, you had a meeting of the Banking Committee and you brought in two individuals to speak on behalf of the bill, the then Superintendent, Superintendent Levin, and the representative of the commercial bankers.

At that time, I asked you and suggested it might be appropriate to hold hearings on the bill because, as you said, it was so important. Were there ever any hearings held on this bill, Senator Farley?

SENATOR FARLEY: No, there were not.

ACTING PRESIDENT MAZIARZ: Senator Farley.

SENATOR FARLEY: There were not hearings held on this bill. We were, theoretically, going to have joint hearings between the Assembly and the Senate. Yes, there were some hearings, the Assembly went ahead and held their own hearings after we had agreed to hold joint hearings, and I held an informational meeting, that's all that that was, was an informational meeting held at the last minute for my committee and to give the opportunity for

committee members to ask the Superintendent of Banks and Michael Smith from the New York State Bankers' Association to speak to this issue and how important it was for them. But, there were hearings held by the Assembly; we were not included.

ACTING PRESIDENT MAZIARZ: Senator Leichter.

SENATOR LEICHTER: Senator Farley, if you would continue to yield.

ACTING PRESIDENT MAZIARZ: Senator Farley, would you continue to yield?

SENATOR FARLEY: Yes, I will.

SENATOR LEICHTER: Did I understand you to say the main reason for this bill, which would transfer the authority to make powers as to banking policy and rules is because unless we do this, that state chartered banks would opt to have a national charter; is that a fair statement?

SENATOR FARLEY: That's a fair statement, but I don't like your preamble to that statement where you said that we're transferring all of our powers and rules, that's not true.

SENATOR LEICHTER: We are transferring some powers and rules.

SENATOR FARLEY: You see, Senator Leichter, on this issue, the only laws, and so forth, that we can make affect state chartered banks. If they go to a national charter, we have little or no control over them.

Much of the legislation, interstate branching and so many things, came out of New York legislation. We have been the beacon of progressiveness when it comes to banks, and when you had the S and L crisis around the nation, you didn't see New York banks going belly-up; it's because we have the finest banks in the nation, and most of which are state chartered.

SENATOR LEICHTER: Senator Farley, if you will continue to yield.

ACTING PRESIDENT MAZIARZ: Senator Farley, would you continue to yield to Senator Leichter?

SENATOR FARLEY: Yes, I will.

SENATOR LEICHTER: Senator Farley, I must say I have a problem with your logic and maybe you can help clear that up for

me.

Your purpose in passing this bill is to see that the state of New York continues to exercise control over banks, which it can do, in most instances, only over state chartered banks. In order to keep that control, you now give the state chartered banks the powers that they would have as national banks. So where do we maintain our control? Where do we gain anything by the fact that, yes, they have a state charter, but they have all the federal powers?

SENATOR FARLEY: Senator Leichter, all the laws that we have on the books currently to date applying to state chartered banks will still apply, and there's a number of them. For instance, our -- the ATM security legislation, which we just recently passed, all of that still applies.

SENATOR LEICHTER: But, Senator, isn't it true that, under this bill, if the banking board determines that federal policy does not require ATM security, that the banking board could override that provision, unless you've amended the bill?

SENATOR FARLEY: This "Wild Card" authority does not permit the exercise of any power, except in a manner consistent with the following laws: The Banking and Credit Information Program, prohibition of geographic discrimination, motor vehicle leasing, interstate branching, ATM safety, the Banking Law, Truth in Savings, the Banking Law State Community Reinvestment Act. The superintendent has no authority to change any of those.

SENATOR LEICHTER: Good.

Mr. President.

ACTING PRESIDENT MAZIARZ: Senator Leichter.

SENATOR LEICHTER: Thank you very much, Senator Farley. You've been courteous and gracious, as always.

Senator Farley points out, I think rightfully so, that the bill has been amended and certainly to my mind is not as meretricious as it was when it was first introduced, but I think it still raises a very fundamental principle, which is we are the Legislature. By this bill, we are giving up substantial authority and power to the

superintendent.

Now, it always amuses me when I see my good friends of the Majority who rail against the bureaucrats who speak about the people's representatives should have the right to make laws, to make decisions and how the bureaucrats are continuously interfering with our prerogatives; then we get a bill like this that turns one of the most important functions that we have, to regulate and set banking policy, and not wholly, because Senator Farley pointed out, the bill has been amended, but to still a fairly significant extent, it gives powers to the superintendant and the banking board to set policy which is now set by this Legislature.

Banking, as we all know and to say a truism, is extremely important to the welfare of this state, to all of our constituents. We feel that it is important that policy be set by the people's elected representatives.

This bill goes absolutely in the wrong direction. If you want to give up your powers, if you want to abdicate the

responsibility that we now have, then you'll vote for this bill.

But let me just say further that the concern that Senator Farley has about banks giving up their state charter, and there's a risk that that will happen, but not, I think, because we don't pass "Wild Card", there's a lot of factors that go into this; but one answer is that if we feel that it's appropriate, we can change those laws which may make a state chartered bank more comfortable in maintaining its charter. The argument is, well, we're not efficient, we're not as quick. You know, the same arguments you hear, democracy doesn't work, democracy isn't efficient. I think that we work very well. We can deal with all of the needs that state chartered banks have by legislation.

We should not give up our powers in this respect, and I would urge you to keep control over bank policy in the Legislature and not turn that power over to this extent to the Superintendent of Banks and the banking board.

ACTING PRESIDENT MAZIARZ: Read the last section.

THE SECRETARY: Section 7. This act shall take effect immediately.

ACTING PRESIDENT MAZIARZ: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 56, nays 1, Senator Leichter recorded in the negative.

ACTING PRESIDENT MAZIARZ: The The bill is passed.

Senator Bruno.

SENATOR BRUNO: Mr. President, can we return to reports of standing committees, and I believe there's a report there from the Finance Committee; I ask that it be read at this time.

ACTING PRESIDENT MAZIARZ: Return to reports of standing committees. The Secretary will read.

THE SECRETARY: Senator Stafford, from the Committee on Finance, offers up the following bill:

Senate Print 5785, by the Committee on Rules, an act to amend the Tax Law and the Banking Law.

SENATOR BRUNO: Move to accept the report.

ACTING PRESIDENT MAZIARZ: Motion is to accept the report. All those in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The report is accepted.

Senator Bruno.

SENATOR BRUNO: Mr. President, can we at this time take up Calendar Number 1641?

ACTING PRESIDENT MAZIARZ: Secretary will read.

THE SECRETARY: Calendar Number 1641, by the Committee on Rules, Senate Print 5785, an act to amend the Tax Law and the Banking Law.

SENATOR BRUNO: Is there a message of necessity?

ACTING PRESIDENT MAZIARZ: There is a message of necessity at the desk.

SENATOR BRUNO: Move to accept the message.

ACTING PRESIDENT MAZIARZ: All those in favor of accepting the message of necessity signify by saying aye.

(Response of "Aye.")

Opposed nay.

(There was no response.)

The message is accepted.

The Secretary will read - read the last section.

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

ACTING PRESIDENT MAZIARZ: Senator Paterson.

SENATOR PATERSON: Mr. President, I would like an explanation on Calendar Number 1641.

ACTING PRESIDENT MAZIARZ: An explanation has been requested of Calendar Number 1641.

Senator Bruno.

SENATOR BRUNO: Yes, Mr. President. This is the tax package that represents much of what we in this chamber passed as Senate 1 and Senate 2. We have a total of business taxes that, when fully

implemented, will be well over $2 billion and in property tax cuts that are represented, about 2.4 billion.

And what's represented in this package is the continuation of what we have done together in the Legislature with the leadership of the Governor in having led the country in tax cuts this will be the third year in a row, and the taxes that are represented here, I won't go into great detail because I think they are on the desk and you're familiar with them, but we have talked about the gross receipts tax, that's in here, reduces the gross receipts tax by about 25 percent, it's $500 million when implemented. Sales tax, one week on clothing this year, one week next year and then decreased over the next five years, close to a $500 million reduction on clothing under $100.

We have many of the nuisance business taxes that were implemented over the last 10 or 15 years that will be eliminated. The container tax, you name it, it's in there.

And the bottom line to all of what is happening here tonight is that we are continuing the economic development, the job

growth and leading the country back so that we all can be proud of what has happened in this state and that New York State will lead the country in job creation, and we have gone from last in the last three years to about tenth and we have a ways to go. So this is something we can all be proud of.

I'm proud of the part that we are playing in helping this become law.

Thank you.

ACTING PRESIDENT KUHL: Senator Connor.

SENATOR CONNOR: Thank you, Mr. President.

I'm proud that this package is before us and I'm proud of some aspects of it and there is perhaps something unique about it. And, you know, when we did S. 1 and S. 2, it was a bipartisan effort in this house. There are tax cuts in here that reflect the values which the Democratic members of this house articulated earlier this year.

And if you'll recall, Mr. President, when we did STAR, the Governor proposed STAR -- and let me say, you know, all

too often, much of the fault, both houses, we don't look like a Legislature sometimes the way we function and the way it looks in other states and in Washington. But this was a case, certainly, of an idea, an improvement, and a better improvement on a bipartisan basis.

The Governor proposed his STAR proposal. Senator Bruno, quite commendably, proposed and enhanced property tax program, and the Democratic members of this house proposed what we called Fairness First STAR, which drove more money to upstate communities by eliminating a provision in the Governor's bill, in the Majority's bill, which would have unfairly benefitted the New York City suburbs to the detriment of almost every county upstate.

We also proposed that some of the enhancement, which was proposed by Senator Bruno, be driven to the cities of this state. And I'm happy tonight, Mr. President, that for once, on a bipartisan basis -- and I congratulate the Governor, I congratulate Senator Bruno, and I congratulate the Speaker - took a good idea, and even though it emanated from the Minority, incorporated it into the

proposal and we have a better bill.

And I'm sure many members of this house in the past months have read the op-eds and the editorials around the state that praised the proposal that the Minority is very proud to put forward. It's a rare event. I congratulate the Majority here. I congratulate Senator Bruno; and Senator Bruno did say that day, "It's a very good idea and we're going to look at it," and you did.

So we're very, very happy on this side of the aisle to provide property tax relief to the residents of New York State, to all those counties upstate. And we're very, very happy that the cities are being treated fairly, that it's a good idea, it's an idea that Senator Bruno said that day that the Majority would address and you have and the Governor has and the Assembly has.

We're also happy that a tax like the gross receipts tax is being reduced because it's always been my opinion that that drove energy costs through a way that hurt New York job creation. We're certainly happy about the sales tax relief that we'll work out over

the next years because, let's face it, my colleagues, that is a tax that you pay whether you're rich or poor, and to tax clothing sales under $100 by very poor people just seems to be counterproductive. At a time that we're encouraging poor people to work and become more productive, we shouldn't put those kinds of disincentives on their economic efforts.

We're happy about the College Choice Savings Program. Earlier this year, the Democratic conference put forth a pre-paid tuition kind of plan, very, very similar to the one that was adopted. So, we're happy about that, and we're happy to see that our ideas do matter. We're happy we can contribute some ideas to the effort to make this budget. Certainly the child care credit is something we're delighted to support.

State tax relief, I think is the kind of thing we always have to keep our eye on, what other states do, what the federal government does so that we don't unfairly burden New Yorkers -- average New Yorkers, not wealthy people, average New Yorkers whose relatively - in today's economy, relatively small estates

were being taxed and we're often driving people out of state in their senior years.

So all in all, Mr. President, we're delighted, we're really delighted to support, at least I am delighted to support this tax cut proposal. If I dispute anything the Majority Leader said it's that under the Pataki years we have created jobs. All the statistics I've seen show that that's true and I'm glad it's true for New York City, for its suburbs, there has been job growth. Regrettably, though, regrettably, and we need to address this, the rest of the state, and I think my colleagues from upstate can verify this, the rest of the state has not shared in that job growth. It's been Wall Street driven, it's been downstate, and every survey I've seen shows that the job situation in Upstate New York, the economy in Upstate New York is really not in very good shape at all, and I think we ought to, in future years -- in future days, in fact, try and address that problem. And I assure you, Mr. President, the members of this Minority always stand ready to cooperate with the Majority, with the Assembly and with the Governor on new ideas

and new programs that benefit middle class New Yorkers, working New Yorkers, and that hopefully we'll make more New Yorkers enjoy the benefits of work and the economic boost that that brings.

So I'm delighted to support this, Mr. President.

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT KUHL: Senator Leichter.

SENATOR LEICHTER: Mr. President, is there an amendment at the desk? I think it's just been served.

ACTING PRESIDENT KUHL: There is an amendment at the desk, Senator Leichter, but give me just a minute to check and see whether or not it's appropriate.

SENATOR LEICHTER: Sure.

ACTING PRESIDENT KUHL: You're asking for an opportunity to waive the reading at this point, Senator Leichter, and explain the amendment?

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

ACTING PRESIDENT KUHL: The

opportunity is yours.

SENATOR LEICHTER: I thank you, Mr. President.

My fellow colleagues, I am neither proud, nor am I happy or delighted at this tax bill. I'm scared to death by it. I think we have brought fiscal irresponsibility to a new height. We brought it to a new height because this tax bill is totally and completely back-ended. We're putting $143 million into the tax -- or the payment of the tax this year. In year five, that tax bill is going to cost $5 billion. If all that we can afford in a year when we're relatively flush with money because of a windfall from Wall Street is 143 million, how can we afford five years from now to pay $5 billion? This is going to blow an enormous hole into the state's budget.

Now let me say this, my friends: If you want to vote this sort of a tax bill for this year, fine, vote on it for this year. If you want to vote a tax bill for next year, vote on it next year. The third year, vote on it that year; the fourth year, the fifth year; but don't now bind the hands of the

Legislature five years from now without knowing what revenue we have, without knowing what needs we have.

So, my amendment is very simple, it just provides that every year we will vote on these tax cuts, the very same tax cuts.

If economic conditions permit it, then we can go ahead with a tax cut. If they do not permit it, then we shouldn't vote the tax cut. That is called fiscal responsibility, and I'm not one who ordinarily puts that mantle around myself, Senator Bruno, you do; Senator Stafford, you do. The Majority does. And yet, here you are doing the most fiscally irresponsible act that anybody could possibly do, which is to say five years from now, I'm going to have $5 billion. It's no wonder that this state has the second lowest bond rating of all the states in the Union, because we do these totally fiscally irresponsible acts. It started under Governor Cuomo when, in 1987, we enacted a tax cut four years into the future, we continued it under Governor Pataki when we enacted the three-year tax cut, and we now reach new heights when we

have this tax cut that is spread out over five years. We should vote on it every year.

So I would urge your support for this amendment for fiscal sanity. And I just want to point out that if we enact this particular tax cut and we find ourselves in economic trouble two or three years from now, then we're going to have no choice, unless you want to repeal the tax cut, and we appreciate that's always difficult to do. What you're going to have to do is you're going to have to cut education, health care of seniors, care of the mentally ill, the disabled, and so on. That will be our only alternative.

I don't believe any other state in the Union does these multi-year tax cuts that are back-ended the way ours is. We put very little money in the first year but we claim credit, as Senator Bruno does, $5 billion, but you put up $143 million this year.

The interesting thing is, and this was a study that was put out today by the Fiscal Policy Institute that shows that the cost of the tax cut in the last year is 35 times the amount that we're putting in to pay for the tax

cut this year. That, my friends, again, I must say is fiscally irresponsible -- maybe politically great, we may look great this year, but you're going to have an awful time in future years, and even more so when we're acting at a time when we have had this windfall. And everybody says it's a windfall. You're not going to be able to continue rolling in this amount of money from Wall Street.

Don't do it. It's wrong. It is fiscal suicide for this state. I urge you to support my amendment. Vote on these tax cuts every year. Be responsible.

ACTING PRESIDENT KUHL: Senator Gold, on the amendment.

SENATOR GOLD: Thank you very much, Mr. President. I'm going to support the bill for the reasons explained by Senator Connor, but I want to just add a little bit to the comments made by Senator Leichter.

Just to give you a little history, and this time of night, the history is going to be very short, I guarantee you, but if you take a look at this agreement, as was pointed out, we're talking about this year's

budget, the latest budget ever -- thank you, Governor -- which is really only a $143 million package. If you look through everything, STAR, it's zero; New York City STAR, it's zero; GRT rate reduction, zero; Estate Tax reform, zero. So all this really is is a plan.

Now, having said that, I was here and many of you were here when we talked about the state tax cut package back in '87 and what happened? In 1990, we had to vote to delay it. In '91, we voted to delay it. In '92, we delayed it.

In '92, '93 and '94, in order to pay for it, we had to put in new taxes. So, on the one hand, we were telling -- we were cutting taxes, but we were feeding out of their other pocket with new taxes.

The bottom line of it is that to the extent that Senator Leichter indicated, that every year we have to take a new vote, we do. The fact is that with every year we either do or we do not give the people a tax cut.

In 1990, by doing the delay, we didn't do it, even though we announced it in'87. So, as long as we're doing this with our

eyes open, I'm going to vote for it as a plan. But my eyes are open; and the plan, to some extent, is unrealistic.

Having said that, I think it's a little bit of an unfairness to the people unless they understand that what we're talking about, Senator Bruno, is not $5 billion, that it's not money into the economy that they are going to be able to spend with this budget. And the budget we're enacting tonight, God willing, has far less in terms of its impact on the people and that impact is $143 million, and in most of the areas that we're talking about, it is zero.

ACTING PRESIDENT KUHL: Senator LaValle, on the amendment.

SENATOR LAVALLE: I want to speak on the main bill, Mr. President.

ACTING PRESIDENT KUHL: Senator LaValle waives on the amendment.

Senator Dollinger, on the amendment.

SENATOR DOLLINGER: Thank you, Mr. President.

I guess I find it astounding

after the five years that I've been here that Senator Leichter stands up and seems to talk about fiscal responsibility and adopting the principle that we will vote as we go and pay as we go with tax cuts which I think it seems to me like a very fiscally conservative thing to be preaching. But yet I have this sinking feeling in the pit of my stomach that that fiscal conservatism, good, old-fashioned conservatism will be ignored by the house tonight.

I have another suggestion, and I really share Senator Gold's view. I'm going to vote for the main bill, too, but I'm going to suggest to you that this tax cut as it's structured is a whimpy tax cut, a very, very whimpy tax cut.

You remember that great American pop culture icon J. Wellington Whimpy who once said, "I would gladly pay you Tuesday for a hamburger today"? Well, we get the whole hamburger today, we get the press release, we get the $5 billion tax cuts, we're going to all look like tax heros. You know what it costs us this year? Senator Gold, I think the number you're talking about, $143 million is actually

high because that $143 million includes the $90 million tax cut that -- tax increase that the Governor was going to put in the assessments. The actual fiscal cost to us this year for the $5 billion that we're going to buy on Tuesday is $53 million.

In voting for the main bill - and I won't talk on the main bill -- in voting for the main bill, I'm suggesting we can afford that $53 million, but I also agree with Senator Gold, it's unrealistic for the people of this state to think that this $5 billion is somehow going to arrive free at their door.

I suggest that Senator Leichter's fiscally conservative approach, vote as we go, pay as we go, is the right way to go. Let's vote for this amendment. Let's perhaps decrease the amount of ink we put in our press releases but, frankly, let's be candid and honest with the people of this state.

ACTING PRESIDENT KUHL: The question is on the amendment.

All those in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

(Response of "Nay.")

ACTING PRESIDENT KUHL: The amendment is lost.

On the main bill, Senator LaValle.

SENATOR LAVALLE: Thank you, Mr. President.

I believe the tax bill that we will be voting on is a very historic measure that will begin to move our state forward and do more to keep New Yorkers in New York and I would say to take their tax savings, whether it's on real property taxes or utilities, which they will be saving through the gross receipts tax, and reinvesting that into our economy.

And I think certainly the Governor -- and I would just like to talk a bit about the school property tax because I believe that this will have a dramatic impact and sometimes we don't realize that we are, indeed, setting public policy and moving the state in a different direction, it's quite ironic, just before the next millenium.

This, coupled with a bill that

will be coming later on, the education bill, will be very, very dramatic in moving how we finance education and how our schools will be financed and taking the burden off some of the hardest pressed taxpayers in this state.

Certainly Governor Pataki is to be commended for making this a number one priority as he had stated in the State of the State message but I think, again, it must be noted, as Senator Bruno, in 1996, committed this body toward resolving a problem of the oppressed property taxpayer.

Senator Bruno, in '96 and '97, has held at least four press conferences and has explained and debated on this floor on at least two occasions comprehensive legislation to resolve this problem.

The Governor, together with our Majority Leader, and certainly all of us, this is an occasion where we can all take credit for working together in dealing with a problem that for literally decades has plagued taxpayers, school property taxpayers, in this state, and we are moving tonight in a direction that I think people who will be writing about

this session will say this is a very historic and important move, not only the school property tax, but the other measures in the tax bill.

ACTING PRESIDENT KUHL: Senator Nozzolio.

SENATOR NOZZOLIO: Mr. President, on the bill.

Governor Pataki, Senator Bruno, this body, are leading New Yorkers to the come-back of the Empire State.

I'm very pleased that we defeated Senator Leichter's misbegotten amendment because, frankly, it was the height of fiscal irresponsibility to put forth a catch as catch, do as we whim to do, one-year-at-a-time plan. Businesses, job producers, come to states that are reliable, that are dependable, that demonstrate, clearly, tread lines through time that they are serious about tax and fiscal policy.

This state, in the past, has been dismal under prior Governors in keeping a consistent standard of tax reliability. Businesses throughout the world were running away from New York, taking opportunity after

opportunity other places because this Legislature and prior Governors were irresponsible, changing their minds like the most fickle of fickle individuals.

Governor Pataki is sticking to his plan. The first year we have been the largest tax cutter in the nation. The second year, we have been the largest tax cutter in the nation. And, as Senator Bruno said tonight, for the third year in a row, we are the largest tax cutter in the nation. That is a tread line that the chief executive officers and the chairmen of the boards of corporations throughout the world can look to New York and say finally something is happening in a consistent way; and frankly, it's because Governor Pataki and this Senate Majority has stuck to its guns. We're not going to be fickle, we're not going to complain, we're not going to repeat the mistakes of the past. That was done and it brought this state to fiscal and economic ruin.

I'm very pleased and very proud. The leadership of our Majority Leader, the leadership of the Governor, the consistent rational policy of making our state competitive

again on a consistent basis is exactly what we need and it's exactly why the Governor and the Majority Leader should be praised and that we should be proud of this measure.

ACTING PRESIDENT KUHL: The Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 57.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Leichter, you want to be recorded in the negative on the bill?

SENATOR LEICHTER: Record me in the negative. Thank you.

ACTING PRESIDENT KUHL: Any other Senator wishing to be recorded in the negative?

(There was no response.)

ACTING PRESIDENT KUHL: Announce the results.

THE SECRETARY: Ayes 56, nays 1, Senator Leichter recorded in the negative.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Saland, why do you rise?

SENATOR SALAND: Mr. President, I would request unanimous consent to recorded in the affirmative on Calendar 1642.

ACTING PRESIDENT KUHL: Without objection. Hearing no objection, Senator Saland will be recorded in the affirmative on Calendar Number 1642.

SENATOR GOLD: Mr. President.

ACTING PRESIDENT KUHL: Senator Gold, why do you rise?

SENATOR GOLD: Yes. I'd like unanimous consent to be recorded in the negative on Calendar Number 1631.

ACTING PRESIDENT KUHL: Without objection, hearing no objection, Senator Gold will be recorded in the negative on Calendar Number 1631.

(Long pause)

ACTING PRESIDENT KUHL: Senator

Bruno.

SENATOR BRUNO: Mr. President, I would ask that people just stay relaxed, but there being no further business to come before the Senate at this hour, I would move that we stand adjourned until Monday.

ACTING PRESIDENT KUHL: Without objection, hearing no objection, the Senate stands adjourned.

(Whereupon at 12:27 a.m., the Senate adjourned.)