NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

August 8, 2008

11:14 a.m.

REGULAR SESSION

SENATOR GEORGE H. WINNER, JR., Acting President

STEVEN M. BOGGESS, Secretary

P R O C E E D I N G S

ACTING PRESIDENT WINNER: The Senate will 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.)

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

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

ACTING PRESIDENT WINNER: Reading of the Journal.

THE SECRETARY: In Senate, Thursday, August 7, the Senate met pursuant to adjournment. The Journal of Wednesday, August 6, was read and approved. On motion, Senate adjourned.

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

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Robach.

SENATOR ROBACH: Yes, Mr. President. I wish to call up my bill, Senate Print 6350A, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT WINNER: The Secretary will read.

THE SECRETARY: Calendar Number 2044, by Senator Robach, Senate Print 6350A, an act to amend the Public Health Law.

SENATOR ROBACH: I now move to reconsider the vote by which this bill was passed and ask that the bill be restored to the order of third reading.

ACTING PRESIDENT WINNER: Call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 45.

SENATOR ROBACH: Mr. President, I

move to amend Senate Bill 6350A by striking out the amendments made on June 17th and restoring it to its previous print number, 6350.

ACTING PRESIDENT WINNER: So ordered.

SENATOR ROBACH: I now move to discharge, from the Committee on Rules, Assembly Print Number 6399C and substitute it for my identical bill.

ACTING PRESIDENT WINNER: So ordered.

SENATOR ROBACH: I now move that the substituted Assembly bill have its third reading at this time.

ACTING PRESIDENT WINNER: The Secretary will read.

THE SECRETARY: Calendar Number 2044, by Member of the Assembly Gantt, substituted earlier, Assembly Print Number 6399C, an act to amend the Public Health Law.

ACTING PRESIDENT WINNER: Read the last section.

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

ACTING PRESIDENT WINNER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Senator Robach, to explain his vote.

SENATOR ROBACH: Yes, Mr. President. Let me just say we had passed a different version of this bill earlier in the session. I still maintain that the version we passed, which made some technical amendments that would have had this legislation be effective immediately, would have been preferable.

But due to the very, very important nature of lead paint, what it's done, we've made great strides. With Senator Hannon, some of the investments we've made in high-risk areas have really reduced, in many parts of the state by 60 percent, the poisoning of children with lead paint.

I really believe this measure, by giving an incentive for people, both in commercial, rental and home ownership properties, as well as testing at ages 1, 2, 4, and pregnant mothers high at risk, will

really eliminate almost entirely the scourge of lead paint poisoning in our state.

And while I not only feel this is very, very important and good to protect our children, I would even say, from an economic standpoint, besides the human loss when this occurs, is tremendously high -- in special ed needs, all kinds of physical development as well as development of learning, all those kinds of things that lead to many cost problems; unfortunately, sometimes even incarceration later on in life.

So while I think we could have got to this spot a little bit earlier, I'm very happy that we got this bill done for the kids, the children and the people of New York State. Very, very important topic. And again, I believe it will almost virtually eliminate lead paint poisoning in the future.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Announce the results.

THE SECRETARY: Ayes, 49. Nays, 0.

ACTING PRESIDENT WINNER: The

bill is passed.

Senator Skelos. Senator Libous, excuse me.

(Laughter.)

SENATOR LIBOUS: He has more hair than I do, Mr. President.

ACTING PRESIDENT WINNER: Yes, he does.

(Laughter.)

SENATOR LIBOUS: We're going to call a 10-minute recess. But I would advise the members, do not go far, because we will have a Rules Committee meeting and then an agenda on the floor.

But we're going to just stand at ease for about 10 minutes.

ACTING PRESIDENT WINNER: The Senate will stand at ease for approximately 10 minutes.

(Whereupon, the Senate stood at ease at 11:21 a.m.)

ACTING PRESIDENT WINNER: Senator Libous.

SENATOR LIBOUS: Thank you, Mr. President.

There will be an immediate meeting of the Rules Committee in Room 332.

ACTING PRESIDENT WINNER: There will be an immediate meeting of the Rules Committee in Room 332.

The Senate continues to stand at ease.

(Whereupon, the Senate reconvened at 11:46 a.m.)

ACTING PRESIDENT WINNER: The Senate will come to order.

Senator Libous.

SENATOR LIBOUS: Thank you, Mr. President.

Can we accept the Rules report, please.

ACTING PRESIDENT WINNER: The Secretary will read.

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

Senate Print 6020, by Senator Skelos, Concurrent Resolution of the Senate and Assembly proposing amendments to the Constitution;

8146B, by Senator Nozzolio, an act to amend the Tax Law;

8723, by the Senate Committee on Rules, an act to permit the City of New York;

8736, by the Senate Committee on Rules, an act to amend the Real Property Tax Law and the Education Law;

And Senate Print 8737, by Senator Skelos, an act to amend the Education Law.

All bills ordered directly to third reading.

ACTING PRESIDENT WINNER: Senator Skelos. I mean Senator Libous.

(Laughter.)

ACTING PRESIDENT WINNER: Senator Skelos is here, by the way.

SENATOR LIBOUS: He is here, Mr. President.

Move to accept the report of the Rules Committee.

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

(Response of "Aye.")

ACTING PRESIDENT WINNER:

Opposed, nay.

(No response.)

ACTING PRESIDENT WINNER: The Rules report is accepted.

Senator Libous.

SENATOR LIBOUS: Can we take the noncontroversial reading up, and it will be Senate 6020.

ACTING PRESIDENT WINNER: The Secretary will read.

THE SECRETARY: Calendar Number 2245, by Senator Skelos, Senate Print 6020, Concurrent Resolution of the Senate and Assembly proposing amendments to the Constitution.

ACTING PRESIDENT WINNER: On the resolution, the Secretary will call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Senator Robach, to explain his vote.

SENATOR ROBACH: Yes, Mr. President, I just rise -- I'm very happy that we are taking this up today.

We constantly talk in this chamber and in our communities about how we can give a

louder voice to the people we have a privilege to represent. Initiative and referendum I believe is the one of the most powerful tools in government that we really can do to reform things and give people a direct voice in their priorities in government.

You know, we talk about the voice of the people, government by the people. This really probably is not only the most important but the most powerful tool people have. And I can tell you, when I have held forums and public hearings around my district, people want the ability to do this.

I believe half the states in our nation now have some form of initiative and referendum to give people a direct, louder voice. And I'm hopeful that today we will do that as well.

It seems almost illogical to say you're for any kind of reform to directly give people a voice and yet be opposed to this. This is a vehicle that has worked everywhere else in the country, and I think that voters and residents of New York should have that right too. And I'm very happy to support this

initiative.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Robach will be recorded in the affirmative.

Senator Volker, to explain his vote.

SENATOR VOLKER: Mr. President, you know, in the past, this bill of course has passed on a number of occasions.

And one of the things, the reasons that some people have felt strongly that possibly this shouldn't be passed had to do with the mess that California stirred up. Clearly, the California situation is crazy, and we wouldn't allow that to happen because we would do it in a better way.

I think one of the things that I have found over the years is that people do want a more direct voice in government. And in certain areas it makes a lot of sense because we have not been able, for instance, to get the City of New York on many occasions to do certain things that need to be done.

And so it seems to a number of us that it is time for us to do changes, and one

of the changes is this initiative and referendum that could be used in the future to make decisions that the Legislature possibly hasn't been able to make.

So I vote aye.

ACTING PRESIDENT WINNER: Senator Volker will be recorded in the affirmative.

Senator Alesi, to explain his vote.

SENATOR ALESI: Thank you, Mr. President.

This is an exceptional opportunity for each of us to recognize that the responsibility we carry here is to carry the voice of the people from back home to Albany, to work together to try to carry out the wishes of our people that we represent.

But they don't have a guarantee that this Legislature can do that. In fact, when most people make a major investment, whether it's a car, a house or something else, they usually get a guarantee that what they're paying money for, what they're investing in will work the way they expect it to work.

Initiative and referendum is the best guarantee that the people we represent

can have when this Legislature isn't responding to them, when it's not doing the things that the people back home want to do.

So as I have always in the past, and as I will today -- and I hope we won't have to do this again, because I hope we'll get total cooperation in this house and the other house -- I'm voting in the affirmative on initiative and referendum, because I want to give my people that I represent a guarantee that when our Legislature isn't working that they'll have an opportunity to say the things they want on their own behalf and pass those things in the voting booth when it comes time to vote.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Thank you, Senator Alesi. You will be recorded in the affirmative.

Senator Stavisky, to explain her vote.

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

To my colleagues Senator Volker and Senator Robach, I say be careful what you wish

for. The people in California got something I don't think they wished for.

If the experience in California with their various propositions is any indication, I don't think that this is going to be a good idea for our state. I vote no.

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

Senator LaValle, to explain his vote.

SENATOR LaVALLE: Thank you, Mr. President.

I'm glad I'm following Senator Stavisky, because I just wanted to indicate that Suffolk County has initiative and referendum, under the leadership of Senator Trunzo, myself, and other Suffolk senators who passed that during the early 1980s.

And I don't know how you can really be opposed to it to allow people, under certain circumstances, to initiate and then vote and create laws and statutes that they are to be governed under.

Suffolk County has been a leader, and we have not had any chaos or any

disruption in the way Suffolk County is run. I vote in the affirmative.

ACTING PRESIDENT WINNER: Senator LaValle will be recorded in the affirmative.

Any other Senator wish to explain their vote?

Senator Diaz.

SENATOR DIAZ: Thank you, Mr. President.

We have seen over and over throughout the nation, and in this state, judges, judges overruling the will of the people. In different kinds of issues, judges have become legislators.

By allowing, by allowing the people to introduce a memorandum or proposal or allowing the people to decide exactly what is what they want, it's a good thing. So like that, no judges and no other people could overrule the people's will.

So I think this is a good bill. I'm voting for it.

ACTING PRESIDENT WINNER: Senator Diaz will be recorded in the affirmative.

Senator Seward, to explain his

vote.

SENATOR SEWARD: Thank you, Mr. President. I rise in this support of this legislation.

While it is true that it's the job of the members of the Senate and the members of the Assembly to come to Albany to speak and to vote on behalf of our constituents, to be the people's voice in state government -- but let's face it, Mr. President, from time to time there are certain issues that are left unresolved by the legislative process.

And when I view initiative and referendum, I see it as the safety valve in state government, in our system, so that when there is overwhelming public support for an issue or a policy and the legislative process has not produced that result that is supported by a vast majority of the people of the state, I say that there should be a vehicle where the people can take matters into their own hands to bring that issue to the forefront and actually vote on that issue at the ballot box.

So, Mr. President, I support this legislation. It's a safety valve that we need

in our system.

ACTING PRESIDENT WINNER: Senator Seward will be recorded in the affirmative.

Senator Perkins, to explain his vote.

SENATOR PERKINS: Thank you, Mr. President. I just want to be brief.

You know, on the face of it, initiative and referendum sounds very democratic and very much in line with giving the people the opportunity to express their will. And we all are for that. None of us, I would daresay, are against that. It's sort of an important aspect, at least value in terms of what we consider to be our democracy.

But the reality is that that's not what happens in terms of those experiences that we've seen, whether it's in California or wherever. Generally speaking, they don't get their will expressed, but they get the will of those who have the wherewithal to control the process, especially those who have the money to control the process.

And ultimately, when that happens, the will of the people is actually subverted,

and in fact they wind up regretting the fact that this is the process that resulted in legislation and initiatives that were not in their best interests.

In fact, for those of us who are from the city, we know that term limits has crippled city government to a large extent, especially that part of city government that the people wanted as their representatives, which are the City Council, by strengthening extremely the opportunity for the mayor to dictate, as opposed to having the kind of checks and balances that we wanted to see in that body.

So, you know, anybody on the face of it would want to support this, but the reality is it doesn't work for the sake of the people. So I'm voting against it.

ACTING PRESIDENT WINNER: Senator Perkins will be recorded in the negative.

Any other Senator wishing to explain his or her vote?

Senator Nozzolio.

SENATOR NOZZOLIO: Thank you, Mr. President.

Mr. President, I rise to explain my vote and ask all of those who have supported this measure to be grateful that in these United States, the highest public office is that of private citizen.

Virtually every state west of the Mississippi River in the United States of America has a tool for its citizens entitled initiative and referendum. Our state has been behind the curve in establishing this process.

I congratulate the sponsors for bringing it to the floor. It's an issue that we have worked on for many, many years to provide citizens the important access they need to policy matters that are important to them.

That is why I'm pleased and honored to support this measure, Mr. President, and urge all my colleagues to do likewise.

ACTING PRESIDENT WINNER: Senator Nozzolio will be recorded in the affirmative.

Senator Bonacic, to explain his vote.

SENATOR BONACIC: Thank you, Mr. President.

I rise to explain my vote on initiative and referendum. This is something that I have supported for over a decade. Because I remember that when we first ran for office, we were supposed to be the voice of the people and we were supposed to speak for the people.

And if ever we could give the power to the people to speak for themselves, we should allow that mechanism for subjects that they think are dear to their heart or affects the quality of their life, like a cap on property taxes. If they felt so strongly about that, they could put that on the ballot.

And what I have observed over the years is I think elected officials think they're smarter than the people. They don't trust the wisdom of the people anymore. They're self-impressed with their role as the elected official.

And I notice one Senator got up and said: "Well, we saw what happened in California with their actions, it really didn't accomplish what they wanted to accomplish." But the mechanism is there. If

the people made a mistake in judgment on initiative and referendum, they have the right to correct it. Just like we make mistakes in judgment, sometimes, on how we may vote or change our vote.

That doesn't mean that the mechanism of initiative and referendum, we shouldn't go there, we shouldn't trust the people. Because they truly are our bosses.

So, Mr. President, I vote in favor, and I thank you.

ACTING PRESIDENT WINNER: Senator Bonacic will be recorded in the affirmative.

Senator Montgomery.

SENATOR MONTGOMERY: Yes, Mr. President. I just want to add my voice to those who are expressing concern about the issue of initiative and referendum.

We know that there are organizations in this country who have a particular interest, and they generally represent a minority in terms of citizens who perhaps agree with their issue. But they are experts, and they travel all over to every state where they have initiative and

referendum to promote their agenda. And they do it in any number of ways, including manipulating the petitioning process.

They confuse voters by misstating and using deceptive language to describe what it is they're doing. And the media is obviously going to be reporting vis-a-vis what the popular story is of the day.

And so essentially we have what we don't want to see. Certainly we don't agree with tyranny of the majority, but we also don't want to see tyranny of the minority. And that's what these groups are involved in, engaged in.

And it is not about representing the people. It is not in the interests of the people. And I would remind my colleagues, especially on the Republican side, that one of the last things that I remember that former Majority Leader Warren Anderson said to us was that this was a bad idea.

So I'm following what Warren Anderson and what so many other people have expressed here today, my colleagues, that this is a bad idea. It does not reflect the

people, and it opens our process up to those people who are able to pay for and manipulate the process, not in the interest of the public at large.

So I vote no.

ACTING PRESIDENT WINNER: Senator Montgomery will be recorded in the negative.

Any other Senator wishing to explain?

Senator Krueger.

SENATOR LIZ KRUEGER: Thank you.

Respectfully disagreeing with some of my colleagues on this side of the aisle, I have actually always supported the I&R legislation before us. I think the devil is in the details.

And I think that this bill, which requires signatures from every county in the state, that requires that constitutional amendments that would go to an I&R option would have to go through multiple stages of the Legislature -- that the fact that as much as I agree with my colleagues that I can give examples of I&R decisions in other states where I didn't agree with the outcome, I think

we are living in a world that recognizes that people with money controlling legislation is a two-way street.

So my colleagues who are concerned that people with large sums of money might drive an I&R debate should also recognize that, until we deal with campaign finance reform in this state, that money is also driving bills that move through this Legislature or don't. So we have that dilemma in both places at this time.

I think that in a world of Internet information, the opportunities for people to get a fair hearing without necessarily having the money to do giant TV ads to educate the public about how difficult some of these decisions would be and for them to understand the meaning of their vote on any initiative or referendum would actually lead to, in many cases, a broader dialogue and debate than we currently allow for in the two houses of this great Legislature.

So I recognize there are concerns to be had in an I&R system, and I agree that I can name any number of actions that were made

by other states that I certainly would not have voted for.

But having said that, I think the opportunity in a 21st century democracy to broaden the opportunities for the public to be involved and to vote -- one of the things I&R has done is increase voter participation. I'm very interested in things that increase voter participation.

And I think in a world of broader access to information, through TV and Internet and other alternatives to mass media, that there is a really solid reason for the State of New York to consider having an I&R option carefully written.

And while I might not think this legislation is perfect, because I would like to see it tied into campaign finance reform, I think it's worth the risks that I'm hearing some of my colleagues raise. So I'll be voting yes.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Krueger will be recorded in the affirmative.

Any other Senators wish to explain

their vote?

Announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 2245 are Senators Dilan, Duane, Gonzalez, Hassell-Thompson, Montgomery, Parker, Perkins, Savino, Serrano, Stavisky, and Thompson. Also Senator Huntley.

Ayes, 46. Nays, 12.

ACTING PRESIDENT WINNER: The resolution is adopted.

The Secretary will read.

THE SECRETARY: In relation to Calendar Number 2246, Senator Nozzolio moves to discharge, from the Committee on Rules, Assembly Bill Number 11258A and substitute it for the identical Senate Bill Number 8146B, Third Reading Calendar 2246.

ACTING PRESIDENT WINNER: Substitution ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 2246, by Member of the Assembly Magee, Assembly Print Number 11258A, an act to amend the Tax Law.

ACTING PRESIDENT WINNER: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the 60th day.

ACTING PRESIDENT WINNER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 2246 are Senators Duane, Maziarz, Winner and Young.

Ayes, 54. Nays, 4.

ACTING PRESIDENT WINNER: The bill is passed.

THE SECRETARY: In relation to Calendar Number 2247, Senator Skelos moves to discharge, from the Committee on Rules, Assembly Bill Number 11773 and substitute it for the identical Senate Bill Number 8723, Third Reading Calendar 2247.

ACTING PRESIDENT WINNER: Substitution ordered.

The Secretary will read.

THE SECRETARY: Calendar Number

2247, by the Assembly Committee on Rules, Assembly Print Number 11773, an act to permit the City of New York to operate.

ACTING PRESIDENT WINNER: Read the last section.

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

ACTING PRESIDENT WINNER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Senator Duane, to explain his vote.

SENATOR DUANE: Thank you, Mr. President.

I just want to make this first very important point regarding the siting of a marine transfer station on the Gansevoort Peninsula in a park in my district.

As I have said on this floor before, we have another place for this transfer station. It is also in my district. It is just a few blocks away from the Gansevoort Peninsula. It makes more sense. Many of my colleagues know what that site is because their cars have been towed to that

site. It would be a good place to put a garbage transfer station.

It's bad public policy to ruin a part of a park to put a garbage transfer station. The location we have would actually allow more garbage to be transferred. It would get more trucks off the streets of the neighborhoods that have been most negatively impacted by the city's sanitation policies to this point.

I urge my colleagues to vote against it. I think my colleagues know that in their own districts, when they have a better site for a municipal service, that the local member should be listened to.

In this case, for public policy reasons, for listening to the local elected officials who know their districts the best, and if we are really going to be able to have a sanitation waste policy in New York City that really works, everyone should vote against this.

And even if you don't care about all of that, the irony is that putting the waste transfer station on Gansevoort means

that nothing can be done until 2012, because the city itself signed a stipulation saying that they could not touch Gansevoort with any more sanitation facilities till 2012. The tow-pound facility, just a few blocks away, they could start working on tomorrow.

So I urge my colleagues to vote no. Thank you.

ACTING PRESIDENT WINNER: Senator Duane will be recorded in the negative.

Announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 2247 are Senators Adams, Aubertine, Breslin, Connor, Duane, Gonzalez, Hassell-Thompson, Huntley, C. Johnson, Klein, L. Krueger, Onorato, Parker and Valesky.

Ayes, 44. Nays, 14.

ACTING PRESIDENT WINNER: The bill is passed.

The Secretary will now read Calendar Number 2249.

THE SECRETARY: Calendar Number 2249, by Senator Skelos, Senate Print 8737, an act to amend the Education Law.

ACTING PRESIDENT WINNER: Read the last section.

THE SECRETARY: Section 3. This act shall take effect on the same date and in the same manner as Section 1 of a chapter of the Laws of 2008.

ACTING PRESIDENT WINNER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Senator Skelos, to explain his vote.

SENATOR SKELOS: Thank you, Mr. President.

And I thank all my colleagues for being here today. I know that perhaps it was a bit inconvenient --

ACTING PRESIDENT WINNER: Senator Skelos, will you suffer an interruption?

May we have some order, please.

SENATOR SKELOS: Thank you, Mr. President.

I know perhaps it was a bit inconvenient, but really the people of the State of New York are crying out for the Legislature and for all levels of government

to start controlling real property taxes, which are strangling and overburdening too many of our good citizens.

Since becoming Majority Leader, I've had the opportunity to travel most parts of New York State, starting in the western part of the state, Buffalo -- where I was there for the Inner Harbor dedication -- the Erie Canal, which eventually ends up in the Atlantic Ocean, near where I reside.

And no matter what part of the state, the one comment I received that was universal: We have to control property taxes, property taxes are strangling us, and something has to be done.

I want to thank Governor Paterson for being bold in the beginning of his term as Governor, who has sent us a property tax cap bill.

This is really going to be the first step, I believe, in not just capping property taxes but reducing property taxes -- that's our ultimate goal -- and also maintaining the quality of education that we expect for all of our children, whether you

live on Long Island, the Capital Region, or the western part of the state.

The legislation that we are voting on now helps put many of the pieces of the cap puzzle in place. We will put a cap on local pension costs, which will help all school districts throughout the state, including the City of New York and the Big Five.

We'll create incentives for school districts to have energy audits. And if they look to improve the energy efficiency within their schools, the state will work with them and help reimburse those costs.

We'll provide flexibility in contracting concerning fuel costs, we'll ban unfunded mandates, and we'll do many other positive things to ease the burden on our real property taxpayers.

So today our focus is on real property taxes, but it is really a focus on the budget of our families throughout the State of New York. The Senate is sending a clear and strong message that we are serious about real property tax relief, and I hope that the Speaker and the Assembly will join us

in that endeavor.

And I appreciate everybody supporting this legislation.

ACTING PRESIDENT WINNER: Senator Skelos will be recorded in the affirmative.

Senator Robach, to explain his vote.

SENATOR ROBACH: Yes, Mr. President. I'm happy to support this.

I couldn't agree more; everywhere you go, we definitely need to do something about property tax relief. I believe this is an attempt to do that along with the Governor.

But I'm also happy because I think we're also responding to another issue that at least the people in my district care about too, and that's protecting, simultaneously, K through 12 education. Not only trying to get give relief and help in some of the unfunded mandates and assist that way, but also, as part of this package, making a commitment similar to foundation aid or CFE that we're going to continue to take money off property taxes but we in the state, off more progressive income taxes and other things,

will fund more of K through 12 education.

I think that makes this easy to support and, again, responsive to what I'm hearing from people in my district and I think people in the state want us to do. Those, coupled together, make this a win, in my opinion.

And I know the dialogue will continue. But I say it, and I think we should all be aware of it, people want tax relief. It will give us challenges down the road for us to pick up more of K through 12 education and continue on this historic commitment that we've already made to K through 12 education.

But clearly, I believe policywise it's the right thing to do, but more importantly, responsively to our publics, it even makes it more of the right thing to do. And I vote in the affirmative.

ACTING PRESIDENT WINNER: Senator Robach will be recorded in the affirmative.

Senator Diaz, to explain his vote.

SENATOR DIAZ: Thank you, Mr. President.

Today we were called back to deal

with this issue. Protect the schools, lower property taxes, close the deficit are the challenge of the New York State Legislature.

Governor Paterson has said that the state's current estimates predict that New York is facing a $630 million deficit. Senator Skelos just says that the property taxes are strangling residents of the state. And they're both right, Governor Paterson announcing that the state is in a fiscal crisis, and Senator Skelos saying that the property taxes are strangling many in the state.

However, in the City of New York, in the area that I represent, there were people throughout the City of New York, throughout the state fighting for the Campaign for Fiscal Equity and to protect education, to protect schools. To come here and vote against this without at least saying there is other things to do is unfair.

So I'm voting no, but I'm going to give Governor Paterson and Senator Skelos and all my colleagues places to go to solve the problem that we are facing without, without

killing the needy and without putting the state against the city and the city against the state.

However, let me tell you something. I'm going to give you a few suggestions for Governor Paterson. Because it's easy to say the state is in fiscal crisis, let's do something about it. And every time that we do something about it, we kill blacks and Hispanics and the minorities. So to protect everyone, I'm going to suggest some solutions.

Number one, if we ask the top ten -- if we ask the 1 percent of everyone earning more than $10,000 per week to pay a bit more in taxes, we will come out with close to $6 billion.

Number two, if we tax the nontaxable cigarettes in the Indian reservations and we tax those freebies up there, we will come out with between $500 million and $600 million.

Something that I have been saying, I have been coming here to explain and to say what we're going to do to help the state in the fiscal crisis. I'm telling you, number

one -- I have been saying, I have been saying -- nobody listens, but I have been saying if we order, if we order the credit card companies to send directly to the state the taxes that they charge people when they buy with -- if I go to buy something with a credit card, my taxes, the credit card companies send the taxes back to the merchant.

Those taxes, the majority of those taxes, about $500 million of those taxes never gets to the state, because some merchants will report an estimate, some merchants will say they go bankrupt, and the taxes will never come to the state.

If we force, if we pass a law ordering the credit card companies to send the taxes straight to the state, we will get $500 million there. But nobody wants to do that, the Governor.

Now, if we purchase bulk prescription drugs in bulk, we will save money. So there are plenty, plenty ways to protect the state to solve the fiscal crisis without putting the state against the city and without hurting the needy and without hurting

the education system in the City of New York.

So I am proposing to the Governor, Governor, here is some issues. Here is some issues. Senator Skelos, here are some issues that you could do easy. Tax, tax the Indian reservation nontaxable cigarettes. Tax the person that makes $10,000 a week, 1 percent of those. Force the credit card companies to send the taxes back to the state. We will solve the fiscal crisis.

But no, the easy way out is let's do this, let's cap the property tax so the City of New York and the people, the education system will lose money and poor people will get hurt. That's the easy way out. We always do that, taking the easy way out. But we never will go against the interest groups, we will never go against the people that will support us in campaigning because they put the money and support us. We never would do that.

I am telling you, here there is a way to do it. So, ladies and gentlemen, I'm voting no, because this is something that the Governor, because the press is saying because the Governor wants to look good and what the

press is saying, oh, this is something that we have to do.

Let's do what I'm saying, and we end the whole thing. Thank you very much.

ACTING PRESIDENT WINNER: Senator Diaz will be recorded in the negative.

Ladies and gentlemen, my colleagues, I would remind you that we're on a roll call. We've been very lenient with regard to the two-minute rule. But in respect to all of our colleagues, we would hope that you would try to adhere to that to the best of your ability.

Senator Nozzolio, to explain his vote.

SENATOR NOZZOLIO: Thank you, Mr. President.

As Senator Skelos said, property taxes are the number-one issue on the minds of New Yorkers today. And that should be no secret.

When our taxes, our property taxes are almost 80 percent higher than the national average, when we have many counties in upstate that have the highest property taxes when

considered as a percentage of home value than any other state in the nation, when we have our important issues like healthcare and education funded by the property tax, which is no longer an indicator of ability to pay, change must occur.

And that's what is happening here today with the enactment of this measure and the next legislative measure we will enact, that property taxes will be capped to relieve our overburdened property taxpayer.

But we also will be holding the line on the costs that local school districts must bear for pension costs, for energy costs, for other unfunded mandates, in order to be a better partner with those local school districts. Also ensuring that we maintain the commitment to funding education that is so essential to our state's future.

We can reform the system. This is a first step in reforming the antiquated, overburdened property tax system in our state. I'm proud to take this first step. More must be done. If we continue to work with the Governor as we are doing now, we can achieve

that objective.

And that's why, Mr. President, I support this matter.

ACTING PRESIDENT WINNER: Senator Nozzolio will be recorded in the affirmative.

Senator Padavan, to explain his vote.

SENATOR PADAVAN: Thank you, Mr. President.

I want to draw attention to one section of this bill which is critically important to all of us, the entire state, but more important to the City of New York than perhaps elsewhere. That's Part H, which deals with the foundation aid portion of the legislation.

We were all involved certainly in a very positive way with the Campaign for Fiscal Equity settlement. We know the tremendous results that we were able to achieve for funding, particularly in the City of New York, as a result of that initiative.

And I draw your attention to that section of the bill which reaffirms the four-year commitment in the aggregate amount

statewide of over $18 billion, and the addition of the $2.2 billion to that currently having been provided last year and this year, for a total of $3.3 billion for the City of New York.

The result of this is that we will continue to move forward with those issues that are important in terms of class size, reduction in overcrowding, and all of the important parameters of that CFE initiative.

So when you vote for this bill, and I hope you will, please keep in mind that as far as the City of New York is concerned, while we're not part of the cap -- because the city and the other five big cities are not included in here -- but what is included is an affirmation of the funding stream that will come to the City of New York.

I vote aye.

ACTING PRESIDENT WINNER: Senator Padavan recorded in the affirmative.

Senator Saland, to explain his vote.

SENATOR SALAND: Thank you, Mr. President.

Mr. President, I rise in support of this omnibus comprehensive measure. And I would particularly like to take my time to point to the fact that once again this Majority, this house is making it clear that unfunded mandates simply have to be, at long last, put to rest.

We have, time and again in this house, been operating in a vacuum. And if we're going to do what we all hope to do, which is accomplish real property tax reform, there's more than one prong to that attack.

Unfunded mandates are costly, they come from Washington in the form of the failure to fund IDEA, they come from Washington in the form of failure to fund No Child Left Behind. But we also ourselves have been guilty of unfunded mandates, although we've done our best over the course of the last six years to stem them.

What we have done, very importantly, here is to say that there will be no longer a litany of unfunded mandates, we will not allow other entities in New York such as the Board of Regents or the Ed Department

to superimpose unfunded mandates during the course of a school year.

If in fact they're going to take that course -- we certainly do not want them to take that course -- they are going to be required to wait and do it in advance of the school year so that at least that school district has the ability or all school districts have the ability to have notice and be able to plan for instead of being suddenly dropped in their lap.

We are also talking once again about doing away with the multitude of redundant paperwork requirements that have been imposed by both SED and the Regents. We probably can eliminate dozens and dozens merely by the inclusion of this particular portion of the measure in this bill.

We also are talking about changing the system of providing enhancements for consolidation, encouraging particularly smaller school districts with student bodies or student counts of less than 1,000 to avail themselves of the opportunity to get additional state aid.

And I would also point out that a portion of that state aid would also be reduced to reduce the tax levy as well as to provide for sharing of superintendents.

This is a very important bill. The mandate relief portion and the cost containment are particularly important elements of this bill and particularly important elements of resolving the obviously now clearly acknowledged and overly painful problems of dealing with property taxes.

And I certainly cast my vote in the affirmative.

ACTING PRESIDENT WINNER: Senator Saland will be recorded in the affirmative.

Senator Fuschillo, to explain his vote.

SENATOR FUSCHILLO: Thank you very much, Mr. President. Just briefly.

I want to thank the Majority Leader, my Republican colleague, Senator Dean Skelos, for putting this on the floor today.

And I want to thank our Governor, David Paterson, for his initiative. Since coming into office he realized from the onset

that providing property tax relief is not a partisan issue. So we join with him in a bipartisan fashion to finally say enough is enough.

How many times can we keep coming back to this body and preaching that we need property tax relief? People need relief. It's the number-one issue. It's all I hear wherever I go.

But we're at a crossroads, and we've been here for a long time. Do we continue down the road that is choking people to death where they don't know what to pay, what bill this month, because they have to pay their mortgage and their property taxes?

Or do we take the path that finally says: We've heard you, we're joining the Governor in a bipartisan fashion and realizing that the time has come to stop the talk, to stop preaching on this floor that "I'm going to do something" where now you're saying, "Well, it may not work."

Governor Paterson, I salute you, and we join with you, this Republican majority, to provide real, meaningful tax

relief.

Mr. President, I vote yes.

ACTING PRESIDENT WINNER: Senator Fuschillo will be recorded in the affirmative.

Senator Breslin, to explain his vote.

SENATOR BRESLIN: Thank you, Mr. President. I rise to talk about the cap and what it means to some of the districts in my district.

I have the City of Albany that has 10 charter schools, partly because we passed legislation approving charter schools. I doubt whether they can live within that cap.

I have a very poor rural district that has enormous transportation requirements. I doubt it can live within that cap.

They have separate school boards, they have elections, and they make decisions on whether to approve in each district. I've had town meetings when I have talked to people, people on fixed incomes, and they said to me: "Will this cap help me? Will it reduce my taxes? Will it help me pay my tax bill at a time when I'm looking at

pharmaceuticals, a fixed income, high heating oil?" I say, "No, it won't. It won't do that."

And it's up to us to do that. It's up to us to do that in an comprehensive, honest way. And in my belief, this bill does not do that.

And accordingly, I vote no.

ACTING PRESIDENT WINNER: Senator Breslin will be recorded in the negative.

I want to remind the members that we're on Calendar Number 2249. And we went out of order and skipped 2248. And we'll return to 2248 upon the adoption of this particular measure.

So Senator Breslin will be recorded in the affirmative.

Senator Alesi, to explain his vote.

SENATOR ALESI: Thank you, Mr. President.

Given the opportunity to make these remarks on behalf of the three-quarters of the people in the state that say they favor a property tax cap, I want to congratulate our Governor, who has shown a great willingness to

work in a bipartisan fashion on behalf of those same three-quarters of the people.

I can't imagine how we could ignore that, when three out of four people would like to have a tax cap.

For those members of this body that say it does not work, for those that either don't understand it or would mislead their constituents, it's clear to me that there is nothing in this property tax cap that bridles people in any way, shape or form. In fact, it gives constituents and taxpayers the opportunity to override the tax cap, given enough votes at the local level.

On the other hand, it actually gives them the opportunity to underride, where they can actually set a lower cap or no cap at all.

So given the opportunity to join the Governor on this initiative, I'm pleased to join those who reasonably see it as a means of helping our local property taxpayers and doing the right thing for them.

I vote aye.

ACTING PRESIDENT WINNER: Senator

Alesi will be recorded in the affirmative.

Senator Krueger.

SENATOR LIZ KRUEGER: Thank you.

Well, I rise to clarify what I think you just attempted to clarify. So thank you, Mr. President.

We're not on the tax cap bill, we're on the mandate relief bill. And I know many of us want to talk about the tax cap bill, including me. But I will wait till that time to do so.

But on the mandate relief bill, I have to say while I have some concerns about some of the costs that I don't think we've really analyzed thoroughly, I think it's an important piece of legislation for us to move forward with. It recognizes the changing realities on assessment issues, which I think are critical throughout our state, and it creates a blue-ribbon commission on determining a best way to do assessments.

It creates a blue-ribbon commission on mandate relief and the recognition that we and the localities both need to sit down and have a better understanding of what the costs

are when we create a new mandate or when they vote to do something for themselves and the relationship between the two levels of government, state and local.

I have some concerns about the pensions we are committing to taking on within this bill. But like Senator Padavan, I am excited that it commits us to the formula base numbers that we are obligated, in my opinion, to follow based on the Campaign for Fiscal Equity decisions and the actions that we've taken in the last several years.

So I by and large think that this bill, while it has some issues I'm concerned about, is a decent bill. It's the kind of bill we should be talking about three-way, in this house, the Assembly, and with the Governor.

And so I'm encouraging my colleagues to vote yes on this bill and, again, just reminding everyone we all got a little confused, in our passion around taxes, on which bill we were on.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Thank

you, Senator Krueger, for your germane remarks with regard to the mandate bill that we are on, 2249.

Again, I would remind the members that we are voting on Calendar Number 2249, which is the, quote, mandate relief, unquote, package -- and not the tax cap measure, which is 2248, which we will take up subsequent to the enactment of this measure.

Senator LaValle, to explain his vote on the mandate relief package.

SENATOR LaVALLE: Thank you, Mr. President. Yes, I am aware this is the mandate relief bill.

What I wanted to say is, as has been said before, there is no doubt the number-one issue that people we represent want, demand, is real property tax relief. This house and this Majority have put forth more bills to address this issue, not only this year but in other years.

This bill puts together something that school districts have talked about. This bill allows for and will give real relief to our districts, thereby translating relief to

the taxpayer.

We have done this in other forms before, and I hope that the Assembly will join us in this measure and also, when we get to the last bill, that they will join us in that endeavor, to ensure that we are meeting our commitment, our constitutional oath to the people that we represent.

And so I vote in the affirmative on this measure, Mr. President.

ACTING PRESIDENT WINNER: Senator LaValle will be recorded in the affirmative.

Senator Little, to explain her vote.

SENATOR LITTLE: Thank you, Mr. President.

I rise today in support of this piece of legislation because, as we all know, in order to contain property taxes you have to control costs. In order to control costs, the State of New York has to begin to work with our school districts in mandate relief.

Many of these bills have been proposed before. They're all together in this nine-part package. We look at making it

easier for schools to share services, we look at helping them with their pension costs that exceed 4 percent.

And, in Section I, which is the last section of the bill, we really take a look at how assessments are done. And this is an important part of any taxing jurisdiction. And it's very, very important to the person who is being taxed as to how their assessment was attained and why their assessments are going up.

This bill will help make assessing uniform throughout the state. It also calls for a blue-ribbon commission, and it freezes assessments for two years. So for two years, there will be a moratorium on increasing assessments while a blue-ribbon commission looks at how can we do a better job in assessing in New York State, how can we make assessing more uniform, how can we help local governments reduce assessments when the market value on their home goes down.

All of these things will be worked on by a blue-ribbon commission, and for two years a person's assessment will not increase

unless they add onto their home or make some major improvements or build a new house, there could be a new assessment.

The example I'd like to show you is that in one of my counties there are 17 towns, and there are numerous assessors assessing property. I had an instance where we had two towns with lakefront on Lake George. One assessor was assessing lakefront pin to pin. The second assessor from the other town was assessing every little linear foot, whether you had a little peninsula, a cove, or whatever. Then they came up with the value, then they used comparable sales.

It's not fair. And what we're looking for is more equitable, fair assessing. When I talked to the Office of Real Property, they told me they only have guidelines. They can't enforce anything or tell any town assessor which of those guidelines to choose or how you could have uniform assessing throughout a county.

So this is a very important bill. I commend Senator Skelos. I was happy to join with him certainly on this section of the bill

and the separate piece of legislation. But I'm really pleased that it's incorporated into it, because looking at how we assess property from New York State is going to help us with real property tax reform. So thank you.

And I vote aye on this bill.

ACTING PRESIDENT WINNER: Senator Little will be recorded in the affirmative.

Senator Morahan, to explain his vote.

SENATOR MORAHAN: Thank you, Mr. President.

I also rise in support of this landmark legislation that will provide mandate relief to our school districts, doing those things that they need to have done so that they can be helped in controlling the property tax.

Several years ago, about three and a half, four years ago, I started forums within my district on the issue of property taxes, and in particular the school district taxes. And I brought together all the school superintendents of all the school districts within my senatorial district, and we spoke

about what mandates are out there that you feel are driving up your costs.

Then I met with all the teachers' unions and asked them the same question: What are the costs and what are the mandates that drive you to be less efficient in the classroom? Tasks that really are not related to the education or in any way productive.

Then I met with the business community to see what their input was on what mandates were out there.

And they've all reported back to me those mandates and the relief that they need. The teachers came back, the school boards came back, and so did the business community. And they clearly outlined many of the mandates that we're speaking about today that impede them in trying to bring costs under control.

And I believe, when we start to talk about capping, when we start to talk about putting limitations on them, it's only fair, just, and required that we do mandate relief as outlined in this bill by Senator Skelos.

So I fully support this. I support

the effort to reduce the mandates, to save the money to be used for more productive outlets within the school community and the needs of the education community.

So I'm happy to support this bill wholeheartedly, and I want to congratulate the Majority Leader for putting this together, bringing it to the floor.

And I hope that we get the support of the Governor, who does support tax capping, but we need his support for tax mandate relief. And we need the support of the Assembly to make this really a red-letter day to the State of New York.

Thank you, Mr. President. I vote yes.

ACTING PRESIDENT WINNER: Senator Morahan will be recorded in the affirmative.

Announce the results.

THE SECRETARY: Ayes, 58. Nays, 0.

ACTING PRESIDENT WINNER: The bill is passed.

THE SECRETARY: Calendar Number 2248, by the Senate Committee on Rules, Senate

Print 8736 --

SENATOR DUANE: Lay it aside, please.

ACTING PRESIDENT WINNER: The bill is laid aside.

Senator Skelos.

SENATOR SKELOS: Mr. President, if we could have unanimous consent to have the last section read and allow two members to vote. I know that Senator Nozzolio has a personal issue -- his brother passed away, and we extend or deepest sympathy to you, Mike -- and I believe Senator Gonzalez also has something.

So if we could now read the last section and call the roll so these two members could vote.

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

THE SECRETARY: Calendar Number 2248, by the Senate Committee on Rules, Senate Print 8736, an act to amend the Real Property Tax Law and the Education Law.

ACTING PRESIDENT WINNER: Read

the last section.

THE SECRETARY: Section 23. This act shall take effect February 1, 2009.

ACTING PRESIDENT WINNER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Senator Nozzolio.

SENATOR NOZZOLIO: Aye.

ACTING PRESIDENT WINNER: Senator Gonzalez.

SENATOR GONZALEZ: No.

ACTING PRESIDENT WINNER: The roll call is now withdrawn.

Senator Duane, I believe.

SENATOR DUANE: I laid it aside, Mr. President.

ACTING PRESIDENT WINNER: Senator Skelos.

SENATOR SKELOS: Mr. President, I believe you did close the roll.

And now if we could take up the bill, controversial.

ACTING PRESIDENT WINNER: The bill is before the house.

Senator Klein.

SENATOR KLEIN: Thank you, Mr. President.

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

ACTING PRESIDENT WINNER: The reading is waived and you may be heard on the amendment, Senator Klein.

SENATOR KLEIN: Thank you, Mr. President.

I too want to thank our Governor for dealing with the important issue of property taxes. Also Tom Suozzi, who chaired the Governor's commission.

If you look at that report, it truly is a blueprint for reform. And I think the legislation, the various pieces of legislation we're voting on today reflect some of the things pointed out in the Suozzi report.

Unfortunately, I believe there's no silver bullet to solve the problem of property taxes. I think we really need a comprehensive

approach.

I too have worked very hard over this year meeting with my constituents. I held forums within every school district that I represent in Westchester County. And I think, when people ask me, "Well, is it an important issue" -- and I always say property taxes, I believe, in Westchester is the number one, the second and third most important issue to people.

People generally think their education system in their school district is very, very good. But unfortunately, they're being choked in how to pay for it.

So I think when we deal with as important an issue as property taxes, we need to take, as I said, a very comprehensive approach. Unfortunately, we're not doing that today.

My legislation is rather simple. I think it takes into consideration that we do need a cap. However, it has a more palatable cap. Under my legislation, we would not only exclude capital costs, which is contained in the Governor's program bill, but we would also

exclude special education as well as transportation costs.

Again, two unfunded mandates, according to most school districts, and also very, very high costs to --

ACTING PRESIDENT WINNER: Senator Klein, could you suffer an interruption so I can get you more order so that we can hear your remarks.

SENATOR KLEIN: I would appreciate that, Mr. President.

Thank you, Mr. President.

As I said, we do need a cap, but also we need other things as well. And I don't think we really can do one without the other.

The next portion of my legislation reflects many of the mandates we already passed, but I do believe that I need to talk about two of those which are not contained in the bill that we just voted on.

First of all, under my legislation, we would allow BOCES to do purchasing of healthcare. We would also allow BOCES to do regional collective bargaining.

One of the problems that we have within school districts is you have bidding wars for teachers' salaries. Teachers do a tremendous job in educating our young people, but there should not be such a large disparity in salaries.

I know I represent the Village of Bronxville, which pays their teachers, on average, $110,000. If you go to Tuckahoe, in my district, which is less than a mile away, those teachers get paid $75,000 or $85,000 a year on average.

I don't think the quality of those hardworking teachers is any better in Bronxville. But unfortunately, I have some school districts that continue to believe if they pay their teachers $110,000, they're going to get the best teachers there is.

So I think if we can control the salaries that are paid to teachers on a regional basis, or even on a county basis, I think we can get that cost under control.

It just makes sense to allow BOCES to actually purchase health insurance as well as workmen's comp insurance. They buy in

larger numbers. It makes more sense instead of having individual school districts make those purchases. So I think that's important that we should add to the mandate legislation that we also passed here today.

Finally, the third prong of my legislation, which I think again works hand in hand with the other two, is a STAR circuit breaker. I think most of us here know Senator Little has introduced a bill, along with Sandy Galef in the Assembly, which I think makes a lot of sense.

My portion is different in one respect. We would not exclude people who only have been -- in other words, we don't have the mandate that they have to live in their homes for five years. Because I think one of the things -- we know that high property taxes certainly has a detrimental impact on our senior citizens, but it also has a detrimental impact on those who are new homeowners. What we're doing is pricing young people out of the American dream of homeownership.

A circuit breaker is just a fairer system. Instead of basing property taxes on

the price of a home, it bases it on the amount of property taxes someone pays in relation to their income. It makes sense.

Also under the legislation, the way we have sort of a cost containment under the circuit breaker, only people who make under $250,000 a year would enjoy any relief under this plan.

Again, as I said before, I think what we really need to be doing is something that will be palatable to the Assembly. I think it's our duty here to start the ball rolling, pass a piece of legislation that would eventually become law.

I'm glad the Majority Leader, Senator Skelos, called us back today to deal with this important problem. But unfortunately, here we are in August passing a one-house bill.

I think we need something that looks more like my plan, which I think really strikes a balance in making sure that we put a cap on property taxes, making sure we alleviate some of the unfunded mandates that our school districts are constantly talking

about and, most importantly, making sure that the taxpayers who need relief get the relief they deserve.

I thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Skelos, on the amendment.

SENATOR SKELOS: If I could just take an opportunity to comment and just point out concerning the amendment, number one, when it comes to the so-called circuit breaker and many of the other parts of the amendment, I don't believe that Governor Paterson has asked the Minority to amend his bill.

Certainly he hasn't asked us to do it. In fact, he sent up two amendments this week that made technical amendments to the cap bill and essentially asking that it remain clean, as it is under the Senate's proposal.

We had a discussion with Tax and Finance about the ramifications of the proposal by Senator Klein and other members in the Minority, many of them from New York City. We found out under that proposal, 1.6 million property taxpayers in New York State would lose property tax relief under your amendment.

Upstate New York -- I think these are compelling statistics -- almost 1.5 million taxpayers received property tax rebate checks in 2007. Under the Minority's circuit-breaker plan, 623,000 would receive that circuit-breaker benefit and 833,000 upstate citizens, hardworking people that are struggling with their property taxes, would lose their STAR rebate check and in fact receive no benefit.

They're in Senator Valesky's district, they're in Senator Aubertine's district, they're in Senator Stachowski's district, and they're in many of our colleagues' districts up here that represent, that represent upstate communities.

On Long Island, on Long Island right now, 580,000 taxpayers received rebate checks in 2007. Under this proposal, 379,000 -- 379,000, Senator Craig Johnson -- would lose all relief. They would not get circuit breaker, and they'd lose their property tax relief with the rebate check.

New York City, 471,000 rebate checks in 2007; 360,000 would lose their

benefit. Under Senator Klein's and many of you who have sponsored and are supporting the amendment, they would lose the benefit. And in the Hudson Valley, over 54,000 individuals would lose the benefit.

So again, 2.9 million New York State taxpayers received rebate checks in 2007. And our friends from the Minority who claim to be sensitive to the real property plight of citizens throughout the state are looking to take the benefit away from 1.6 million people.

I think it's the wrong way to go, and I would urge members here not to be in agreement on this amendment.

ACTING PRESIDENT WINNER: Senator Craig Johnson.

SENATOR CRAIG JOHNSON: Thank you very much, Mr. President. On the amendment.

ACTING PRESIDENT WINNER: Senator Johnson, on the amendment.

SENATOR CRAIG JOHNSON: Thank you.

And I thank Senator Klein for his leadership on this issue.

I think what's important about the amendment that we have offered today is, in a comprehensive package, it offers to do three things. It offers to provide a cap on a property tax increase, it provides an opportunity to reduce the property taxes by addressing unfunded mandates and, critically, it helps our senior citizens and our middle class pay the property taxes. Those who need the relief most get relief.

And before I delve into circuit breaker, I want to just point out what I think are some important -- I don't want to call them differences, but enhancements that our bill provides that I believe should be supported by the members of this body, but in particular those who support Governor Paterson's and the Senate -- Senator Rules, I guess his or her name is -- their bill.

First, what our bill does in addressing the notion of capping property taxes is it does away with this inequitable situation in terms of an override. The bill as it currently stands comes up with a formula in terms of overriding property taxes of

55 percent -- if you go over 4 percent, it's a 55 percent override, and somehow if you get more than 5 percent school aid, you have to get to 60 percent.

Our bill simply sets it that if a school district wants to ask a little bit more in terms of money from our taxpayers, they have to get a little bit more support. But it's uniform, it's 55 percent. A little bit of a critical difference.

Also, and what Senator Klein alluded to, is we need to protect our most vulnerable when it comes to education, and that's our children who have special education needs. And what's become apparent in Albany and in Washington is the love of the unfunded mandate and, in particular, special education.

And it's not fair to put upon our school districts and our residents a mandate when it comes to special education and then cap the ability to pay for that. That's not fair to our children, it's not fair to their parents and grandparents, it's not fair to a community that supports a school district. And so we exempt from a cap consideration

special education.

Now, another reason why is because -- and maybe the unfunded mandate bill that the Senate Republicans, that we just voted on -- I voted in favor of it -- and what our bill would do is -- one problem is is that when you speak to school board members, and I know a number of us have during this entire process, school board members tell me that one child with special education needs who moves into the district can cost as little as $100,000.

We can't cap that cost. That's just not fair to the family, the child and the community.

The other thing we need to address, and what our bill takes into account, is the transportation costs, rising gasoline prices that have forced many of our residents to stay home this summer and not go away on vacation. Those are gasoline prices that our school districts are forced to begin to cope with as they get their busing ready. Our bill exempts those costs from a cap consideration as well.

It's a bit of a more sensible cap,

but it recognizes that our districts and, more importantly, our residents need a break.

In terms of the unfunded mandate, I think an important component that's in this bill addresses the issue of busing. And I know a number of members who have suburban school districts, school districts smaller than 15 square miles, hear the constant complaint from residents who complain about the fact that buses go throughout a school day half-filled and call upon school districts to address the busing problem because it costs money.

One superintendent told me that if he could actually amend and fix his school busing transportation problems, he'll save a million dollars in his school budget.

What our bill does is it allows school districts smaller than 15 square miles to actually determine their own busing needs based on historical data. So students, in particular high school students who maybe fall into the busing scheme, if they don't take the bus going home, school districts can now address the issue of whether or not they need

to provide the bus to them. But it puts the power in the school districts, the people with the boots on the ground, so to speak.

And finally there's the issue of the circuit breaker. And I have to tell you that I sat and listened very carefully when Senator Little and Assemblywoman Galef had a very comprehensive hearing on the issue and a number of constituencies came forward to support the circuit breaker and the circuit-breaker concept.

And what I've heard from seniors who live in my district and from young people with young families who live in my district is that they need relief and they need relief now.

Now, obviously it can't be perfect. But some say that imitation is the highest form of flattery. And what's interesting -- and I heard the words of our Majority Leader -- is that there are Republican Senators who have cosponsored circuit-breaker legislation almost identical, as Senator Klein pointed out, almost identical to legislation that Senator Klein and I and some others have

sponsored. Would pay for it the same exact way.

It's interesting, we talked and heard today two very important terms -- it's come from both sides of the aisle -- fair and equitable. Fair and equitable.

A calculation under the circuit breaker bill, a family or a senior citizen who lives maybe in the Majority Leader's district with an income of $75,000, who pays a tax bill of $7,000, would receive -- receive -- an amount over $1,600, compared to a $400 or $500 amount. What's fair? What's equitable?

There is no doubt that we as Senators must work together on this issue. But this problem didn't start today. To say that we're starting now to rein in property taxes is insulting to our residents. This should have been done years ago. And there have been opportunities for years to do it, and it hasn't been done. Today is the day to do it in a way that's fair and equitable to our residents.

Thank you. I will be voting aye on the amendment.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Little.

SENATOR LITTLE: Thank you, Mr. President.

As has been mentioned, I have been a supporter of circuit-breaker legislation for several years. But I want you to know that the reason that my circuit-breaker bill has never been brought to the floor is because of the cost and because we have a Governor right now who is looking at how to reduce the costs and where is the money coming from.

Our proposal, in order to pay for that circuit breaker, would have taken away the rebate checks from 1.6 million people. The cost is estimated to be $2.8 billion, I believe, to do the whole thing.

Therefore, I have not given up on circuit-breaker legislation, and I certainly continue to support it and advocate for it, but we are looking for a way that we will not be saying to one New York citizen who is paying property taxes, Your taxes are going up 200, 400, 600, 800 dollars this year because

we're taking away your rebate check in order to help this other citizen.

So what we are looking at is a way to modify the circuit breaker, continue to help people, and continue to give the rebate check. But we are looking for support for that from the Governor and from the Assembly.

To do that as a one-house bill, particularly right now when the cost is so high and everyone is talking about reducing costs, is just inappropriate.

Therefore, I don't support putting this bill on without the modifications and the cost reductions as well as allowing those citizens in New York to continue to get their rebate checks.

Thank you.

ACTING PRESIDENT WINNER: Senator Bonacic.

SENATOR BONACIC: Will Senator Johnson yield for a couple of questions?

SENATOR CRAIG JOHNSON: Of course I will.

SENATOR BONACIC: I agree with you that to solve the property tax problem we

must to a series of things. We start with the Governor, who has wanted a tax cap. That's a first step of property tax relief in the sense that you're slowing the growth of escalating taxes, and he suggested 4 percent.

Do you support the 4 percent cap on property taxes, Senator Johnson?

SENATOR CRAIG JOHNSON: Through you, Mr. President, I support the legislation that will be voted upon subsequent to the result of this amendment. So the answer is yes.

SENATOR BONACIC: So your answer is yes?

SENATOR CRAIG JOHNSON: My answer is yes.

SENATOR BONACIC: Okay. Do you know, in part of your presentation --

SENATOR CRAIG JOHNSON: I will continue to yield for another question, by the way.

SENATOR BONACIC: Oh. Through you, Mr. President --

ACTING PRESIDENT WINNER: We're trying to facilitate the debate here. But we

can go back to the more rigid, through the chair --

SENATOR CRAIG JOHNSON: I'm happy to --

ACTING PRESIDENT WINNER: Unless you want to be cooperative, Senator Johnson, we'll be glad to go back to a more rigid system.

SENATOR CRAIG JOHNSON: Mr. President, I never know which route you want to follow. I'm happy to have the dialogue with my friend Senator Bonacic.

ACTING PRESIDENT WINNER: Okay, thank you.

SENATOR BONACIC: Senator Johnson, do you know how much it would cost if we did transportation and special ed and not let it be part of the tax cap?

SENATOR CRAIG JOHNSON: That's a very good question, Senator Bonacic. What we understand is, while we don't have gross dollar amounts, the impact that it would have in terms of the overall cap would not be as significant as we hope.

We're still crunching the numbers,

and obviously we can work with you to get you those numbers as we get a fuller sense. Because every district is different, especially in terms of special education.

And I'm sure you see this as well in your Senate district, in your school districts, a lot of it depends upon kids moving in, kids taken out, it depends upon the legislature and legislation that passes.

SENATOR BONACIC: Senator Johnson, will you continue to yield?

SENATOR CRAIG JOHNSON: Of course.

SENATOR BONACIC: I've done a little homework on what that number is. And it's approximately $200 million more that you would exclude out of the tax cap. And as a result, the tax cap would then be, on average, between 5 to 6 percent and, some school districts, 8 percent.

Now, having known that, would you still support a tax cap of 4 percent or anywhere from 5 to 8 percent?

SENATOR CRAIG JOHNSON: Thank you, Senator Bonacic. I don't have your

numbers in front of me, and so, you know, with respect to what you're offering, I don't know if it's true or not. I take you at your word of what your figures --

SENATOR BONACIC: It's from the Division of Budget.

SENATOR CRAIG JOHNSON: Again, I don't have your figures in front of me. If you want to provide them, that's absolutely fine, and we can review them.

But the fact remains is that what we need to do on a case-by-case basis is provide schools with the ability to protect themselves. And it also provides the key is the override. And that when school districts -- and I'm sure they do it in your district and in my district and in every other district -- is they go through a process, and they go through a process in bringing this to the vote.

Your bill has an override, my amendment has an override as well. And that if it goes over the 4 percent cap, it allows the school districts to go in and say, This is why we're doing to do it.

SENATOR BONACIC: Okay. Will you continue to yield?

SENATOR CRAIG JOHNSON: Yes, Senator.

SENATOR BONACIC: With respect to the circuit breaker, it's estimated that it's $2.7 billion to do the circuit breaker. And Governor Paterson is out there calling us back on August 19th, where he has unilaterally come up with $700 million worth of cuts and he's challenged us to come with $700 million worth of cuts.

In addition, if your circuit breaker were to go through in this environment, what would you cut to make up $2.7 billion?

SENATOR CRAIG JOHNSON: Well, first of all, I am unsure that it is 2 -- I'm sorry, what was your number?

SENATOR BONACIC: Well, statewide it's $2.7 billion.

SENATOR CRAIG JOHNSON: My understanding is that number may or may not be accurate.

But your point is this. Right now

we can maybe, at a bare minimum, recover $800 million from businesses that do business in New York State that don't have a nexus and we're not collecting their sales taxes. According to our information, at a minimum there's $800 million there that we can aggressively collect. That's one way to start doing it.

So until we have an exact amount -- but what I find very interesting is that, Senator Bonacic, you too support the concept of a circuit breaker, do you not?

SENATOR BONACIC: I do.

SENATOR CRAIG JOHNSON: You do. And so the fact remains is that we need to provide the necessary property tax relief to help our seniors and our individuals -- not just lower the taxes, but help them pay their taxes, especially seniors, who are house-rich and cash-poor.

And I know you and I have very similar situations, in a number of your areas of your district as well as mine, with seniors who have lived there for a number of years.

We've passed legislation in this

great body that would allow school districts to exempt seniors from paying school taxes. It went nowhere over there.

We've passed legislation last year that would have the state take over all school taxes -- a $9 billion price tag that no one knew where that money was coming from, but we passed it here.

What we have today is legislation supported by members of your side and my side that would provide real tax relief. And I'm sure and I'm confident that if we're dedicated to providing that tax relief, you and I, Senator Little as well, Jeff Klein, can sit in a room from now until the 19th and come up with a number in order to find a way to pay for it, if that's your concern.

But let's not put it aside and say "Well, we can't pass it today because we don't have a way to pay for it." That never happens here. You guys passed things last year with a $9 billion price tag -- and I voted for.

But the fact is we could pass this today, sit down for ten days, come up with the difference, sit with Budget, sit with the

Taxation Department, come up with the number, come back on the 19th, have a bipartisan press conference and say, "We did it, we did it together."

So I've offered up at least $800 million in a way to collect money -- not cut, not hurt education, but find a way to collect money from people who are doing business in this state but don't want to pay their fair share.

So let's work together on this. Support our amendment. You already do in one form. Come support it today. We're offering it up.

ACTING PRESIDENT WINNER: Senators, I would remind you that under the rules, debate is limited on a motion and an amendment for one half-hour for each conference. You are rapidly using up your allotments.

SENATOR BONACIC: On the amendment, Mr. President.

ACTING PRESIDENT WINNER: Thank you, Senator.

SENATOR BONACIC: First of all,

you need three partners to get anything done in this state. We have an accidental Governor --

(Sound of booing.)

SENATOR BONACIC: -- who became a Governor without making contracts or promises to special interest groups, and he said: I'm going to listen to the people, and I'm going to try to be responsive.

And what the people have told him is they want a tax cap. That's number one. As opposed to mandate relief that is part of the solution; we are working with the Governor to try to get that piece done.

Now, the circuit breaker has to be done intelligently, and it's tough to do it in this economic environment without raising taxes and more spending.

So again, I'm sure that there will be a day that we will come back and address other things for property tax relief. And while we banter among ourselves, we have a Speaker in the Assembly that has not done one act for property tax relief, and all those Assembly Democrats that keep supporting him

not to allow a property tax relief bill to come to the floor over there.

With respect to your amendment, I think it's a little disingenuous when you say you support a 4 percent property tax cap but in your proposal on the amendment it's 5 to 8 percent if we exclude the items that you want. I don't think you can have it both ways.

And the other point on the circuit breaker, it has to be done intelligently because one of the missions that you're so proud of in your conference, which we have shared with you, is foreclosure relief. There's certain pockets in this state that are hammered because they can't keep up with their mortgages and their taxes.

Under this proposal today, there's 161,000 homeowners that you are taking away money from so they can still maintain their homes and not be subject to foreclosure.

So that's some of the problems I see with your amendment, although there are some things in there that are noble and the mission is good. But we need other partners.

We have to do it in an environment that can pay for it. And right now we're looking at a $6 billion deficit come April first of next year. So we're trying to be responsible and be a partner with the Governor.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator DeFrancisco.

SENATOR DeFRANCISCO: A lot has been talked about as far as the merits of the amendment and no doubt about the merits of the bill itself. I just want to talk about procedure very quickly here.

Senator Klein mentioned that this was a one-house bill or our bill is a one-house bill and was critical about it because of that.

You know, there's a lot of ways -- and the people that have been around Albany a while know that there's an awful lot of ways that you can kill legislation. One way to kill legislation is to say it's dead on arrival, like the Speaker said on the property tax cap, and not come back and do that type of legislation. That's one way to kill it.

Another way to kill it is to confuse the issue and try to change the Governor's proposal that has been amended a couple of times by the Governor to make it ready for our consideration today. If we amend the proposal, we're actually losing a partner. We're losing the Governor, because we don't have a commitment on all of these other wonderful things that have been added on as an amendment.

Now, if we really want to get something done, it would seem to me that what you would do is follow the lead of the Governor, get what we can now, pass the legislation here on August 8th, let 11 days go by where a one-house bill with the Governor can become a two-house bill, with enough pressure from people in our community and the communities of those people who are not coming back to address this particular issue.

We can talk about a million bills that went that way that were originally one-house bills, one in my district dealing with Jenna's Law ending parole for violent felony offenders. The pressure was so high on

the Assembly that the Assembly, after they left, came back because of the pressure in order to finally pass it. They were dragged back, the Speaker was.

So the point is simply this, that we can talk merits of 16 different types of amendments and how we're going to make it better. The fact of the matter is on this bill that we have here, we have a partner who's amended his legislation, the Governor, we have public opinion in our favor -- without trying to add things on to avoid, to avoid passing that bill. And that's really what's happening here.

And then we can get enough public pressure hopefully for the Assembly to have to deal with it so we have true, true tax relief for the taxpayers of this state.

I vote no on the amendment.

ACTING PRESIDENT WINNER: Senator Saland.

SENATOR SALAND: Thank you, Mr. President.

I listened intently to the debate on the amendment, and I believe it may have

been Senator Johnson who said earlier something to the effect of this should have been done years ago.

It may well be that I've been here several years longer than Senator Johnson, in both houses now probably about 25 or 26 years longer than Senator Johnson. And it certainly should have been done years ago.

And I'm sure, Senator Johnson, you've probably heard me on this floor say at least a half a dozen to 10 times during the two years that you've been here that we desperately needed a partner.

This conference has time and again proposed means by which to alter, change, reform the current system. We in fact were the ones who have been responsible for the STAR rebate program.

The bottom line is is that yes, it should have been done years ago. But in the absence of a partner, the deafening silence from the Assembly has existed during all of those twenty-some-odd years that I've been here.

We have never found a partner in a

governor who was willing to reform the system, and now we have Governor Paterson, who has taken the property tax commission's recommendation and offered it as a bill. At long last we have a partner.

Is it perfection? I wouldn't be so bold as to say it's perfection. But in that partnership we have the means by which hopefully to forge some kind of type of an agreement. We need something that's obviously more comprehensive.

When you talk about the concept of a circuit breaker, I must tell you I am not on any circuit-breaker bill because the only bills I ever saw severely punished more people than it benefitted.

If you look at the numbers, 2.9 million people are receiving a STAR benefit. Why would I want to take the benefit away from 56 percent of them? Because that's what this proposal does. You're punishing 56 percent of the people. I guess you overlooked that. I don't know why you'd want to do that.

None of them makes a penny over

$250,000 because, by definition, while you use a threshold, you can't get the STAR benefit if you're earning more than $250,000.

So you are punishing people for doing no more than trying to enjoy the benefit of something that has been promised them, something that has been given to them, and you want to take it away from them. It boggles my mind. I go places where people just say, "Thank you for the STAR benefit. Yes, we want more, but whatever you do, don't take away our STAR benefit."

I am certainly not going to be one of those who's going to take away the STAR benefit. You may want to, but it's not going to happen from me, let me assure you of that.

For the past six years, as the chairman of the Senate Education Committee, I've labored long and hard to stymie the flow, to the extent that I could, of unfunded mandates. And I heard the comments about regionalizing transportation costs as one of the things that would be proposed in this amendment.

I would just merely point out, for

the edification of all of us, that in the bill in chief, the bill that we are in the process of ultimately getting to, one of the subject areas to be examined by the blue-ribbon commission, which I assume we all agree to the merits of the creation of, will be -- "Among the subject areas to be examined shall include but not be limited to the following" -- and I'm now reading on page 21 of the bill -- "the potential for regional transportation systems."

So we're merely, by way of this amendment, trying to redefine what we're already asking the commission that everybody agrees to do. So the amendment at the very least is superfluous, and at the very worst causes more pain to more people than it benefits.

Is there a problem with the concept of circuit breaker? Certainly there's no problem with the concept of the circuit breaker. But this bill, as distinguished from the concept, fails and is much, much more painful than beneficial. It misses the mark and misses it badly.

I oppose the amendment.

ACTING PRESIDENT WINNER: Senator Klein.

SENATOR KLEIN: Thank you, Mr. President.

I wasn't going to speak again on my amendment, but I did want to clarify a couple of things.

I think Senator Craig Johnson did an excellent job of talking about the benefits of the circuit breaker. But I was a little confused about the Majority Leader's comments because so far, under the legislation that was introduced which is the subject of this amendment, we're not getting rid of the STAR program.

The only thing we were talking about was the basic STAR, which means that anybody, even if they make over $1 million a year or $2 million a year, still gets a $300 check, which clearly that individual doesn't need.

And it's very interesting, because the number that I looked at under the Galef-Little bill, which again means you have

to be in your home for five years to benefit from the circuit breaker under that legislation, would cost $1.6 billion.

If we just took away the basic STAR property tax exemption for the first 30K of the primary residence, that would cost $1.8 billion.

So just by changing one slight problem -- keeping basic STAR, keeping enhanced STAR for senior citizens, in addition to a circuit breaker -- we would actually be able to do Senator Little's legislation.

So I think the important thing that we need to understand -- if we want to beat our chests here today and say on a political point of view that we did something for property tax relief, well, that's okay. But I think if we really want to go back and speak to our constituents and tell them about a comprehensive plan that caps property taxes, that gets rid of unfunded mandates, that also has a circuit breaker, which is targeted tax relief to those who need it the most, then we'll support this amendment.

So I vote yes on my amendment,

Mr. President.

ACTING PRESIDENT WINNER: Senator Farley.

SENATOR FARLEY: Thank you, Mr. President.

You know, one of the most significant things that this Legislature has done in my 32 years here is establishing the STAR program. And as I go around my four-county district, that's all I hear, is "Thank you for STAR," "Don't touch STAR," "You're not going to change STAR."

And unfortunately, for anyone anybody that was listening to the Majority Leader on these figures, what your amendment does here -- and let me just say, circuit breaker is well-meaning. I understand that, we'd all like to do that sort of thing. But there's consequences with this amendment. Number one, it kills the main bill, which I intend to vote for.

But when 833,000 people lose benefits in upstate New York -- that's where I live -- and 1.6 million in New York State will lose benefits as a result of the STAR rebate,

let me just say this. It's important that we address property tax relief. But certainly the idea of this amendment not only would kill what we're going to try to accomplish here today, it would also be devastating to my constituents.

They do understand STAR. They like STAR. It's in place. And we are presenting, in my judgment, a body blow to it or at least an attack on it which would be very, very poorly received and not in the benefit of the taxpayers. When you've got 1.6 million people that are going to lose property tax relief as a result of this amendment, I think that that's a good reason not to support it.

Of course I won't have a chance to vote on this amendment. But if I was voting on it, I would not agree with it. I would urge the other side not to support your amendment.

ACTING PRESIDENT WINNER: Senator Saland.

SENATOR SALAND: Thank you, Mr. President.

I would merely offer up, by way of

information for Senator Klein's benefit, the language of his amendment. There is a difference, I hope you're aware, between the STAR exemption and the STAR rebate.

In your amendment, Section 48, you repeal Section 178 of the Tax Law. That is the section that provides for rebate checks. That is not the section that deals with the STAR exemption. Rebate checks, not STAR exemption. STAR checks, not STAR exemption.

And then I call your attention to Section 51. In that section you eliminate funding from the General Fund to the STAR rebate program. So you very carefully, in two different sections, made sure to eliminate the STAR rebate program.

Now, if that's a mistake in draftsmanship, I suggest you speak to whomever drafted it for you. If you want to check your sources, I would suggest you have your counsel check to see whether my interpretation of those two sections is correct. I think you'll find that it is.

And this bill does not take away a portion of the STAR exemption, it takes away

the STAR rebate check for 1.6 million people.

ACTING PRESIDENT WINNER: Senator Marcellino.

SENATOR MARCELLINO: Thank you, Mr. President. I appreciate the ability to speak on the amendment.

For all the reasons that my colleagues have said prior to my speaking, Senator Saland's points just mentioned and others, this amendment would do nothing with respect to decreasing costs.

Let's start with the circuit breaker. The circuit breaker doesn't cut spending in any way, shape or form. In fact, it encourages it, because you've taken away -- the homeowner who qualifies for the circuit breaker receives a rebate when they file it on their income tax, they get a rebate, 70 percent or whatever they don't pay.

The pressure then comes off the district. The district can then say, Oh, I can raise my spending by that amount, and they'll do that. Spending will go up, because the circuit breaker does nothing to stop spending. It does nothing to cut the

district's costs. It does nothing to cut home heating costs. It does nothing to cut costs for electricity for the district. It does nothing to cut busing costs. It does nothing relative to that.

The circuit breaker encourages spending, which is the problem that we have, because that's why property taxes are going up. Costs and spending. You can always find a good reason to spend money, especially someone else's. Your bill spends someone else's money.

Your bill takes rebate checks away from some people to pay other people. So some people who need it and want it and get it now will not be getting it, while others will. That does a lot for community togetherness. That doesn't help anybody in the system.

I don't see the point. We're going to collect taxes from, what, out-of-country corporations? We've been trying that for a hundred years. We can't even get it from the Indian reservations, for heaven's sakes. We haven't had a governor willing to go in there and collect the taxes.

Mr. Johnson, are you willing? Go ahead. We'd love to see that revenue come back. But it's a reality that it's not going to happen, and you're not going to do it. So we're again putting forth pie in the sky as to what it's going to do.

Spending is the problem. That's what's increasing property taxes. We must decrease property taxes. We must provide the districts relief in their costs wherever we can, however we can. This amendment doesn't do that. In fact, this amendment does more harm than good.

And one of the things we should be doing when we do legislation is we shouldn't be harming people. We are, by your amendment. You're proposing to eliminate a program while saying you're not. That's wrong. Some might call it a different phrase, but I'll be polite and just say it's wrong. Let's not go there. Let's not go there. There's enough problems here.

Special ed increases, it's probably the most expensive part of any district's budget. Increasing? Very much so. And we

have to cut that back. We have to find ways to help the districts and reduce that spending.

Your bill allows spending to increase by 8 percent or more. So where's the cut there? Where's the cap there? Where's the reduction in costs there? There's no relief to the taxpayer, and there's no relief to the district. We just simply say go ahead and spend some more, instead of providing another mechanism.

We need to provide another mechanism here. We have legislation that I have proposed for the state to take it over, phase it in, take over special education. It's costly. Phase it in over a period of time. The districts would not receive the cost, we would take that on. The savings to the district should be passed on to the property taxpayers. Not to be used for increased spending, but to be passed on to the property taxpayers. I hear that's a better way to go. Worth talking about.

Is it expensive? Yes. Should we find to way to pay for it? Yes. And we can

discuss that in the coming term, in the coming session. I look forward to that discussion. There are other proposals we're going to put forth on that level.

But this amendment is a charade, as was said by Senator DeFrancisco, designed to just confuse the issue and to kill the following bill. It's not going to work. I urge my colleagues on the other side, don't support this amendment. It doesn't do what you want it to do. It simply harms a lot of people. And that's I don't believe your intention.

ACTING PRESIDENT WINNER: Senator Padavan.

SENATOR PADAVAN: Briefly, Mr. President.

As I indicated earlier, we all know that, the bill that we're amending or is being attempted to amend does not affect the City of New York or the other dependent school districts in the State of New York. We all understand that; right?

But yet this amendment does. In the City of New York there were 479,916

individuals, homeowners who received rebate checks last year. Under this amendment, there will be 360,000-plus less.

Now, I don't understand the logic of that. Maybe I'm being very parochial, but I don't see what the value of an amendment -- you can debate the cap and all the aspects of it until the cows come home. But this, to me, is very real: 360,000 fewer people in the City of New York, Senator Duane, are not going to get their check if you pass this amendment. You don't want that to happen, do you? No, you don't.

Thank you, Mr. President.

(Laughter.)

ACTING PRESIDENT WINNER: Senator Flanagan.

SENATOR FLANAGAN: Thank you, Mr. President. On the amendment.

Of course I've listened, along with my colleagues, to a lot of the comments and the debate and dialogue, and I share the sentiments of many of my colleagues, including Senator Little and Senator Marcellino.

And there's been a lot of talk

about things that are not on the floor now. I think what we really need to be focusing on is the amendment that is actually on the floor.

Senator Little is probably a perfect example, in my estimation, of a terrific legislator. Nobody has been more earnest and more sincere about trying to tackle the issue of property taxes. And yet she knows, with all the work that's been done, that her bill is not on the floor because it's not soup yet. It's not time to get it out here because it hasn't been modified or compromised or rectified so that it will be helpful and acceptable to everybody and that we could bear those costs in a proper fashion.

We need to look at the amendment that is before us. And I listened very carefully to Senator Klein, and he made two comments that I would like to bring up.

One is he talked about the need to come up with something that is palatable to the Assembly. I would respectfully suggest that that is the absolutely wrong approach. We should be coming up with something that is palatable and acceptable to the taxpayers of

the State of New York. The dog should be wagging the tail, not the other way around.

The second thing is there was a representation made about it's nice to stand up and be able to beat on our chests and say we did something.

I look at this amendment, and I may not be the smartest person in the room, but 1.6 million people who have a benefit today are now going to lose it -- 1.6 million people, 380,000 people on Long Island, the area that I happen to represent. And these aren't numbers that we came up, this is DOB and Tax and Finance.

I don't call that pounding on my chest, I call that banging my head against the wall. And that's not the thing that we should be doing.

This bill hurts many of the people that I represent. And frankly, ladies and gentlemen, that's reason enough to vote against the amendment.

Thank you.

ACTING PRESIDENT WINNER: Senator Connor.

SENATOR CONNOR: Thank you, Mr. President.

You know, let me explain why I'm rising to talk on this. Because under the rules that the majority of this house put in some six or seven years ago, on an amendment we do a canvass of agreement. And if one isn't in agreement and doesn't speak, then there's no record that you were even here when they voted on the amendment.

And I want to make it plain I am not supporting this amendment, although I have the greatest respect and praise for Senator Klein for taking the time and putting in the thought to fashion something that contains new ideas and that in fact may advance this debate. And I don't mean today's debate, but the whole problem of solving property taxation.

But I'm not going to vote for it, and I want the record to reflect that I am here and I'm not supporting it. And, Mr. President, almost for none of the reasons the I've heard from anybody in the Majority. I want to make that clear too.

I don't support a cap. I think a cap is a gimmick. I think a cap is not a real solution to any problem we face with respect to property taxes. And I acknowledge that it's an enormous problem for large portions of the state.

As soon as you do a cap, there are exceptions, there are exigencies that arise, and the cap will be broken. Or needs for our educational system won't be met.

Now, in this amendment is almost a recognition of that, where there's an exemption for special education, an exemption for transportation. Well, you know, what about something that suddenly arises a year after you did this? You get another exemption? Oh, no, no. No matter what the urgent need is, it will be capped.

I think the real problem here is, Mr. President, we have lacked the political will to look at our entire tax structure and make it fair and equitable and make all New Yorkers pay their fair share and feel that it is their fair share.

Property taxes, I always say it's a

colonial tax, but it goes back to medieval England, rates on landowners. In colonial days, and for years after, it directed itself at the wealth in a community. The richest people in the community were the biggest property owners. They owned the property. And we taxed them a couple of hundred years ago.

That's not true today. There are very, very, very extremely wealthy people who avoid their fair share because, instead of paying taxes based on their wealth, they pay it on the amount of land they own. And, you know, your mansion can only be so big, it can only be so many acres before it gets ridiculous.

And the person that owns a house worth $150,000, you know, they may be making $25,000 or $30,000 a year. They're not the wealthiest person in the community, yet they get socked with a tax bill as if they're the lord of their own little manor there.

I think what we have to do -- and I do support other bills that have been filed. Senator Schneiderman has a bill that involves

a circuit breaker and is also revenue-neutral, because it adjusts tax rates on people who make more than a million dollars. And I don't want to get too much into that debate, but the fact is I suspect we will have that in another week and a half when we're back here and other legislation hits.

You know, I read recently about how investment bankers are treated. Oh, all the time, day after day in the office and weekends, whatever they do that they put in on a deal, and they get money as a result of that time and effort in the workplace, oh, it's not income. It's a return on investment. There's some sort of interest thing that applies, and they don't pay income taxes on it.

Did you know that? They make millions on a deal and don't pay income tax on it. You know, but the guy who opens -- and by the way, and they bear no risk. What did they lose if the deal falls apart? Their time.

Well, I have news for you, Mr. President. The person in my district that opens a bodega risks his or her money, puts in untold hours operating it, and if it goes

bust, they have a real loss. But if they make money, they pay income tax on it for all their time and effort.

So why is the person who's in a fancy office on Wall Street not considered to be working and therefore the money they make on their income is not taxed?

And over the last few years -- I don't want to be too specific -- I had occasion to look at someone's tax returns in the course of a small legal matter. And I was shocked. This is a person that makes well over a million dollars a year. He paid less tax than I do.

And I thought, how could that be? And that's when I first -- there's now been some newspaper stories -- realized we have these loopholes. Yes, they're federal loopholes, but nothing says that the State of New York ought to preserve those loopholes.

So don't talk about one little fix here, a cap here or a STAR there or, oh, a rebate check is really politically popular. Until this Legislature gets -- and maybe it's because we have two-year terms, we don't take

on the hard problems. We're always running for reelection, looking for the fix that will look good in the newsletter just before Election Day. We probably ought to look at four-year terms if we want to get rid of some of the dysfunctional nature of what we do here, so we can focus on real problems.

This is not something being fixed this week, this month, or this year. We have to look at the entire structure of our tax system, who's paying and who's not paying their fair share, come up with a system of taxation to support all of our needs, and also look for savings.

You know, Long Island, how many school districts? How much spent on administration? We can't save a lot of money there and put it in classrooms, give it back in lower property taxes? I know we can.

But we need to take a big-picture approach and do the right thing so that all New Yorkers are treated fairly, all New Yorkers pay their fair share, and we have a first-rate educational opportunity for every student in New York State.

So I'm not supporting this amendment, and it's not because I don't have the highest regard for my friend Senator Klein. And I think he's done great work on this. I just think there's a bigger picture here, and a cap doesn't fit into it.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: On the amendment --

SENATOR MORAHAN: Mr. President --

ACTING PRESIDENT WINNER: I'm sorry, Senator, the time has expired for the Majority side on this amendment.

You can speak on the bill, you're free to speak on the bill that will be up shortly.

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

Senator Parker.

SENATOR PARKER: Thank you, Mr. President. Quickly on the amendment.

I just rise, I want to congratulate Senator Klein and Senator Johnson on something

that's innovative, something that's important that attempts to address the needs of our communities.

However, I think this the right problem, wrong solution. I'm going to be voting nay on the amendment.

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

THE SECRETARY: On the amendment, those recorded in agreement are Senators Aubertine, Craig Johnson, Klein, Onorato, Sabini, Savino, Smith, Stachowski and Valesky.

ACTING PRESIDENT WINNER: The amendment is not agreed to.

Senator Volker.

SENATOR VOLKER: Mr. President, would you please ring the bell and get everybody in for the vote on this, please.

ACTING PRESIDENT WINNER: The Secretary will ring the bell.

Is there any Senator wishing to be heard to be heard on the main bill?

Senator Morahan.

SENATOR MORAHAN: I'm going to

take a little bit of a license, Mr. President, and use my opportunity on this bill, without talking to the cap specifically, but to address the issue of circuit breaker. I believe it's germane because we're talking about property tax relief, and I think it's in the same ballpark.

I happen to like the circuit breaker. I would have preferred a circuit breaker bill. But I understand that in my district, when I took that bill and had a forum and had Assemblywoman Galef there, that we promoted that bill under certain concepts. And I understand that the sponsor in this house has reserved putting that out because of a lot of other resistance.

I believe, as Senator Bonacic said, we're just moving in the right direction. Okay? And I believe that direction will include a circuit-breaker element in the final analysis, because that starts to make it a little bit fairer, because it will be based on wealth and salary and income. It will make it a little bit more relieving to those who are on very limited income and who need the relief

the most.

Everyone deserves some relief, we understand that. And until we can refine that bill so that the pain is either removed or not as great, we have to reserve decision on the circuit breaker.

But I want to make it very clear that I stand foursquare behind the concept of a circuit-breaker bill, which I believe we will have, one that will be minimized on the pain for top earners -- remember it's the top earners who would take the clip, not the low economic people. So I didn't get the chance to bring that out.

And I was mildly interested in Senator Connor's comment on a cap is a gimmick, when he voted last year or this session on a bill by Senator Bruno that would limit what the Governor can do on taxes here on our state budget. That was on March 14th, Senator. So it may not have been quite a cap, but basically it was a cap.

Thank you very much, Mr. President.

ACTING PRESIDENT WINNER: Senator Krueger.

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

Well, I listened to the debate on the amendment, and I chose not to vote for the amendment because I don't think that the role of the State Legislature is to actually get themselves that involved in the property tax cap.

Frankly, we have a lot of tax issues in New York State, we have a lot of economic issues. I have spoken frequently -- some of you would argue too frequently -- on my vision of changing tax policy in New York State and moving from a regressive model to a progressive model.

I have spoken frequently on challenging tax expenditures that we hand out here like candy whether we're in good economic times or bad economic times.

I have spoken frequently here on this floor about my belief that we need to do a full evaluation of the New York State Tax Code and to recognize that the model that was set in place really in the 1920s for the State of New York in the year 2008 really needs to

be opened up for serious and hard discussion and debate.

And yet I find myself being asked to come back here today really to focus on a property tax cap.

So for the record, the property tax is pretty much the only tax the State of New York allows the localities to control without having to come to us for permission to change it, to go up, to go down. It's the one tax we really do let the localities make their own determinations on.

So I would make the point to my colleagues, every school locality out there could make their own decisions on putting a cap on, on capping the amount of their budgets per year for their schools, on whether they wanted to go up or down, whether they wanted to reevaluate their assessments in light of their school needs, whether or not they want to tie their property tax formula to their school budget formula.

This is the one tax where they can do this themselves, and yet this is the one tax, of all the taxes in New York State, we're

being asked to come back and vote on and cap today.

I'm not interested in a property tax cap. And I would argue, for any locality in the State of New York, if they want to change their property taxes, the really good news is they don't need to get through us to do that.

So I would argue we shouldn't be debating this bill today, we should be debating all those other tax issues where we are the controlling body, not the local governments. And if our local governments want to change their property tax allocations, change the numbers, tie it into their school budgets, good, let them do that. That's not our role.

So I'll be voting no.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Maltese.

SENATOR MALTESE: Mr. President, I am interested in a property tax cap. I represent a portion of the City of New York where all I hear from my constituents is

complaints about their property tax. Taxes are too high, they're not getting enough services for the money they pay, and we should do something about it.

We're here today -- thank goodness we're here today -- at the request of the Majority Leader Dean Skelos. I express my appreciation to him. And I certainly express my appreciation to Governor Paterson for coming forward and doing something about the taxes that are affecting, adversely, our constituents.

When I see that -- when I hear about an alternative system with a circuit breaker that would leave out 360,713 taxpayers in New York City who would lose property tax relief under the circuit-breaker plan, I say to you some of those constituents are mine, I was sent here to represent them, and I will represent them by voting for a property tax cap to protect them and to decrease their taxes.

I vote aye.

ACTING PRESIDENT WINNER: Senator Volker.

SENATOR VOLKER: Mr. President, let me just say I guess I have a little different opinion than a lot of people in this chamber on circuit breakers.

I don't know how you'd do a total circuit breaker in this state. You can do it, I guess, for part of the people, for certain people. It's so complicated -- think of it, what we'd have to do is you'd have to have everybody submit their tax returns every year. Now, we use the tax returns for the STAR program. But with a circuit breaker, you'd be in the situation where you'd have everybody in the state submitting tax returns to your local tax people.

I guess I've got to tell you, one of the things about what we're talking about here is curbing real property taxes. It appears the only way that we can quickly create some sort of balance is with a cap. No one -- I don't think any of us particularly like the idea, because we'd like to find a different way to do it.

Senator Klein here talks about $2.1 billion in money for a circuit breaker

when the Governor is telling us that we have to cut $700 million and we have to move on to do whatever needs to be done.

My television station criticized me, one of them, because they asked me if my constituents were hounding me on the deficit, and I said not really. I don't think they -- what they're hounding me on is real property taxes, not the deficit. They haven't felt the deficit yet. Down the road, they may feel it. But as of right now, they have not felt it. And we've got to deal with it.

But in dealing with the real property tax problem, we cannot increase that deficit. And I'm afraid with a circuit-breaker proposal we would. And that's something we can't do this year.

Finally, let me just say another thing about a circuit breaker. I don't know how you have a circuit breaker without getting rid of STAR ultimately.

And I want everybody here to know, I've told my constituents -- they say to me, "Do you think STAR is going to continue?" And I've told them, "You can tell when STAR is not

continuing, when I leave the Legislature." Because it's going to continue as long as I'm here, unless this Legislature and the Governor can figure a better way to handle the entire real property tax system.

Keep in mind that a big problem here has to do with the urban versus suburban versus rural. Now, Senator Maltese was talking about the high taxes in New York City, real property taxes. But compared to Long Island, compared to Westchester, they're minute.

In fact, in the city of Buffalo the assessed valuation of the taxes are immensely low, but the people there of course say, Oh, they're very high.

As soon as you move into the suburbs, where I live, the taxes are very high. That's why we need help to make sure that the suburbs and the rural areas don't get taxed out of their homes. Cities should also.

On the other hand, I must tell you something honestly. The City of Buffalo is the most financed city in the United States of America. People don't realize that 80 percent

of the financing for the school system comes from the State of New York. The people of Buffalo pay 8 percent for their schools. And that came, by the way, from a situation that occurred years ago as regards busing. I happen to know about that situation because I was part of that.

But Buffalo is an extremely poor city. Extremely poor city. But they also get some STAR benefits, as does the City of New York. Thanks to Senator LaValle, by the way, because Senator LaValle is the person who started the whole STAR program on Long Island, and George Pataki picked it up from Joe Bruno. And that's how we have a STAR program.

But we'd all better understand that right now the best alternative is the cap. But we'd also better all understand that we can't just shuck the STAR program without a revolution from our constituents.

ACTING PRESIDENT WINNER: Senator LaValle.

SENATOR LaVALLE: Thank you, Mr. President.

I'd like to start my remarks off by

saying again -- and I know Senator Saland reinforced those remarks -- that we have, Senator Johnson, passed measures over many, many years in every conceivable form.

"Stop Taxing Our Property," which was a bill that was talked about that cut out very specifically a methodology on how we would place less of a reliance on real property taxes and use our ability through the broad-based taxes that come into this state to fund education. We have done it over and over again, but we have never had a partner.

Today we are here passing a bill that Governor David Paterson has sent us. We have a partner. And that partner has looked at this state and listened to people, as we do in our respective districts, and has said, You know, we think education is critically important, we have funded education as our number-one priority, but we need to look at the spending side of the equation.

We are spending in excess of $45 billion to educate our approximately 3.1 million children who we educate in the State of New York.

We have during the regular session, through the focus of our Attorney General, looked at certain aspects of double-dipping, attorneys who were receiving benefits when they should not have, receiving full-time benefits when they were independent contractors.

And, you know, before that, we forget there were cases of people stealing, stealing from the children, where the money should have gone into the classroom and they lined their pockets. Well, we have some examples, the Roslyn School District and others through this state. But how quickly we forget that taxpayer dollars did not go into the classroom but went into someone else's pocket.

What we are doing today is we are framing out a different debate that will take place locally. Heretofore, school board members were really policymakers who wanted to make decisions as to what was in the best interest of the kids, what kinds of programs we wanted. And they would go to the taxpayers and say "This is what we need to fund those

programs."

Now school board members will have to look at two aspects. One is policy, and the second is how can we accomplish that policy within certain parameters. Now they have to look more closely at how people are doing their jobs, whether there is duplication, whether there is fraud, waste and abuse in that school district. They have to now be more critical than ever before.

This is about, and I know Senator Saland and I have disagreed on this, but whether the fund balance, at 4 percent, needs to be at 4 percent. Maybe it needs to be at something less in order to be helpful to the taxpayer.

The taxpayer wants a quality education; they will not yield on that. But they want it done in the most fiscally prudent way. The time that we live in, and everyone knows it, the hardworking taxpayers in our districts are really counting nickels and dimes in how they move forward. Being frugal is the order of the day, not going out and spending, because of the economy.

And so I think this measure before us comes at the right time. It sends a signal to the people that we represent that we want a good education, we will not yield. In terms of our commitment in the previous bill, we've made sure that there is a commitment of $3.3 billion for the foundation aid. That commitment that was given to our school districts, that will continue. And I'm sure, as we move forward, education in terms of our commitment to the children of this state will not diminish. Will not diminish.

But we also have, we also have to ensure that our commitment to the taxpayer, the person that's paying the bill, is equally as strong at this time.

I congratulate Governor Paterson. And now, assuming that there are enough votes in this chamber, we must ensure that the Assembly not hide but stand up for the people that they represent.

This is an important first step. Once we do this and once we move forward, some of the other pieces that people are talking about will come about. But the spending piece

is the first critically important step that this body and our Governor will take.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Stavisky.

SENATOR STAVISKY: Thank you. May I just comment on a couple of the things that have been said today.

For one thing, this proposal does not apply to New York City or to the Big Five school districts.

Secondly, when I was in college, when I took economics we were taught that for a tax to be fair, it's got to be based on the ability to pay. And in fact, I happen to have a license to teach social studies in the New York City schools, and we teach that the sales tax, property taxes, these are not based on ability to pay.

For example, you can have a senior citizen living on a fixed income, on Social Security or perhaps a pension or perhaps some investments, and they may have a house worth a great deal of money. And they are what we call property-rich, tax-poor.

This is not going to help them. What will help will be the circuit breaker. And indeed we do have the circuit breaker in New York State, and we've had it for many years, whether it applies to housing or to other areas.

What I'm concerned about is that it took about 15 years for the courts to rule on the Campaign for Fiscal Equity lawsuit, and it's going to take us 15 minutes to reduce the impact. I think that's very, very troubling.

It's going to take 15 minutes to dismantle it because if this cap, this cut-and-cap concept is passed, we're going to see the results in the New York City school system with the diminution of funding for the New York City school. It may take a couple of years to do so, but there is going to be less funding for the schools.

And I prefer the circuit-breaker concept because it is fair and it is equitable, something that this cut-and-cap bill is not. I will vote no.

ACTING PRESIDENT WINNER: Senator Stewart-Cousins.

SENATOR STEWART-COUSINS: Yes, thank you, Mr. President.

I've been listening to the debate on all of the bills. Certainly the Majority Leader began by talking about his travels around, that everyone who spoke to him said that it was about controlling property taxes.

I think all of us can say that. All of our constituents are talking about controlling property taxes. How are we going to control all of the taxes?

And then of course I was listening to Senator Volker, who talked about the different parts of our state, mentioning of course that Long Island and Westchester were among the most heavily taxed. And then Senator Padavan mentioned something about parochialism. So I guess during my remarks I'm going to be a little bit parochial.

I represent, as many of you do, over 300,000 people. This particular tax cap, what we are talking about, leaves out about 200,000 of them. The City of Yonkers, one of the Big Five, will not be included. So controlling property taxes is not relevant for

the largest city in Westchester County, the fourth largest in the state. That's number one.

The other group -- again, many of whom are property taxpayers -- have watched the struggles of the City of Yonkers and their school system, have watched and wondered why we weren't part of CFE because that was the way, finally and hopefully, to heal some of the inequities. We watched and we hoped that New York State would make education a priority.

And finally, as Senator Stavisky said, after 15 years CFE was passed. And the collective decision over the past two years was to look at high-needs school districts and try and create formulas that work for all of our children.

That has not happened for Yonkers, and it is something that must happen for Yonkers.

But beyond that, the other part of my district has watched the high taxes, has watched the City of Yonkers struggle, has watched the education system be burdened by a

lack of commitment of adequate state funds. And guess what? Those property taxpayers are saying, Wait a minute, don't cap my ability to control the resources that go into my school district. At a time when schools in some of my areas are high-performing, they've looked at what's happened in terms of school funding, they've looked at what's happened when the state pulls back its resources, and they say: Not me, not mine. I want to have the ability to make sure that my children get an education.

I will be voting no because we need to make sure that all of our schools are funded properly. We need to leave the local control to those who can indeed support the educational system and not leave questions as to whether or not there will be enough, whether our children will achieve, and whether or not this state will continue to make education a priority.

I will be voting no on the tax cap and look forward to a real conversation about how we can make property taxes and taxes lower for all of the residents in New York State.

ACTING PRESIDENT WINNER: Senator Diaz.

SENATOR DIAZ: Thank you, Mr. President.

As I said before, the main purpose that we're here today is to find a way in which we could balance the budget. The Governor is saying that the state has a deficit for this year of $630 million. So how are we going to balance the budget? That's the main question.

The Governor decided that by sending us a bill to put a property tax cap, that would solve the problem. The media has praised the Governor, the whole State of New York are praising the Governor, 70 percent of the people of New York are praising the Governor. And here today we are using the Governor's bill and everybody is saying this is what the Governor sent.

My question to the Governor, my question for the Governor, to the Democratic Governor of this state, the Honorable David Paterson, my question to him is, does he know that everybody in the State of New York, every

business, every merchant pays cigarette taxes? Do the people of New York know, the people of the State of New York know that the businesses in the Indian reservations don't pay taxes and that the state is giving them $500 million in free taxes for cigarettes?

So why, if the Governor wants to balance the budget, why are we giving $500 million in free cigarette taxes to the Indian reservations? Why? Governor, you don't have to put in jeopardy what the people from the Campaign for Fiscal Equity achieved, equal parity in education money.

Now, the Governor knows that when anyone in the State of New York purchases something with a credit card, that credit card, that bill is sent to the credit card company, the credit card company takes their money, and the taxes that the people are supposed to pay are sent back to the merchant instead of the taxes being sent back to the State of New York.

And when the merchant gets the money, the money is not reported to the State of New York -- some merchants just report an

average, some merchants just play bankrupt -- and the money, the taxes that are due to the State of New York don't get to the State of New York.

So why don't the Governor send us a bill forcing the credit card companies not to send the tax money that is owed to the state back to the merchant? Instead, send the money to the State of New York. There is $500 million there.

The Governor knows that the State of New York pays $1.9 million, through Medicaid and EPIC, on the purchasing of prescription drugs. So why don't the Governor purchase bulk prescription drugs? And he will be saving millions of dollars there.

So finally, Mr. President, why don't the Governor tax those people in the State of New York that make $10,000 a week or more a little bit more, and we will get about $6 billion there.

We could solve the whole problem. Number one, tax the Indian reservations. There's $500 million that the state is giving to them for cigarette taxes. Number two,

let's have the credit card companies send the taxes straight to the State of New York and not back to the merchants. Number three, let's tax the people that make $10,000 or more a week a little bit more, and we could get money.

So you don't have to be a genius to do that. We don't have to be here all day talking about circuit breaker or talking about this and that. Let's -- Governor, Mr. Governor, it's easy.

But you know the problem? We don't want to do that because we don't want to face the Indian reservations. We don't want to do that because we don't want to face the credit card companies. We don't want to do that, we don't want to tax the rich because we don't want to get into problems. Let's put on a cap and let's play with the money for education and let's hurt the needy ones, let's hurt the blacks and Hispanics, and the problem will be solved. And that's what we do.

That's why I'm voting no. That's why I'm asking my colleagues to vote no. And if the Governor wants to solve the problem, I

am giving him the solution to solve the problem.

Thank you very much.

ACTING PRESIDENT WINNER: Any Senator wishing to be heard?

The debate is closed.

The Secretary will ring the bell.

Read the last section.

THE SECRETARY: Section 23. This act shall take effect February 1, 2009.

ACTING PRESIDENT WINNER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT WINNER: Senator Leibell, to explain his vote.

SENATOR LEIBELL: Thank you, Mr. President.

I've listened with a great deal of attention today to this debate because this is certainly an issue that is of critical importance to New Yorkers regardless of the region of the state that they are from. In the past Senator Saland has offered legislation, Senator Bonacic and myself, to go even further and try and define this problem.

The Majority Leader said earlier today, when we began this discussion, that this is not by any means a complete solution. But it is a partial solution, and it is a recognition of the issue that's out there in front of us.

I don't have to describe to my colleagues what is happening throughout the State of New York. The property tax is making this two separate states --

ACTING PRESIDENT WINNER: Senator Leibell, will you suffer an interruption? I'm sorry.

SENATOR LEIBELL: Yes, Mr. President.

ACTING PRESIDENT WINNER: Ladies and gentlemen and colleagues, would you please give Senator Leibell your attention and tone down the noise in the chamber. And we'll get this vote recorded.

Thank you, Senator Leibell.

SENATOR LEIBELL: Thank you, Mr. President.

The property tax is making us in effect two separate states, a state of the

wealthy and a state of the poor, because our middle class, which is the bulk of this state, will be forced out. They will no longer be able to survive in New York.

I personally think that the property tax is an archaic tax that some time ago outlived its usefulness. Nonetheless, we have something today that I think is important. It is a significant step. I think the Governor is absolutely on point in trying to address this problem.

I'm only disappointed that we are not joined here in the Capitol today by the Assembly so they could also act on this measure and at least, at the very, least have a discussion and a debate.

Nonetheless, I'm pleased to support this, Mr. President. I vote aye.

ACTING PRESIDENT WINNER: Senator Leibell will be recorded in the affirmative.

Senator DeFrancisco, to explain his vote.

SENATOR DeFRANCISCO: Yes, I vote aye on this legislation as well.

And I think there probably is not

one person in this chamber who has not said at one time or another that we've got to find an alternative to funding education other than property taxes.

Well, if we put a cap on property taxes, I would think that that would be a step towards that goal, to rely less heavily on property taxes. And as the people in this state have spoken through every poll that I know of, they want a cap on property taxes because they're leaving their homes. They can't afford their homes.

And we've got to provide that relief. We would love to have on this list today a laundry list of other pieces of legislation, but unfortunately we don't have a partner. We have a partner in the Governor on this piece of legislation, and we should jump at it, pass it, and hope for more to come.

And the more to come, I would guess, in view of our good faith, would be for the Governor to sign on to our mandate relief bill that we passed with this legislation today. Because the mandate relief bill gives school districts the opportunity to save the

money they need to save to operate more efficiently. And today we also committed to following the foundation aid formula by that legislation, the mandate relief legislation.

So I think this is an extremely important bill, not only for the taxpayers of the state, but also as step one to moving away from dependency on property taxes to fund our most important responsibility, education.

I vote aye.

ACTING PRESIDENT WINNER: Senator DeFrancisco will be recorded in the affirmative.

Senator Libous, to explain his vote.

SENATOR LIBOUS: Thank you, Mr. President.

I have enjoyed the debate this afternoon, listened to a number of views and thoughts and proposals on how to solve an issue that is pretty clear to me but clearer to the people that I represent and the people of this state.

And that's pretty simple. Wherever you go throughout my district, it's taxes,

property taxes first and foremost. And they talk about jobs, and they talk about spending. But today we are going to do something about property taxes. That's the issue that's before us.

And while there have been some other creative suggestions, this is what the people want. This is what they've been calling for, and this is what's needed in New York State, is a cap on property taxes.

Now, some of my colleagues said the cap is not perfect, but it is a starting point. And the exciting thing about this is we have a partner in this, and the partner is the Governor, because the Governor recognizes that property taxes in this state are too high.

He also recognizes that we are in a fiscal crisis and one of the ways in dealing with that fiscal crisis -- and I'm sure when we come back on the 19th we'll come up with some other suggestions and recommendations -- is to relieve the tax burden on New Yorkers.

Now, as Senator Skelos said -- I had the pleasure of joining him -- he has

traveled all over this state in the last month. And everywhere he went, and I joined him on some of those visits, that was all we heard, property taxes. Property taxes are too high.

So what we're doing today, my colleagues, is what needs to be done in this state. It's putting a cap on the single -- this is the number-one public enemy of this state, property taxes. And we're going to cap it with this legislation. And we have a partner.

And as some of you said, it's unfortunate that the lights are out in the other chamber. The lights are out in the other chamber. That's very, very sad for the people of New York State, because we need that third partner to come back here and support what the Governor is doing.

His leadership on this issue I think is tremendous. Senator Skelos and the Senate Majority are joining in doing what's right, capping property taxes.

I vote aye, Mr. President.

ACTING PRESIDENT WINNER: Senator

Libous will be recorded in the affirmative.

Senator Fuschillo, to explain his vote.

SENATOR FUSCHILLO: Mr. President, just briefly. Let me thank the Majority Leader, Senator Skelos, for bringing this to the floor and partnering with our Governor.

On my side of the aisle, the Republican aisle, when I travel throughout my district and throughout Long Island with my Republican Senators -- Senator Trunzo and Senator Marcellino, and I see Senator Hannon and Senator Johnson, Senator LaValle, and Senator Flanagan -- it's it. This is all people talk about.

And Senator Libous just said it's unfortunate that the lights in the other chamber are out. I just hope that their inaction on providing a property tax relief plan doesn't turn the lights out in any more houses throughout New York State.

Mr. President, if you're going to talk the talk, you've got to walk the walk. We've heard a lot of talk over this past

legislative session about providing relief. This provides real, meaningful relief.

I vote aye.

ACTING PRESIDENT WINNER: Senator Fuschillo will be recorded in the affirmative.

Senator Larkin, to explain his vote.

SENATOR LARKIN: Thank you, Mr. President.

You know, we've been talking here in the live chamber, and we just walk down the hall, as Senator Fuschillo said, and we talk to a dark chamber.

But the people of the State of New York aren't stupid. You know, there are some people out there saying, "Well, this isn't the right thing to do." What were you sent here to Albany to do? You were sent here to Albany to do the people's business, to take care of the people, to do something that will enhance their quality of life.

Now, I've heard some people say we need $500 million so we can heat the homes. You know, I was on a radio show the other day and a guy called in, this gentleman called in,

and he said: "Heat the what? If I don't lose it on foreclosure, I'm going to lose it on taxes. So you don't need to give me any heat money, because I don't need it -- the house won't be there for me to reside in."

So when are we going to stop the nonsense? Someone says, Well, this isn't right, this is that, this is that. You know, I don't mean to be rude, but I'm going to be 81 years old in February. I had the privilege of serving this country for 23 years, and I served in combat in World War II and Korea. I've heard more disgusting comments today about doing something positive than I heard in all that time.

I heard young men and women fighting for a cause that they believed was right for the people of the United States of America, so that you and I could here today and discuss it. We're discussing it, but we're trying to find ways to kill it.

If we wanted to kill it, then why didn't all the people on the other side of the aisle go to the second floor and say "Governor, let's kill the bill"? He won't,

because his favorables this morning are 65.

In my district this week, 86 percent of the people said a tax cap is the number-one issue in my mind, and if you don't do something about it, I'll find somebody else to do it.

So why don't we just stop all the nonsense and think. We're here today, the Governor wants us, we need a partner. We have one partner; we need another partner.

But I think, for those of you who are going to vote no on this, you belong to a special interest group. For those of us who are voting yes, we're thinking about the people that we care about, that we committed ourself and we took an obligation and we swore that we would uphold the Constitution.

Ladies and gentlemen, think about why you were sent here, not your personal life. I vote yes.

ACTING PRESIDENT WINNER: Senator Larkin will be recorded in the affirmative.

Senator Golden, to explain his vote.

SENATOR GOLDEN: Thank you,

Mr. President.

Today we're passing two bills, the bill we just passed before and the bill we're about to pass now, that gives us tax relief not just for the state but for the cities across this great state. This bill today caps, outside the Big Five, at 4 percent a cap on property tax. Very, very simple. Everybody understands that. From the City of New York up to Buffalo, everybody understands what a cap is.

The bill we passed just a little while ago froze the assessments, which will greatly help the City of New York in freezing that assessment so that we can understand a proper assessment that would work for all of the State of New York and to reduce taxes in the city as well as outside the City of New York and across this great state.

These are two very, very good bills. These are the bills that the people of this great city, great state, want to see passed. And another bill that will be passed somewhere in the future is going to be a cap on spending, a constitutional amendment that

really does what it's supposed to do, which is limit spending, limit the taxes that can be passed on to the people across this great state, and do something in keeping people the people in this great state and giving them and their families the quality of life that they deserve.

I vote aye. Thank you, Mr. President.

ACTING PRESIDENT WINNER: Senator Golden will be recorded in the affirmative.

Announce the results.

SENATOR LIZ KRUEGER: Mr. President, I believe I was next.

ACTING PRESIDENT WINNER: Well, didn't see your hand.

Senator Krueger, to explain her vote.

SENATOR LIZ KRUEGER: Thank you, Mr. President. I'm sorry, I thought they had nodded before when I had waved. To explain my vote.

Well, I'm voting no, as I said before, because again, despite the smoke and mirrors, the property tax is the only tax the

localities can handle on their own.

And despite the smoke and mirrors, if you look at the data, the average tax in each of our localities, whether you're the Big Five or any other district in the state, didn't go up more than 4 percent last year.

And despite the smoke and mirrors, pretty much most of the school districts, the voters in those districts decided to approve their school budgets.

So yes, people are upset about their tax rates. I understand that. And people think that property tax is what will get them out of their problems. Although, again, the circuit breaker is something that polls better with people than the tax cap, if anybody thinks that they should lead by following polls -- which isn't, I actually think, how we should lead.

But I just want to highlight that in my district, my parents are talking about overcrowding. My parents are talking about the fact that we're ending our pre-K programs, that we're doing away with our gifted and talented programs because we can't fit in the

schools. My district and all of New York City is still talking about could we finally address full commitment to the Campaign for Fiscal Equity funding.

Most people in the State of New York do understand the facts when you explain them to them. And so they do understand, if you explain to them, that while a tax cap might change the local impact or it might be exactly what it was going to be next year anyway, that unlike a circuit breaker, if John Sampson and I are next-door neighbors and we own houses that are worth exactly the same amount of money, and I am a senior on a fixed income with $35,000 a year and John Sampson makes $500,000 a year, we're going to pay the same tax on our houses. And so a property tax cap, my cap, is the same, but we're still stuck with the same tax rate even though his income could be 10, 20, 30 times mine.

So I think the voters of New York State do understand that's not what they think is fair and equitable. And a circuit breaker proposal could have gotten us there.

And when I am told this is what was

before us today, I'm sorry, I was invited back by the Majority Leader, Senator Skelos. He could have put something else on the floor. He chose not to.

And when I am told, well, the Assembly is not here -- well, by the way, the Governor is not here either. He called us back for August 19th. I suspect we're all going to be here. Maybe by then we can have a serious discussion about what makes sense in the context of the best interests of all the voter of New York State and the difficult economic times we find ourselves in.

So I'm delighted to be here today. I'm glad we had this debate. I've learned something. I hope my colleagues have. And maybe by August 19th when we're back here we'll reevaluate what we could bring to the floor of the State Senate and the State Assembly.

So thank you very much for the interesting debates today, and I look forward to doing this again -- maybe with some additional options brought to the floor -- on August 19th. But I'll be voting no.

Thank you, Mr. President.

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

Senator Seward, to explain his vote.

SENATOR SEWARD: Yes, thank you, Mr. President. Very briefly.

I rise in support of this legislation, and I thank our Majority Leader, Senator Skelos, for calling us back and for putting this piece of legislation on the floor of the New York State Senate.

Because those that are voting yes on this bill, we are partnering, we're working together in a bipartisan manner with the Governor of this state for property tax relief.

Now, when I look at this issue, I think it's very important that we keep in mind we're doing the property tax cap bill -- also, of course, coupled with the previous bill that we passed, makes this an excellent package that helps the property taxpayers of our state, provides some relief for them. It also helps education of our children, maintaining a

good, sound education.

Because the cap is going to be important, but also the mandate relief. And we're addressing the spending side of the equation. With that also, of course, capping the pension costs of the districts, helping the districts with their energy costs by helping them with their energy-saving measures.

And very importantly, we're stepping up to the plate and we are recommitting to the fact that we are going to stand up and live up to our commitment to education in this state. We're reaffirming our commitment to the foundation aid. It's a multiyear program which will help our school districts, help our children and property taxpayers going forward.

So a property tax cap, coupled with the mandate relief and stepping up to the plate with state aid in the future years, is a package which helps the taxpayers of this state.

Mr. President, I vote aye.

ACTING PRESIDENT WINNER: Senator

Seward will be recorded in the affirmative.

Announce the results.

THE SECRETARY: Those recorded in the negative on Calendar Number 2248 are Senators Adams, Breslin, Connor, Diaz, Dilan, Duane, Gonzalez, Hassell-Thompson, Huntley, L. Krueger, Montgomery, Onorato, Parker, Perkins, Sampson, Savino, Serrano, Stavisky, Stewart-Cousins and Thompson.

Ayes, 38. Nays, 20.

ACTING PRESIDENT WINNER: The bill is passed.

Senator Skelos.

SENATOR SKELOS: Thank you, Mr. President.

There will be an immediate meeting of the Finance Committee in the Majority Conference Room.

And if we could now go to motions and resolutions, I move that we adopt the Resolution Calendar, with the exception of Resolutions 6928, 6999, 6998, and 7014.

ACTING PRESIDENT WINNER: All those in favor of adopting the Resolution Calendar, with the exceptions of the

resolutions so enumerated by the Majority Leader, signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT WINNER: Opposed, nay.

(No response.)

ACTING PRESIDENT WINNER: The Resolution Calendar is adopted.

SENATOR SKELOS: Mr. President, if we could, Resolution 6999, by Senator Maltese, is at the desk. If we could have the title read and move for its immediate adoption.

ACTING PRESIDENT WINNER: The Secretary will read.

Before the Secretary reads, may we have some quiet in the chamber while those people going to the Senate Finance Committee please exit. But do so quietly, and we can have that resolution read. Thank you.

The Secretary will read.

THE SECRETARY: By Senator Maltese, Legislative Resolution Number 6999, commemorating the 110th Anniversary of the Philippine Declaration of Independence from

Spain on June 12, 2008.

ACTING PRESIDENT WINNER: On the resolution, all in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT WINNER: Opposed, nay.

(No response.)

ACTING PRESIDENT WINNER: The resolution is adopted.

Senator Skelos.

SENATOR SKELOS: If we could open that resolution up for cosponsorship. If anybody wishes not to sponsor it, they should notify the desk.

ACTING PRESIDENT WINNER: Anybody not wishing to sponsor the resolution please notify the desk.

Senator Skelos.

SENATOR SKELOS: Mr. President, Resolution 6928, by Senator Smith, is at the desk. If we could have the title read and move for its immediate adoption.

ACTING PRESIDENT WINNER: The Secretary will read.

THE SECRETARY: By Senator Smith, Legislative Resolution Number 6928, paying tribute to the life and accomplishments of former Common Council member and civil rights pioneer Sarah Curry-Cobb, distinguished citizen and devoted member of her community.

ACTING PRESIDENT WINNER: Senator Breslin.

SENATOR BRESLIN: Thank you, Mr. President. I'm acting as --

ACTING PRESIDENT WINNER: Senator Breslin, will you suffer an interruption, please.

Would you please take your conversations outside the chamber. We need some order and respect given to Senator Breslin's comments on this very, very important resolution.

Thank you, Senator Breslin.

SENATOR BRESLIN: Thank you, Mr. President.

I'm acting as a surrogate for Senator Smith and also a cosponsor of this resolution.

Sarah Curry-Cobb, such an important

member of the Albany community. Sarah died in July of pancreatic cancer. But during her years, starting with her teaching at a college in Orangeburg, South Carolina, in the sixties, where she got to know Martin Luther King and work in the civil rights movement -- and she used to regale me with stories. And to me, from someone who had a personal relationship with Martin Luther King, it was great to hear those stories.

In Albany she was the chief of staff for Aurelia Greene in the Assembly, and in the greater Albany community was a member of the Common Council, from 1994 to 2005, and a very active member in the Metropolitan New Testament Baptist Church, a place that she would frequently invite me to go on Sundays.

We will all miss her greatly. She did so much for the City of Albany and its community -- politically, governmentally -- and did so much as the chief of staff of Aurelia Greene. And we sorrow for her passing.

Thank you, Mr. President.

ACTING PRESIDENT WINNER: Thank

you, Senator Breslin.

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

(Response of "Aye.")

ACTING PRESIDENT WINNER: Opposed, nay.

(No response.)

ACTING PRESIDENT WINNER: The resolution is adopted.

Senator Libous.

SENATOR LIBOUS: Mr. President, there's another resolution at the desk, I believe it's 6998. Could we take it up in title only.

ACTING PRESIDENT WINNER: The Secretary will read.

SENATOR LIBOUS: And then recognize Senator Perkins, please.

THE SECRETARY: By Senator Perkins, Legislative Resolution Number 6998, mourning the death of Harlem renaissance woman extraordinaire Dr. Barbara Ann Teer, distributed citizen and devoted member of her community.

ACTING PRESIDENT WINNER: Senator

Perkins.

SENATOR PERKINS: Thank you, Mr. President.

And I appreciate the opportunity to share, not only on my behalf but of behalf of my community and perhaps on behalf of the black arts community throughout New York City and throughout the country. Because Dr. Barbara Ann Teer made a mark not just in Harlem, in terms of what she did with the National Black Theater, but her work included an international portfolio that had her traveling all over the world, not only in Africa but also in the Caribbean.

And she was able to transform the whole notion of black theater in such a way that she was able to establish a reputation that broke ground in ways that had never been broken before. When folks were wondering if there was any such thing as black theater, she decided to prove that, first by establishing a theater in the Harlem community, at a time when that community was on its way down.

And so she decided that this was a historic neighborhood that resonated beyond

its own boundaries and was able to make a substantial contribution in terms of the theater that she created. And I wanted to recognize Governor Cuomo for the support that he gave her in helping to establish that theater, which is somewhat of a landmark in our community.

And she had touched all the major artists and cultural giants of her time that so many of us have come to take for granted as common heroes and sheroes in the black arts arena.

So it has been a great honor for me to have known her for so long, and the contributions that she's made to the neighborhood and the contributions that she has made to culture in general.

And I wanted to just take a moment to recognize her and to thank the Senate for this proclamation. Her family, I'm sure, will be greatly appreciative of the recognition that she's getting at this level.

Thank you.

ACTING PRESIDENT GRIFFO: Thank you, Senator.

All in favor please signify by saying aye.

(Response of "Nay.")

ACTING PRESIDENT GRIFFO: Opposed, nay.

(No response.)

ACTING PRESIDENT GRIFFO: The resolution is adopted.

Senator Libous.

SENATOR LIBOUS: Can we take up Resolution 7014, read the title only, and move for its immediate adoption, please.

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: By Senator Maltese, Legislative Resolution Number 7014, urging the New York State Congressional delegation to fully fund the No Child Left Behind Act of 2002 and the Individuals with Disabilities Education Act.

ACTING PRESIDENT GRIFFO: All in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed, nay.

(No response.)

ACTING PRESIDENT GRIFFO: The resolution is adopted.

Senator Libous.

SENATOR LIBOUS: Mr. President, we're going to stand at ease temporarily. We're waiting for the report of the Finance Committee.

ACTING PRESIDENT GRIFFO: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 2:55 p.m.)

(Whereupon, the Senate reconvened at 3:23 p.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator Libous.

SENATOR LIBOUS: Mr. President, could we go back to reports of standing committees.

I believe there's a report from the Finance Committee at the desk.

ACTING PRESIDENT GRIFFO: Reports of standing committees.

The Secretary will read.

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

As a member of the New York State Racing and Wagering Board, John D. Sabini, of Jackson Heights.

ACTING PRESIDENT GRIFFO: Senator Smith.

SENATOR SMITH: Yes, thank you very much, Mr. President.

I rise to second the nomination of a good friend -- a good friend, a colleague, someone who I've known for years.

And I did find out one interesting fact as I was doing some background checking on my good friend, is that he was the first freshman Democratic Senator appointed to the Rules Committee since 1937. I mention that only to point out that Senator Sabini has always been someone who has been the first on many things.

They say that one person's gain is another person's loss. Well, while I am proud about the fact that Senator Sabini is going to be the chair of the Racing and Wagering Board,

it does not come with a slight of heart, in that he is losing a body that we did appreciate him to be in.

He was a very distinguished member, a very learned colleague, one who brought a great breadth of intellect and common sense to our conference. Every now and then it's good to have a conscience, someone that not only whispers in your ear about what you should be thinking about beyond the pale but also one that gives you ideas that at the end of the day make some sense.

For my personal journey in life, and John knows this, when he was the chair of the Queens County Organization, he stretched out his particular personality and his integrity and supported me when I was a much younger man seeking public office, when, as Senator Huntley will know, it's not easy to get a Queens Democratic Organization endorsement. And John stood up to many and said, No, this young man deserves to try for this or that office.

And I am ever grateful for that, because it was that moment that helped to

launch my political career.

So it is with great humility, it is with great joy and some sadness that I stand here seconding his nomination. I think he's going to be a tremendous asset to the board. His intellect, as it relates to racing and gaming, is going to be tremendous for the state.

The Governor should be applauded for making such a fine selection of someone who is going to be a tremendous credit to this state, a tremendous credit to us as members.

I think our entire conference, John, in addition to other members on the other side of the aisle, know that you are going to be one of the individuals who will make history in this state and will do the right thing for the State of New York.

You know that we have a tremendous deficit, so anything you can do to help us with that deficit, raising some revenue for the State of New York, will be appreciated.

Mr. President, I am thrilled to stand here and second my friend, my colleague, Senator John Sabini.

Congratulations, John.

ACTING PRESIDENT GRIFFO: Thank you, Senator Smith.

Senator Maziarz.

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

On behalf of the Senate Majority, I want to stand. We know this is a Friday, a rare Friday afternoon session that we have, but I want to join my colleague, the Minority Leader, Senator Smith, in congratulating our colleague and, more importantly, our very good friend Senator John Sabini upon his appointment to the Racing and Wagering Board.

We think this is an excellent appointment. Senator Sabini, John, has been -- as Senator Larkin, I'm sure, will be pointing out in a few minutes -- a great resource for the Racing and Wagering Committee. His knowledge of the industry probably gained a lot from personal experience at casinos and racetracks, I think. But his knowledge of the industry is really second to none when it comes to members of this legislative body.

John is a true professional. And as much as we in the Majority want to congratulate you, John, we're going to miss your expertise. You've always been extremely gracious and friendly, both here on the floor -- even when most of the time you've been wrong on the issues, John, but --

(Laughter.)

SENATOR MAZIARZ: But certainly, you know, in our lounge and in our personal relationships, John, you've always been a true professional.

And we know that sometimes during the course of a debate things may get a little heated and testy, and it's never happened with you, John.

And we congratulate you.

Mr. President, we wholeheartedly support and endorse this fine nomination by the Governor. Thank you.

ACTING PRESIDENT GRIFFO: Senator Breslin.

SENATOR BRESLIN: Thank you, Mr. President.

It's the first time I think I've

ever spoken on behalf of a nomination when the person is sitting where he can reach out and pull me down.

But it's a very -- which he should have earlier today.

(Laughter.)

SENATOR BRESLIN: It's a very bittersweet day, I think, for the New York State Senate.

And I'd like to just briefly say that rarely do you find someone who (a) possesses political qualities where instinctively they know what's good politically, and (b) someone who really knows the policy aspects of government. Combining those two is unique in and of itself.

But to add to that someone who does it with a smile -- and he does do it with smile. And he never -- I've watched him -- he doesn't do it differently if you're a Republican versus a Democrat. And that's a wonderful thing. You know, we should all treat each other as we'd expect to be treated until treated otherwise.

John brings those three unique

qualities to his new position.

I know that he'll miss this place tremendously. I think he loves the roughness of the New York State Senate, as he did the New York City Council. And I think he was born to be in the New York State Senate.

However, the Governor sought his advice, and I'm sure he'll be rewarded -- I know he'll be rewarded with a better contract than he has here. He's not subject to two-year renewal. He's given more perks than we have. Although I know that he will work just as hard as he has here.

I wish him Godspeed, and I will wish him tremendously. And I am scared to death who will sit next to me in the future.

(Laughter.)

ACTING PRESIDENT GRIFFO: Senator Stachowski.

SENATOR STACHOWSKI: Yes, Mr. President, I too rise to second the nomination of John Sabini. I congratulate the Governor on an excellent choice.

I think John brings a great expertise, and I think he also brings an

investigative insight into a lot of these issues.

When John became the ranker on Racing and Wagering, he said earlier at the committee that he didn't know all that much about horse racing and its inner workings, but he went to work studying it. And he's learned a lot about it, and I think he's very well versed in it, as well as some of the other gambling aspects. And anything he's not well versed in right now I know he will be in a very short time.

And I think that's a quality he brings, as well as having a legislative background not only as a member but as a staffer, so that he will know, when he gets a call, how to deal with people. And that's a great advantage over some people that have never served in any kind of capacity of that nature.

So that when he knows that we call him and have a question, he might find an easier way to answer or at least to have the decency to get back to us yes or no, rather than no response. And all we ever ask for

when we call any agency is yes or no, and answers, just so we know where we're headed.

And as Senator Breslin said, the one nice thing about John, even here on any issue, he's always evenhanded. And he tries to put a little humor in most of the things he does, and that will be a great quality in where he's going.

And obviously with a lot of the racing issues at a crossroads, they need somebody that's going to be totally invested. I think John will do that, and hopefully New York will be better for his work.

And I'm glad to have had the opportunity to stand and speak on his behalf.

ACTING PRESIDENT GRIFFO: Senator Klein.

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

I too join to second the nomination of my good friend Senator John Sabini as a member of the New York State Racing and Wagering Board.

Everyone so far used the term "bittersweet." That's how I feel today as

well. On the one hand, we lose someone who I consider one of my closest friends and someone who I think is probably the most intelligent legislator I've ever met. But at the same time, the State of New York now benefits, I think in a very important way, by having John's expertise.

You know, whether we like it or not, in these fiscal times we're going to find ourselves relying more and more on racing and wagering and lottery. And to have someone like John Sabini at the helm, making sure that that money is spent wisely -- and by the way, generating as much as we can and putting it to good use -- is something that's very, very important.

I go way back with John. In 1985, when I first started working in politics, right out of graduate school, I went to work for Congressman Jim Scheuer. John was the person who hired me; I was his assistant. Later, when John left, I became the chief of staff, helped him in his first council campaign.

And I never thought that one time

in our lives we'd be serving in the same legislative body -- I went from the Assembly to here -- and that was a privilege. And unfortunately, that privilege is now coming to an end.

But I think at the same time, people will quickly understand how important this position is, because John is going to take it very seriously. John has the intelligence, John has the compassion.

So I think, to use racing parlance, I think the residents of New York State have hit the trifecta, because they have someone who's not only intelligent, compassionate, but I think is the best that this state has to offer.

Congratulations, John. And I'm proud to second to this nomination.

ACTING PRESIDENT GRIFFO: Senator Larkin.

SENATOR LARKIN: Thank you, Mr. President.

You know, John, I'm going to miss you more than they are. They're going to miss you because they won't know what to do with

the racing. But all of these glad comments today, I'm telling you, I never heard Breslin talk like this about anybody before.

But did you tell them all that there are no free passes, no VIP parking?

(Laughter.)

SENATOR LARKIN: This is going to be run like a corporation. And there's only one CEO, and that's going to be John.

You know, John and I worked together for six years, you know, and we always talked about what we would try to do. Rather than to make an issue of it, our goal wasn't to try to belittle somebody or hurt somebody, our ideas were what can we do for an industry that's falling apart. John will tell you that. He emphasized it this morning and this afternoon. Racing isn't like when we knew when we were youngsters and heard people talk about it.

But what we're seeing now is the Governor has picked somebody who's dedicated himself to this point of government. He sees an opportunity to make some changes that will be worthwhile. I believe that some of the

things that we'll see I used to think I'd never see it in my term. But now with John being there, I think we'll see Aqueduct going. Please invite me to the ribbon cutting.

But what we're saying here is there's an old saying, you know, we finally put the round peg in the round hole. And, John, I don't want to reiterate what everybody said. I consider you a class act, a great legislator, and a very fine human being.

Congratulations, and may God bless you always.

ACTING PRESIDENT GRIFFO: Senator Savino.

SENATOR SAVINO: Thank you.

I too rise on a bittersweet note, first to congratulate the Governor for this selection, and to congratulate my good friend John Sabini, my seatmate, on the next chapter in his life.

And I've been sitting here watching him as you all talk about him, and he keeps turning beet-red. And he's embarrassed, obviously, by the adulation and the words that are being offered on his behalf.

And I realized that one thing I've always loved about John is John is very self-effacing. He really doesn't understand or he doesn't believe in his own heart that he's as smart as the rest of us know he is. And I think that's been consistent. He is smart. He's smarter than most of us.

From the days when he was in the City Council, I remember in my previous career John was always somebody that we knew that when there was a critical issue facing the City of New York, whether it was a budget issue or a legislative one, John was a person we could go to.

He was always recognized as one of the most thoughtful members of the City Council -- smart, not reactionary, a person who could help you, a person who could help you shape legislation. That is the same characteristic that he took into the New York State Senate.

The state's gain is our loss. We're going to lose John as my seatmate, as our colleague. But the racing industry is going to gain somebody who is smarter than he

thinks, smarter than we know, and the future of New York State and the industry is going to be that much better for it.

So I don't know who's going to sit here next to me next year, John, who is going to keep me in line -- because that's one of the things he has to do. Sometimes I'm a little irreverent. But whoever that person is, whoever that person is, they will not be John Sabini. And I, for one, am going to miss you.

But good luck, John.

ACTING PRESIDENT GRIFFO: Senator Libous.

SENATOR LIBOUS: Thank you, Mr. President.

John, I'm not going to miss you, because I'm going to work with you. I'm very blessed to have a very successful racetrack called Tioga Downs in my district, and I look forward to working with you on prospering and making the racing industry a good industry and one that develops economic development for the state.

But I do want to say this about

John, and certainly compliment the Governor for a very outstanding choice. John has served as the ranker on the Transportation Committee with me for the last three and a half years, and he has been a gentleman. It has been a pleasure to work with you. We were always, even when we disagreed, we were able to work things out.

And if you take that same demeanor, that same profile to the racing board, then you will be not only a credit to the Governor for his appointment, but you will help move the racing industry in the right direction. And as you know, there are some challenges there, and I know you're very familiar with it.

So I will miss you as the ranking member of the Transportation Committee, but I know that I look forward to working with you in any way that I can be helpful on the Racing and Wagering Board.

And again, I compliment the Governor, and I wish you Godspeed.

ACTING PRESIDENT GRIFFO: Senator Golden.

SENATOR GOLDEN: Thank you, Mr. President.

John, I'm not going to miss you. Only kidding. Only kidding. We are going to miss you.

I had the privilege of working with you in the City Council; I had the privilege of working with you here in the State Senate. You were always a dogged fighter for what you believed in, and you were a good study. Whatever you put your mind to, you did well.

In this case, wagering and racing is going to be a benefit for this great city and great state that they have such a talent as you working with them to get through the tough times that they have ahead of them and to bring this into a real profitable venture for the City and State of New York.

So I wish you great success. Congratulations, John. Godspeed.

ACTING PRESIDENT GRIFFO: Senator Connor.

SENATOR CONNOR: Thank you, Mr. President.

I can't remember when I met John.

It was many years ago, and he was a staff member for a congressman. And then, of course, I knew him when he served in the City Council. And in 2002, when he was running for the Senate, I was delighted that he'd be joining us in the State Senate.

And I can tell you not for one moment since he joined us did I ever feel anything but gee, I'm glad John Sabini is in our conference, in our house.

You've heard it from other people; I concur. He is smart. He is hardworking. You know, after all my years here, I usually do my own studying. But with John, racing and wagering, that was a quick answer for me. If John said this is okay or in three minutes gave you an explanation, you knew it was absolutely right on, dead on. And I certainly relied on it. As I say, I just tend not to rely on a lot of people that way.

The fact is, John's really pretty witty. He's pretty funny. He's a joy to have as a colleague and a friend.

And so I congratulate the Governor on this appointment, because it will be good

for the state. It will be good, certainly, for the industries that fall under the Racing and Wagering Board. He will be a great chair, even as he's been a great legislator, both in the city and the state.

But it's a very sad day for me, because I certainly am going to miss John as a friend and a colleague -- well, he will remain a friend, but he won't be a friend at arm's reach, and I will miss that very much.

So I'm delighted to support his confirmation.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Onorato.

SENATOR ONORATO: Thank you, Mr. President.

I rise to second the nomination of John Sabini. I'm very, very proud of him this very day, because my predecessor, who gave me a start in politics, introduced John into politics as a very young man, getting him involved in politics. I think he was probably the youngest district leader in Queens County and handled that job so well he went on to

become the county chairman and the youngest county chairman, perhaps, in the United States.

And he did an outstanding job, taking over under very, very difficult circumstances. And it's really prepared him for what's about to face him now with the Racing and Wagering Board.

John is no stranger to all of the aspects of the game because he participates in it, traveling around the country, even before he had any idea he'd ever become the chairman of it, giving him all of the ins and outs of it in Las Vegas, Atlantic City -- you name it, John has been there.

(Laughter.)

SENATOR ONORATO: Don't worry about that, John is going to do an outstanding job.

And he's risen to the heights in all of his aspects in life, with one exception, and that's on the golf course. But we're going to change that soon. As a matter of fact, Monday we may be at one outing together and maybe I'll play with you, John,

and give you a few more pointers on it. You give me some pointers on the racing, and I'll give you some pointers on golf.

But again, John, one of the proudest moments of my stay in this Senate is confirming you today. God bless you, and good luck.

ACTING PRESIDENT GRIFFO: Senator Maltese.

SENATOR MALTESE: Mr. President, I join my colleagues in wishing the very best to our colleague John Sabini.

Certainly the post that the Governor has chosen for him is a post that you could say came right out of central casting. As you look at John's background and his experience, this is a position for which he is exemplary, no question about it.

On a personal note, I've known John for many years in Queens County, know how active he is, certainly in the Italian-American community, and representing his constituents in the finest way possible.

I will miss him in another aspect. We are a county of local papers, and one of

the local papers is the Queens Times. I don't think there's been an issue in the last five or six years that John hasn't been in. So -- usually with a very nice picture, too.

(Laughter.)

SENATOR MALTESE: So I hope that that is not going to change now that he has a new role.

Certainly representing Aqueduct as I do, together with my Assembly colleagues Assemblywoman Pheffer and Assemblyman Seminerio, we especially appreciate the wisdom of this choice. There is probably no one in the Legislature that understands the problems of racing and Aqueduct as well as John.

So we also -- I know from time to time some of the people dealing with us wanted to know which was which as far as Savino and Sabini, so that's going to be straightened out now. And we join -- John says there's definitely a difference.

But we wish him the very best. We certainly congratulate the Governor on a very, very fine choice.

And I want to echo my good friend

George Onorato. I was around at the time that the Queens Democratic Party was in turmoil. And the fact that such a young, relatively young man came forward as the leadership, to serve in a leadership role -- I'm one of those that feels that politics and government is a noble calling. And John stepped in, practically just out of his teens, and was a county chairman and for the betterment of the politics, the political picture in Queens County, stepped forward and took on that mantle. And as a result, I think, paved the way for the offices that he would subsequently hold.

So I join my colleagues in wishing him the very best and again, as I say, congratulate the Governor on such a fine choice.

ACTING PRESIDENT GRIFFO: Senator Craig Johnson.

SENATOR CRAIG JOHNSON: Thank you, Mr. President. I too rise to second the nomination.

You know, being a freshman Senator, oftentimes you look to your more senior

colleagues for advice, for counsel, and for guidance on a number of issues. And I've really had the privilege to look to John Sabini as a mentor on two particular issues. Not that we always agreed.

I had the privilege of working with him for the past couple of years on the budget table for transportation, serving as an alternate, commiserating with him as we were staying around on weekends, spending time together, breaking occasional dinner dates at the Bears, but -- and addressing very important issues when it comes to transportation. Not that we always agreed. We differed on issues like third track, and we will continue to disagree on those issues.

But John's insight into the transportation issues, you know, really helped me quickly get up to speed and to work with him and for the conference, on the conference's behalf, on transportation budget issues.

Then second, obviously, is on racing, on the racing issues. And like Senator Larkin and like Senator Libous and

others, I have a racetrack -- it's a small one called Belmont -- in my district. And I know where John is going to be. We're going to be working very closely, because the future of Belmont is of paramount importance, not just for my district but for all of New York State. Issues of making sure that VLTs get put into Belmont, looking for economic development at Belmont so the communities of Elmont and Floral Park will benefit and will thrive when they have not to date.

And so I look forward to working with John in his chairmanship. I'm honored to have been his colleague, but I am more honored to be his friend.

And so, John, I wish the best, I wish you Godspeed, and I look forward to working with you.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Huntley.

SENATOR HUNTLEY: Thank you, Mr. President.

I rise to congratulate John and also to thank him. When I first came to the

Senate, he was helpful. I could depend on him for questions, answers, because at that time I was considered the New Jack. I am not the New Jack anymore. And I just want to thank you, John, for your assistance.

And I too remember when he was chair of the Queens County Democrats. I remember the night that he was announced, I was there, and he was the youngest. And he did a great job. And I'm sure that Queens County appreciates him.

Thank you.

ACTING PRESIDENT GRIFFO: Senator Perkins.

SENATOR PERKINS: Thank you, Mr. Chair.

I just want to briefly express my appreciation for the two opportunities that I've had to serve with John, first in the City Council, where I remember he danced with Phil Reed, among the other remarkable moments as a legislator -- and of course you would have been proud of him, Tom -- and also obviously during this latest period, in the Senate, where we've had opportunities to work

together.

And he's always been a smart, conscientious individual that took his work very seriously and was very generous with his time and with his sharing.

And like others, I first came to know of you when you stepped up to be the county leader in Queens. I'm from Harlem, so we kind of watched what's going on even in Queens. And it was a remarkable period. It was a great, great moment of tragedy for the city. And to see this kid, at the time, step up to the plate of one of the most powerful county organizations in the country, it was sort of like a great moment.

And it was a great compliment, obviously, to you in terms of how your friends and neighbors and political colleagues thought of you to put you in that place at that point in time.

And so it's obviously a compliment to the Governor to have chosen you to fill the position that you're about to fill at a challenging time as well, a challenging time not only for racing but obviously for the

state and its challenges in terms of the budget.

So, you know, congratulations to you, congratulations to the Governor, congratulations to all of us for having had the privilege of working with you and enjoying you.

And I look forward to continuing to work with you in your new capacity and, you know, hope you just keep being who you are.

Thank you.

ACTING PRESIDENT GRIFFO: Senator Duane.

SENATOR DUANE: Thank you, Mr. President.

I was trying to remember why John never asked me to dance. And I just remembered, because we both like to lead.

(Laughter.)

SENATOR DUANE: I've known John for a long time. I've known him as a party leader and as a City Council member and of course here in the Legislature.

And, you know, he's smart, he's honorable, he's easy to work with, he's got a

really good sense of humor. And he can have an edge, which is a good thing sometimes in this business.

And he's been a really good friend to all of my communities and probably even more so to my family. And I'm sorry to see him leave here. I know he'll be available for advice, but it really is with great sadness to lose him from the Senate.

So I know he has a long career ahead in public service, and I look forward to serving with him in whatever capacity he chooses to serve in.

And the other thing is I just want to recommend to my colleagues, I'm recommending a yes vote on this particular nomination. Unless the nominated one changes his mind suddenly. No? All right, then, I'm recommending a yes vote.

Thank you, Mr. President. Thank you, John.

ACTING PRESIDENT GRIFFO: Senator Parker.

SENATOR PARKER: Mr. President, on the nomination. Let me just add my voice

to those who are congratulating John and congratulating the Governor on such a great appointment.

There is nobody, frankly, more qualified and experienced in this particular area than John Sabini. And although I have not had an opportunity to serve with him as long as many people in the chamber, he's been no less of a friend to me.

And so I want to congratulate my friend, I want to wish him well. And I look forward to our new roles in working together. And Godspeed.

ACTING PRESIDENT GRIFFO: Senator Krueger.

SENATOR LIZ KRUEGER: Thank you. Well, so many people have already said so many things. And truly it's wonderful to hear true bipartisanship in this chamber -- which is rare -- when speaking of Senator John Sabini. The Governor has made a very good decision.

What I just want to add is it is a loss to us. And it's a loss to the people of Queens, because John has been an unbelievably fine legislator representing the interests of

his district and the City of New York and the people of New York State.

And I see John as someone who is a model for what a public servant should be. He has loved his work. It has frustrated him when we have not accomplished our goals. But I know that he has loved his work as a City Council member, as a State Senator.

And while gambling is not necessarily an issue I focus that heavily on, I am very confident that with this confirmation the Governor will have someone in that position who we can all count on.

And finally, Senator John Sabini, no more taking our education money for horse racing when you're there. The education money is supposed to go to education. Racing and Wagering is supposed to increase revenue for the State of New York. And I am confident, with you there, we're finally going to get to that point.

But I will miss you very much here on the floor.

Thank you.

ACTING PRESIDENT GRIFFO: Senator

Stavisky.

SENATOR STAVISKY: Thank you, Mr. President.

I've known Senator John Sabini I guess since the days when he was a young district leader in Queens County. He's always been an expert on racing and wagering. And he has been very generous with his advice and explanations to me personally.

I don't want to repeat what has been said, but one thing that hasn't been mentioned here -- well, several things haven't been mentioned. One is I know of John's true devotion to his constituents. He really cares about their well-being, and that I think is very apparent.

He has been an excellent ranking Minority member on the Transportation Committee, discussing issues, answering questions that I have. And I'm going to miss John.

There are a couple of other things, though. One thing that hasn't been mentioned is John's arcane knowledge of political minutiae. You hear the hum? Absolutely.

John, we're going to miss that. And if I have a question and I can't remember a name of somebody who ran against somebody forty years ago or something, I'm going to call you.

Senator Duane mentioned his relationship with his family. John has been a friend of my family as well. And I know I express his congratulations on your appointment, and we wish you well.

ACTING PRESIDENT GRIFFO: Thank you, Senator Stavisky.

John, I want to extend my congratulations and best wishes also. I've had the opportunity to serve with you on many of the same committees. Appreciate your candor and your ability to contribute.

Also appreciate you coming up to my district. I'm sure you'll be up there much more. And we appreciate your hard work.

And Senator Hassell-Thompson now will add to the floor. Senator Hassell-Thompson.

SENATOR HASSELL-THOMPSON: Thank you, Mr. President.

As has been said, everyone has given the congratulations and all the accolades. But I personally would like to just thank you, John, for a kind of steadfastness that you bring to our conference. When we're sitting there debating, you're just good at it. You're really good at it.

And we're going to miss that, because we need sagacity and wisdom when we're doing the people's work. And that's a role that you have filled for us many times over, and I will miss that. And I look to you to see your expression, when we're discussing things, to get a sense of where your thinking is. And I will miss that as well.

But I do hope that you will enjoy where you're going, because I know you'll do well where you're going. And congratulations.

ACTING PRESIDENT GRIFFO: Any further Senator wishing to speak?

The question is on the appointment of John Sabini, of Jackson Heights, for a term as a member of the New York State Racing and Wagering Board.

All in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed, nay.

(No response.)

ACTING PRESIDENT GRIFFO: Congratulations, best wishes, and you're off!

(Sustained applause.)

ACTING PRESIDENT GRIFFO: Senator Maziarz.

SENATOR MAZIARZ: Thank you, Mr. Chairman.

Congratulations to Senator Sabini. He just went to turn in that letter of resignation to Steve Boggess.

(Laughter.)

SENATOR MAZIARZ: Mr. President, I believe there's a report of the Finance Committee at the desk.

ACTING PRESIDENT GRIFFO: Yes, Senator. The Secretary will read.

THE SECRETARY: As a member of the Workers' Compensation Board, Geraldine Chapey, of Rockaway Park.

SENATOR MAZIARZ: On behalf of

Senator Owen Johnson, I move that nomination, Mr. President, and ask that you recognize Senator Maltese.

ACTING PRESIDENT GRIFFO: Senator Maltese.

SENATOR MALTESE: Mr. President, I rise to support this nomination of Dr. Geraldine Chapey.

I've known Dr. Chapey for many, many years. And certainly seeing her background, her educational background especially -- her doctorate from Rutgers, a master's degree from Teachers College at Columbia, and a bachelor of arts from St. John's -- gives her the educational qualifications certainly for a post of this magnitude.

But there's much, much more than that. Over the years she has been involved in various educational institutions in capacities of leadership representing both union and management, representing especially the City University of New York and Kingsborough Community College. She's a full professor at Kingsborough. To recite the awards that she

has received over the years would take longer than any of us would perhaps want to stay except for Dr. Chapey and myself.

But at the same time, Mr. President, she has always cooperated with many, many of the leaders in Queens, has always stepped forward, always devoted her time, especially on nonprofit charitable organizations. She is ever-present at all meetings, always giving freely of her time.

She especially is an awardee and an honoree of many, many religious groups. And while it has nothing to do with my family, she is a member of the very prestigious Knights and Dames of Malta, just to indicate that she has been recognized by the Pope himself.

I think at this period of time that the Workmen's Comp Board will be well-served by having Dr. Chapey there. We look forward to her serving with the same distinction she has served with all these very, very many years.

Mr. President, I compliment the Governor on this fine appointment and am very proud to second the nomination of Dr. Chapey.

ACTING PRESIDENT GRIFFO: Senator Smith.

SENATOR SMITH: Yes, thank you very much, Mr. President.

I rise to second the nomination for Dr. Geraldine Chapey, who is joined here by her dear mother, who is a Regent, as well as her husband.

And is anybody else up there with you? There's a whole group of people up there.

But Dr. Chapey is many things. She has a stellar background. She has a doctorate in management-labor relations from Rutgers University, a master's from Columbia University. She earned her bachelor's from St. John's. I won't hold that against you because you didn't go to Fordham, but that's all right.

And more importantly, she has been on a number of boards -- Advisory Council for Institutional Accreditation, the Board of Visitors of the Creedmoor Center, Department of Labor Advisory Council.

Most importantly, it's her founding

the Trinity Services, an organization that serves close to 2,000 people in Queens, young and old. Her heart and soul is in that organization. If you want to get to know Dr. Chapey or if you want to get into her heart, you just tell her you're going to help her with Trinity Services and she will be your friend forever.

There is no one that could be more appropriate for this position. I think the Governor, again, who has been hitting home runs during his first months in office, has hit another home run, probably a grand slam, with selecting Dr. Chapey. It is a good day for the State of New York Workers' Comp Board. She has a lot of new friends, I'm sure.

But I will tell you, someone who has integrity, someone who is committed, someone who is honest and clearly an intellectual giant, Dr. Chapey is a great appointment and nominee from the Governor. And I'm very proud.

As Senator Serph Maltese said as well, this is a good day for State of New York, a good day for the Workers' Comp

Board. And we couldn't wish you Godspeed more than we're wishing you here today.

And watch out for Liz Benjamin. She's sitting over there, she's blogging the schedules right now.

Take care.

ACTING PRESIDENT GRIFFO: Thank you, Senator Smith.

Senator Huntley.

SENATOR HUNTLEY: Thank you, Mr. President. I rise to congratulate and welcome Dr. Chapey.

All the things that Senator Smith has said about her, with all that, I feel so good about her because, foremost, she's a human being. She cares about people.

She works very hard in her community, along with her mom. They're two fantastic people. And I have to include her mother, because they're mother and daughter, and they really work and do a lot for the community.

And again, I want to congratulate you. I love you because, you know, you're marvelous, both of you. And it's a pleasure

to be able to say how happy I am about this.

Thank you.

ACTING PRESIDENT LIBOUS: Thank you, Senator Huntley.

Senator Stavisky.

SENATOR STAVISKY: Thank you, Mr. President.

Dr. Chapey, whom I've known for a very long time, I'm proud to say we've been friends for many years.

It's hard to describe Dr. Chapey, whether it be as an academician or as a higher education administrator. As a union leader, she served the Professional Staff Congress for many years, the union representing the CUNY faculty. She is a psychologist. She has a financial background, serving as an officer of the credit unions, contract negotiator. She is a community leader in the Rockaways in Queens County.

And she brings a competency -- that's a word we don't hear enough, I'm afraid -- she brings competency and effectiveness and the qualities that are needed, the compassion that's needed to be a

good member of the Workers' Compensation Board.

This is the second time this year that I have spoken on behalf of a Chapey. I was privileged to speak for the Regent when she was nominated back in April. And they are a wonderful family. She's joined by her husband, Gene.

And I'm just excited to be able to speak on behalf of Dr. Chapey, and I congratulate her on her nomination.

ACTING PRESIDENT LIBOUS: Thank you, Senator.

Senator Hassell-Thompson.

SENATOR HASSELL-THOMPSON: I met her very, very recently at a golf outing. And it was very interesting, I thought she was a minister. She was wearing a collar that made me think that she was a part of the ministry. And as a preacher's kid whose mother was a pastor and whose sister is a pastor, we started this spiritual conversation.

And for someone who I've only met for such a very short time, I am very pleased to have known you. The moments that you

shared, I know the State of New York is in good hands, because you are a believer as well as somebody who has an extraordinary background to bring to that board that needs all the help that it can get.

So thank you, and congratulations to you and to your mother for the years of service that you continue to give to the State of New York.

ACTING PRESIDENT LIBOUS: On the nomination, all in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT LIBOUS: Opposed, nay.

(No response.)

ACTING PRESIDENT LIBOUS: The nomination is carried.

Dr. Chapey, congratulations.

And Dr. Chapey is joined today in the gallery by her mother, Dr. Geraldine Chapey, and her husband, Eugene Pasternak.

Congratulations.

(Applause.)

ACTING PRESIDENT LIBOUS: The

Secretary will read.

THE SECRETARY: As a member of the State Commission of Correction, Thomas A. Beilein, of Appleton.

ACTING PRESIDENT LIBOUS: Senator Maziarz.

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

On behalf of Senator Johnson and Senator Nozzolio, the chairs of Finance and the Crime Victims, Crime and Corrections Committee, I want to rise to make this nomination and congratulate Governor Paterson on the appointment of Sheriff Beilein of Niagara County.

It's always great to see somebody from Western New York get appointed to such an important, high position in state government. It's particularly, I think, a positive for Niagara County that one of our native sons gets appointed to this position.

Sheriff Beilein has been the sheriff of Niagara County, been elected four times, knows firsthand the challenges that this commission has placed upon it, the

challenges that counties in New York State have dealing with the directives of a commission such as this. He knows the impact upon local property taxpayers to try to keep local jails within compliance of those directives. I think this is an excellent appointment.

I know that Tom is joined here today by his wife, Lindy, by his daughter, Sara, and his grandson, who is probably a little rambunctious after having sat around here since almost 9 o'clock this morning waiting for this appointment to take place on this very rare session day here in Albany.

I would encourage all of my colleagues, those few hardy souls that are left here, to vote in favor of this nomination.

Thank you very much, Mr. President.

ACTING PRESIDENT LIBOUS: Thank you, Senator Maziarz.

I believe Senator Volker, to second the nomination.

SENATOR VOLKER: Yeah, very quickly, I just want to say Tom Beilein is

probably one of the finest sheriffs in the State of New York, has a super background.

As I think Senator Stachowski will tell you, he and I have been besieged by just about every sheriff in the state wanting his nomination done.

There's no question in my mind that he will do a super job for the state commission. And I think he's perfect for it, and we should certainly commend the Governor for it.

And I just want to say that in the Finance room, when Owen Johnson asked for somebody to second the nomination, the grandchild beeped out, and I said, "There's the nomination right there."

But congratulations and good luck.

ACTING PRESIDENT LIBOUS: Thank you, Senator Volker.

And also to second the nomination, Senator Stachowski.

SENATOR STACHOWSKI: Yes, very quickly, Mr. President. I too rise to second the nomination of Thomas Beilein to the State Commission of Corrections.

I think his experience as one of the outstanding sheriffs in the state will bring a lot to this commission. I think that his firsthand knowledge of the problems that they face and the decisions that are put upon them by the commission will be a real asset.

And I congratulate the Governor on this appointment. And the fact is that in the committee, he even answered a question that people had about alternatives to incarceration, and I thought his answer was just the right answer that every sheriff should heed, that if you don't want to keep expanding your jails, you have to take an active part in the other programs too.

And so that he's well-rounded, he has a great record. And I'm glad to have this opportunity to second the nomination.

ACTING PRESIDENT LIBOUS: On the nominate, all in favor indicate by saying aye.

(Response of "Aye.")

ACTING PRESIDENT LIBOUS: Opposed, nay.

(No response.)

ACTING PRESIDENT LIBOUS: The

nomination is carried.

Mr. Beilein, as mentioned earlier, is with his wife, Lindy, daughter, Sara, and also the grandson, Michael, who I think has done an outstanding job in being patient, Mr. Beilein, in waiting for the nomination.

Congratulations to you.

(Applause.)

ACTING PRESIDENT LIBOUS: Senator Maziarz.

SENATOR MAZIARZ: Mr. President, I believe that there is a report of the Senate Finance Committee at the desk.

ACTING PRESIDENT LIBOUS: The Secretary will read.

THE SECRETARY: As a member of the Adirondack Park Agency, Leilani Crafts Ulrich, of Old Forge.

As a member of the New York State Housing Finance Agency, Karen A. Phillips, of New York City.

As a member of the Battery Park City Authority, Robert J. Mueller, of New York City.

As a member of the New York State

Energy Research and Development Authority, Roger B. Kelley, of East Amherst.

As a member of the Central New York Regional Transportation Authority, Charles E. Watson, of East Syracuse.

As members of the Niagara Frontier Transportation Authority, Vincent G. Crehan, of Buffalo, and James J. Eagan, of West Seneca.

As a member of the State Athletic Commission, Edwin Torres, of New York City.

As members of the State Public Transportation Board, John S. Delaney, of Selkirk, and Dennis J. Fitzgerald, of Loudonville.

As a member of the Allegany State Park, Recreation and Historic Preservation Commission, Hugh J. Dunne, Jr., of Salamanca.

As a member of the Central New York State Park, Recreation and Historic Preservation Commission, Edward J. Audi, of Manilus.

As a member of the Genesee State Park, Recreation and Historic Preservation Commission, Edward A. Hamilton, of

Portagville.

As members of the Lake George Park Commission, David G. Floyd, of Huletts Landing, and Charles Joseph Stanek, of Diamond Point.

As commissioner of the Ohio River Valley Water Sanitation Commission, Douglas E. Conroe, of Maple Springs.

As a member of the State Harness Racing Commission, Keith R. Hamilton, of Schenectady.

As a member of the Republic Airport Commission, Frank A. Nocerino, of North Massapequa.

As a member of the Stewart Airport Commission, Louis Heimbach, of Warwick.

As a member of the Veterans' Affairs Commission, Luis E. Barsallo, of Waterford.

As commissioner of the State Insurance Fund, David E. Ourlicht, of New York City.

As director of the New York State Environmental Facilities Corporation, Joseph A. Branca, of Cross River.

As director of the New York Convention Center Operating Corporation, John E. Howbert, of Brooklyn.

As members of the Continuing Care Retirement Community Council, Wayne L. Kaplan, of Dix Hills, and Patricia M. Williams, of Ithaca.

As a member of the Minority Health Council, Kam Man Kenny Kwong, of Bayside.

As a member of the Public Health Council, Patsy Yang, of New York City.

As members of the Board of Visitors of the Agricultural and Industrial School at Industry, Robert J. Burns, of Rochester; Anita L. Herron, of Rochester; and Joan M. Mitchell, of Rochester.

As a member of the Board of Visitors of the Brooklyn Children's Psychiatric Center, Daphne Glover-Robinson, of Amityville.

As member of the Board of Visitors of the Broome Developmental Disabilities Services Office, Margherita Anne Rossi, of Binghamton.

As a member of the Buffalo

Psychiatric Center, Ellen J. Maternowski, of Lakewood.

As a member of the Board of Visitors of the Long Island Developmental Disabilities Services Office, Fred S. Romero, of Baldwin Harbor.

As a member of the Board of Visitors of the Metro New York Developmental Disabilities Services Office, Enrique Colon, of the Bronx.

As members of the Board of Visitors of the Mohawk Valley Psychiatric Center, Karen N. Christensen, of Utica; Joseph D. Harder, of Marcy; and Maneck Kotwal, of New Hartford.

And as members of the Board of Visitors of the South Beach Psychiatric Center, Paul Capofari, of Staten Island, and Ralph Perefetto, of Brooklyn.

SENATOR MAZIARZ: Mr. President, move all of the nominations.

ACTING PRESIDENT LIBOUS: On the nominations, all in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT LIBOUS:

Opposed, nay.

(No response.)

ACTING PRESIDENT LIBOUS: The nominations are carried.

Senator Maziarz.

SENATOR MAZIARZ: Thank you, Mr. President.

Is there any further business to come before the Senate?

ACTING PRESIDENT LIBOUS: I believe there is no further business at this time to come before the Senate.

SENATOR MAZIARZ: Therefore, Mr. President, I would ask that we adjourn until the call of the Majority Leader, intervening days being legislative days.

ACTING PRESIDENT LIBOUS: The Senate will adjourn on the call of the Majority Leader, intervening days to be legislative days.

(Whereupon, at 4:18 p.m., the Senate adjourned.)