ALBANY, NEW YORK

March 23, 1998

3:05 p.m.

REGULAR SESSION

LT. GOVERNOR BETSY McCAUGHEY ROSS, President

STEVEN M. BOGGESS, Secretary

P R O C E E D I N G S

THE PRESIDENT: Would everyone please rise and join with me in the Pledge of Allegiance.

(The assemblage repeated the Pledge of Allegiance to the Flag.)

The invocation today will be given by Rabbi Nachman Simon from the Delmar Chabad Center in Delmar.

Rabbi.

RABBI NACHMAN SIMON: We are swiftly approaching towards the holiday of Passover which celebrates a liberation from the bondage of Egypt over 3300 years ago. Passover is the holiday of remembrance. We take time out from our busy schedules and sit with families and friends to reflect and relate our past and at the same time look towards the future.

There are many customs and foods that are associated with the traditional Passover Seder. We can take lessons and guidance from them; matzoh, the unleavened bread, myrrh, the bitter herbs, and the festive meal. Matzoh is flat and thin and has a very plain taste. This shows on humility. As much

as we have accomplished in our lives in the past, we always have to remember that it is the Almighty who gave us the strength to achieve our goals.

Myrrh is the bitter herbs which helps us to remember that it is not enough to rest on our laurels and all we have attained in the past is not enough and that there are more challenges to overcome and problems to be solved, and the festive meal helps us remember that the way to achieve our goals is through happiness and joy.

As the Lubovitcher Rebbe of blessed memory often stated, if one thinks good or positively, then it will be good and as the Tanya, the basic work of Chabad philosophy gives an example of this of two wrestlers, each one trying to get the upper hand over his opponent. The winner will not necessarily be the stronger of the two but rather the one who is more eager or hungry for victory.

May it be the Almighty's will that He continues to guide and lead us as He has in the past and give us the mind and heart to achieve our dreams and aspirations to benefit

our families, friends and communities in the future. And let us all say Amen.

THE PRESIDENT: Amen. The reading of the Journal, please.

THE SECRETARY: In Senate, Sunday, March 22. The Senate met pursuant to adjournment. The Journal of Saturday, March 21, was read and approved. On motion, the Senate adjourned.

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

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

The Secretary will read - Senator Marcellino -- motions and resolutions.

Senator Marcellino.

SENATOR MARCELLINO: Thank you, Madam President.

On behalf of Senator Stafford, I wish to call up Calendar Number 157, Assembly Print Number 1357.

THE PRESIDENT: The Secretary will read.

THE SECRETARY: Calendar Number 157, by member of the Assembly Lafayette, Assembly Print 1357, an act to amend the General Business Law.

SENATOR MARCELLINO: Madam President, I now move to reconsider the vote by which this Assembly bill was substituted for Senator Stafford's bill, Senate Print Number 6020, on February 2nd.

THE PRESIDENT: The question is on the motion to reconsider. Call the roll.

(The Secretary called the roll on reconsideration.)

THE SECRETARY: Ayes 40.

THE PRESIDENT: The motion is carried.

SENATOR MARCELLINO: Madam President, I now move that Assembly Bill Number 1357 be recommitted to the Committee on Consumer Protection and that Senator Stafford's Senate bill be restored to the order of Third Reading Calendar.

THE PRESIDENT: On the motion to recommit, all those in favor please signify by saying aye.

(Response of "Aye".)

Opposed, nay.

(There was no response.)

The motion is carried.

SENATOR MARCELLINO: Madam President, I offer the following amendments.

THE PRESIDENT: The amendments are received.

Senator Farley.

SENATOR FARLEY: Thank you, Madam President.

On behalf of Senator Kuhl, I move that the following bill be discharged from its respective committee and be recommitted with instructions to strike the enacting clause: That's Senate Print 3349.

THE PRESIDENT: So ordered.

SENATOR FARLEY: On behalf of several Senators, the following amendments are offered to these following bills: Senator Maltese, page 10, Calendar 262, Senate Print 4876; Senator Present, page 16, Calendar 375, Senate Print 528; Senator Volker, page 17, Calendar 385, Senate Print 6207-A; Senator Libous, on page 18, 399, Senate Print 1231-A,

and on behalf of Senator Johnson, on page 19, Calendar 412, Senate Print 2584-A. I move that these bills retain their place also on the Third Reading Calendar.

THE PRESIDENT: The amendments are received.

Return to reports of standing committees.

The Secretary will read.

THE SECRETARY: Senator Stafford, from the Committee on Finance, reports the following nomination: Member of the Port Authority of New York and New Jersey: Anastasia Song, of New York City.

SENATOR STAFFORD: Move the confirmation, please.

THE PRESIDENT: The question is on the confirmation of Anastasia Song as a member of the Port Authority of New York and New Jersey. All in favor please signify by saying aye.

(Response of "Aye".)

Opposed, nay.

(There was no response.)

Anastasia Song is hereby

confirmed as a member of the Port Authority of New York and New Jersey.

The Secretary will read.

THE SECRETARY: Senator Stafford, from the Committee on Finance, reports the following nomination: Member of the Board of Visitors of the New York State Home for Veterans and their Dependents at Batavia: Anthony M. Ferrarese, of Rochester.

SENATOR STAFFORD: Move the confirmation, please.

THE PRESIDENT: The question is on the confirmation of Anthony M. Ferrarese as a member of the Board of Visitors of the New York State Home for Veterans and their Dependents at Batavia. All in favor please signify by saying aye.

(Response of "Aye".)

Opposed, nay.

(There was no response.)

Anthony M. Ferrarese as a member of the Board of Visitors of the New York State Home for Veterans and their Dependents at Batavia is confirmed.

The Secretary will read.

THE SECRETARY: Senator Johnson, from the Committee on Transportation, reports the following bill:

Senate Print 6455, an act in relation to improving traffic flow.

Senator Stafford, from the Committee on Finance, reports the following bills:

Senate Print 1233, by Senator Volker, an act to amend the Executive Law;

2466, by Senator LaValle, an act to amend the Executive Law;

2827-B, by Senator Cook, an act to create a program;

4018-A, by Senator Present, an act to amend the Executive Law;

4741, by Senator LaValle, an act to amend Chapter 554 of the Laws of 1996;

5174, by Senator Alesi, an act to amend the Executive Law;

6029, by Senator Trunzo, an act to amend Chapter 41 of the Laws of 1997;

6101-B, Budget Bill, an act making appropriations -- an act making appropriations for the legal requirements of the

state debt service;

6102-B, Budget Bill, an act making appropriations for the support of government, general government budget;

6103-B, an act making appropriations for the support of government, transportation, economic development and environmental conservation budget;

6104-B, Budget Bill, an act making appropriations for the support of government, public protection, health and mental hygiene budget;

6248, by Senator Bruno, an act to amend the Real Property Tax Law;

6262, by Senator Volker, an act to amend the Executive Law;

6484-A, by Senator Stafford, an act to amend Chapter 303 of the laws of 1988; and

6512, by Senator Wright, an act to amend Chapter 812 of the Laws of 1987.

All bills ordered direct for third reading.

THE PRESIDENT: Without objection, all bills direct to third reading.

ACTING PRESIDENT KUHL: Senator Bruno.

SENATOR BRUNO: Mr. President, can we at this time return to motions and resolutions. I believe that there is a privileged resolution at the desk by Senator Maziarz. I would ask that the title be read and move for its immediate passage.

ACTING PRESIDENT KUHL: We'll return to the order of motions and resolutions. There is a -

SENATOR BRUNO: Mr. President, correction. Can we have it read in its entirety.

ACTING PRESIDENT KUHL: There is a privileged resolution by Senator Maziarz at the desk.

I'll direct the Secretary to read the resolution in its entirety.

THE SECRETARY: By Senator Maziarz, Legislative Resolution 2935, memorializing the Honorable George E. Pataki to proclaim the week of March 23 through 27, 1998 as "Elder Abuse Awareness Week" in New York State;

WHEREAS, the millions of elder citizens residing in the state of New York have contributed to the general welfare of the state by helping to preserve the customs, convictions and traditions of the many ethnic backgrounds of the citizens of New York State.

The more than three million residents of New York State considered to be elder citizens are vital and integral members of our society.

The wisdom and experience of elder citizens have enriched the lives of young people of our state; and

WHEREAS, elder abuse in domestic and institutional settings is a widespread problem, affecting hundreds of thousands of elderly people across the country.

It has been estimated that there were over 1.8 million abused elders in the United States in 1996. Estimates report that elder abuse affects approximately 30,000 New Yorkers every year.

Because elder abuse is still largely hidden under the shroud of family secrecy, elder abuse is grossly under-reported.

Elderly people who are being abused find it very difficult to tell anyone. They are usually ashamed and sometimes afraid; and

WHEREAS, only 1 out of 14 domestic elder abuse incidents come to the attention of authorities, the 30,000 domestic elder abuse cases reported to state adult protective service or aging agencies in New York represent only the tip of the iceberg and the number of elder abuse cases is growing every year.

Any elderly person may become the victim of abuse. Males and females of any income level, any cultural or ethnic group, persons in good health or persons incapacitated in some way may be abused by someone close to them. Elder abuse is not only happening in poor neighborhoods but also in suburbia and in some of the most upstanding families.

The abusers can be anyone but they are most commonly family members with whom the abused person is living. Studies have estimated that over half the elderly people reported to have been abused were living with persons who abuse them. The physical abuse,

mental anguish and financial exploitation too many elderly people are enduring diminishes us as a civilized society; and

WHEREAS, the legislators of New York State have been studying and reviewing this outrage through hearings across New York State and are determined to find a solution that will provide increased protection and services to the elder citizens of New York State, now, therefore, be it;

RESOLVED, that this legislative body pause in its deliberations to memorialize the Honorable George E. Pataki to proclaim the week March 23 through 27, 1998 as "Elder Abuse Awareness Week" in New York State; and be it further

RESOLVED, that a copy of this resolution, suitably engrossed, be transmitted to the Honorable George E. Pataki, Governor of New York State.

ACTING PRESIDENT KUHL: The Chair recognizes Senator Maziarz, on the resolution.

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

Mr. President, I rise today in

support of memorializing our Governor George Pataki to proclaim the week of March 23rd through 27th as "Elder Abuse Awareness Week".

Elder abuse is an issue that has come to the forefront of our world today due to the rapid increase in our senior population, especially the population 85 years and older. The rise in our senior population has also unfortunately contributed to a rise in abuses experienced by this population.

Elder abuse is not a restricted area of abuse. It can exist in every setting of a senior's life, including domestic, institutional, financial transactions or the workplace. It can also take many forms, including financial exploitation, verbal, emotional, mental and physical abuse.

I have joined forces with Senators Alesi, Senator Holland and Senator Nozzolio in their capacities as chairpersons of the Consumer Protection, Social Services and Crime Victims, Crime and Corrections Committees to increase awareness and educate our state on the various forms of abuses a senior may experience.

We are in the process of conducting public hearings on elder abuse across the state. Our first hearing was held in December in Albany. Our second hearing will be held on April the 3rd in Rochester and a third hearing will be held on April the 23rd in New York City. It is our hope that these hearings will be a source of education regarding the issue of elder abuse and may also point out to us as New York State legislators the laws that may be needed amending or enacting in order to eliminate abuses against the elder.

I just want to note as a result of our Albany hearing, Senator Alesi has already introduced a bill, had a bill passed in this house mandating the reporting of elderly abuse by various state agencies.

Today a number of senior advocacy organizations and state offices have taken time out of their very busy schedules to provide information on the range of services available to seniors so that they do not fall victims to abuses. There are exhibitor tables in the Concourse between the Capitol and the LOB and they have some extremely excellent information.

Some of the organizations and offices which have joined us today are the Attorney General's Office on Elder Abuse, the state Office of the Aging, the Office of Children and Family Services, Consumer Protection Board, Life Span of Rochester and Walk the Walk of New York City, just to name a few, Mr. President.

I do hope that all the members will stop by and say hello to these individuals, and I invite staff and any guests that are here in the gallery with us today to stop by and speak with some of the advocates. Elder abuse is a serious issue in New York State and it does affect us all in one way or another.

I would also invite all of my colleagues in the Senate to sign on as co sponsors of this resolution.

Thank you, Mr. President.

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

(There was no response.)

Hearing none, the question is on the resolution. All those in favor signify by saying aye.

(Response of "Aye".)

Opposed, nay.

(There was no response.)

The resolution is adopted.

Senator Libous.

SENATOR LIBOUS: Thank you, Mr. President.

On behalf of Senator Johnson, on page 12, I offer the following amendments to Calendar Number 307, Senate Print Number 2720, and ask that said bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT KUHL: The amendments to Calendar Number 307 are received and adopted. The bill will retain its place on the Third Reading Calendar.

Senator Bruno, that brings us to the calendar.

SENATOR BRUNO: Mr. President, can we at this time take up the non controversial calendar.

ACTING PRESIDENT KUHL: The Secretary will read the non-controversial calendar.

THE SECRETARY: Calendar Number

310, by member of the Assembly Brodsky, Assembly Print 1624, an act to amend the Environmental Conservation Law, in relation to the offense of endangered public health.

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

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 51.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 380, by Senator Lack, Senate Print 3479, an act to amend the General Municipal Law, in relation to filing of a notice of claim.

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 51.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 382, by Senator LaValle, Senate Print 5125-A, an act to amend the Town Law, in relation to increasing the number of and the length of the terms of office.

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

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 51.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 390, by Senator Saland, Senate Print 5961, an act to authorize the payment of transportation aid to the Rhinebeck Central School District.

ACTING PRESIDENT KUHL: There is a local fiscal impact note at the desk. The

Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 51.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 404, by Senator Stafford, Senate Print 6010, an act to amend the Judiciary Law, in relation to the appointment of stenographers by the district attorney of Warren County.

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 51.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number

407, by Senator Hannon, Senate Print 6233, an act to amend Chapter 426 of the Laws of 1983.

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

THE SECRETARY: Section 5. This act shall take effect June 1.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes 51.

ACTING PRESIDENT KUHL: The bill is passed.

THE SECRETARY: Calendar Number 410, by member of the Assembly Tokasz, Assembly Print 9294-A, an act to amend the Education Law, in relation to the hours of elections.

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 51.

ACTING PRESIDENT KUHL: The bill

is passed.

THE SECRETARY: Calendar Number 425, by Senator Rath, Senate Print 6414, an act to amend the Education Law, in relation to additional apportionment for certain school building projects.

ACTING PRESIDENT KUHL: The Secretary will read -- 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 51.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Bruno, that completes the reading of the non-controversial calendar.

SENATOR BRUNO: Mr. President, can we at this time take up the bills that were earlier reported to the floor by the Finance Committee, starting with Senate 6248.

ACTING PRESIDENT KUHL: The Secretary will read Senate 6248.

THE SECRETARY: Calendar Number 438, by Senator Bruno, Senate Print 6248, an act to amend the Real Property Tax Law, in relation to the school property tax exemption.

ACTING PRESIDENT KUHL: The Chair recognizes Senator Bruno, on the bill.

SENATOR BRUNO: Mr. President, as the people in this chamber know, New York State has become the leader in the country in cutting taxes. We have cut over $11 billion in the previous three years in personal income taxes, real estate taxes, business taxes, sales taxes. The consequence of that has been to turn the economy of New York State around.

This bill before us is the Senate's tax cut package for this year. We have turned the economy of this state in three years through the leadership of Governor George Pataki when we in this chamber and the other house have partnered, cutting more taxes in three years than all other 49 states combined.

Previous to these three years we led the country in job losses, lost about 600,000 jobs, 50th in job creation and in three years, as a consequence of our tax cut policies

that are now law, the last few years we have created 250,000 jobs. We are sixth in the country in creating new jobs, leading some of the major competitive states in job creation in the United States.

So, Mr. President, I would urge my colleagues to support the continuation of the economic policies, the tax cut policies that have led to the economic recovery and the growth of New York State.

This package includes 680 million in cuts this year, growing to the year 2001 and 2002 to 1,250,000,000, led by allowing moderate and low income seniors to accelerate the STAR program that all of us in this chamber -- most of us in this chamber supported. It returns the seniors, let's them keep about $538 million savings in their property taxes. Now, that accelerates a program that's already law. That's the major part of what we are proposing here today.

We also talk about cutting the corporate tax rate by 25 percent, making us again competitive with other states who have been taking our jobs where growth has been

taking place where we've lost jobs. We will reverse that.

We talked about an investment tax credit for the financial community. The financial community has been driving revenue as we all know. They presently don't enjoy the same breaks that manufacturers get here in this state. They are investing in high tech' equipment every few years to keep pace with the market and all of the things that are happening. We want those jobs to stay here. That investment tax credit will help ensure that.

I saw numbers that showed that the average growth just in this industry alone across the country was 49 percent growth. We in New York State have not participated in that growth to that extent. We have actually participated very little because the back offices have moved to other states. Hopefully this investment tax credit will help reverse that.

We talk about child care credits for lower income people, to help working mothers, working fathers to care properly for

their children.

Investment tax credits for businesses are in this package to encourage them to provide a safe place for families to keep their young children while they're working.

We have a truck mileage tax reduction in here, a petroleum tax including jet fuel reduction in this.

We have a motor vehicle reduction, taking a 25 percent reduction in licenses for the people of this state who have watched the costs of driving their cars escalate.

We also returned, for those that turn in a license early, those dollars they presently forfeit to the state.

We do things for small business to the tune of about $165 million, taking the minimum tax down, taking the alternative tax down from three and a half percent to two and a half percent, and that is critically important to industry and businesses in this state.

Companies that invest in high tech' equipment, generally small companies, we have a package that zeros in directly on these

small companies to help them get into business, stay in business and be competitive.

There are other aspects to this tax cut package, Mr. President, but I won't read the detail. It's all in the bill. I would encourage my colleagues to support this, and I also know that there are alternatives to this package. I know that there are tax cuts that other people feel would be more productive and we're interested in looking at those.

The Assembly has introduced, to their credit, as they pass their budget, a tax cut package and we want to look at that. Much of what we are proposing here today is in their package, to their credit. We will negotiate what isn't, and while we recognize that there are other ways to cut taxes and return this surplus to the people of this state, we are focused on creating jobs, economic development, driving the economy and we believe sincerely that this tax cut package does exactly that.

So, Mr. President, this is the first of the budget bills that we will be passing between now and Wednesday, and I would encourage my colleagues to be supportive.

Thank you, Mr. President.

ACTING PRESIDENT KUHL: Senator Connor.

SENATOR CONNOR: Thank you, Mr. President.

Mr. President, I'm delighted that the Senate's begun work on its version of the budget so that we can hopefully go to Conference Committees and reconcile our differences or the differences between the Majority in this house and the budget passed by the Assembly.

During the course of the debate today on this tax cut package bill, a number of amendments will be offered by members on this side of the aisle, amendments designed to make the investment tax credit a better one by being sure that its benefits are available for jobs created in New York State rather than elsewhere by the financial services industry because, as we know, a lot of -- seems to be a lot of things going on in South Dakota to New York's detriment.

There will be amendments offered to help the farmers in New York State with tax relief designed specifically for them and there

will be a number of other amendments.

Let me say the first amendment, Mr. President, I call up now is sponsored by me. It's at the desk. I would ask to have its reading waived and to explain my amendment.

ACTING PRESIDENT KUHL: Senator Connor, the amendment is at the desk. The waiving of the reading that you've asked for is granted and you are now provided an opportunity to explain the amendment.

SENATOR CONNOR: Thank you, Mr. President.

This amendment embodies a proposal which last week the members of the Senate Minority Conference, the Senate Democrats, proposed publicly. We got varied responses. I like the response we got from Change New York because I think it said it all.

Change New York said the Senate Republicans have their tax cut proposals. The Senate Democrats have their tax cut proposals. It's good they both have proposals. The only difference is who are you for? Who do you think the benefits should be for? I guess that just about sums up what the difference is in our

position. We are for tax cuts. We certainly, in a state that has a substantial burden on the taxpayer, are in favor of reducing taxes.

What our amendment does -- let me tell you first, my colleagues, what it doesn't do. It doesn't eliminate the investment tax credit for banking securities. It does not touch the enhanced STAR, accelerated STAR benefits, cuts, which we support. It does not, of course -- it leaves intact the child care credit and the motor vehicle small fee cuts, small business provisions.

What it does do is remove some the other corporate tax cuts proposed by the Majority and replace them with a series of proposals for returning the surplus.

What it does, more importantly, is while Senator Bruno's proposal -- while the Majority's proposal would give back $680 million to the taxpayers this year, we would give back $1.6 billion this year. When our program was fully implemented, it would cost 520 million, namely the accelerated STAR. When the Majority's program in out-years is fully implemented, it will cost $1.3 billion. If you

see it on a graph, we cross like this (indicating).

The reason is our concern is to be responsible. We have the surplus this year. We want to give it all back to those who paid it. We don't want to create a possible deficit next year or the year after. We don't want it to balloon. We're, if you will, Mr. President, fiscal conservatives about this. We believe you ought to give back the surplus to the people who paid it. We believe you ought to give it back what you can afford and we believe you should avoid creating deficits in the future. This is sound fiscal management. I urge it upon the state of New York. As shocking and refreshing as a concept for governmental budget making, I think it behooves this Legislature to go that route, and I would urge this house to do that.

Now, how do we -- what do we do? Where do we get this $1.6 billion? Well, the accelerated STAR, the other provisions we haven't effected and what we would add is a rebate provision, so that every individual taxpayer in New York State would get a $100 rebate, check in the mail. Now, a married

couple filing jointly, $200 check in the mail. A taxpayer who paid less than $100 would get back whatever they paid.

Now, Mr. President, what's the philosophy behind this? We took too much from these taxpayers. Our surplus says we met the needs of government -- we met the needs of government and we had some left over. We should give it back.

What does it do? I know there will be those who say, Oh, but how does that create jobs? Mr. President, in the words of our governor, it allows for freedom. It lets the taxpayer decide what to do with their $100. Maybe they'll spend it. Maybe they'll save it. Maybe they'll invest it. Maybe they'll give it away. Maybe they'll give it away to charity. Maybe they'll start eliminate staying with it. Who knows, Mr. President? That's their choice under our system of entrepreneurship under our capitalist system. They should be free. It's their money. It's not our money. We shouldn't decide on some kind of trickle down scheme. If we give it back to General Electric, maybe they'll hire some jobs. I say let's give it to

the GE employees who just lost their jobs. I'm sure they could use the 100 or $200 they get back.

Mr. President, it is about leaving in the taxpayers' pockets, in the citizens' pockets, leaving their money there and letting them make the decisions about how to spend it. It's money we didn't need to run the government. They ought to have it back.

Frankly, Mr. President, the whole corporate give-back aspects that we eliminate and replace with this rebate is that old trickle down theory and studies have shown over and over again that you feed these corporations and it doesn't necessarily produce the jobs. Let the people spend the money. If every taxpayer in an area had $100 to spend, that would certainly - that would certainly create jobs. It would enhance businesses as they spent this money because, Mr. President, if it wouldn't, then why did we do that personal income tax cut a couple years ago? How did that ever produce jobs? Well, the answer we heard from the Majority then was, if you give the people the money back, they'll spend it and that will create jobs in

retail, in entertainment, wherever they spend that money, wherever they spend that money. That's what this Majority sold us. It's what we did three years ago. So how could you say today that giving everybody $100 won't create jobs?

It will create jobs just as much -- just as much as the personal income tax cuts in past years created jobs, if they did create jobs and, frankly, Mr. President, if we look at the statistics on where New York's economy lagged so far behind the regional economy, so far behind the rest of the nation in terms of recovery, indeed, the only bright spot in New York's economy is that hot Wall Street and study after study has shown it's New York City and the New York City Metropolitan area that has benefited from the jobs generated from Wall Street. The rest of New York State, indeed, is in a terrible situation when it comes to jobs and just returning tax breaks to corporations that are already on their way out the door from New York won't do it. Let's give the residents of New York the money to spend to create their own economies in their own towns and cities.

Mr. President, we are blessed now

because of a national economy under the leadership of a national administration that has adopted policies that have produced a healthy economy. One of the effects of this is no inflation, virtually no inflation and, two, the lowest interest rates we've seen in literally decades.

The mortgage interest rate is at an all time low, at least since I was old enough to know what a mortgage rate was. Many, many New Yorkers are interested in buying that first home because it's a good time to buy. It's a good time to barter. Many, many more middle class homeowners in New York State are interested in refinancing that mortgage, refinancing that mortgage that is perhaps at nine or ten or even eleven percent if they didn't bother refinancing before this, down to a possible seven percent.

A homeowner with a $120,000 mortgage that refinances at seven percent from nine percent will save $24 -- $2400 in interest payments the first year.

Now, we know when you refinance, Mr. President, it's just like buying a house all

over again. There are closing costs. Sometimes there's lawyers. You need a survey. You need this and that and one of the big things you have to do is you have to pay the mortgage recording tax. It's a point. It's a point at which usually the bank pays a quarter of the point and the borrower pays three-quarters of a point. On that $120,000 mortgage refinance, I think it would come to 840 or $850 would be the local - the mortgage recording tax. Now, we know that tax is distributed primarily to the localities. There are also some other state uses to which part of those proceeds are put. Based on past experience, this tax is worth about 300- to $350 million a year.

We propose as a one-year-only proposition -- why one year, Mr. President? We have a surplus this year. We want to give it back. We want to give it back but we don't want to create a future problem the way the Majority's proposal would do.

So what we're proposing to do is have a one-year moratorium. The state of New York will hold the local communities harmless. We'd give them the money they would have gotten

from the recording tax but the people who refinance their home won't have to pay that tax, a big savings for middle class families. Virtually every middle class family with a mortgage will be able to refinance at a much lower interest rate, save thousands of dollars in interest costs and save substantial dollars by not having to pay the mortgage recording tax. It will be good, Mr. President, for New York's economy. It will be good for our financial industries. It would be good for the real estate industries. It will create jobs in real estate. There's no doubt about it. No doubt about it, Mr. President.

The other third tier, if you will, of the changes we would make -- because we're not replacing the Majority's proposal. We're just substituting certain elements - would be a selected cut in sales taxes based on family needs geared to families and safety.

For example, we would exempt from the sales tax child safety helmets, child safety seats, diapers, things that the families, the struggling middle class, working class families in New York State have to pay for.

When you have children, Mr. President, it's not an option whether or not you buy a child safety seat. It's no more an option to do that if you drive and most people in New York State, that's how the transportation is. They have to drive. That's not an option. You have to buy that and it's not an option about whether or not your child is going to need a safety helmet as they grow and ride bicycles and scooters and rollerblade, whatever. Just look around. Every kid's got to have a safety helmet. We want them to have a safety helmet and it's silly for us to try and profit on that.

So, Mr. President, in sum and substance, I would urge that our amendment be accepted because, one, it gives the money back to the people. It lets the people decide how to spend it. It lets the people create jobs by their own economic free choice. Their own economic free choice will create those jobs. It will create those jobs. The marketplace will create those jobs when we put all of this money back in circulation.

Number two, Mr. President, it's

fiscally conservative and responsible. It's a lot of money this year and there's no hole being dug for future years. The Majority, once again, makes a small down payment and goes deep into the hole in the out-years with proposals, frankly, Mr. President, that are of dubious value in job creation and certainly of dubious value to the average taxpayer in New York State. Rewarding the company that's cutting back on the jobs doesn't help the average working man and woman in New York State.

So this first amendment, Mr. President, I would urge all of my colleagues to support.

ACTING PRESIDENT KUHL: Any other Senator wishing to speak on the amendment? The question is on the amendment. All those in favor -- Senator, excuse me.

SENATOR DOLLINGER: On the amendment.

ACTING PRESIDENT KUHL: Senator Paterson.

SENATOR DOLLINGER: On the amendment.

ACTING PRESIDENT KUHL: I had

Senator Paterson rising first.

SENATOR DOLLINGER: Excuse me.

ACTING PRESIDENT KUHL: Senator Paterson.

SENATOR PATERSON: Thank you, Mr. President.

This amendment, coming at this time, I think brings a sobering and refreshing kind of view of the economic forecast for New York.

If we look at the last couple of decades, it appears that the whole concept of refinancing and debt has been misunderstood as -- by governments, even by consumers. As we read most recently, the consumers are finally starting to understand what their obligations are. Certainly as a government, which is basically made up of a number of consumers, we have to start understanding what our obligations are. We cannot continue to go on and on, raising hopes that we can't fulfill, making promises that we can't keep, talking in absurd extremes and peddling a bunch of simplistic exaggerations that only parody the truth.

To state that we are going to

start a long-term $5 billion tax cut last year and which we made a marginal down payment on at a time when Wall Street was booming is really confusing and creates the dispirited reaction about government that the public feels when they find out the painful truth that we are unable to fulfill those obligations.

We learned that lesson right here in this chamber in April of 1987 when we passed a $2.3 billion tax cut which was the residue of the coupling act of the Federal Income Tax Reform Act of 1986. At that time we had $2.3 billion and we gave it back in various ways very similar to what is basically being proposed in the Majority's package today.

At the same time we were doing this, the states of Illinois and Indiana and Iowa, of Maryland, Massachusetts, Michigan and Minnesota were not doing that. We were either passing the savings along to consumers or they were investing that money and keeping it for a rainy day.

The fact that we experienced a windfall at that particular time did not allow those states to fritter the money away in

reckless schemes but in New York State, by 1988, we were $900 million in debt. By 1989, we had a $4.3 billion budget gap. By 1990, we had a $4.8 billion budget gap and during that particular time, we had to wonder how much more foresighted would it have been if we had taken a realistic look at debt and also a windfall at that particular time. Now we are blessed again with a nearly $2 billion surplus, the first time we've had a surplus since 1987, and the idea of giving this money back in a number of ways, I guess if you own a tractor company, this would be a benefit. If you own some kind of a large corporation, this would be a benefit, but if you are a small business owner or a citizen of this state, it is not going to be the kind of benefit that it would be if everybody got back $100 as Senator Connor is proposing.

Many of us may have forgotten what $100 really means or $200 for a couple. $100 for us is more than just a few cigars. $100 is something that can actually make a difference for perhaps some of the employees of Manufacturers Hanover who were laid off last week. Anyone who's a resident of New York who's

part of the 20,000 people laid off by Boeing last Friday, anyone from General Electric who's lost their jobs recently, this could be a valuable addition to what is a diminishing revenue base right here in New York State.

This particular windfall that we're receiving, we have to understand comes from what has been an immense period on Wall Street of great wealth and of great prosperity, but it is not the only time that Wall Street has actually prospered. Actually the largest, longest period of time that Wall Street prospered was about from 1961 until the end of 1969. When we went into recession after 1969, recession being calculated as the measure of 20 percent less of the wealth of the aggregate year two years before, that recession lasted almost through the entire decade of the '70s. We had had a growth in the late 1920s of nearly three and a half times the Wall Street market average, the Dow Jones average. That occurred from mid-1926 to mid- -- to October of 1929, and we don't have to remind ourselves of what happened at that period of time.

So as we go through this bull

market and this period of prosperity which began approximately October 20th of 1991 and has gone through the entire decade, most analysts believe that the period will continue, that it's not going to end very shortly, that to actually equal the percentage gain in the late 1920s, that the Wall Street index, the Dow Jones average which on Friday closed at 8906, 8,906 shares, would have to rise over 10,500 shares and most analysts believe that it will rise and it will go over 10,500 some time at the millennium or in the year 2000, but the fact remains that there will still come a time that there will be deficit and there will be recession in this state and at this particular time, the best way to reignite the engine of our economy, the best way to create prosperity is actually the simplest way and we should actually follow it, to give the money back to the individuals who most should be rewarded, those taxpayers, 7.6 million of them who have provided the broad revenue base for this state and have suffered the economic situation that we've had from 1990 -- from 1988 to 1997. Those are the people who most deserve it. That's the largest

number of people and this is the way that we most believe it should be brought back.

The mortgage recording tax is something that is so easy to figure out that it's hard to discuss. Everyone who is now refinancing on their homes or everyone who would be desirous of buying property at this time when there's a low interest rate would receive - would not have to pay the mortgage recording tax only for fiscal year 1998-99.

We're not going to forecast any longer beyond 1999 because, even though we may believe that we're in a period of prosperity, we do not know for a fact what is actually going to happen. There's no use talking about tax cuts that are really no more than predictions and plans. If there's anything left over next year, we can discuss coming right back here and passing the same legislation. It's not as if we're going to go on vacation for a few years after we pass this tax cut. This would be the most responsible way. This is the way that even citizens around this state are learning it is the best way to handle their personal finances and we as the fiduciary agents of their

interests as elected officials in government need to respond to that actual interest, and as we look at the essentials that we will be allowing for in the sales tax, they will be very important to the people who need them, diapers, car seats for safety, fire extinguishers and the like.

So I am proud to actually support this amendment at a time when we think this makes good fiscal sense and it is the type of plan that you don't have to be an economist to understand. It would, in our opinion, inure to the benefit of the most people in this state and would cost really no more than about $760 million to give out. It would certainly create the same kind of investment opportunity and the same kind of economy generating because even in the poorest centers of our state, money changes hands at least once in its own community before it goes outside of its community and, therefore, we would be putting the money right back into some of the companies and some of the businesses that the other plan does.

So I think that this is an excellent suggestion coming at this time by the

Minority Leader, Senator Connor, and I think it's one we should think about deliberately and I think it's one that we should all understand that we need in our state at this time and would be the best way to reward all of the people who had to pay for the deficit because of our irresponsibility nearly a decade ago.

ACTING PRESIDENT KUHL: Senator Dollinger, on the amendment.

SENATOR DOLLINGER: Thank you, Mr. President.

Friends, Romans and countrymen, lend me your ears. You remember that start of that famous speech which carried the line that the evil that men do lives after it becomes law. The good is often interred in an amendment offered by the Senate Democrats.

I'll tell you, this is the best offer made in a public body to the people of a community since those 75 drachmas were offered under Caesar's will in Julius Caesar. This is $100, a C-note for everybody in New York State. What Senator Connor and Senator Paterson have overlooked is that this is the most progressive form of tax relief that we could give and the

reason is simple. That $100 is worth a lot more in the pocket of a man who makes $10,000 a year than it is in the hands of a millionaire. It's the perfect progressive rebate to the people of this state.

What a great way to take the tax system, make it progressive, make the rebate system work. Give everybody in this state $100. If you file jointly, give them $200. Let them put into practice what we're told everyone on that side of the aisle believes, which is that each individual should figure out how to spend his own money. As I recall, that's the patron saint of the Republican Party, Ronald Reagan, who told us that the way to make it work best is to give the money back to the people and let them decide what they want to do with it. Let them decide where they should spend it. Let them decide what consumer goods they should buy. Let them decide what they should buy for educating their children. Let them decide where they want to send their kids to college. This $100 rebate, which is part of this amendment, allows them to do just that. It's progressive. It gives the sense to people that their

government wants to give them something to help them. Let them make the choice.

The tax cuts that the Majority offers that are geared to businesses, sure, those have value, but why not give it right back to the people? Why not give it to the person who can greatly appreciate it? Why not give $100 to the guy who makes 10,000? Give him something that he can spend. Give him something that he can save. Give him something that he can put to work.

What I find unique about this amendment is that we are creating what I think is a unique concept. We already have an unclaimed property fund in this state. You know that unclaimed property where if you don't claim your bank accounts, they're eventually sent to the comptroller and you can claim your money back? Well, the Senate Democrat amendment, it clearly creates an unspent tax fund. We don't spend your tax money. We give it back to you. We give it back to you at a rate of $100 per person. An unspent tax fund, what a wonderful idea. We don't need it to pay for the cost of government. We'll give it back to the people

who gave it to us. What a great idea. What a wonderful way to do it. What a wonderful way to give it back to the people and make the people those who decide where their tax money should be spent. Give it back to them. Let them spend it however they want to.

The promise -- the mortgage tax, another great idea. Several years ago we had an extensive debate in this house about repealing the real property capital gains tax. You remember that tax that was put in place before I got here and I think, Senator -- maybe some Senators can tell me, I think that was a tax put in place by the Republican Majority here. I don't think it was done in that one year in the last 50 when the Democrats have been in control. That was a tax put in place by the Republican Party and if you all recall, there was a great debate in which everybody said it was a terrible tax. It was a terrible idea. No one wanted to take responsibility for having put it in place but when the time came to repeal it, suddenly everybody on the other side of the aisle jumped up and said, we made a horrible mistake. It wasn't really our fault. We were

forced to do it but, boy, are we happy to be repealing it.

Well, what that tax relief was designed to do was promote new construction in housing. I would suggest to you that a relief from the mortgage tax would be a vital incentive to increase new construction of homes, to allow people to buy their starter home. $100,000 mortgage carries with it, I believe somewhere between 900 and $1,000 worth in mortgage taxes that you have to pay when you buy the property. Why not allow the person to save that money? You'll see people buying more houses to start. You'll see more and more people refinancing.

Senator Connor is absolutely correct. A two percent reduction in the interest rate on your mortgage will produce a savings of $2400 a year for a New Yorker who's dropping their mortgage from nine percent to seven percent. Why shouldn't we use tax relief as the incentive to drive that decision, to allow consumers to do something that we know is better for them, which is they can reduce the carrying cost of their house $2400 in a single year and if you have a 30-year mortgage, that's

every year for the next 30 years. That's $60,000 in savings leveraged by relief from the mortgage tax that this proposal embodies.

So what do we do? We increase refinancing. We allow more New Yorkers to save their money. We encourage new home construction. We encourage people moving up in their homes. All those good things that I know you want for New Yorkers, this amendment will actually leverage. This will point them in that direction. It will do for each individual in this state what I think we all acknowledge they should be doing. Save your money. Put it in the bank. Use it to pay for your kid's college education. If we give them the incentive of relief from the mortgage tax, we will get closer to that goal. We will put in the hands of individuals the ability to decide what their future is instead of simply putting it in the hands of our major corporations. This one favors people over corporations. It's just the kind of tax cut that we should have in place. It's just the kind of tax relief that New Yorkers want.

It seems to me, as I said before,

this is very simple. The evil that men do can live after. It can be in the form of a back ended tax cut which blows out to billions of dollars in the future. We learned that lesson, I hope. It doesn't appear we have because the Majority's bill creates those same kind of unfunded mandated liabilities in the future.

This is a bill that creates mandated liabilities for this state in the future. They're all based on a faint and illusory promise of continued economic expansion. I hope it continues. I hope for all of our sakes it continues, but it's an illusion to think that we can build a promise on the basis of that illusion.

The Democratic plan here is simple. We've got more money. We don't need to spend it. Give it back to the people who gave it to us. Do something for the people of this state. Put $100 back in their pocket. Give them an incentive to refinance their home or buy their first home by giving them relief from the mortgage tax. It's very simple. This amendment is the best deal since Mark Antony offered the 75 drachmas to the citizens of Rome. Offer

everybody in New York State refinancing of their homes and $100 in their pocket.

Vote for this amendment.

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

(Response of "Aye".)

Opposed?

SENATOR PATERSON: Party vote in the affirmative.

SENATOR BRUNO: Party vote in the negative.

ACTING PRESIDENT KUHL: The Secretary will call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes -

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

SENATOR LEICHTER: Mr. President, to explain my vote on the amendment, Mr. President. I think the amendment is -

ACTING PRESIDENT KUHL: Record the party line votes, and Senator Leichter, to explain his vote.

SENATOR LEICHTER: Right. I

think what Senator Connor has offered here, obviously makes so much better sense than what has been offered by the Republican Majority. The Majority's proposal is highly irresponsible and I'm going to talk about that later when we get to it. I think at least what Senator Connor has sought to do is to avoid putting the state into a financial down spiral in future years as far as revenue is concerned.

Nevertheless, I just don't feel that I can support a tax cut at a time that this state is facing a $5 billion structural deficit in the coming years. I think that there are ways that we can address needs in this state that would be more helpful than giving people the sort of tax cut proposed even moderate and reasonably tame as Senator Connor's proposal is, but I don't think this is a time that we can do it and afford to do it and, therefore, I'm going to vote in the negative on the amendment.

ACTING PRESIDENT KUHL: Announce the results.

THE SECRETARY: Ayes 23, nays 34.

ACTING PRESIDENT KUHL: The amendment is lost.

Senator Stachowski.

SENATOR STACHOWSKI: Mr. President, I believe I have an amendment at the desk.

ACTING PRESIDENT KUHL: There is, Senator Stachowski.

SENATOR STACHOWSKI: Mr. President, I would like to waive its reading and offer an explanation.

ACTING PRESIDENT KUHL: The reading is waived. You're recognized for an explanation of the amendment.

SENATOR STACHOWSKI: My amendment will merely address the investment tax credit for banks and investment -- and security companies.

Senator Bruno, in his description of the bill, talked about how there's been growth in this area and unfortunately most of the growth hasn't been here and that he talked about the expense these companies have in replacing their high tech' equipment and how this bill would be an investment credit that would help them do that more readily and lead to more of the jobs being located here and the back

office locations being located here rather in other states like New Jersey or the Dakotas or Delaware, some place like that, and what this amendment does is it takes Senator Bruno's good idea to add some job growth in this industry and makes it a better idea by making sure that that job growth happens here and this amendment merely says that if we're going to do this kind of tax credit, then it should be effective in jobs and equipment that are for people that are located in New York, or at least the large majority of it, and that's real easy to keep track of. If the machinery -- if the equipment is bought and sent somewhere else, obviously it's not helping people in New York. If it's bought here -- you know, if they get a tax credit in New York and use the money to buy new equipment that they put in their office in New Jersey, that's not a direct help to the people of the state of New York and that's what we're trying to avoid by doing this amendment.

I think it's a good amendment. I think it's a clear amendment, and I think it's something where -- in some other areas where we say we're trying to do a recoupment bill now and

we have been for years, where companies get benefits, promise to create jobs or promise to keep jobs and then they move out of the state or they take the equipment that they bought to create jobs and take it with them out of the state, we now have people often complaining that we shouldn't allow this. Well, here's a chance when we're first looking at an investment tax credit for an industry that doesn't have one now, that we can cut that thing off from happening by passing this amendment and making sure that this investment credit is used for the benefit of the people that work in the state of New York.

I recommend that everyone vote yes on the amendment.

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

SENATOR PATERSON: Party vote in the affirmative.

SENATOR BRUNO: Party vote in the negative.

ACTING PRESIDENT KUHL: The Secretary will call the roll. Record the party

votes.

(The Secretary called the roll.)

THE SECRETARY: Ayes 24, nays 34. Party vote.

ACTING PRESIDENT KUHL: The amendment is lost.

Senator Hoffmann, why do you rise?

SENATOR HOFFMANN: I too have amendments at the desk, Mr. President. I would request that we waive the reading.

ACTING PRESIDENT KUHL: Are you going to take both amendments at the same time, Senator, or do you want to take one over the other one first? Which one do you -

SENATOR HOFFMANN: Why don't I do the barn bill first -- the barn amendment first, Mr. President.

ACTING PRESIDENT KUHL: Historic barn preservation amendment?

SENATOR HOFFMANN: That is correct.

ACTING PRESIDENT KUHL: Your request for asking the reading of it be waived is granted and you are afforded the floor for

the purpose of explaining the amendment.

SENATOR HOFFMANN: Thank you, Mr. President, and with you presiding, I am much more confident than my previous colleagues have been about the success of this amendment when we take it up momentarily for a vote.

This is a bill -- actually I'm introducing it as an amendment today with a bill which I introduced two years ago. It is co-sponsored in the Assembly by Assemblyman Parment and the beautiful part about this bill is that it does not have a local fiscal impact. It uses an existing funding source to allow people around the state, whether they be private property owners, corporations, people engaged in public benefit or non-profit agencies who are in possession of barns, to take advantage of the Environmental Protection Fund which last year received full funding at $110 million.

The important benefit of this is that we would be able to save a number of barns which are right now in the process of literally falling to the ground. Anybody who's driven across the upstate landscape knows that these structures have very vulnerable to the weather

conditions. Many of them are as much as 300 years old and they are beautiful to behold. A lot of them have hand-hewn beams inside. Frequently they have been disassembled from one location and moved from another spot maybe 100, 150 years ago, old threshing barns and hops barns are reconstructed as attachments to dairy barns and they are an intrinsic part of our culture and our history. They're also an important part of our economy right now, but as everyone in this chamber knows as well, since we proudly passed the Northeast Dairy Compact legislation three weeks ago, dairy farmers and agriculture in general are struggling right now and everybody also understands that when people are having a hard time making ends meet and when the dairy farmers are operating at a deficit, as we have discussed in these very chambers, it is very unlikely that the kind of costs can be put aside to make the necessary repairs for a large capital structure like a barn, a historic barn.

So I am hopeful that this time this chamber will pass this measure and allow the barns of New York State to be included along with other local landmarks which are presently

covered under the Environmental Protection Fund. This would give our outstanding Parks Department the opportunity to rake some of these barns and be able to apportion a small amount if they deem appropriate or a somewhat larger amount of that $110 million that was in for full funding last year and is anticipated to be in the Environmental Protection Fund this year.

And I would just like to note also that other sponsors on this bill which was circulated at its origination to all members of the Senate, other sponsors include Senators Kruger, Leichter, Markowitz, Montgomery and that most eloquent supporter of agriculture in New York State, Senator Waldon.

So I would urge an adoption of a historic barn amendment, Mr. President.

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

(Response of "Aye".)

Opposed, nay.

SENATOR LEICHTER: Mr. President.

ACTING PRESIDENT KUHL: Senator Leichter.

SENATOR LEICHTER: Mr. President, regrettably, I must ask to be excused from voting on this bill.

SENATOR PATERSON: Mr. President.

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

SENATOR PATERSON: Party vote in the affirmative.

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

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

(The Secretary called the roll.)

THE SECRETARY: Ayes 24 -

ACTING PRESIDENT KUHL: Record the party line vote.

Senator Leichter, did you wish to abstain from the amendment?

SENATOR LEICHTER: Yes.

ACTING PRESIDENT KUHL: All right. Without objection, Senator Leichter will be recorded as an abstention on the amendment. Announce the results.

THE SECRETARY: Ayes 23, nays 34.

ACTING PRESIDENT KUHL: The bill -- the amendment is lost.

Senator Hoffmann, would you care to be recognized -

SENATOR HOFFMANN: Yes.

ACTING PRESIDENT KUHL: -- for the second amendment?

SENATOR HOFFMANN: I would, Mr. President. Could I just yield for one moment to Senator Montgomery, who I believe wanted to be recognized.

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

SENATOR MONTGOMERY: Mr. President, unfortunately I wasn't recognized before we took the vote on the barn amendment, but I did want to just support very wholeheartedly that amendment, which I think is well overdue, to do something that acknowledges the importance of the farming community and the farming industry in our state and certainly that it is an opportunity for us to preserve some barns that are quite historical in upstate New York, in particular.

Thank you.

ACTING PRESIDENT KUHL: Thank you for your comments, Senator Montgomery.

The Chair apologizes for not seeing you prior to the vote.

Senator Hoffmann, for the purposes of forwarding a second amendment.

SENATOR HOFFMANN: Yes, Mr. President. I have a second amendment to the bill before us. I would request we waive its reading.

ACTING PRESIDENT KUHL: The reading is waived. You're now offered the opportunity to explain the amendment.

SENATOR HOFFMANN: Mr. President, this bill would amend our Tax Law in relation to an agricultural energy tax credit.

Very simply, this would allow a credit for five percent of the cost of energy products consumed in agricultural production to be waived, including petroleum products, natural gas, electricity, steam or alternative fuels directly consumed in the production or operation of farm products within New York State.

As everyone knows, agriculture is

a very energy-intensive industry. We have heard much from farmers in recent months about a desire to see lower cost energy. While we have a surplus at hand, what more meaningful way can we stimulate our agricultural economy than by giving this immediate form of tax relief for people engaged in agriculture in the form of an energy tax credit in the amount of five percent?

So I would urge the adoption of this amendment, Mr. President.

ACTING PRESIDENT KUHL: Senator Abate, on the amendment.

SENATOR ABATE: Yes. I too would like to speak on the amendment and support the amendment. If we look over the last five to ten years, we've lost 30 percent of small farms in New York State. If you speak to farmers around the state, they talk about the enormous cost of energy and it's because of the enormous cost of energy that many of them cannot survive.

This is very little we can do to support the farmers in the state. We need to support this tax credit. They've asked for it. They support it statewide, and I

enthusiastically support this amendment.

ACTING PRESIDENT KUHL: Senator Waldon, on the amendment.

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

I rise to support Senator Hoffmann in her proposal. I think it is an excellent idea. If we look back over the last 10 years, we see that historically about 66 percent of the cooperatives in the state have failed and I'm talking about farm cooperatives now, primarily dairy, and we see that all too many family-owned farms are just falling by the wayside. This was once the linchpin of our entire state's economy and yet we with foolish policies have not sufficiently supported them so that they can remain strong and viable. I think that what we're doing now would allow those who want to farm, whom we need to farm and who we need to have there to produce the products that this state from the farming industry requires so greatly.

So I encourage us to support this amendment, and I really am proud that Senator Hoffmann brought it to us for our consideration

and deliberation.

ACTING PRESIDENT KUHL: Senator Dollinger, on the amendment.

SENATOR DOLLINGER: Thank you, Mr. President.

Just very briefly. I also commend Senator Hoffmann for bringing this amendment to the floor. I think this is the right way to encourage family farms and to increase family farms and continue their viability.

We had a debate on this floor, a very contentious debate about another way to do it, which I thought was the wrong way to do it, but I think that this is a method of giving to individuals tax relief where they need it, and I think that we ought to do this for our farms.

I would encourage Senator Hoffmann and others of like mind on the other side of the aisle who represent large farming communities -- I do not -- but I would encourage them to back this amendment because this is something we can proudly say we've given farmers tax relief which will reduce their cost, make them more competitive and maybe reduce the price

of food in New York State.

Thank you, Mr. President.

ACTING PRESIDENT KUHL: Senator Lachman, on the amendment.

SENATOR LACHMAN: As one who represents a large farming community in Brooklyn, I would also urge my colleagues to support Senator Hoffmann on this amendment to the legislation.

William Jennings Bryan once said that if we don't support the small farmers in the nation, grass will grow in the streets of the urban centers where they were formerly concrete, not the grass that we want but weeds as well as grass and we need to support small farmers in our state and it's an excellent amendment, and I add my voice in the chorus of support.

ACTING PRESIDENT KUHL: Any other Senator wishing to speak on the amendment?

(There was no response.)

The question is on the amendment. All those in favor of the amendment signify by saying aye.

Senator Paterson, why do you

rise?

SENATOR PATERSON: This is such an excellent idea, I would like to call for a bipartisan vote.

SENATOR SKELOS: Party vote in the negative.

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

(The Secretary called the roll.)

THE SECRETARY: Ayes 24, nays 34. Party vote.

ACTING PRESIDENT KUHL: The amendment is lost.

Any member wishing to speak on the bill?

(There was no response.)

The Secretary will read the last section.

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

SENATOR LEICHTER: Just a second, Mr. President.

ACTING PRESIDENT KUHL: Senator Leichter.

SENATOR LEICHTER: Is this the

bill?

SENATOR ONORATO: This is the bill itself.

SENATOR LEICHTER: Yes. If I may -- if I may be heard on the bill, Mr. President.

ACTING PRESIDENT KUHL: Senator Leichter, on the main bill.

SENATOR LEICHTER: Yeah. Mr. President, there seems to be something about the Majority that leads to a lack of reality in their statements and their comments, and I think the higher up you go in the feeding chain, somehow the more unreal the statements become.

I walked in the chamber and I heard the Majority Leader talk about the state has been turned around. The state is doing wonderfully. It's beautiful. I thought, What's he talking about, California, or is he talking about any of the other 46 states that are doing better than New York State? Where has this state been turned around? Maybe turned upside down, but if he's saying that our economy is good, that we're doing better than other states, he's absolutely totally completely wrong.

I mean, there's a certain amount of hype in our statements -- and I certainly plead guilty to it -- and you can disagree on policy but you can't disagree on things like unemployment numbers and job growth.

Just last Friday, New York Times, March 20th, 1988, headline "Unemployment Rate Rises in New York." Let me read. "The unemployment rates in New York City and the state continued to rise in February, state labor officials reported yesterday. The statewide unemployment rate last month was 6.8 percent, up from 6.6 percent in January." The article continues and concludes, "New York's jobless rate was still well above the national unemployment level of 5.0 percent, down by 0.2 percentage points since January" and today in the New York Post, an article "Bond Analyst Publishes Warning on New York Economy." I'm going to read you a little bit of that. Quote, "A nationally known expert on state budgets is downplaying Governor Pataki's tax cutting efforts in warning of dangerous times ahead for New York's economy. Al Hove, former state budget director in Ohio and Illinois and the

editor/writer of the widely respected State Budget and Tax News Newsletter presents a scathing analysis of the state's fiscal conditions in a current special report on New York. Hove calls the outlook for New York's economy poor, despite the ongoing boom in New York City Metropolitan area and declares, 'Forecast based on trends suggests the state's economic situation will continue to deteriorate relative to most other states.'"

I say to you, my colleagues, there is no grounds, basis or justification for the tax cuts that we are doing today and the tax cut offered by the Majority is downright irresponsible and it's because of proposals like Senator Bruno put forward that this state has the worst -- the worst bond rating tied for last with Louisiana with the masters of gimmickry. There used to be a time -- I was in this chamber -- while there were strong philosophical differences, at least there were true fiscal conservatives here, people who believe in being fiscally prudent, maybe to my mind at times overly so. Now we have fiscal irresponsibility led by the Majority and here again today we have

a tax cut which is so heavily backloaded so that down the road this tax cut is going to cost $1,248,000,000. Where is the money coming from, Senator Bruno? Where do you expect to pay for that?

Right now the projection is for this state to have a budget deficit amounting to billions of dollars as we go into the year 2000. The only reason -- the only reason that we're not in fiscal straits this year is because of the unusual numbers of Wall Street and every expert tells us that Wall Street cannot continue this impressive rise in the Dow Jones and the profits that have been made at Wall Street cannot continue. That's obvious because, I think it was Paul Volcker pointed out on a news report I saw, that if the Dow continued to rise as it is, in a few years it would have to be at 20,000. I think all of us appreciate, understand that that's not possible.

Now, maybe the Majority in its fiscal flights of fancy maybe believes that it was George Pataki that's responsible for this boom in Wall Street, not Arthur Greenspan. No. Arthur Greenspan had nothing to do with it. It

was George Pataki, if you listen to the Majority.

If some people think that bringing down the deficit -- or actually leading now to a nationally balanced budget, sound fiscal policy on the national level, was that what created the boom in Wall Street? No. It was George Pataki and his tax cuts. Obviously the folly of that is so evident that I don't think we need to pursue this. Clearly, we have been lucky in this state as far as Wall Street is concerned but that luck cannot continue and we can't continue to spend money that we know in future years we're not going to have.

Let me just say that when you look at the state's economy and you take a look at the job situation in this state and you compared where we stand in regard to other states, it shows you how the tax cutting policies in this state have been so ineffective.

Take a look. New York has a job growth rate between January '95 and January 1988 that was 2.7 percent. That's what you're bragging about, Senator Bruno. New Jersey had

five percent; Connecticut, 5.1 percent; Massachusetts, 7.5 percent; New Hampshire, 8.0; Vermont, 4.3; Maine, 4.2. Even little Rhode Island did better than New York State at 3 percent.

How can we be satisfied with what we're doing in New York? There's a national expansion going on. We're coming out of the recession of the early '90s. New York job growth should be many times higher than it is. We should be doing what the rest of the nation is. Clearly the economic policies being pursued in this state have not worked.

I'll tell you what the economic program and the tax cutting has achieved, is that New York State ranks number one. We're the best in the nation in economic disparity, in the disparity between the wealthy and most of the population in this state. Certainly working people, the middle class, people of moderate income have not benefited from these tax cuts and we've not seen the spur in job growth. On the contrary, upstate New York is facing extremely difficult times and one of the reasons is because the monies that we do have available,

that we could reasonably and sensibly use for job growth we're squandering away in these ad hoc giveaways to business and into tax cuts that don't spur the economy.

There are taxes that we ought to get rid of and which should reduce. Gross receipts tax ought to be totally eliminated. There are bad taxes. There are even taxes that are reduced in the Majority program that I think that makes sense, but if you look at overall and you look at the cost, it's irresponsible. Probably nothing is more irresponsible, more foolish than the $50 million tax cut which is given to the financial industry. That's being done through the investment tax credit.

Now, the investment tax credit exists in this state for manufacturers. It almost totally goes to the largest corporations in the state that have all been downsizing. We give every year millions and millions of dollars in tax breaks to GE, Kodak, IBM, to some extent. These are all the corporations that have been downsizing, that don't create jobs, that are cutting jobs in New York State. Why in God's name would you reward these companies?

Now, under the Majority proposal, we're going to make these tax credits available to the financial industry which had enormous profits, enormous profits. If there's one industry in this state that doesn't need the help of the taxpayers, we don't have to reach into the pockets of Mr. Taxpayer to support Merrill Lynch or Bear Stearns or Salomon and Smith Barney. It doesn't make sense. It makes absolutely no sense whatsoever and particularly to do the investment tax credit and the idea that in some way that this is going to save back office jobs, where is your report? Where is your study that shows that that would have any effect whatsoever? It wouldn't. It's a total complete, absolute senseless, worthless, valueless giveaway, and the Majority proposal is rife with these sort of tax benefits that provide really no assistance and help to the average New Yorker.

I think the time has come when - maybe it came a long time ago but it's never too late -- when we've got to display some fiscal responsibility and some economic sense. This tax cut clearly does not. Maybe you can go to

the voters. Maybe you can fool the voters and you can be in an upstate area that has a nine, ten percent or eleven percent unemployment and say, I gave you a tax cut, but when they find out that you gave a tax cut to Merrill Lynch and to other companies that had record profits in earnings, I don't know what they're going to say, but I suspect they're going to say you people have lost your marbles, and I think we have a chance and a possibility of crafting an effective job growth type of tax program. This one clearly is not.

We also have the opportunity this year to take that surplus and use some of it to meet what we know are going to be shortfalls in the coming years and there's going to be demands on education, demands on social services, that we're going to be incapable of paying because we voted this sort of a tax cut. We shouldn't do it. It's irresponsible.

ACTING PRESIDENT KUHL: Senator Bruno, to close debate.

SENATOR BRUNO: Thank you, Mr. President.

I've listened with great

interest, Mr. President, to my colleagues, found the amendments very worthwhile, and in terms of priority, we feel that the package that we have introduced is the way to go, and we do think that it will be a productive and helpful way for us to grow.

I don't want to prolong debate except to say that Senator Leichter just pointed out, one minute, what was necessary, but you pointed out exactly why we have to do the things that we are doing here today and why we should be supporting this tax cut proposal. You quoted Al Hove, I believe, Al Hove who was budget director, I believe for Ohio and Illinois. If you read that article and passed it out, that article justifies everything that we have been doing because the conclusion was in that article that New York State is lagging because we still spend too much and tax too much. That was the drift and the gist of that article, so I just correct that for the record.

So what we're doing here is intended to make us more competitive. You rattled off six or eight or ten states that are doing better than we. Again, thank you. That's

the point that we're making. Every one of those states per capita pay less taxes than we in New York State and spend less per capita, and that's why we should support what we have before us. You talk about, for an example, the alternative minimum tax as not the way to go.

I would just point out one company, Kodak, one of the major employers in New York State who would benefit greatly, yes, from that. Why do they need it? They need it because Fuji, a Japanese company, has cut into their market in an unconscionable way because they are totally subsidized by the government of Japan and they are then able to come into this country and locate in Virginia and continue to take Kodak's market forcing them to downsize.

You sit there and say, this is the way it ought to be. There's nothing that we could do to help companies. We should try to be competitive. Let them all move to Japan and to Europe and to Virginia, and then I'd like to ask people that talk like that -- and we talked about irresponsible, when people talk like that I'd like to ask them: Where will the revenue come from for the schools, for the welfare, for

the Medicaid, for the roads, for the bridges? Where will the revenue come from?

Do we print money in New York State? No. Does it come from trees? No. Is there manna in the heavens somewhere? No. It comes from people who work. It comes from companies who create profits and, if we aren't responsible enough to understand that if we don't keep people working in this state, being competitive in this state, then this state cannot regain its place as the Empire State.

So I want to thank my colleague on the other side of the aisle for helping us make the case, Mr. President, on why this tax package is critical to continue to move the economy of this state forward.

Thank you.

ACTING PRESIDENT KUHL: Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT KUHL: Record

the negatives. Announce the results.

THE SECRETARY: Ayes 58, nays one, Senator Leichter recorded in the negative.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos, what's your pleasure?

SENATOR PATERSON: Explanation.

SENATOR SKELOS: Senator Paterson, are you asking for an explanation of why he recognized me?

SENATOR PATERSON: No, I was just being foresighted and thinking ahead.

SENATOR SKELOS: Mr. President, we call up Senate 6101-B.

ACTING PRESIDENT KUHL: Secretary will read the title to Senate 6101-B.

THE SECRETARY: Calendar Number 434, Budget Bill, Senate Print 6101-B, an act making appropriation for the legal requirements of the state debt service.

ACTING PRESIDENT KUHL: Senator Paterson, now.

SENATOR PATERSON: Explanation.

ACTING PRESIDENT KUHL: Very

good. Very good.

Senator Stafford, an explanation of Calendar Number 6101-B has been requested by Senator Paterson.

SENATOR STAFFORD: Mr. President, I can see that excellent closing of debate on that last bill by the leader kind of threw us out of step, but I think it explained really what this is all about, in fact all of the bills that we're doing here today.

I can see by all the seats near filled to capacity, everyone is sitting on the edge of their chairs, hanging on every word that we do here today. But on a -- I know. The point of the bill we're doing, I understand. I thought I'd open, you know, on the bill what we're doing here, kind of get everyone, you know, feeling warm and fuzzy and then continue.

But on a serious note, Mr. President, this is a debt service bill. We all know what it does. It may lower the debt that this state has. It -- again I would point this out, Mr. President. In this day and age when it's so easy to criticize, anything in extreme is not good. As a matter of fact, anything

overdone is not good, but on the other hand, I would say that the debt that we have in this state represents a rather important industry. It takes part in providing the funding, getting the people to invest, and obviously we have to pay.

I would say, Mr. President, as we debate this bill, I would point out that an increased amount is being put in the reserve according to our program. This is also done by the Governor which is very important.

I can see that Senator Paterson has a question, so I'll yield to Senator Paterson.

ACTING PRESIDENT KUHL: Senator Paterson.

SENATOR PATERSON: Now, Mr. President?

ACTING PRESIDENT KUHL: Now!

SENATOR PATERSON: Mr. President, I don't -- I don't mind being a puppet around here. It's when we let the strings show that it really bothers me.

If Senator Stafford will yield to a question, and I guess he already has.

SENATOR STAFFORD: Yes.

SENATOR PATERSON: Senator, are there any restorations that are made in this piece of legislation either today or later on, or is this just kind of a donor bill?

I also notice that there's no accompanying language for these bills. Is it all going to be put in one bill?

SENATOR STAFFORD: One bill, yes.

SENATOR PATERSON: I'm just unsure about the structure of the bills as presented now. There are a lot of cuts, I see, but just in terms of restorations, have we brought any forth at this point?

SENATOR STAFFORD: Yeah, there are some reestimations, but this, in effect, pays -- provides the funding for the debt and as far as that, any language, that would be included in other bills.

SENATOR PATERSON: Well, actually, I found one restoration; that is the statute for deceased firefighters, but other than that, there really aren't any. O.K. That's -- that's the answer.

Thank you, Mr. President.

ACTING PRESIDENT KUHL: Secretary will read the last section.

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

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

SENATOR DOLLINGER: I'll explain my vote.

ACTING PRESIDENT KUHL: All right.

Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

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

SENATOR DOLLINGER: Mr. President, just so I am sure, this is 6101-B.

ACTING PRESIDENT KUHL: That's right.

SENATOR DOLLINGER: Thank you,

Mr. President.

I'm going to vote against this bill. The pattern of debt in this state continues to gallop out of control and, frankly, this budget will only increase our galloping down the road to increase our debt obligations.

I would point out the short-term debt in this state since we've been under the thumb of a fiscal conservative governor who believed that our debt load was way out of whack, that our short-term debt has risen from $9.6 billion to $12.65 billion, at least to the best of my simple mathematical understanding, a 33 percent increase in short-term debt. If you look at our debt service fund total, it's jumped from $1.6 billion in debt expense to $2.47 billion in debt expense, which again -- I'm not a mathematician -- looks to me like a 50 percent increase in our debt service fund total.

So in this day of fiscal conservativism when we were promised a governor who was going to pay his way and not borrow and end the decade-long practice of borrowing, what's actually happening is we've gone hog-wild on borrowing. We're borrowing. We're more

addicted to it than we ever were. Our short-term debt has increased, cost has increased at a cost to the taxpayers of this state of substantially more money. The cost in debt service fund alone has gone up $800 million in the term of this Governor. That's $800 million that we're using to pay for things that we've already bought, already spent, already enjoyed.

It's a bad idea. I voted against back-door borrowing. I'll continue to vote against the debt. The debt load is way out of control. This budget just increases that debt load. It's a bad idea.

ACTING PRESIDENT KUHL: Senator Dollinger will be recorded in the negative. Announce the results.

THE SECRETARY: Ayes 58, nays one, Senator Dollinger recorded in the negative.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos. One moment. Senator Skelos.

SENATOR SKELOS: Mr. President,

would you please call up Senate 6102-B.

ACTING PRESIDENT KUHL: Secretary will read the title, excuse me, Senate Bill 6102-B.

THE SECRETARY: Calendar Number 435, Budget Bill, Senate Print 6102-B, an act making appropriations for the support of government.

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

SENATOR DOLLINGER: Mr. President, I believe there's an amendment at the desk. I'd ask to waive its reading, have it considered by the house.

ACTING PRESIDENT KUHL: Senator Dollinger, I have two amendments at the desk. Which one would you like to take up first?

SENATOR DOLLINGER: This one deals with the Alcoholic Beverage Control Commission. 6102.

ACTING PRESIDENT KUHL: Senator Dollinger, our trouble is that normally the bills are marked up and they are replete with amendments proposed in accordance with the rules, and in looking at the rules it appears

that your amendment is deficient, but with the good graces of the Acting Majority Leader, he's allowed you to go ahead. I hope you remember that in the future. So I assume it's the one that deals with supplementation of about five different appropriations.

SENATOR DOLLINGER: This one actually deals with just one, Mr. President, deals with the Alcohol Beverage Control.

ACTING PRESIDENT KUHL: A million dollars?

SENATOR DOLLINGER: Yes, Mr. President.

I want to thank the indulgence of the -

ACTING PRESIDENT KUHL: Waive the reading of the proposed amendment.

SENATOR DOLLINGER: I do.

ACTING PRESIDENT KUHL: Offer you the opportunity to explain the amendment.

SENATOR DOLLINGER: I would also like to thank the President and the Deputy Majority Leader for their good graces to allow this to be heard. This is -- to be very brief, it's a million dollars in additional funding for

the Alcoholic Beverage Control Commission to increase enforcement in the western region of New York State.

We have a problem. It's a 19 county region. There are only three inspectors for the Division of Alcoholic Beverage Control. We don't have enough Administrative Law Judges. It's slowed down the Alcoholic Beverage Commission enforcement in the whole region. What this would do, it would end the practice by which you can violate the ABC Laws and spend two or three years before you're adjudicated. It really allows people who are operating in defiance of the law to keep their shops open to continue to sell alcohol illegally.

This would step up and increase, Mr. President, the enforcement of the ABC and I think it's vital to the quality of life in our community.

ACTING PRESIDENT KUHL: Question is on the amendment. All those in favor signify by saying aye.

(Response of "Aye.")

SENATOR PATERSON: Party vote in the affirmative.

SENATOR SKELOS: Party vote in the negative.

ACTING PRESIDENT KUHL: Secretary will call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT KUHL: Record the party line vote.

THE SECRETARY: Ayes 25, nays 34, party vote.

ACTING PRESIDENT KUHL: The amendment is lost.

Senator Dollinger, on the second amendment.

SENATOR DOLLINGER: Yes, Mr. President. I believe there's a second amendment to 6103-B. It may be difficult.

ACTING PRESIDENT KUHL: We're not on 6103-B. Thank you for bringing that to our attention, Senator Dollinger.

Anybody else wishing to speak on the bill?

Secretary will call the last section.

THE SECRETARY: Section 6. This act shall take effect April 1.

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

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

THE SECRETARY: Ayes 58, nays one, Senator Dollinger recorded in the negative.

ACTING PRESIDENT KUHL: The bull is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, would you please call up Senate 6103-B.

ACTING PRESIDENT KUHL: Secretary will read the title to 6103-B.

THE SECRETARY: Calendar Number 436, Budget Bill, Senate Bill 6103-B, an act making appropriations for the support of government.

ACTING PRESIDENT KUHL: Senator Dollinger.

SENATOR DOLLINGER: Mr. President, I believe in its current form there is also an amendment to this bill at the desk. I understand that the Deputy Majority Leader

will allow it to be heard under the good graces exception, Mr. President, if I could continue to have the indulgence of the house on it.

ACTING PRESIDENT KUHL: The reading is waived. You're now afforded the opportunity of the floor to explain the amendment.

SENATOR DOLLINGER: Thank you, Mr. President.

This too is a relatively simple amendment. This seeks to increase the enforcement under the Agriculture and Markets division. We have a problem in the city of Rochester. I don't think it's unique there, but the problem is we have small grocery stores operating in contravention of the Agriculture and Markets Law. They are routinely fined; they are routinely disciplined. It takes years, literally years, for those fines to play out. These stores in the city of Rochester operate as fronts for drug operations, for gun operations. They sell old stale food. They have, at times, had rodent infestation problems.

This will give a million dollars to increase the enforcement of the Agriculture

and Markets to allow communities in our poorer neighborhoods to have better quality food stores, ones that run legitimate operations and sell fresh food, provide access to proper food, and end what appears to be the tyrrany of illicit and improper sales of food in our urban communities.

It's important for the city of Rochester. The city supports it. I would ask my colleagues to join in. It would improve the quality of life in our poorest neighborhoods, and it's needed.

Thank you, Mr. President.

ACTING PRESIDENT KUHL: 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.

Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

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

THE SECRETARY: Ayes 58, nays one, Senator Leichter recorded in the negative.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Mr. President, would you please call up 6104-B.

ACTING PRESIDENT KUHL: Secretary will read the title to Calendar -- excuse me, Senate Print 6104-B.

THE SECRETARY: Calendar Number 437, Budget Bill, Senate Print 6104-B, an act making appropriations for the support of government.

SENATOR PATERSON: Explanation.

ACTING PRESIDENT KUHL: Senator Stafford, an explanation of Senate Print 6104-B has been requested.

SENATOR STAFFORD: Mr. President, this is the public protection, health and mental

hygiene portion of the budget, all very, very important.

This part of the budget increases spending in all of these funds by 683.3 million below what was originally suggested and sent to us. This decline is attributed primarily to lower Medicaid expenditures, increases for additional spending in criminal justice of 13.2 million and increased spending in mental hygiene by 14.17 -- or 14.7 million.

We estimate that the state's share of Medicaid spending will be 223 million below what was originally projected. The original projection was 5.68 billion for fiscal year '98-99. The state's share, we estimate, also results in reduced federal Medicaid spending of 446.5 million, for a total all funds spending reduction in this area as we mentioned, of 669.5 million in fiscal year '98-99.

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

SENATOR OPPENHEIMER: Mr. President, do you have an amendment, I believe, at the desk? I'd like to waive its reading, ask -- if it should be at the desk.

ACTING PRESIDENT KUHL: Senator Oppenheimer, is this the amendment dealing with school-based health programs?

SENATOR OPPENHEIMER: No, that's my colleague, Senator Montgomery. It deals with community beds for OMR/DD.

ACTING PRESIDENT KUHL: Community-based residential opportunities, that's what your amendment is concerned with?

SENATOR OPPENHEIMER: Yes.

ACTING PRESIDENT KUHL: The reason I'm having the problem, Senator Oppenheimer, is the same problem that Senator Dollinger just had and that is the rules require that a copy of the -- requires that a copy of the bill marked up and the desk doesn't have that, so the amendment is deficient, so the rules provide for you offering it and sending it up, but the Majority Leader has allowed you to go ahead and proceed as long as it's not construed as a waiver of the rules in future proceedings.

So with that in mind, the reading of the amendment which it is very difficult to determine what it is, is permitted and you are

now permitted to explain it.

SENATOR OPPENHEIMER: Lordy me, I wouldn't want to do anything in contravention of the rules of this chamber, and I do thank Senator Skelos.

This is an amendment, and I must say it's a very heartfelt request. The amendment would seek to increase by $6 million the total number of OMR/DD beds that are scheduled to be developed in the coming year in this budget. The Governor's budget had $25.1 million for OMR/DD beds, and that would probably bring forth about 867 new beds, and the Assembly's budget calls for an additional $7.5 million for 500 new beds, and that would be - well, actually 500 community beds and that's the state beds, then 260 not-for-profit beds, and 107 for those people who are leaving the institutions.

The Senate budget has in it only an additional $2 million dollars, and so what my amendment would do is, I seek to bring the amount up to the amount that is in the Assembly budget which is, my amendment says, an additional $6 million and that would bring it up

to the amount that the Assembly has put in their budget.

Why -- why am I doing this? I can't imagine that my community is that different from other communities. We have such a serious need for beds, not only this relates to OMR/DD but it also in this -- this amendment, OMH beds are also needed. We have literally, in my Senate District alone, we have well over 150 people in crisis needing beds immediately.

We have not been putting in the number of beds through the past several years for those of our citizens who require beds under OMR/DD. These are developmentally disabled. They are our immediate family, our friends, our neighbors. In many instances, their parents have done the very best they could in caring for them in their home and now in many instances in my community -- I say it cannot be that different from other communities -- these parents are dying and they are getting too old to take care of these children of theirs.

We have in the last three weeks five children, mind you, the children are now in their 50s and 60s in many instances, 40s, their

parents in this case, the last surviving parent died. We have five people who have no place to go. We have made a term called the "bathtub" folks. There's no place for them to go. They are living either on the street, in shelters, or almost in friends' and neighbors' bathtubs.

This is really an outrage in our society. We can afford to take care of -- of those who can not take care of themselves, and whose parents are no longer capable of taking care of themselves. It is a very urgent matter in my community, and I can only reiterate that it must be happening in other communities too. We have to take care of our disabled.

I urge the passage of this amendment.

ACTING PRESIDENT KUHL: Question is on the amendment. All those in favor signify by saying aye.

(Response of "Aye.")

SENATOR STACHOWSKI: Party vote.

ACTING PRESIDENT KUHL: Secretary will call the roll, record the party line votes, announce the results.

(The Secretary called the roll.)

THE SECRETARY: Ayes 25, nays 34, party line vote.

ACTING PRESIDENT KUHL: The amendment is lost.

The Chair recognizes Senator Kruger for the purposes of an amendment.

SENATOR KRUGER: Mr. President, I believe I have an amendment at the desk. I would ask that the reading be waived and discuss the amendment.

ACTING PRESIDENT KUHL: The circumstances surrounding the amendment are the same, I believe.

SENATOR KRUGER: I suppose I'm deficient also. That's my middle name.

ACTING PRESIDENT KUHL: No, Senator Kruger, the Chair compliments you on, there is a bill attached, you're not deficient.

SENATOR KRUGER: Maybe I'm not deficient, but there's still an amendment.

ACTING PRESIDENT KUHL: The amendment is at the desk. It's moved to the floor, the reading is waived and you're recognized to explain the amendment.

SENATOR KRUGER: Mr. President,

the amendment that I've offered to this bill allows us to deliver on a promise, a promise that we made in 1992, in 1993, in 1994, in 1995 and in 1996. We said to the senior citizen that we would deliver when we had the funds available an enhanced EPIC program, a program that would take $19 million and place it back into the system, a program that would take its 96,000 current participants and allow another 8,000 participants to join the program, an enhancement that would reduce a co-pay, that would lower a deductible, that would remove and enhance a premium program and would raise -- and would lower an enrollment fee to $10.

At the same time, we would take that indigent senior citizen who currently their threshold level is only $10,000 for annual income, and bump them up an additional $1,000. We would take that married couple that currently has a threshold income of $14,000 and bump them up $1,000. As we move towards technology that increases our long effort and improves our quality of life, we have a moral obligation to provide the pharmaceutical drugs and the programs necessary to maintain and to sustain

that quality of life.

This enhanced version of our EPIC program does nothing more than that. This is not a pink pill. It's not a panacea. It's no cure. It's our ability to reach into the system and to say that we are willing to live up to our commitment, that we are willing to live up to our promise, to our promise to the senior citizens in our communities that we will provide the drugs and the medical care for you that you deserve, that you need and that, quite frankly, we can now afford to supply.

So I would ask for the adoption of my amendment. I would ask for the increase of $19.4 million into the EPIC enhanced program, and I would ask for the support of my colleagues in the house.

ACTING PRESIDENT KUHL: Question is on the amendment. Senator Lachman.

SENATOR LACHMAN: I just want to commend my colleague on the amendment dealing with EPIC. He's to be applauded. People in the twilight of their lives deserve to have a piece of the increased pie that society gets in general. This does not mean that business and

corporations should not get a piece of that pie. They should, but it should be distributed to all in our society, especially those who are most vulnerable, not only the seniors, but the aging seniors, and there was an article in today's New York Times about people now who are in their 70s and 80s and beyond who are in desperate need of care and health facilities as well as pharmaceuticals that this amendment will provide, and I'm proud to support my colleague in this endeavor.

Thank you.

ACTING PRESIDENT KUHL: Question is on the amendment. All those in favor signify by saying aye.

(Response of "Aye.")

SENATOR STACHOWSKI: Party vote.

ACTING PRESIDENT KUHL: Secretary will call the roll, record the party line votes, announce the results.

(The Secretary called the roll.)

THE SECRETARY: Ayes 25, nays 34, party vote.

ACTING PRESIDENT KUHL: Amendment is lost.

Chair recognizes Senator Montgomery, for the purposes of an amendment.

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

My amendment is to simply attempt to remind my colleagues on both sides of the aisle that we are in danger of losing an extremely important program and for certain we have omitted an opportunity to expand that program so that we can get many more children, especially adolescents, into preventive health primary health care, and that is school-based health clinics.

I have before me a list, it's a fairly comprehensive list of those Senators who are particularly going to be impacted by the loss of very important school-based health clinics: Senator Seward is in danger of losing at least three centers, and I'm assuming that it's Senator Seward who represents Otsego County. Forgive me if I'm wrong. I know that Senator Cook is going to lose centers. Senator Johnson is going to lose. Senator Volker is going to lose. Senator Libous is going to lose. Senator Stachowski is going to lose.

These -- these programs are the primary source of preventive health care for those young people who are in them. Senator Stafford is going to lose big. He has a number in his district. I know that Senator Stafford didn't realize that, else he would have been on the case. Senator Spano is going to lose. In addition, to those who are going to lose possibly primary health care, there are many others who don't have any at all. Senator Balboni, I know that he's a freshman, but nonetheless he deserves to have primary health -- school-based health clinics in his district.

I would like to have school-based health in my district. Senator Marchi is going to lose one if we don't make -- correct this oversight. So -- and there are many, many others who are either going to lose or those of us who don't have school-based health, particularly those programs that serve adolescents and children.

This is a program that is extremely cost-effective. I believe that Senator Volker is one of the fathers of this program, if you -- if you can refer to him as

that, because he was really one of the people who carried this legislation on our side of the aisle when it first -- when we first began to invest state dollars in it back in 1978, I believe.

We've now gotten to the point where we are serving 140,000 children and adolescents last year, and we only were -- had to put in the state funds a very small amount of money. We're talking about approximately $6 million of state funding and that state funding was able to be matched with federal funding, and a combination of mental health funds. We put some mental health funding in so that these clinics offer mental health services to young people right in the school.

So we have developed for ourselves in this state a model. We are now for once in this particular category, school-based health, we're number one in the country, but we're going to lose that position. We're losing ground because we have not established a funding stream to make sure that those school-based health clinics survive, nor have we put money into our budget so that we can expand the number

of clinics to provide more children.

What does this mean to us? It means, Mr. President, that we will not be able to take advantage of the Child Health Plus funding that will be coming to our state, because we will not have the capacity to provide important services to young people where they are and that is in their schools; and so I'm asking Senator Stafford, Senator Bruno -- I think Senator Bruno needs a school-based health clinic in his district, and Senator Marcellino and Senator Wright and Senator Farley, whether you will -- Senator Cook is also one person who is going to lose a school-based health clinic.

So this really is an urgency for us. It's an urgent plea to my colleagues who have put this budget together absent an expansion of school-based health funding to say, let's do that because it's so important. It's so simple, and I got my -- my amendment says, let's put an additional $11 million in so that we can expand that program and that we can also strengthen what we have, to be in a much better position to take advantage of the federal monies that will be coming in for Child Health Plus.

Thank you.

ACTING PRESIDENT KUHL: Senator Waldon, on the amendment.

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

Last week, Miss Lynn Johnson, a registered nurse who's in charge of the school-based programs in the Rockaways in the district I represent, came to visit with me, and to speak to the importance of the school-based health clinic. She explained to me the number of visits per year by the children in those schools. She cited for me the types of illnesses and situations brought to she and to her colleagues, her subordinates. She advised me of the absolute inability of many of these children to receive any form of health care other than that provided by the school-based clinic.

For all of those reasons, I think it is absolutely mandatory that we support the amendment as submitted for our consideration by the esteemed Senator from Brooklyn, Velmanette Montgomery. It is right not only to maintain the programs at their current level but to

expand their ability to reach children who otherwise will not receive adequate health care.

This is not a place for just those that are afflicted. This is not a place for just those who are the rich. This is a nation and a state, especially New York State, for all kinds of people from all stripes and all socio-economic levels, and I don't think we want on our conscience that there will be a child somewhere sick and in a state of destitute - desperation because we made the wrong decision, that there will be a child who will have an illness and will be ashamed to come to school because they will not be able to have that illness treated; there will be a parent who is worrying, What do I do about this particular health crisis for my child? I have no money, I have no health care. I don't have the ability to provide for my children. We can take care of that. We could ease that mind, assuage that pain, and make everything all right in the morning by supporting Senator Velmanette Montgomery's amendment.

I encourage all of us to do the

right thing and support the amendment.

Thank you very much, Mr. President.

ACTING PRESIDENT KUHL: Senator Oppenheimer, on the amendment.

SENATOR OPPENHEIMER: I'll share with you some information I got from a conference I was at two or three weeks ago, maybe a month ago, in South Carolina and it concerned implementing the state child health insurance program which is the federal program that will entail hundreds of millions of dollars coming from the federal government down to the state for the purpose of implementing a broad child health insurance program.

One of the concerns was that, even though you have the insurance in place, if the family doesn't know where the clinic is or the hospital is or doesn't have the transportation money to get them there, then it's no use having the insurance because the child isn't going to benefit by getting the necessary care, the preventive care and also the care when the child is sick.

There then was a discussion about

the kind of money necessary to put in which would be utilized just for transporting of the families to the health clinics. It seemed to me, and I stood up and I spoke at this national conference, that were the children health clinics right in the school, the whole subject of multiples of million dollars transporting these children from their homes to the clinic would not be necessary and, therefore, all that money could go to improve the health of the children and they would be taken care of right where we hope they always will be, in school.

So it was something that I think received a fair amount of attention by the conference, and I think it is certainly a farsighted way for us to go, instead of utilizing the federal monies which are for children's health just to transport, to get them to the clinics. Here they can enjoy the best care right where they are at school.

I urge that we support this amendment.

ACTING PRESIDENT KUHL: Senator Dollinger, on the amendment.

SENATOR DOLLINGER: Thank you,

Mr. President.

I'll be very brief. There's an ad that's currently running through upstate New York that features a voice, a -- I would say a distinctive voice, but it wasn't uttered very often in this chamber. The gentleman who used to sit right over there, I believe, right next to Senator Rath and his voice is heard saying Child Health Plus is a wonderful thing. It's available for every New Yorker. When he was here, all he said was, "I'm not going to vote for this budget, spending too much." You remember that guy. He now keeps an office down on the second floor, downstairs, but he talks about Child Health Plus. Says it's a wonderful thing, everybody should be in it, and the one thing he doesn't say is, I think, what Senator Montgomery's amendment is designed to do. He doesn't say it's available at the nearest retail outlet. Where is the nearest retail outlet for little kids? Schools.

Why don't we take what is such a good idea that the Governor is out pressing through the air waves in his own little monotone voice, why don't we take it and simply put it in

the schools where it can do its best, where we can get the return that we all want, more kids covered by insurance, getting health care. Give it to them in their school.

This amendment will help us do that.

ACTING PRESIDENT KUHL: Question is on the amendment. All those in favor signify by saying aye.

(Response of "Aye.")

Opposed nay.

SENATOR STACHOWSKI: Party vote in the affirmative.

ACTING PRESIDENT KUHL: Secretary will call the roll, record the party line vote and announce the results.

(The Secretary called the roll.)

THE SECRETARY: Ayes 24, nays 35, party vote.

ACTING PRESIDENT KUHL: The amendment is lost.

Senator Leichter.

SENATOR LEICHTER: Mr. President, unfortunately, an amendment which I was going to propose did not get drafted in time. I know

you've been very lenient today but I was going to do a soft "Harvey" and hand up an imaginary amendment, but let me at least say what the amendment would have done and what I think is a real failure in this bill before us.

One of the most successful programs that we've had in New York State, or New York City, has been the New York/New York program to build housing for mentally ill homeless people. It took many people off the streets, people most in need in our society, those who suffered from a mental disability, and yet did not have the means to take care of themselves. They've been turned out of state hospitals. Many of them were sleeping on the streets of our cities. They were creating problems, people who in a proper setting could and do live very productive and good lives, and we created, I believe, as many as 20,000 beds for these people. They're more than beds. We really created homes for them.

Unfortunately, that program expired, and the state of New York has been unwilling to invest in this program to provide help for these most needy in our society. I

believe the Governor's budget calls for some 900 beds. What we really need is about 20,000 beds.

Now, the city of New York is willing to put up its share. I think we're talking of maybe some $15 million which would be the state's contribution, maybe even less than that. It's really something we should do. When you take a look at the budget that's presented before us and the budget that we know is going to pass and all the "pork" that's going to be in it and all the waste that's going to be in it and even certain programs that may be hard, you can say are helpful to people, but we've neglected the most needy in our society, people who have been turned out of mental institutions and people who have no place to go.

We really fail in our obligation to these people and it's something that we should be ashamed of, and the amendment that I was going to propose would have provided money for these people. We ought to have this program funded and I hope that when a final budget is agreed to that we'll see money for New York/New York too in it.

Thank you.

ACTING PRESIDENT KUHL: Secretary will read the last section.

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

ACTING PRESIDENT KUHL: Call the roll.

(The Secretary called the roll.)

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

THE SECRETARY: Those recorded in the negative on Calendar Number 437 are Senators Dollinger, Gentile and Leichter. Ayes 56, nays 3.

ACTING PRESIDENT KUHL: The bill is passed.

Senator Skelos.

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

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

SENATOR DOLLINGER: Mr. President, I believe when a vote was taken on Calendar Number 6102-B, although I was present in the chamber, I was occupied in discussion. I

just simply ask for unanimous consent to change my vote from yea to nay on that vote, Mr. President.

ACTING PRESIDENT KUHL: Without objection, hearing no objection, Senator Dollinger will be recorded in the negative on Calendar Number 6102-B.

Senator Skelos, we do have one substitution.

SENATOR SKELOS: Please take the substitution.

ACTING PRESIDENT KUHL: Secretary will read the substitution.

SENATOR MENDEZ: Mr. President.

THE SECRETARY: On page 13, Senator DeFrancisco moves to discharge from the Committee on Judiciary Assembly Print 8094-A and substitute it for the identical Third Reading Calendar 323.

ACTING PRESIDENT KUHL: Substitution is ordered.

Senator Mendez.

SENATOR MENDEZ: Mr. President, I move that the following bill, Senate 6533-B, be discharged from its committee and be recommitted

with instructions to strike the enacting clause.

ACTING PRESIDENT KUHL: The enacting clause will be struck and the bill will be recommitted.

SENATOR MENDEZ: Thank you.

ACTING PRESIDENT KUHL: That takes care of the housekeeping, Senator Skelos.

Senator Montgomery.

SENATOR SKELOS: Please recognize Senator Montgomery.

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

SENATOR MONTGOMERY: Thank you, Mr. President. I would like to be recorded in the negative on Calendar Number 6101.

SENATOR SKELOS: No objection.

ACTING PRESIDENT KUHL: Without objection, hearing no objection, Senator Montgomery will be recorded in the negative on Senate Print 6101.

SENATOR SKELOS: Mr. President, on behalf of Senator Bruno, I hand up the following committee changes and ask that it be filed.

ACTING PRESIDENT KUHL: Changes will be filed in the Journal.

SENATOR SKELOS: Is there any further housekeeping?

Would you recognize Senator Abate.

ACTING PRESIDENT KUHL: Chair recognizes Senator Abate.

SENATOR ABATE: Yes. I move to discharge from the Insurance Committee Senate Bill Number 2887.

ACTING PRESIDENT KUHL: Secretary will read the title.

THE SECRETARY: Senate Print 2887, by Senator Abate, an act to amend the Insurance Law.

ACTING PRESIDENT KUHL: Chair recognizes Senator Abate, on the motion to discharge.

SENATOR ABATE: Yes. I would like the opportunity to explain the motion to discharge.

What I'm moving to discharge is a legislation affecting the parent -- Patient Fair Appeals Act. Last year, I did a similar motion

to discharge, and regrettably that motion failed along party lines. I hope, although it's late in the day, we'll seriously consider the import of this bill, and look at what good it would do for so many people throughout this state, and for a moment in this chamber let's put politics aside and do what's in the best interests of the people and put people first.

I believe that, if this bill came to the floor, each and every one of us would vote our conscience and that this bill would pass overwhelmingly, and what this bill does is what we always talked about as we move toward managed care, and we do know that managed care, if it's done correctly, will make sure that health care becomes affordable to people, but if we do not put checks and balances in place and managed care and the HMOs and the insurance companies put profits over people, then we don't have managed care. We will have managing us.

And so what this bill does, it's just a brief bill that focuses on one part of the problem. It says when an individual is in need of investigative drugs or devices or treatment or experimental drugs, devices or

treatment, that there are safeguards in place to make sure that people get the needed care available to them.

So what this bill does is, it sets up uniform standards for such care. It says that, if it's frivolous, the care would be not reimbursed. If it's alternative methods that are just as good and not as costly, they would be reimbursed and not the experimental or investigative treatment. It also says -- and this is very important -- that if a doctor recommends the treatment, that the HMO or the managed care companies or the insurance company says no because they're concerned with the - about the bottom line, that there's an opportunity for the patient to say, "I want to appeal this decision. My doctor says I need it to save my life, to reduce my pain," and that patient should have the opportunity to have that decision reviewed by an independent panel of experts, that panel developed by the Insurance Department working with the Health Department. These are experts that will independently review that decision and make a decision that's in the best interests of that patient.

This makes sense. This makes common sense. It's good public policy. Now, many people say we can't do it because of the cost. Well, if you look at the studies and where this bill has been enacted in states around the country, it has not increased cost. The costs are less than one half of a percent, and if you look at the recent Memorial Sloan-Kettering Hospital report, they say it reduces costs, because those individuals that have the opportunity to get these treatments receive fewer re-admissions, less time spent in the hospital, and hospital stays reduced. So the total cost incurred for each patient, because of these trials, is less than if those trials were not available to the patient.

Now, this is one of the first times in history where you have a medical profession, doctors and patients, agreeing that not only is this good for health care, but that today's experiment becomes tomorrow's cure. If you were to eradicate the availability of patients to this -- these cures, to these experimental drugs and treatment, we would not have cures for cancer, for multiple sclerosis or

for AIDS. We are dependent in the medical profession on these experimental, investigative treatments so that we have the cures tomorrow.

And lastly, I have heard from so many people, particularly the elderly, who are left with untenable choices. Do they use up all their savings, the little savings they have to live on so they can get these treatments, or do they forego those treatments and then shorten their lives? We should not allow people in the state to have to make those kinds of choices. So I ask you all again to put politics aside and join all the numbers of organizations around the state supporting this bill, and let me just read some of the groups that are supporting the bill: International Neighborhood of Teamsters; the AFL-CIO, the New York Labor Religion Coalition, the National Alliance of Breast Cancer Organizations, New York Statewide Senior Action Council, the Multiple Sclerosis Society, the Association of New York State AIDS Community Service Programs, the United Cerebral Palsy of New York State, Cancer Care, Capital District Coalition Support, Citizen Action, Community Health Center Association, and I could go on and

on.

I hope everyone in this chamber on both sides of the aisle vote for this bill. There are too many people not getting treatment today. There are too many people dying because we are not taking appropriate action in this chamber. I ask each of you individually to stand up for what's right for the people of this state and support this bill to discharge.

Thank you.

ACTING PRESIDENT KUHL: Question is on the motion to discharge. All those in favor signify by saying aye.

SENATOR STACHOWSKI: Party vote.

ACTING PRESIDENT KUHL: Secretary will call the roll, record the party line votes, announce the results.

(The Secretary called the roll.)

THE SECRETARY: Ayes 25, nays 34, party vote.

ACTING PRESIDENT KUHL: Motion is defeated.

Senator Skelos.

SENATOR SKELOS: Any other housekeeping at the desk?

ACTING PRESIDENT KUHL: None.

SENATOR SKELOS: There being no further business, I move we adjourn until Tuesday, March 24th, at 3:00 p.m.

ACTING PRESIDENT KUHL: Without objection, the Senate stands adjourned until tomorrow, March 24th, at 3:00 p.m.

(Whereupon at at 5:32 p.m., the Senate adjourned.)