NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

May 25, 2005

11:15 a.m.

REGULAR SESSION

LT. GOVERNOR MARY O. DONOHUE, President

STEVEN M. BOGGESS, Secretary

P R O C E E D I N G S

THE PRESIDENT: The Senate will please come to order.

I ask everyone present to please rise and repeat with me the Pledge of Allegiance.

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

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

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

THE PRESIDENT: Reading of the Journal.

THE SECRETARY: In Senate, Tuesday, May 24, the Senate met pursuant to adjournment. The Journal of Monday, May 23, was read and approved. On motion, Senate adjourned.

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

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Bonacic.

SENATOR BONACIC: Good morning, Madam President.

I would like to, on behalf of myself, call up my bill, Print Number 3579, recalled from the Assembly, which is now at the desk.

THE PRESIDENT: The Secretary will read.

THE SECRETARY: Calendar Number 705, by Senator Bonacic, Senate Print 3579, an act to amend Chapter 262 of the Laws of 2002.

SENATOR BONACIC: I now move to reconsider the vote by which the bill was passed.

THE PRESIDENT: The Secretary will call the roll upon reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 44.

SENATOR BONACIC: Madam President, I now offer the following amendments.

THE PRESIDENT: The amendments are received.

SENATOR BONACIC: Thank you very much.

THE PRESIDENT: You're welcome.

Senator Skelos.

SENATOR SKELOS: Madam President, it's a tough act to follow Senator Bonacic, but I believe there are substitutions to make at the desk at this time.

THE PRESIDENT: I believe there are also.

The Secretary will read.

THE SECRETARY: On page 4, Senator Maziarz moves to discharge, from the Committee on Racing, Gaming and Wagering, Assembly Bill Number 4851 and substitute it for the identical Senate Bill Number 22, First Report Calendar 1151.

On page 5, Senator Young moves to discharge, from the Committee on Agriculture, Assembly Bill Number 6061 and substitute it

for the identical Senate Bill Number 3702, First Report Calendar 1160.

On page 6, Senator Winner moves to discharge, from the Committee on Judiciary, Assembly Bill Number 516 and substitute it for the identical Senate Bill Number 2910, First Report Calendar 1170.

On page 7, Senator Winner moves to discharge, from the Committee on Consumer Protection, Assembly Bill Number 7170 and substitute it for the identical Senate Bill Number 5306, First Report Calendar 1184.

On page 7, Senator Morahan moves to discharge, from the Committee on Social Services, Children and Families, Assembly Bill Number 4248 and substitute it for the identical Senate Bill Number 2163, First Report Calendar 1187.

On page 8, Senator Trunzo moves to discharge, from the Committee on Transportation, Assembly Bill Number 1147 and substitute it for the identical Senate Bill Number 145, First Report Calendar 1192.

On page 13, Senator DeFrancisco moves to discharge, from the Committee on

Energy and Telecommunications, Assembly Bill Number 1603 and substitute it for the identical Senate Bill Number 4919, First Report Calendar 1236.

On page 14, Senator Rath moves to discharge, from the Committee on Crime Victims, Crime and Correction, Assembly Bill Number 4953A and substitute it for the identical Senate Bill Number 1777, First Report Calendar 1249.

And on page 15, Senator Skelos moves to discharge, from the Committee on Crime Victims, Crime and Correction, Assembly Bill Number 4195 and substitute it for the identical Senate Bill Number 4992, First Report Calendar 1260.

THE PRESIDENT: Substitutions ordered.

Senator Skelos.

SENATOR SKELOS: Madam President, if we could go to the noncontroversial reading of the calendar.

THE PRESIDENT: The Secretary will read.

THE SECRETARY: Calendar Number

169, by Senator Marcellino, Senate Print 677, an act to amend the Vehicle and Traffic Law, in relation to the issuance of distinctive plates.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 48.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 185, by Senator Trunzo, Senate Print 132, an act to amend the Public Authorities Law, in relation to the Islip Resource Recovery Agency Act.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 48.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 247, by Senator Meier, Senate Print 2319, an act to amend the Tax Law, in relation to exempting.

THE PRESIDENT: There is a local fiscal impact note at the desk.

Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the first day of a sales tax quarterly period.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 50.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 248, by Senator LaValle, Senate Print 2620, an act to amend the Tax Law, in relation to an exemption from imposition.

THE PRESIDENT: There is a local fiscal impact note at the desk.

Read the last section.

THE SECRETARY: Section 2. This

act shall take effect December 1, 2005.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 52.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 288, by Senator Golden, Senate Print --

SENATOR SKELOS: Lay it aside for the day.

THE PRESIDENT: The bill is laid aside for the day.

THE SECRETARY: Calendar Number 373, by Senator Wright, Senate Print 3244A, an act to authorize the City of Oswego.

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

Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 52.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 432, by Senator Saland, Senate Print 3192 --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 479, by Member of the Assembly Rivera, Assembly Print Number 4225, an act to amend the Vehicle and Traffic Law.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 3. This act shall take effect on the 120th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 52.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 484, by Senator Saland, Senate Print 2501A, an act to amend the Vehicle and Traffic Law, in relation to requirements.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 55.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 511, by the Senate Committee on Rules, Senate Print Number 3150, an act to amend the Tax Law, in relation to certain tax rates.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 55.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 547, by Senator Saland, Senate Print 3681, an act to authorize the payment of transportation aid.

THE PRESIDENT: There is a local

fiscal impact note at the desk.

Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 55.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 600, by Senator Larkin, Senate Print 447, an act to amend the Tax Law, in relation to the eligibility.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 54. Nays, 1. Senator Duane recorded in the negative.

THE PRESIDENT: The bill is passed.

With regard to Calendar Number 547, Senate Bill 3681, by Senator Saland, there was

a local fiscal impact note at the desk.

The Secretary will continue to read.

THE SECRETARY: Calendar Number 658, by Senator Morahan, Senate Print 50, an act to amend the General Municipal Law, in relation to reconstituting.

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

Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 55. Nays, 1. Senator Duane recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 659, by Senator Maziarz, Senate Print 109, an act to amend the General Municipal Law, in relation to notification.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 3. This

act shall take effect on the same date and in the same manner as Chapter 392 of the Laws of 2004.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 56.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 669, by Senator Morahan, Senate Print 3675, an act relating to the allocation of payments.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 56.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 675, by Senator Little --

SENATOR SKELOS: Lay it aside for the day.

THE PRESIDENT: The bill is laid

aside for the day.

THE SECRETARY: Calendar Number 685, by Senator Trunzo, Senate Print 4562, an act to amend the Labor Law, in relation to requiring.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the 180th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 56. Nays, 1. Senator DeFrancisco recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 692, by Member of the Assembly Magee, Assembly Print Number 7432 --

SENATOR DeFRANCISCO: No, no, no, no.

THE PRESIDENT: Senator DeFrancisco, to explain your vote on the last bill?

SENATOR DeFRANCISCO: Right.

I just wanted to state briefly that I'm obviously in favor of making sure that personnel at airports -- where security personnel are not assaulted, they're not intimidated and no one interferes with their duties.

But the reason I'm voting no is any rational or even irrational human being would know that that would be against the law. And to impose a requirement for signs to tell people not to do that and to post the penalties I think is of little value.

And that's the reason I'm voting no against that bill.

THE PRESIDENT: Senator DeFrancisco, you will be recorded as voting in the negative on the last bill.

The Secretary will continue to read.

THE SECRETARY: Calendar Number 692, by Member of the Assembly Magee, Assembly Print Number 7432, an act to amend the Agriculture and Markets Law.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 57.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 711, by Senator Padavan, Senate Print 855, an act to amend the Penal Law, in relation to the piercing and branding of the body of a child.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Those recorded in the negative on Calendar Number 711 are Senators Duane, Schneiderman and Serrano.

Ayes, 54. Nays, 3.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number

730, by Senator Bonacic, Senate Print 997, an act to amend the Vehicle and Traffic Law and the Labor Law, in relation to the fingerprinting of ambulette drivers.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 3. This act shall take effect on the 90th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 55. Nays, 2. Senators Duane and A. Smith recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 732, by Senator Farley, Senate Print 1848, an act to amend the Public Authorities Law, in relation to authorizing.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 733, by Senator Leibell, Senate Print 2232, an act to amend the Vehicle and Traffic Law, in relation to prohibiting.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 57.

THE PRESIDENT: The bill is passed.

The Secretary will continue to read.

THE SECRETARY: Calendar Number 736, by Senator Little, Senate Print 3412, an act to renew and extend the franchise from the highway adjacent.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 738, by Senator Farley, Senate Print 3565, an act to amend the Vehicle and Traffic Law, in relation to authorizing distinctive license plates.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the 180th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 742, by Senator Balboni, Senate Print 2714A, an act to amend the Education Law, in relation to developing.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 747, by Senator Balboni, Senate Print 5065A, an act to amend the Executive Law and the Domestic Relations Law, in relation to time.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 773, by Senator Libous, Senate Print 3833, an act to amend the Tax Law, in relation to the

imposition of sales and compensating use taxes.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 782, by the Senate Committee on Rules, Senate Print Number 4080, an act to amend the Tax Law, in relation to the imposition of sales and compensating use taxes.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 804, by Senator Flanagan, Senate Print 2153, an act to amend the Public Authorities Law, in relation to tort claims.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 807, by Senator Meier, Senate Print 2741, an act to amend the Public Authorities Law, in relation to the Upper Mohawk Valley Regional Water Finance Authority.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 821, by Senator Leibell, Senate Print 4746, an act to amend the Cooperative Corporations Law, in relation to formation.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 828, by Senator Rath, Senate Print 3904, an act to amend the Navigation Law, in relation to clarifying.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 831, by Senator Morahan, Senate Print 3091A, an act to amend the Banking Law, in relation to prohibiting.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 837, by Senator Farley, Senate Print 4388, an act to amend Chapter 223 of the Laws of 1996, amending the Banking Law.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 838, by Member of the Assembly Nolan, Assembly Print Number 7388, an act to amend the Banking Law and others, in relation to making certain technical corrections.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 868, by Senator DeFrancisco, Senate Print 4856, an act to amend the Estates, Powers and Trusts Law, in relation to right of election.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 2. This

act shall take effect on the first of January.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 923, by Senator Winner, Senate Print 1358, an act to amend Chapter 698 of the Laws of 1991.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 953, by Senator Flanagan, Senate Print 4901, an act to authorize the Independent Group Home Living Program, Inc.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 2. This

act shall take effect immediately.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 57. Nays, 1. Senator Bonacic recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 957, by Senator LaValle, Senate Print 5002A, an act to authorize Middle Island Caring for Kids to file an application.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 57. Nays, 1. Senator Bonacic recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 975, by Senator Alesi, Senate Print 3704, an act to amend the Executive Law, in relation to requiring.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 976, by Senator Bonacic, Senate Print 4324, an act to amend the Private Housing Finance Law, in relation to powers.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

The Secretary will continue to read.

THE SECRETARY: Calendar Number

996, by Senator Wright, Senate Print 2941, an act to amend the Executive Law, in relation to designating.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 997, by Senator Maziarz, Senate Print 3335, an act in relation to authorizing the County of Niagara.

SENATOR SKELOS: Lay it aside for the day, please.

THE PRESIDENT: The bill is laid aside for the day.

THE SECRETARY: Calendar Number 1037, by Senator LaValle, Senate Print 1337, an act to amend the Environmental Conservation Law, in relation to adding national estuary implementation projects.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 6. This act shall take effect on the first of April.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 1047, by Senator Fuschillo, Senate Print 2224, an act to amend the Real Property Tax Law, in relation to including.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE PRESIDENT: Senator Bonacic, to explain your vote.

SENATOR BONACIC: Thank you, Madam President.

I certainly support the legislation, but just a caveat. It seems that

whenever we want to help particular groups -- firefighters, veterans, religious organizations -- we always do it, as a matter of policy, with real property tax exemptions.

And I think what I hear happening and when I watch the school budget votes, more and more school budget votes are going down because people cannot afford the school taxes.

So my suggestion, as we move forward on policy, when we want to help worthy groups -- firefighters, veterans and others -- we think in terms of tax credits, income tax credits, rather than property tax exemptions as we go forward in the future.

I certainly support the bill.

Thank you, Madam President.

THE PRESIDENT: You will be recorded, Senator Bonacic, as voting in the affirmative on this bill.

The Secretary will announce the results.

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number

1053, by Senator Fuschillo, Senate Print 1686, an act authorizing the Department of Transportation to post a sign.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 1060, by Senator Morahan, Senate Print 4011, an act to amend the Transportation Law, in relation to exempting drivers.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58.

THE PRESIDENT: The bill is passed.

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

SENATOR SKELOS: Thank you, Madam President.

Can we lay aside Calendar Number 432 for the day.

THE PRESIDENT: The bill is laid aside for the day.

SENATOR SKELOS: And now if we can go to the controversial calendar, I believe there's one bill, Calendar Number 732.

THE PRESIDENT: The Secretary will ring the bells.

Members are asked to return to their seats.

Senator LaValle.

SENATOR LaVALLE: Madam President, can I inquire how I was recorded on Calendar Number 185?

THE PRESIDENT: You may. If you just wait a moment, we'll ascertain that.

Senator LaValle, you are recorded as voting in the affirmative on that bill.

SENATOR LaVALLE: I'm being told I can't change my vote, under our new rules,

but --

THE PRESIDENT: That would be correct information, Senator.

SENATOR LaVALLE: -- it was recorded inaccurately. I should have been recorded in the negative.

Thank you, Madam President.

THE PRESIDENT: The record will so indicate your remarks, Senator.

The Secretary will read.

THE SECRETARY: Calendar Number 732, by Senator Farley, Senate Print 1848, an act to amend the Public Authorities Law.

SENATOR SABINI: Explanation.

THE PRESIDENT: Senator Farley, Senator Sabini has asked for an explanation.

SENATOR FARLEY: Thank you very much, Madam President.

This bill would authorize four upstate regional transportation authorities to utilize lines of credit. Currently such authority is explicitly available only to the MTA.

This bill passed the Senate unanimously in 2003 and 2004. It is being

carried in the Assembly by Assemblymembers Canestrari, McEneny, Hoyt, Schimminger, Tonko, Aubertine, Ortiz, Cook, and on and on it goes -- Weisenberg, and so forth.

What this does, it allows that these public authorities -- the Niagara Frontier, the Rochester Genesee Regional Transportation Authority, the Capital District Transportation Authority and the Central New York Regional Transportation Authority -- to access lines of credit.

Lines of credit are short-term revolving obligations which are primarily used for cash flow management. They can be particularly significant in the transit industry, which must deal with daily and seasonal variation in ridership as well as with cyclical payments to government subsidies.

Although the authorities are able to issue short-term obligations here, such as revenue anticipation notes and so forth, they're relatively complex and inflexible. This can also be more costly, as they are typically issued and the interest must be paid

for periods of months.

Lines of credit can be tapped for weeks, days or even hours, and the interest is only paid for the amount of their usage.

In other words, it's taking these transportation authorities and helping them to operate a little bit more efficiently.

THE PRESIDENT: Senator Sabini.

SENATOR SABINI: Madam President, will the sponsor yield for a question?

THE PRESIDENT: Senator Farley, will you yield for a question?

SENATOR FARLEY: Sure.

THE PRESIDENT: You may proceed, Senator.

SENATOR SABINI: Madam President, through you, in the bill, which numbers about twelve pages, there are at least 50 citations of the phrase "other obligations."

And I'm wondering if the sponsor could tell me what other obligations he would envision these borrowing instruments being.

SENATOR FARLEY: Yeah. This bill is rather voluminous, to say the least, because it individually amends the four

different sections of the Public Authorities Law governing each of these four upstate authorities, each of which has an independent set of laws.

Now, you're asking me what are the other it refers to. It refers to revenue anticipation notes; it also is another type of area that they can get money. And I suppose bonding of different sorts that these authorities could take.

But basically revenue anticipation notes, I think, are the things that are referred to.

SENATOR SABINI: Madam President, on the bill.

THE PRESIDENT: You may proceed on the bill, Senator.

SENATOR SABINI: We heard a lot in the wintry months -- although lately today it feels like winter still -- about reform in Albany, and particularly public authority reform. It seems that everyone is for it. The comptroller is for it, members of the Majority are for it, members of our side of the aisle are for it.

And here we are giving some of the smaller transportation authorities in the state more authority to borrow money in perhaps risky ways to cover their operating costs.

And while the intention is to lower the general interest rate, and that's a good intention, that doesn't always happen. It didn't happen in Orange County, California, a number of years ago. It didn't happen in the case of the Long Island Power Authority, which had to put on a fuel surcharge to cover their mishandled borrowing.

And so it just seems to me that this allows also, in its ambiguity, one-sided hedges, derivatives, other kinds of risky borrowing. And if we're really for public authorities reform and oversight, giving those authorities more opportunity to borrow money without oversight from us I think is a mistake.

We are in a position where New York State is responsible in many different ways, no matter how you put it through government, directly or indirectly, for some of the

biggest debting entities in our country: the State of New York, the City of New York, the MTA, the Port Authority of New York and New Jersey, the Thruway Authority, the subsidiary of the MTA, the Triborough Bridge and Tunnel Authority, the School Construction Authority. They all have massive debt out there, bigger than 48 states' worth of debt in most cases.

And while the regional transit authorities are relatively small, I just don't believe that if we're serious about public authority reform that we should go forward and allow more borrowing by these authorities in different kinds of instruments that haven't always been proven so successful. There's got to be a better way to get a more financially streamlined way to run these authorities.

And so, after consideration in the Transportation Committee and since, I'm going to vote no on this.

Thank you.

THE PRESIDENT: Senator Farley, on the bill.

SENATOR FARLEY: Thank you.

Maybe I can reassure you of the

concern. What you're saying is valid. But in this particular case, Senator Sabini, what they're trying to do is to inhibit the necessary borrowing by these upstate transit authorities for them, because they have to go out for revenue anticipation notes, which are for a period of time.

In this case, with a line of credit, just to manage cash flow, they can come in for a few days, a few hours, or whatever it might need at a very lower and limited interest rate. It just allows them to operate more efficiently.

It doesn't expand any -- they can't go borrowing in some other exotic way. It's just a line of credit that they can establish with a financial institution where they can come in temporarily to help their cash flow and allow them to operate more cheaply and more efficiently.

THE PRESIDENT: Senator Sabini.

SENATOR SABINI: Madam President, you know, if the bill was more specific and limited it to letters of credit or commercial paper, I wouldn't have a big problem with it.

But I think that the fact that it says throughout the bill "and other types of obligations" makes it very ambiguous.

This Legislature did this once before, in 2000, for the MTA, for the Bond Act of 2000 that failed. And I just think in the spirit of oversight of our public authorities, that this is not in the spirit of what we say we're trying to do.

Thank you.

THE PRESIDENT: Does any other member wish to be heard?

Then the debate is closed.

The Secretary will ring the bell.

Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE PRESIDENT: The Secretary will announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 732 are Senators Duane, L. Krueger, Montgomery, Onorato, Parker, Sabini, Savino, Schneiderman,

Serrano, A. Smith and Stavisky.

Those Senators absent from voting on Calendar Number 732: Senators Gonzalez and Winner.

Ayes, 46. Nays, 11.

THE PRESIDENT: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Madam President, is there any further business to come before the Senate?

THE PRESIDENT: No, there isn't, Senator.

SENATOR SKELOS: There being none, I move we stand adjourned until Tuesday, May 31st, at 3:00 p.m., intervening days being legislative days.

THE PRESIDENT: On motion, the Senate stands adjourned until Tuesday, May 31st, 3:00 p.m., intervening days being legislative days.

(Whereupon, at 11:59 a.m., the Senate adjourned.)