NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

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3:32 p.m.

REGULAR SESSION

SENATOR ANDREA STEWART-COUSINS, Acting President

ANGELO J. APONTE, Secretary

P R O C E E D I N G S

ACTING PRESIDENT STEWART-COUSINS: The Senate will come to order.

I ask everyone present to rise and recite with me the Pledge of Allegiance to our Flag.

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

ACTING PRESIDENT STEWART-COUSINS: 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 STEWART-COUSINS: Thank you.

The reading of the Journal.

The Secretary will read.

THE SECRETARY: In Senate, Monday, February 2, the Senate met pursuant to adjournment. The Journal of Friday, January 30, was read and approved. On motion, Senate adjourned.

ACTING PRESIDENT STEWART-COUSINS: 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 Valesky.

SENATOR VALESKY: Yes, Madam President. On behalf of Senator Carl Kruger, I move that Senate Bill 880 be discharged from its respective committee and be recommitted with instructions to strike the enacting clause.

ACTING PRESIDENT STEWART-COUSINS: So ordered.

Senator Fuschillo.

SENATOR FUSCHILLO: Madam President, on behalf of Senator Robach, I move that the following bill be discharged from its respective committee and be recommitted with instructions to strike the enacting clause: Senate Print Number 627.

ACTING PRESIDENT STEWART-COUSINS: So ordered.

SENATOR FUSCHILLO: Thank you.

ACTING PRESIDENT STEWART-COUSINS: Senator Klein.

SENATOR KLEIN: Madam President, there will be an immediate meeting of the Finance Committee in the Majority Conference Room, Room 332.

ACTING PRESIDENT STEWART-COUSINS: There will be an immediate meeting of the Finance Committee in the Majority Conference Room, Room 332.

SENATOR KLEIN: And in the interim, Madam President, can we stand at ease while the Finance Committee meets.

ACTING PRESIDENT STEWART-COUSINS: The Senate stands at ease.

(Whereupon, the Senate stood at ease at 3:35 p.m.)

ACTING PRESIDENT STEWART-COUSINS: Senator Klein.

SENATOR KLEIN: Madam President, there will be an immediate meeting of the

Rules Committee in the Majority Conference Room, Room 332.

And the Senate will stand at ease while the committee is meeting.

ACTING PRESIDENT STEWART-COUSINS: There will be an immediate meeting of the Rules Committee in the Majority Conference Room, 332.

The Senate continues to stand at ease.

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

ACTING PRESIDENT STEWART-COUSINS: Senator Klein.

SENATOR KLEIN: Madam President, may we at this time take up Legislative Resolution 271. And I ask that the title be read and move for its immediate adoption.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will read.

THE SECRETARY: By Senator Huntley, Legislative Resolution Number 271, mourning the death of Dr. Gloria Ruby Mae Black, distinguished citizen and devoted

member of her community.

ACTING PRESIDENT STEWART-COUSINS: Senator Huntley.

SENATOR HUNTLEY: Yes, thank you, Madam President. I would like to give you a little background on Dr. Gloria Black.

Dr. Black was a well-known resident in the Queens community. She was in public education for many years; she taught middle-school children. She was widowed, and she decided to go back to school to get her doctorate while she raised three children.

She was one of the greatest volunteers; she volunteered with the food program, she volunteered with different churches, the clothing program. She was all over Queens County doing good deeds for people.

Dr. Black eventually became the chair of Community Board 12, which is the community board that represents part of my district. At the time she became ill, and everyone said, "Well, she's probably done her last community board meeting," we were

surprised one evening, after she was released from the hospital, she came into the community board to run the meeting. At that time we knew that Gloria Black was just so very, very special.

And on the day of her passing, a number of us went to the hospital, a number of my constituents and elected officials, and we had a prayer service for her and we cried with her family. And we did because it came from the heart.

She was a dynamic individual. Her daughter, who's following in her footsteps, I'm sure will be referred to as "the young Gloria Black."

So I'm standing here today to tell you we have people who are honest, who are loveable, who care about other people. And she is such a role model.

So on behalf of all her life, I'm here to tell you that I am honored to be able to stand here today and tell you what a magnificent person that she was.

Thank you.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator Huntley.

Are there any other Senators that wish to be heard on the resolution?

The question is on the resolution. All those in favor please signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS: Opposed, nay.

(No response.)

ACTING PRESIDENT STEWART-COUSINS: The resolution is adopted.

Senator Klein.

SENATOR KLEIN: Madam President, will the Senate just stand at ease for a couple of minutes.

ACTING PRESIDENT STEWART-COUSINS: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 4:00 p.m.)

(Whereupon, the Senate reconvened at 4:06 p.m.)

ACTING PRESIDENT STEWART-COUSINS:

The Senate will come to order.

Senator Smith.

SENATOR SMITH: Yes, Madam President. May we at this time adopt the Resolution Calendar in its entirety, with the exception of Legislative Resolution Number 271.

ACTING PRESIDENT STEWART-COUSINS: All those in favor of adopting the Senate Resolution Calendar in its entirety, with the exception of Legislative Resolution Number 271, please signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS: Opposed, nay.

(No response.)

ACTING PRESIDENT STEWART-COUSINS: The Resolution Calendar, with the exception of Legislative Resolution Number 271, is adopted.

Senator Smith.

SENATOR SMITH: Yes, Madam President. May we return to the reports of standing committees.

I believe there is a report of the

Rules Committee at the desk.

ACTING PRESIDENT STEWART-COUSINS: Reports of standing committees.

There is a report of the Rules Committee at the desk. The Secretary will read.

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

Senate Print Number 249A, Senate Budget Bill, an act to amend Chapter 57 of the Laws of 2008;

And Senate Print 250A, Senate Budget Bill, an act to amend Chapter 50 of the Laws of 2008.

Both bills ordered direct to third reading.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Yes, can we please take up Calendar Number 10, Senate Print 249A.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will read.

SENATOR LIBOUS: Point of order. Madam President, point of order.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous.

SENATOR LIBOUS: I believe that the body has to accept the Rules Committee report before it can move on.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Madam President, I move to accept the report of the Rules Committee.

ACTING PRESIDENT STEWART-COUSINS: All those in favor of accepting the report of the --

SENATOR BONACIC: Madam President, can I be heard on that motion.

ACTING PRESIDENT STEWART-COUSINS: Senator Bonacic.

SENATOR BONACIC: Thank you, Madam President.

You know, this is your first bill that you're putting forward since you've become the majority. No bills were passed in

January, and the first bill is by a message of necessity. And every one of you, in order to win the majority, campaigned on reforming Albany.

And I'll be more specific. "Senator Krueger" -- and that's Liz Krueger, by the way -- "and Senate Democrats propose sweeping legislative reform package." And one of those things was to prohibit off-the-floor committee meetings. Everything was going to be open and transparent.

And the phrase, and I'm quoting Senator Liz Krueger, "The phrase 'reforming Albany' is very catchy, as proven by how many people use it come election time. However, it should be more than a campaign slogan, it should be a promise we make and keep. We are losing the confidence of voters," Senator Liz Krueger said.

And you all embraced it.

Now, we're not off to a good start. We're going to -- this was our first act, we were going to be bipartisan. Senator Valesky and I are cochairing how we're going to change

the rules and make them fairer, the Senate rules. We're going to have public hearings.

But the first act is an act that asks the question should you be trusted. You are not keeping your campaign promises. You have put a budget bill out with a message of necessity that we could have done in December. We could have done it on Friday, when it could have aged.

Something as important as this, where we got the bill at 12 noon -- the media didn't have a chance, really, to analyze it, the public didn't have a chance to analyze it, and 30 Senators that represent over 48 percent of the constituency was not even asked what their thoughts were, as if they had no experience or institutional knowledge.

Shame on you. I hope you get better.

ACTING PRESIDENT STEWART-COUSINS: Senator Griffo.

SENATOR GRIFFO: Thank you, Madam President.

You know, as we began this year, we

heard a lot of talk and we read a lot of articles in newspapers and people on television shows talking about how it would be different, change that would come to this chamber. It would be more -- people would be included.

And this is proving that what we've seen in the recent week is that people have been excluded, not included. They have talked about how it would be a more open process, but this is extremely closed. More transparency, but this is so murky as to how this has all developed.

So many people not having information to share with constituents who are throughout all of our offices over the last two days asking about what would be taking place. To me, that is not an openness, that is something that, as Senator Bonacic said, we should be ashamed of.

You know, this fall you had a president who campaigned on "change we can believe in," inaugurated just a couple of weeks ago. And today, is this change we can't

believe in? Change that you talked about, that you've said we would see on such a major piece of legislation that people have not had input in, people have not had a chance to review, to discuss, and to be able to talk and communicate with constituents about the impact that it would have?

So I don't know, I just worry. Because if this is the way we're starting, I shudder to think where it will continue to go. I hope that we can borrow again from the new President, and when he says "yes we can," I hope that the rules changes and the reforms that we've heard about, we can see and embrace.

But today is not a good day for that, and it's an unfortunate day.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator.

The motion is on the floor to accept the report of the Rules Committee. All those in favor of accepting the report of the Rules Committee signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT STEWART-COUSINS: The ayes have it. The report is accepted.

Senator Smith.

SENATOR SMITH: Madam President, can we take up Senate Supplemental Calendar Number 2A.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will read.

THE SECRETARY: Calendar Number 10, Senate Budget Bill, Senate Print 249A, an act to amend Chapter 57 of the Laws of 2008, relating to providing for the administration of certain funds.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Thank you very much, Madam President.

Colleagues, you and I both know that over the last two --

SENATOR LIBOUS: Madam President,

point of order. Is there a message on this bill?

ACTING PRESIDENT STEWART-COUSINS: Senator Smith, I believe there is a message of necessity at the desk.

SENATOR LIBOUS: Madam President, I don't believe we accepted a message of necessity. I didn't hear it. I didn't hear a vote.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Yes, Madam President. I move that we accept the message of necessity.

SENATOR LIBOUS: Madam President, could we have a slow roll call on the message, please.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous, the rules do not provide for a slow roll call on a motion to accept a message of necessity.

SENATOR LIBOUS: I appeal the ruling of the chair, Madam President, and I want to explain -- can I ask to be heard?

ACTING PRESIDENT STEWART-COUSINS: Senator Libous, you may be heard.

SENATOR LIBOUS: Madam President, it's extremely important, as this process unfolds here today, and as Senator Bonacic and Senator Griffo shared, that as we start off the first piece of legislation to come before this house under new leadership, that the people -- not the members, so much, of this legislative body, but the people have an opportunity to share in this process.

As was said earlier, you know, we received the bill at 12 o'clock noon, and I'm sure that we'll talk a little bit more about that as we move forward.

But to deny us an opportunity so that each member could stand up and let their constituents know how they voted -- not by a voice vote, but by an individual vote -- I think is appalling.

And we request that right so that each of us know where we stand on this motion.

ACTING PRESIDENT STEWART-COUSINS: The question is on the appeal of the chair's

ruling. All those in favor that the chair is out of order please signify by raising your hand.

Announce the results.

THE SECRETARY: Ayes, 29. Nays, 32.

ACTING PRESIDENT STEWART-COUSINS: The ruling of the chair stands.

Senator Smith.

SENATOR SMITH: Madam President, I move to accept the message of necessity.

ACTING PRESIDENT STEWART-COUSINS: All those in favor of accepting the message of necessity signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT STEWART-COUSINS: The ayes have it. The message is accepted.

Senator Smith.

SENATOR SMITH: Madam President, on the bill.

ACTING PRESIDENT STEWART-COUSINS:

Senator Smith, on the bill.

SENATOR SMITH: Yes, Madam President. It is now 4:20, and we are here today to send a message to the 19.5 million people of the State of New York that their faith and trust can be restored as it relates to this body.

Over the last four to eight years, there's been concern --

SENATOR LIBOUS: Madam President, is this a controversial calendar or a noncontroversial calendar?

ACTING PRESIDENT STEWART-COUSINS: This is a noncontroversial calendar, Senator.

SENATOR LIBOUS: Lay the bill aside.

ACTING PRESIDENT STEWART-COUSINS: The bill is laid aside.

Senator Smith.

SENATOR SMITH: Madam President, can we please take up Calendar Number 11, Senate Print --

SENATOR LIBOUS: Madam President, I believe there are amendments at the desk.

Could I have them read.

Lay this bill aside.

ACTING PRESIDENT STEWART-COUSINS: We're not on the bill yet.

SENATOR LIBOUS: I got it.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will read.

THE SECRETARY: Calendar Number 11, Senate Budget Bill, Senate Print 250A, an act to amend Chapter 50 of the Laws of 2008, enacting the Public Protection and General Government Budget.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Yes, Madam President. Is there a message of necessity from the Governor at the desk?

ACTING PRESIDENT STEWART-COUSINS: There is a message of necessity from the Governor at the desk, Senator Smith.

SENATOR SMITH: I move that we accept that message, please, Madam President.

ACTING PRESIDENT STEWART-COUSINS: All those in favor of accepting the message of

necessity at the desk signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT STEWART-COUSINS: The message is accepted.

SENATOR LIBOUS: Lay that bill aside, Madam President.

ACTING PRESIDENT STEWART-COUSINS: The bill is laid aside.

SENATOR SMITH: Madam President, can we go back to the controversial calendar, please.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith, yes, the Secretary will ring the bell.

Senator Smith.

SENATOR SMITH: Madam President, can we please take up the controversial calendar, Calendar Number 10, Senate Print 249A.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will read.

THE SECRETARY: Calendar Number 10, Senate Budget Bill, Senate Print 249A, an act to amend Chapter 57 of the Laws of 2008.

SENATOR LIBOUS: Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous.

SENATOR LIBOUS: Madam President, I believe there are amendments at the desk. Could I ask that we waive the reading and ask for their adoption.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous, yes, we will, but first we must acknowledge Senator Smith.

SENATOR SMITH: Thank you, Madam President.

Madam President, is there a message of appropriation from the Governor at the desk?

ACTING PRESIDENT STEWART-COUSINS: Yes, Senator Smith, there is a message of appropriation.

SENATOR SMITH: I move we accept the message of appropriation.

ACTING PRESIDENT STEWART-COUSINS:

All those in favor of accepting the message of appropriation from the Governor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT STEWART-COUSINS: The message is accepted.

Senator Libous.

SENATOR LIBOUS: Madam President, I believe Senator Nozzolio will speak on the amendments.

ACTING PRESIDENT STEWART-COUSINS: Senator Nozzolio.

SENATOR NOZZOLIO: Madam President, on the amendment.

Madam President, there are many items in this legislation thrust upon us today that are troublesome, none the least of which is a $500 million sweep of funds from the New York State Power Authority into the general purposes budget of the state.

There are many, many items of this

action that are troublesome. First and foremost, though, in this time of dire economic consequences, to take that much revenue away from those enterprises that are going to be producing jobs is absolutely foolhardy. Particularly, as this sweep takes place, it's going to sweep upstate manufacturing jobs away from New York State.

From New York City to Buffalo and every city in between, Power for Jobs has been an excellent economic development tool, a job development tool. I just have a list here of literally hundreds of businesses that represent tens of thousands of jobs, in communities big and small, that rely on Power for Jobs in order to continue their operations.

We've heard so much about the upstate economy, so much about how there is sensitivity and a renewed sense of awareness of the problems of the upstate economy. Well, I can guarantee, my colleagues, that if this sweep takes place it will sweep jobs away from upstate New York.

That there are many, many cities impacted, from Cazenovia to Cicero to Oswego -- Seneca Falls, my home area, Rochester, Buffalo. All those manufacturing enterprises that rely on a Power Authority that is a Power Authority that has integrity, that has wherewithal, that has a program like Power for Jobs that this places that program in jeopardy.

And to do this today without a thorough analysis of the ramifications, and particularly the job development ramifications, will be -- the result of which will be serious consequences on our upstate economy.

This amount of sweep is unprecedented: $300 million-plus this year, $200 million-plus the next year. It is a sweep that will sweep away all opportunity that Power for Jobs was exemplary in upstate New York and all of New York State.

I also want to say we've heard so much rhetoric about global warming, about the need to develop renewable resources, about the

need to encourage those developments in New York State. Well, let me say that about 19 percent of the power generated in New York State is through renewable resources. And 18 percent of that -- excuse me, 18 percent. And almost 95 percent of the renewables are governed by the Power Authority. What are we doing here by jeopardizing the integrity of that enterprise?

Last but not least, what about the governmental enterprise of establishing authorities for a particular purpose? We've heard a lot of rhetoric about the need to reform authorities. I guess this is the way authorities are going to be reformed under this administration, and in conspiracy with this Legislature, in effect to sweep away -- that's not a reform. Sweep away without notice is adding insult to injury.

And not having the ability to analyze the job development impact of this decision is something that the amendment we proffer today will help to prevent.

ACTING PRESIDENT STEWART-COUSINS:

Senator Volker.

SENATOR VOLKER: Madam President, most people in this chamber don't remember that before I became the chairman of Codes in 1988, I was chairman of Energy. I was succeeded by more capable people, one of whom is sitting to my left here, Jim Seward.

But I do know a little bit about energy. First of all, part of the problem is this is not cash. The Power Authority does not have cash. It has hydropower. This is $500 million worth of hydropower, which would be cashed in, I guess, for the use of the Bureau of the Budget.

And it's not just Power for Jobs. There is a tremendous amount of hydropower used in Western New York as part of programs that help with companies in Western New York other than Power for Jobs. And the interesting thing about those programs -- something which, by the way, the local newspaper never really understood -- is that that power that is for businesses, if it's not used for businesses, goes back into the

residential grid to help keep power rates down.

Western New York has the lowest power costs in the state. Now, downstate costs are extremely high, and there's been all this talk. But the Power Authority's power that has kept rates down, and especially in upstate New York, there's no question.

To take this power away -- the problem is, what if we in the near future have an opportunity for a major company that wants to relocate in upstate New York? And in fact, the truth is it wouldn't even necessarily have to be upstate New York. It could be downstate New York.

We have sent some hydro to New York City after the 9/11 problem because New York City is in desperate need of power. When the towers are rebuilt, New York City will be at 100 percent of need for power. They have been way off in the power needs. We provide, in upstate New York, most of the power for New York City. It's no secret. That's one of the reasons we want this clean coal, because

we want to get power down to New York City. But nobody seems to want to pay any attention to it.

But the big thing here is what we're doing here is as part of a sweep for money, we're eliminating hydropower, basically, selling it off, and saying we're going to use it now to help get rid of a budget gap, not worry about economic development, not worry about taking care of jobs throughout the state. It's really wrong. And it's something that I think we should really look at.

It also presents an interesting question that should be looked at. The Federal Energy Regulatory Commission, a group called FERC, oversees hydropower throughout the state and particularly in Western New York. They just approved new contracts for businesses in Western New York. We almost lost the contracts because some people in Western New York wanted to put hydropower on the waterfront and cash in $2.5 million worth of hydropower to put to give to the

waterfront, and Congressman Tom Reynolds made an agreement with the Federal Energy Regulatory Commission to avoid them blocking the contracts. Which of course was never reported because that's, you know, the way things are.

But the truth is I'm not sure what taking away this kind of hydropower does to any contracts and agreements through the Federal Energy Regulatory Commission. And I'm going to have to look at that. And we're going to have to contact them and ask them whether this could be a violation of the rules and regulations of the Federal Energy Regulatory Commission.

And if, God forbid, it is, it could endanger jobs throughout the -- I'm not saying it is. I don't know. But I do tell you that this is the biggest power grab, to my knowledge, in the history of the State of New York. And I just think it's wrong.

And I would just ask Governor Paterson's people that they had better check into this and do it fast, because this could

be very, very dangerous.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator Volker.

Senator Ranzenhofer.

SENATOR RANZENHOFER: Thank you, Madam President.

This is the first opportunity that I have risen to speak, and I appreciate the opportunity to do so, I guess primarily because it's the first bill that we've actually acted on since I've been here. And this is one that really hits home to me.

The reason I decided to run for the Senate when Mary Lou Rath was retiring is because in Western New York and upstate New York, our economy is just being decimated because of the lack of jobs and opportunity. And as a result of that, we have a tremendous exodus of young people. People graduate high school, they go to college, and they don't come back. And the reason why they don't come back is because we don't have the jobs.

So I thought that running for the Senate would give me an opportunity to try to

do something about that, so we can create jobs and opportunity for our youth.

And it's ironic that the very first time that I have the opportunity to stand up and speak in front of my colleagues, that I have to speak about an item which is very hurtful to the community that I represent and the community that's represented by members here from Western New York and Central New York and, quite frankly, all of upstate New York.

What we need to do, in my opinion, is not to take actions which are going to just accelerate the exodus of people and job opportunities from upstate New York, Western New York in particular. And the fact is that we are allowing this Power for Jobs program and power which could be used for manufacturing companies, which could be used to lower residential rates, as being slashed.

This is really a back-breaker to the middle class, to small business, to companies that really need power in order create jobs. We're not just losing jobs

overseas, we are losing jobs to other states which can just produce jobs and create jobs more economically and more cheaply than New York State.

And for the very first time to have the opportunity to speak and to have to defend and have to talk about the fact that we are taking an action which is really going to hurt upstate New York and Western New York really pains me.

So I want to say that, I want to put that on the record that I'm opposed to this particular maneuver. I thought that when I came to the Senate we would be taking actions to help our citizens, to help our residents rather than to hurt them.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Hannon.

SENATOR HANNON: Thank you, Madam President.

I rise to discuss another part of this amendment, and that is the amendment that would increase what is known as the covered

lives assessment. This is a tax that's put onto health insurance premiums. And in the Deficit Reduction Act, there's a $240 million increase in this tax.

In recent years, since this was originally enacted, this tax has increased by 30 percent. But this increase alone would, downstate, increase premiums for the average family by $300 to $400 and upstate increase premiums by $150 to $200.

It's illogical, it's counterintuitive as to why would we be doing something to tax when we're trying to increase the number of individuals and families in this state who are covered by health insurance.

And the covered lives assessment is not the only thing that we're doing along this line. We are increasing the assessment on those costs of the Insurance Department known as the 332 assessment. It's another tax. It's increased in this main bill by $170 million. Once again, that's going to flow right through to the individual families, the individuals who are covered by health

insurance.

I don't understand it. We're looking in Washington for health reform. We're told there is, someplace in the administration, a universal health proposal. And what are we doing? We're going to be imposing a tax. And we know, when you raise the premiums, people drop their insurance. It doesn't make a heck of a lot of sense.

What also doesn't make any sense is the fact that this is not all part of the deficit reduction. Not all of this money goes to be appropriated or imposed before the 31st of March 2009. A big bulk of it goes into the 2009-2010 fiscal year. Why is that illogical? Because we have the House of Representatives, we have the U.S. Senate acting with very deliberate speed -- it's already passed the House of Representatives -- on an economic stimulus bill.

It proposes in that bill, in both versions, significant amounts of money that would come to New York that would be available for healthcare that would add many people to

the eligibility of who can get healthcare. And what are we doing? We're going the other way.

I mean, many of us have heard what happened in Massachusetts when they went to their almost a hundred percent coverage plan. There, they fined people if you didn't have insurance coverage for health.

Now what we're proposing to do is to tax you if you have it. I mean, this is just an illogical progress of what we're doing. I don't think that -- I just don't think this is the way to go.

There's some other parts of this bill that I'll discuss in the main, but the amendment deals with knocking these two taxes out, and I think it should be supported by everybody in this chamber.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator.

Senator Maziarz.

SENATOR MAZIARZ: Thank you very much, Madam President. If I could just switch gears back to the Power Authority sweep for

just a couple of minutes.

I want to start by saying that the Power Authority is, in my opinion, not a very well-run public agency in the State of New York. It has become in some respects a political dumping ground. It's been saddled with some extremely poor decisions and requirements by, and I want to say this loud so that everybody can hear it, by Republican governors and Democratic governors.

It should be the best tool that we have for economic development and job creation in this state. When under a Republican governor we did a sweep like this -- like this. Nowhere near to the extent of what you're doing here today. I think that sweep was like $47 million -- it was bad public policy. A sweep of $500 million is worse.

What this means is that power that is generated in Senator Aubertine's district, power that is generated in Senator Griffo's district, and one whole hell of a lot of power that is generated in my district is going to have to be sold to fund this $500 million

budget gaffe.

So when we go with a particular economic development job creation project to the Power Authority and say we need, oh, 35 megawatts of power for a steel plant, they're going to say: We don't have it, we had to sell it in order to fund that $500 million sweep that you did.

This bill, if you vote for this bill, this bill hurts Western New York. Senator Ranzenhofer was absolutely right. This bill will cost jobs, economic development in Western New York. This bill will cost jobs in Senator Aubertine's district. This bill will cost jobs in the Rome-Utica area that Senator Griffo represents.

I want to end by saying this was bad public policy under a Republican governor, it's bad public policy under a Democratic governor. This is a bad bill for upstate New York.

Vote for this amendment. Vote for creating jobs in Senator Aubertine's district and Senator Griffo's district, but mostly in

my district.

Thank you.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator.

Senator Winner.

SENATOR WINNER: Thank you, Madam President. On the amendment.

I rise in support of the amendment, but I want to get back a little bit as to why we're here with this amendment. And the reason why we're here with this amendment is once again what Senator Bonacic and Senator Griffo pointed out, which was the absolutely outrageous hypocrisy involved with the newfound rules-following by the Majority here -- whereby we had not just three men in a room, but three New York City Democrats in a room -- that produced this particular deficit reduction plan that some of us said during the campaigns and before we got up here this January that, you know, upstate certainly is at some risk here. We don't have anymore balance of power here or checks and balances that the Republicans had provided, and some

assistance in looking out for the interests of New York.

Lots of people said, Well, it doesn't really matter, we'll look out for upstate New York. And the first bill that we've got here to look out for upstate New York is a real body blow to upstate New York.

You know, we have some problems as far as costs of doing business in this state, and we have to have some viable economic development plans and we have to have some ability to have some type of growth to get ourselves out of the mess that we're in. And in order to have growth, you've got to have some ability to attract business and industry into our state, be able to compete with other states, be able to compete in the global economy.

And things that make it noncompetitive are the things that we're talking about today in the form of this amendment. We need to do something about the cost of power, and we need to do something

about the cost of healthcare, notwithstanding the fact that we obviously need to do something about real property taxes and the regulatory climate and all the other noncompetitive things that we have in New York State.

But what are we doing here? We're increasing the costs of power, particularly to upstate New York. We're increasing the costs of health insurance by the form of this covered lives tax and the 332 assessment. Obviously we're not doing anything in the main in Governor Paterson's proposed budget as it relates to economic development.

In fact, he's gutting the Empire Zone program in its entirety, the only mechanism that we have in the whole world to deal with these noncompetitive items. And yet the first thing that we've got on the agenda, the first bill of the Democrat majority is to further make us noncompetitive in New York, and particularly upstate New York.

And if that isn't a validation of the concerns that most of us had in upstate

New York about what might happen to us if we didn't have any checks and balances or any protection -- I mean, here it is in black and white.

This is unbelievable. The Power Authority can't get this money to the General Fund without preventing it from being available to lower the cost of power to many of the manufacturing facilities in upstate New York, in Western New York in particular.

When we talked about trying to do Power for Jobs in the last couple of years, when we talked about how to fund Power for Jobs, we had to find out how we could get the Power Authority the money in order to subsidize the power that they were going to deliver to the manufacturing facilities that we want to provide the power to to provide the number of jobs that we have.

So what we have here is an undoubted and absolute assault on upstate New York. And it is really a testament to the warnings that we put out there that what was going to happen in the state. And I am

fearful that this is only the beginning and that, without some type of reversal of this type of attitude and proposals, we are going to see nothing other than further guidelines in our upstate regions.

I urge the adoption of this amendment.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator.

Senator Seward.

SENATOR SEWARD: Thank you, Madam President.

I also rise in support of the amendment on the floor. And I'd like to build on the comments of Senator Hannon in terms of the impact on insurance consumers in New York State, the impact of this deficit reduction package without the amendment passing before us.

You know, let's face it, one of the primary concerns of a family sitting around the kitchen table every night for dinner is the expense in terms of how they are going to continue to afford health insurance for

themselves and their families. Or how are they ever going to get health insurance for themselves and their families.

And at a time when both in Washington and in most other state capitals the legislators and governors are seeking innovative ways to make healthcare and health insurance coverage more affordable for small businesses, for families in those other jurisdictions, what are we doing here in New York with the first piece of legislation coming before the New York State Senate in the year 2009?

We are not only protecting the status quo, we are making it worse by driving up healthcare taxes at a time when New Yorkers can least afford it -- $240 million, a one-third increase in taxes on health insurance policies. One-third increase on taxes on health insurance policies.

Businesses are already struggling to meet the soaring costs of health insurance and healthcare costs. And what are they going to do when this cost is potentially passed on

to them? They're either going to pass that cost on to their employees, who can ill-afford it, or many small businesses in particular are going to have to make that tough decision to drop health insurance entirely for their employees.

That's a dilemma that's being forced upon too many small businesses, too many families in New York State if this piece of legislation passes. This is a financial killer for small businesses and families in New York State who are struggling to afford health insurance for themselves and their families.

It's a job killer also. By raising tax on health insurance, this legislation would make it more costly to do business here in New York State at a time when we should be going the other way and backing costs out of doing business in New York. Let's attract business and new jobs to New York rather than driving it out through higher costs, through higher taxes in this case on their health insurance. It's the wrong way to go.

What's it going to cost? I'll repeat what Senator Hannon said. This translates into an annual health insurance premium increase of $300 to $400 for downstate residents. That's not going to give them any new coverage, that's not going to do anything for them except drive up their costs and potentially they'll lose their coverage. Upstate, it's a $150 to $200 annual increase for upstate residents just because this bill may pass the New York State Senate this afternoon.

And this bill doesn't just hurt health insurance consumers, this bill hurts insurance consumers of all types because of the increased assessments -- now, I'll call them taxes -- on all insurers in New York State in terms of their assessments to fund the Insurance Department.

In other words, this money should go to operate the Insurance Department. That was the original intent of these assessments. But this deficit reduction plan before us goes way beyond that, $177-plus million of

increased taxes on life insurance, on homeowner's insurance, on auto insurance through increased taxes on all forms of life and P&C taxes -- not to fund the operation of the Insurance Department, but just to merely flow through the Insurance Department out for other purposes in the state budget.

So, Madam President and my colleagues, please support this amendment if you want to give a break to hard-pressed small businesses, hard-pressed families in New York State who are struggling to afford health insurance, struggling with their homeowner's insurance premiums and their auto insurance premiums to boot.

You know, a yes vote for this deficit reduction plan is a no vote for insurance consumers in New York State. Because I will remind you, you are not taxing insurance companies with these new assessments and these new taxes. The insurance companies will not pay this bill. Insurance consumers and premium payers are going to pay this bill through higher premiums. That is the result

if this deficit reduction plan passes today.

My colleagues, there's got to be a better way to deal with our deficit than to hit these small businesses and these insurance consumers of our state.

I support fully this amendment, and I urge its passage.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator.

Senator Bonacic.

SENATOR SMITH: Madam President, point of order.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Yes, Madam President, under Senate Rule IX, subsection 3(d), debate on a motion is limited to 30 minutes per conference. I ask that we bring the amendment up for a vote, please.

ACTING PRESIDENT STEWART-COUSINS: Secretary, please ring the bell.

Senator Farley, why do you rise?

SENATOR FARLEY: I would like to speak, if I might, on this amendment.

Generally speaking, we've extended the courtesy to speak. I'd like to speak on this amendment, if I could.

ACTING PRESIDENT STEWART-COUSINS: Senator Farley, the rules preclude any discussion on this --

SENATOR FARLEY: I'm asking the Majority Leader if I may have permission to speak.

ACTING PRESIDENT STEWART-COUSINS: Senator Farley, we're going to proceed to a roll-call vote.

SENATOR LIBOUS: Madam President, point of order.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous.

SENATOR LIBOUS: Was Senator Farley denied an opportunity to speak on the floor?

ACTING PRESIDENT STEWART-COUSINS: Absolutely not. Senator Farley was out of order. He was speaking to the Majority Leader.

And at this point I think you

heard, Senator Libous, that we have begun to ring the bells.

SENATOR LIBOUS: So he was denied an opportunity to speak. The Majority Leader denied him an opportunity to speak on the floor?

ACTING PRESIDENT STEWART-COUSINS: We've exhausted the time to debate on the bill. I think that's what you heard.

SENATOR FARLEY: I didn't hear that. I thought I asked the Majority Leader if I might have permission to speak, but apparently I don't get an answer.

ACTING PRESIDENT STEWART-COUSINS: On the amendment, the Secretary will call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT STEWART-COUSINS: All those in favor of the amendment please raise your hand.

SENATOR LIBOUS: Madam President, slow roll call on the amendment.

ACTING PRESIDENT STEWART-COUSINS: A slow roll call not in order. It is in order

on the final passage of the bill.

SENATOR LIBOUS: Can you recite, Madam President, the rule, please?

ACTING PRESIDENT STEWART-COUSINS: Rule VIII, Section 6, subparagraph (b) allows for a slow roll call on the bill. This is a non-sponsor amendment.

SENATOR LIBOUS: Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Those in favor of the non-sponsor amendment please raise your hands.

The Secretary will announce the results.

THE SECRETARY: Ayes, 29. Nays, 32.

ACTING PRESIDENT STEWART-COUSINS: The amendment fails.

Senator Smith.

SENATOR SMITH: Yes, Madam President. On the bill.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith on the bill.

SENATOR SMITH: Thank you, Madam

President.

Colleagues, today we are doing what the people of the state have asked us to do; that is, to do the people's business. Had, in fact, we had taken this bill up back in December, early November, we would not be here today debating whether or not we would be putting this DRP package before us.

That being said, our colleagues have taken the time, have done the research, have put forward a bill that while we all know there is much more to be done, this is sending a message not only to the 19.5 million people in the state but also, as some of my colleagues have indicated, we are sending a message to the rating companies who now understand that we can be responsible to balance our budget for this year.

We are also sending a message to Washington, D.C., who has also asked the question before they give us our stimulus money, are we being responsible enough and can we be responsible enough to make the tough decisions to balance our budget.

Well, today we are doing that. We are sending a message to our President, Barack Obama, to our Congress. We are sending a message to the rating companies. We are sending a message to the 19.5 million people who have said this body is dysfunctional. They've said that we can't get anything done. They said if you had a Democratic Senate and a Democratic Governor and a Democratic Assembly, nothing will happen.

Well, Madam President, today something is happening. And what is happening is what the people have asked for.

I heard my colleagues recite numbers. I'm not determining whether or not those numbers were accurate or not. But what I will say is that what we are doing is simply sending a message. All of you are Senators, all of you have been elected, all of you have heard the public, editorial boards as well have come and said to us can we get this done.

Now, are the numbers exactly where you want them? Are they perfect? Do they exactly speak to some of the concerns that all

of us have raised? Maybe it does, maybe it doesn't.

But I will tell you one thing. What you will do when you go home this week, you will be able to take credit when those editorial boards say, Guess what, they finally acted like adults. They were able to make tough decisions.

Do you think these are all easy decisions? Absolutely not. But you know something? Sooner or later we have to prove to everybody that we are what we say we are, and that is one of the best bodies in this country.

Do you think what is happening in Washington is easy? Do you think what is happening in some of your local towns is?

I was in Binghamton just not too long ago. They have difficult times up there. Senator, you know it like I know it. However, what they said to me, what they pleaded to me was: "Senator Smith, please make sure you can do the deficit reduction package so that we can balance our budget."

When I was up in Syracuse, same statement. In Buffalo, same statement. Long Island, Senator Marcellino, same statement. Your friends, your business associates, your organizations said, "Senator Smith, please go back to Albany and pass a deficit reduction package."

And you know what I told them? I said, "I will do the best that we can." And their response to me was: "You know something? I know you will, but I bet you your colleagues can't get it done."

So guess what? Today we prove to those people in Binghamton, in Syracuse, in Buffalo, in Watertown, in Suffolk County, in Nassau County, in New York City, in the Hudson Valley that we can do what it takes to prove that we can handle our business.

And that's what we're doing today. We are simply handling our business. This is no longer a dysfunctional body, it is a functional body. It is a functional body that says, you know something, I'm going to take a step to show the people that we can handle our

business.

Next year, next month we have to deal with a $13 billion-plus deficit. $13 billion-plus. How are we going to get there if we can't even take care of $1.6 billion?

Take your time. Get yourself ready for next month. This is not the hard part. There's no question about it. Can't things be done a little bit different? No question. We've have loved to spend the time and did everything right now. But that's not going to happen. The process doesn't work that way. What we now have is step one. Step two is that $13 billion.

And can we cut our way back to prosperity? No. Do we need the stimulus package? Yes. But how do we get the stimulus package? How do you go to a bank and say "I'm ready to handle my notes" if you can't show them that you're going to bring something to the table? Well, today we're bringing something to the table.

The President of the United States,

the Congress of these United States is going to hear the message that New York State is ready to handle their business. You should be proud of what is happening here. Whether you like the microparts of it -- you have a right not to. But what you don't have a right not to do is not to say to yourself that I'm going to be part of a body that's going to prove to the rest of this country that we are once again the Empire State.

And that's what we are proving today, ladies and gentlemen. That's all we're doing. Forget about the microchallenges in the budget. Forget about the fact that you have a concern about what's happening with the Power Authority, who incidentally has to vote on agreeing that we can do what we're -- the Governor can't take their money away, the board has to vote on that. So that gets approved by the board, not by us. We're doing simply what they said they want us to do.

And that's what we're going to be doing going forward. Understand the posture that we're going to adopt this year. Let me

make it very plain and clear, because it will make it better for you when you're sitting down talking to the advocates. No more top-down management. No more imposing our will on the public or imposing our will on the advocates. We're changing the paradigm.

The paradigm says "bottom up." We're going to ask them, if we come up with a number that's $50 million, that's $100 million, we're going to say to them: You tell us. You tell us, Senator LaValle, higher education. You let the higher education people tell us what they want to do and how can they get to that $50 million.

We're not going to tell them anymore. We're not that smart. Okay? We're not as smart as the industry experts. So now is their time, in a tough moment, to tell us how to do this. And then we will move forward.

So this is the beginning of a new process. And I know it's not easy to accept. But understand that what we are simply doing today is telling the people of this state that

we can balance our budget. The $1.6 billion that needs to be done today, that's going to be done in the Assembly as well -- first bill, as you called it, being done today -- is simply telling Washington, is simply telling the rating companies, is simply telling the 19.5 million people who think that we can't get the job done when there's tough decisions like this, that we can get it done.

This is simply an answer that the public has been asking for, and today we're giving it to them, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Saland, why do you rise?

SENATOR SALAND: Would Senator Smith yield.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith, will you yield?

SENATOR SMITH: Sure, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith yields.

SENATOR SALAND: Senator Smith, you certainly addressed us with a rhetorical

flourish. And somehow or other, with all due respects to the Majority Leader, I'm not sure that rhetoric trumps facts.

I heard you say, near the end of your remarks, no more top-down. Bottom-up. Was there some kind of process that I missed, an open process in which representatives of both parties as well as representatives of a variety of advocacy groups, good government and maybe even bad government groups were invited to participate in this modest, as you point out, $1.6 billion proposal? Did I miss something in this new paradigm?

SENATOR SMITH: Madam President. Through you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: No.

SENATOR SALAND: I didn't. So it wasn't exactly an open process, it wasn't exactly an open paradigm, it's sort of business as usual. Is that not exactly what just occurred here?

You also said -- if I've misspoken,

please tell me I've misspoken.

SENATOR CRAIG JOHNSON: Point of order, Madam President.

I believe that Senator Saland is supposed to address all questions through you and continue to ask the Majority Leader if he would continue to yield the Senate floor. I believe that is something that he's required to do.

ACTING PRESIDENT STEWART-COUSINS: Senator Saland.

SENATOR SALAND: Thank you, Madam President.

Through you, Madam President. Senator Smith, have I in fact --

ACTING PRESIDENT STEWART-COUSINS: I believe the question is whether Senator Smith continues to yield.

SENATOR SALAND: Oh. He doesn't want to yield to me any longer?

ACTING PRESIDENT STEWART-COUSINS: You have to ask the question.

SENATOR SALAND: Oh, all right. Will Senator Smith continue to yield?

ACTING PRESIDENT STEWART-COUSINS: Senator Smith, do you yield?

SENATOR SMITH: Yes, I yield, Madam President.

ACTING PRESIDENT STEWART-COUSINS: He yields, Senator Saland.

SENATOR SALAND: Thank you.

Senator Smith, you in your remarks I guess had defined a new paradigm. And I'd like to -- if you would share with me the process of this new paradigm that brought this bill to the floor at this time and this place and to this side of the aisle at about noontime today.

And I believe I had asked you what other groups were involved. Were there subgroups, were there open meetings, were there hearings? Did the sun shine on this process so that people knew what was going to happen today when we arrived here for the message of necessity?

SENATOR SMITH: Through you, Madam President, the process started back in December, I believe, when we were in the

minority, and we completed it today. Thank you.

SENATOR SALAND: Would Senator Smith continue to yield?

SENATOR SMITH: No, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith does not continue to yield, Senator Saland.

SENATOR SALAND: I'm quite taken aback by that. I've rarely seen that courtesy extended -- or discourtesy extended by one member to another.

ACTING PRESIDENT STEWART-COUSINS: Senator DeFrancisco.

SENATOR SALAND: Do I still have the floor? May I -- do I still have the floor?

ACTING PRESIDENT STEWART-COUSINS: No, Senator Saland, you rose and I asked you why you rose.

SENATOR SALAND: May I go on the bill?

ACTING PRESIDENT STEWART-COUSINS:

Yes, Senator Saland, on the bill.

SENATOR SALAND: Thank you.

Madam Chair, Madam President, there were some comments I just jotted down which I found particularly interesting. I heard the Majority Leader, and he referred to particular communities in upstate New York and other parts of the state. And the comment which he said was "your friends, your businesses said to get it done." I believe that accurately either were his words or a reasonable facsimile thereof.

And am I to construe by that that businesses and my friends were asking for large and staggeringly large increases in their health insurance premiums? Because that assumedly is one of the conclusions I'm supposed to reach by those rhetorical comments.

I heard that we're simply handling our business, we're no longer dysfunctional, we're a functional body.

Today is February 3rd. It's a Tuesday. This is either the third or fourth

week we've been here in session. And I must have missed any number of bills that we passed in the preceding two or three weeks when we were acting functionally. Because it seems to me, unless something went by me with such lightening speed that I couldn't comprehend it, that this is the first bill that we're doing after being here for some three or more weeks.

If that is somehow or other an indication of the new paradigm, and if that is an indication of what constitutes functionality, woe be the people of the State of New York as to what's going to follow over the course of the coming weeks.

I heard Senator Smith say we're here to do the people's business. I fear that what is happening here today is that the people -- many of the people in my community in the Hudson Valley, and many of the people in upstate New York -- are not getting the benefit of the business. I think what is happening here today is that we're doing it to the people.

If you believe in tax-and-spend, this certainly is a good way to start off your game plan. I don't subscribe to that theory. I think we could have been far more responsible.

And we might have been able to get there in some reasonable consensus fashion had there been an effort on the part of the majority, even a modicum of courtesy to this side of the aisle to see if in fact something could have been reached, instead of going back to the now infamous three men in a room or, as one of my colleagues had said a bit earlier, three New York City Democrats in a room. There is a rest of the state, and this somehow or other doesn't treat them particularly well.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, I've been sitting through the budget hearings ad nauseam over the last three weeks. And I thought the purpose of the hearings was to hear from the people and try to get their

input and make some decisions based upon information that we received and the best way to get things done.

And quite frankly, with all due respect to the new Majority Leader, I'm not very proud today. I'm not very proud today for several reasons.

First of all, I don't honestly remember any time when there was a motion on an amendment for someone who's gone beyond the time frame that the Majority Leader didn't say fine, give the other individual an opportunity to speak on it. I don't remember that.

I don't care what the rules say. If we're going to be proud of a body that gives everybody the opportunity to speak, well, I think that was not within that rule -- same thing, I don't remember Senator Bruno ever not answering a question posed by the minority. And I guess the problem was it was a very uncomfortable position to be in to try to answer factual questions over and above the rhetoric.

This is not a new paradigm. This

is not a new way to do business. This is the way that it's always been done. And you can clearly say, as some editorial pages did after our first day of session when no new rules were really adopted, that, well, that's the way the Republicans used to do it.

Well, there's one big difference. There's one big difference. And that big difference is there was a party and a group of people that campaigned on reform, reform, on reform. That same party brought lawsuits to make reform happen. That same party pledged by becoming the new majority, they were going to have a new paradigm, a new way to do business.

Well, it's not. And to suggest that it is is an insult to everybody's intelligence not only in this room but any other room. Because there was no input. This came out today at 12 o'clock.

Now, with respect to the substance of the whole business, I don't know who the Majority Leader was speaking to in Syracuse and Binghamton and other places. There is

nobody in my community that wants healthcare dollars, the cost of healthcare increased by $100 to $300, $400. I don't know that anybody has said that.

In fact, it's the opposite. We can't afford healthcare, our businesses can't afford it, we have to cut people because we can't afford the cost of giving them healthcare.

No one said that. No one said "Take away our Power for Jobs." No one said "Take away our economic ways to stimulate the economy."

You know, there's a big difference between -- there seems to be an analysis of trying to show that we're in line with the new President and the stimulus. This is not a stimulus package, this a stimu-less package. Because we are cutting out those tools that we have and increasing taxes to make it more difficult to create jobs.

This is not what the people around the state are talking about. They're talking about cutting government, consolidating

services, getting rid of needless authorities, consolidating agencies. They're talking about cutting, cutting so that we make up for situations where we've spent too much.

And that's everybody's fault that we spent too much. That's the way we get back. Families are telling us, "We're cutting things out of our budget because we can't afford it anymore." Businesses in my district, they're cutting jobs in the thousands. They're cutting because they can't afford it.

Except for us. What we're doing, we're not cutting to reach this deficit just for last year, we're adding more burden on those people in every household. We're adding more burden on every business. And we are making it more likely we're going to lose more jobs rather than less.

I just want to just mention one thing about the Power Authority, because there's a list here -- I've got a list of all the different companies, manufacturers upstate. And we're supposed to be -- this is

going to be upstate -- upstate is the concern of the Governor, upstate is the concern of the new Majority.

Upstate, look at this list of who gets affected by the Power Authority, who gets affected. I've got a bunch of them, at least 15 of them in my district.

Just to give you an idea, Senator Valesky's district: Clinton's Ditch Cooperative Company. Dynalectric Laboratories, Inc. Dye Molding Corporation. All create jobs. Marquardt Switches, Inc. Pelco Electronic Corp. Queensboro Farm Products, Inc. Syracuse Casting Sales Corp. Thermamold Corp. And I know I missed some.

Senator Aubertine's district: Canton-Potsdam Hospital. Chapin Watermatics. Clarkson University. Samaritan Medical Center. Schneider Packaging Equipment. St. Lawrence University. Stature Electric. Turbine Engine Technology Components. I'm sure I missed some, because I don't know his entire district.

But upstate, Central and Northern

New York gets killed by this. The tools we need to keep those companies there and create new jobs are hurt for us.

So I guess what I'm saying is not only with respect to the process, this stimu-less package hurts business and hurts, more importantly, the jobs that are created and the people that would like to work and would like to have health insurance.

So hopefully when we get through this, hopefully it's not a charade. I believe it is. But hopefully when we get through the 90 day charade about reform where we're having hearings all throughout the state, that I can be -- that everyone on this side of the aisle can stand up to me and say, You were wrong, Senator DeFrancisco, because we reformed real reform, and we didn't just go around the state to postpone the inevitable. Real reform. And that this was simply an aberration today, an aberration that will never happen again.

I'd love to be told that I'm wrong 90 days from now. But I've got a feeling that if this is our first step on openness and the

new paradigm, and this is our first step as to how to help the people of the State of New York to get our finances in shape, then we've got a long two years coming up.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator.

Senator Carl Kruger.

SENATOR CARL KRUGER: Thank you, Madam President.

In order to properly frame what we're talking about today, perhaps what we have to first do is look at the basis under which we were functioning over this last month and a half. The proposal by the Governor in order to narrow this deficit and bring us into a budget for this year showed cuts to hospitals of assessments, $361 million; graduate medical education, $23 million; rate cuts, $84 million; trend cuts, $97 million. A hit on hospitals of $306 million.

A quarter of a billion dollars, a quarter of a billion dollars was to go to cuts to nursing homes. In addition, over

$150 million was to go to cuts for home care and for personal care. And $15 million was a hit on our community colleges.

That's what we were left with. And through that morass, we were charged with the responsibility of developing a deficit reduction plan that protected those that need us the most, the people that are not here today to speak: the poor, the sick, the elderly, the developmentally disabled, those people that we come to Albany to try to protect.

And this plan does just that. It protects them. It protects them through March 30th of this year. It balances the budget. It puts us in the position we were able to bring fiscal control, we were able to use cash that was on hand, that was held by agencies or in depositories.

And when people want to characterize this as gimmickry or they want to say there was some kind of a plan or a scheme, well, whatever they want to characterize it as, the fact of the matter is that today we

are able to pass a plan, a plan that is a nuts-and-bolts, common-sense approach towards closing down your books.

If this was a private business and we were to have to go to our year-end close, this is exactly what we would be doing. What we're doing here today is not much different than what we did in the past, but we called it accruals. And we kept on moving it over. Well, there will be no more accruals. We'll start with a pay-as-you-go policy. That's true reform.

That's to say that today we're sweeping out of accounts that were laying stagnant, and unused funds, and moving them in a positive direction. What we're not taking out of those accounts as sweeps are being used under the authority of the very boards under which they were created.

The CUNY and the SUNY money that's being transferred over was transferred over by the boards of SUNY and CUNY. And to do that and to respect the needs of the students that would otherwise need TAP to get through that

tuition increase, we're doing that by adding $8 million to the current budget in order to protect them with a TAP allocation.

When we want to look at other parts of this budget, people have spoken about the issue of the Power Authority and what we're doing to small businesses upstate. Well, you know, I'm new at this, so I've been doing a little bit of reading, and I tried to put this into my own perspective.

Well, if we look at the Laws of 2008, Chapter 57, we've done this in the past. The numbers may have been different, but the facts are still the same. And the facts say today, as they said then and they'll continue to say, that what we're doing is we're not affecting small businesses, we're taking approximately $109 million that's sitting in a reserve fund that is supposed to be used for cleanup to a federal depository that has never been touched or needed by the Power Authority.

We're talking about the balance of funds that is being held, once again, by the Power Authority for debt service and for

operating expenses which they don't need. And at the end of the day, it will have no effect on small businesses, it will have no effect on anyone except the Power Authority.

Which, lo and behold, we know what authorities are all about. No matter how you want -- you know, someone said that, you know, you can put lipstick on a pig, but it's still a pig. Well, you know what? We know what authorities are all about.

For all too long, when there wasn't reform, when there wasn't reform, we said that authorities was a good way of government not acting. So when we didn't know what to do, we appoint a commission or we empower an authority. We have that commission make a study, produce a report that no one ever reads, spend all kinds of money to do it, and we feel good about ourselves because we've done something effectively.

Well, now we have authorities. And whether it's the MTA or so many other authorities that this state is burdened with, it's going to be our responsibility over the

months and the years ahead to look at them and how they operate and what can be consolidated and what can be changed about the way that we're doing business.

Let's talk for a moment, let's talk for a moment, Madam President --

SENATOR NOZZOLIO: Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Nozzolio, why do you rise?

SENATOR NOZZOLIO: Madam President, will Senator Kruger yield?

SENATOR CARL KRUGER: No. Through you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Nozzolio, Senator Kruger will not yield.

Senator Kruger.

SENATOR CARL KRUGER: Thank you, Madam President.

On the issue of the question of insurance and how we're going to drive small businesses out of existence and we're going to so burden people that they're going to have to

give up their health insurance, well, lo and behold, the way current law exists, not until January of 2010 will these numbers kick in. So the only people that are going to be burdened with this $120 million --

SENATOR NOZZOLIO: Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Nozzolio, why do you rise?

SENATOR NOZZOLIO: Will Senator Kruger yield?

SENATOR CARL KRUGER: Through you, Madam President, no.

SENATOR NOZZOLIO: Madam President, point of order.

ACTING PRESIDENT STEWART-COUSINS: Senator Nozzolio.

SENATOR NOZZOLIO: In 17 years, I've never refused to yield to any member's question. And Lord knows I've had hundreds of questions during this period. It is, I guess, the new majority.

My point is this. Under what grounds does Senator Kruger not yield?

SENATOR CARL KRUGER: Through you, Madam President, I'm not finished.

ACTING PRESIDENT STEWART-COUSINS: Senator Kruger.

SENATOR CARL KRUGER: Thank you.

Let's talk about the issue of insurance for a moment, $120 million. As I said, January 2010 will be when the insurance companies -- the insurance companies right now cannot pass on rate increases under current law. So, rather, they will have to absorb this increase.

Well, you know what? Of all the people, of all the people that we're concerned about protecting, the one piece of the world that I'm least concerned about protecting right now are the insurance companies.

What we have to be concerned about are protecting those people that are paying the insurance companies, the people that are being denied healthcare insurance, the providers that are being put out of their businesses because insurance companies are not doing what they're supposed to do.

So you know, when we want to -- and I can go on and on, Madam President. And I know that there are going to be a number of questions which I will be more than glad to try to answer. But at the end of the day, when people want to talk about reform and they want to talk about good government and they want to talk about the way things are and the way things were, then I guess what we have to really do is put things in their proper perspective.

Rather than saying that the new majority is charged with the responsibility of undoing what the old majority did, what we have to better say today, today is the beginning of a new day in Albany. It is the first bill that the Democratic majority is passing today in the Senate. And under the leadership of Senator Smith, we're going to have a lot of bills that pass through this house. And a lot of bills that are not going to be one-house bills, but bills that are going to become law.

And when that is completed, what we

will have accomplished is that we will have spoken for those people that cannot speak for themselves. That we will have created a new agenda, a new spirit, a new sense that cooperation should be the byword here.

And my reaction on the floor today is an outgrowth of what I perceive to be the sense of ill will on the other side of the aisle.

And if we can walk away today as partners in a cooperative effort, as Senator Smith pointed out, today is the pots and pans; tomorrow we get to the Picassos. Tomorrow we have the real fight on our hands.

Tomorrow we have to figure out a way of closing a $13 billion gap with sweeps that will not exist anymore, with opportunities that we're taking today to show the bond companies, to show Washington, to show everyone that we are responsible, that we have a balanced budget, that we are going to be able to move in a new direction, that we are entitled to that stimulus package, that we can go out and bond that stimulus package and

bring more money back to all of those disenfranchised and disillusioned New Yorkers who really believe that Albany was dysfunctional. Today is the new beginning of functionality.

Thank you, Madam President.

(Applause.)

ACTING PRESIDENT STEWART-COUSINS: Thank you, Senator Kruger.

Senator Young.

SENATOR YOUNG: Thank you, Madam President. On the bill.

I listened to Senator Smith and Senator Kruger very intently. And if today is a new day here in Albany, today is a very, very sad day in Albany, when people are not allowed to speak on the floor, when people are not allowed to be involved in the process, when the negotiations on this bill were held in secret, the public was not allowed to know what was going on, the groups were not allowed to know what was going on, half of this Senate body was not allowed to know what was going on.

And this is your idea of reform? It's a joke. It's a joke. And you should be ashamed of what you're doing here today.

You know, Senator Smith said this is what the people of New York State asked us to do. Nobody in my district asked me to take measures on this floor so that they'll lose their jobs. Nobody in my district or in this state has asked us to take actions where they are going to not be able to afford their health insurance.

This is a joke. Senator Smith said that we are sending a message today to the people of New York State. Well, I will say to you that this is the wrong message. Because the message is, to the people of upstate New York especially, drop dead.

How can you sit there, how can you sit there with a straight face and do what you're doing today? Wake up. Because there's a news flash for you. In October, November, December, this state lost 103,000 jobs, over 100,000 jobs. Forty-nine thousand of those jobs, almost half, happened in the month of

December.

And yet we sit around, we raise taxes on people, we take actions so that people will lose their jobs. We are making a terrible situation even worse. And you, on that side of the aisle, are the architects of this fiasco. You should be ashamed.

So I would urge my colleagues to vote no on this bill for so many reasons. So many reasons.

But I have to tell you, again, this is a very, very sad day here in the Senate chamber. It's a sad day here in Albany. And most of all, it's a sad day for the people of New York State. And you should not be pushing this legislation through in the manner that you're doing it.

ACTING PRESIDENT STEWART-COUSINS: Senator Marcellino.

SENATOR LARKIN: Thank you, Madam President.

SENATOR MARCELLINO: Marcellino, Larkin.

(Laughter.)

SENATOR LARKIN: Oh. I thought "L" came before "M."

SENATOR MARCELLINO: I know Senator Larkin and I look a lot alike --

SENATOR LARKIN: Now, wait a minute. You got hair.

SENATOR MARCELLINO: I want more.

I rise to talk about the Environmental Protection Fund. Recently Senator Thompson, the new chair of the Environmental Committee -- which I hope to have a working relationship with, and I'm sure I will as the days and months go on -- sent a letter around where he mentioned the EPF and said cuts in the EPF should be equitable, fair, and that the cuts proposed in this coming package are excessive and should be reduced and the funding stream for the EPF should not put off into a risky bottle bill which nobody knows what the money will come from, but should stay where it is now currently in the real estate transfer tax.

I signed that piece of legislation, along with other people, because I felt

strongly about that.

I too will be circulating a letter, and I hope Senator Thompson will cosign that letter, which I propose to send to the Governor, to ask that this cut on the EPF be rescinded and that the EPF not be used to balance the budget on the backs of the environment.

The environment is a key. We worked a long, long time to establish a steady funding stream for the EPF. When I first came here in 1995, the EPF was only about $25 million and not guaranteed and not funded. It took us a long time to get to a piece of legislation which guaranteed the EPF to be $250 million last year and should have been $300 million in this year's budget, in the 2009-2010 budget.

That's all being wiped out in this proposal. This proposal intends to bring this EPF down to $205 million. Money being swept -- from where to what, I have no idea -- being thrown into the General Fund.

The Governor talked in the State of

the State about renewable energy and that we have to be developing a renewable energy portfolio, yet he zeros out solar initiatives in this budget. The priorities of this EPF cut are misplaced, totally misplaced. We have funding for breast cancer research zeroed out. We have funding for the pesticide registry zeroed out.

Yet the Department of Health, in the year that they provide us with the last statistics, tell us that in Kings County, in Kings County, 1300 new kinds of breast cancer appeared. In Erie County, almost 800 new cases of breast cancer appeared. In Niagara County, nearly 200 new cases of breast cancer appeared. On Long Island, Nassau and Suffolk combined on Long Island, almost 2300 new cases of breast cancer appeared.

Yet we are cutting out breast cancer research, yet we are cutting out of the EPF money to establish a database on pesticides which most of us believe are prime causes of that dreaded affliction.

I would suggest that we have

misplaced priorities. I would suggest that when we see -- although I don't argue with the point that you might want to celebrate the quadricentennial of the discovery of the Hudson River. I won't argue about that as a subject.

I'm just going to argue that when you put in this project, in this plan that we're supposed to vote on today, $4 million, $3 million to fund it directly and another million out of the Hudson River estuary account, which was cut to $5 million from $6 million with the statement that a million dollars must be spent on these celebrations.

So we're going to have parties up and down the Hudson River to celebrate the quadricentennial of the discovery of the Hudson River by Henry Hudson -- who, by the way, was so despised by his crew he was abandoned, set adrift and was never heard from begin.

So it becomes a problem when we celebrate that. Again, you might want to do that. I don't know if you fund it out of the

EPF. I suggest that's not the place for that kind of funding when we are cutting research for breast cancer and the establishment of a pesticide registry. I think our priorities are misplaced.

Senator Smith, I respect you, I respect the position you now hold. Yet I do not wish to take credit for such cuts. I don't think that's the appropriate way to do it. I think we could have worked it out had there been some serious communication. You talked from the bottom up. Okay, I can accept I'm on the bottom. But no one consulted, no one asked for any ideas, no one thought to say, hey, Marcellino, you've been there for a while, what are your thoughts on the EPF? How do you think we might go? Where do you think we might get some additional funds?

I have some recommendations I might have provided. I mentioned them in the Finance Committee hearings when the four chairs stood up and I complained that all we were hearing was the same-old same-old.

The Commissioner of Parks was

praising this Governor's proposal, saying that well over $2 million, and I forget the exact account, there were $2 million put in this particular account that she thought was absolutely fantastic. This was going to serve us well. Yet if you rolled it back and you looked at that it, the prior year's authorization was $19 million. So there was a $17 million cut, and she was saying it was the saving grace of the environment. I find this incredible.

We have a problem in our priorities here. If you want to balance the budget, I suggest we should not be doing it on the backs of the environment. We're talking about health, we're talking about water quality, we're talking about preservation of open space, we're talking about stewardship programs, we're talking about things that take place in every single member's district.

Every single member in this room has a project, has a purchase of land to preserve open space, needs clean air, needs clean water. The EPF has been the driving

engine to do that. That has been the engine that has been driving all of these great projects. Yet we are permanently reducing the EPF from the $300 million it was supposed to go to, to $205 million. And we're taking that money, we're sweeping it out and we're putting it someplace in the General Fund to balance the budget.

Now, Senator Kruger is right, it's been done before. And I complained about it before. Ladies and gentlemen, do you know that we have almost a half a billion dollars in sweeps from the EPF? Almost a half a billion dollars. The sweep proposed in this project, in this program, equals half of that. Equals half of that. $275 million in sweeps in the language from this proposal.

That's ridiculous. That is excessive. That is balancing the budget on the backs of clean water, clean air, and open space preservation. That's wrong. That's wrong. We shouldn't be doing that. There are better ways, sir. There are better ways to do this.

And I suggest that had we had the hearings, had we had some meetings, we could have come to a decision, we could have made recommendations as to how we might have done it better and where we might have found the money that's necessary to make the balances that we need to make.

This is wrong. The priorities are way out of whack here. And I would suggest, if this is the new way to go, we'd better look for a detour, because your road map is wrong.

Let's find a different way. Let's work together and find a different way. I don't see the working together going on. I'd like to see some more of that, but I don't. And as was said before, three men in a room is not something I wish to go back to. I thought it was wrong then; it's wrong now. It's just as wrong now.

I appreciated the open hearings where everybody had a chance, where we had the conference committees and we spoke and we debated in public. Sometimes we embarrassed ourselves. But we actually had debates, in

public, and the people could hear it and see it.

There has been nothing like that on this bill here, there has been nothing like that here. We talk about job creation and all the rest of that. There is job creation in the EPF, there is promotion for that.

What you're doing today, what you're doing today or we are proposing to do today is a mistake, it's going to hurt the environment, it's going to send us back a decade, a decade in the funding. It took us a long, hard road to get there, and yet you're going to snatch it away in a moment for some short-term use and for some short-term gain.

I heard talk about the stimulus package, we should wait for the stimulus package. That's great. That may not get here in time. It may not get here at all. And it's a one-shot, Senator, it's a one-shot. What are we going to do next year? What are we going to do next year when that is not here? Will we expect a trillion-dollar bailout every year from the federal

government? I don't think so.

So if you're going to fill gaps now based on that stimulus, what a mistake. Because next year we're going to have to fill them again. And we're not going to get the stimulus next year. That's not going to happen. That's if we get it now.

So I suggest, ladies and gentlemen, that we rethink this vote. I suggest we vote against this program. And I think we have the time, I know we have the time to go back and look at it carefully and do the right thing. I suggest and recommend a no vote on this proposal.

ACTING PRESIDENT STEWART-COUSINS: Senator Farley.

SENATOR FARLEY: Thank you for the opportunity to speak.

Let me just say I want to piggyback on what my colleague here, Senator Seward, said here on the insurance sweep and also a sweep in the banking area.

Senator Seward speaks of a $240 million sweep of insurance money which is

paid for by the industry. It's not by the taxpayers, it's by the industry. And incidentally, it is only the domestic insurance companies. These are the insurance companies that employ New Yorkers that are located here in New York State. These are the insurance companies that have not fled the state.

A little insurance company right near where you live, Senator Seward, called the New York Central Mutual, is going to get hit with an $8 million assessment, I understand. I wouldn't be surprised if they turned into the New Jersey Mutual Insurance Company. Why do they want to hang around in this state?

Let me just say something about the sweep from the Banking Department. These are things that they've tried to fund other areas of government with money from the Insurance Department and the Banking Department where they're paid for by the industry. We have stopped that. All of you from the other side of the aisle have protested taking these two

departments and making sure that we're not stealing their money.

Now, when I first came into this Senate chamber 32 years ago, New York State was the financial center of the world. We had every piece of banking legislation that was modeled; the feds used to follow us.

Guess what? All the savings and loans have gone to a federal charter. All the credit unions, 90-some-odd percent of them, have gone to federal charters. The Banking Department is only funded by state-chartered banks. We lost one just a couple of years ago called Chase. Twenty-five percent of the funding for the Banking Department was lost when Chase went to a federal charter.

Let me just say something. As you sweep this money from the Banking Department, you're sweeping money from state-chartereds that have to pay for that. Why do they want to stick around in this state? Why do they want to have a state charter? Because the only thing it will amount to is greater taxation, greater expenses, greater

regulations.

You know, we try to do things for the consumer. I remember Senator D'Amato, when he was chairman of Banks on the federal level, saying, "Gee, we've got to do something about these credit cards." And I said, "Alfonse, all they'll do is switch to a federal charter." "Oh, really?"

That's all they do, is run from us. We're driving business, we're driving banks -- you know, if I recall, if you're looking at this crisis that we're facing, much of it came out of the financial industry. We want to drive another nail into the little financial industry that we have left in New York State.

Do you know there's a number of bank in this state that are close to bankruptcy? The federal government is sending billions to them. I'll tell you what. We're sending quite a message with this so-called sweep to these two areas. This is just a minor part of this ugly, ugly piece of legislation.

And I really urge my colleagues to

consider it. We got it dumped on us with no time to really digest it. And I'll tell you what. The part that I see that I'm digesting gives me indigestion. So I really urge my colleagues to stand up against this. It's a terrible piece of legislation, one that is very shortsighted. It's not only going to kill jobs, it's going to kill the two great industries that we used to have in this state, insurance and banking.

ACTING PRESIDENT STEWART-COUSINS: Senator Robach.

SENATOR ROBACH: Yes, Madam President, on the bill.

You know, while this certainly is a challenging time, I think those of us in government, I love those situations when we can say something is a win-win situation. I think this one has gotten to be a lose-lose situation now.

Clearly, when you talk about cooperation, you have to talk about the process. And we've lost that. There are things that are in here, while we need to get

to a number, perhaps, that wouldn't have been in here had everybody that represented all different parts of the state had input or better input into this process. I don't think that's debatable. I think we all know that. We live by that, we know how important in government -- that's what it is, speaking up for your area, your region.

So this process clearly, however you want to call it, was flawed in a lost process that could have been better if the goal really was to hear from everyone and have every part of the state accurately represented.

Others will have to tell me what the reason was why that was chosen. But that's the first loss. And because of that loss of process, we then get to content. I dod exactly what Senator Smith said. I did talk to every group, almost every business. And for those that didn't come to the forums we had or the meetings we had at their place, I did a survey.

Nobody, nobody in my district wants

us to tax healthcare or have an assessment passed on. Not one person mentioned it, not one person said in the survey they think a deficit reduction plan means we are stopping spending, not adding to taxation or fees. I have to go back and tell my people that. That's my job. I can't fool them. That's as real as rain and as sincere as I can get.

In challenging times is when we should be doing our most open and successful work, not our most difficult. So I say lose-lose. Hopefully the process will change. I think there's things in the content that should change. We could have done a much better job both in process and focus on upstate New York.

There's some things here -- I won't reiterate what my colleagues said, but for those of you that represent upstate New York, that Power Authority is exclusively resources out of our collective hides for jobs and lower energy. There's no other way to slice it. It's unprecedented to take that much money, half a billion dollars, out of that.

We should be excited, we should be concerned. But this is the first opportunity that I've had to talk about it or know about it today. And I won't even reiterate the reform piece that my colleagues have done much more eloquently than I. But had we delivered or had you delivered on any of the reform process you talked prior to the election, I would have had that opportunity.

So unfortunately, while I know we have a challenge, what could have been very differently -- and unfortunately I feel, for the people I represent and for open democracy, I can only give this a bad grade. And I wish I had something to be proud of to take back to my district, but I don't. Now I'll simply be the messenger of a bad process and some bad things included there for the people of upstate New York and Rochester.

Hopefully next time we'll do better.

ACTING PRESIDENT STEWART-COUSINS: Senator Maziarz.

SENATOR MAZIARZ: Thank you very

much Madam President. On the bill.

First I just want to say to my good friend and colleague and Majority Leader Senator Smith that I can hardly wait to read all those editorials that say what a great job we've done here today in upstate New York.

ACTING PRESIDENT STEWART-COUSINS: Senator Maziarz.

SENATOR MAZIARZ: Thank you, Madam President.

You know, whether we're doing something different, as Senator Carl Kruger talked about, you know, I don't know. Sweeping money from one agency, the Power Authority, you know, telling cities that they're going to get their money later, that doesn't sound all that much different to me.

But I think what is different and I think what we have to -- what's different about today is what went on here today, Madam President, I think is very, very, very important. I've been here now -- this is my 15th year. And in 15 years, only once, only once has a Senator refused to yield for a

question from me. And I have to tell you, at the time it stunned me because it was so rare.

Think about it for one minute. Would we even consider, even consider not allowing someone like former Senator John Marchi from speaking on the floor of the Senate? When Senator Marchi, in his last years here, spoke, we'd all give him a standing ovation. Whether we agreed with what he said, whether we understood what he said or not, we automatically gave Senator Marchi a standing ovation.

I think, Madam President and Senator Malcolm Smith, I think Senator Smith and Senator Skelos better get together and go out to dinner. And even, if the ethics laws allow it, I'll buy the dinner.

SENATOR LARKIN: Promises, promises.

SENATOR MAZIARZ: But what happened here today, you know, refusing to allow a member to speak -- particularly, I might add, a member with over 30 years, with over 30 years in this body. This not yielding

for a question.

You know, we can go back and forth, you know, and I can tell you, lookit, when Senator Liz Krueger sat over here and would ask the same questions over and over and over again and we'd get up and answer the same answers over and over and over again -- and many of you weren't here when Senator Dollinger was here. Believe it or not, it was twice as long as Senator Liz Krueger. And Senator Leichter, and on and on.

But if we start this, if we go down this path, it's going to make this body, this New York State Senate, more like the county legislature. And I'll tell you, that demeans all of us. If you want to be in the county legislature, you should run for the county legislature.

I hope Senator Smith is right. I hope this deficit reduction package works. I have my doubts. But I'll tell you what I am more concerned about today is all of us in this body, the pride that we should all have in serving here. Refusing to yield -- I don't

think I ever heard that term for the first 10 years I ever served here. I didn't know you could do that. And today we did it, what, probably a half a dozen times.

It's insulting to the other member, it's just dead wrong, and it demeans all of us.

And I would strongly suggest that Senator Smith and Senator Skelos get together and that we stop this nonsense. Because Majority Leader Smith, I think those editorials are going to be not very positive about our body. And to be honest with you, I don't think we deserve a positive editorial. Because I am embarrassed and I am ashamed at what went on on this floor today.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Morahan.

SENATOR MORAHAN: Thank you, Madam President.

We have witnessed our Governor going down to Washington, pleading for help for additional aid for New York, the Empire

State, asking for, to use an overused word, a bailout, and we expect Washington now to come with a bailout for New York. We hear from Senator Schumer every half hour about what may be coming and what may not be coming, when it may be coming, if it ever comes. It's a bill that still has to get out of the Senate in Washington, probably disguised from the one that was in the House.

We, in turn, come out with a deficit reduction plan that cuts all the aid to the people and industries, the mom-and-pops and the families in New York. So we're doing just the opposite of what we're asking Washington to do for us.

All these grave cuts, as Senator Kruger brought up -- Carl Kruger, that is -- about mental health. We're doing things that are going to protect mental health. But I look at the cuts, and we're cutting mental health that serves the families and people who are really in need of help. Mental health associations, other organization. All of these are non-state operational cuts.

Now, if we want to make cuts, we want to make state operational cuts. There must be an army of people behind the administration or the alleged administration that would have been there to process all of this money. They're not on this page of cuts. We didn't cut anything of the state operations.

We cut all those things that were designed to create jobs, designed to help people get health insurance, designed to help some of our not-for-profits, who in turn work at substandard wages, as far as I'm concerned, because the state is not doing that job. We initially contracted all these not-for-profits to do these things because we thought they could do it cheaper than us. So we deloaded the responsibility, gave them a few bucks. Now that they're out there doing that, we're going to take back the few bucks. Right in the middle of their process.

Now, I don't know who's been meeting with the advocacy groups that have come to Albany in the last several weeks. Not

so much worried about this, because they didn't expect this.

The other comment was that we didn't do this in August. The Governor called us back in August to deal with this, but he never gave us a bill. September? December? Whenever it was. He called us back to deal with it, but he didn't give us a bill. So we gaveled in, gaveled out, and went home. Nothing to vote on.

If we want to do substantial cuts that hurt, we will cut state operations. We'll look at what it is we're doing, what we're paying for our highways, what we're paying for our asphalt, what we're doing in all of our agencies as we operate and meet our responsibilities.

But this issue here of sacrifice -- we're not sacrificing a thing. We're cutting back to people who need us. We're cutting back, and then we add insult to injury by increasing costs to them, causing possible unemployment. And I don't know if that's a progressive way to do business here.

I don't have all the answers. I don't presume to be the genius. But I think, if we're trying to help the people, we're trying to help the families in New York cope with making a living, cope with trying to pay their bills, then I think we should have gone about it a different way.

And maybe collectively, if we all had some input, maybe there are smarter people in this chamber than me who would have come up with some good ideas. But it's difficult to do that at 12 noon and I know I'm going to vote on it the same afternoon. Difficult, but nobody has asked me.

So I tend to think what we're doing today is -- it looks like a cut, but it isn't a cut. It looks like we're worrying about the people of New York, but we're not worrying about the people in New York, we're driving up prices to them.

And I don't care about the industries and all those guys, they're all big fellas. Okay? But then we do the sweep, the sweep of the SUNYs. I don't know if it's a

sweep if you just take all their money. They had the plans for that money when they said they were going to raise tuitions. All plans. They weren't going to ask the state for this, that and the other thing.

Then somehow we convinced them to give up their plan and have the students pay more tuition -- not for the school, not for their books, not for their professors, but to give that money to us.

I don't know if that's a sweep or a theft or whatever it may be. But I just don't like what we're doing here today. And I don't know what the steamroller approach was today. I feel a little sad that we didn't do it a better way, a less cruel way for the people of the State of New York.

So if anyone is going to get up and put a flag in the ground and declare victory on this bill, I will debate them in their district, I will debate them on this floor, and I'll debate them in the hallways. Because this is not cutting, this is breaking promises to the people of the State of New York, the

families that we are here to protect, the families that we are charged with doing the best for them. The mom-and-pops and the families and the kids that we have the future vested in when we talk about our SUNY colleges.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Larkin.

SENATOR LARKIN: Thank you, Madam President.

We've been at this for three hours. Maybe it's 23 years in the military that told me in three hours we could have accomplished something.

Carl Kruger is a good friend, and I listened to what he said. That came from New York, Carl. That was perfect. I listened to what the Majority Leader said. That one sounded good.

But I want to tell you something as a State Senator starting my 31st year. I am disappointed in what we're doing today. I'm disappointed. I went through some of this,

and I don't want to go through the rhetoric of what my colleagues have said. I just hope and pray that some of you paid attention to what was said.

Are you saying here, in fact, that on this side of the aisle there's no brains, we couldn't have helped you? We voted for Dean Skelos to be our leader on this side of the aisle, and Tom Libous to be the number two, based on their background, their willingness to cooperate and do things. And they're shut out.

I had a call before we started the debate. The guy said, "What's in it?" I said, "What's in what?" "This deficit reduction." I said, "I don't know, I haven't seen it yet." He said, "Then how the hell are you going to vote on it?" I said, "Well, we will look at it."

Well, let's look at it. You heard what Tom said. You heard what Carl said. You heard what Mike said. You heard what Senator Hannon said. You heard what Mr. Farley said, which I think was totally rude not to allow

him to speak. And nobody answering Mike Nozzolio.

This is a deliberative body. What are we saying to the people on the outside? We're not capable of answering a question so what we'll do is pooh-pooh, shut them off?

You know, if we really wanted to do a deficit reduction, we could have done it on little paper like this. We could have looked at some of the agencies. How many cars do we have? Are we trying to be like the federal government? They're going to spend $600 million on new vehicles.

I think what we should have done was open the Red Book. Has anybody here ever looked at the Red Book and seen how many departments we have and how many deputies to the deputy to the deputy? There's probably a couple of latrine orderlies in there too.

We should be looking at, when we want a deficit reduction, to do the reduction. I just looked at a few of the things here in my district. I'm ashamed, honest ashamed to go back home and say, to the Cancer Center in

Cornwall, Stop it, you can't do it anymore because the money is out of it.

I hope and pray to God I don't have cancer, or my wife. But I have a daughter that had it, and she goes to New York every three months, she gets treatment.

But what happens if the Cornwall facility is built, there will be a lot of people -- not just a 56-year-old daughter, but people older, people younger. But we're taking it out of that. Why didn't we take from someplace else? There's plenty of money out there.

I had the good fortune of serving for 23 years, and in some places they said cut, cut. We never cut where it hurt the troops. But when you start to say we're worried about doctors giving medication, putting it in the system -- we had a bill, John Bonacic, all of us in the Hudson Valley, that electronically took care of records. We're going to stop it. So if somebody in your family gets the wrong doses, blame it on the New York State Senate.

Now, we heard a lot here in a couple of press releases over the last three or four months, we have to be good and kind to those young troops coming back from Iraq. You know what, put your sign up, "I Support the Troops."

You know, I'm hard on you and I don't care if you don't like me, but dammit, none of you have ever served in combat. There's not one person in this room who's been in combat but myself. I'm not a hero, but dammit, don't say we're going to take care of them and then there's five or six items for veterans -- the homeless veterans, the Purple Heart recipients -- and you're cutting them all.

Well, I'm going to tell them all, because I'm going to write them and say they like to put out press releases of what they're doing for you, but they're doing not a damn thing.

You talk about mental health. Tom Morahan -- I don't know where he's at -- Tom Morahan has done more locally with mental

health and gotten groups together than anybody. And what are we doing with them? Just sit back and think.

I don't wear my religion on my sleeve, but you think back and you say, you know, dear Lord, thank You that a new child that we just had is normal, is normal and nothing else is wrong. And what are you doing? Could care less.

Tom said something about the agencies. They're the ones that are running this. We're taking the money from them. We're not taking it from the state. Go through the Red Book. Go through some of the departments. How many vehicles do we really need, how many credit cards that we have out there?

Senator Farley talked about the bank crisis that we had before. Yes, and so did Jim Seward, who's the national president of the national insurance group. And what are we doing? We're not looking at anything. We're looking to go back to our local issues and tell people in our district, huh, I voted

to do this against you, I voted to do this.

I challenge you, I'll go back to your district like Morahan said, and you explain to your people why you took this away, why you wanted them to stop building a cancer center.

You know, it's a sad day in this state when we do this. We could have done this back in August when the Governor first -- when we came back. We could have sat down and said, Let's look at all of the agencies. We've got 32, 34, whatever we have. And we could have looked at them and said do we really need this, do we need that, do we need the other. No, we don't want to do that, we want to punish them.

And my colleagues on the other side of the aisle, I remember when you used to say, You don't care about the middle-class person, you don't care about it. Well, guess what? We did then and we do now. You can talk all you want about helping people. But when you tell people, I'm going to raise your insurance premium, I'm going to do this -- by the way,

when your son or daughter comes home from Iraq, I'm going to be standing there clapping, thank you, thank you. And as soon as the cameras are off, you get out of the way. And what happens? Somebody locally has to worry about that veteran, because that's not your problem.

We should be ashamed of ourselves for what we're doing today. We can tell everybody else that this is great. You know, Carl, I think you did a marvelous job your first day in there. But be careful, because you may need somebody in the bullpen. And somebody in the bullpen is from this side of the aisle. We could have helped you. And then if we couldn't do it, we could honestly say to everybody: We tried, it wouldn't work.

But when you go out there and tell the people we didn't need the Republicans, they only represent 48 or 49 percent of the people -- nobody in this chamber knows more about health than Kemp. Nobody. I didn't. But I've often seen Kemp Hannon in our meetings ask somebody else on that committee,

"What do you really think about this? Do you understand this?" And he's worked with them. And so have others here.

Isn't it a shame that we're afraid to discuss it openly with our colleagues? Is that what we were sent here for? You can't come out with papers and say change, change, change, we're going to have transparency, we're going to do something. Am I happy about all the things that I've heard that we did? No. But you don't make -- two wrongs never made a right.

We have made a fool of ourselves today getting up and saying this, this, this. You know what? Before you go to bed tonight, take a good look in the mirror and say -- ask who caused this trouble and who failed to work on it to make it happen. This is going to be a sad day.

Just like you talked, Smith talked, Majority Leader Smith, you talked about wait till you see what we've got to do next. Well, it would have been nice and easier if we all worked together on this so we could be in a

position to really work on what's going to come behind us.

Sad day. More disgraceful because we failed. Sixty-two people are elected to this body, and we failed to say let us work together on behalf of the people of the State of New York. Three people in a room, whether they're Democrats, Republicans or what, doesn't account for the responsibilities of the 212 legislators that are here. And I'm sorry, and I will tell my people that I'm embarrassed to be a part of it.

ACTING PRESIDENT STEWART-COUSINS: Senator Flanagan.

SENATOR FLANAGAN: Thank you, Madam President. On the bill.

I had an opportunity, as everyone else did, of course, to listen to my colleagues. And I want to direct some of my comments to what Senator Smith said and what Senator Kruger said in particular, but I want to start off by looking at what is not in this deficit reduction plan, and I want to highlight one person in particular, and that's

Senator Dean Skelos.

You know, there is a lot of talk about what happened in August, what happened in September, what happened after the election. The one thing I know with certainty is that there are no midyear school cuts. Now, we were not consulted as part of this negotiation, but I think it was Senator Skelos back at that point who sent a very strong message that that was an issue that was clearly off the table. That was something that was incredibly important to all of our local school districts throughout the State of New York, and fortunately that's not in this bill.

So to Senator Skelos, your speaking on our behalf at that point I think resonated and helped stave off something like that being included today.

And to Senator Smith in particular, I was talking to Senator Lanza and I found out that I was not special. I thought I was special because after Senator Smith got elected and we went through the rules changes,

I got a plant and I got a beautiful note. Now, I don't know if all of you in the majority got it, but I have found out, in canvassing some of my colleagues, that we're all recipients of these beautiful plants.

And I just checked, I wanted to make sure I was getting it right, because I think it speaks to some of what we're doing today. I got a card -- and I hope everybody everyone else got something similar -- from Malcolm that said "Unity will be the signature of our success." I was elated. I was joyful, I was ecstatic, I was hopeful.

And I just called my office, and they told me the plant wilted.

(Extended laughter.)

SENATOR FLANAGAN: So to Senator Smith, I'll go back and water the plant. I will nurture it.

But I will say this, in all seriousness. I think what has taken place today, I really think that you would have served yourself much better, and please don't think I'm lecturing, if, when you were asked

if we were consulted, a simple no -- just as you said no to yielding -- would have sufficed.

Because I can tell you what I will do when I go back home, because there is great cry for unity and bipartisanship. I will tell the folks that I deal with on issues that are important to them that right now there is none of that. There are no joint negotiations, there are no public leaders' meetings, there is no deliberation the way everyone has talked about.

And fortunately, I have credibility in my area, not only in my own district but across our region, on a number of issues and can say that when we speak, right now it's not with one voice. And that's a shame. That's a shame for Long Island, and it's a shame for all of New York State.

Now, I also listened to Senator Kruger talk about comments relating to the process. And Senator Smith, something else you said in response to Senator Saland was that, in answering how this process unfolded,

you said it started in December and it ended today.

And I think what I would highlight, other than a lot of the things my colleagues have discussed -- the taxes are one thing, the assessments are another thing -- but there is absolutely nothing creative, nothing innovative, nothing new and nothing original.

And don't tell me that we couldn't have done it, and don't tell me that it couldn't have been brought forth, and don't tell me we wouldn't have had the Governor on board -- because he has the power of the pen, he could have provided a message of necessity -- that it would have honed in on one area that is so sorely lacking, that's where the real embarrassment is, and that's in the area of economic development.

There is nothing. There's not a tax incentive, there is not a tax credit, there is nothing for the small business community to look at and say, "By golly, that's what I'm going for. That's a new program. They finally did something

different."

There's nothing in there that says the Superintendent of Insurance, now with all this money, has to rereview every single regulation and find out whether it actually benefits the consumer and the people who are paying the premiums. Not the insurance companies.

There's nothing like that for the Health Department. There's nothing like that for the Tax Department.

And that's where I think the real failure is. Because if we are going to make change, now is the time to make it, those are the areas to make it, and we should be holding our agencies' feet to the fire. And nobody should be more responsible for that than the Governor of the State of New York.

So to Majority Leader Smith, in terms of bipartisanship, we have a lot of room for improvement. And until I feel that I can go back and say with a straight face that we're working together, I'm going to tell people, effective now, we're not unified. And

we're going to have to advocate positions, and if they are different, so be it. I understand that. I respect it. But I don't think it's fair to go out to the public and say that somehow we were involved.

And I -- look, we're not involved, that's okay. Not the way it should be done, in my estimation, but we should be at least straightforward and say "We did this on our own, we're either going to sink or we're going to swim in relation to that." So I'll work on the plan, but you have to work with me.

ACTING PRESIDENT STEWART-COUSINS: Senator Nozzolio.

SENATOR NOZZOLIO: Madam President, thank you. On the bill.

I rise with great respect and admiration for my colleagues who have discussed the details of this measure now going on the third hour. It was more, though, than Senator Flanagan's plant that may have died today. I think certainly, by all accounts, decorum in this house is significantly disengaged.

That I've stood for hours on end in discussing legislation that we have legitimate disagreements about in my 17 years now in this body. And those legitimate disagreements are all part of the process, part of the respect that we have for each other. And the discussion, I've always believed, was important to yield, to take questions from my colleagues regardless of their position and the degree and nature of their question.

I rise, though, to discuss further the legislation that comes before us, legislation that I believe strongly was, as majority members, the other side of the aisle had to make the case as to why this was a measure that was in the best interests of the people of the State of New York.

I don't have to discuss at length the crisis that we are confronted with today. The economic situation is worse today than all of our lifetimes, even Senator Larkin's lifetime. That it is a situation that no one has been faced with and certainly this body has not faced during any of our tenure.

That requires solutions, and those solutions have to be discussed. Those solutions need to be implemented, but implemented in a way that is truly in a bipartisan fashion. That did not exist today. There was no bipartisanship.

There was also no effort to understand that these solutions to our crisis have to be evenhanded, that upstate should be treated in the same ways as downstate. And that clearly was not the case.

Despite Senator Kruger's admonitions that utility rates would not rise under this legislation, I think that when you have a $370-plus million transfer from an authority who is designed to keep utility costs down, that's got to affect the cost of the product, that has to affect the cost of power, that has to have an impact on the ratepayers, that will have an impact on the manufacturing interests of all the state, but particularly upstate New York.

That should have been debated. There should have been a greater analysis.

There should have been a more extensive presentation by those who are proposing this raid on the Power Authority. Similarly to Senator Seward's questions about the impact to healthcare. Those questions were not answered today.

And, Senator Smith, you may be proud of this deficit reduction plan, but you've got still a lot of explaining to do. This measure has not been adequately explained, it has not been adequately justified. Frankly, we want to join you in meeting the crisis that the economic conditions present to our state.

And our citizens care less about the decorum of this house. They care about the performance of this house. And we see today a performance that is certainly incomplete and may be a failing grade. That failure, though, means fewer jobs, it means our state will not rebound from the crisis. If there's anything that history has taught us, it's not necessarily what the crisis is before us, but how we react to that crisis.

New York has not got a good track record, does not have a good track in response to economic crisis.

The last time there was a large recession, in the early nineties, we did not respond appropriately. It took New York more than a decade to get out of the recession, while the rest of the nation was expanding jobs across every state in this country, with the exception of New York and other states in the Northeast that did not follow the policies of taxing less, spending less, and helping our state to recover.

The solutions proffered by this legislation are not complete. They have not demonstrated that they are fair across the state. And that we certainly have serious objections about them, but objections that could have easily been rectified with dialogue prior to the placement of this bill.

And how many times have we heard Senator Schneiderman, Senator Krueger, others discuss how the message of necessity process needed to be reformed. Well, you had your

opportunity to reform today. You failed. "F" is the grade from the other side of the aisle on reform.

And I hope, very seriously hope that this measure does not further drive jobs out of New York, that it does not further increase electric rates, that it does not increase the cost of healthcare. But the danger signs are there, and it's likely that this legislation will do all three of those things and hurt us further in the economic recovery that's necessary.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Skelos, to close for the minority.

SENATOR SKELOS: Thank you, Madam President.

If I could, I'd like to speak on the bill and then make a few observations.

Senator Kruger, I know that you've been an advocate of reform over the years. And I guess we're still not sitting alphabetically, which you would like. And you were very quick to criticize the old majority.

But I also want to point out and remind everybody, the old majority was willing to make you a committee chairman and to pay you the stipend and the staff that many other people didn't have. That's the old majority you just condemned today.

I'd like to point out also to all in this room that what's important also are our words. And our commitment when we campaign and we make certain statements to the press, that's important. And I know sometimes in our business we tend to stretch things a little bit. We understand that. And the public understands that.

But when you make a campaign pledge and you run your entire campaign on reform and changing the way things are operating -- we understand that you can make a pledge that Senator Stachowski was going to be chairman of Finance, and it's Senator Kruger. We understand those things. We understand those things. But what's critically important is the reform.

When you were campaigning for the

majority, there was a beautiful article in the New York Times how -- I think Malcolm Smith, Senator Smith was leaning against his desk. I forget whether you had your jacket on or there was suspenders. I forget the picture. But it was a very -- suspenders.

But it was a very, very good picture. Very good picture. Very positive, that you were going to bring all this wonderful reform to Albany. It would not be three men in a room anymore, that there wouldn't be messages of necessity. There would be recorded votes. There would be all these wonderful things that many of you in your conference -- like Senator Krueger, Senator Valesky -- have advocated for for years. For absolute years.

And then when the people of the state made a decision that they wanted a change in leadership, I called up Senator Smith and congratulated him on becoming Majority Leader, which is appropriate. The election was over, the people made a decision. Then your conference made a decision after,

you know, going back and forth a little bit. The first thing he said to me, besides "thank you" -- and he is a gentleman that way -- he said, "I need you to govern. I need a partnership with you to govern." All right? "God has given me this position, but I need you to help me to govern."

So what's the first thing we do as we're governing in a partnership is we hear an announcement, three men in a room are back. I see Governor Paterson, who is a great reformer -- and he pointed that out during the campaign, how all these things should be reformed and changed in Albany. And I saw Shelly Silver -- nobody ever accused him of being a reformer.

(Laughter.)

SENATOR SKELOS: And I saw Malcolm Smith, our new Majority Leader, the great reformer. And I didn't see -- well, I couldn't see myself, but Senator Skelos as the Minority Leader or Jim Tedisco, the Minority Leader in the Assembly, as part of that reform. As part of that reform.

Now, let's go back in history a little bit, because I've said before, the Governor and sometimes some of my friends on that side of the aisle become revisionists and they forget history. And there is a lack of consistency, I think, which bothers the people of the State of New York in terms of governing.

We can have different philosophical differences. I mean, that's totally appropriate. We're supposed to have debates on the floor.

And then, incidentally, Senator Smith, when you called time out on the amendment, I remember on numerous occasions when I was the deputy majority leader and Tom Duane was sitting over here, he'd say to me, You know, this is an important issue. Could we have 15 minutes, 20 minutes, whatever it was. I'd say sure.

Not on every issue. But if it was something critically important or important to your conference, we wouldn't just cut you off and say your time is up. We would extend that

courtesy and say, you know what, say your piece, say what you have to say, and we understand.

But right now the press, the public is seeing total dysfunction on your side of the aisle. And the fact that you've gone back on your commitment to them -- Senator Valesky, you've gone back on your commitment to them by voting for that message of necessity. You've gone back on your commitment. And I think that's what troubles people, is when you make a pledge and you go back on your commitment.

Now, Senator Smith, you brought up today Washington, we have to send a message to Washington. Well, you know what, I want to congratulate President Obama because he understands that bringing Republicans and Democrats together are the way you get a budget put together or you make changes that are necessary in government. Not by just one party.

And you know what? He has one-party rule there. He didn't have to call the Republican leadership or members of the

Republican House, of the minority there, to a meeting. He didn't have to do that with the senators. But he opted to do it. He brought them there. Because his commitment was to try to put together a bipartisan package with the majority leaders or the speakers, the minority leaders being part of it. And that's the way government should function.

Now, unfortunately, with Governor Paterson, for some reason -- and I don't know whether he's just afraid, concerned, whatever it is, to bring all people together. I think it's a mistake. And people are looking for consistency when you make a pledge.

The Governor asked us to pass a school property tax cap. We can have differences of opinion; I understand that. This body brought it up, at the Governor's request, a program bill, and then he criticized us for bringing it up. When he sent us the program bill, amended it two times that week.

In August, he brought us back in a positive way, and we made certain cuts and

changes that were necessary, that he asked for, in a bipartisan basis. It was accomplished. There wasn't acrimony. We did it.

And then in December he called us back in special session, never sent us a program bill. We had a leaders' meeting in public -- and you were there, Senator Smith, as the minority leader then. All of us were there. We had an open and frank discussion in terms of what we thought was positive and negative. And then he never sent us the program bill. So we were then accused of not governing, when he never sent us the program bill.

So I think what we have to do today is take a step back, as Republicans and Democrats, and come to an understanding that we're all supposed to be part of this process.

You know, as I travel the state, there are people concerned. Three men in a room. Paterson from New York City, Smith from New York City, Silver from New York City, Kruger from New York City, and Denny Farrell

from New York City. Now, I think it's appropriate that other parts of the state have something to say about the process and what goes on in Albany.

So I would urge you, Majority Leader Smith, to go back and reflect upon that first conversation we had when I called you to congratulate you on becoming Majority Leader and the first word out of your mouth was, again, "Thank you," and the second statement was "I need you and the Republicans to govern with us."

We are prepared to do that, but we can't do it unless we are part of that process. And it goes beyond us. We understand we're in the minority now. And if you want to tweak us, do whatever, that's fine. We understand that.

But today, Senator Valesky, Senator Aubertine, I was speaking to the Central New York manufacturers, who when I laid out to them, and there were many of them from the western part of the state, some of the things that were happening today in terms of the

Power Authority, covered lives taxes and other things, they said, "Well, why didn't we" -- meaning them -- "know about it?"

And I said, "Well, didn't you go to your representatives?" And I believe they said, "Oh, we spoke to them earlier today." I said, "Well, didn't they tell you about this?" And they said no. So I said, "My suggestion is, rather than let me bore you, why don't you go back and talk to Aubertine and Valesky and let them tell you what's in this deficit reduction plan."

So what's important as we move through this process -- and if you wanted to do a message of necessity, you could have done it tomorrow, you could have done it Thursday. So at least you could have had some semblance of pride in the fact that what you've been talking about in reform started on the first day of this legislative session.

So I'm going to -- Madam President, I thank you for the courtesy of recognizing me -- I'm going to vote against this legislation. I'm going to vote against it

because it is anti-job creation, it is legislation that will attack the affordability of health insurance, and it is going to be counterproductive in terms of creating jobs throughout the state, especially upstate New York, in districts such as Senator Aubertine's and Senator Valesky's.

So thank you very much.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith, to close for the majority.

SENATOR SMITH: Thank you very much, Madam President.

And to all of my colleagues, points heard, points well-taken. Senator Saland, you and I will do better next time.

But I do want to congratulate my colleagues here today, on this side of the aisle, Senator Kruger, all of you who have taken the time to take a vote on a very difficult matter.

We have a long way to go. We have a long way to go. This is just the first day that we're doing a bill that has some controversy to it. We have a $13 billion

deficit that we have to deal with, and that's going to require all of us. This is just day one.

We didn't ask to be in a position to have to do this in such a way that we had to get it done so that we don't lose a million dollars a day going forward. We didn't ask this. It was given to us by virtue of it not happening in the past. So we are acting as responsible as we can to get this done.

All I'm saying to you is we have some time. So while I've heard your concerns and your issues, all your points are well-taken -- just like all of our points are well-taken. And I hope you can appreciate that.

But I want to congratulate the Governor, I want to congratulate the Speaker in the Assembly, and I want to congratulate the Senate. Because today we are doing what needs to be done to restore the faith of the public, and that is making sure that we get this balanced budget.

Process is going to get better.

Senator Bonacic, Senator Valesky are on our rules reform. When they come back to us in a couple of months, perhaps they will put some things in place that make things a little better for all of us. Right now we have to get this done, and that's what we're doing today.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Debate is closed.

The Secretary will please ring the bell.

SENATOR LIBOUS: Madam President, can we request a slow roll call, please.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous, seeing five members standing, we will have a slow roll call.

SENATOR LIBOUS: Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will read the last section.

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

ACTING PRESIDENT STEWART-COUSINS:

Call the roll slowly.

THE SECRETARY: Senator Adams.

SENATOR ADAMS: Yes.

THE SECRETARY: Senator Addabbo.

SENATOR ADDABBO: Aye.

THE SECRETARY: Senator Alesi.

SENATOR ALESI: No.

THE SECRETARY: Senator Aubertine.

SENATOR AUBERTINE: Yes.

THE SECRETARY: Senator Bonacic.

SENATOR BONACIC: No.

THE SECRETARY: Senator Breslin.

SENATOR BRESLIN: Aye.

THE SECRETARY: Senator DeFrancisco.

SENATOR DeFRANCISCO: No.

THE SECRETARY: Senator Diaz.

SENATOR DIAZ: Si.

THE SECRETARY: Senator Dilan.

SENATOR DILAN: Yes.

THE SECRETARY: Senator Duane.

SENATOR DUANE: Yes.

THE SECRETARY: Senator Espada.

SENATOR ESPADA: Yes.
THE SECRETARY: Senator Farley.
SENATOR FARLEY: No.
THE SECRETARY: Senator Flanagan.
SENATOR FLANAGAN: No.
THE SECRETARY: Senator Foley.
SENATOR FOLEY: Aye.
THE SECRETARY: Senator Fuschillo.
SENATOR FUSCHILLO: No.
THE SECRETARY: Senator Golden.
SENATOR GOLDEN: No.
THE SECRETARY: Senator Griffo.
SENATOR GRIFFO: No.
THE SECRETARY: Senator Hannon.
SENATOR HANNON: No.
THE SECRETARY: Senator Hassell-Thompson.
SENATOR HASSELL-THOMPSON: Yes.
THE SECRETARY: Senator Huntley.
SENATOR HUNTLEY: Yes.
THE SECRETARY: Senator C. Johnson.
SENATOR CRAIG JOHNSON: Yes.

THE SECRETARY: Senator O. Johnson.

SENATOR OWEN JOHNSON: No.

THE SECRETARY: Senator Klein.

SENATOR KLEIN: Yes.

THE SECRETARY: Senator L. Krueger.

SENATOR LIZ KRUEGER: Yes.

THE SECRETARY: Senator C. Kruger.

SENATOR CARL KRUGER: Yes.

THE SECRETARY: Senator Lanza.

SENATOR LANZA: No.

THE SECRETARY: Senator Larkin.

SENATOR LARKIN: No.

THE SECRETARY: Senator LaValle.

SENATOR LaVALLE: No.

THE SECRETARY: Senator Leibell.

SENATOR LEIBELL: No.

THE SECRETARY: Senator Libous.

SENATOR LIBOUS: No.

THE SECRETARY: Senator Little.

SENATOR LITTLE: No.

THE SECRETARY: Senator

Marcellino.

SENATOR MARCELLINO: No.

THE SECRETARY: Senator Maziarz.

SENATOR MAZIARZ: No.

THE SECRETARY: Senator McDonald.

SENATOR McDONALD: No.

THE SECRETARY: Senator Monserrate.

SENATOR MONSERRATE: Aye.

THE SECRETARY: Senator Montgomery.

SENATOR MONTGOMERY: Yes.

THE SECRETARY: Senator Morahan.

SENATOR MORAHAN: No.

THE SECRETARY: Senator Nozzolio.

SENATOR NOZZOLIO: No.

THE SECRETARY: Senator Onorato.

SENATOR ONORATO: Yes.

THE SECRETARY: Senator Oppenheimer.

SENATOR OPPENHEIMER: Yes.

THE SECRETARY: Senator Parker.

SENATOR PARKER: Aye.

THE SECRETARY: Senator Perkins.

SENATOR PERKINS: Yes, we can.

(Laughter.)

THE SECRETARY: Senator Ranzenhofer.

SENATOR RANZENHOFER: No.

THE SECRETARY: Senator Robach.

SENATOR ROBACH: No.

THE SECRETARY: Senator Saland.

SENATOR SALAND: No.

THE SECRETARY: Senator Sampson.

SENATOR SAMPSON: Yes, we did.

THE SECRETARY: Senator Savino.

SENATOR SAVINO: Aye.

THE SECRETARY: Senator Schneiderman.

SENATOR SCHNEIDERMAN: Yes.

THE SECRETARY: Senator Serrano.

SENATOR SERRANO: Yes.

THE SECRETARY: Senator Seward.

SENATOR SEWARD: No.

THE SECRETARY: Senator Skelos.

SENATOR SKELOS: No.

THE SECRETARY: Senator Smith.

SENATOR SMITH: Yes.

THE SECRETARY: Senator Squadron.
SENATOR SQUADRON: Yes.
THE SECRETARY: Senator Stachowski.
SENATOR STACHOWSKI: Yes.
THE SECRETARY: Senator Stavisky.
SENATOR STAVISKY: Yes.
THE SECRETARY: Senator Stewart-Cousins.
SENATOR STEWART-COUSINS: Yes.
THE SECRETARY: Senator Thompson.
SENATOR THOMPSON: Yes.
THE SECRETARY: Senator Valesky.
SENATOR VALESKY: Yes.
THE SECRETARY: Senator Volker.
SENATOR VOLKER: No, we can't.
THE SECRETARY: Senator Winner.
SENATOR WINNER: No.
THE SECRETARY: Senator Young.
SENATOR YOUNG: No.
ACTING PRESIDENT STEWART-COUSINS: The Secretary will tabulate and announce the results.
THE SECRETARY: Ayes, 32. Nays,

29.

ACTING PRESIDENT STEWART-COUSINS: The bill is passed.

The Secretary will continue to read.

THE SECRETARY: Calendar Number 11, Senate Budget Bill, Senate Print 250A, an act to amend Chapter 50 of the Laws of 2008, enacting the Public Protection and General Government Budget.

ACTING PRESIDENT STEWART-COUSINS: Senator Smith.

SENATOR SMITH: Madam President, is there a message of appropriation from the Governor at the desk?

ACTING PRESIDENT STEWART-COUSINS: Yes, Senator, there is a message.

SENATOR SMITH: I move that we accept the message of appropriation.

ACTING PRESIDENT STEWART-COUSINS: All those in favor of accepting the message signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT STEWART-COUSINS:

Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT STEWART-COUSINS: The message is accepted.

The Secretary will read.

SENATOR LIBOUS: Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Libous.

SENATOR LIBOUS: Thank you, Madam President.

I believe there's an amendment at the desk. I would ask that you waive its reading and ask for its immediate adoption.

ACTING PRESIDENT STEWART-COUSINS: The reading is waived.

SENATOR LIBOUS: Madam President, Senator LaValle will speak on the amendment.

ACTING PRESIDENT STEWART-COUSINS: Senator LaValle.

SENATOR LaVALLE: Thank you, Madam President.

This amendment would restore $79 million to the State University budget rather than the $7.6 million that the Governor

has allocated.

Some months ago, Governor Spitzer announced the formation of a 30-member commission. That 30-member commission worked very, very diligently. And I think, being part of that commission, along with my counterpart at the time in the Assembly, Assemblymember Glick, that members attended every meeting.

That was followed up by Governor Spitzer's 2008 State of the State message that higher education had great importance. Governor Spitzer talked about the investment in higher education, talked about the commission report. And I must tell you, for the first time there was exuberance in the higher ed community.

The higher ed community felt it was their turn, that they were going to the promised land. They had great expectations. After all, we talked about investment, setting up an innovation fund to attract the best and brightest professors. We talked about the formation of two flagship campuses, Stony

Brook and UB, University of Buffalo. And everyone talked about an investment not only in the education of our students but an investment in our economic development here in New York State.

State University at Stony Brook has budget of $1.77 billion. And the impact of that on the Long Island economy is $4.65 billion, and it supports over 59,000 jobs -- 59,000 jobs. The University of Buffalo, the economic impact is $1.5 billion in that region.

And so these were supposed to be economic engines. These two universities were going to lead the way in ensuring that we would be competitive with peer systems throughout these United States. That exuberance turned into an irrational exuberance, and I will explain.

For the first time at least in 30 years, and maybe ever, the SUNY Board of Trustees said, well, we have been cut $210 million from the last budget, a $210 million cut. Just think, death by 210

cuts. They said, Well, let us go out, make an investment. We haven't had a tuition increase in a long time. So we will increase the tuition by $310 in this spring semester and another $310 in the fall semester.

The City University Board of Trustees probably, in retrospect, had better sense. They said, Wait a minute, we're not going to increase tuition. Students can't prepare for it. It's just in the middle of the year for them. Tough economy. Parents have to come up with book money and now another $310. It really made no sense.

But if the money was going to go to the system, then it made some sense. It made some sense. They are only getting, as in my beginning remarks, instead of getting the whole $76 million, they are getting a mere pittance, $7.6 million. In the meantime, campuses like Stony Brook and UB are down by $8 million to $10 million from these cuts. And what they will get in return doesn't come close to what will impact their campuses.

The other thing that I think is

critically important is that -- and I listened to our Majority Leader talk about the change should be from the bottom up. Well, as I recall, the chairman of the SUNY board went out, very strongly talked about making investments in the State University of New York, that the cuts that were already imposed were very deep and they could not sustain it. On top of, don't forget, we have a system that in the last 24 months has not had a permanent leader, we have not had a chancellor.

So, you know, the irony is the two systems -- City University has a chancellor who's done a wonderful job, a board that had good sense in saying we're not going to impose this tuition in a midyear.

And the $8 million that we put into this budget that the Majority Leader talked about really doesn't help those students who are middle income, who are continuing in the TAP schedule to fall out of the schedule because of higher incomes. You now have two people working in every household, at least on

the island, and some work two jobs, meaning four incomes to try and produce a liveable wage.

The commission talked about having a rational tuition policy, one that made some sense, that we would have a cost-of-living index. And we have in this house -- I have proposed and I know we've had discussions in the Higher Education Committee and was supported by Chancellor Ryan to have a rational tuition policy that would provide every institution with reliable revenues. We can predict it, predictable revenues. The students would have a predictable increase. It would be to the cost of living, and we wouldn't have these spikes of $800, $600.

And so I felt that as long as we were going to have a tuition increase that many students couldn't prepare for, we have to remember the economy that we are in. And people here may think, ah, $310, what's $310. I can tell you I have had parents come to my office in tears that they have loans to the max, they have to buy books mid-semester. The

$310 is like the straw to break the camel's back.

So we've gone from great exuberance -- well, I'll tell you, there is no joy in Mudville. None. Absolutely none. And think of the campuses across this state, starting with State University at Stony Brook and going up through the state, here at Albany, Binghamton, Oneonta, Brockport. I don't want to leave anyone out. But these campuses are the vibrance, the SUNY campus is the vibrance to that community. And when we have layoffs -- and they will, because they're bleeding and hemorrhaging from these cuts of $210 million -- that impacts the economy of upstate.

All I hear in speeches here, and press conferences, we've got to do something for the upstate economy. The SUNY system is a vibrant part of our economic development strategy in this state. And not giving it some resources, we are damaging our economy, the jobs. And you're going to be hearing it, students saying I can't graduate because

course were cut. We're going to go back to a period of time when students couldn't get what they needed to graduate and had to stay in school another semester in order to graduate.

This is something that in the scheme of things -- and I know, we hear it every day, don't cut me, cut someone else. My colleagues, this is something and everyone here knows that we are making an investment not only in the people, in the quality of education, but we are making an investment in our economy.

And we just can't continue to go on. This is a wrong message. I don't care how you cut it, it's a wrong message. When you cut $8 million to $10 million at Stony Brook and you cut $8 million to $10 million at UB, two of our great research institutions, you are sending a message across this country that we in this Legislature and this government don't care, don't care about higher education.

So people who thought they were going to the promised land have found someone

dropped them off on a desert with a one-way ticket, and they're walking home.

Thank you, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Are there any other Senators wishing to be heard on the amendment?

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, just to add two points.

One point is that this isn't just a cut, this is a breaking of a word. If you get people to vote for an increase that are on a board on the theory that the money is going to go for the kids and going to education and the individuals, the young adults who are in school are sold a bill of goods that this is going to go to education, and then take the money for something else, that's a breaking of a word.

It's not just cutting, it's breaking a word. They're paying for the deficit when they supposedly, and were told, they were paying to make up for the education losses that already had occurred.

Secondly, it points out one other thing, the bad thing about -- another bad thing about three New York City Democrats in a room. Because this doesn't apply to CUNY, it doesn't apply to the City University of New York.

Now, I'm not quite sure what the logic is that you would all be willing, everybody, especially the upstate Senators, would be willing to take the education money from SUNY because it's there, and nothing corresponding to CUNY. Now, there's something basically wrong there.

So when we hear the rhetoric of reform, maybe someone if they heard that in that room, heard it from somebody from upstate, they might have considered it differently.

And so when you hear the rhetoric that we're going to reform and you also hear the rhetoric that we care about upstate, we're going to take care of upstate -- well, you did. You took care of upstate, you took care of Long Island by getting their kids to have

to pay more tuition, not for the education, but more tuition so that the whole State of New York, including New York City, could solve a deficit problem. It's wrong.

And everyone from upstate and everybody from Long Island should definitely vote for this amendment.

ACTING PRESIDENT STEWART-COUSINS: Are there any other Senators wishing to be heard on the amendment?

(No response.)

ACTING PRESIDENT STEWART-COUSINS: The question is on the non-sponsor motion to amend Calendar Number 11. All those in favor of the non-sponsor amendment please signify by raising your hand.

The Secretary will announce the results.

THE SECRETARY: Ayes, 29. Nays, 32.

ACTING PRESIDENT STEWART-COUSINS: The amendment fails.

On the bill, Senator Smith.

SENATOR SMITH: Madam President,

again, colleagues, we are here to do something that sends the right message to our 19.5 million people, in addition to what we need to send to our rating companies as well as Washington, D.C. We are doing what was necessary to close the budget gap of $1.6 billion -- the Governor, our colleagues, all of whom know that we have much more to do with the $13 billion deficit that we have.

And we hope the message that is clear after this vote today is that we are prepared to make the tough decisions and together as a body we will move forward and deal with what we have to do for the next round of cuts as well as trying to build the economy of the State of New York.

ACTING PRESIDENT STEWART-COUSINS: Are there any other Senators wishing to be heard on the bill?

Hearing none, the debate is closed. The Secretary will ring the bell.

SENATOR HANNON: Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Hannon.

SENATOR HANNON: Thank you, Madam President. I had my hand up before you said the debate is closed.

Earlier today I made mention that I wanted to discuss the effect of Washington on what's happening. That's because Leader Smith said this is only a warmup to dealing with the main deficit.

It's been with great speed that Washington has acted, unlike decades of history that they've had. And that speed has changed the landscape totally. The budget that is submitted is truly no longer relevant.

Now, there's some question in my mind whether stimulus is actually stimulus and you can justify it, but I'll leave that to Washington.

If you currently look at some estimates of the bill that has passed the House of Representatives, that amount of money that would come to New York under that past bill would be over $15 billion over nine fiscal quarters, commencing October 1, 2008.

There's a whole new landscape.

There are possibilities of trying to look at what the proposed cuts to education, transportation, clean air, clean water, and health that have been proposed could be changed. And unless we begin to realize that, it's not going to happen.

I sat through a whole hearing all day on health yesterday. Not only was there no mention of the Deficit Reduction Act that is the product of this bill, there was no mention of what's happening in Washington. This week the federal Senate is taking up their version. It's anticipated next week that they're going to go to conference committee and that by the middle of this month they will have a statute.

You can argue whether or not it's a wise thing, whether it's a one-shot, whatever. But if we are to leave money on the table by passing taxes that decrease what we get or enacting cuts that lessen what we get, we're ill-servings the people of this state, we're not providing for quality education, roads, health.

And I just think that I have heard nothing out of the administration to indicate that there is a changed landscape. President Obama has kept a promise. I think we should recognize that. And I would like to see some difference in how we go forward.

For that reason, I am voting against this legislation.

ACTING PRESIDENT STEWART-COUSINS: Senator LaValle.

SENATOR LaVALLE: I'll be very, brief, Madam President, because I think that I know my colleagues here and I know their commitment.

When I tell you that the State University has been hit by a tsunami, I think you know that. And all we are offering them as a lifesaver or a life preserver is this (indicating Lifesaver candy). That's what we're throwing them, Senator Smith.

So I ask and I implore you to really consider your vote, reconsider it, and make the investment where we should be making it, and that's with our State University.

Thank you.

ACTING PRESIDENT STEWART-COUSINS: Are there any other Senators wishing to be heard on the bill?

Hearing none, debate is closed.

SENATOR LIBOUS: Madam President, a slow roll call, please, on the bill.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will please ring the bell.

Before the Secretary reads the last section, he will substitute the bill.

The Secretary will read.

THE SECRETARY: In relation to Calendar Number 11, Senator Smith moves to discharge, from the Committee on Rules, Assembly Bill Number 163A and substitute it for the identical Senate Bill Number 250A, Third Reading Calendar 11.

ACTING PRESIDENT STEWART-COUSINS: The substitution is ordered.

The Secretary will read the last section.

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

ACTING PRESIDENT STEWART-COUSINS: Seeing that five Senators have risen, a slow roll call has been called.

The Secretary again will ring the bell and call the roll slowly.

THE SECRETARY: Senator Adams.

SENATOR ADAMS: Yes.

THE SECRETARY: Senator Addabbo.

SENATOR ADDABBO: Yes.

THE SECRETARY: Senator Alesi.

SENATOR ALESI: No.

THE SECRETARY: Senator Aubertine.

SENATOR AUBERTINE: Yes.

THE SECRETARY: Senator Bonacic.

SENATOR BONACIC: Madam President, to explain my vote.

ACTING PRESIDENT STEWART-COUSINS: Senator Bonacic, to explain his vote.

SENATOR BONACIC: I have the University of New Paltz and the University of Delhi in my Senate district, and I believe that when those parents and students agreed to pay a $600 increase in tuition and then to

take 90 percent of that money away, that's a betrayal of the students as well as the middle-class families who wanted that money to be invested in their children's education.

To me, it would have been wiser to have waited for the stimulus package to see if this burden on middle-class families to put their children through college, this added burden could have been avoided.

For that reason, Madam President, I'm going to vote no. And thank you very much.

THE SECRETARY: Senator Breslin.

SENATOR BRESLIN: Aye.

THE SECRETARY: Senator DeFrancisco.

SENATOR DeFRANCISCO: No.

THE SECRETARY: Senator Diaz.

SENATOR DIAZ: Aye.

THE SECRETARY: Senator Dilan.

SENATOR DILAN: Yes.

THE SECRETARY: Senator Duane.

SENATOR DUANE: Yes.

THE SECRETARY: Senator Espada.

SENATOR ESPADA: Yes.

THE SECRETARY: Senator Farley.

SENATOR FARLEY: No.

THE SECRETARY: Senator Flanagan.

SENATOR FLANAGAN: No.

THE SECRETARY: Senator Foley.

SENATOR FOLEY: Aye.

THE SECRETARY: Senator Fuschillo.

SENATOR FUSCHILLO: To explain my vote, Madam President.

ACTING PRESIDENT STEWART-COUSINS: Senator Fuschillo, to explain his vote.

SENATOR FUSCHILLO: Just briefly.

You know, Senator Smith, I really believe you are a bridge builder and I believe in your heart you want to build bridges and change things here. It didn't start off that well. And we've heard that for three or four hours already. And there's a lot of anger in these chambers, and maybe this was a good therapeutic session if nothing else.

But you said, you know, you've traveled, and you mentioned Nassau and Suffolk

County and throughout the state, and you said we're doing what the people want. And I've spoken to a lot of people that are getting cuts in here -- the Nassau County district attorney, with their office last week, they're getting cut in the Medicaid fraud unit, which actually saves the state money.

I met with North Shore LIJ head Mike Dowling recently; they're getting cut. I'm telling you, they don't want to get cut.

Senator Larkin talked about some veterans' programs. We sponsored a bill here last year where both sides of the aisle went on the bill that dealt with PTSD when veterans came back. And I worked with Senator Morahan on this, and it passed unanimously. And we appropriated $250,000 in the budget. The Governor vetoed the bill, but kept the money. And that money went from $250 down to $230, now it's down to $188,000.

And everything I look in here -- you know, cuts $10,000 here, $50,000 here, $100,000 here. And I talked to Senator Duane before, I said, you know, most of these

programs that you've been championing for the last ten years while you've been here are cutting cut.

And I talked to the American Red Cross today, it's getting cut. I've talked to so many people, and not one person this year or last year said to me "Cut me."

You know, we lost 42,000 jobs in this state from November to December. And Senator Young talked about what we've lost in the last quarter. I wonder if anybody has calculated how many jobs we're going to lose from here.

You know, this is probably Liz Krueger's worst day. And I say that because I've listened to you for years. I've listened, Senator. And you talked about the reforms. And you weren't in the chambers when Senator Bonacic spoke earlier about your words. And I'm sure this is not the day you wanted of reform.

And I can only hope, Senator Smith, that what Senator Maziarz said, that you and Senator Skelos get together. Because if

anything about this plan -- and I'm going to vote in the negative -- I just hope this does reform the system the way it should be reformed and we get rid of this anger and we do the people's business.

I'll be voting in the negative. Thank you.

ACTING PRESIDENT STEWART-COUSINS: Thank you.

I'd like to remind the members that it's two minutes to explain your votes.

The Secretary will continue to call the roll.

THE SECRETARY: Senator Golden.

SENATOR GOLDEN: No.

THE SECRETARY: Senator Griffo.

SENATOR GRIFFO: No.

THE SECRETARY: Senator Hannon.

SENATOR HANNON: No.

THE SECRETARY: Senator Hassell-Thompson.

SENATOR HASSELL-THOMPSON: Yes.

THE SECRETARY: Senator Huntley.

SENATOR HUNTLEY: Yes.

THE SECRETARY: Senator C. Johnson.

SENATOR CRAIG JOHNSON: Yes.

THE SECRETARY: Senator O. Johnson.

SENATOR OWEN JOHNSON: No.

THE SECRETARY: Senator Klein.

SENATOR KLEIN: Yes.

THE SECRETARY: Senator L. Krueger.

SENATOR LIZ KRUEGER: Yes.

THE SECRETARY: Senator C. Kruger.

SENATOR CARL KRUGER: Yes.

THE SECRETARY: Senator Lanza.

SENATOR LANZA: No.

THE SECRETARY: Senator Larkin.

SENATOR LARKIN: No.

THE SECRETARY: Senator LaValle.

SENATOR LaVALLE: No.

THE SECRETARY: Senator Leibell.

SENATOR LEIBELL: No.

THE SECRETARY: Senator Libous.

SENATOR LIBOUS: No.

THE SECRETARY: Senator Little.
SENATOR LITTLE: No.
THE SECRETARY: Senator Marcellino.
SENATOR MARCELLINO: No.
THE SECRETARY: Senator Maziarz.
SENATOR MAZIARZ: Madam President, on days like today, I miss Frank Padavan.
I vote no.
(Laughter.)
ACTING PRESIDENT STEWART-COUSINS: Senator Maziarz voting in the negative.
THE SECRETARY: Senator McDonald.
SENATOR McDONALD: No.
THE SECRETARY: Senator Monserrate.
SENATOR MONSERRATE: Aye.
THE SECRETARY: Senator Montgomery.
SENATOR MONTGOMERY: Yes.
THE SECRETARY: Senator Morahan.
SENATOR MORAHAN: No.
THE SECRETARY: Senator Nozzolio.

SENATOR NOZZOLIO: No.
THE SECRETARY: Senator Onorato.
SENATOR ONORATO: Yes.
THE SECRETARY: Senator Oppenheimer.
SENATOR OPPENHEIMER: Aye.
THE SECRETARY: Senator Parker.
SENATOR PARKER: Aye.
THE SECRETARY: Senator Perkins.
SENATOR PERKINS: Si, se puede.
THE SECRETARY: Senator Ranzenhofer.
SENATOR RANZENHOFER: No.
THE SECRETARY: Senator Robach.
SENATOR ROBACH: Negatory.
THE SECRETARY: Senator Saland.
SENATOR SALAND: No.
THE SECRETARY: Senator Sampson.
SENATOR SAMPSON: Yes.
THE SECRETARY: Senator Savino.
SENATOR SAVINO: Aye.
THE SECRETARY: Senator Schneiderman.
SENATOR SCHNEIDERMAN: Yes.

THE SECRETARY: Senator Serrano.
SENATOR SERRANO: Yes.
THE SECRETARY: Senator Seward.
SENATOR SEWARD: No.
THE SECRETARY: Senator Skelos.
(Senator Skelos was indicated as voting in the negative.)
THE SECRETARY: Senator Smith.
SENATOR SMITH: Yes.
THE SECRETARY: Senator Squadron.
SENATOR SQUADRON: Yes.
THE SECRETARY: Senator Stachowski.
SENATOR STACHOWSKI: Yes.
THE SECRETARY: Senator Stavisky.
SENATOR STAVISKY: Yes.
THE SECRETARY: Senator Stewart-Cousins.
SENATOR STEWART-COUSINS: Yes.
THE SECRETARY: Senator Thompson.
SENATOR THOMPSON: Yes.
THE SECRETARY: Senator Valesky.
SENATOR VALESKY: Yes.
THE SECRETARY: Senator Volker.

SENATOR VOLKER: No.

THE SECRETARY: Senator Winner.

SENATOR WINNER: No.

THE SECRETARY: Senator Young.

SENATOR YOUNG: No.

ACTING PRESIDENT STEWART-COUSINS: The Secretary will tabulate and announce the results.

THE SECRETARY: Ayes, 32. Nays, 29.

ACTING PRESIDENT STEWART-COUSINS: The bill is passed.

Senator Smith.

SENATOR SMITH: Madam President, I hand up the following committee notice and ask that they be filed in the Journal.

ACTING PRESIDENT STEWART-COUSINS: To be filed in the Journal.

Senator Smith.

SENATOR SMITH: Madam President, is there any further business at the desk?

ACTING PRESIDENT STEWART-COUSINS: Senator Smith, the desk is clear.

SENATOR SMITH: There being none,

Madam President, I move that we adjourn until tomorrow, Wednesday, February 4th, at 3:00 p.m.

ACTING PRESIDENT STEWART-COUSINS: There being no further business to come before the Senate, on motion, the Senate stands adjourned until Wednesday, February 4th, at 3:00 p.m.

(Whereupon, at 7:32 p.m., the Senate adjourned.)