NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

May 30, 2002

3:13 p.m.

REGULAR SESSION

SENATOR RAYMOND A. MEIER, Acting President

STEVEN M. BOGGESS, Secretary

P R O C E E D I N G S

ACTING PRESIDENT MEIER: The Senate will come to order.

May I ask everyone present to please rise and join me in reciting the Pledge of Allegiance to the Flag.

(Whereupon, the assemblage recited the Pledge of Allegiance to the Flag.)

ACTING PRESIDENT MEIER: In the absence of clergy, may we each please bow our heads in a moment of silence.

(Whereupon, the assemblage respected a moment of silence.)

ACTING PRESIDENT MEIER: Reading of the Journal.

THE SECRETARY: In Senate, Wednesday, May 29, the Senate met pursuant to adjournment. The Journal of Tuesday, May 28, was read and approved. On motion, Senate adjourned.

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

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Farley.

SENATOR SKELOS: Mr. President.

SENATOR FARLEY: Thank you -- go ahead. You go.

SENATOR SKELOS: I was going to call a meeting of the Banks Committee. But since you're making the motion, I think we'd better do that.

SENATOR FARLEY: I'll pass these on to someone else.

There's going to be an immediate meeting of the Banks Committee.

ACTING PRESIDENT MEIER: Meeting of the Banks Committee, immediately, in the Majority Conference Room.

Senator Seward.

SENATOR SEWARD: Yes, Mr. President. If we're on motions, I will offer amendments to the following Third Reading

Calendar bills:

By Senator Maltese, on page 8, Calendar Number 160, Senate Print Number 2591B;

By Senator Spano, page 29, Calendar Number 662, Senate Print Number 6228;

By Senator Marcellino, on page 35, Calendar Number 768, Senate Print Number 7094;

By Senator Rath, on page 38, Calendar Number 813, Senate Print Number 3819;

By Senator Stafford, on page 38, Calendar Number 814, Senate Print Number 3820;

By Senator Morahan, on page 40, Calendar Number 840, Senate Print Number 6182B;

By Senator Skelos, on page 53, Calendar Number 1029, Senate Print Number 7153;

By Senator Larkin, on page 57, Calendar Number 1085, Senate Print Number 5325;

By Senator Skelos, on page 57, Calendar Number 1092, Senate Print Number 6633;

Also by Senator Skelos, on page 57,

Calendar Number 1093, Senate Print Number 6634;

And finally, Mr. President, by Senator Nozzolio, on page 59, Calendar Number 1114, Senate Print Number 7196.

I now offer that these bills retain their place on the order of third reading, Mr. President.

ACTING PRESIDENT MEIER: The amendments are received and adopted, and the bills will retain their place on the Third Reading Calendar.

Senator Spano.

SENATOR SPANO: Mr. President, I wish to call up the following Senate bills, which have been recalled from the Assembly and are now at the desk.

ACTING PRESIDENT MEIER: The Secretary will read.

THE SECRETARY: Calendar Number 274, by Senator Marcellino, Senate Print 4754A, an act to amend the Navigation Law.

ACTING PRESIDENT MEIER: Call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 37.

SENATOR SPANO: Do you want to read the entire list, Mr. President?

ACTING PRESIDENT MEIER: The Secretary will read.

THE SECRETARY: Calendar Number 322, by Senator Rath, Senate Print 6048, an act to amend the General Municipal Law.

Calendar Number 330, by Senator Trunzo, Senate Print 5027, an act to amend the Public Authorities Law.

Calendar Number 339, by Senator Balboni, Senate Print 850A, an act to amend the Family Court Act.

Calendar Number 537, by Senator Morahan, Senate Print 1116, an act to amend the Agriculture and Markets Law.

Calendar Number 586, by Senator Saland, Senate Print 6748, an act creating.

Calendar Number 607, by Senator Volker, Senate Print 2305, an act to amend the Penal Law.

Calendar Number 1229, by Senator Velella, Senate Print 6761, an act to amend the Real Property Tax Law.

Calendar Number 104, by Senator Larkin, Senate Print 2655A, an act to amend the General Municipal Law.

Calendar Number 1014, by Senator Larkin, Senate Print 6221, an act to amend the Real Property Tax Law.

And Calendar Number 149, by Senator Leibell, Senate Print 5082, an act to amend the Highway Law.

SENATOR SPANO: Mr. President, I move that we reconsider the vote by which these bills passed the house.

ACTING PRESIDENT MEIER: The Secretary will, for all the aforementioned bills, call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 37.

ACTING PRESIDENT MEIER: Senator Spano.

SENATOR SPANO: I now offer the following amendments to the bills.

ACTING PRESIDENT MEIER: The amendments are received and adopted.

Senator Dollinger.

SENATOR DOLLINGER: Mr.

President, I wish to call up Calendar Number 674, Assembly Print Number 3672B.

ACTING PRESIDENT MEIER: The Secretary will read.

THE SECRETARY: Calendar Number 674, by Member of the Assembly Perry, Assembly Print Number 3672B, an act authorizing the City of New York.

SENATOR DOLLINGER: I now move to reconsider the vote by which this Assembly bill was substituted for my bill -- this is on behalf, by the way, of Senator Sampson.

I now move to reconsider the vote by which this Assembly bill was substituted for my bill, Senate Print Number 1720A, on April 24th.

ACTING PRESIDENT MEIER: Call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 39.

ACTING PRESIDENT MEIER: Senator Dollinger.

SENATOR DOLLINGER: I now move that Assembly Bill Number 3672B be committed to the Committee on Rules and that my Senate

bill be restored to the order of the Third Reading Calendar.

ACTING PRESIDENT MEIER: So ordered.

Senator Dollinger.

SENATOR DOLLINGER: Mr. President, I now offer the following amendments to the bill.

ACTING PRESIDENT MEIER: The amendments are received and adopted.

SENATOR DOLLINGER: Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Skelos.

SENATOR SKELOS: Mr. President, I believe there's one substitution at the desk.

ACTING PRESIDENT MEIER: Yes, there is. Should we do that now?

SENATOR SKELOS: If we could do that at this time.

ACTING PRESIDENT MEIER: The Secretary will read the substitution.

THE SECRETARY: On page 34, Senator DeFrancisco moves to discharge, from the Committee on Energy and

Telecommunications, Assembly Bill Number 1270B and substitute it for the identical Senate Bill Number 579A, Third Reading Calendar 750.

ACTING PRESIDENT MEIER: Substitution ordered.

Senator Skelos.

SENATOR SKELOS: Mr. President, I move that we adopt the Resolution Calendar in its entirety.

ACTING PRESIDENT MEIER: The question is on the adoption of the Resolution Calendar in its entirety. All those in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT MEIER: Those opposed, nay.

(No response.)

ACTING PRESIDENT MEIER: The Resolution Calendar is adopted.

Senator Skelos.

SENATOR SKELOS: Mr. President, if we could go to the noncontroversial calendar.

ACTING PRESIDENT MEIER: The Secretary will read the noncontroversial

calendar.

THE SECRETARY: Calendar Number 117, by Senator Wright, Senate Print 3931A, an act to amend the Executive Law, the State Technology Law, and the State Finance Law.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 39.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 293, by Senator Seward, Senate Print 2810A, an act to amend the Insurance Law, in relation to risk-based capital requirements.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 7. This act shall take effect January 1, 2003.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 38. Nays, 1. Senator Velella recorded in the negative.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 299, by Senator Velella, Senate Print 3813, an act to amend the Executive Law, in relation to the voting members.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 39.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 358, by Senator Hannon, Senate Print 5031, an act to amend Chapter 314 of the Laws of 1984, amending the Public Health Law.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 451, by Senator Saland, Senate Print 5056A, an act to amend the Tax Law, in relation to the filing of certificates.

SENATOR DOLLINGER: Lay that bill aside, please.

ACTING PRESIDENT MEIER: Lay the bill aside.

THE SECRETARY: Calendar Number 559, by Senator Larkin, Senate Print 3403A, an act to amend the General Municipal Law, in relation to providing.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 7. This act shall take effect on the 180th day.

ACTING PRESIDENT MEIER: Call the

roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 563, by Senator Meier, Senate Print 4175, an act to amend the General Municipal Law, in relation to authorizing.

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

Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 569, by Senator Bonacic, Senate Print 5699, an act to amend the Real Property Tax Law, in relation to taxable status.

SENATOR DOLLINGER: Lay it aside,

please.

ACTING PRESIDENT MEIER: Lay the bill aside.

THE SECRETARY: Calendar Number 571, by Senator DeFrancisco, Senate Print 6144, an act to amend Chapter 492 of the Laws of 2000 amending Chapter 679 of the Laws of 1992.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 611, by Senator Balboni, Senate Print 5850A, an act to amend the Penal Law, in relation to disseminating.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 17. This

act shall take effect on the first day of November.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 663, by Member of the Assembly Sweeney, Assembly Print Number 9749, an act to amend Chapter 572 of the Laws of 1994.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 664, by Member of the Assembly Englebright, Assembly Print Number 10018, an act to amend

Chapter 841 of the Laws of 1987.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 787, by Senator LaValle, Senate Print 3181, an act to amend the Real Property Law, in relation to lien of condominium homeowners' association.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 41.

ACTING PRESIDENT MEIER: The bill

is passed.

THE SECRETARY: Calendar Number 824, by Senator Skelos, Senate Print 6386A, an act authorizing the assessor of the County of Nassau.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 42. Nays, 1. Senator Dollinger recorded in the negative.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 845, by Senator Trunzo, Senate Print 6815, an act to amend the Railroad Law, in relation to farm crossings.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 43.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 852, by Senator Nozzolio, Senate Print 7195B, an act to amend the Highway Law, in relation to the designation of the Lake Ontario Wine Trail.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 43.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 970, by Member of the Assembly Schimminger, Assembly Print Number 9980, an act to amend the General Business Law, in relation to

exempting.

SENATOR KUHL: Star the bill.

ACTING PRESIDENT MEIER: Star the bill at the request of the sponsor.

THE SECRETARY: Calendar Number 1011, by Senator Stachowski, Senate Print 2558B, an act to amend the General Municipal Law, in relation to notification.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the 120th day.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 43.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 1015, by Senator Leibell, Senate Print 6366, an act in relation to establishing a period of probable usefulness.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 2. This

act shall take effect immediately.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 43.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 1025, by Senator Wright, Senate Print 6978, an act to amend the Real Property Tax Law, in relation to reducing.

ACTING PRESIDENT MEIER: Read the last section.

SENATOR DOLLINGER: Lay the bill aside, please.

ACTING PRESIDENT MEIER: Lay the bill aside.

THE SECRETARY: Calendar Number 1057, by Senator Alesi, Senate Print 6565, an act to amend the Public Authorities Law, in relation to the power of the New York State Job Development Authority.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 2. This

act shall take effect immediately.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 1096, by Senator Spano, Senate Print 6967, an act to amend the Public Authorities Law, in relation to extending.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 1097, by Senator Fuschillo, Senate Print 7017, an act to amend the Public Authorities Law, in relation to enabling.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 1147, by Senator Volker, Senate Print 6272, an act to amend Chapter 341 of the Laws of 2001.

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

Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number

1212, by Senator Padavan, Senate Print 542, an act to amend the Penal Law, in relation to possession of gambling devices.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 1216, by Senator Kuhl, Senate Print 1788, an act to amend the Tax Law, in relation to including income.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

ACTING PRESIDENT MEIER: The bill is passed.

Senator Skelos, that completes the reading of the noncontroversial calendar.

SENATOR SKELOS: Mr. President, if we could go to the controversial calendar.

ACTING PRESIDENT MEIER: The Secretary will read the controversial calendar.

THE SECRETARY: On page 19, Calendar Number 451, by Senator Saland, Senate Print 5056A, an act to amend the Tax Law, in relation to the filing of certificates.

SENATOR DOLLINGER: Explanation, please.

ACTING PRESIDENT MEIER: Senator Saland, Senator Dollinger has requested an explanation of Calendar 451.

SENATOR SALAND: Thank you, Mr. President.

Mr. President, what this bill would do would be to allow corporations, upon dissolution, to have additional time than is

currently provided, giving them either 90 days or until March 15th of that tax year, whichever would be later.

And the purpose here is primarily to assist smaller corporations which find themselves in a situation in which they dissolve, have no tax liability, and find that they haven't done so in a timely fashion, for which they incur additional charges which could be avoided if they were given a lengthier period of time within which to make those filings.

ACTING PRESIDENT MEIER: Senator Dollinger.

SENATOR DOLLINGER: Through you, Mr. President, if the sponsor will just yield to a question.

ACTING PRESIDENT MEIER: Senator Saland, do you yield for a question?

SENATOR SALAND: Yes, Mr. President.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR DOLLINGER: Senator, what struck me as interesting about this bill, at

least in my own experience, the certificate of dissolution almost never gets filed. What actually happens is these companies sort of go out of existence, their shareholders sort of let the company sit there. Seldom is the actual dissolution process completed.

And so my question is, how many corporations or what kind of impact do you think this measure would have on the assessment of the penalties? And as I think you probably note, in many cases they don't even collect them.

SENATOR SALAND: I would think that the impact would be nominal, because, practically speaking, most corporations just seem to evaporate.

But for those who pursue the law and wish to follow the law and file a certificate of dissolution, it would certainly seem to me to be particularly harsh to punish them for their intended good deeds by following the law, whereas others who don't, you know, have no problem.

SENATOR DOLLINGER: I agree with Senator Saland. I'm going to vote in favor of

this bill.

But that was my only question, was, as you know, most people, when the idea doesn't work, they let the corporate books sit there. I was pawing through one yesterday, Senator Saland, that had the original certificate for the meeting of the shareholders in 1974 and nothing else in it.

So I was just intrigued by how much this -

SENATOR SALAND: I suspect we've both seen more than one corporate kit that's never been opened.

SENATOR DOLLINGER: Absolutely.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: Any other Senator wish to be heard on the bill?

Debate is closed.

Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 48.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 569, by Senator Bonacic, Senate Print 5699, an act to amend the Real Property Tax Law, in relation to taxable status.

SENATOR DOLLINGER: Explanation, please.

SENATOR BONACIC: Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Bonacic.

SENATOR BONACIC: This is an act to amend the Real Property Tax Law, in relation to the taxable status of electric generating facilities and payments in lieu of taxes of electric generating facilities.

The purpose of the bill would be to amend the law to create a local option for local governments to ameliorate any impact of the sale of electric generating facilities on local real property taxes.

Right now, there is existing law which creates this local option for local governments to ameliorate any impact of the

sale of nuclear-powered electric generating facilities on local real property taxes. It does not apply to electric generating facilities.

This legislation would expand it to include electric generating facilities.

ACTING PRESIDENT MEIER: Senator Dollinger.

SENATOR DOLLINGER: Through you, Mr. President, if the sponsor will yield.

ACTING PRESIDENT MEIER: Senator Bonacic, do you yield for a question?

SENATOR BONACIC: I do.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR DOLLINGER: If the plant is sold for significantly less than it's carried on the value of the local assessing unit, is there a requirement in this bill that they enter into a pilot agreement for a stepped-down or a phased-down reduction?

What's the incentive for a property owner, including an electrical generating plant, to enter into an agreement to, in essence, keep their tax level artificially

higher than the value established by an arm's length sale?

SENATOR BONACIC: A couple of things. First of all, some power companies do not want to litigate and -- or go through a certiorari proceeding. Therefore, they're very interested in their image and public relations.

So that's another incentive to enter into a pilot agreement instead of going through an Article 78 proceeding.

SENATOR DOLLINGER: Through you, Mr. President, if the sponsor will continue to yield.

SENATOR BONACIC: I do.

SENATOR DOLLINGER: Is there anything in the bill that requires them to participate in the pilot?

SENATOR BONACIC: There is not.

And if they do not participate in a pilot agreement, the land would be assessed by the local assessor.

As you know, right now these are what we call specialty properties. The Office of Real Property Tax Service certifies those

assessments which the local assessor would put a value on.

But there's nothing to mandate a pilot agreement.

SENATOR DOLLINGER: Okay. Through you, Mr. President, just if the sponsor will yield to one more question.

ACTING PRESIDENT MEIER: Senator Bonacic, do you continue to yield?

SENATOR BONACIC: I do.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR DOLLINGER: What has the experience been with respect to the special pilot agreements for nuclear power plants, if there's no incentive for -- and as you know, these are major property-tax payers. You think of the Ginna plant in Wayne County.

Or the ones that I know were in Senator Wright's district up in Oswego when they were sold, and there was a significant reduction in the property value associated with the nuclear plants.

Did those plants actually come to the table and enter into pilot agreements with

the school districts in the counties in which they were located?

SENATOR BONACIC: It's a good question. I know my good friend and colleague Senator Wright may be more knowledgeable on this than I.

But I do believe that in the majority of the seven nuclear plants in the state of New York, there were pilot agreements.

SENATOR DOLLINGER: Just on the bill briefly, Mr. President.

ACTING PRESIDENT MEIER: Senator Dollinger, on the bill.

SENATOR DOLLINGER: I think I said this at the time when we entered into the bill with respect to the nuclear power plants: This is one of the impacts, one of the sort of unspoken impacts of the deregulation of our utility business.

That the consequence of selling off generation is that plants that have been carried at substantially inflated values and, frankly, been major, major, if not overwhelming contributors to the tax base,

suddenly have an enormous reduction in value from the billions to the hundreds of millions.

And as a consequence, there's an enormous tax shift in the short run from these single, big business payers and the tax base gets spread out to residential payers.

I'm not opposed to the idea of pilot agreements, but I find it intriguing that one of the reasons why we're going to a competitive power system is to reduce unnecessary costs to utilities. And if one of those unnecessary costs is that they've had an artificially inflated value for their generation, then it seems to me that's a huge savings for the utility that could be passed on in the form of lower rates.

The pilot agreement really strays from that notion, from that free market notion of only being assessed at current value.

I'm going to vote in favor of this bill, and I perhaps will get some additional information about how the nuclear plants have done. Because I guess this lawyer would say that if I was entitled, under law, to a fair-market valuation of my property, I should

take my fair-market valuation and take a huge reduction in the property taxes and pass that savings on to electrical rate payers.

So I'd be fascinated to see how the electrical bill works. But if there's enough experience, as Senator Bonacic suggests, that this can work across the board, I'll buy in on that basis.

ACTING PRESIDENT MEIER: Senator Wright.

SENATOR WRIGHT: Thank you, Mr. President. On the bill.

I can speak to some of the experience that we've seen in our district. And in fact, Senator Bonacic has a bill that is appropriate and applicable to the industry because it will produce savings that get passed on to the ratepayer by virtue of achieving those reductions and achieving those reductions by mutual agreement.

Because that in fact is what has been achieved historically, a mutual agreement between the utilities and the taxing entities, because there's a win-win in both situations. The utility achieves a reduction in terms of

the tax liability. That gets passed on directly to the ratepayers, because of course taxes are only an add-on.

Secondly, the municipalities benefit because they are allowed a soft landing. They get to phase down the reductions in taxes, allowing them to adjust their expenditures, adjust their tax base.

And the motivation for that is to provide for a soft landing, to provide an adjustment. And the utilities recognize that given the size of the portion of the tax roll that they pay, they can have an extremely disadvantaged -- have an extreme disadvantage to the ratepayers and the taxpayers.

So all parties are interested in achieving a reasonable solution to what can be a very expensive problem and a very timely and expensive problem when you go through the litigation process.

So I think we've seen the experience. I think the experience has been a positive one. And I would encourage my colleagues to extend this experience to other generators in the state.

ACTING PRESIDENT MEIER: Any other Senator wish to be heard on the bill?

The debate is closed.

Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 53.

ACTING PRESIDENT MEIER: The bill is passed.

Senator Skelos.

SENATOR SKELOS: If I could interrupt, there will be an immediate meeting of the Rules Committee in the Majority Conference Room.

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

The Secretary will continue to read.

THE SECRETARY: Calendar Number 1025, by Senator Wright, Senate Print 6978, an act to amend the Real Property Tax Law, in

relation to reducing.

ACTING PRESIDENT MEIER: Read the last section.

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

ACTING PRESIDENT MEIER: Call the roll.

SENATOR DOLLINGER: Explanation, Mr. President, excuse me.

ACTING PRESIDENT MEIER: Senator Wright, Senator Dollinger has requested an explanation of Calendar 1025.

SENATOR WRIGHT: Surely, Mr. President.

Calendar Number 1025 amends a section of the Real Property Tax Law to extend the -- actually, to reduce the population requirements of the eligibility requirements for the exemptions extended to volunteer firefighters and ambulance workers.

SENATOR DOLLINGER: Explanation satisfactory, Mr. President.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 2. This

act shall take effect immediately.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

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

ACTING PRESIDENT MEIER: The bill is passed.

Senator Skelos.

SENATOR SKELOS: We've completed the controversial calendar?

ACTING PRESIDENT MEIER: Yes, Senator, that completes the controversial calendar.

SENATOR SKELOS: Mr. President, there will be an immediate conference of the Majority following the meeting of the Rules Committee, which will take place right now.

And the Senate will stand at ease pending the report of the Rules Committee.

ACTING PRESIDENT MEIER: Conference of the Majority after completion of the Rules Committee meeting. The Senate will stand at ease pending -

Senator Dollinger.

SENATOR DOLLINGER: Mr. President, there will be an immediate conference of the Minority on the same time schedule articulated by the Deputy Majority Leader, immediately following the Rules Committee meeting.

SENATOR SKELOS: Separate rooms.

SENATOR DOLLINGER: Separate rooms? Jeez, so standoffish early.

(Laughter.)

ACTING PRESIDENT MEIER: Senator Dollinger, that would be illegal.

Immediate conference of the Minority in the Minority Conference Room -

SENATOR DOLLINGER: Thank you.

ACTING PRESIDENT MEIER: -- on the same schedule.

The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 3:43 p.m.)

(Whereupon, the Senate reconvened at 3:52 p.m.)

ACTING PRESIDENT MEIER: Senator Skelos.

SENATOR SKELOS: Mr. President,

if we could return to reports of standing committees, there's a report of the Rules Committee at the desk. I ask that it be read.

ACTING PRESIDENT MEIER: Reports of standing committees.

The Secretary will read the report of the Rules Committee.

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

Senate Print 1082A, by Senator Volker, an act to amend the Civil Practice Law and Rules;

2309, by Senator Kuhl, an act to amend the Retirement and Social Security Law;

3191A, by Senator Saland, an act to authorize the city school district;

3932, by Senator Hannon, an act to amend the Not-For-Profit Corporation Law;

4671, by Senator Trunzo, an act to amend the Transportation Law;

5330A, by Senator Spano, an act to amend the Local Finance Law;

6092, by Senator Leibell, an act in relation to legalizing;

6149, by Senator Alesi, an act in relation to redistributing;

6235, by Senator DeFrancisco, an act to direct the Department of Health;

6270, by Senator Saland, an act to amend the Public Authorities Law;

6368A, by Senator Saland, an act to amend the Real Property Law;

6468, by Senator DeFrancisco, an act to amend the Civil Practice Law and Rules;

6654, by Senator Kuhl, an act to amend the Alcoholic Beverage Control Law;

6963B, by Senator Oppenheimer, an act to authorize the City of New Rochelle;

7135A, by Senator Meier, an act to amend the Social Services Law;

7158, by Senator DeFrancisco, an act to amend the Civil Service Law and others;

7345, by Senator Espada, an act to amend the Military Law;

7368, by Senator Trunzo, an act to amend Chapter 268 of the Laws of 1989;

7377, by Senator Velella, an act to amend the Civil Service Law;

7378, by Senator Velella, an act to

amend the Labor Law;

And Senate Print 7414A, by Senator DeFrancisco, an act relating to the establishment.

All bills ordered direct to third reading.

ACTING PRESIDENT MEIER: Senator Skelos.

SENATOR SKELOS: Move to accept the report of the Rules Committee.

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

(Response of "Aye.")

ACTING PRESIDENT MEIER: Those opposed, nay.

(No response.)

ACTING PRESIDENT MEIER: The report of the Rules Committee is accepted.

Senator Skelos.

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

ACTING PRESIDENT MEIER: No, there is not.

SENATOR SKELOS: Just a reminder

that the Majority Conference will start immediately.

And there being no further business, I move we adjourn until Friday, May 31st, at 11:00 a.m.

ACTING PRESIDENT MEIER: There will be an immediate meeting of both the Majority and the Minority conferences in their respective conference rooms.

And on motion, the Senate stands adjourned until Friday, May 31st, at 11:00 a.m.

(Whereupon, at 3:56 p.m., the Senate adjourned.)