NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

March 13, 2006

3:14 p.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, Sunday, March 12, the Senate met pursuant to adjournment. The Journal of Saturday, March 11, 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.

Senator Schneiderman.

SENATOR SCHNEIDERMAN: Madam President, has the Senate received a resolution from the Assembly advising the members of the Senate that the Senate and Assembly will meet at noon tomorrow in the Assembly chamber in joint session to elect Regents of the University of the State of New York, pursuant to Section 202 of the Education Law?

THE PRESIDENT: The Senate does acknowledge receipt of a communication from the Assembly, and it has been filed with the Journal Clerk's office.

SENATOR SCHNEIDERMAN: Thank you Your Honor -- Madam President.

THE PRESIDENT: You're welcome.

Messages from the Governor.

Reports of standing committees.

The Secretary will read.

THE SECRETARY: Senator Johnson, from the Committee on Finance, reports the following bills:

Senate Print 6450B, Budget Bill, an act making appropriations for the support of

government: Public Protection and General Government Budget;

6451, Budget Bill, an act making appropriations for the support of government: Legislature and Judiciary Budget;

6452, Budget Bill, an act making appropriations for the legal requirement of the state debt service;

6453B, Budget Bill, an act making appropriations for the support of government: Education, Labor and Family Assistance Budget;

6454B, Budget Bill, an act making appropriations for the support of government: Health and Mental Hygiene Budget;

6455B, Budget Bill, an act making appropriations for the support of government: Transportation, Economic Development and Environmental Conservation Budget;

6456B, Senate Budget Bill, an act to amend the General Municipal Law, the Municipal Home Rule Law, and the Village Law;

6457B, Budget Bill, an act to amend the Social Services Law, the Public Health Law, the Penal Law, and the Criminal Procedure Law;

6458B, Budget Bill, an act to amend the Education Law;

6459B, Budget Bill, an act to amend the Environmental Conservation Law;

6460B, Budget Bill, an act to amend the Real Property Tax Law;

6463, Budget Bill, an act to amend Chapter 61 of the Laws of 2005;

And Senate Print 6872A, by Senator Skelos, an act to amend the Public Health Law.

All bills ordered direct to third reading.

THE PRESIDENT: All bills ordered direct to third reading.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Bruno.

SENATOR BRUNO: Madam President, I believe there is a resolution at the desk by Senator Alesi. I would ask that it be read it its entirety and move for its immediate adoption.

THE PRESIDENT: The Secretary

will read.

THE SECRETARY: By Senator Alesi, Legislative Resolution Number 3896, commending Dr. Manuel Rivera upon the occasion of his designation as the 2006 National Superintendent of the Year by the American Association of School Administrators.

"WHEREAS, It is the sense of this Legislative Body to recognize and commend those illustrious individuals of distinguished purpose whose lives have been committed to the pursuit of excellence in education of the youth of the Empire State; and

"WHEREAS, Attendant to such concern, and in full accord with its long-standing traditions, this Legislative Body is justly proud to commend Dr. Manuel Rivera upon the occasion of his designation as the 2006 National Superintendent of the Year by the American Association of School Administrators at its National Conference on Education held on February 24, 2006; and

"WHEREAS, The annual awards program, now in its 19th year, is cosponsored by the American Association of School

Administrators and ARAMARK Education. Each year, it bestows this most prestigious award upon an individual who has demonstrated outstanding all-around leadership; and

"WHEREAS, A national blue ribbon panel of educators, business leaders and government officials selected Dr. Manuel Rivera from four national finalists, citing his creativity in meeting student needs, strength in personal and organizational communication, improvement of administrative knowledge and skills, providing professional development opportunities and motivation to others, participation in local community activities, and an understanding of regional, national and international issues; and

"WHEREAS, Dr. Manuel Rivera has been the superintendent of the Rochester City School District since 2002. Previously he was executive vice-president of development for Edison Schools, Inc. His desire to work more closely with schools, students and their families drew him back to Rochester, where he had previously served as superintendent from 1991 to 1994 and where he began his

illustrious career as a teacher in 1975; and

"WHEREAS, Dr. Manuel Rivera exemplifies high-quality leadership in our nation's public schools. He has focused on raising achievement standards and proving that his schools could compete with the best in the nation. He has rallied his school district and community, business, and government leaders to improve instruction and achievement and to build a local social infrastructure to support the learning process; and

"WHEREAS, Dr. Manuel Rivera's determination and guidance have been instrumental in the district's steady improvements over the past three years. The number of students passing statewide exams has dramatically increased under his leadership, and last year Newsweek magazine named the Wilson Magnet High School one of the top public schools in the nation; and

"WHEREAS, Widely known and highly respected, Dr. Manuel Rivera is committed to the best interest of children. His dedication to the belief that public education gives children access to opportunities that enables

dreams to come true and produces contributing members of our society is unwavering; and

"WHEREAS, It is the sense of this Legislative Body that when individuals of such noble aims and accomplishments are brought to our attention, it is appropriate to publicly proclaim and commend those individuals for the edification and emulation of others; now, therefore, be it

"RESOLVED, That this Legislative Body pause in its deliberations to commend Dr. Manuel Rivera upon the occasion of his designation as the 2006 National Superintendent of the Year by the American Association of School Administrators; and be it further

"RESOLVED, That a copy of this resolution, suitably engrossed, be transmitted to Dr. Manuel Rivera."

THE PRESIDENT: Senator Alesi.

SENATOR ALESI: Thank you.

Madam President, at the outset let me, in commending Dr. Manuel Rivera, also acknowledge that Senator Robach should, and rightfully so, be listed as a prime cosponsor

on this bill, along with Senators Nozzolio and Maziarz, who represent the Rochester area collectively. And so it should be noted that they should be equal sponsors on this bill -- the resolution.

And in recognizing Manny Rivera, I think that we recognize that the entire nation, when it comes to educators and superintendents, recognized that this fine gentleman and good friend of all of ours has led the way in innovation when it comes to comes to improving the Rochester City School District. He's been recognized by educators, by business leaders and by government officials as well. And he has set a benchmark for schools nationwide to imitate the successes that he has had.

And especially having had the opportunity -- again, with my four colleagues that I mentioned, Senator Robach, who represents the majority of the City of Rochester, by the way, and Senators Nozzolio and Senator Maziarz as well, in a meeting with Senator Bruno just last week, the innovative spirit and programs that Dr. Rivera has

brought forth.

And especially appealing to me is the Children's Zone. That is a vitally important way of recognizing new ways of educating our children, bringing them up from poverty and taking them out of crime-ridden neighborhoods. And when this is implemented nationwide, as a result of his leadership, we will see not only a higher quality of life for our students, but we will see safer neighborhoods and a better quality of life for all people living in the United States as a result of Dr. Rivera's leadership in the City of Rochester.

And again, I want to apologize to my colleagues Senators Robach and Maziarz and Nozzolio. They most assuredly are equal prime sponsors of this resolution.

THE PRESIDENT: Senator Robach.

SENATOR ROBACH: Yes, Madam President, let me too chime in and applaud Superintendent Rivera.

I should note again that this is kind of the equivalent of winning the Superbowl, if you will, of school

superintendents. This isn't a statewide award, this is a national award.

And it is not surprising to me, in the City School District of Rochester there is no doubt there are a lot of challenges for the students in that district, concentrations of poverty, a host of other issues that, as we work to meet those higher standards and make sure that our children are ready for the next step in employment, it's critically important that we use the many resources we have in a good way.

And certainly Superintendent Rivera is someone who has done that with a lot of passion, concern, thinking outside the box, and really creating programs that are working to help the kids, our mutual constituents, in the City of Rochester.

And as has been stated before, in the outcomes -- and that's what we need to focus on, improving scores, math, science, English, other things -- the fruit of his labor have worked. And it's nice that he's got this acclamation at a statewide level.

And then I'd also say, too, it's

important to note -- and I want to thank him publicly -- that even working oftentimes in a challenging area of higher standards and other things inside the City of Rochester, an urban school district, we have some of the best innovative programs, one of which was mentioned in the resolution, Wilson Magnet, one of the best schools in the whole country, coming right from that school district, all under the leadership of Superintendent Rivera.

So I want to applaud you publicly. We are lucky to have you in the Rochester area. Congratulations. Please keep up the great work.

THE PRESIDENT: Senator Nozzolio.

SENATOR NOZZOLIO: Thank you, Madam President.

Madam President and my colleagues, I wish to rise and thank Senators Alesi and Robach for putting forth this very appropriate resolution.

This resolution honors an educator in New York State, honors an educator from upstate, honors an educator from Rochester, who it is not surprising he himself would be

selected for this honor. What is surprising are the tremendous challenges the City of Rochester has to overcome in managing its school system.

And as Senator Alesi and Senator Robach so well stated, the region depends on the Rochester city schools succeeding, that employment, economic development, job creation all depend on having a sound city school system.

Senators Alesi and Robach have worked tremendously hard to partner and ensure resources are brought to the city school system. And I wanted to add my support for their efforts and particularly for their praise of the superintendent, who is working very hard, and it was very nice to see that hard work recognized in this very worthwhile and deserved award.

Madam President, thank you.

THE PRESIDENT: Senator Maziarz.

SENATOR MAZIARZ: Thank you very much, Madam President. I too want to join and rise with my colleagues and congratulate Superintendent Rivera for the great job that

he has done with the Rochester City School District.

I represent only a very small portion of the City of Rochester; Senator Robach and Senator Alesi have the majority of the city. But, you know, when I visit the Rochester city schools I see the challenges that they faced just a few short years ago, under a prior administration, and the improvements that have been made under Superintendent Rivera's leadership.

So I rise too. This is a very well deserved honor. And I offer my congratulations.

Thank you.

THE PRESIDENT: Senator Bruno, to close.

SENATOR BRUNO: Thank you, Madam President and colleagues.

I just want to add my congratulations to the superintendent, Dr. Rivera. I had the pleasure of meeting and visiting with him.

This is quite a testimony to Dr. Rivera, to all of the people that you work

with. And the beneficiaries are not just the students there in your community, but all over the state and all over the country.

And to get the recognition by your peers throughout the whole United States takes some doing. And the criteria that they were using was extremely competitive.

So congratulations to you, and thank you for your dedication, your commitment, your good work. And hopefully people all over this state and all over the country follow what you're doing there on behalf of the young people and all of the people. And you represent truly a role model.

So congratulations to you and to your colleagues, and that's for everybody here in the Senate. And I'm sure the sponsors would like to open the resolution up to everybody in the chamber, unless you would prefer not to be there.

Thank you, Madam President.

THE PRESIDENT: The question now is on the resolution.

All in favor please signify by saying aye.

(Response of "Aye.")

THE PRESIDENT: Opposed, nay.

(No response.)

THE PRESIDENT: The resolution is adopted.

As a former educator myself, I want to congratulate you. Very few jobs are more challenging or rewarding or worthwhile as your job. It's a great achievement. Best wishes for continued success.

(Applause.)

THE PRESIDENT: Any member who does not wish to cosponsor the last resolution please notify the desk.

Motions and resolutions.

Senator Farley.

SENATOR FARLEY: Thank you, Madam President.

I wish to offer amendments to the following bills that are on the Third Reading Calendar:

For Senator Wright, on page 11, Calendar 57, Senate Print 5532A;

Senator Saland, on page 16, Calendar 189, Senate Print 471;

Senator Morahan, on page 29, Calendar 395, Senate Print 6763;

And on behalf of Senator Maziarz, on page 31, Calendar 418, Senate Print 6689.

Madam President, I move that these bills retain their place on the Third Reading Calendar.

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

Senator Bruno.

SENATOR BRUNO: Madam President, can we have the noncontroversial reading of the calendar.

THE PRESIDENT: The Secretary will read.

THE SECRETARY: Calendar Number 43, by Senator Skelos, Senate Print 4097A, an act to amend the Real Property Law, in relation to reverse mortgage loans.

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, 57.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 80, by Senator Maltese, Senate Print 5463A, an act to amend the Labor Law, in relation to the special task force for the apparel industry.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 8. This act shall take effect on the 120th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 57.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 120, by Senator Nozzolio, Senate Print 506, an act to amend the Public Housing Law, in relation to the members of the Geneva Housing 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 123, by Senator Volker, Senate Print 4344, an act to amend the General Business Law, in relation to real estate syndication offerings.

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. Nays, 1. Senator Duane recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 143, by Senator Padavan, Senate Print 6280, an act to amend the Penal Law, in relation to establishing the crimes of possession.

THE PRESIDENT: Read the last

section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 144, by Senator Padavan, Senate Print 6281, an act to amend the Penal Law, in relation to the definition of the term "retail value."

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 58. Nays, 1. Senator Duane recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number

145, by Senator Padavan, Senate Print 6282, an act to amend the Penal Law, in relation to trademark counterfeiting.

THE PRESIDENT: Read the last section.

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

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 205, by Senator Bonacic, Senate Print 4326, an act to amend the Public Authorities Law, in relation to the power of the State of New York Mortgage Agency.

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, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 277, by Senator Farley, Senate Print 2856, an act to amend the Banking Law, in relation to unauthorized entities.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 5. This act shall take effect on the 30th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 278, by Senator Farley, Senate Print 2860, an act to amend the Banking Law, in relation to the enforcement of provisions.

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, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 339, by Senator Volker, Senate Print 6334A, an act to amend Chapter 185 of the Laws of 2005, relating to authorizing.

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 immediately.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 342, by Senator Winner, Senate Print 6448A, an act to amend Chapter 365 of the Laws of 2005, amending the Tax 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, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 343, by Senator Young, Senate Print 6508, an act to amend the Tax Law, in relation to conforming provisions.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 3. This act shall take effect March 1, 2006.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 352, by Senator Winner, Senate Print 2453A, an act to amend the Education Law, in relation to certain contracts.

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, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 384, by Senator Hannon, Senate Print 2563, an act to amend the Vehicle and Traffic Law, in relation to persons authorized.

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 PRESIDENT: Senator Montgomery, to explain your vote.

SENATOR MONTGOMERY: Yes, Madam President, I just rise to commend Senator Hannon on this legislation. It's very important. Every single time we include the nurse practitioner as being a meaningful important part of the health delivery system in any way I think strengthens our system.

And I want to thank you, Senator, for looking to always include the nurse practitioner along with the physician assistant and the physician.

So I'm certainly voting yes on this bill.

Thank you.

THE PRESIDENT: You will be so recorded, Senator, as voting in the affirmative.

The Secretary will announce the results.

THE SECRETARY: Ayes, 58. Nays, 1. Senator Duane recorded in the negative.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 398, by Senator Robach, Senate Print 6806A, an act to amend the Retirement and Social Security Law, in relation to investments.

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, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 433, by Senator Little, Senate Print 6828B, an act to amend the Navigation Law and the Insurance Law, in relation to requiring.

THE PRESIDENT: Read the last section.

THE SECRETARY: Section 9. This act shall take effect on the 60th day.

THE PRESIDENT: Call the roll.

(The Secretary called the roll.)

THE PRESIDENT: Senator Little, to explain your vote.

SENATOR LITTLE: Thank you, Madam President.

I'd first like to express my thanks for all of those who had an interest and concern in regard to the tragic boating accident that occurred in my district on October 2nd of this year. Twenty lives were lost on a tour boat on Lake George.

What we have discovered since then

is that many of the Navigation Laws in New York State need to be addressed and changed. The Governor has changed many of those through administrative ways. But one of the ones that we found needed to be done is to require that all of these commercial boats who carry passengers, paying passengers, that they be required to carry maritime liability insurance.

Most of the tour boat operators in New York State have maritime liability insurance; however, it is not required. This bill requires that they carry that insurance with a minimum of $1 million, and that they buy their insurance from an insurance agent who is certified in New York State to sell insurance, and that excess insurance brokers be able to provide additional insurance over the $1 million.

Many of these boats have more insurance than this, but this provides a good minimum liability insurance. And it is supported by the tour boat operators of New York. The bill was done in consultation with Senator Seward, the chairman of the

Insurance Committee.

And we feel that this would provide an adequate way of making the passengers on these boats confident that they have insurance should something tragic, as happened on Lake George, happen to them.

So I vote in the affirmative, and I thank all of those who join me in voting for this bill.

Thank you.

THE PRESIDENT: Thank you, Senator Little. You will be so recorded as voting in the affirmative on this bill.

The Secretary will announce the results.

THE SECRETARY: Ayes, 59.

THE PRESIDENT: The bill is passed.

Senator Bruno, that completes the reading of the regular noncontroversial calendar.

Senator Bruno.

SENATOR BRUNO: Madam President, and colleagues, as you all know, we're about to take up the supplemental calendar, which

will be the beginning of the Senate version of the budget bills that we hope to get passed today at some reasonable hour, and then go into conference committees -- with the Assembly doing their budget today and finishing it tomorrow -- and hopefully be on with the process that we had described that will get us, with all the members participating, as they have since we got the Governor's budget, with the process so far.

And with the open public discussion of whatever differences we have with the Assembly, we hope to get those differences resolved so that we can start passing bills together by March 27th.

So this starts the process towards getting a budget done on time on behalf of the people of this state. The bills that are submitted will describe what we have before us, and the resolution will take place after the conference committees in terms of the togetherness that we can create.

So thank you for your input, thank you for the discussion, thank you for the contemplated comments, which will always be

creative, imaginative, and positive on behalf of the people of this state.

Thank you, Madam President.

THE PRESIDENT: The Secretary will read.

THE SECRETARY: Calendar Number 492, Senate Budget Bill, Senate Print 6450B, an act making appropriations --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 493, Senate Budget Bill --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 494, Senate Budget Bill --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number

495, Senate Budget Bill --

SENATOR SCHNEIDERMAN: Lay it aside, please.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 496 --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 497 --

SENATOR SCHNEIDERMAN: Lay it aside, please.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 498 --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 499 --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 500 --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 501 --

SENATOR SCHNEIDERMAN: Lay it aside, s'il vous plait.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 502 --

SENATOR SCHNEIDERMAN: Lay it aside.

THE PRESIDENT: The bill is laid aside.

THE SECRETARY: Calendar Number 503 --

SENATOR SCHNEIDERMAN: Lay it

aside.

THE PRESIDENT: The bill is laid aside.

Senator Skelos, that does complete the reading of the noncontroversial calendar completely, regular and supplemental.

SENATOR SKELOS: Madam President, if we could now take up the Supplemental Calendar 20A, controversial.

THE PRESIDENT: The Secretary will read.

THE SECRETARY: Calendar Number 492, Senate Budget Bill, Senate Print 6450B, an act making appropriations for the support of government: Public Protection and General Government Budget.

SENATOR SCHNEIDERMAN: Explanation.

THE PRESIDENT: Senator Johnson, an explanation has been requested.

SENATOR JOHNSON: This budget bill pertains to Public Protection and General Government Budget.

THE PRESIDENT: Senator Sabini.

SENATOR SABINI: Madam President.

I believe there's an amendment at the desk. I ask that the reading of the amendment be waived, and I'd like to be heard on the amendment.

THE PRESIDENT: You may proceed on the amendment, Senator Sabini.

SENATOR SABINI: Thank you, Madam President.

I have an amendment at the desk which would provide additional money to our schools for school violence prevention. Gangs are a problem that are now running through our state -- upstate, the suburbs, New York City. Every year, thousands of our young people in the United States fall victim to crime in schools. Many of those instances involve gang violence. Some are minor assaults, some end in tragedy.

Just a few months ago, in Newtown High School in my district, 30 students got involved on a mistaken identity over the wearing of gang colors. Three came home from school that day stabbed. Not the way we would hope that people would send their children to school, to come home the victim of violence

within the school.

These tragedies require educators, students, and all Americans to address the causes of school violence and search for solutions. Recent information tells us today that school violence may be decreasing, but school violence, like societal violence, runs in cycles. Gang violence is up around our schools.

The threat of attacks in schools creates fear and disorder amongst students and teachers alike and leads to a disruptive environment in our classrooms. And no matter how much money we spend on education, if parents don't feel their children are safe in schools and children don't have an atmosphere of learning, we'll be nowhere.

As legislators, it's our duty to assist every school district in the state to prevent and reduce school violence and to restore order and a learning environment in the classrooms. The grants in my budget amendment, which total $6 million, will go to schools that have partnered with law enforcement agencies to target specific

problems related to crime and violence in and around our schools. These are grants that will be used to create special programs for disruptive students, conflict resolution, increased security equipment, personnel, and to help police identify and educators identify what is going on within the schools with regard to gangs.

Anecdotally, we have a very sad situation in the district I represent. When the police were telling us that gang violence was not on the rise, we had a situation at Elmhurst Hospital, which is our municipal hospital provider within the neighborhood. The emergency room at Elmhurst Hospital is requiring now that emergency room personnel understand the markings involving tattoos and knife wounds involving gangs, so that the medical staff can understand what it is they're seeing as someone moves through the emergency room process.

Schools are a place for learning, not a place for violence. We can't turn our heads to this anymore. And so I offer an amendment which would increase $6 million to

address gang violence in our schools and to create an atmosphere of learning within those schools.

Thank you, Madam President.

THE PRESIDENT: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

THE PRESIDENT: The amendment is not agreed to.

THE SECRETARY: Also, excuse me, Senator Oppenheimer.

THE PRESIDENT: The amendment is still not agreed to.

(Laughter.)

THE PRESIDENT: Senator Klein.

SENATOR KLEIN: Madam President, I believe there's an amendment at the desk. I ask the reading of the amendment be waived and

I have the opportunity to be heard on the said amendment.

THE PRESIDENT: You may proceed on the amendment, Senator Klein.

SENATOR KLEIN: My amendment would create a grant program to local law enforcement agencies for the purchase and expenses related to global positioning systems, GPS electronic monitoring devices, and public notification of sex offenders, for a cost of $17 million.

I've gotten up over the last couple of months and probably even last year to speak about our lack of doing something concrete in the State of New York to protect our communities, to protect our families and loved ones from this threat of violent sexual predators.

I know we've passed the bills that I have supported in this house, but still, most of this legislation hasn't had any type of meaningful action in the State Assembly. We still don't have a law on the books in New York State dealing with the very important issue of civil confinement. We still do not

have mandatory notification for our communities under Megan's Law. And we still don't have any type of email notification to make sure that our communities know when a dangerous sexual predator is living in our community.

So I think it's very, very important at least that we have a GPS system to at least track very dangerous sexual predators in our communities. I understand what's in the budget today would put in $500,000 for a pilot program. I think that's great, but I think the time is now to do a full-blown system across the state of New York.

I've said this before, I think anything else we do but civil commitment or civil confinement is merely a Band-Aid approach. But I do think that if we do something, we should be at least do a GPS monitoring system, which would be statewide.

I know I represent portions of Westchester County; they adopted their own program last year, and it's been very, very successful in being able to determine the

whereabouts of dangerous sexual predators in Westchester County.

So this program, while it sounds like a lot of money, I think when it comes to protecting family members to make sure we at least do know where dangerous sexual predators are -- ticking time bombs -- at least we do know they're in our community and we can effectively let local law enforcement track their whereabouts.

Thank you, Madam President.

THE PRESIDENT: On the amendment.

Senator Skelos, first.

SENATOR SKELOS: Madam President, if I could just comment.

Once again, Senator Klein, you have forgotten that this house has passed legislation -- Senator Bonacic's omnibus bill, individual bills, GPS tracking, email notification, mandatory community notification all on the Internet, on and on and on.

And my suggestion to you, once again, go back to the house that you served in in the majority, convince Speaker Silver, a member of your party, the Democrat Party, to

pass this legislation.

Symbolic, what you're doing today, congratulations. But the issue is that we need the Assembly to partner with us. Very simple. The bills are there, have them vote for it, we'll pass it, and we do not any longer need the charade that you're putting this house through.

THE PRESIDENT: Senator Volker.

SENATOR VOLKER: Very quickly. These are good ideas. In fact, the past -- the gang violence and -- and this is good ideas.

And I suggest that you discuss with the members of the Assembly and with the members of our conference committee these issues, because they're issues could well be part of the debate when we start the conference committees.

So I just want to tell you that.

THE PRESIDENT: Senator Connor.

SENATOR CONNOR: Thank you, Madam President.

As long as it's debatable, I just rise in support of -- I want somebody to make

a point of order, but nobody is. It's my understanding that these motions aren't debatable. But as long as we're being really loose here -- amendment. Oh, amendments are. Okay.

I want to compliment Senator Klein for his amendment. I think it is appropriate in having an open budget process to have members bring their ideas to the floor when they're not contained in the bill. And I would take exceptions to characterize that it's a charade. Members care very, very much about these issues that they're raising. Our constituents care about them. They're important issues. And we just take the moments that it requires to have a little airing of these issues as we go forward in this budget process.

Because as Senator Bruno said, and I applaud him for it, it is now a much more open process where we are going to have these discussions in the light of day, in front of the press and public, and talk about the issues that are of concern to the citizens of New York.

Thank you.

THE PRESIDENT: Senator Schneiderman.

SENATOR SCHNEIDERMAN: Thank you, Madam President.

We do have a lot of material to cover here, and I -- there are people who think that, you know, going through passing one-house budget bills with massive tax-cut proposals that will never come to law, that that could be construed as a charade.

Senator Bruno started us off on a positive note today, said the suggestions that he anticipated hearing would be positive. There is certainly no argument that Senator Klein has very strong feelings and a demonstrated record on the issues he raises today.

So I hope my colleagues on the other side of the aisle will accept that we -- not having been included in the process that produced the draft and which we'll vote on today, this is our opportunity to have input. It may take a little bit of time, but that's what the legislative process is supposed to be

about, as Senator Connor just noted.

I hope we're not intending to have lengthy debates on these amendments, but we do want to make our points, we do want to make them respectfully and have them received respectfully and then proceed hopefully in the atmosphere that I believe we started out with today when we began this process.

We have a long way to go before we finally produce a budget, but I don't think there's any basis for any assertion that the points being made by the amendments today are any less sincerely felt that the points that are being made by the budget bills and resolution offered by the other side of the aisle.

I also support Senator Klein's amendment. Thank you, Madam President.

THE PRESIDENT: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery,

Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

THE PRESIDENT: The amendment is not agreed to.

The Secretary will ring the bell.

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 PRESIDENT: Senator Montgomery, to explain your vote.

SENATOR MONTGOMERY: Yes.

THE PRESIDENT: Could we please have order. If the members would take their seats.

Senator Montgomery.

SENATOR MONTGOMERY: Yes, Madam President. I'm voting no on this particular budget appropriations bill because it contains a provision which I opposed last year, and I have the same opposition this year.

And that is that we propose to

raise several thousand dollars from each person who is on probation, for a number of fees. And I see that we have now, rather than bringing it to the floor as a freestanding bill, we've slipped it into the budget language. And it establishes a number of different fees which will be charged to people who are on probation. And we also are now requiring people to pay a fee for their DNA sample, a fee for their registration as a sex offender, and additional fees for administration and probation fee.

So while we're giving a tax break to people who can afford, we are actually creating a very onerous tax on people who can least afford. It certainly does not help with the whole issue of giving a second chance. And certainly we're not establishing an alternative to incarceration that we as a state support; we're trying to make probationers pay for this themselves.

So I'm voting no on this, because I think that's an onerous tax on a very, very poor and vulnerable group of people in our state.

Thank you.

THE PRESIDENT: You will be so recorded as voting in the negative, Senator.

The Secretary will announce the results.

Senator Krueger.

SENATOR LIZ KRUEGER: Thank you. To explain my vote, Madam President.

I also will be voting no on the bill, but I thought I would highlight two issues that I think should concern us in this bill.

One is that in the Senate bill, as opposed to the Executive's proposal, they have done away with the opportunity to increase traffic-law enforcement cameras in work zones, dangerous stretches of highway, and traffic-light intersections, imposing hundred-dollar penalties on registered owners of vehicle that exceed the posted speeds.

Speaking as a legislator from New York City, we have a very serious problem throughout Manhattan Island -- and I believe all the boroughs -- with vehicles not following the traffic laws. We don't possibly

have enough enforcement agents to catch everyone speeding through red lights. We've had any number of incidents of pedestrians being hit while crossing the streets or, in fact, being killed because people are crossing through red lights.

It's been my experience that red-light cameras have been an effective deterrent to slow people down from speeding through dangerous intersections, certainly in the city of New York and I suspect in other parts of the state. So I am disappointed that we have removed that section of the Governor's proposed budget from the Article VII language bills under criminal justice.

I'm also, I suppose, a little surprised that we've done away, through Article VII legislation language in this bill, on the Lobbying Act Enforcement Fund that deletes current statutory language which stipulates the monies recovered by the Attorney General or received by the commission from the assessment of civil penalties pursuant to the Lobbying Act enforcement will no longer be available for lobbying

enforcement.

When we pass laws, we have to ensure that our agencies and our commissions have the revenue to follow through and do their job. And so I am disturbed that in this bill we remove a current statutory mandate that the monies collected remain with the Lobbying Commission.

I'll be voting no. Thank you, Madam President.

THE PRESIDENT: You will be recorded as voting in the negative, Senator.

Senator Parker.

SENATOR PARKER: Yes, Madam President, to explain my vote.

I'm voting no on this budget bill, in part because I just can't understand how we are willing to do as much as we've done around public protection but we're not at all interested in protecting people or communities or particularly children before they get involved with the criminal justice system.

So while we are, you know, happy to increase dollars for probation and parole and for jails, to continue to fund the prison

industrial complex, we still have not decided to do what the court has mandated for us to do around the Campaign for Fiscal Equity lawsuit. So I'm voting no on this.

And then on top of that, we then add insult to injury, as Senator Montgomery has indicated, by back-dooring taxes on people who have been convicted. And we shouldn't be -- you know, people who have committed crimes, they should pay. But if we're going to have fines, let's fine them up front and let's vote on a fine for people if we're going to fine them.

But to create these back-door taxes and cost-shifting to people who have the least ability to pay doesn't -- you know, at the same time, if we were taking those dollars and using them for some kind of rehabilitation or some kind of remediation for people who have committed crimes, then you'd have my vote in a minute.

But just to take that back-door taxes and at the same time that we're talking about cutting, you know, $8 billion worth of taxes, to shift those taxes here just doesn't

make any sense, from either a budgetary perspective or from a public policy perspective.

I vote no.

THE PRESIDENT: You will be recorded as voting in the negative.

The Secretary will announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 492 are Senators Andrews, Breslin, Connor, Diaz, Dilan, Duane, L. Krueger, Montgomery, Parker, Sabini, Savino, Schneiderman, and A. Smith.

Ayes, 46. Nays, 13.

THE PRESIDENT: The bill is passed.

The Secretary will continue to read.

THE SECRETARY: Calendar Number 493, Senate Budget Bill, Senate Print 6451, an act making appropriations for the support of government: Legislature and Judiciary Budget.

SENATOR SCHNEIDERMAN: Explanation.

THE PRESIDENT: Senator Johnson,

an explanation has been requested.

SENATOR JOHNSON: This is a bill for the support of government dealing with the Legislature and Judiciary Budget.

THE PRESIDENT: Senator Schneiderman.

SENATOR SCHNEIDERMAN: Yes, if the sponsor would yield for a brief question.

THE PRESIDENT: Senator Johnson, do you yield for a question?

SENATOR JOHNSON: Yes, Madam President.

THE PRESIDENT: You may proceed, Senator Schneiderman.

SENATOR SCHNEIDERMAN: In this budget that covers the judiciary, the judiciary has not received any pay increase since 1999. Does this legislation include any provision for a pay increase for the judiciary?

SENATOR JOHNSON: Well, there's no legislation enacting a pay increase, but there is money in this budget available, $69.5 million, subject to a chapter which we have yet to enact.

SENATOR SCHNEIDERMAN: Through you, Madam President. So the money is there, but there is no provision that it should be used for a pay increase?

SENATOR JOHNSON: Did you ask me a question?

THE PRESIDENT: Senator Johnson, did you yield for that question?

SENATOR JOHNSON: Yes.

Yes, you are correct.

SENATOR SCHNEIDERMAN: Thank you. Thank the sponsor.

I will be voting against this because I find that, you know, the politics here are superseding public policy. And I would urge that it is time to revisit the issues of the salaries last raised in 1999. I think it's shameful that we aren't dealing with that.

Given the absence of specific provisions on that front, I will be voting against this bill.

Thank you, Madam President.

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

Then the debate is closed.

Senator DeFrancisco, first.

SENATOR DeFRANCISCO: Just to make a point.

I think as an advocate for the judicial pay increases, I think it's extremely important that the money has been set aside for that to happen if there's an agreement between the houses and the Governor's office as to how it would be structured and any other parts of the bill -- because the other parts of the proposal dealt with a commission being appointed to study other potential reviews of other elected officials and appointed officials and the like.

So I think the fact that the money is in here is, I think, a good first step. And hopefully during the conference committees and the process that goes on from this point forward, we can resolve this issue to the satisfaction of everyone.

THE PRESIDENT: 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: Senator Connor, to explain your vote.

SENATOR CONNOR: Thank you, Madam President.

I'm voting yes because I agree with Senator Schneiderman that it's absolutely atrocious that we haven't done a judicial pay raise in all this time. But I'm an optimist, and I'll take things step-by-step. And since the money is in this bill for the judicial pay raise, I want to vote for this bill because I want to make sure that money is in there.

So hopefully, in my optimistic foresight, we will get around to doing an authorization as well setting judicial salaries higher.

Thank you, Madam President.

THE PRESIDENT: You will be recorded as voting in the affirmative, Senator.

Senator Malcolm Smith.

SENATOR MALCOLM SMITH: Thank you, Madam President.

I will be voting no for this particular bill only because, like my colleague Senator Schneiderman, clearly having the money set aside for the judicial pay raises is only a possibility. And we know from history, we've had money set aside for a particular cause and it has gone there for several years, reappropriated year after year.

And I just think if we have language in the bill that makes it clear as to the judges who deserve this raise -- it's an embarrassment that you have first-year law associates making more money than our judges. I think we should do them the justice by, even this particular first bill, making sure the raise is very clear in addition to the establishment of the commission.

So I'll be voting no.

THE PRESIDENT: You will be recorded as voting in the negative, Senator.

Senator Krueger.

SENATOR LIZ KRUEGER: Thank you. To explain my vote, Madam President.

I've also voted no on this bill, but I think it's important to raise one more issue that no one else did, the fact that this state underfunds legal-service representation for indigent New Yorkers.

And year after year we hear people come to us to talk about the fact that poor people, usually in civil court proceedings, cannot get attorneys, they end up having to represent themselves pro se. It is not an even playing field in our courts.

And I agree with my colleagues when they talk about the importance of ensuring that our judges continue on our bench because they are getting fair pay for the work they do, but I also think it's important for someone in this house to rise and say we have been underfunding legal representation for the poor, both particularly in civil matters, where there isn't the mandate that there is in criminal matters.

And I hope when we move forward to two-house bills sometime in the next few weeks that we will take under consideration the desperate need for legal representation of the

poor.

Thank you, Madam President.

THE PRESIDENT: You will be recorded in the negative on the bill.

The Secretary will announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 493 are Senators Coppola, Diaz, Dilan, Duane, Gonzalez, L. Krueger, Montgomery, Parker, Paterson, Sabini, Savino, Schneiderman, A. Smith, M. Smith, and Stavisky. Also Senator Andrews.

Ayes, 43. Nays, 16.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 494, Senate Budget Bill, Senate Print 6452, an act making appropriations for the legal requirements of the state debt service.

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, 59.

THE PRESIDENT: The bill is passed.

THE SECRETARY: Calendar Number 495, Senate Budget Bill, Senate Print 6453B, an act making appropriations for the support of government: Education, Labor and Family Assistance Budget.

SENATOR SCHNEIDERMAN: Explanation.

THE PRESIDENT: Senator Johnson, an explanation has been requested.

SENATOR JOHNSON: This budget bill makes appropriations for education, labor, and TANF family assistance. That's it.

THE PRESIDENT: Senator Savino.

SENATOR SAVINO: Madam President, I believe there's an amendment at the desk. I ask the reading of the amendment be waived, and I ask to be heard on the amendment.

THE PRESIDENT: You may proceed on the amendment.

SENATOR SAVINO: Thank you, Madam President.

I have an amendment at the desk that would increase funding for subsidized child daycare slots. In New York State, more than 650,000 children qualify for subsidized daycare, yet there are only 183,400 subsidized slots available.

The capacity within the daycare system actually exists, but funds for subsidies are insufficient to meet the need. In fact, in the past year many counties have lowered their income eligibility levels and have increased parent copayments because of the lack of funding.

This appropriation of $100 million would make more than 20,000 subsidized slots accessible for working New Yorkers.

It should be further noted that changes in federal work requirements will further increase the need for subsidized child daycare slots.

And finally, I would like to mention that March, while it's Irish Heritage Month, in some places it's known as Social Work Month, it is also Women's History Month. And all month long many of us going to be

attending events and handing out proclamations and granting resolutions, you know, commemorating the progress of women over the past hundred years.

The sad fact is women have not kept pace with men. We still earn 70 cents on dollar to men. And we are still hampered by our ability to progress in the workplace, and the single greatest reason why is because of the lack of affordable daycare.

It falls upon women 90 percent of the time to arrange for daycare for their children, to provide it, to for it. And the least we can do is really give women a leg up and assist them and provide more subsidized daycare slots.

So I would ask all of my colleagues that as we celebrate Women's History Month, let's actually do something for women today.

Thank you.

THE PRESIDENT: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin,

Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

THE PRESIDENT: The amendment is not agreed to.

Senator Stavisky.

SENATOR STAVISKY: Madam President, I believe there's an amendment at the desk. I ask that the reading be waived and that I be heard on the amendment.

I gather that's a yes.

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

SENATOR STAVISKY: Thank you.

This amendment would provide an additional $20 million for CUNY and $15 million for SUNY, in addition to the appropriation already in this Majority version. It would provide 300 new additional new full-time faculty at SUNY and 150 full-time faculty at CUNY.

The three words we hear when we

talk about SUNY and CUNY and the public colleges are affordability, accessibility, and quality. And unfortunately, the quality is there, but the accessibility and the affordability are declining.

For one thing, adjuncts work hard but often do not have office hours, they don't participate in campus activities, in department activities, and they don't have the opportunity to interact with the student body because they have to go on and teach someplace else.

Secondly, a college degree today is extremely important. Over the course of a lifetime, a college graduate will earn anywhere between 65 and 75 percent more than the graduate with a high school diploma. In order to compete in the global marketplace, it becomes increasingly important that they obtain a college degree, particularly -- as we've had hearings in the past -- in the area of science, engineering, and mathematics.

And to be able to compete and to be able to earn their degrees, the courses have to be there for the students so that the

students can enroll in these courses.

In New York State, we are underproducing baccalaureate degrees by 11,000 degrees a year. Chancellor Ryan, at the budget hearings, indicated that there are 7500 students who would normally be admitted to the four-year institutions at SUNY but they have to be turned away because there's nobody to teach those classes. The number, incidentally, is the same for the City University of New York.

Lastly, the students' graduations are often deferred because the courses that they need to complete the degree are not offered. And this would increase the percentage of full-time faculty. Back in 1994, 72 percent at SUNY were full-time faculty. Today the number is 58.2 percent. We've had a dramatic decline in the full-time faculty over the last 12 years.

And for that reason, if you support the concept of full-time faculty, increasing the numbers of full-time faculty, then you will support this amendment.

Thank you.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Oppenheimer.

SENATOR OPPENHEIMER: I think there's an amendment at the desk, and I'd like to ask that the reading be waived but that I be heard on it.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized to explain the amendment.

SENATOR OPPENHEIMER: Okay. This concerns universal prekindergarten.

I think we all know that a strong statewide pre-K program is the key to

establishing a sound foundation for closing the academic achievement gap that we've been hearing so much about. Strong prekindergarten programs provide the advantage for preschool students with disabilities and with cultural disadvantages to get the services that are needed.

Establishing prekindergarten as a child's first year of public education is needed to ensure that all children attain the skills necessary for a successful academic experience. In New York State there is an actual need for a statewide pre-K program, and this is evident from the following facts.

Currently only 73,000, a little more -- approximately 30 percent of our quarter of a million children who are 4 years old -- are in state-funded pre-K programs, though 80 percent of all 8-year-olds are in placement outside of their homes. And I think some of those placements are of lesser quality than we would like. And we all know why that is, because both parents, usually, in a family are now working, even when the children are very young.

Several statewide studies have shown the effectiveness of prekindergarten programs and their cost-effectiveness. Effects of universal prekindergarten include the reduction of grade repetition, which we estimate would fall between maybe 10 and 13 percent, and yield savings of maybe $25 million over the course of that prekindergartener's school career.

Special ed spending would drop between maybe 8.5 and 12 percent, and there the savings would be sizable, maybe $240 million to $300 million.

We also forecast an improvement in learning productivity that will create cost savings, a 1, 1.5 percent cost savings systemwide, achieved by lowering teacher turnover, reducing classroom disruptions and school vandalism, and improving the use of curriculum materials.

We have been waiting quite a while, haven't we, since we first said we were going to move on this issue. Maybe it's five years, maybe it's six; I'm not exactly sure. It was part of what we all agreed to in the LADDER

program. And we have not been moving forward on it, and we are missing an opportunity to educate and keep these children in school. They are missing out because we are not providing for them.

And the gap between the disadvantaged student and the advantaged student is growing wider and wider, and we are perhaps the state with the largest gap.

I feel passionately about this. All the information that has come out of Washington, D.C., on the studies -- and there have been numerous -- have shown the advantage of taking full advantage of those years from birth to age 5. We really have to do it, not just for these children who are missing out, but for all of us and for the economy of the future, which we hope will be sound because these children will have the proper education.

Thank you.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin,

Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Valesky.

SENATOR VALESKY: Mr. President, I believe there's an amendment at the desk. I ask that the reading of the amendment be waived and that I have the opportunity to explain the amendment.

ACTING PRESIDENT MEIER: Reading is waived, and you're recognized for the purpose of explaining the amendment.

SENATOR VALESKY: Thank you, Mr. President.

The amendment that is before us today is language that is similar to an amendment that we have seen before in this house, based on Senate Bill 5995. We are all undoubtedly aware of the pressures that school districts have been facing in this academic

year in regard to higher-than-anticipated energy costs, both natural gas and heating oil costs as well as diesel fuel. And those increased costs are having a negative impact on academic programs, transportation for various field trips, and other opportunities.

School districts are left with very little choice in regard to what they can do. And I am concerned that as we go to school budgets in a couple of months, we may be seeing higher school property taxes as a result of the pressure in energy costs.

So this amendment would authorize the Commissioner of Education to provide school districts with grants. The total grant allocation or statewide pool would be in the amount of $50 million. Factors that would be considered upon making grants would be a district's ability to cover the increased costs in energy, as well as the impact that energy prices have had on academic programs and a potential impact, of course, on property taxpayers, and also would look at efforts that have been undertaken by the school district to reduce costs through energy conservation

measures.

Mr. President, I urge a yes vote on this amendment. Thank you.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Schneiderman.

SENATOR SCHNEIDERMAN: Thank you, Mr. President.

There's an amendment at the desk. I would request that its reading be waived and I be heard on the amendment.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized to speak on the amendment.

SENATOR SCHNEIDERMAN: Thank you.

This is another amendment to this legislation relating to education in the State of New York. This amendment would do two things that are critical. It would add funds for operating aid for the high-needs school districts in this state and, more centrally, it would change the funding formula to deal with the overall problem of the distribution of education funds within the state.

Now, the budget bill as proposed does make some small adjustments in the funding formula and it does provide some additional funds, but it still falls far short of the funding that we know we need for all high-needs districts.

And I would suggest that there are three central reasons to support this amendment to fix our funding formula, and they're the same reasons I would argue require a "no" vote on this particular budget bill.

This is a serious problem. This is a statewide problem. And unfortunately, my colleagues, I believe that in this particular area this is specifically a Senate problem.

This is a serious problem, as we know from the findings of fact in the Campaign for Fiscal Equity case. There is no better record before this house on any issue than there is about the failures of our public schools. And anyone who cares about the future of our state and anyone who cares about the children of our state -- that, you know, the most hard-hearted venture capitalist in New York should be for more investment in public schools, because that is our future.

But on a moral basis, the fact that hundreds of thousands of children have had their dreams destroyed while we sit here watching them getting an education in classes where routinely people get to the 12th grade only reading at an 8th-grade level, where routinely teachers who are not certified or are not certified in the areas in which they are teaching are concentrated in the high-needs districts -- they are not getting their fair share. The schools are failing.

We have a constitutional responsibility. We tried the defenses, the state shamefully tried the defenses in the CFE

case that, oh, it's not our fault, it's the fault of the local government. That was rejected. The State Constitution doesn't say the mayor is responsible for a system of common schools. It doesn't say the Department of Education is. It says the Legislature is. So this is a serious problem, a fundamental failure of government here.

Second of all, it's a statewide problem. This amendment and the proposal that was made today in the Assembly would redress this problem on a statewide basis. The court in the CFE case only has jurisdiction to award funds to the City of New York, and we know there's resistance to even that. But we must enact legislation that deals with this on a statewide basis.

This is a problem in Buffalo in high-needs areas, in Syracuse, in Yonkers, in rural areas throughout the state of New York. So this is a statewide problem that will not be addressed by the court. We have to deal with the statewide solution here.

And finally, my colleagues, this is a Senate problem. Because right now the

education advocates pretty much understand what we have to do to fix the funding formula and to fund the schools. The Assembly today has taken a major step forward to that end. The Republican mayor of the City of New York has stood up and said: We are not getting our fair share.

The barrier is in this house. And we've heard encouraging words from my colleagues on the other side of the aisle that sometimes we should go to the Assembly and try and convince people to do the right thing. Well, today we're here trying to convince our colleagues on the other side of the aisle to do the right thing.

Since the CFE decision first was issued, the Majority in this house has been in opposition to it. The first report that came out right after the trial court's decision, "Staff Analysis 2001-2002," by my colleagues on the other side of the aisle, attacked the CFE decision. The arguments made there were rejected by the appellate courts; they've been rejected repeatedly.

This case will not go away. This

issue will not go away. We must stop being the barrier to fair funding for high-needs districts. We must stop being the barrier to the realization of dreams for millions of children in the State of New York who deserve a fair shot in life. We're not guaranteeing success. But everyone deserves a fair shot.

That's what this amendment would provide for, and I would urge everyone to vote for it. And in the absence of the amendment, I would urge a "no" vote on this piece of budget legislation.

Thank you.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify -- I'm sorry.

Senator Saland.

SENATOR SALAND: Mr. President, first, I would like to point out that this Senate and certainly this Senate Majority has been keenly interested in a statewide resolution of this issue since virtually the onset.

Unfortunately, what we have found ourselves with is a situation in which the

decisions of the referee and the trial court have created a floor, a floor in terms of a dollar amount through which the Assembly cannot negotiate. We believe that to be an unrealistic, an unattainable ceiling.

There are issues, there are issues between the Governor's Zarb Commission, long since forgotten, and the CFE decision as written by the trial court. And incidentally, what's interesting about the court decision is the court didn't absolve the City of New York in that particular case. The court said, if you remember correctly, the city has an obligation to put up money.

The court also said even if the city has been remiss in failing to provide money, the city is a subdivision of the state and the state should therefore make the city pay more money if the city thinks that it should. A very nice way of dealing with a very controversial issue, but really a means by which the court offered no remedy to deal with that issue.

I would respectfully submit that the record in the CFE case certainly tells us

the Court of Appeals has said "fix it." The Court of Appeals said "fix it" in June of 2003. They said that the state had failed to abide by its constitutional obligation to provide a sound, basic education in the City of New York. That provided the ability, I believe, to deal with this as a statewide issue if in fact we could get people to the table.

Given the change of direction, if we go back and take a look -- we arrived at that number, or the advocates arrived at that number based on a professional-judgment model. The court, through the referees, adopted a successful-schools model. But unlike the Regents, they failed to use a so-called efficiency filter, which the Regents have always used when they've done their foundation formula.

So effectively, as the commissioner testified, there are reasons for using an efficiency formula. The court chose not to use the efficiency -- the efficiency filter, excuse me, for whatever reasons known only to them.

This matter is on appeal. I personally believe that any governor would be derelict in letting a decision of this magnitude -- for that matter, any decision involving appropriation of funds -- to a trial court. I wouldn't care if that court was in Manhattan, I wouldn't care if that court was in Buffalo, I wouldn't care if that court was in Plattsburgh, I wouldn't care if that court was in Poughkeepsie.

There is, believe it or not, a separation of powers doctrine that has served this institution and served this state and has served the federal government as well. And absent the willingness of the Assembly to come to the table, they're resting on the $5.6 billion number without the issue of capital that they've been provided by the decision of the referees and the trial court.

There's little or no likelihood that they're going to come to the table. We've been ready, willing and able for the longest period of time to get there. That's the only way we're going to deal with the high-needs solution to this issue.

So I understand the rhetoric. It is certainly popular in any number of circles. It's however, in my opinion, grossly divorced from reality, and it remains to be seen whether we will ever get to the table. I would certainly hope so. I can speak for myself as the chairman of the Senate Education Committee and say I'm most eager to get to that table, but it's awfully lonely being there by yourself.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Krueger.

SENATOR LIZ KRUEGER: Thank you.

I'd like to ask the sponsor to yield, please.

ACTING PRESIDENT MEIER: Senator Johnson, will you yield for a question from Senator Krueger?

SENATOR JOHNSON: Yes, Mr. Chairman.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR LIZ KRUEGER: Thank you. Through you, Mr. President.

We just heard Senator Saland make an eloquent argument about whether or not the Assembly is coming to the table in CFE and how much money they realistically would or wouldn't put on.

And regardless of the role of the courts, Senator Johnson, how much money is the State Senate putting on the table as an increase to school aid in this bill?

SENATOR JOHNSON: This year, $1.1 billion.

SENATOR LIZ KRUEGER: $1.1 billion.

Mr. President, if, through you, the sponsor would continue to yield.

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

The sponsor yields.

SENATOR LIZ KRUEGER: Thank you.

And does that include the money for construction or just the operating aid?

SENATOR JOHNSON: No, that's operating aid. Construction is a separate item.

SENATOR LIZ KRUEGER: Thank you. Mr. President, on the bill.

Thank you, Mr. Sponsor.

ACTING PRESIDENT MEIER: Senator Liz Krueger, on the bill.

SENATOR LIZ KRUEGER: Well, one can debate whether the court should have had a role in deciding education aid or not. I would argue if we had done what we were supposed to do in this Legislature for 30 years, nobody would have taken us to court, nobody would have needed to.

I would also argue that whether one wants to debate $6 billion operating, $9 billion capital, some numbers otherwise, that in the year 2006 this Senate, in a

one-house budget bill, could certainly do better than what is before us today. Which, as I've just learned, is $1.1 billion statewide. And I believe when you adjust for inflation, that dollar value actually decreases dramatically.

It's also my reading of the bill for construction that it would be $240 million in debt service costs, with a one-year commitment to help pay off the costs on the debt service, leaving perhaps the City of New York and the other large school districts to have to pay off these bonds for new construction for decades to come, with or without the help of the State Legislature and the next Governor.

And I would argue that we have to do better than this package, even if one disagrees or agrees with the role of the courts or the other house.

So I'll be voting no on this bill, for a variety of reasons. One is it is completely inadequate in its commitment to K-12 education funding.

Second, it is completely inadequate

in its response to the need for higher education funding in the State of New York. We hear over and over again -- the Governor's State of the State speech, other speeches that have been made in this house, on both sides and in the Assembly, on both sides -- that the State of New York is failing in our responsibility to ensure that our young people are graduating our universities with the educations that they need to be competitive in a 21st century labor market. I've heard endless speeches about Tom Friedman's book about the flat earth and how we are not competitive with every other state in the nation and many countries.

And yet what we do here is we offer to our universities that they should increase their tuition for their students who are already working to try to make the payments for their tuition. We are proud of ourselves, I suppose, for cutting back on the Governor's proposal to cut TAP, but we are not doing anything to truly expand our commitment to our universities, which we desperately need for our 21st century workforce.

We yet again make tax cuts in this bill, through the STAR Plus and the enhanced STAR program and the small business STAR, all of which end up cutting funds for education at a time when we know we need more, none of which are based on an equity model of progressive taxation and all of which, frankly, end up being unfair to people who live in our big cities in comparison to people who own homes in the rest of the state.

Finally, this bill also, very disturbingly, does not challenge the Governor's proposal to go forward with full family sanctions for households receiving public assistance, for decreasing the earned income disregard for people who are both working and on public assistance.

It does not challenge the Governor's assumptions about sanctions for counties where they cannot reach a 50 percent combined work participation rate for families, despite the fact that the disproportionately large number of families left on public assistance in the year 2006 either have disabled adult household members or disabled

children in their households.

This bill also does not reverse the Governor's proposal to change the formula for calculation of SSI benefits for disabled adults within households also receiving public assistance.

We could have done so much better in this bill, even as a one-house bill, to challenge both our colleagues in the Assembly to do better, to do more, and to challenge the Governor. I urge my colleagues to vote no on this bill.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Parker first, then Senator Diaz.

Senator Parker.

SENATOR PARKER: Mr. President, on the bill.

ACTING PRESIDENT MEIER: Senator Parker, on the bill.

SENATOR PARKER: I'm voting no on this bill because we have once again, for the entire time that I've had the honor to represent the people of Flatbush, East Flatbush, Midwood, Ditmas Park, Kensington and

Borough Park in this austere body, rejected the notion that there ought to be a fair and equal opportunity for young people in New York City to have the same kind of education that young people around the state, you know, have an opportunity to get.

And it really troubles me that as we talk about rhetoric that it seems that, you know, the rhetoric here is that, you know, we should look at other places and blame other people. One of the things that I find is kind of interesting here and I've learned in politics is that when we don't have the answer to a problem, we talk about the complexities of the issue. And we get lots of discussion here about the complexities of the issue.

The reality is is that we can do anything in this body we decide that we want to put our minds to. Anything. And right now, when we talk about a $110.7 billion budget, for us to talk about putting a significant down payment on the Campaign for Fiscal Equity lawsuit that would level the playing field for children in New York City, it just doesn't seem like it's, you know, that

complex.

Put the money in the budget. A priority, by definition, means it's something that you do first. Right? It means making sure -- you know, the main thing is to make sure that the main thing is the main thing. And we're saying that education of our children is the most important thing.

If I'm being told by my colleagues across the aisle that they care about the children in my district getting an education and the children in the city that I live in and the borough that I live in -- if you say you care about those children getting an education just like you care about the children in your district getting an education, then you in fact would make a larger contribution in the budget this year that in fact would satisfy CFE. It is simply a matter of doing it.

We can't on one hand say we're going to get rid of $8 billion worth of taxes and forgo $8 billion worth of revenue and then at the same time say, Sorry, children of the city of New York, we don't have, you know,

$2 billion to get you that the court said you ought to have. And oh, yeah, and we're sorry also, Brookhaven and we're sorry, Yonkers. We're sorry, Mount Vernon; we're sorry, Albany. Oh, Syracuse, we're sorry. Rochester, we're sorry. Buffalo, oh, sorry. We're sorry. Oh, don't forget Binghamton, sorry. We don't have the money because we gave all the money back.

In a year where there's, you know, arguably a $3 billion surplus to say simply there are no funds and it's not reasonable to find, you know, 3 plus 8 which is now $11 billion, you know, worth of money that we're either giving back or, you know, wasting away in some other way -- and then to continue to come here and say that education is the most important issue and the protecting of children is the most important issue, you know, there's a significant contradiction there that I am not willing to stand here and to continue to accept in this body, in myself, or in this Legislature.

We began the year talking about a lot of sex crimes. And particularly one of

the arguments that was made very strongly by my colleagues was the fact that we in fact needed to protect our communities, particularly our children, from sex predators. And we want to, you know -- we create, we put $130 million in a new facility. You know, we want to monitor people, we're going to create civil confinement, we want to do all these things to protect our communities. But what are we doing from protecting them from the dangers of unemployment, of underemployment, of the reality that when you start looking at where crime comes from, it's from places where you in fact have no job opportunity.

We're in fact talking about cutting taxes because we want to attract companies to our state. And that's a very, very, very admirable goal. I want to attract companies to this state. But the reality is that when you look at where companies decide to move, it's not based on tax cuts. And I don't care what studies you look at. Go to Wharton, go to Harvard, I don't care, get the studies out. Tax cuts are not what attracts businesses. Having a qualified and educated workforce is

number one.

And will you in fact move your business -- in fact, when we start talking about the issue of, you know, outsourcing and we look at why are all of our, you know, businesses are moving to India and China, not only is it lower fees but also an educated workforce. We have to invest in our own communities, in our own children. This is our future.

And as much as, you know, many of my colleagues don't live in New York City and feel like it's not their problem, but the reality is, you know, if your children are going to continue to live in this state, they're going to be living next door to the children, in the same state with the children who are getting undereducated in my community because we did not make the right decision now.

No longer is it acceptable for us to continue to talk about what we're going to do in the future. We have to do this now. We have to put in a significant amount of money to pay for the Campaign for Fiscal Equity

lawsuit so that we can start creating some educational justice in this state. The playing field must be balanced. It's $2,000 less per child in New York City versus every other child in the state.

And so we need to do that. And at the same time, we need to take care of every other school district in this state that needs more money. Why? Because not just it's the right thing to do, it's the thing that we must do if we're going to say that we are legislating to take care of the future of the city of New York and the state.

I implore you, ladies and gentlemen, to really make the right decision here, to really go back and look at these numbers, to in fact put the money on the table that needs to be put on the table so that we can in fact move forward -- and not just, you know, build buildings, but so that we can raise the salaries of teachers.

We need to attract more people and better people to the profession of teaching. We need more materials. We need money for English language learners in our communities.

We need money for after-schools. We need money for all of the things that we in fact know create good citizens and good adults in our community. But we can't wait until they become adults and put that money into criminal justice, we have to start now and put the money into education.

Because we know, as public policy people, that in fact education creates the greatest externalities, positive externalities from -- one dollar gives you more, better results as that dollar is moved to the education system than any other program that we in fact can invest dollars in. And so for us not to make the right decision here is absolutely criminal.

I vote no, and I ask us to relook at this issue.

ACTING PRESIDENT MEIER: Senator Diaz.

SENATOR DIAZ: Thank you, Mr. Chairman. On the bill.

The problem of education in New York City is not new. The problem of lack of money to the system in the city is not new.

We used to have a system where we had what we called community planning boards. And we used to have the centralized school board, we used to have a chancellor and a mayor.

Then Mayor Bloomberg came, Mayor Michael Bloomberg came, and I was a member of the City Council and Mayor Michael Bloomberg came and told us: "I want to end the abuses, and I would like to end the problem with education. I would like to be called the educational mayor. Give me control of the school system, and I promise you that I will solve the problem of the educational system in the City of New York."

And I believed that. And I fought and I pushed and I voted to give the mayor of the City of New York control of the school system. The same lack of money that we have now, we had it then. But the mayor said: "Give me control, and stop passing the hot potatoes."

Because the problem was that we used to say, the school committee -- the local committee school board used to say: Oh, it's not my problem, it's the problem of the

central board. The central board used to say: It's not my problem, it's a problem of the chancellor. The chancellor used to say: It's not my problem, it's a problem of the mayor. So we used to have something called passing the hot potato from one to another. And our children always, always had the worst education.

But Mayor Bloomberg said: Give me control of the school board, and I will solve the problem. I will not ask anybody to shoot to accuse anybody, I will ask, shoot at me. I am responsible.

And I was a City Council member, and I voted and pushed for mayoral control. Guess what? Now the Mayor of the City of New York is saying: "Oh, I cannot do anything, because I need money." We knew that before, when he said "shoot at me." We cannot do anything, we need more money. To the point that he is closing, in the district that I represent, two schools, and he's stopping construction on all schools.

So the schools -- the children in the school that I represent are being

affected. They always have been affected. They are now being affected. And I'm afraid, I am afraid that I will continue being affected. Because every year we send money to the City of New York. Last year we sent close to $100 million. And the money never gets to the black and Hispanic community. The money always goes to areas that are not needy. The children in the district that I represent, the children in the black and Hispanic community are always left behind no matter how much money we get in the city. We always, we always get behind.

And now we have the CFE. And I bless, God bless Judge DeGrasse. God bless him wherever he is. Because yes, we need that money. And yes, we have to support to get the money. We all need the money. However, my concern is that when we get the money, that everyone is salivating. Everybody's salivating about the money.

My concern is that when we give the money to the City of New York, I am afraid, Mr. Chairman and members of this body, I am afraid that the children in the black and

Hispanic community will continue being left behind, that the children in the black and Hispanic community will continue to have overcrowded schools, poor teaching, no money for extracurricular activities, no money for materials. Because that's what always happens, somebody else gets the money. The money goes to other places.

And I was saying this morning in the conference that my daughter, my daughter, she's a sergeant in New York City, she lives in Milltown, New York. And when I go visit my daughter, I go to those schools. I will say that in those schools, the best private school in my district is worse than the worst school in that district. And those schools in that district, the children have ski training, volleyball, baseball, swimming, opera, dancing. They have everything.

It breaks my heart to see what they have in the public education in those cities in those area and in the area that I represent. And the area in our city, in the black and Hispanic community, we don't have none of that. We have the worst -- bathrooms,

classes that look like pigs.

And ladies and gentlemen, if we're going to get the money -- and I'm going to repeat myself again, God bless Judge DeGrasse. But I'm afraid that when we get that money, we will be left behind again. So there should be something done that that money should go, earmarked, straight to needy areas. Not to New York City as one school district, while the chancellor and the mayor decide where to go. I know where they're going to put the money -- in the same place that they always have been putting the money.

Not in my district, not in the black and Hispanic community -- what you say, madam? -- in Staten Island, the best part of Queens, some parts of Brooklyn and Riverdale in the Bronx. But in my district, in the black and Hispanic, we never get anything.

So yes, let's salivate for that money. Let's get the money. But let's be sure that that money goes where it's needed, not wherever the chancellor and the mayor want to put it.

Ladies and gentlemen, thank you

very much. I appreciate you listening to me. But I have to vent, because the frustration to see what some of the kids in poor education gets in the state of New York, and what we cannot get, is heartbreaking. It's -- it's -- it's painful.

So, Mr. Chairman, thank you for this opportunity, and thank you for listening to this black guy from the Bronx. Thank you.

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

Debate is closed, then.

The Secretary will ring the bell.

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.)

ACTING PRESIDENT MEIER: Senator Saland, to explain his vote.

SENATOR SALAND: Thank you, Mr. President.

I heard a lot during the course of the debate about what this bill wasn't. And

perhaps nobody took the time to mention, and --

ACTING PRESIDENT MEIER: Order in the chamber, please.

SENATOR SALAND: -- I will do it very briefly, what this education portion of the budget actually does.

It increases, by $1.1 billion, school aid in this coming school year. It's the largest increase in the history of our aid to education. It represents a 6.7 percent increase, certainly well above the rate of inflation. It adopts our LEARN package, which includes, in effect, the first-year funding for that package. It also provides the second year of SBE funding, 375 million on top of the $325 million provided last year.

And I think it's important to note, for those who have heard from school boards, teachers, parents, that there's some $668 million in unrestricted aid that's been added. We have backfilled the Governor's BOCES cuts, we have backfilled his private excess cost cuts. And we effectively have expanded real property tax relief through the

mechanism of STAR Plus in a fashion not provided for by the Governor, no bounties on school budgets.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Stavisky, to explain her vote.

SENATOR STAVISKY: I thank Senator Saland for the description of what it includes. But I didn't hear a description of some resolution of the operating aid for the Campaign for Fiscal Equity.

I vote no for that reason.

ACTING PRESIDENT MEIER: Senator Stavisky will be recorded in the negative.

Senator Parker, to explain his vote.

SENATOR PARKER: Thank you, Mr. President.

I also vote no. And where I did note Senator Saland's -- all the aid that was in this bill, certainly, unfortunately, despite the fact that it raises more money than we've ever put in, actually, we ought to be ashamed of ourselves that we've never put more money into education, particularly given

that we, 20 years ago, made people vote for and accept the lottery because we promised them the lottery money would go there. That's another conversation.

But the reality is that this bill does not designate how the money gets laid out. So you can in fact raise the money and put more money into the budget totally, but that doesn't mean that it in fact addresses the needs of the Campaign for Fiscal Equity, which in fact says there needs to be more money for New York City, which is a high-needs district.

And then what we're saying -- you know, what I'm saying and I believe my conference is saying is that what we ought to do, above and beyond what you need to do for New York City, is in fact deal with the issues of other high-needs districts across the state from Buffalo to Brooklyn.

And so we in fact, you know -- I'm voting no on this thing, because this bill doesn't nearly go far enough. And I haven't even had the chance to in fact deal with the CUNY part of the budget and, in fact, what are

we doing raising the tuition at CUNY and SUNY schools when in fact we ought to be making four years of college as common as a high school diploma at a very time when we have a Governor and some members of the State Legislature who are saying 8th grade is enough. Unacceptable.

I vote no.

ACTING PRESIDENT MEIER: Senator Parker will be recorded in the negative.

Senator Malcolm Smith, to explain his vote.

SENATOR MALCOLM SMITH: Thank you, Mr. President.

I will be voting no on this bill also, just simply because education, as housing, is critical to this entire state. This particular bill is not addressing that CFE decision. It is not addressing the operating aid.

And at some point we need to take the right steps toward doing what is right for the people of this state. So I will be voting no.

ACTING PRESIDENT MEIER: Senator

Malcolm Smith will be recorded in the negative.

The Secretary will announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 495 are Senators Andrews, Breslin, Connor, Diaz, Dilan, Duane, Gonzalez, L. Krueger, C. Kruger, Montgomery, Onorato, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, and Stavisky.

Ayes, 39. Nays, 20.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 496, Senate Budget Bill, Senate Print 6454B, an act making appropriations for the support of government: Health and Mental Hygiene Budget.

ACTING PRESIDENT MEIER: Senator Parker.

SENATOR PARKER: Mr. President, I believe there's an amendment at the desk.

ACTING PRESIDENT MEIER: There is.

SENATOR PARKER: I ask that you waive the reading of the amendment, and I ask to be heard on said amendment.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized to speak on the amendment.

SENATOR PARKER: Thank you much, Mr. President.

This amendment deals with the New York State Supplementary Nutrition Assistance Program, or SNAP. It aims to improve the well-being of seniors who are at high nutritional risk, with particular emphasis on the provisions of service to the low-income, minority, and frail and isolated seniors.

This is particularly important, I think, for everyone's district. And I think that in this particular bill we ought to be, in fact, looking at adding more funding. This is personally important because I have two senior parents at home. And I know many people in this body, you know, have parents and grandparents, clearly constituents who are seniors and who are gravely affected by this

bill.

Nutrition is at the top of the list of the things that are important for, you know, at-risk populations, particularly seniors. And when we created this program over 30 years ago, this program was meant to address that. And it's really a great, great program that really does what it aims to do, which is to provide quality, hot, nutritious meals for literally millions of people across the state of New York.

Unfortunately, this program, despite its success, has not been able to keep up with the numbers of seniors who need it. And so although this program could, under its guidelines, deal with seniors who are 60 and up because the eligibility requirements allowed that, this program currently only targets those who are 75 and up.

What this amendment that I'm putting forward today would do is that at an average of $5.82 for a home-delivered meal, an additional appropriation, which this amendment would add, of $2 million would provide almost 350,000 additional meals for seniors across

this state. That is something that not only is worthy but something that we ought to do just because of the merits and the immediate impact it would have on the health of seniors across the state.

I think that we pay attention to that, you know, in this body because this is a place that I'm looking forward to being. I hope to one day be at least eligible for this program. And so I'd like to know that if I, you know, fall on hard times, there's a program out there that's going to help me out. Especially being that the benefits that we're getting may be cut, Social Security and other things.

So I'm asking my colleagues and I'm really challenging my colleagues on the other side of the aisle to vote for this bill that would help their constituents, that would help their parents and their grandparents and their older aunts and uncles have hot meals and create a warmer climate in this entire state.

Thank you very much. I'm hoping you vote yes on this amendment.

ACTING PRESIDENT MEIER: Senator

Parker, I'm sure one of us would bring you a sandwich, at least.

Senator Diaz.

SENATOR DIAZ: Thank you, Mr. President.

Again, I rise to talk to you about another injustice for the seniors, and this time the seniors in the Bronx. This amendment that Senator Parker is talking about is a nice one. It's a good one. I'm voting for it. However, if you go to the city of New York, every senior citizen in the city of New York receives a daily hot meal, a daily hot meal delivered to their home by a person that not only delivers the food but also serves as a person that watch out for the seniors -- but in every borough they are receiving, I repeat myself again, a daily hot meal except in the borough of the Bronx. Except in the borough of the Bronx.

Because our beloved mayor, Michael Bloomberg and the chairman of the Aging committee decided to have a pilot project where they took away the hot meal, the daily hot meal to senior citizens, and instead they

are giving senior citizens in the Bronx -- not in other parts of the city, only in the Bronx -- they are giving the senior citizens frozen meals. Only to the seniors of the Bronx. That's the one of the good ideas from the mayor's administration.

So yes, our seniors deserve better. They deserve hot daily meals. They deserve to get the best things that we could give them. And I am calling on you that if we're going to do this, don't allow the rest of the city, the rest of the senior citizen population in the city to get frozen meals. Frozen meals are no good.

Besides, the person -- as I said before, the person that delivers the daily meals also looks out for the seniors and make sure that the senior's in good health and that nothing happens to the senior.

By giving a frozen meal once a week for seven days, that will do many things. The seniors have to use, some of them, microwaves, or others have to use the oven. That's dangerous. Some of them don't have the microwave, or to use the oven is dangerous.

And another thing, that if a senior eats the frozen meal that they give them for seven days, if they eat it in three, the senior will be without food for four days. And they also will not have the person to look out for them on a daily basis.

So the frozen meals given to the seniors of the Bronx is wrong, and we should not allow this program to be expanded to the rest of the city. And we should stop the senior citizens in the Bronx getting frozen meals and we should give back the daily hot meal to those seniors.

Again, Mr. Chairman, thank you very much.

ACTING PRESIDENT MEIER: Senator Ada Smith.

SENATOR ADA SMITH: Thank you, Mr. President. I believe there's an amendment at the desk.

ACTING PRESIDENT MEIER: We have to dispose of this amendment first, Senator.

SENATOR ADA SMITH: Oh, sorry.

ACTING PRESIDENT MEIER: That's okay.

On the amendment, those Senators in agreement please signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky. Also Senator Onorato.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Ada Smith.

SENATOR ADA SMITH: Thank you, Mr. President.

I believe there's an amendment at the desk. I request that the reading of the amendment be waived and that I be permitted to speak on the amendment.

ACTING PRESIDENT MEIER: Sorry, Senator, just a little confusion. We're straightened out now.

The amendment is at the desk, the reading is waived, and you're recognized to

explain the amendment.

SENATOR ADA SMITH: Thank you, Mr. President.

This amendment would request $2 million for the Cancer Services Program, which is housed in the Bureau of Chronic Disease Services. And it would expand local screening services and education programs pending the FDA approval of a known cervical cancer vaccine.

Almost a year ago, scientists reported the creation of the first vaccine which was able to prevent cervical cancer. This vaccine immunizes against a specific form of a common sexually transmitted virus called human papilloma virus. This particular form of HPV causes half of the known cervical cancers.

This conference proposes $2 million to improve access to cancer screening and public education surrounding the future FDA approval of the cervical cancer vaccine. Funds will be distributed by the state's Cancer Services Program and the Bureau of Chronic Disease Services. Community-based

organizations throughout the state will then be able to recruit more women for the most advanced screening services as well as treat younger women to prevent future infections.

Worldwide, cervical cancer is the second most common cancer among women. In the United States, there are over 13,000 cases a year and 4,100 deaths. The incidence of new cervical cancer indications in New York is 8.8 percent, and the mortality rate is 2.7 percent. Both rates are just above the national average.

While cervical cancer screening is just below the national average, African-American and Hispanic women are disproportionately affected by cervical cancer. And this weekend, while meeting with the NMA, the National Medical Association, it is one of the primary programs on their agenda.

And as one of my colleagues stated earlier, this is Women's History Month. We must begin to do something for the women of the state. And while effective vaccines offer the greatest hope for cervical cancer

elimination, access to the most advanced and appropriate screening continues to play a critical role.

Women with limited or no health insurance and women screened in free clinics may not have the same access that many of us do to the most advanced, FDA-approved screening and prevention technologies. This increased funding will ensure further access to these lifesaving treatments and preventative measures.

This is a very small investment in the health of your mothers, your wives, your daughters or your sisters. And I'm sure that you each care about the women in your lives.

Thank you.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify by raising your hands.

I'm sorry. Senator Hannon.

SENATOR HANNON: Mr. President, I just wanted to go on record and say that what we have done in restoring hundreds of millions of dollars to the healthcare budget that was sent to us is to address a whole range of

programs, including the early detection of cancers that are very much afflicting the population, such as breast cancer, cervical cancer, colorectal cancer.

I can't support this amendment, because this is merely a $2 million addition to one part of the program that goes out and does testing -- the Healthy Women Partnership -- throughout the state.

It doesn't try to address any of the issues mentioned, legitimately mentioned by the proponent of the amendment, but which need to be listed in the amendment. This is just a one-line item.

You have to address this by saying what are you going to do in Medicaid, what are you going to do in Medicare, what are you going to do in community clinics, what are you going to do in diagnostic and treatment centers, what are you going to do in regard to requirements for private insurance.

Given all of those lacks, I don't think that this approaches what we need to be doing. I think what we've presented as a budget does approach it in a balanced way for

the health of all parts of the community of New York. And for that reason, I can't support this amendment.

ACTING PRESIDENT MEIER: On the amendment, then, those Senators in agreement signify by raising your hands, please.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Any other Senator wish to be heard on the bill?

Debate is closed, then.

The Secretary will ring the bell.

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.)

ACTING PRESIDENT MEIER: Senator Balboni, to explain his vote.

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

No, we can talk too, it's okay. We can do this.

In this bill for the first time is an appropriation to prepare Long Island for the eventuality of a hurricane. As we all saw, with the Katrina report from the White House and from Congress, the devastation wrought by a natural disaster. And we've received new information that we are entering into a new phase of climate change. And there are experts, meteorologists who say that again, like so many things in this world, unfortunately it's not a matter of if, it's a matter of when.

So $5 million, and it's a match program with the counties. It's the first time we've added this kind of money to ensure that we have shelters for the 2.7 million people who live on the island.

With that, I'm going to be voting

yes on this bill. Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Balboni will be recorded in the affirmative.

Senator Montgomery, to explain her vote.

SENATOR MONTGOMERY: Yes, Mr. President. I note in this legislation there is no increase in the funding for school-based health clinics.

And I think that we all in this room, on both sides of the aisle, agree that school-based health clinics are important to the young people in this state. So why we resist and we continue to overlook the need and our commitment, based on putting additional funds there, really baffles me.

I'm not going to vote against this bill, but I certainly hope that the chair of Finance in our house, the ranking member on Finance -- Senator Breslin, on our side -- and Senator Bruno, and the people in the Assembly, I do hope that we had all come away from that table with additional funds for school-based health clinics.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Montgomery will be recorded in the affirmative.

Could we see the negatives on the bill again, please.

THE SECRETARY: Those recorded in the negative on Calendar Number 496 are Senators Andrews, Connor, Coppola, Dilan, Duane, Gonzalez, L. Krueger, Parker, Paterson, Sabini, Savino, A. Smith, Stachowski, and Stavisky. Also Senator Breslin.

Those Senators absent from voting: Senator Wright.

Ayes, 43. Nays, 15.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 497, Senate Budget Bill, Senate Print 6455B, an act making appropriations for the support of government: Transportation, Economic Development and Environmental Conservation Budget.

ACTING PRESIDENT MEIER: Senator Malcolm Smith.

SENATOR MALCOLM SMITH: Thank

you, Mr. President.

I believe there is an amendment at the desk. I ask that its reading be waived so I can speak on the amendment.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized to speak on the amendment, Senator.

SENATOR MALCOLM SMITH: Thank you, Mr. President.

One of my colleagues, Senator Liz Krueger, just acknowledged the book "The World Is Flat," by Thomas Friedman. And, Mr. President, it is my belief, and given the fact if the world is truly flat, obviously the State of New York is flat also.

And that being the case, we have an obligation not only to reform our government, but we also have an obligation to reinvent programs and practices that exist currently so that our particular government here in the State of New York can operate more efficiently, more effectively, and be able to produce the kind of services that the individuals of this state deserve.

This particular amendment that I am

putting forward is an amendment that deals with a situation that is as critical to the citizens of this state as is the educational funding concern that we have. It deals with a bill or an amendment that requires $750 million, $650 million of which would come out of the surplus and $100 million which would come out of the recording mortgage tax surplus that currently exists.

There are two programs that are in this amendment, both of which will deal with two different portions of the housing requirement that we have. The first would be an affordable workforce rental development program. That is affordable workforce rental development program. It would cost us about $250 million.

The first year would produce a thousand units of rental housing. That thousand units of rental housing would allow for 800 units to be provided for those who are 80 percent of the area median income. The 200 remaining units would go to those who are 20 percent of the area median income. Fifty million dollars the second year would come out

of the mortgage recording tax surplus. And in 10 years we believe, Mr. President, that we will be able to produce 3,250 units of rental housing.

It is clear to us, Mr. President, that affordable housing is something that is critical to many people in this house. And this particular program, the affordable workforce rental development program, would yield a thousand units in that first year, 3,200 units, roughly, 10 years thereout.

The other good part of this program, Mr. President, is that it would be run by a nonprofit agency falling under the auspices of DHCR.

But the real critical part of this program, Mr. President, is the rental income we could then turn into a revolving loan that would be pledged for security to finance the future development of rental housing.

So essentially, Mr. President, there would be no need to continue funding this program out into the future, because the income from the rent from that first year would be enough to finance the future

development of rental housing.

The second program, which is called the below-tax-rate mortgage program, is a very exciting program as well. This particular program, the below-tax-exempt-rate mortgage program, is a program again reinventing government, being creative, trying to make government more efficient. It will provide 3,000 new homes, Mr. President, 3,000 new homes that will be able to be available for those individuals who are in need of homes.

Now, the beauty of this program, Mr. President, is that it also, given that the State of New York is flat, it deals with homeowners from Western New York to Nassau County, New York City in between. The mortgages that we'd be able to provide under this program range from $150,000 to $350,000.

It would be a program where the interest rate for these mortgages would be half of that of a 30-year tax-exempt rate that exists right now. We have about 4.5 now, so you're talking about 2.5. In addition to that, you would have an interest-free mortgage of about $40,000 which would go to the

particular homeowner, or 15 percent of that particular mortgage, whichever is less.

It is a program again, Mr. President, that requires no more than $500 million, which would be used for that first year. And again, the proceeds of that mortgage would be used to finance future new homes into the future. And it would just continue in a revolving state such that this particular program would go out into 10 years and produce 15,000 new homes within a 10-year period.

We are excited about both of these programs, Mr. President, because, again, one of the things that is important to this state is that we have to utilize our support services as well as our funding in a much more efficient manner. Both of these programs only require the one-shot that we so often do in this particular body, and they will self-finance themselves out into the 10 years. That's 3,000 units, roughly, of rental development, and then also 15,000 new homes 10 years thereout.

I also would like to bring to your

attention an article that was in The New York Times on Sunday which supports the notion for both of these programs. It was an op-ed in The New York Times that talks about mortgages, mortgaging New York's future. And it simply states: "First, the new governor should amend the state's real estate transfer tax law so that it dedicates equal portions of these tax revenues -- expected to be $930 million in 2006 fiscal year, $800 million in 2007, and $750 million annually in the next two fiscal years -- toward affordable housing development and to environmental purposes." Currently, the law only requires that that money be used toward environmental purposes.

It is clear, Mr. President, that if we decide to adopt this amendment -- and I'm hoping that all my colleagues understand the value that these particular programs create on out into the future, the 3,200 workforce development rental apartments as well as 15,000 new homes -- it is critical that this particular program, these programs will make a serious, significant dent in the housing need that we have.

Mr. President, I am asking all my colleagues to support this amendment. In addition, in closing, I do want to thank my Senate Finance staff, Ahmed Diomande, for their work, Frank Rooney also, for his work, and their very creative thinking in terms of how we use the financial surplus that we have today to not only create a good program, but to leverage itself out into the future such that we do not need any money coming from the state anymore other than to recycle the money that we're asking for this program.

I ask that you have my colleagues support us on this, as well as bringing in some of your colleagues as well, because this is one program that is a bipartisan program that needs the support of everybody in this chamber.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Coppola, Diaz, Dilan, Duane, Gonzalez,

L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Breslin.

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

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized on the amendment, Senator Breslin.

SENATOR BRESLIN: Thank you, Mr. President.

This amendment deals with making a tech-space initiative. Now, I'm from Albany, and we have Albany Nanotechnology, which is a kind of nice model to look at, where we look to small businesses, particularly in the upstate sector, where we're really hurting for jobs, to provide a helping hand for those new incubator-type projects, to give them space, to give them advice.

We have the first and third largest universities in this country. Those universities could be actively involved in a synergistic way with these new startup companies.

You know, we have so much venture capital from the private sector in New York State that a lot of times we don't get to the use of that private-sector capital because the idea, the concept, the follow-through with that incubator level never reaches the private investor.

If we took $19 million and used that across this state to develop that small company, the RPI person who comes up with an idea, who wants to turn it into a project, turn it into a new scientific development that can be marketed which will assist in the upstate economy.

So I ask you for $19 million to have this, that will help the economy throughout the State of New York, but in particular to the very, very distressed areas in upstate New York.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement please signify by raising your hand.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, A. Smith, M. Smith, Stachowski, Stavisky, Valesky, and Senator Connor. Also Senator Schneiderman.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Liz Krueger.

SENATOR LIZ KRUEGER: Thank you, Mr. President.

I believe I also have an amendment at the desk. I would like to waive reading and speak on the amendment.

ACTING PRESIDENT MEIER: The amendment is waived. You're recognized to speak on the amendment.

SENATOR LIZ KRUEGER: Thank you.

So part of this bill deals with the question of funding for housing in the state

of New York. And as my colleague Senator Malcolm Smith already very articulately spelled out in his presentation for some of his proposals in his amendments, we are desperate to address the problem of protecting the affordable housing we still have remaining in this state, which shrinks day by day.

Between the year 2000 and 2004, the New York State adjusted gross income of lower-middle and low-income persons -- that is, persons earning between 80 percent and 50 percent of the New York State median adjusted gross income -- decreased by roughly 7.4 percent.

Mitchell-Lama housing, one of the most successful models of affordable housing for working people and low-income people in the state of New York, has been suffering from exactly these same scenarios. Since 1999, despite the fact that median income has not kept up with the cost of housing, New York State has made no new appropriations to the Mitchell-Lama Housing Repair Fund Program. These are complexes throughout the state of New York that were built approximately 30 to

40 years ago at this point in time. They desperately need repairs and upkeep to ensure that they continue to be a supply of affordable housing in the city of New York. Many of them are in desperate need of major rehabilitation.

We are proposing that we increase the housing project repair fund, which was created in 1980 to provide a mechanism for treating construction-related deficiencies in Mitchell-Lama projects, when many so desperately need this. The repair situation is precarious, and the longer we wait to invest money in the repair of Mitchell-Lama projects through the housing project repair fund, the more increased the costs will be for us down the line, the increase in the number of units that will come out of the supply of affordable housing in the state of New York.

I urge my colleagues to support this amendment to provide additional funding for the repair of Mitchell-Lama apartment complexes throughout the state.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: On the

amendment, those Senators in agreement signify by raising your hands.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Balboni.

SENATOR BALBONI: Yes, Mr. President, on the bill itself.

ACTING PRESIDENT MEIER: Senator Balboni, on the bill.

SENATOR BALBONI: This transportation bill has a Section L in it, and for the last two years in the Governor's budget submission there has been language that indicated the desire of the state to enter into private/public partnerships for the sale or operation of certain assets.

One of the assets not specifically

mentioned in the budget proposal but that is out there in terms of a possible asset to be sold is the Tappan Zee Bridge. And for those folks who live in Rockland County -- Senator Morahan, in particular -- and Westchester, this is of great concern.

But moreover, if you talk to security experts, they will tell that you the Tappan Zee Bridge is one of the key assets in this state for security.

So why do I rise? Because in the language that the Governor submitted, there was a reference to the ability of a foreign country to come in and purchase an asset of the state. Sound familiar? The Dubai Port deal. We have our own little Dubai Port deal.

And what this raises is the need that if we're going to scrutinize foreign countries when they come in and try to purchase national assets, we should certainly set up a process by which we will scrutinize countries that want to purchase a state asset, particularly one as important as the Tappan Zee Bridge.

So as we go forward in this budget

cycle and we have these negotiations, I'm going to urge all of us to urge that any language that authorizes the creation of a private/public partnership include a security vetting process, so that if a foreign country wishes to come in and take over a major, crucial asset that we have the same type of guarantees that there are no links to terrorism as they would to a federal asset.

I've been on the phone for a good part of this afternoon with Commissioner Tom Madison of the Department of Transportation. He agrees with this approach. And frankly, we didn't really consider this as a problem until the Dubai Ports World issue that exploded over the last couple of weeks with the port came to light.

So, Mr. President, I intend to support this legislation but urge all of us as we go forward in the negotiations that we urge and demand this language to make sure that we have the security background checks for any country that would want to do business in New York State.

Thank you, Mr. President.

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

Senator Liz Krueger.

SENATOR LIZ KRUEGER: Thank you, Mr. President.

If the sponsor would please yield for a question or two.

ACTING PRESIDENT MEIER: Senator Johnson, do you yield to a question from Senator Krueger?

SENATOR JOHNSON: Yes, Mr. President.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR LIZ KRUEGER: Thank you.

A section of this bill -- I'm sorry, I don't have the numbering -- is on the Empire State Development Corporation. And in the Governor's original proposed budget for capital projects through ESDC he made appropriations totaling $505 million which he broke down into subgroups.

And in this bill today, those line items have been removed and replaced instead by three lump-sum appropriations with no

detail provided of how this $505 million is going to be spent beyond a very broad set of categories: $185.5 million for economic development, $141.5 million for university development projects, and $128 million for arts and cultural facility improvement projects.

My question is, what is the intention of the use of these funds put in the budget this way? And how would appropriations be decided about these funds under the plan of the Senate?

SENATOR JOHNSON: That money will be subject to negotiation between both houses and the Governor.

SENATOR LIZ KRUEGER: Mr. President, if the sponsor would continue to yield.

ACTING PRESIDENT MEIER: Senator Johnson, do you yield?

SENATOR JOHNSON: Yes.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR LIZ KRUEGER: Thank you.

Would these negotiations take place

in the form of a memorandum of understanding between Senator Bruno, Speaker Silver, and Governor Pataki at some point in the future?

SENATOR JOHNSON: Not necessarily. It may be -- the items may be all lined out in the final budget.

SENATOR LIZ KRUEGER: Thank you. Mr. President, if, through you, the sponsor would continue to yield.

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

The sponsor yields.

SENATOR LIZ KRUEGER: Thank you.

In this budget bill the Senate also creates an additional $475 million lump-sum appropriation, does not disclose what it is for, only that it shall be for economic development, university development, arts and cultural facility projects, the same language as it is applied to the $505 million.

What is the intention of the Senate in proposing a further $475 million lump-sum appropriation for the same undescribed categories?

SENATOR JOHNSON: Senator, this

is part of the problem originating from the court decision which essentially said we cannot change any of the Governor's figures or language.

So we had to take the item out completely, and we will put it back in the way we believe, as a legislature, it should be.

SENATOR LIZ KRUEGER: Mr. President, if, through you, the sponsor would continue to yield.

ACTING PRESIDENT MEIER: Senator Johnson, do you yield?

The sponsor yields.

SENATOR LIZ KRUEGER: So, Senator, if I understand your last answer, that applies to the $505 million that in your proposal today you are changing the definition of how that $505 million might be spent. But my second question was on a new $475 million.

Are you suggesting you took another $475 million somewhere else out of the Governor's budget and replaced it with this? Or is this a new, additional $475 million?

SENATOR JOHNSON: Well, we did add some money to the Governor's budget. And

that will also be appropriated in the same manner as the $505 million which you talked about.

So you're going to have to play a role in this, Senator. And all your colleagues will play a role in how this money is ultimately apportioned.

SENATOR LIZ KRUEGER: If, through you, Mr. President, the sponsor would continue to yield.

ACTING PRESIDENT MEIER: Senator Johnson, do you yield?

SENATOR JOHNSON: Oh, yes.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR LIZ KRUEGER: Thank you.

How would I play that role, sir?

SENATOR JOHNSON: I beg your pardon?

SENATOR LIZ KRUEGER: How would I play a role? What role would I play in the ultimate appropriations of approximately a billion dollars of money just lump-summed into the budget? What role would I play?

SENATOR JOHNSON: These will be

handled in the committees established between both houses to reconcile the budget items.

SENATOR LIZ KRUEGER: If, through you, Mr. President, the sponsor could continue to yield, please.

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

SENATOR JOHNSON: Yes.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR LIZ KRUEGER: So it's my understanding, Senator, that you're proposing then, when we get to budget conference committees, these just short of a billion dollars in funds will be line-itemed out before we move forward with a two-house proposal?

SENATOR JOHNSON: I didn't get the last two words of your --

SENATOR LIZ KRUEGER: I'm sorry. If I might repeat my question, Mr. President, through you.

I was asking the sponsor if you are answering my previous question by saying when we get to budget conference committees between

the two houses and we ultimately get to a point in time where both houses submit same-as budget bills, this approximately billion dollars in Empire State Development Corporation capital money will actually be line-itemed for specific purposes?

SENATOR JOHNSON: That's my expectation, yes.

SENATOR LIZ KRUEGER: That is your expectation. Thank you.

If, through you, Mr. President, the sponsor would yield for an additional question.

ACTING PRESIDENT MEIER: Senator Johnson, do you yield?

SENATOR JOHNSON: Yes. Yes. I was waiting for the question.

ACTING PRESIDENT MEIER: The sponsor yields.

SENATOR LIZ KRUEGER: Thank you.

In the same section of the budget bill, you further -- not you, but the Senate further proposes to reduce the renewable energy project appropriation of the Governor that was $30 million. You propose to reduce

it by $15 million and then shift $15 million to an International Nanotechnology Photovoltaic Center.

What happens when we reduce our renewable energy project monies by half?

SENATOR JOHNSON: The money which we removed from the budget did not address any specific programs, and therefore we removed it.

SENATOR LIZ KRUEGER: Thank you.

Mr. President, on the bill.

ACTING PRESIDENT MEIER: Senator Liz Krueger, on the bill.

SENATOR LIZ KRUEGER: Thank you.

It's a complex bill. It covers endless numbers of agencies. And I would argue that we have not done justice to it here tonight, despite quite a bit of discussion and several amendments.

I am, as I think I have shown in my questioning of the sponsor, very concerned about the continued, in my opinion, abuse of our budget authority by lump-summing hundreds of millions of dollars of the people's money into nondefinable categories that then move

through an off-budget authority, the Empire State Development Corporation, often through memorandums of understanding that the public cannot get access to, rarely having an opportunity to see what those dollars will actually be spent for until years after they are spent.

So I have to say that I think that the Senate is going down the completely wrong road by taking some of the Governor's proposals, which I might have had problems with in their own right, lump-summing them rather than line-iteming them, adding almost the equivalent doubling of the money with no explanation.

This is absolutely counterintuitive to the concept of a clean, clear, transparent budget process. We should not be taking the people's money and lump-summing it as if it is simply piggy-bank money for someone to divvy up at a later date. We owe it to the people of New York State to explain to them how we collect their tax revenue, how we spend their tax revenue. I think this budget bill is an exceptionally good example of what's wrong

with the budget process and how we conclude our business here in the Legislature.

So for the reasons I've raised tonight, in addition to a number of other concerns specifically around the Environmental Conservation Fund section of this budget bill, I will be voting against this bill and urge my colleagues to do so.

Thank you, Mr. President.

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

Debate is closed, then.

The Secretary will ring the bell.

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: Those recorded in the negative on Calendar Number 497 are Senators Andrews, Breslin, Connor, Coppola, Dilan, Duane, L. Krueger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Savino, Schneiderman, A. Smith, and Stavisky. Also

Senator Diaz.

Those Senators absent from voting: Senator Wright.

Ayes, 40. Nays, 18.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 498, Senate Budget Bill, Senate Print 6456B, an act to amend the General Municipal Law and others.

ACTING PRESIDENT MEIER: Read the last section.

SENATOR SCHNEIDERMAN: Explanation.

ACTING PRESIDENT MEIER: Senator Johnson, Senator Schneiderman has requested an explanation.

SENATOR JOHNSON: This bill is the language bill for the bill which we just adopted.

SENATOR SCHNEIDERMAN: For the Public Protection?

SENATOR JOHNSON: Public Protection, yes.

SENATOR SCHNEIDERMAN: Thank you.

ACTING PRESIDENT MEIER: Senator Johnson.

SENATOR JOHNSON: The bill number which this effectuates is 6450B, the first bill, the budget bill for Public Protection and General Government Budget.

SENATOR SCHNEIDERMAN: Thank you.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 11. This act shall take effect immediately.

ACTING PRESIDENT MEIER: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Those recorded in the negative on Calendar Number 498 are Senators Andrews, Breslin, Diaz, Dilan, Duane, L. Krueger, Montgomery, Parker, Sabini, Savino, Schneiderman, and A. Smith.

Those Senators absent from voting: Senator Wright.

Ayes, 46. Nays, 12.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number

499, Senate Budget Bill, Senate Print 6457B, an act to amend the Social Services Law and others.

SENATOR SCHNEIDERMAN: Explanation.

ACTING PRESIDENT MEIER: Senator Johnson, an explanation has been requested.

SENATOR JOHNSON: This is the Article VII bill for public health, the bill number which we already passed, 6454B.

SENATOR SCHNEIDERMAN: Thank you.

ACTING PRESIDENT MEIER: Read the last section.

THE SECRETARY: Section 15. This act shall take effect immediately.

ACTING PRESIDENT MEIER: Call the roll.

THE SECRETARY: Those recorded in the negative on Calendar Number 499 are Senators Andrews, Breslin, Connor, Coppola, Diaz, Dilan, Duane, Gonzalez, L. Krueger, Montgomery, Parker, Paterson, Sabini, Savino, Schneiderman, A. Smith, and Stavisky.

Those Senators absent from voting: Senator Wright.

Ayes, 41. Nays, 17.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 500, Senate Budget Bill, Senate Print 6458B, an act to amend the Education Law.

SENATOR SCHNEIDERMAN: Explanation.

ACTING PRESIDENT MEIER: Senator Johnson, Senator Schneiderman has requested an explanation.

SENATOR JOHNSON: This is the Article VII bill for education, labor and family services. It includes the Board of Trustees of SUNY and so on. The 6453B is the companion bill.

SENATOR SCHNEIDERMAN: Thank you.

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: Those recorded in

the negative on Calendar Number 500 are Senators Breslin, Connor, Diaz, Dilan, Duane, Gonzalez, L. Krueger, Montgomery, Onorato, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, and Stavisky. Also Senator Andrews.

Those Senators absent from voting: Senator Wright.

Ayes, 39. Nays, 19.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 501, Senate Budget Bill, Senate Print 6459B, an act to amend the Environmental Conservation Law.

ACTING PRESIDENT MEIER: Senator Stachowski.

SENATOR STACHOWSKI: Mr. President, I believe I have an amendment at the desk. I'd like to waive reading of the amendment and be heard on it.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized to speak on the amendment.

SENATOR STACHOWSKI: Mr.

President, this amendment proposes that the state withhold 15 percent of all benefits, tax benefits provided to eligible businesses under the Empire Development Zones until this next tax year.

The reason for this would be to make sure that that company fulfilled their obligations in the contract they made with the state. The Empire Zone then, if they fulfilled the contract in the following tax year, would deliver the other 15 percent of the benefits.

Now, that make seem like a strange proposal to some, but we have examples. Two years ago, when the Comptroller did an audit on Empire Zones, he found that in one case a company created one job for $26,000 and received a tax credit of more than $50,000. In another example in another area, a company added one $10,000-a-year position and received a tax credit of $137,000.

So in essence, this is a --

ACTING PRESIDENT MEIER: Excuse me, Senator Stachowski.

Can we have some order in the

chamber, please. There's a member who has the next door.

Senator Stachowski.

SENATOR STACHOWSKI: Thank you, Mr. President.

In essence, this is a good government bill. We only have so many tax credits to give out and so many areas with Empire Zones. And so what we would be doing here is safeguarding our investment to make sure that these companies that take advantage of these tax credits create the jobs that they say they're going to create. It does us no good to give companies huge tax benefits and they in return don't create any new jobs or not enough jobs or not even come close to the commitment that they promised to the State of New York.

So because of those reasons, I would hope that all my colleagues would support this amendment.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement signify by raising your hand.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

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.)

ACTING PRESIDENT MEIER: Senator Liz Krueger, to explain her vote.

SENATOR LIZ KRUEGER: Thank you, Mr. President.

I'll be voting no on this bill, again for a number of reasons. But just to rearticulate and expand on my concerns from the discussion about the Empire State Development Corporation capital funds.

A section of this bill, Part W,

allows the State of New York bonding authorization for the $980 million for ESDC off-budget programs that we have no details about. Which translates to me, to my understanding, that the people of the State of New York over time would be paying far more than $980 million, almost a billion dollars for unexplained programs potentially through MOUs that they will never learn how that money is spent.

So again, I'll vote no. And I again emphasize we're handling this situation wrong.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: Senator Liz Krueger will be recorded in the negative.

Announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 501 are Senator Andrews, Breslin, Diaz, Duane, Gonzalez, L. Krueger, Montgomery, Onorato, Parker, Paterson, Sabini, Savino, Schneiderman, A. Smith, and Stavisky.

Those Senators absent from voting: Senator Wright.

Ayes, 43. Nays, 15.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 502, Senate Budget Bill, Senate Print 6460B, an act to amend the Real Property Tax Law.

ACTING PRESIDENT MEIER: Senator Valesky.

SENATOR VALESKY: Mr. President, I believe there is an amendment at the desk. I ask that the reading of the amendment be waived and that I be heard on the amendment.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized on the amendment.

SENATOR VALESKY: Thank you, Mr. President.

The Legislature in 1977 enacted the real property tax credit circuit-breaker to allow for low-income New Yorkers to take a credit against their personal income taxes for property taxes paid.

The bill before us actually does a number of positive things to address and provide a greater benefit in terms of property

taxes for low-income New Yorkers. It raises the household income minimum threshold from $18,000 to $36,000. The bill before us raises the value of a house from $85,000 to $100,000, but it does not address the actual tax credit itself.

And so the amendment that is before the house at this time would increase the maximum credit amount for senior citizens from the current statute of $375 to a total of $1,125 and would increase the maximum credit amount for all others from $75 to $225.

Mr. President, I encourage my colleagues to support this amendment and enhance this legislation in terms of property tax breaks for low-income New Yorkers.

ACTING PRESIDENT MEIER: Senator Diaz.

SENATOR DIAZ: Thank you, Mr. President.

I stand to support and commend Senator Valesky for this amendment. When anyone looks out for the low-income New Yorkers and senior citizens, they earn my admiration. And, Senator Valesky, I commend

you for introducing this amendment.

This amendment provides a long-overdue tax cut to senior citizens. This proposal will greatly expand all aspects of this credit by increasing the maximum credit amount for senior citizens from $375 to $1,125. Low-income New Yorkers, particularly senior citizens living on fixed incomes, have borne the fiscal brunt of skyrocketing Medicaid costs over the last 10 years. Double-digit property tax increases, year after year, are incorporated in the rent paid by low-income tenants.

The abuses and lack of consideration to our senior citizens have to come to an end. Senior citizens have given too much toward the development of our city, and now it's about time for us not only to respect them but also to do everything possible for them to have good services instead of more burdens in their life.

As I said before, not long ago, in order to save $1 million, the New York City administration and the New York City Department for the Aging took away the daily

hot meals that senior citizens used to enjoy in the County of the Bronx and forced them to eat frozen meals. Now the same city administration and the same Department for the Aging of the City of New York, one more time, at this very moment they are proposing to put another burden on senior citizens and the residents of the New York City Housing Authority.

It is well known to everyone that senior citizens right now have to decide how to spend their limited incomes between rent, their utility bills, paying for their medicine, or buying something to eat. To add to the burden that our senior citizens are carrying, the mayor of the City of New York and the New York City Department for the Aging now want them, the senior citizens, to pay -- among other things, ladies and gentlemen, those residents in the New York City Housing Authority, for a toilet paper holder, for a toilet paper holder, they want senior citizens to pay $13.66. For a toilet seat, they want senior citizens to pay $21.46.

For a clothes pole, a pole to hang

the clothes, they want our senior citizens and the residents of the New York City Housing Authority to pay $23.25. For a door cylinder, they are asking our senior citizens and the New York City Housing authority residents, they are asking, for a door cylinder, to pay $47.25.

For a key duplicate, if they have to duplicate a key, they want them to pay $14.85. For the door hinges, they want senior citizens to pay $15.51.

If a senior citizen or any other New York City resident by accident drops their key into the elevator shaft or the compacter, they will be charged $50 for retrieval of those keys.

If a senior citizen or any other New York City Housing Authority resident for any reason is locked out, he or she will be charged $50 if the New York City Housing Authority has to come and open the door for them.

If a radiator valve or radiator handle has to be replaced, the senior citizens or the New York City Housing Authority will be

charged $89.26 for the valve and $18.46 for the handle.

I am here in support of this amendment and support and commend, as I said before, Senator Valesky. Because our senior citizens are giving, have given too much to our city, to our state. So even though, Senator Valesky, this is an amendment that will help every low-income resident in the State of New York, this is something that is greatly welcome in New York City, especially for the residents and the senior citizens in the district that I represent. So I support you, I commend you, and people should be proud of people like you that support the senior citizens and to do everything possible to protect our senior citizens.

So, ladies and gentlemen, I urge all of you to support this amendment. It's a good amendment that will protect our senior citizens and the low-income residents especially in New York City.

Thank you, Mr. Chairman.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement signify

by raising your hand.

THE SECRETARY: Those recorded in agreement are Senator Andrews, Breslin, Connor, Coppola, Diaz, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Parker.

SENATOR PARKER: Yes, Mr. President, I believe you have an amendment at the desk.

ACTING PRESIDENT MEIER: There is.

SENATOR PARKER: I ask that reading of the amendment be waived and I be heard on said amendment.

ACTING PRESIDENT MEIER: The reading is waived, and you're recognized to speak on the amendment, Senator.

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

Some of you may remember about a

month or so ago we had a very vigorous discussion in this house about the taxes regarding fuel costs. As everyone knows, the prices have spiked, and it's been -- you know, on fuel costs, and it's been particularly hard on people, particularly low-income folks, people with jobs who have to also drive a lot. These folks are put in the position where they have to spend a greater portion of their incomes on fuel and really leave less money for them to spend on the essentials.

My amendment goes a little further than Senate Bill 6460B, Part O, which would exempt the price of a gallon of gas in excess of $2 from the state sales and use tax. This amendment, if passed, would really guarantee that all money collected from the exemption be returned to the taxpayer directly.

One of the arguments that I made that last time that S6460B came up was in fact we had no mechanism to ensure that the tax savings that we were passing on were going to get passed on further to the consumer, that in fact there's not -- we agreed that there's not enough enforcement, not enough monitoring to

make that happen.

This bill in fact adds those components to make sure -- and actually creates a mechanism such that those dollars, Mr. President, go directly to the taxpayers themselves.

Additionally, the increased retail price of motor fuel oil and diesel oil has created a windfall. And this windfall of about approximately $200 million, you know, if we're going to give it back, we should make sure it goes directly back to the taxpayers themselves.

I'm asking that my colleagues vote for this amendment because this amendment not only continues to do what this house tried to do a while ago, but in fact takes us a step further of really making sure that the taxpayers who are paying the extra money into this windfall get their dollars back and they're not captured by these different oil conglomerates that we can't trust.

And so I ask you today to vote for this amendment and make sure that taxpayers get back, you know, get back the money that

they've worked so hard for and help them to ease their financial burdens.

ACTING PRESIDENT MEIER: On the amendment, those Senators in agreement raise your hand.

THE SECRETARY: Those recorded in agreement are Senators Breslin, Coppola, Duane, Gonzalez, Klein, L. Krueger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky. Also Senator Andrews. Also Senator Connor. Also Senator Diaz.

ACTING PRESIDENT MEIER: The amendment is not agreed to.

Senator Liz Krueger, on the bill.

SENATOR LIZ KRUEGER: Thank you, Mr. President.

Well, we've had our amendments, but I'd like to remind everyone that this is a tax and revenue bill. And while everybody says they like to lower taxes, I need everyone to remember that with this bill, if you project out into the full implementation, we're talking about over $8 billion in annualized

tax cuts in this bill.

And everybody likes to say let's reduce taxes, but you then have to ask the hard questions: What aren't you spending the money on?

So when played out over the years, this bill would reduce taxes that are currently spent to fund public education by the tune of about $2.6 billion. So when we earlier said you can't do better than $1.1 billion, remember, this is the same house that now seems to want to vote to cut taxes that would go currently into education by $2.6 billion.

And in this bill it reduces, over time, taxes in personal income taxes by $1.23 billion. And people love to reduce PIT, except you have to ask the question about who's getting their taxes cut.

So this interesting education tax credit that people are bouncing around in both houses would translate to about $100 a year for low-income New Yorkers, the New Yorkers we argue need the most help in ensuring that their children get the education they need.

So if your income is under $17,000 a year, you're only going to get about a hundred dollars in this tax credit but the State of New York going to lose $420 million.

And we like to cut -- well, actually, we're a little confused on whether we're raising user taxes and fees or reducing them. Usually we do both them in the same budget in the same year. But let's objectively look at who would be getting tax deductions versus tax increases through fees in the actual proposed budget versus this bill.

I would argue, if a fair analysis was done about the proposed new fees and increased taxes compared to the proposed reductions in this bill today, you would find that, yes, a select subgroup of New Yorkers -- again, not in a progressive model, but in a regressive model of taxation -- would see their taxes cut.

We also cut corporate taxes in New York State in this bill. Some would wonder if there are any corporations of certain sizes paying any taxes in New York,

given how much we've reduced the tax rate for corporate New York. So I have to question why we're proposing over $600 million in specialized tax breaks for corporate New York at this point in time.

We also are proposing corporate reductions in a number of what we call small business categories. Well, part of the dilemma there is what's a small business and where are you. One of the small business STAR rebate programs would only be for small businesses in locations that pay school taxes. So for the record, if you're a small business in New York City, this isn't going to do anything for you. So don't misunderstand what this bill does when it talks a good game about helping the small businessperson.

In addition, this bill, when played out to its final conclusion, would reduce the estate and gift taxes by $850 million by 2010. Those are rich people's taxes, ladies and gentlemen. So let's not confuse the fact that we're talking about reducing the taxes for the wealthiest New Yorkers at a time when we are telling middle-income and working and poor

New Yorkers that the state can't be there for them to help them.

I also want to spend just a minute on the fact that within this tax reduction bill is a proposal that we've seen as a separate bill on this house floor before, and that is a proposal to move through "freedom plan" health insurance programs. And there has been a lot of research done on the dangers of "freedom plans." The question is who is freed from what. Apparently New Yorkers are freed from having insurance that covers the illnesses that they may suffer from.

So within a tax bill is a proposal to create a "freedom plan" health insurance program in New York State. And I have spoken against this model before, and I will do it again, whether it's a freestanding bill in a healthcare budget or in a tax and revenue bill.

Freedom plans, based on national studies released by Harvard University, found that more than half the people filing for personal bankruptcy cited medical debt as the reason for their financial ruin, and the

majority of these people filing bankruptcy for medical debt are people who had health insurance. The problem is the health insurance doesn't cover their illnesses, and freedom plans would eliminate mandated benefits and shift medical costs to individuals, exacerbating this problem.

The state's own external review program, which gives consumers denied care by their health plan the ability to appeal the decision to independent medical reviewers -- the linchpin of this program -- would be done away with under these so-called freedom plans, which would exempt health insurance companies from the regulations issued by the superintendent with regard to covered healthcare services which must currently be included in the policy.

So it's the freedom to say no to you, the beneficiary of the insurance plan, when you are sick and need to have health insurance.

The State of New York is proud of the fact that we have had health insurance coverage that covers you when you're sick.

Many people here -- I would argue probably most of us here -- have voted over time to ensure that when there is health insurance in New York State it covers breast cancer, it covers prostate cancer, it covers off-label cancer drugs, it covers women's contraceptives, it covers radiation treatment.

Under health savings plans, there is absolutely no guarantee that your health insurance coverage will have to cover you when you are sick.

So again, over and over again we are told that these are good for us, and over and over again the research coming out, state by state, at the national level, by hospitals, by healthcare analysts are showing us that these programs are reducing the cost of health insurance at the expense of people not having access to healthcare.

So I urge my colleagues, think about tax policy, think about who's paying and who's not when we change our tax rules. Ask the fundamental question, where are we going in this state both with our revenue projections and who is paying the tax burden

for the people of New York. And please stop putting healthcare policy into our tax revenue bills.

Vote no on this bill for all the reasons that I have described tonight.

Thank you, 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: Those recorded in the negative on Calendar Number 502 are Senators Andrews, Breslin, Connor, Diaz, Duane, Gonzalez, L. Krueger, Montgomery, Onorato, Padavan, Parker, Paterson, Sabini, Savino, Schneiderman, A. Smith, M. Smith, and Stavisky.

Those Senators absent from voting: Senator Wright.

Ayes, 40. Nays, 18.

ACTING PRESIDENT MEIER: The bill is passed.

THE SECRETARY: Calendar Number 503, Senate Budget Bill, Senate Print 6463, an act to amend Chapter 61 of the Laws of 2005 relating to authorizing certain payments.

ACTING PRESIDENT MEIER: Senator Schneiderman.

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

I don't think we require an explanation. This is just a supplemental appropriation to the sound, basic education aid set aside last year.

I will be voting in support of it.

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: Those recorded in the negative on Calendar Number 503 are Senators Duane and Parker.

Absent from voting, Senator Wright.

Ayes, 56. Nays, 2.

ACTING PRESIDENT MEIER: The bill is passed.

Senator Skelos, that completes the supplemental calendar.

SENATOR SKELOS: Thank you, Mr. President.

There's a Resolution 3941 at the desk, by Senator Bruno. Could we have the title read and move for its adoption.

ACTING PRESIDENT MEIER: The Secretary will read the title.

THE SECRETARY: By Senator Bruno, Concurrent Resolution Number 3941, adopting a budget resolution proposing amendments to the 2006-2007 Executive Budget submission.

ACTING PRESIDENT MEIER: Senator Schneiderman.

SENATOR SCHNEIDERMAN: On the resolution.

ACTING PRESIDENT MEIER: Senator Schneiderman, on the resolution.

SENATOR SCHNEIDERMAN: Mr. President, I will be voting against this resolution because it incorporates, by reference, a report of the Senate Finance

Committee which reflects a lot of the provisions in the bills that were presented earlier today.

Any of us who have voted against any of the appropriation bills earlier, I believe are -- I certainly feel that I am constrained to vote against the resolution.

I also note that while it purports to be a report of the Senate Finance Committee, in listing the members of the Finance Committee it omits all of the Minority members of the Finance Committee. So I hope that will be corrected.

I will be voting no.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: The Secretary will call the roll on the resolution.

(The Secretary called the roll.)

THE SECRETARY: Those recorded in the negative on Concurrent Resolution Number 3941 are Senators Andrews, Breslin, Connor, Coppola, Diaz, Duane, L. Krueger, Montgomery, Onorato, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith,

Stachowski, and Stavisky. Also Senator Gonzalez.

Absent from voting, Senator Wright.

Ayes, 38. Nays, 20.

ACTING PRESIDENT MEIER: The resolution is adopted.

Senator Skelos.

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

ACTING PRESIDENT MEIER: Yes, we have a motion, Senator.

Senator Fuschillo.

SENATOR FUSCHILLO: Mr. President, on behalf of Senator Skelos, on page number 32 I offer the following amendments to Calendar Number 425, Senate Print Number 6817, and ask that said bill retain its place on Third Reading Calendar.

ACTING PRESIDENT MEIER: The amendments are received and adopted, and the bill will retain its place on the order of third reading.

Senator Skelos.

SENATOR SKELOS: I believe there's a motion to petition a bill by Senator

Schneiderman.

ACTING PRESIDENT MEIER: Senator Schneiderman.

SENATOR SCHNEIDERMAN: Yes, thank you, Mr. President, I have a motion at the desk. I'd like to be heard. Very, very quickly.

ACTING PRESIDENT MEIER: The Secretary will read.

THE SECRETARY: Senate Print 1588, by Senator Schneiderman, Concurrent Resolution of the Senate and Assembly.

SENATOR SCHNEIDERMAN: Thank you.

This is a motion to bring to the floor a bill that was discussed a great deal when reform was in the air and on the voters' minds. It would reform our redistricting process to provide for an apportionment committee independent of politics and require that districts be in as compact a form as possible.

This is the number-one issue of good government groups. And I would hate to think that reform was only an issue for us when the voters were outraged about it in

2004.

I would urge everyone to vote in support of this petition and support redistricting reform so that we can have compact districts that preserve communities.

Thank you, Mr. President.

ACTING PRESIDENT MEIER: All those in favor of the canvass on the petition, raise your hand.

THE SECRETARY: Those recorded in agreement are Senators Andrews, Breslin, Connor, Coppola, Diaz, Duane, Gonzalez, Klein, L. Krueger, C. Kruger, Montgomery, Onorato, Oppenheimer, Parker, Paterson, Sabini, Sampson, Savino, Schneiderman, A. Smith, M. Smith, Stachowski, Stavisky, and Valesky.

ACTING PRESIDENT MEIER: The petition is lost.

Senator Skelos.

SENATOR SKELOS: Mr. President, there being no further business to come before the Senate, I move we stand adjourned until Tuesday, March 14th, at 2:00 p.m.

ACTING PRESIDENT MEIER: On motion, the Senate stands adjourned until

Tuesday, March 14th, at 2:00 p.m.

(Whereupon, at 7:05 p.m., the Senate adjourned.)