

1 NEW YORK STATE SENATE

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3  
4 THE STENOGRAPHIC RECORD

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9 ALBANY, NEW YORK

10 March 30, 2011

11 10:19 a.m.

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13  
14 REGULAR SESSION

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18 SENATOR JOSEPH A. GRIFFO, Acting President

19 FRANCIS W. PATIENCE, Secretary

## 1 P R O C E E D I N G S

2 ACTING PRESIDENT GRIFFO: The  
3 Senate will come to order.

4 I ask all present to please rise  
5 and join with me as we recite the Pledge of  
6 Allegiance to our Flag.

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

9 ACTING PRESIDENT GRIFFO: In the  
10 absence of clergy, I ask all present to please  
11 bow their heads in a moment of silent  
12 reflection.

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

15 ACTING PRESIDENT GRIFFO: The  
16 reading of the Journal.

17 THE SECRETARY: In Senate,  
18 Tuesday, March 29, the Senate met pursuant to  
19 adjournment. The Journal of Monday, March 28,  
20 was read and approved. On motion, Senate  
21 adjourned.

22 ACTING PRESIDENT GRIFFO: Without  
23 objection, the Journal stands approved as  
24 read.

25 Presentation of petitions.

1 Messages from the Assembly.

2 The Secretary will read.

3 THE SECRETARY: On page 18,  
4 Senator Saland moves to discharge, from the  
5 Committee on Children and Families, Assembly  
6 Bill Number 88 and substitute it for the  
7 identical Senate Bill Number 1428, Third  
8 Reading Calendar 217.

9 ACTING PRESIDENT GRIFFO: The  
10 substitution is so ordered.

11 Messages from the Governor.

12 Reports of standing committees.

13 Reports of select committees.

14 Communications and reports from  
15 state officers.

16 Motions and resolutions.

17 Senator Libous.

18 SENATOR LIBOUS: Mr. President,  
19 I'm about to call a meeting of the Finance  
20 Committee. But before I do that, I would like  
21 to take a moment and talk about a  
22 long-standing policy that we have had in this  
23 chamber, at least for the 23 years that I have  
24 been here, and I know longer than that for  
25 some other members.

1                   We do not allow anyone to take  
2                   pictures on the floor of the Senate. Members  
3                   are not allowed, staff members on either side  
4                   of the aisle are not allowed, and only the  
5                   official Senate photographers are those who  
6                   are authorized to take pictures of Senators on  
7                   the floor. And press, if they're allowed and  
8                   they have their credentials.

9                   In consultation with Senator  
10                  Breslin, and I'll let him speak in a minute,  
11                  we would ask that that not happen and that if  
12                  it does happen, the Sergeant-at-Arms will be  
13                  asked to remove you from the chamber.

14                 SENATOR BRESLIN:       Mr. President.

15                 ACTING PRESIDENT GRIFFO:     Senator  
16                 Breslin.

17                 SENATOR BRESLIN:       I join with  
18                 Senator Libous in the admonition that any kind  
19                 of photography in this chamber without the  
20                 authorization of our Senate photographers is  
21                 prohibited, and we will do everything in our  
22                 power to make sure that's enforced on our side  
23                 as well.

24                 Thank you, Mr. President.

25                 ACTING PRESIDENT GRIFFO:     Thank

1       you, Senator Breslin.

2               It is so noted and the  
3       Sergeant-at-Arms is so instructed.

4               SENATOR LIBOUS:     Thank you,  
5       Mr. President. Thank you, Senator Breslin.

6               With that said, it's on to moving  
7       forward with the state budget. There will be  
8       an immediate meeting of the Finance Committee  
9       in Room 332.

10              ACTING PRESIDENT GRIFFO:     There's  
11       an immediate meeting of the Finance Committee  
12       in Room 332.

13              The Senate stands at ease.

14              (Whereupon, the Senate stood at  
15       ease at 10:22 a.m.)

16              (Whereupon, the Senate reconvened  
17       at 10:41 a.m.)

18              ACTING PRESIDENT GRIFFO:     The  
19       Senate will come to order.

20              Senator Maziarz.

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

23              At this time, Mr. President, could  
24       we take up the noncontroversial reading of  
25       today's calendar, please.

1                   ACTING PRESIDENT GRIFFO:     The  
2     Secretary will read.

3                   THE SECRETARY:     Calendar Number  
4     112, by Senator Skelos, Senate Print 1541, an  
5     act to amend the Penal Law.

6                   ACTING PRESIDENT GRIFFO:     Read  
7     the last section.

8                   THE SECRETARY:     Section 4. This  
9     act shall take effect on the first of  
10    November.

11                  ACTING PRESIDENT GRIFFO:     Call  
12    the roll.

13                  (The Secretary called the roll.)

14                  THE SECRETARY:     Ayes, 58.

15                  ACTING PRESIDENT GRIFFO:     The  
16    bill is passed.

17                  THE SECRETARY:     Calendar Number  
18    217, substituted earlier today by Member of  
19    the Assembly Paulin, Assembly Print Number 88,  
20    an act to amend the Criminal Procedure Law.

21                  ACTING PRESIDENT GRIFFO:     Read  
22    the last section.

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

25                  ACTING PRESIDENT GRIFFO:     Call

1 the roll.

2 (The Secretary called the roll.)

3 THE SECRETARY: Ayes, 58.

4 ACTING PRESIDENT GRIFFO: The  
5 bill is passed.

6 Senator Maziarz, that completes the  
7 noncontroversial reading of the calendar.

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

10 May we please return to the order  
11 of reports of standing committees. I believe  
12 there's a report of the Finance Committee at  
13 the desk. I ask that it be read at this time.

14 ACTING PRESIDENT GRIFFO: The  
15 Secretary will read the report of the Finance  
16 Committee.

17 THE SECRETARY: Senator  
18 DeFrancisco, from the Committee on Finance,  
19 reports direct to third reading:

20 Senate Print 2807C, Senate Budget  
21 Bill, an act to amend Chapter 887 of the Laws  
22 of 1983;

23 And Senate Print 2811C, Senate  
24 Budget Bill, an act to amend the Abandoned  
25 Property Law.

1                   ACTING PRESIDENT GRIFFO:     The  
2       bills are reported to third reading.

3                   Senator Maziarz.

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

6                   At this time could we just stand at  
7       ease for a couple of minutes. Thank you.

8                   ACTING PRESIDENT GRIFFO:     The  
9       Senate will stand at ease.

10                  (Whereupon, the Senate stood at  
11       ease at 10:44 a.m.)

12                  (Whereupon, the Senate reconvened  
13       at 10:49 a.m.)

14                  ACTING PRESIDENT GRIFFO:     The  
15       Senate will come to order.

16                  Senator Maziarz.

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

19                  Just one note of housekeeping.  
20       There was an Agriculture Committee meeting  
21       scheduled for 11:00 a.m. this morning. That  
22       will be postponed, called later on off the  
23       floor.

24                  Mr. President, may we please take  
25       up the noncontroversial reading of



1 Supplemental Calendar A at this time.

2 ACTING PRESIDENT GRIFFO: The  
3 Secretary will read.

4 THE SECRETARY: Calendar Number  
5 284, Senate Budget Bill, Senate Print 2807C,  
6 an act to amend Chapter 887 of the Laws of  
7 1983.

8 ACTING PRESIDENT GRIFFO: Senator  
9 Maziarz.

10 SENATOR MAZIARZ: Mr. President,  
11 is there a message of necessity at the desk?

12 ACTING PRESIDENT GRIFFO: There  
13 is a message of necessity at the desk.

14 SENATOR MAZIARZ: I move to  
15 accept the message of necessity at this time.

16 ACTING PRESIDENT GRIFFO: The  
17 motion has been made to accept the message of  
18 necessity. All in favor signify by saying  
19 aye.

20 (Response of "Aye.")

21 ACTING PRESIDENT GRIFFO:  
22 Opposed?

23 (No response.)

24 ACTING PRESIDENT GRIFFO: The  
25 message is accepted.

1                   SENATOR BRESLIN:     Lay it aside.

2                   ACTING PRESIDENT GRIFFO:     Lay it  
3     aside.

4                   THE SECRETARY:     Calendar Number  
5     285, Senate Budget Bill, Senate Print 2811C,  
6     an act to amend the Abandoned Property Law.

7                   ACTING PRESIDENT GRIFFO:     Senator  
8     Maziarz.

9                   SENATOR MAZIARZ:     Yes,  
10    Mr. President, is there a message of necessity  
11    at the desk?

12                  ACTING PRESIDENT GRIFFO:     There  
13    is a message at the desk.

14                  SENATOR MAZIARZ:     I move to  
15    accept the message of necessity.

16                  ACTING PRESIDENT GRIFFO:     All in  
17    favor of accepting the message signify by  
18    saying aye.

19                  (Response of "Aye.")

20                  ACTING PRESIDENT GRIFFO:  
21    Opposed?

22                  (No response.)

23                  ACTING PRESIDENT GRIFFO:     The  
24    message is accepted.

25                  SENATOR BRESLIN:     Lay it aside.

1                   ACTING PRESIDENT GRIFFO:     Lay it  
2     aside.

3                   That completes the noncontroversial  
4     reading of the supplemental calendar.

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

7                   At this time can we take up the  
8     controversial reading of the calendar.

9                   ACTING PRESIDENT GRIFFO:     The  
10    Secretary will ring the bell.

11                   The Secretary will read.

12                   THE SECRETARY:     Calendar Number  
13    284, Senate Budget Bill, Senate Print 2807C,  
14    an act to amend Chapter 887 of the Laws of  
15    1983.

16                   SENATOR BRESLIN:     Explanation.

17                   ACTING PRESIDENT GRIFFO:     Senator  
18    DeFrancisco, an explanation has been requested  
19    by Senator Breslin.

20                   SENATOR DeFRANCISCO:     Yes, 2807C  
21    is the public protection budget bill. And  
22    everyone should have their memos concerning  
23    the content of this budget bill.

24                   The first major -- Part A, the  
25    first area, deals with the Governor wanted to

1 extend the operation of the Interstate Compact  
2 for Adult Supervision, the ability of state  
3 corrections facilities to house inmates, et  
4 cetera, et cetera. It's in the memo for three  
5 years. We rejected that and had the extension  
6 for two years to provide some more legislative  
7 oversight of the operations of these  
8 organizations.

9 Part B deals with funds that are  
10 recovered by district attorneys in New York  
11 City. And approximately \$75 million of the  
12 funds come to the State of New York, the rest  
13 is split between New York City and the DAs for  
14 monies recovered in various civil actions done  
15 by the district attorney's office.

16 All this part of the bill does is  
17 to amend when those funds are received by the  
18 recipients. It used to be doled out annually.  
19 Monies are needed during the course of the  
20 year. Each of the stakeholders have agreed to  
21 the new payment schedule, which is  
22 advantageous to each of them.

23 Part C, this is that 60 days notice  
24 for prison closures, and that's only for one  
25 year. It will go back to the one year

1 notification. We debated that somewhat  
2 yesterday.

3 Part D, we rejected the Governor's  
4 request to or his proposal to transfer a  
5 million and a half dollars from the Public  
6 Safety Communications Account to the Emergency  
7 Service Revolving Loan Fund, because that  
8 fund, the second of the funds, has sufficient  
9 dollars in it and there's no need for such a  
10 transfer. We deny the transfers for a period  
11 of two years since there are sufficient funds  
12 in that account.

13 Part E, changing the composition of  
14 commissioners of the State Liquor Authority.  
15 It was felt by the Governor and the  
16 Legislature, which concurred with the  
17 Governor, that the chairman is the individual  
18 who performs most of the responsibilities for  
19 this particular board, and his salary would  
20 remain the same. The other commissioners  
21 would be relegated to a per-diem fee of \$260 a  
22 day. That saves \$220,000 a year. Not a lot  
23 of money, but every little bit counts in a  
24 situation, budget problem that we've got right  
25 now.

1           The Governor wanted to eliminate  
2           the requirement that election results be  
3           printed in newspapers. The Legislature  
4           rejected that. That's Part F.

5           Part G, this has to do with  
6           workers' compensation, the self-insured funds.  
7           This has been an ongoing problem where some of  
8           these funds went bankrupt. There's some  
9           changes in the language. It relieves fully  
10          and partially funded trusts from assessments  
11          since they really had little to do with the  
12          problem since their funds are fully or  
13          partially funded. They're relieved from that  
14          assessment until 2016. It lessens these exit  
15          fees that were part of prior law. And  
16          apparently, from what I understand, that all  
17          the stakeholders that were involved in these  
18          discussions were at least not dissatisfied  
19          with this solution to remedy some of the  
20          burden on these employers who created these  
21          trusts.

22          Part H is similar to the proposal  
23          concerning the ABC commissioners, in that the  
24          commissioners of -- the State Civil Service  
25          commissioner will go a per-diem compensation.

1                   Part I, everyone has been aware  
2                   since the Governor's original proposal of the  
3                   reduction in AIM funding, Aid and Incentives  
4                   to Municipalities. The Legislature concurred  
5                   with those proposals.

6                   The video lottery terminals -- and,  
7                   you know, let me just stop right there. I may  
8                   be going in too great of depth because  
9                   everyone's got this memo. And maybe I'll stop  
10                  at this point and ask if there's any questions  
11                  and that way we might be able to eliminate  
12                  some of the areas that people are not  
13                  interested in talking about.

14                  ACTING PRESIDENT GRIFFO:     Thank  
15                  you, Senator DeFrancisco.

16                  Is there any Senator wishing to be  
17                  heard?

18                  Senator Krueger.

19                  SENATOR KRUEGER:     Thank you very  
20                  much.

21                  First off, thank you, Senator  
22                  DeFrancisco for the explanation. And yes, we  
23                  all appreciate that now we're getting memos to  
24                  look at before we're asked to vote on bills.  
25                  And it does certainly help us, given how short

1 the timeline is from bill printing to coming  
2 to the floor.

3 Mr. President, through you, I do  
4 have a few questions on this bill if the  
5 sponsor will yield.

6 ACTING PRESIDENT GRIFFO: Senator  
7 DeFrancisco, do you yield?

8 SENATOR DeFRANCISCO: Yes, I do.

9 ACTING PRESIDENT GRIFFO: Senator  
10 Krueger.

11 SENATOR KRUEGER: Thank you.

12 Senator, in your presentation you  
13 did go over Part F, elimination of election  
14 law print and publication, which had been in  
15 the Governor's original budget but was  
16 ultimately rejected. Can you tell me what the  
17 cost or the savings from that proposal would  
18 have been both to the state and to the  
19 localities?

20 SENATOR DeFRANCISCO:  
21 Approximately \$75,000 would have been the  
22 savings had we not eliminated the Governor's  
23 proposal.

24 SENATOR KRUEGER: Mr. President,  
25 if through you the sponsor would continue to



1       yield.

2                   ACTING PRESIDENT GRIFFO:       The  
3       sponsor yields.

4                   SENATOR KRUEGER:       Thank you.

5                   Would there have been a local  
6       savings as well? Because my understanding was  
7       this was printing by election districts in  
8       their local papers of specific information.

9                   SENATOR DeFRANCISCO:       No, there  
10       would not have been. This was strictly a  
11       state expense.

12                   SENATOR KRUEGER:       Thank you.

13                   Mr. President, if the sponsor would  
14       continue to yield.

15                   SENATOR DeFRANCISCO:       Yes.

16                   SENATOR KRUEGER:       Thank you.

17                   In Section I, AIM funding, reducing  
18       Aid and Incentives to Municipalities, this  
19       bill zeros out the \$302 million AIM funding  
20       for one year to the City of New York. Is that  
21       correct?

22                   SENATOR DeFRANCISCO:       That's  
23       correct.

24                   SENATOR KRUEGER:       If, through  
25       you, the sponsor would continue to yield.

1                   ACTING PRESIDENT GRIFFO:     The  
2     sponsor yields.

3                   SENATOR KRUEGER:     Thank you.

4                   And as I recall in last year's  
5     budget, when we also zeroed out approximately  
6     \$302 million in AIM funding to the City of  
7     New York, we -- the State of New York  
8     explicitly committed to putting AIM funding  
9     back for the for the City of New York at the  
10    same reduction share as other local  
11    municipalities in this budget year. Is that  
12    the sponsor's recollection as well?

13                  SENATOR DeFRANCISCO:     I don't  
14    know who "we" is, but I didn't make any such  
15    commitment. You never know from year to year  
16    what the circumstances are going to be. You  
17    can hope to do the best you can. But  
18    obviously we've received about \$6 billion less  
19    money from the federal government in education  
20    alone, and sometimes those hopes are never  
21    realized.

22                  SENATOR KRUEGER:     Mr. President,  
23    through you, for the record, I do believe that  
24    last year's budget language explicitly made a  
25    commitment to restore AIM funding to the City

1 of New York. And of course my colleague is  
2 right that you go year to year and you have  
3 new realities to deal with. But we did make  
4 that commitment, Senators on both sides of the  
5 aisle. Certainly Senators from New York City,  
6 Republicans and Democrats. So I'm disturbed  
7 that we're not making good on that.

8 SENATOR DeFRANCISCO: Excuse me  
9 one moment.

10 SENATOR KRUEGER: Yes.

11 SENATOR DeFRANCISCO: I believe  
12 every Republican voted no on the budget, which  
13 means they voted no on all provisions of it,  
14 including the one to which you refer. So we  
15 did not commit on this side of the aisle to  
16 any such thing.

17 SENATOR KRUEGER: Thank you.

18 Mr. President, if the sponsor would  
19 continue to yield.

20 SENATOR DeFRANCISCO: Yes.

21 ACTING PRESIDENT GRIFFO: The  
22 sponsor yields.

23 SENATOR KRUEGER: Thank you.

24 Section L clarifies the state will  
25 assume responsibility for payments in lieu of

1        taxes for certain lands I guess in or around  
2        the City of Rochester. Can you tell me what  
3        new expenses the state has committed to with  
4        this section and for how long a period?

5                SENATOR DeFRANCISCO:        I have  
6        absolutely no clue, so let me check it out for  
7        you.

8                SENATOR KRUEGER:        Okay.

9                SENATOR DeFRANCISCO:        Well, what  
10       I have been informed that there was -- the  
11       state entered into an agreement with these  
12       localities to pay in lieu of taxes because  
13       these are watershed areas. It was actually  
14       purchased by the state, and when the state  
15       purchased it there was agreement with the  
16       localities to pay and, since there will be no  
17       taxes, that the state is not taxable, to make  
18       payments in lieu of taxes in return for the  
19       ability of the state to purchase these  
20       watershed lands.

21                That's the best I can do.

22                ACTING PRESIDENT GRIFFO:        Senator  
23       Krueger.

24                SENATOR KRUEGER:        Thank you,  
25       Mr. President. If through you the sponsor

1 will continue to yield.

2 SENATOR DeFRANCISCO: Yes.

3 ACTING PRESIDENT GRIFFO: The  
4 sponsor continues to yield.

5 SENATOR KRUEGER: I appreciate  
6 the sponsor's answer. I believe it is  
7 correct. But the follow-up of my question was  
8 and what will it cost the state this year and  
9 in future years, for how long when we are  
10 paying some amount of PILOTs in lieu of taxes  
11 or taking on the commitment of responsibility  
12 for PILOT payments.

13 SENATOR DeFRANCISCO: It's a  
14 \$600,000 appropriation this year, and it's an  
15 annual appropriation. So apparently it's  
16 going to go for several years. I don't know  
17 the exact number of years. But it has to have  
18 an annual appropriation. And for this year  
19 it's \$600,000.

20 SENATOR KRUEGER: Thank you.

21 Mr. President, quickly on the bill.

22 ACTING PRESIDENT GRIFFO: Senator  
23 Krueger on the bill.

24 SENATOR KRUEGER: Thank you.

25 I appreciate very much the

1 sponsor's answers to my questions.

2 By and large, this document is  
3 almost identical to the Executive's original  
4 proposal to the Legislature, and so I don't  
5 think there is areas for wide disagreement on  
6 this piece of legislation. So I'm planning on  
7 voting yes.

8 Thank you very much.

9 ACTING PRESIDENT GRIFFO: Thank  
10 you, Senator Krueger.

11 Senator Farley.

12 SENATOR FARLEY: Thank you.

13 I just want to bring up the fact  
14 that much of this particular bill was the  
15 result of my conference committee that  
16 addressed this, and we addressed several very  
17 serious problems, one of which I want to bring  
18 up, the VLTs.

19 Seventeen communities upstate are  
20 now going to -- I know that's where you  
21 stopped, Senator. And 17 communities are  
22 going to get support, including Saratoga,  
23 which was omitted. And for \$6 million it's  
24 going to make a tremendous difference for 17  
25 communities upstate.

1                   And also in this Yonkers has been  
2                   fully funded for their schools. And, Senator,  
3                   the Yonkers School Districts are going to be  
4                   fully funded as a result of the VLTs. I did  
5                   want to mention this. There was a spirit of  
6                   cooperation. This just shows on this  
7                   particular budget bill that the conference  
8                   committees work.

9                   ACTING PRESIDENT GRIFFO:       Senator  
10                  DeFrancisco.

11                  SENATOR DeFRANCISCO:       Yes, I  
12                  forgot to mention one thing. During the  
13                  discussion of our one-house bill Senator  
14                  Stewart-Cousins was extremely upset with the  
15                  fact that Yonkers lost money from some VLT  
16                  revenues. And I told her at the time that our  
17                  conference would look into that, see what  
18                  could be done in order to correct that, and  
19                  that was corrected in this bill as well.

20                  Thank you.

21                  ACTING PRESIDENT GRIFFO:       Is  
22                  there any other Senator wishing to be heard?

23                  Seeing none, the debate is closed.

24                  The Secretary will ring the bell.

25                  Read the last section.

1                   THE SECRETARY:     Section 3.  This  
2     act shall take effect.

3                   SENATOR LIBOUS:     Mr. President.

4                   ACTING PRESIDENT GRIFFO:     Senator  
5     Libous.

6                   SENATOR LIBOUS:     If we could just  
7     pause for a couple more seconds.

8                   (Pause.)

9                   ACTING PRESIDENT GRIFFO:     The  
10    Secretary will read the last section.

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

13                  ACTING PRESIDENT GRIFFO:     Call  
14    the roll.

15                  (The Secretary called the roll.)

16                  ACTING PRESIDENT GRIFFO:     Senator  
17    Adams to explain his vote.

18                  SENATOR ADAMS:     Thank you,  
19    Mr. President.  I want to explain my vote.

20                         I'm going to vote no on this bill.  
21    And I think that as we talk about reform, the  
22    first area of reform is to deal with the  
23    well-known secret in government where we bunch  
24    items together.  We need to vote on each item.  
25    Each item should stand alone.



1                   And I'm going to vote no on this  
2                   bill because of the AIM funding for New York  
3                   City. We're punishing a municipality that  
4                   handled its finances in an appropriate way.  
5                   New York City had to cut back, they had to do  
6                   without. And because they did that, now  
7                   they're going to be punished by not receiving  
8                   any AIM. We stated that we were going to  
9                   refund the AIM this year in 2010. We're not.

10                  So I believe this is the wrong  
11                  message to send. All municipalities must  
12                  tighten their belt, and when they do so they  
13                  should not be penalized by the state. And I  
14                  think we're penalizing New York City.  
15                  Although there are other items in this bill  
16                  that I'm happy are in the bill, but that's not  
17                  the right thing to do to state that because  
18                  they're bunched together I'm going to ignore  
19                  the fact that New York City is being denied  
20                  AIM.

21                  New York City deserves to receive  
22                  their fair share of AIM. They send a large  
23                  amount of money to the state government.  
24                  We're not receiving that money back. And our  
25                  communities were hurt because of that. So I

1 have to vote no on this bill.

2 ACTING PRESIDENT GRIFFO: Senator  
3 Adams to be recorded in the negative.

4 Senator Hassell-Thompson to explain  
5 her vote.

6 SENATOR HASSELL-THOMPSON: Thank  
7 you, Mr. President.

8 I went to commend our Governor and  
9 the Assembly, my Assembly colleagues, for  
10 attempting to minimize the pain in a terrible  
11 budget year, particularly in the indigent  
12 legal services. The continued existence of a  
13 centralized office to distribute funding was  
14 something that many of us fought very hard  
15 for, and to change a flawed system of funds  
16 distribution was long overdue.

17 I would also like to commend my  
18 colleagues across the aisle for standing firm  
19 against the merger of OPDD, OVS, and SCOC,  
20 three virtually important offices, and for  
21 restoring these offices to their full funding.

22 This public protection budget may  
23 not be perfect, but I do want to give credit  
24 where credit is due. Hard work went into  
25 making sure that we did a good job on this

1       table, and I want to commend all who  
2       participated in making it happen.

3               Thank you, Mr. President. I will  
4       be voting yes.

5               ACTING PRESIDENT GRIFFO:       Senator  
6       Hassell-Thompson to be recorded in the  
7       affirmative.

8               Senator Stewart-Cousins to explain  
9       her vote.

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

12              I too will be voting for this, but  
13       I did want to mention two things. First, the  
14       fact that there is some sort of carrot, and I  
15       want to commend the Governor for extending  
16       some kind of a carrot to municipalities that  
17       are looking at consolidation and merging  
18       services. It's one thing to say to do it, but  
19       without motivation sometimes it's not as easy.  
20       So it's good that there is that.

21              And secondly, I do want to extend  
22       some gratitude to Senator DeFrancisco, who  
23       indeed when I stood up and talked about how  
24       the damage to the Yonkers schools was just  
25       inevitable due to the cut of \$19.6 million

1 from the proposed budget that the Republicans  
2 put forward, he immediately asked how I could  
3 give him more information, sent the analyst  
4 over.

5 And I really thank you, Senator  
6 DeFrancisco, and certainly all my colleagues  
7 on both sides who understood that  
8 schoolchildren and cutting streams that are  
9 going directly to these schools -- and  
10 certainly as a result of the raceway, which is  
11 doing so well -- was something that we could  
12 not jeopardize.

13 So again, my commendations to  
14 Senator DeFrancisco, certainly everyone on the  
15 other side of the aisle and certainly to my  
16 own leader and my Democratic Senators here who  
17 fought tooth and nail at every opportunity to  
18 say no, this can't stand.

19 So again, I will be supporting  
20 this.

21 ACTING PRESIDENT GRIFFO: Senator  
22 Stewart-Cousins to be recorded in the  
23 affirmative.

24 Senator Diaz to explain his vote.

25 SENATOR DIAZ: Yeah,

1 Mr. President, this is a budget that I have to  
2 vote no, especially -- and not because I'm  
3 opposing the closing of prisons. Not for that  
4 reason.

5 But when we as a Legislature give a  
6 blank check to the Governor to play with our  
7 rice and beans, not knowing where he's going  
8 to close a prison, not knowing what area is  
9 going to be hurt, not knowing nothing, just to  
10 give a blank check to the Governor -- here,  
11 Governor, close at your pleasure -- this  
12 doesn't speak well of us.

13 The people upstate that depend,  
14 many of them depend on those earnings from  
15 those prisons and whatever, they don't even  
16 know what's going to happen. But we are  
17 trusting the Governor. Close this thing  
18 whenever you please, whatever you please.

19 That is wrong. This is not a way  
20 of doing legislation, for the sake of an  
21 on-time budget that we give the Governor this  
22 blank check. This is wrong. I think this  
23 is -- the people of the State of New York have  
24 not elected us to do this kind of business.  
25 Maybe we should abolish the whole Senate and

1 the whole Legislature and give the Governor  
2 the command to do as we did with the  
3 Lieutenant Governor.

4 So I'm voting no.

5 ACTING PRESIDENT GRIFFO: Senator  
6 Diaz to be recorded in the negative.

7 Is there any other Senator  
8 wishing -- Senator Stavisky.

9 SENATOR STAVISKY: Yes.

10 ACTING PRESIDENT GRIFFO: To  
11 explain her vote.

12 SENATOR STAVISKY: To explain my  
13 vote very briefly.

14 I too thank Senator DeFrancisco for  
15 his answers last evening. And while there are  
16 still a number of unanswered questions, I  
17 appreciate the time he took to explain them.

18 I am concerned about two parts of  
19 this bill that deal with the State University  
20 of New York. The Long Island College  
21 Hospital, which is presumably going to come  
22 under the jurisdiction of SUNY Downstate, and  
23 the Community General Hospital, if it's  
24 acquired by SUNY Upstate, it's my hope that  
25 the employees will be part of the SUNY system

1       and will retain their collective bargaining  
2       rights and their pension rights, et cetera, so  
3       that they become part of the SUNY system.

4               And I vote aye.

5               ACTING PRESIDENT GRIFFO:       Senator  
6       Stavisky to be recorded in the affirmative.

7               Announce the results.

8               THE SECRETARY:       In relation to  
9       Calendar Number 284, those recorded in the  
10      negative are Senators Adams, Diaz, Duane,  
11      C. Kruger and Perkins.

12              Absent from voting:   Senator  
13      Parker.

14              Ayes, 56.   Nays, 5.

15              ACTING PRESIDENT GRIFFO:       The  
16      bill is passed.

17              The Secretary will read.

18              THE SECRETARY:       Calendar Number  
19      285, Senate Budget Bill, Senate Print 2811C,  
20      an act to amend the Abandoned Property Law.

21              SENATOR KRUEGER:       Explanation.

22              ACTING PRESIDENT GRIFFO:       Senator  
23      Krueger has requested an explanation, Senator  
24      DeFrancisco.

25              SENATOR DeFRANCISCO:       Yes.   All

1 of you should have on your desks the memo on  
2 the revenue bill, Senate 2811, the first  
3 provision of which deals with abandoned  
4 property.

5 There are several instances that  
6 are described in the bill where we amended the  
7 Governor's proposal but cut back the time  
8 period in which the specific provision was in  
9 effect. Each of those are the same rationale,  
10 to try to maintain a closer legislative  
11 oversight over those various activities that  
12 are listed in the memo.

13 There is a series of proposals  
14 concerning lotteries. And one of the most  
15 significant, I believe, is one that we  
16 concurred with the Governor on, in that  
17 lottery award winners cannot only have  
18 outstanding tax liabilities, et cetera,  
19 deducted from their winnings and taxes and the  
20 like, but the new provision also authorizes  
21 lottery winners awards to be intercepted for  
22 the payment of outstanding child support and  
23 repayment of public assistance benefits, a  
24 perfectly logical approach.

25 And in any event -- I apologize, I



1 was incorrect. All of the areas that were  
2 discussed are already interceptable under the  
3 current law, but what's added is outstanding  
4 tax liabilities as an additional item that  
5 could be paid for out of lottery winnings.

6 There are a series of other tax  
7 issues that I could go through, but one of the  
8 things I want to highlight is that there are a  
9 whole series of efforts where we concurred  
10 with the Governor in order to make it easier  
11 to pay taxes, to file tax returns and the  
12 like, all electronically. And there's a  
13 series of provisions in this bill to allow  
14 municipalities to participate, and if they  
15 don't have the wherewithal to do their own  
16 electronic system, to allow localities to pay  
17 third-party vendors to do that.

18 So the concept is to eliminate a  
19 lot of the paperwork. And in the long run,  
20 this is going to be a substantial savings for  
21 the State of New York.

22 Another thing I wanted to mention  
23 was the cigarette registration fee. A fee was  
24 imposed in the past charging vendors \$1,000,  
25 \$2,500, and \$5,000 in order to register to be

1       able to have the luxury of selling cigarettes.  
2       That was brought to litigation. The prior  
3       registration fee, I believe, was \$100. That  
4       litigation is pending, and while it's been  
5       pending we've only been collecting \$100  
6       because there's been an injunction.

7               Well, what was agreed to in this  
8       bill that's agreed to by the vendors as well  
9       is to change the fee to a flat \$300 fee, which  
10      will actually result in more revenue since  
11      we're only collecting \$100 now. And it will  
12      also result, I believe, in the termination of  
13      the lawsuit.

14             I had referred to yesterday when we  
15      talked about prison closures that the  
16      Legislature, especially the Senate, was  
17      insisting on an economic transformation fund,  
18      dollars and also tax credits for those  
19      localities who are affected by the prison  
20      closures. And part of that -- the \$50 million  
21      is not in this bill, we'll talk about it in  
22      another bill. But the series of tax credits  
23      that are set forth on the last page of the  
24      memo shows the benefits taxwise there would be  
25      to he businesses locating within a specific

1 distance from the facility, depending upon,  
2 you know, whether it's a dense area where the  
3 facility takes place or population is actually  
4 spread out more. And these tax credits will  
5 be available for a five-year period. They're  
6 listed on the last page of the memo.

7 With that said, I'd be happy to  
8 answer any other questions about those topics  
9 or whatever I can try to answer on the rest of  
10 the bill.

11 ACTING PRESIDENT GRIFFO: Senator  
12 Krueger.

13 SENATOR KRUEGER: Thank you,  
14 Mr. President. If through you the sponsor  
15 would yield. There is going to be I think  
16 quite an extensive series of questions on this  
17 bill.

18 ACTING PRESIDENT GRIFFO: Senator  
19 DeFrancisco, do you yield?

20 SENATOR DeFRANCISCO: I yield to  
21 all of the extensive questions. Without  
22 having to be asked again.

23 ACTING PRESIDENT GRIFFO: We will  
24 allow some leniency.

25 SENATOR KRUEGER: Thank you so

1 much.

2 Of course because when you start to  
3 deal with the questions of revenue for the  
4 state budget, you're really getting into the  
5 questions of the overall size of the budget,  
6 what we're bringing in, what we have to spend.  
7 So I had saved some questions specifically  
8 around the overall budget to be discussed in  
9 the context of this bill.

10 What is the exact overall size of  
11 the budget when you add all the different  
12 bills together that we are passing yesterday  
13 and today? I'm assuming we're done today.

14 SENATOR DeFRANCISCO: You're  
15 talking about the overall budget?

16 SENATOR KRUEGER: Yes, sir.

17 SENATOR DeFRANCISCO: \$132.5  
18 billion, which is a 2 percent reduction of  
19 overall spending from last year.

20 SENATOR KRUEGER: Mr. President,  
21 through you. The Governor's original proposed  
22 budget was how much?

23 SENATOR DeFRANCISCO: I'm not  
24 quite sure, but I know it's a reduction  
25 overall year to year.

1 Does somebody have that number?

2 SENATOR KRUEGER: I believe he  
3 said it was \$132.5 billion. But your staff  
4 could correct me.

5 Is it correct that the  
6 Legislature's version of the total budget  
7 added \$250 million, as was said at the  
8 conference committee?

9 SENATOR DeFRANCISCO: I don't --  
10 I don't -- I'm not quite clear on that. I  
11 believe, if the Governor's budget was  
12 \$132.5 billion and our budget is the same,  
13 whatever additions there were at various  
14 conference committees would be offset by  
15 reductions in other areas.

16 SENATOR KRUEGER: Mr. President,  
17 if through you -- I appreciate the sponsor's  
18 confusion. I too am confused at --

19 SENATOR DeFRANCISCO: I don't  
20 think I'm confused. I think I was very clear.

21 SENATOR KRUEGER: To restate, I  
22 do believe that the Governor's original  
23 proposal was a \$132.5 billion All Funds budget  
24 that there was discussion of through  
25 negotiations with the Legislature having added

1       \$250 million in total to the All Funds. But I  
2       believe I just heard the Senator say that this  
3       budget, all funds, is \$132.5 billion.

4       Therefore, I guess my follow-up question is  
5       where did we subtract \$250 million? Because  
6       apparently we added \$250 million.

7                SENATOR DeFRANCISCO:     Well, the  
8       Executive Budget was 132.534 million. The  
9       legislative additions were \$505 million, and  
10      the reductions to the Legislature was  
11      \$631 million. The net from federal funds,  
12      \$126 million, which resulted in a legislative  
13      budget total identical to the Governor's.

14             And by the way, I was just informed  
15      that these aren't the Senate numbers, these  
16      are the numbers that were agreed to from the  
17      Division of Budget. It's not only us saying  
18      this, it's the Governor's Budget Department  
19      saying the same.

20             SENATOR KRUEGER:     Thank you,  
21      Mr. President. If through you the sponsor  
22      would continue to yield.

23             ACTING PRESIDENT GRIFFO:     The  
24      sponsor yields.

25             SENATOR KRUEGER:     And I do

1 appreciate the sponsor's answer to my  
2 question. And we will be following up because  
3 we believe that the Governor announced in the  
4 final announcement about the budget deal that  
5 \$250 million had been added to the General  
6 Fund. So there may be some language  
7 disagreement -- on All Funds, excuse me,  
8 \$250 million had been added to All Funds.

9 SENATOR DeFRANCISCO: May I just  
10 make a comment to clarify?

11 SENATOR KRUEGER: Please. Yes.

12 SENATOR DeFRANCISCO: There was  
13 \$250 million added to the General Fund, but  
14 All Funds resulted in the same All Funds  
15 number that the Governor came up with.

16 SENATOR KRUEGER: Thank you.  
17 Thank you. Mr. President, if through you the  
18 sponsor will continue to yield.

19 SENATOR DeFRANCISCO: Yes.

20 SENATOR KRUEGER: Jumping to  
21 General Fund, my understanding was that the  
22 net change in spending for General Fund was  
23 \$608 million in increases. Can we confirm  
24 that that's correct?

25 SENATOR DeFRANCISCO: General

1 Fund, net change was four hundred -- excuse  
2 me, there's \$498 million in additions. The  
3 net change was a negative 118 million.

4 SENATOR KRUEGER: If the sponsor  
5 would continue to yield.

6 ACTING PRESIDENT GRIFFO: You may  
7 continue, Senator Krueger.

8 SENATOR KRUEGER: When I'm doing  
9 my tally -- and, you know, obviously in a  
10 budget it's important to understand the pluses  
11 and the minuses -- there was an addition of  
12 \$272 million for education. Is that correct?

13 SENATOR DeFRANCISCO: There was  
14 270 what?

15 SENATOR KRUEGER: A \$272 million  
16 education add for General Fund.

17 SENATOR DeFRANCISCO: That is  
18 correct.

19 SENATOR KRUEGER: \$86 million for  
20 higher education?

21 SENATOR DeFRANCISCO: 86 million  
22 is correct.

23 SENATOR KRUEGER: \$180 million  
24 for health and Medicaid?

25 SENATOR DeFRANCISCO: Yes, that's



1 correct.

2 SENATOR KRUEGER: \$33 million for  
3 other?

4 SENATOR DeFRANCISCO: Yup.

5 SENATOR KRUEGER: \$91 million for  
6 human services?

7 SENATOR DeFRANCISCO: Correct.

8 SENATOR KRUEGER: That adds up to  
9 have \$662 million of adds to General Fund.

10 SENATOR DeFRANCISCO: That's  
11 correct. But there were other cuts that made  
12 the numbers match what the Governor's  
13 Executive Budget amounted to, an All Funds  
14 budget amounted to.

15 SENATOR KRUEGER: I appreciate  
16 that. Again, I'm staying focused on the  
17 General Fund money now.

18 SENATOR DeFRANCISCO: Okay.

19 SENATOR KRUEGER: Okay? And then  
20 reductions to the General Fund between the  
21 Governor and Legislature's negotiations, a  
22 \$21 million reduction from DAI litigation?

23 SENATOR DeFRANCISCO: I'm sorry,  
24 I --

25 SENATOR KRUEGER: That's okay. I

1       was just reviewing that we've reduced General  
2       Funds by \$21 million in the DA litigation  
3       category.

4                SENATOR DeFRANCISCO:     Correct.  
5       And the total of that column would be  
6       \$54 million.

7                SENATOR KRUEGER:     Right. I think  
8       we're actually looking at the same statistics.

9                SENATOR DeFRANCISCO:     Yes, we  
10      are.

11               SENATOR KRUEGER:     Okay. Thank  
12      you. So in fact the same chart shows that the  
13      net change in General Fund spending was  
14      \$608 million added. Is that your  
15      understanding?

16               SENATOR DeFRANCISCO:     That is  
17      correct. But the difference is in the  
18      health/Medicaid category, the \$180 million of  
19      adds.

20               SENATOR KRUEGER:     Yes.

21               SENATOR DeFRANCISCO:     Those  
22      \$180 million of adds were financed in the MRT  
23      by other savings. Because the Governor made  
24      certain that the MRT was an entity in and of  
25      itself. And as a result, if there were

1 additions, those additions had to be funded  
2 through other savings in that pot. And that  
3 bill will be showing up hopefully this  
4 afternoon.

5 SENATOR KRUEGER: Thank you.

6 So as I understand it, that  
7 \$608 million chart is actually reduced to  
8 \$428 million new General Fund spending,  
9 accepting your explanation that the  
10 \$180 million health/Medicaid add is actually  
11 covered by something else in the MRT plan of  
12 the Governor. Is that correct?

13 SENATOR DeFRANCISCO: That's  
14 correct.

15 SENATOR KRUEGER: Thank you.

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

18 ACTING PRESIDENT GRIFFO: Senator  
19 Krueger, Senator DeFrancisco continues to  
20 yield.

21 SENATOR DeFRANCISCO: Yes.

22 SENATOR KRUEGER: Thank you. I  
23 appreciate it.

24 So I think we have established that  
25 approximately -- and we're in agreement on how

1 much the General Fund is and how much the  
2 All Funds budget is. How much of our General  
3 Fund spending is coming from the personal  
4 income tax in the new fiscal year?

5 SENATOR DeFRANCISCO: Two-thirds  
6 of the spending is financed by the personal  
7 income tax.

8 And we are opposed to the  
9 millionaire's tax. Because that's going to be  
10 the last part of your questions, I assume.

11 SENATOR KRUEGER: I didn't get to  
12 the punch line yet. Don't jump ahead of me.  
13 Mr. President, if through you you would tell  
14 him not to take my lines, please.

15 (Laughter.)

16 SENATOR KRUEGER: Could you ask  
17 the sponsor to clarify what the dollar amount  
18 to that two-thirds to General Fund projection  
19 adds up to?

20 SENATOR DeFRANCISCO:  
21 Approximately \$50 billion.

22 SENATOR KRUEGER: Is two-thirds,  
23 thank you. What percentage -- Mr. President,  
24 if through you the sponsor will continue to  
25 yield.

1                   ACTING PRESIDENT GRIFFO:     The  
2     sponsor yields.

3                   SENATOR KRUEGER:     Thank you.

4                   Whether we agree or disagree on the  
5     policy on taxes, I assume that includes the  
6     high-end-earners' supplement to our taxes  
7     through December of this year, is that  
8     correct? We are depending on that?

9                   SENATOR DeFRANCISCO:     We are  
10    depending upon the -- yes.

11                  SENATOR KRUEGER:     Thank you.

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

14                  SENATOR DeFRANCISCO:     Yes.

15                  SENATOR KRUEGER:     So two-thirds  
16    of the General Fund is received through the  
17    personal income tax. What percent of the  
18    General Fund is collected through business  
19    taxes? What percentage and dollar amount of  
20    the General Fund is collected through business  
21    taxes?

22                  SENATOR DeFRANCISCO:  
23    Approximately 10 percent, I'm told.

24                  SENATOR KRUEGER:     Which would be  
25    approximately how many dollars?

1                   SENATOR DeFRANCISCO:     Five  
2     billion, with a B.

3                   SENATOR KRUEGER:     Thank you.   And  
4     as follow-up, what percentage and what is the  
5     amount collected towards the General Fund from  
6     user fees and other taxes?

7                   SENATOR DeFRANCISCO:     Nine  
8     billion, 15 percent.

9                   SENATOR KRUEGER:     Thank you.

10                  SENATOR DeFRANCISCO:     We're  
11     giving you estimates.   We could give you an  
12     exact sheet if you'd like.   But we're giving  
13     you estimates at this point.

14                  SENATOR KRUEGER:     Thank you.

15                   And what is the estimated revenue  
16     from the MTA payroll tax in this coming year?

17                  SENATOR DeFRANCISCO:     That's  
18     \$1.4 billion.

19                  SENATOR KRUEGER:     Thank you.   And  
20     does this bill propose any changes or repeals  
21     to any portion of the MTA payroll tax?

22                  SENATOR DeFRANCISCO:     No.   It  
23     would have been much better if it wasn't  
24     imposed in the first place and we cut our  
25     spending over the last two years.   But now

1       that we are stuck with that spending and we  
2       have such a high deficit, we cannot afford  
3       getting rid of that tax this year. Although  
4       we would love to.

5                SENATOR KRUEGER:     Mr. President,  
6       if through you the sponsor would yield to  
7       additional questions.

8                SENATOR DeFRANCISCO:     Yes.

9                SENATOR KRUEGER:     Thank you.

10              Given that you've stated on the  
11      record you don't like the high-end-earner  
12      supplement tax, nor do you like the MTA  
13      payroll tax, what would you suggest we use to  
14      alternatively provide funds to the General  
15      Fund to pay for the budget that is being  
16      proposed here today?

17              SENATOR DeFRANCISCO:     Well, the  
18      budget that's being voted on here today is  
19      properly funded. The revenues are sufficient  
20      to pay the indebtedness because of the cuts we  
21      made.

22              So there's two ways to take care of  
23      the budget this year. Number one is cutting  
24      spending, as is the case in this particular  
25      budget. And the best way to do it for future

1       years is to provide economic development  
2       incentives -- lower taxes, lower fees, lower  
3       the cost of doing business so we have  
4       businesses actually coming to the State of  
5       New York and, God forbid, making money and  
6       then, making money, hiring employees. The  
7       more employees, the more the tax base. The  
8       more the tax base, the less the burden on  
9       individuals because there's more individuals  
10      to pay taxes.

11               That's the way to do it. And  
12      that's what we tried to explain over the last  
13      couple of years. And fortunately, with a  
14      partner in the Governor, we're able to do it  
15      this year.

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

19               ACTING PRESIDENT GRIFFO:     The  
20      sponsor continues to yield, Senator Krueger.

21               SENATOR KRUEGER:     So despite the  
22      sponsor and I having differing opinions about  
23      how to collect tax revenue, I think -- but I  
24      don't want to put words in his mouth -- that  
25      he's actually agreeing with me that if we



1        didn't have the \$1.4 billion in MTA tax or the  
2        revenue through December from the  
3        high-end-earner personal income tax, we would  
4        not actually be able to balance our budget and  
5        we would take much greater cuts. Is that a  
6        fair analysis of your statement?

7                SENATOR DeFRANCISCO:        No, it is  
8        not. We would definitely be able to balance  
9        the budget. We may have had to cut more  
10       spending -- because of the increases in  
11       spending over the last two years, we might  
12       have had to cut more spending to reach the  
13       goal, but we would have done that.

14               But we felt that you had to make a  
15       balance in the first year of changing the  
16       financial direction of the state. There's a  
17       lot of pain in this budget. We didn't feel  
18       that it would be wise to do another  
19       \$1.4 billion in pain for this calendar year,  
20       and we decided that this was the best balance.  
21       And the Governor, quite frankly, had a very  
22       similar, almost identical concept in his own  
23       budget.

24               SENATOR KRUEGER:        Mr. President,  
25       if through you the sponsor would continue to

1       yield.

2                   SENATOR DeFRANCISCO:       Yes.

3                   ACTING PRESIDENT GRIFFO:       The  
4       sponsor yields.

5                   SENATOR KRUEGER:       Thank you.

6                   Following up on your point, so  
7       hypothetically would the sponsor agree with me  
8       that if we were to continue the high-end  
9       millionaire tax beyond its sunset date we  
10      could actually end the MTA payroll tax?  Would  
11      that be true?

12                  SENATOR DeFRANCISCO:       We hope to  
13      be able to end the payroll tax without raising  
14      other taxes.  This side of the aisle has said  
15      repeatedly no new taxes, and that's what we  
16      meant, what we said.  So by substituting one  
17      tax for the other doesn't, in my judgment,  
18      honor that pledge.

19                  Secondly, one thing that's  
20      extremely important that hasn't been mentioned  
21      yet, and I was just reminded of it, the cuts  
22      we're making this year, including the caps on  
23      Medicaid and the other caps that are in the  
24      budget, it reduces next year's projected  
25      deficit from \$15 billion to \$2 billion.  By

1 taking the hard choices now, the long-range  
2 deficit is decreased.

3 If we decided to take more money  
4 through any other tax, it would simply be  
5 another tax. It would contradict the economic  
6 philosophy of trying to create jobs in the  
7 state. But what we're doing now is already  
8 reducing the deficit next year by \$13 billion.  
9 And hopefully some of the other things that  
10 are done in the budget will help create some  
11 jobs. And if economy kicks back in, maybe we  
12 won't have a deficit at all and we can start  
13 providing more funding for the groups that are  
14 no longer -- are not getting the funding that  
15 they were used to in the past.

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

19 SENATOR DeFRANCISCO: Yes.

20 ACTING PRESIDENT GRIFFO: Senator  
21 DeFrancisco yields.

22 Senator Krueger.

23 SENATOR KRUEGER: Thank you.

24 So as I understand the sponsor's  
25 answers, there was a decision to continue the

1 MTA tax and end the tax for millionaires in  
2 the state, so that was a decision being made  
3 by this Legislature.

4 And I agree we would all love to  
5 reduce everybody's taxes and end taxes  
6 ultimately, except I just don't think we could  
7 to that and fund government and provide the  
8 public services we need.

9 So since the sponsor has explained  
10 that they don't agree with continuing the  
11 supplement on millionaires and they agree to  
12 continue the payroll tax, but they would like  
13 to end the payroll tax as well, where could we  
14 have cut an additional \$1.4 billion out of the  
15 budget so that we could accomplish both your  
16 goals?

17 SENATOR DeFRANCISCO: Well, first  
18 of all, we can go through all types of  
19 hypotheticals and give you answers. However,  
20 we don't have to do that hypothetical.

21 And besides, you should probably  
22 know that the \$1.4 billion in the MTA tax is  
23 revenue that doesn't go to the General Fund.  
24 If we cut that tax, it would not go -- if we  
25 kept that tax rolling, it still doesn't go to

1 the General Fund, it goes to the MTA. The  
2 MTA.

3 So we're comparing apples to  
4 oranges, a millionaire's tax that would go  
5 into the General Fund and an MTA tax that goes  
6 to fund one organization in downstate  
7 New York.

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

10 SENATOR DeFRANCISCO: Yes.

11 ACTING PRESIDENT GRIFFO: The  
12 sponsor yields.

13 SENATOR KRUEGER: Thank you.

14 So again, to follow the logic of  
15 this questioning, if we cut the \$1.4 billion  
16 from payroll tax and didn't replace it with  
17 money from, say, the wealthiest earners in  
18 New York State, we would cut transportation,  
19 buses, subways, rails in the 12 counties in  
20 the MTA region instead. So in fact, that's  
21 the answer, that we would end up cutting those  
22 services throughout the population-heavy  
23 region of 12 counties?

24 SENATOR DeFRANCISCO: The MTA tax  
25 is not being cut here. So we're not cutting

1 services to the downstate residents. So I'm  
2 not sure where you're going.

3 That was imposed in order to fund  
4 one entity. And we didn't cut that. It's  
5 here. We're hoping in the future it can be  
6 done when the economy kicks in so we can find  
7 funding for the MTA -- and, God forbid, roads  
8 and bridges upstate as well -- from an economy  
9 that's got more revenues. So right now we  
10 can't do it. The revenue isn't there.

11 SENATOR KRUEGER: Thank you,  
12 Mr. President.

13 I think the point of this section  
14 of questioning was to highlight that we make  
15 decisions. We made a decision or we as the  
16 Legislature are making a decision, with the  
17 Governor, to end an existing tax on one  
18 segment of our population, the highest --

19 ACTING PRESIDENT GRIFFO: Senator  
20 Krueger, are you on the bill now?

21 SENATOR KRUEGER: No, I will be  
22 following up with a question, thank you.

23 So we have -- as I understand the  
24 answers, we have made the decision to end the  
25 tax on the highest earners in New York State

1       and as a result have made a decision that we  
2       can't cut the MTA payroll tax. And of course  
3       we -- speaking for myself, we don't want to  
4       cut the transportation services.

5               But shifting to my next section of  
6       questions, if the sponsor would continue to  
7       yield.

8               ACTING PRESIDENT GRIFFO:       Senator  
9       DeFrancisco, do you yield for an additional  
10      set of questions?

11              SENATOR DeFRANCISCO:       Yes, I will  
12      yield.

13              And by the way, we're not -- when  
14      that tax, the millionaire's tax was imposed,  
15      there was an expiration date. And an  
16      expiration date means the tax is over on that  
17      date. And all that's happening in this budget  
18      is nothing. We're not even addressing it. It  
19      expires according to the law that the majority  
20      passed last year to impose the millionaire's  
21      tax.

22              So we're not -- this budget is  
23      silent on the millionaire's tax. But it's  
24      loud and clear that we're not imposing a new  
25      tax. Which this would be by starting a new

1       millionaire's tax after the expiration.

2               ACTING PRESIDENT GRIFFO:       Senator  
3       Skelos, why do you rise?

4               SENATOR SKELOS:       Would Senator  
5       DeFrancisco yield for a question?

6               ACTING PRESIDENT GRIFFO:       Senator  
7       DeFrancisco, will you yield to a question from  
8       Senator Skelos?

9               SENATOR DeFRANCISCO:       No.

10              (Laughter.)

11              SENATOR DeFRANCISCO:       Yes. Yes,  
12       I will.

13              SENATOR SKELOS:       Would the former  
14       chairman of the Finance Committee yield for a  
15       question.

16              (Laughter.)

17              ACTING PRESIDENT GRIFFO:       Does  
18       the former chairman yield?

19              SENATOR DeFRANCISCO:       Well, if  
20       you put it that way, yes, I will.

21              (Laughter.)

22              ACTING PRESIDENT GRIFFO:       Senator  
23       DeFrancisco yields, Senator Skelos.

24              SENATOR SKELOS:       Senator  
25       DeFrancisco, I have been listening to the



1        questions being asked of you and the  
2        responses, and I just want to clarify  
3        something for myself.

4                The so-called millionaire's tax,  
5        which started at \$200,000, people making  
6        \$200,000, small businesses that have been  
7        negatively impacted, was that passed under  
8        all-Democrat control in this state?

9                SENATOR DeFRANCISCO:        Yes. It  
10       was a party-line vote, Democrats yes,  
11       Republicans no.

12               SENATOR SKELOS:        Was there an  
13       expiration date, just to clarify it, of that  
14       surcharge?

15               SENATOR DeFRANCISCO:        December  
16       31, 2011, correct.

17               SENATOR SKELOS:        If I could,  
18       Mr. President, ask Senator DeFrancisco another  
19       question.

20               ACTING PRESIDENT GRIFFO:        Senator  
21       DeFrancisco, do you continue to yield?

22               SENATOR DeFRANCISCO:        Yes.

23               ACTING PRESIDENT GRIFFO:        Senator  
24       Skelos.

25               SENATOR SKELOS:        The MTA payroll

1 tax, was that imposed on the MTA region when  
2 the Democrats controlled every branch of  
3 government in New York State?

4 SENATOR DeFRANCISCO: That is  
5 correct.

6 SENATOR SKELOS: Was there an  
7 expiration date on the payroll tax when it was  
8 passed by the all-Democrat-controlled  
9 government in New York State?

10 SENATOR DeFRANCISCO: There was  
11 no expiration date.

12 SENATOR SKELOS: So if I could  
13 just follow it up, and I'm sure you can answer  
14 it yes or no, there was an expiration date for  
15 millionaires but there was no expiration date  
16 for the payroll tax that impacts every person  
17 paying anything -- charities, school  
18 districts, not-for-profits, libraries, anybody  
19 that's paying the payroll tax, but there was  
20 no expiration date on that?

21 SENATOR DeFRANCISCO: That is  
22 correct.

23 SENATOR SKELOS: Thank you.

24 ACTING PRESIDENT GRIFFO: Thank  
25 you.

1 Senator Krueger.

2 SENATOR KRUEGER: Thank you.

3 ACTING PRESIDENT GRIFFO: You  
4 were asking if Senator DeFrancisco would  
5 continue to yield; correct?

6 SENATOR KRUEGER: I am. Thank  
7 you very much, Mr. President, I am asking --

8 ACTING PRESIDENT GRIFFO: Senator  
9 DeFrancisco, will you yield to a series of  
10 questions from Senator Krueger?

11 SENATOR KRUEGER: Apparently  
12 there's some agreement about whether Senator  
13 DeFrancisco is still the chair. May I ask him  
14 some questions?

15 (Laughter.)

16 ACTING PRESIDENT GRIFFO: Senator  
17 DeFrancisco yields, Senator Krueger.

18 SENATOR KRUEGER: Thank you. I'm  
19 delighted you're still in your chair, Senator.

20 For the record, theoretically, I  
21 appreciate Senator Skelos' point. This budget  
22 could enact an expiration date on the payroll  
23 tax, but I don't believe it does.

24 Following through with the next set  
25 of questions, what is the estimated debt for

1           this coming fiscal year that the state owes?

2                   SENATOR DeFRANCISCO:       You mean  
3           debt service, how much money has to be paid on  
4           the debt?

5                   SENATOR KRUEGER:       Okay. How  
6           large is our debt and how much is the debt  
7           service in this coming budget year?

8                   SENATOR DeFRANCISCO:       There's  
9           \$52 billion of outstanding debt, \$6 billion in  
10          debt service.

11                   SENATOR KRUEGER:       Thank you.  
12                   Mr. President, if the sponsor will  
13          continue to yield.

14                   SENATOR DeFRANCISCO:       Yes.

15                   ACTING PRESIDENT GRIFFO:       The  
16          sponsor yields.

17                   SENATOR KRUEGER:       Thank you.

18                   I think we will both agree that the  
19          debt nearly doubled in the last 10 years. Is  
20          there anything in this budget that provides  
21          for increased paying down of the debt?

22                   SENATOR DeFRANCISCO:       There's  
23          \$250 million put in a reserve fund to reduce  
24          the outstanding debt of 50-whatever-it-was  
25          billion. Fifty billion? So it would be a

1 relatively small amount of reduction if those  
2 funds are used for that purpose.

3 SENATOR KRUEGER: Mr. President,  
4 if the sponsor would continue to clarify for  
5 me on that question.

6 ACTING PRESIDENT GRIFFO: Senator  
7 DeFrancisco, would you continue to elaborate  
8 on that?

9 SENATOR DeFRANCISCO: I would be  
10 happy to elaborate on it as soon as they give  
11 me the answer.

12 SENATOR KRUEGER: So --

13 ACTING PRESIDENT GRIFFO: You may  
14 want to allow him to get the information  
15 before posing an additional question.

16 SENATOR KRUEGER: I am always  
17 happy to give Senator DeFrancisco time to get  
18 answers. I also get answers here from my  
19 side.

20 My understanding, then, is we're  
21 paying \$6 billion of our state budget on debt  
22 payments?

23 SENATOR DeFRANCISCO: That is  
24 correct.

25 SENATOR KRUEGER: But we may be

1       actually be reducing that somehow by a  
2       speedier payment of up to \$250 million in this  
3       fiscal year?

4               SENATOR DeFRANCISCO:     Yes.   Off  
5       the principal, I would assume.   Yes, correct.

6               SENATOR KRUEGER:        Thank you very  
7       much.

8               Excuse me, I am just moving on for  
9       one second.

10              We spend a lot of time talking  
11     about improving our budget from year to year.  
12     And we've actually, many of us on both sides  
13     of the aisle, carried varying bills to improve  
14     the budget process.   Particularly in light of  
15     the amount of debt we're paying and what we  
16     are able to pay off or not pay off and whether  
17     taxes have expiration dates and the decisions  
18     that are made about which taxes stay and which  
19     taxes go.

20              Is there anything in this budget  
21     that incorporates generally accepted  
22     accounting principles, GAAP budgeting?

23              SENATOR DeFRANCISCO:     Yes, we  
24     support GAAP budgeting.

25              SENATOR KRUEGER:        Okay.   But, I'm

1       sorry, to clarify, is this budget actually  
2       based on GAAP principles?

3               SENATOR DeFRANCISCO:     It is not.  
4       You need three parties to GAAP.  You've got to  
5       change the law.  Our one-house bill did have a  
6       GAAP budgeting; it was rejected during the  
7       negotiations and did not happen.  But we voted  
8       for it in the one-house budget, we support it,  
9       and we would like to see it happen.

10              SENATOR KRUEGER:     I want to thank  
11       the sponsor.  I think I may have some other  
12       questions -- you know what, I do have some  
13       other questions.  I apologize.  I have to go  
14       through more.

15              ACTING PRESIDENT GRIFFO:     Senator  
16       DeFrancisco, do you continue to yield?

17              SENATOR DeFRANCISCO:     I already  
18       told you I did.

19                       (Laughter.)

20              ACTING PRESIDENT GRIFFO:     Senator  
21       DeFrancisco will continue to yield.

22              SENATOR KRUEGER:     You know, we  
23       have rules.  Every once in a while we try to  
24       follow them here.

25                       You went through the explanation of

1 the revenue bill before. Are there any  
2 changes that were made in this revenue bill  
3 from what the Governor originally proposed?

4 SENATOR DeFRANCISCO: Yes, there  
5 are. And if I could find my notes, I could  
6 answer your next question.

7 Okay, I have it. Thank you.

8 SENATOR KRUEGER: The question on  
9 the floor is what changes were made to this  
10 revenue bill from the original Governor's  
11 version to the version that we're being asked  
12 to vote on here today.

13 SENATOR DeFRANCISCO: On the memo  
14 that we handed out, Part A, for example, says  
15 the Legislature concurs with the Executive  
16 proposal but changes from three to five years  
17 the amount of time. There's one change for  
18 that.

19 In the next section we talk about  
20 amending the tax sheltering reporting to lower  
21 the number of years once again. That's for  
22 better oversight.

23 And we go on. Each section that  
24 says "concurs," if there's no -- we agreed  
25 exactly to what the Governor said. If there's



1       some amendment to it, it will be explained in  
2       each one of these sections.

3               And, for example, virtually the  
4       whole page 2 is concur, concur. But there are  
5       some changes, and each one is outlined. If  
6       there's a specific one you want to refer to,  
7       I'll try to answer any backup questions on it.

8               SENATOR KRUEGER:     Thank you.  
9       Perhaps I'll fine-tune the question.

10              Did we actually reject any revenue  
11       increases from the original bill as proposed  
12       by the Governor to the bill we have before us  
13       today?

14              SENATOR DeFRANCISCO:     Yes, we  
15       rejected one. There was some disagreement  
16       among our conference on that, but we did  
17       reject one. It's Section 8, limit the  
18       exemption provided for town or county  
19       cooperative insurance corporations. The  
20       Governor had some additional revenue coming  
21       from extending that tax to these types of  
22       insurance corporations, and the Senate  
23       rejected it. And the Assembly did as well,  
24       and the Governor agreed.

25              In addition, same with Quick Draw.

1       There was some additional revenue that was  
2       projected by the Quick Draw proposal that we  
3       rejected. The Assembly wanted to eliminate  
4       restrictions on hours -- no, the Governor  
5       wanted to eliminate the restrictions on hours  
6       and the types of foods that were provided and  
7       all of that in order to encourage more people  
8       to come in and I assume use the video  
9       terminals. The Assembly rejected that. It  
10      was a suggestion that that would bring in more  
11      revenues.

12                So those were the only ones that  
13      were, I believe, rejected in this bill.

14                SENATOR KRUEGER:     Thank you.

15                If the sponsor would please  
16      continue to yield.

17                SENATOR DeFRANCISCO:   By the way,  
18      we did not reject the millionaire's tax  
19      because the Governor didn't propose it. We  
20      concurred with him in not having it.

21                Yes, I'll be happy to continue to  
22      answer.

23                SENATOR KRUEGER:     Thank you.

24                And I believe you did mention this  
25      in your opening presentation on the bill.

1       There was a change in the cigarette  
2       registration fee. How much money are we not  
3       collecting because that change was made?

4               SENATOR DeFRANCISCO:     What I  
5       explained earlier was that the fee was going  
6       to be 1,000, 2,500 or 5,000 depending upon the  
7       gross sales of the establishment. The lawsuit  
8       was brought immediately, an injunction was  
9       placed on us collecting anything more than the  
10      existing fee of \$100.

11             So in view of the court injunction,  
12      that's all we collected, was \$100. Had we  
13      lost the lawsuit, that's all we would have  
14      collected would be \$100 per establishment.

15             What was agreed to in the budget  
16      was an increase from \$100 to \$300, which was  
17      agreed to I believe to settle the lawsuit as  
18      well. And we'll be able to collect \$300. So  
19      it actually results in tripling the revenue  
20      that we were receiving before this budget went  
21      into effect.

22             SENATOR KRUEGER:     Thank you.

23             I appreciate the sponsor's answers  
24      to my questions. As I said, I may have some  
25      additional later, but I know that some of my

1 other colleagues would like to ask questions  
2 of the sponsor. Thank you, Mr. President.

3 ACTING PRESIDENT GRIFFO: Thank  
4 you, Senator Krueger.

5 Senator Rivera.

6 SENATOR RIVERA: Thank you,  
7 Mr. President. If the sponsor would continue  
8 to yield.

9 ACTING PRESIDENT GRIFFO: Senator  
10 DeFrancisco, do you yield?

11 SENATOR DeFRANCISCO: Yes.

12 ACTING PRESIDENT GRIFFO: Senator  
13 DeFrancisco yields, Senator Rivera.

14 SENATOR RIVERA: Thank you,  
15 Mr. President. I just want to make sure that  
16 the -- what you said before about the extended  
17 yielding is still in effect. So that's the  
18 only time I'm going to ask.

19 SENATOR DeFRANCISCO: That  
20 applies to you as well.

21 SENATOR RIVERA: Thank you so  
22 much, Senator DeFrancisco.

23 I want to actually follow up on a  
24 couple of the things that Senator Krueger  
25 asked.

1                   First of all, and we keep obviously  
2                   going back to the millionaire's tax. We've  
3                   had a similar conversation before. And just  
4                   to review, how much is the PIT surcharge? How  
5                   much does the personal income tax surcharge  
6                   produce in a year? How much is it expected to  
7                   generate in a year?

8                   SENATOR DeFRANCISCO:     Four to  
9                   \$4.5 billion.

10                  SENATOR RIVERA:     Four to \$4.5  
11                  billion. So let's say.

12                  SENATOR DeFRANCISCO:     But if  
13                  millionaires leave, the revenue goes down and  
14                  it goes to other states.

15                  SENATOR RIVERA:     Very well. But  
16                  it is about \$4 billion.

17                  And the Senator yielded --

18                  SENATOR DeFRANCISCO:     Yes.

19                  SENATOR RIVERA:     The sponsor  
20                  continues to yield.

21                  Now, one thing I ant to clarify.  
22                  This tax, this personal income tax surcharge  
23                  is to taxable income as opposed to gross  
24                  income tax, is that correct?

25                  SENATOR DeFRANCISCO:     Yeah, it's

1       your bottom line.  Whatever your adjusted  
2       gross income tax is, that's what the tax would  
3       be on.

4                   Well, we're having an argument  
5       about what adjustable gross income means.  
6       Taxable income.

7                   SENATOR RIVERA:     Taxable income  
8       is the one that we're talking about.

9                   SENATOR DeFRANCISCO:    I thought  
10      it was adjustable gross, but maybe I'm wrong.

11                  SENATOR RIVERA:     So the taxable  
12      income that would produce about 4 -- between  
13      \$4 billion and \$4.5 billion of revenue, we  
14      talked about a couple of different choices  
15      that had been -- because that is, in all  
16      honesty, what they are, choices.  We talked,  
17      for example, you mentioned about bridges and  
18      highways, maintenance and other such things in  
19      upstate New York.  Do you know how much this  
20      4.5 billion would be able to cover of those  
21      things, of maintenance of bridges, highways  
22      and roads in upstate New York?

23                  SENATOR DeFRANCISCO:    Well, I  
24      don't have that number.  But the fact of the  
25      matter is is that the tax, as we mentioned

1       before, is scheduled to expire and we're not  
2       imposing a new tax after December 31. We have  
3       used the funds, we will be using the funds  
4       until the expiration date.

5                SENATOR RIVERA:     Thank you,  
6       Senator DeFrancisco.

7                It would probably be about nearly  
8       two years of state funding for bridges,  
9       highways, road maintenance and DMV operations.  
10      It would probably pay for all of that.

11               SENATOR DeFRANCISCO:     Excuse me,  
12      if I could just make a point there.

13               SENATOR RIVERA:     Please, Senator.

14               SENATOR DeFRANCISCO:     We will  
15      have collected that \$4.5 billion or \$4 billion  
16      by the end of December of this calendar year,  
17      and we haven't fixed any roads, bridges,  
18      highways or whatever. It's been used for  
19      other stuff because of the spending that was  
20      out of control.

21               So theoretically you could pick any  
22      area of the budget that it could fund, but in  
23      reality it hasn't done that because of the  
24      other costs of government that fortunately are  
25      starting to be cut this year.

1                   SENATOR RIVERA:     So -- and thank  
2     you, Senator. And I agree with you, that  
3     obviously we're making different -- as was  
4     said before, we've made different choices  
5     about where we put our funding. But  
6     theoretically, as you accepted, it could fund  
7     nearly two years of state funding for bridges,  
8     highways, maintenance, et cetera.

9                   SENATOR DeFRANCISCO:     I'll stand  
10    by my last answer.

11                  SENATOR RIVERA:     Very well.  
12                         Would you also agree that it would  
13    cover maybe two years of state funding for  
14    foster care, adoption, childcare, child  
15    protective services?

16                  SENATOR DeFRANCISCO:     Again, I'll  
17    say that it could fund a lot of things. But  
18    it's not funding a lot of those things in view  
19    of the fact that it's being used for just  
20    general purposes in the state budget.

21                  SENATOR RIVERA:     Thank you,  
22    Senator.

23                         So it could also fund 20 percent of  
24    the state aid to schools statewide.

25                  SENATOR DeFRANCISCO:



1       Theoretically it could do that. But if you  
2       have a better tax structure, the long-term  
3       economic viability of the state creates  
4       more -- I believe and the Republican  
5       conference believes creates more jobs, more  
6       taxpayers, and in the long run more revenue.

7                SENATOR RIVERA:     Thank you,  
8       Senator.

9                It could probably pay for 3 and a  
10       half years of social services for low-income  
11       families as well.

12               SENATOR DeFRANCISCO:     The same  
13       answer.

14               But I just want to remind you of  
15       one point. Governor Paterson had the idea, at  
16       least before he changed his mind on this  
17       one -- and fortunately he did -- he had the  
18       idea of taxing -- of having a surcharge on  
19       bonuses of brokers on Wall Street. This was  
20       last year or the year before. And what  
21       happened was almost the day after, the  
22       governor of Connecticut starting making  
23       overtures to all the brokers in the City of  
24       New York to maybe just cross the border and  
25       enjoy the same electronic services that they

1       might have from their office in New York and  
2       not pay this additional tax for the bonuses  
3       that were imposed. Well, the Governor saw the  
4       light on that one and pulled it back.

5               So you can -- I think the same  
6       principle applies.

7               SENATOR RIVERA:       But we are  
8       debating a -- Governor Paterson is no longer  
9       the governor. We're debating the choices that  
10      we're making now; is that correct?

11              SENATOR DeFRANCISCO:    Yes. But  
12      the analogy is inescapable and so logical it  
13      is --

14              ACTING PRESIDENT GRIFFO:    Senator  
15      Krueger, why do you rise?

16              SENATOR KRUEGER:       I'm sorry,  
17      could I ask Senator Rivera to yield for me to  
18      do a follow-up to Senator DeFrancisco on that  
19      question?

20              ACTING PRESIDENT GRIFFO:    Senator  
21      Rivera has the floor at this point in time,  
22      Senator Krueger.

23              SENATOR KRUEGER:       I was asking  
24      Senator Rivera to yield to me.

25              SENATOR RIVERA:       I yield to

1 Senator Krueger. I will have a couple of  
2 questions afterward.

3 ACTING PRESIDENT GRIFFO: The  
4 chair is exercising great flexibility and  
5 latitude today, so I would ask the members to  
6 be mindful and respectful of that.

7 I will call on Senator Krueger.  
8 And, Senator DeFrancisco, will you yield to  
9 that question?

10 SENATOR DeFRANCISCO: Yes.

11 ACTING PRESIDENT GRIFFO: Senator  
12 Krueger.

13 SENATOR KRUEGER: Thank you.  
14 Just a point of clarification, because Senator  
15 Rivera was not with us in the Senate last  
16 year.

17 I believe that Senator  
18 DeFrancisco's point actually referred to a  
19 proposal the Governor made to have a  
20 \$50 million tax on hedge funds, not a bonus on  
21 brokers. And it was at that time that the  
22 governor of Connecticut made an invitation for  
23 the out-of-state hedge fund owners to bring  
24 their businesses to Connecticut, just for the  
25 record.

1                   SENATOR DeFRANCISCO:     Thank you.  
2           I'll stand corrected. But that analogy is as  
3           good as the one I gave. The same principle  
4           applies.

5                   SENATOR KRUEGER:       We don't agree  
6           on the analogy. But I just wanted to go on  
7           record to clarify what the issue was, because  
8           Senator Rivera wouldn't have been here to know  
9           what the issue was.

10                   Thank you very much, and I cede  
11           back to Senator Rivera.

12                   ACTING PRESIDENT GRIFFO:     Senator  
13           Rivera.

14                   SENATOR RIVERA:       Thank you,  
15           Senator Krueger. Thank you, Mr. President.

16                   If the sponsor would continue to  
17           yield.

18                   ACTING PRESIDENT GRIFFO:     The  
19           sponsor yields.

20                   SENATOR DeFRANCISCO:     Yes.

21                   SENATOR RIVERA:       Thank you,  
22           Senator DeFrancisco.

23                   So as we have discussed, the PIT  
24           surcharge will sunset. And do you  
25           characterize this as tax relief?

1                   SENATOR DeFRANCISCO:     No, I  
2     characterize that as following the law and not  
3     imposing a new tax in this budget year.

4                   SENATOR RIVERA:        So it would  
5     not -- Senator DeFrancisco, it would not be  
6     relief for certain -- do you agree that there  
7     are folks today, and up to the 31st of  
8     December of this year that will have a  
9     surcharge on themselves and their families and  
10    will not have it after the 31st of December of  
11    this year?

12                  SENATOR DeFRANCISCO:  
13    Unfortunately, it is the case that people over  
14    \$200,000 -- that's small businesses, that's  
15    couples that earn -- that are clearly not  
16    millionaires at that level, are -- a tax is  
17    imposed upon them. And I agree with you that  
18    at the end of this year, when that tax  
19    expires, according to the law when it was  
20    supposed to expire, it will not be renewed or  
21    it will not be a new tax imposed.

22                  SENATOR RIVERA:        So you would  
23    characterize that as tax relief for these  
24    taxpayers?

25                  SENATOR DeFRANCISCO:     No, I think

1       it was an ill-advised imposition on taxpayers  
2       for the last period of time that it was in  
3       effect, and that we're going back to a more  
4       rationale approach as far as taxation in the  
5       State of New York.

6                SENATOR RIVERA:     Correct me if  
7       I'm wrong, Senator, but as I understand the  
8       concept of tax relief, if there is a taxpayer  
9       that currently has a tax imposed on him or  
10      her, or a business, and then we in government  
11      act to take that tax away, that would be  
12      considered tax relief, would it not?

13               SENATOR DeFRANCISCO:     That is  
14      correct.  If there was a tax -- let's suppose  
15      we reduce the tax on the highest income owners  
16      by 1 percent.  That's a tax reduction.  That's  
17      tax relief.

18               This is not, because this is a tax  
19      that was going to expire.  We're not giving  
20      relief, we're just letting the law expire.  
21      And we're not imposing a new tax.

22               SENATOR RIVERA:     You obviously  
23      would disagree that by choosing not to extend  
24      it, we are not providing a tax relief.

25               SENATOR DEFRANCISCO:     Well, by

1       that argument you could say by choosing not to  
2       create a 12 percent sales tax, we're giving  
3       people tax relief. Or not imposing an income  
4       tax of 50 percent of incomes, since we're not  
5       doing it, we're giving them tax relief. I  
6       don't buy that argument.

7               What I say is that this law  
8       expires. According to law, we're not going to  
9       impose another tax. That's not tax relief,  
10      that's letting the law expire. Because that's  
11      what the majority decided when your side was  
12      in control, that that was a tax that should  
13      have expired. It's going to expire.

14             SENATOR RIVERA:     Thank you,  
15      Senator.

16             But do you know how much, on  
17      average, there would be a decrease, let's say,  
18      to the residents who have more than \$1 million  
19      in taxable income, what the amount that they  
20      will pay in this year, how much less it would  
21      be in the following year when the surcharge --  
22      if we let the surcharge expire.

23             SENATOR DeFRANCISCO:     Well, the  
24      surcharge is going to expire. And the amount  
25      is the amount that would have been recovered

1 if a new tax was imposed on January 1 and that  
2 amount was \$4 billion to \$4.5 billion, as I  
3 discussed earlier.

4 SENATOR RIVERA: And it would  
5 amount to about \$86,000 per taxpayer for those  
6 that have more than a million dollars in  
7 taxable income.

8 SENATOR DeFRANCISCO: I don't  
9 believe that. Someone much smarter than me is  
10 shaking her head. And I don't believe it  
11 either. If she doesn't believe it, I don't  
12 believe it.

13 SENATOR RIVERA: Someone much  
14 smarter than me told me that information. So  
15 we've just got to get those smart people  
16 together to kind of debate this thing.

17 But on average, the information  
18 that I have is that it would be approximately  
19 \$86,000 dollar per individual that has a --  
20 individual or family that has a taxable income  
21 of more than a million dollars.

22 But actually -- so let's talk  
23 about -- I want to ask you a few questions  
24 about the impact of the choices that we are  
25 making in this budget as it relates to



1 education or healthcare or public protection.  
2 There are some serious decisions that we're  
3 making in this budget to cut many of these.  
4 Is that correct?

5 SENATOR DeFRANCISCO: Very  
6 serious decisions.

7 SENATOR RIVERA: And I agree with  
8 you 100 percent on that, as well as the rest  
9 of my colleagues. These are very serious  
10 decisions.

11 Now, you argued that it was not tax  
12 relief. We will disagree on that. But I have  
13 a question. Of the taxpayers who are -- let's  
14 say a teacher making \$50,000 a year, would he  
15 or she, having taxable income of \$50,000,  
16 would he or she after December 31st of this  
17 year pay -- have a surcharge -- pay less  
18 taxes? Would they get what I consider tax  
19 relief -- and you would call something else,  
20 but would they have a tax relief --

21 SENATOR DeFRANCISCO: If they're  
22 not a \$200,000 millionaire, then there would  
23 be no change in their taxes. But there may be  
24 a superintendent, maybe.

25 SENATOR RIVERA: But a teacher,

1 teacher. Or even, let's say, a correction  
2 officer, like the one that we were talking  
3 about in the last couple of days, him or her  
4 having \$100,000 taxable income, would they pay  
5 less taxes after December 31st of this year?

6 SENATOR DeFRANCISCO: The people  
7 that were subject to the ill-advised  
8 millionaire's tax will be paying less when  
9 that tax expires by operation of law on  
10 December 31, 2011.

11 SENATOR RIVERA: So individuals  
12 that earn \$30,000 a year, \$50,000, \$70,000,  
13 what have you, in all sorts of different  
14 professions across the state would not receive  
15 a tax cut, would not have a tax relief on  
16 their tax bill?

17 SENATOR DeFRANCISCO: Nobody is  
18 receiving a tax cut on December 31st. A tax  
19 that was in existence expires.

20 SENATOR RIVERA: And as it  
21 expires, it is being obviously -- since we are  
22 making the choice not to renew it, we are  
23 cutting it.

24 SENATOR DeFRANCISCO: Well, if  
25 you wanted to have a permanent millionaire's

1 tax -- or, excuse me, \$200,000 millionaire's  
2 tax, that could have been made permanent. And  
3 then there would be a decision whether to get  
4 rid of it by a separate law.

5 The decision made by the majority  
6 party in the house last year or the year  
7 before, whenever it went into effect, was to  
8 make it expire. And it will expire, and we're  
9 not going to impose another such tax.

10 SENATOR RIVERA: So according to  
11 this logic we could choose to enact an  
12 expiration on the current rate -- we could say  
13 there's a rate for tax filers making less than  
14 \$200,000, and we could actually set that to  
15 expire. We could say -- they're at a  
16 particular tax rate, we could say within two  
17 years we would then lower the tax rate for  
18 individuals making less -- having a gross  
19 taxable income less than \$200,000 a year.

20 SENATOR DeFRANCISCO: You could  
21 choose to impose \$14 billion in new taxes like  
22 the Democrat majority imposed over the last  
23 two years and end up with a \$10 billion  
24 deficit this year. Or you could choose not to  
25 tax, not to overspend and not to overtax, and

1       the choices are -- there's clear choices. And  
2       there's a clear distinction between your  
3       position and our position.

4               Our position is we choose not to  
5       continue overtaxing and spending. And that's  
6       a choice in the long run that's going to  
7       benefit schoolteachers, children, and every  
8       other group that is now being hurt by this  
9       budget, because we're going to have a  
10      healthier economic climate in the State of  
11      New York in the long run.

12             This one year, two year thoughts on  
13      how to have policy has to stop. We have to  
14      look at the long term. And that's what I  
15      believe the Governor and now both houses,  
16      after the negotiations have been completed,  
17      are doing in this budget.

18             SENATOR RIVERA:     So to speak a  
19      little bit about those individuals, then, that  
20      you just referred to, the teachers, the  
21      students, the children, the elderly who are  
22      going to be impacted by the choices that we're  
23      making here.

24             And by the way, I just want to  
25      clarify that all of us in this house

1 understand very clearly that responsibility  
2 and sacrifice are the two words that are kind  
3 of leading our entire conversation. We all  
4 understand that this has to happen, that we  
5 have to share the respond and the burden for  
6 some changes and that we have to sacrifice.

7 But let's talk a little bit about  
8 where that sacrifice is going to be, who is it  
9 going to be impacting.

10 In Senate District 57, I believe  
11 it's Senator Young, the -- and we had a  
12 similar conversation previously, but let me  
13 ask you this.

14 ACTING PRESIDENT GRIFFO: Senator  
15 Rivera, are you going to pose a question or  
16 are you speaking on the bill now?

17 SENATOR RIVERA: I'm posing a  
18 question. I'm posing a question.

19 On Senate District 57, are you  
20 aware of how many individuals would be  
21 impacted by the taxes that currently exist and  
22 will no longer have a tax burden on them after  
23 December 31st of this year?

24 SENATOR DeFRANCISCO: I don't  
25 know how many people in each Senate district

1       would be impacted by the \$200,000  
2       millionaire's tax. I have no idea. But I  
3       know there's people that are small businesses  
4       that may be making that amount of money that  
5       are paying taxes rather than investing their  
6       money in their businesses and hopefully create  
7       a better business to create jobs. I know that  
8       for a fact. I can't give you the numbers in  
9       each Senate district.

10               SENATOR RIVERA:       In that  
11       particular district it would be 441  
12       individuals of over 113,000 that filed taxes  
13       in that district.

14               SENATOR DeFRANCISCO:     Are you --  
15       is this a one million dollar -- is this  
16       starting at \$1 million or a \$200,000  
17       millionaire's tax?

18               SENATOR RIVERA:       Well, the PIT  
19       surcharge starting at \$200,000 of taxable  
20       income, yes.

21               SENATOR DeFRANCISCO:     Okay, thank  
22       you.

23               SENATOR RIVERA:       As far as above  
24       a million, it would be 32 individuals.

25               We could actually go through many,

1 many districts, but I have just a few more  
2 questions and then I will speak briefly on the  
3 bill.

4 So do you agree that the rationale  
5 of the millionaire's tax -- or, I'm sorry, of  
6 the -- see, I'm buying into the messaging  
7 now -- the personal income tax surcharge on  
8 wealthier New Yorkers, the rationale of the  
9 establishment of it, of the enacting of it,  
10 was to help dig us out of a recession, was it  
11 not?

12 SENATOR DeFRANCISCO: That was  
13 your rationale -- I mean your side's  
14 rationale; I know you weren't here. Our  
15 rationale is the best way to dig ourselves out  
16 of recession is to cut spending and be able to  
17 have a government that is fiscally sound.  
18 Just like a family, when they lose income,  
19 they don't just keep spending, they actually  
20 have to cut things because they don't have the  
21 income that they had before. So it's a  
22 difference of philosophy.

23 SENATOR RIVERA: Certainly. And  
24 as you made clear earlier, there was a choice  
25 made between keeping the MTA payroll tax as

1       opposed to extending this one.

2               But let me ask you this. This is  
3       the question I have for you --

4               SENATOR DeFRANCISCO:     The two are  
5       mutually exclusive. Because the millionaire's  
6       tax, the money goes to the General Fund. The  
7       MTA tax goes to the MTA. If we didn't extend  
8       the MTA tax, they wouldn't have the revenues  
9       they need to operate. So they either cut  
10      capital or cut operations, cut some routes  
11      down there. I don't know how they would deal  
12      with it. They wouldn't have the money. It  
13      wouldn't be an effect on the General Fund of  
14      the State of New York.

15              SENATOR RIVERA:     So as someone  
16      who's obviously much experienced than I am in  
17      financial matters, do you believe that we are  
18      currently -- that we are out of a recession or  
19      we are coming out of this recession?

20              SENATOR DeFRANCISCO:     I have no  
21      clue. I have no clue. You listen to six  
22      economists and they'll give you seven answers.  
23      I don't know. It seems like most of the  
24      pundits are saying that things are starting to  
25      move in the right direction, and then we end



1 up with a new war not started by President  
2 Bush. That's amazing. I thought -- you know,  
3 but in any event, that's another story. But  
4 there's a new war, gas prices are going up,  
5 who knows where this is all going to end.

6 But it seemed like the economy was  
7 moving in the right direction and then you  
8 have a disaster in Japan. So I don't know  
9 what that all adds up to.

10 SENATOR RIVERA: One last  
11 question for you, sir. And referring to the  
12 earlier district that I referred to, District  
13 57, Senator Young's district, do you know how  
14 many folks file taxes in that district that  
15 actually have less than \$50,000 in taxable  
16 income?

17 SENATOR DeFRANCISCO: What  
18 district is this?

19 SENATOR RIVERA: District 57.  
20 Senator Young's district.

21 SENATOR DeFRANCISCO: I don't  
22 know that.

23 SENATOR RIVERA: It amounts to  
24 almost 100,000 individuals. Less than  
25 \$20,000, 53,000 people, so less than \$20,000

1 of taxable income. From \$20,000 to \$30,000,  
2 15,000. And from \$30,000 to \$60,000, 27,000.

3 So thank you. Mr. President, on  
4 the bill.

5 ACTING PRESIDENT GRIFFO: Senator  
6 Rivera on the --

7 SENATOR DeFRANCISCO: Excuse me,  
8 may I --

9 ACTING PRESIDENT GRIFFO: Senator  
10 DeFrancisco, you may respond.

11 SENATOR DeFRANCISCO: Would  
12 Senator Rivera yield to a question?

13 ACTING PRESIDENT GRIFFO: Senator  
14 Rivera, do you yield?

15 SENATOR RIVERA: Certainly. Not  
16 only that, I will yield to any question.

17 ACTING PRESIDENT GRIFFO: Okay.  
18 Senator DeFrancisco.

19 SENATOR DeFRANCISCO: Were you  
20 aware of the fact that low-income earners in  
21 the State of New York are given an earned  
22 income tax credit?

23 SENATOR RIVERA: Yes, sir.

24 SENATOR DeFRANCISCO: And were  
25 you also aware that the amount of earned

1 income tax credit paid by the taxpayers of the  
2 State of New York throughout the state last  
3 year was \$915 million?

4 SENATOR RIVERA: I was not aware  
5 of that exact number, sir, no.

6 SENATOR DeFRANCISCO: And one  
7 other fact I will ask you if you are aware of,  
8 that of that \$915 million, \$800 million is not  
9 used just to offset the taxes that the  
10 taxpayer, the low-income taxpayer ordinarily  
11 would have to pay, the \$800 million is  
12 actually in refund checks, in checks sent out  
13 to low-income taxpayers. Were you aware of  
14 that?

15 SENATOR RIVERA: Yes, sir.

16 SENATOR DeFRANCISCO: Okay. But  
17 my point simply being that low-income  
18 taxpayers, there's tax breaks for low-income  
19 taxpayers as well. So to say that the State  
20 of New York is not being fair across the board  
21 I don't think is quite correct.

22 Thank you.

23 ACTING PRESIDENT GRIFFO: Senator  
24 Rivera on the bill.

25 SENATOR RIVERA: On the bill.

1                   Well, first, I thank Senator  
2           DeFrancisco for the conversation and certainly  
3           for the debate. There are some basic  
4           disagreements that we have, and that is pretty  
5           obvious.

6                   The first thing I'd like to say is  
7           that regarding that \$800 million that we spoke  
8           about, \$800 million is certainly less than  
9           \$4.5 billion.

10                  But I would like to just start by  
11           underlining something which I said during the  
12           questions that we were asking. And that has  
13           to do with two words that I believe each  
14           person in this house is very, very aware of as  
15           we debate this very important budget. Those  
16           two words are "responsibility" and  
17           "sacrifice."

18                  We are all very aware that we live  
19           in tough fiscal times. And that we have to  
20           share the responsibility. And we have to  
21           share the sacrifice. And that is what we are  
22           talking about here today.

23                  This bill that is before us does  
24           not create a situation in which the  
25           responsibility and the sacrifice is shared.

1 We must remember a few things. First of all,  
2 the federal government already gave a tax cut  
3 to wealthier people all across America. It  
4 was an extension of the Bush tax cuts.

5 Now we are making the choice, we  
6 are making the choice not to extend, not to  
7 extend a surcharge which would give us between  
8 \$4 billion and \$5 billion if it is at the  
9 current level.

10 And let's say that it's actually  
11 the other level, as a few members of your  
12 conference have suggested, and we make it a  
13 true millionaire's tax. That would mean that  
14 we would have \$780 million in this next half  
15 of the fiscal year and \$3 billion annually.

16 Now, we're being asked to make very  
17 tough choices about the education that our  
18 children get, about the healthcare that we  
19 have access to, about whether we're going to  
20 fix those bridges and those tunnels and those  
21 roads upstate, whether we're going to fund the  
22 MTA and other mass transportation systems  
23 downstate. We're making very tough choices  
24 here. But unfortunately we're not having a  
25 conversation about how those tough choices are

1       going to impact the majority of the  
2       population.

3               In my district, of those numbers  
4       that I spoke about before, there's only 391  
5       individuals that would impacted by the  
6       continuation of this surcharge. Over  
7       50 percent of the people that live in my  
8       district are taxpayers that have less than  
9       \$20,000 of taxable income. Now, certainly if  
10      they file their taxes they get an earned  
11      income tax credit.

12             But to make the argument that in  
13      the City of New York and in the State of  
14      New York to have \$20,000 of taxable income as  
15      your income, and that that would give you the  
16      ability to give to your family, to take care  
17      of your family and to thrive -- everybody  
18      always is in different financial -- you know,  
19      financial situation of different people. We  
20      know that there's people that struggle. And  
21      those people that struggle want and need  
22      access to some of the services that we provide  
23      as a safety net. And those are the ones that  
24      we are cutting today.

25             These are tough choices. The

1 responsibility and the sacrifice must be  
2 shared.

3 Just a few numbers and I will  
4 finish. In the district that I spoke about  
5 earlier, in District 57, 441 individuals. In  
6 Senate District 60, Senator Grisanti's  
7 district in Buffalo, 578 individuals. In  
8 Senator Maziarz's district, District Number  
9 62, 619 individuals.

10 Now, as I stated in our former  
11 debate, I have not seen the hard evidence that  
12 tells me that these are the people that are  
13 leaving. The people that are leaving this  
14 state are people that cannot afford to  
15 continue to live here. They're not the folks,  
16 they're not the folks that would be impacted  
17 by this.

18 And let's say we put a true  
19 millionaire's tax, as we call it. These folks  
20 are not going leave. We would extend the same  
21 thing that they are paying right now. And I  
22 have said it before, this is not a new tax.  
23 We are not imposing something that they are  
24 not paying at this moment.

25 Ladies and gentlemen, I would only

1 ask that you consider one more thing. This  
2 budget is going to pass. On this bill in  
3 particular, even though it is a paradox, I  
4 will be voting in the affirmative. The reason  
5 I will be voting in the affirmative is because  
6 I believe that there are things in here that  
7 will fund at least to the level that they need  
8 to be funded. But I do not believe that it  
9 produces enough revenue for us to lessen the  
10 impact on the communities that most of us  
11 represent.

12 The majority of the individuals  
13 that we represent are going to be impacted by  
14 this, and this bill unfortunately does not  
15 provide enough revenue. But we still have an  
16 opportunity. I do hope that after this  
17 process is done that we can come back to this  
18 house and continue to have this conversation.  
19 And before December 31st you consider the  
20 impact that it had in your schools, in your  
21 hospitals, in your police departments, that we  
22 come back here and we say we have -- we can  
23 establish something where responsibility for  
24 the pain that we have to go through is shared,  
25 that the sacrifice that we have to take is



1 shared.

2 I thank you for your time today.

3 And I will just finish with this one thing.

4 Remember that we are making choices here.

5 This is all about choices. And we can make

6 some choices in the near future that will have

7 an impact on the choices that our constituents

8 make so that they don't have to be impacted as

9 negatively as they are by some of these cuts.

10 Shared responsibility and shared sacrifice.

11 Thank you, Mr. President.

12 ACTING PRESIDENT GRIFFO: Is  
13 there any other Senator wishing to be heard?

14 Senator Squadron.

15 SENATOR SQUADRON: Thank you,  
16 Mr. President.

17 If Senator DeFrancisco would yield  
18 for a few questions, please.

19 SENATOR DeFRANCISCO: Yes.

20 SENATOR SQUADRON: Thank you very  
21 much.

22 Senator DeFrancisco, is there an  
23 increase this year, year to year, in the  
24 low-income housing tax credit in this budget?

25 SENATOR DeFRANCISCO: Yes, there

1 is. And I believe it's in the revenue bill  
2 summary someplace.

3 SENATOR SQUADRON: I believe it's  
4 Part F.

5 SENATOR DeFRANCISCO: Part F,  
6 you're right. Okay, yes.

7 SENATOR SQUADRON: Would Senator  
8 DeFrancisco continue to yield?

9 SENATOR DeFRANCISCO: Yes.

10 ACTING PRESIDENT GRIFFO: He will  
11 yield.

12 SENATOR SQUADRON: And that  
13 increase is \$4 million. And is it true that  
14 the low-income housing tax credit is a tax  
15 credit that encourages the creation and  
16 expansion of low-income housing in New York  
17 State and that this would be a \$4 million  
18 increase, close to a 20 percent increase in  
19 the program for this coming year?

20 SENATOR DeFRANCISCO: Yes, it's  
21 correct.

22 SENATOR SQUADRON: Thank you.  
23 Would Senator DeFrancisco continue  
24 to yield?

25 SENATOR DeFRANCISCO: Yes.

1                   SENATOR SQUADRON:     Thank you.

2                   SENATOR DeFRANCISCO:     I've been  
3                   informed it's been increased every year. Each  
4                   Governor proposes this, such an increase.

5                   SENATOR SQUADRON:     Thank you.

6                   And let me ask -- and I was struck  
7                   by the conversation between Senator Rivera and  
8                   Senator DeFrancisco because of how important  
9                   it was to make clear that there is no tax  
10                  relief in this bill, which is a different sort  
11                  of argument than we often have on this floor.  
12                  And certainly the low-income housing tax  
13                  credit is something that's meant to provide  
14                  relief to people of low income who need  
15                  housing.

16                  Let me ask Senator DeFrancisco, is  
17                  there anything in this budget bill that gives  
18                  relief or extends relief to renters in the  
19                  City of New York who are covered by the  
20                  Emergency Tenant Protection Act?

21                  SENATOR DeFRANCISCO:     No. Nor  
22                  are there any relief for renters in upstate  
23                  New York either.

24                  SENATOR SQUADRON:     Thank you.

25                  Would Senator DeFrancisco continue

1 to yield?

2 SENATOR DeFRANCISCO: Yes.

3 ACTING PRESIDENT GRIFFO: The  
4 Senator yields.

5 SENATOR SQUADRON: Thank you.

6 And is there anything in this  
7 budget that would provide property tax relief  
8 to folks who own homes anywhere in the State  
9 of New York?

10 SENATOR DeFRANCISCO: No. We  
11 passed the property tax cap, but that -- and  
12 had it as part of our one-house budget, but  
13 there was no three-way agreement on that.

14 SENATOR SQUADRON: Thank you very  
15 much.

16 On the bill, Mr. President.

17 ACTING PRESIDENT GRIFFO: Senator  
18 Squadron on the bill.

19 SENATOR SQUADRON: Thank you very  
20 much.

21 As Senator DeFrancisco says, there  
22 isn't tax relief in this budget for the  
23 2.5 million renters who, thanks to the state  
24 government, basically have what is, in effect,  
25 protection from the state government that will

1 be a massive, massive tax increase for them if  
2 rent regulations are not extended and  
3 expanded. That's not in this budget.

4 And similarly, a year ago and two  
5 years ago we heard an enormous amount about  
6 property tax relief and the need for property  
7 tax relief. We heard it both here on the  
8 floor and around the 62 Senate districts. And  
9 as Senator DeFrancisco says, there's nothing  
10 in this budget that provides property tax  
11 relief across the state.

12 It's a tough, tough budget. And  
13 the increased low-income housing tax credit is  
14 something that the Governor and the Assembly  
15 and the Majority Leader and the members of  
16 this house deserve an enormous amount of  
17 credit for and we're appreciative of. But we  
18 need relief for people who are having trouble  
19 staying in their homes, whether they're  
20 renters in the downstate region or the upstate  
21 region, or homeowners in the downstate region  
22 or the upstate region. And we just simply  
23 don't it have that relief in this bill.

24 It's not always possible.  
25 Certainly the last two years it was very

1       difficult as well. I just wanted to highlight  
2       that again in this budget it's been very  
3       difficult to provide that relief.

4               Thank you, Mr. President.

5               ACTING PRESIDENT GRIFFO:       Senator  
6       Krueger, do you wish to speak?

7               SENATOR KRUEGER:       Thank you,  
8       Mr. President, I do. And I appreciate that  
9       you noticed I jumped up too quickly before my  
10      colleague Senator Squadron.

11              If the sponsor would continue to  
12      yield, please.

13              ACTING PRESIDENT GRIFFO:       Senator  
14      DeFrancisco, do you yield?

15              SENATOR DeFRANCISCO:       Yes.

16              ACTING PRESIDENT GRIFFO:       Senator  
17      Krueger.

18              SENATOR KRUEGER:       Thank you.

19              Senator DeFrancisco, we're here  
20      talking about the revenue bill, where we  
21      collect taxes, where we don't collect taxes,  
22      how we pay for the programmatic expenditures  
23      of all the other bills.

24              Do you know how much we don't  
25      collect because of tax expenditures in our tax

1       and budget code, or how much we expect not to  
2       collect due to the tax expenditures we have on  
3       the books in New York State?

4               SENATOR DeFRANCISCO:     How much --  
5       how many taxes are due that are not collected?

6               SENATOR KRUEGER:     When we pass  
7       laws, we pass laws to collect taxes and  
8       revenue, as we've been discussing this  
9       morning, and we also put into law different  
10      tax expenditures, credits, even refundable  
11      credits in our tax code, do you know what they  
12      total for the coming fiscal year?

13              SENATOR DeFRANCISCO:     I don't  
14      know. The only one I'm sure of is the  
15      \$915 million for the earned income tax credit.  
16      But I'm sure there's substantially more than  
17      that. And if you would like that number, I'd  
18      be happy to get it for you.

19              If you're suggesting that -- to  
20      eliminate some of those tax credits, that's a  
21      policy decision and dependent upon the tax  
22      credit and what advantage that credit has done  
23      as far as creating business. There's tax  
24      credits, as I discussed before, additional  
25      ones in here for those areas that are going to

1           be affected by prison closures.

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

5                   SENATOR DeFRANCISCO:     Yes.

6                   SENATOR KRUEGER:       Thank you.   And  
7           I agree, my question was a hard one.   I have  
8           before you the Annual Report on New York State  
9           Tax Expenditures, and it's a fascinating  
10          document.   But they actually forget to add up  
11          all the dollars from each of the programs.  
12          And it's a multi-hundred-page document.   But I  
13          actually went through and added them up.   And  
14          it's \$29 billion in the 2010-2011 year.   They  
15          don't have, obviously, the final report going  
16          out of this budget.

17                   But I'm curious, are we  
18          discontinuing any of the tax expenditures in  
19          this budget?

20                   SENATOR DeFRANCISCO:     You know,  
21          I'm sorry, I just don't understand the  
22          question.   Discontinuing tax expenditures?  
23          What are -- I don't know that what means, I  
24          really don't.

25                   SENATOR KRUEGER:       Okay.   So every



1       year -- Mr. President, through you, may I  
2       explain? I believe I'm answering a question.

3                ACTING PRESIDENT GRIFFO:       You may  
4       explain, Senator Krueger.

5                SENATOR KRUEGER:       Thank you so  
6       much.

7                Every year we do a budget and we  
8       put in revenues and we reject revenues. We've  
9       been having that discussion now on the floor  
10      for quite a while on this bill. And we also  
11      put in tax expenditures. As Senator  
12      DeFrancisco just pointed out, in this budget  
13      bill or bills there is a new tax credit  
14      opportunity tied into the regional economic  
15      development groups. There's also some model  
16      for tax credits to assist communities that may  
17      be losing prisons. So those are two we're  
18      adding.

19               But these would also be a place in  
20      the revenue bill where you would potentially  
21      discontinue programs. As has been discussed  
22      multiple times, there are expiration dates on  
23      lots of programs. There was an expiration  
24      date, as discussed, on the high-end  
25      supplement. There's expiration dates on any

1        number of different programs or enactments of  
2        permanency for any number of different  
3        programs in the budget.

4                So I'm asking have we discontinued  
5        any of the tax expenditure programs within  
6        this revenue bill.

7                SENATOR DeFRANCISCO:        I -- once  
8        again, the term "tax expenditure," I don't  
9        get. If you're meaning tax credits, if you're  
10       meaning deductions of taxes for mortgage  
11       payments or various -- or at one time we had a  
12       clothing tax moratorium. We don't have that  
13       anymore.

14               Are you talking about tax  
15       expenditures meaning the credits and benefits  
16       given on a tax return to people?

17               SENATOR KRUEGER:        Mr. President,  
18       if the sponsor would continue to allow me --

19               ACTING PRESIDENT GRIFFO:        The  
20       sponsor yields. Senator Krueger, I would ask  
21       that you be explicit in your questioning,  
22       please.

23               SENATOR KRUEGER:        Yes, thank you.  
24               The tax expenditure budget is right  
25       there. The state defines tax expenditures as

1 provisions in the tax code such as exclusions,  
2 deductions, credits, deferrals that are  
3 designed to encourage certain kinds of  
4 activities or to aid taxpayers in certain  
5 special circumstances.

6 Some tax expenditures are designed  
7 to accomplish certain public goals and should  
8 be evaluated in the context of the loss to  
9 state revenue versus the public gain from  
10 allowing them to have, again, exclusions from  
11 their taxes, deductions from their taxes, tax  
12 credits from the state or deferrals for paying  
13 their taxes. That's the definition in the tax  
14 expenditure report.

15 SENATOR DeFRANCISCO: Now that I  
16 understand the issue, what is the question?

17 SENATOR KRUEGER: Thank you. In  
18 this year's budget, in this revenue bill are  
19 we in fact reducing any of the tax  
20 expenditures?

21 SENATOR DeFRANCISCO: No, we're  
22 not.

23 SENATOR KRUEGER: Thank you.

24 SENATOR DeFRANCISCO: And if some  
25 of those tax expenditures, as defined, are bad

1 policy decisions, that certainly could be the  
2 topic in a budget season. And it's probably a  
3 fair topic in a budget season. The only tax  
4 issue that I've heard is the millionaire's tax  
5 being discussed.

6 But if there are some of those that  
7 should, at least arguably, be eliminated, that  
8 should be proposed by anyone in the house that  
9 might want to do that. Unfortunately, it's a  
10 little late at this point.

11 SENATOR KRUEGER: Thank you,  
12 Mr. President.

13 Well, in fact that is the point I  
14 am getting at. And I appreciate Senator  
15 DeFrancisco's answers to my questions. So  
16 I'll speak on the bill.

17 ACTING PRESIDENT GRIFFO: Senator  
18 Krueger on the bill for the second time.

19 SENATOR KRUEGER: Thank you.

20 So this is a revenue bill, which  
21 means we're supposed to be evaluating -- the  
22 State Legislature, the Governor -- where we  
23 get our revenue to spend the money on  
24 important public services. And we know that  
25 we're talking about cutting \$10 billion out of

1 the budget. And we have heard extensively  
2 back and forth about one specific item that  
3 some people think we should be extending or  
4 redefining specifically for millionaires  
5 moving forward when the existing law expires.

6 But we're at the date where we're  
7 being asked to vote for this budget. And I am  
8 extraordinarily disappointed that in very  
9 difficult economic times, with a new  
10 commitment to remodeling how we do state  
11 business and state government, we completely  
12 ignored the \$29 billion on the table that the  
13 State of New York decides in its wisdom -- or  
14 perhaps not always such good wisdom -- not to  
15 put on the table as a mechanism to collect  
16 revenue and avoid making some of the very  
17 large cuts we're making to our programs.

18 And I have spoken on this many  
19 times. I ran a committee, no longer, but on  
20 tax and budget policy. It came out with any  
21 number of reports that were nonpartisan or  
22 bipartisan reports supported by my colleagues.  
23 We did a specific report on property tax  
24 exemptions and exclusions. I will highlight  
25 Senator Bonacic's excellent work on that issue

1       over the years. When you exclude certain  
2       people from paying their property taxes, as we  
3       know, somebody else has to make that up or you  
4       cut other services.

5               We did a tax report on the  
6       inequities in tax policy when it came to  
7       telecommunications, the fact that satellite TV  
8       companies don't actually pay taxes in New  
9       York, while cable TV companies, because they  
10      have a cable in the ground, do. And it's an  
11      equity question and it's also a question of  
12      whether we collect revenue or we don't,  
13      whether we then have to cut our schools  
14      because we're not collecting revenue.

15             We have -- I heard earlier, in  
16      response to a question on the bill, from the  
17      sponsor that we collect \$9 billion in business  
18      taxes. And in fact many people argue our  
19      business taxes are too high and are  
20      discouraging people from staying in New York  
21      or starting new businesses in New York. But  
22      we also have over \$5 billion in business tax  
23      exemptions or expenditure deferrals or even  
24      credits for businesses in New York State,  
25      Mr. President.

1                   And I asked the question and I  
2           think all of us should be asking the question,  
3           in a time when we're talking about cutting  
4           billions from education and healthcare and  
5           human services and we're telling localities  
6           you're on your own for many issues where  
7           you've depended on the state for help before,  
8           that they're asking and I'm asking why didn't  
9           we look at any of those items -- \$29 billion  
10          that were on the table in our law that we  
11          could have explored collecting money from.

12                   General Electric -- we of course  
13          don't know anything about individual  
14          companies' tax returns, and I am not privy to  
15          them. No one here is, but there was a recent  
16          spate of articles about the fact that General  
17          Electric, a very large corporation with a  
18          large presence here in New York State -- and  
19          I'm glad they're here in New York State, I'm  
20          sure we all are -- they had \$15 billion in  
21          profits -- and I'm delighted. They don't pay  
22          any taxes. In fact, they got \$3 billion in  
23          refunds or credits without paying any taxes.

24                   Now, when you analyze the tax  
25          expenditures at the federal level and the

1 state level, you actually see that the vast  
2 majority of them go to large corporations and  
3 large businesses. And I hear from my  
4 colleagues every day that the help that is  
5 needed, and I want to provide it, is to small  
6 new businesses, medium-sized businesses who  
7 technically are the job creators and the job  
8 engines for our economy.

9 So I am disturbed that we're not  
10 doing any evaluation of the good, the bad, the  
11 ugly in our tax expenditure tax code. And I  
12 am disturbed that we are moving forward to get  
13 an on-time budget -- and I respect the  
14 importance of that -- by cutting billions of  
15 dollars without asking the questions about  
16 money that was on the table and perhaps more  
17 fairly and equitably should be paid to the  
18 State of New York so that we weren't just  
19 arguing about one tax question, a  
20 millionaire's tax, we were asking the hard  
21 questions about billions of dollars in revenue  
22 that we, the State of New York, have decided  
23 to give as tax credits, deferrals, refundable  
24 money back to businesses without asking the  
25 hard questions: Is that the right answer in



1 bad economic times? Is that the right answer  
2 in job creation?

3 So I really wish -- I'm sorry,  
4 Senator DeFrancisco --

5 ACTING PRESIDENT GRIFFO: Senator  
6 DeFrancisco, why do you rise?

7 SENATOR DeFRANCISCO: Would  
8 Senator Krueger yield to a question?

9 ACTING PRESIDENT GRIFFO: Senator  
10 Krueger, will you yield?

11 SENATOR KRUEGER: Happily,  
12 Mr. President.

13 ACTING PRESIDENT GRIFFO: Senator  
14 DeFrancisco.

15 SENATOR DeFRANCISCO: We've had a  
16 process that's gone on for some time now since  
17 the Governor released the budget, including  
18 conference committees and the like. We're now  
19 passing the budget. The question is, any of  
20 those tax expenditures in your book that  
21 you've got there with over a hundred pages,  
22 did you or anyone else make any suggestions to  
23 anyone to remove any of those tax expenditures  
24 from the budget or give reasons why they  
25 should be or advocate for any of those

1 specific items that you're now talking about  
2 that you're upset that are not in the budget?

3 SENATOR KRUEGER: Yes,  
4 Mr. President, I did.

5 Now, of course I moved into the  
6 ranker position quite late in the process.  
7 But I actually submitted all of the reports  
8 from our tax committee, many of which focus on  
9 specific tax expenditure issues and the  
10 questions, to the Governor, Lieutenant  
11 Governor and both houses.

12 And in fact I also submitted my  
13 proposal to ensure that we evaluate the value  
14 and the cost of tax expenditures on a regular  
15 basis, each and every one of them to be  
16 included in the budget.

17 Earlier I asked some questions  
18 about did we have GAAP budgeting in this  
19 budget, did we include performance-based  
20 budgeting. And some people might remember  
21 that the Senate Democrats carried a package of  
22 budget reform that also included evaluating  
23 the effectiveness and the cost to the State of  
24 New York of tax expenditures.

25 So I did make sure in this new year

1 to move that package through to everyone who  
2 might have a role to play in this.

3 SENATOR DeFRANCISCO: Would  
4 Senator Krueger yield to another question.

5 ACTING PRESIDENT GRIFFO: Senator  
6 Krueger, do you continue to yield?

7 SENATOR KRUEGER: Yes.

8 SENATOR DeFRANCISCO: My question  
9 is were there any specific tax credits, any  
10 specific deductions, any specific use of -- or  
11 tax expenditures, as the term is defined, that  
12 you proposed to anyone in order to include in  
13 this budget?

14 SENATOR KRUEGER: Yes. As I  
15 said, there was a package of materials that  
16 included individual proposals. But I -- in  
17 follow up, when I say that they are not here,  
18 I would agree, in a both houses and the  
19 Governor, these were not put on the table to  
20 going into this budget.

21 SENATOR DeFRANCISCO: And did you  
22 provide me one? Because I honestly do not  
23 remember.

24 SENATOR KRUEGER: And I honestly  
25 don't remember whether you were on the list

1       either. But I will certainly happily make  
2       sure you get the package. But I'm not sure  
3       you were cc'd.

4                SENATOR DeFRANCISCO:     Okay, thank  
5       you.

6                ACTING PRESIDENT GRIFFO:     Senator  
7       Krueger, are you concluding comments now?

8                SENATOR KRUEGER:     I'm continuing  
9       on the bill.

10               ACTING PRESIDENT GRIFFO:     I think  
11       you were close to conclusion?

12               (Laughter.)

13               SENATOR KRUEGER:     Yes, sir, I am.  
14       I know you're fascinated by what I'm going to  
15       say, so I am sure that you're not really  
16       rushing me.

17               Excuse me, Mr. President, you made  
18       me lose my train of thought.

19               So in conclusion --

20               (Laughter.)

21               SENATOR KRUEGER:     -- having gone  
22       through so many issues of why I know we could  
23       have done better on this most important  
24       fundamental assignment, the revenue for the  
25       State of New York, the revenue we could, with

1       a better revenue bill, be collecting, that  
2       would have ensured that without raising  
3       taxes -- because these are special exemptions  
4       and credits that never get looked at each year  
5       the way we look at every other program --  
6       without ever really doing the homework asking  
7       the questions which I have been urging for  
8       years, under Republican and democratic  
9       Governors and under Democratic and Republican  
10      leadership in these houses, that in this year  
11      where we have said we're doing business a new  
12      way, we are dealing with the third-rail issues  
13      in budgeting and government that haven't been  
14      dealt with, that we could, we could have come  
15      up with significant revenue to help pay for  
16      the public services we need. We could have  
17      come up with alternatives that would have  
18      ensured we weren't taking such huge cuts to  
19      education, higher education, human services,  
20      agriculture, so many programs that people care  
21      so much about.

22               And because of that, because we  
23      flunked a critical test for me, I find myself  
24      determined that I must vote no on this bill.

25               Thank you, Mr. President.

1                   ACTING PRESIDENT GRIFFO:     Is  
2     there any other Senator wishing to be heard?  
3                   Seeing none, the debate is closed.  
4                   The Secretary will ring the bell.  
5                   SENATOR LIBOUS:     Mr. President.  
6                   ACTING PRESIDENT GRIFFO:     Senator  
7     Libous.  
8                   SENATOR LIBOUS:     Are we ringing  
9     the bell at this time?  
10                  ACTING PRESIDENT GRIFFO:     The  
11     bell is ringing.  
12                  SENATOR LIBOUS:     Thank you.  
13                  ACTING PRESIDENT GRIFFO:     I would  
14     also like to remind members at this point in  
15     time that this will be on explanation of  
16     votes, and we will be looking to Rule 9(3)(e)  
17     for a two-minute explanation.  
18                  SENATOR LIBOUS:     Thank you,  
19     Mr. President.  
20                  ACTING PRESIDENT GRIFFO:     Read  
21     the last section.  
22                  THE SECRETARY:     Section 3. This  
23     act shall take effect immediately.  
24                  ACTING PRESIDENT GRIFFO:     Call  
25     the roll.

1 (The Secretary called the roll.)

2 ACTING PRESIDENT GRIFFO: Senator  
3 Adams to explain his vote.

4 SENATOR ADAMS: Mr. President,  
5 I'm going to vote no on this bill.

6 And again, you know, New York State  
7 is a family, and all families should share the  
8 pain. One aspect of the family should not be  
9 better off than the other.

10 The consistent tone that has  
11 resonated during this budget is that this is a  
12 tough budget. That has been a consistent  
13 tone. The only group in New York State who  
14 cannot say that are the millionaires. The  
15 only group that can't say this is a tough  
16 budget are the millionaires. That, to me, is  
17 astonishing. Alex Rodriguez just bought a  
18 condo, paid \$6 million for that condo. Only  
19 \$1,200 in property tax he's going to pay --  
20 \$1,200, when he's supposed to pay \$60,000.

21 That which is normal has become  
22 abnormal, and that which is abnormal has  
23 become normal. When you advocate on behalf of  
24 schoolchildren, they're special interests.  
25 When you advocate on behalf of Alex Rodriguez,

1       you're a special person. I'm not going to  
2       accept that.

3               This is a terrible budget. At a  
4       minimum, we should have had millionaire's  
5       continued and extend this tax. I am not going  
6       to vote for a budget in a year when we all  
7       have to give back and the only group that  
8       doesn't are the millionaires in the State of  
9       New York.

10              That's not the legacy that I'm  
11       going to live, and that's not the legacy that  
12       the people who sent me to Albany expect me to  
13       vote on. This budget is wrong not to force  
14       millionaires to pay their fair share during  
15       these tough and difficult times. I vote no on  
16       this budget.

17              ACTING PRESIDENT GRIFFO:     Senator  
18       Adams to be recorded in the negative.

19              I remind the house to please keep  
20       order so that we can hear all of the members  
21       speak.

22              Senator Young to explain her vote.

23              SENATOR YOUNG:     Thank you,  
24       Mr. President. To explain my vote.

25              You know, I listened intently to



1 Senator Rivera argue in favor of taxing the  
2 60,000 small businesses in this state. And he  
3 used the argument that, oh, gee, there's only  
4 441 people who would qualify, under the  
5 personal income tax surcharge, in my district.  
6 That's true. And, Senator Rivera, we used to  
7 have more. But they've been driven out of the  
8 state. I've lost small business after small  
9 business.

10 And I'll give you just one example.  
11 A month ago a company by a name of Luminite, a  
12 family-owned business that's been in the City  
13 of Salamanca for 85 years, decided to move out  
14 of New York State. And they said to us, "You  
15 know what, we know some people in Albany like  
16 you and the Governor are trying to change the  
17 business climate, but we can't take the heavy  
18 taxes anymore. We can't take the heavy  
19 regulations anymore." So they're picking up  
20 their company and they're moving it across the  
21 border in Pennsylvania, along with their  
22 60 jobs, which hurts my constituents.

23 You talk about people not being  
24 able to afford to live in New York State?  
25 That's true. And I guess I'm not surprised to

1       hear you argue in favor of continuing to tax,  
2       because that's what that side of the aisle,  
3       the Senate Democrats, have consistently done  
4       over the past two years. You raised 124 new  
5       tax and fees, \$14 billion in taxes and  
6       spending at a time when people could least  
7       afford it.

8               Senator Squadron talks about  
9       property tax relief and how important that is.  
10      I think that's a farce, because last year you  
11      took away and the year before you took away  
12      people's property tax rebate checks that gave  
13      them property tax relief.

14             People can't afford to live here  
15      because when they have trouble paying their  
16      utility bills, you tax them even more. When  
17      they have trouble paying their property taxes,  
18      you tax them even more. When they have  
19      trouble paying their health insurance  
20      premiums, you tax them even more. You taxed  
21      them on their motor vehicle registrations.  
22      One hundred twenty-four taxes that you imposed  
23      on people.

24             In Western New York we have lost  
25      tons of population. And in fact, in

1 Charlotte, North Carolina, it's now known,  
2 nicknamed Little Buffalo because so many  
3 people have left.

4 We've got to turn this state  
5 around, and that's what this budget is about.  
6 Because it's sending a clear message to the  
7 people of this state and the people of this  
8 country that this heavy taxation will not  
9 continue. We are changing the direction of  
10 the state --

11 ACTING PRESIDENT GRIFFO: Senator  
12 Young.

13 SENATOR YOUNG: We are focusing  
14 on revitalizing the economy, helping our small  
15 businesses. And that's why I'm voting yes on  
16 this bill.

17 ACTING PRESIDENT GRIFFO: Senator  
18 Young to be recorded in the affirmative.

19 Senator Peralta to explain his  
20 vote.

21 SENATOR PERALTA: Thank you,  
22 Mr. President. I commend the Governor for  
23 about to get an on-time budget. I agree with  
24 parts of it, I disagree with other parts. But  
25 as responsible policymakers, we know that

1       being on time is just one part of what makes a  
2       good budget. The other part, the more  
3       important part, is whether the budget  
4       accurately represents our best ideals and  
5       highest priorities.

6               I do not believe that this revenue  
7       bill represents what most New Yorkers want.  
8       In fact, I believe this revenue bill will hurt  
9       our future competitiveness and place further  
10      burdens on the backs of our most vulnerable  
11      and our middle class.

12             So what happened to the notion of  
13      shared sacrifice? Actually, only the wealthy  
14      will benefit from this revenue bill. The  
15      failure to extend a temporary surcharge on the  
16      highest income earners is deplorable. We're  
17      about to pass a devastating cut to education  
18      that could largely have been avoided with the  
19      temporary extension of the high-income-earners  
20      surcharge. Providing a tax cut to  
21      millionaires while laying off teachers and  
22      cutting education programs hardly seems to be  
23      shared sacrifices.

24             And most New Yorkers agree with me.  
25      A recent Marist poll found that 64 percent of

1 state voters support extending this surcharge.  
2 And this same poll found that as people's  
3 income increases, so does their support for  
4 the tax.

5 Moreover, the Fiscal Policy  
6 Institute found that as a result of the Bush  
7 tax cuts extended in December, those whose  
8 incomes are over \$1 million will pay an  
9 average of \$34,000 less in taxes.

10 And this is not just a moral  
11 question, it's an economic one as well. One  
12 of the most important ingredients in growing  
13 our economy long term is a strong education  
14 system. These cuts could have long-term  
15 ramifications.

16 Yes, my colleagues, spending cuts  
17 are necessary, absolutely. But so are common  
18 sense and compassion, and that's what we need  
19 to have here today.

20 I will vote nay on this bill.

21 ACTING PRESIDENT GRIFFO: Senator  
22 Peralta to be recorded in the negative.

23 Senator Espallat.

24 SENATOR ESPAILLAT: Thank you,  
25 Mr. President.

1                   Once again, the poor, the  
2           working-class and middle-class New Yorkers of  
3           this great state are saddled with the  
4           responsibility of balancing the budget, of  
5           plugging the deficit. Much has been said  
6           about the disparity in the approach, how the  
7           mobility tax, also known as the payroll tax,  
8           imposed on 12 counties across the State of  
9           New York has continued. This is a tax that  
10          affects small businesses, charities,  
11          not-for-profits, people that are providing  
12          goods and services in the 12 counties serviced  
13          by the MTA. But of course the millionaires  
14          get a break.

15                 Aid to municipalities is cut. And  
16          this is funding that often goes to the poor  
17          and working class, assisting them with  
18          programs that are vital to their existence in  
19          those municipalities. But of course the  
20          millionaires get a cut.

21                 Cuts to education and Medicaid, we  
22          will be discussing those as we move forward.  
23          And while the big CEOs of the pharmaceutical  
24          companies and the big CEOs of the insurance  
25          companies and the bankers benefitted from the

1 stimulus package and the extended Bush tax  
2 cuts, these cuts will have a disproportionate  
3 impact on working-class and middle-class  
4 New Yorkers. And again, the rich get a cut.

5 Shared sacrifice? Shared  
6 responsibility? Sharing the pain? Not a  
7 chance. The rich will continue to get a  
8 break. The rich will continue to get a cut.  
9 They will not leave in droves. The  
10 Metropolitan Opera House will still be housed  
11 in Manhattan. The Metropolitan Museum of  
12 Modern Art will be still on Fifth Avenue.  
13 Folks will not leave in droves. They have not  
14 left in droves. They will still continue to  
15 gravitate towards the cultural centers of New  
16 York City and New York State. But they will  
17 continue to get a cut.

18 ACTING PRESIDENT GRIFFO: Senator  
19 Espaillat, how do you vote?

20 SENATOR ESPAILLAT: I will be  
21 voting in the negative, Mr. President. Thank  
22 you.

23 ACTING PRESIDENT GRIFFO: Senator  
24 Espaillat to be recorded in the negative.

25 Senator Carlucci to explain his

1 vote.

2 SENATOR CARLUCCI: Thank you,  
3 Mr. President.

4 First I just want to commend  
5 Governor Andrew Cuomo and my colleagues here  
6 in the Legislature for specifically amending  
7 the Excelsior jobs program. Specifically in  
8 there, amending the new jobs tax credit to  
9 make it a percentage of the wages paid, I  
10 think is extremely important in rewarding  
11 quality employers that are really providing  
12 quality jobs and high-paying jobs to  
13 New Yorkers. New Yorkers deserve great-paying  
14 jobs, and they need them right now.

15 And specifically when we talk about  
16 taxpayers, this program is putting a return on  
17 investment for taxpayer money that's going to  
18 companies that in return will provide  
19 great-paying jobs.

20 Another great program here is by  
21 increasing the tax credits for research and  
22 development. This positions New York to be  
23 the leader when it comes to emerging  
24 technologies, to high-tech companies. With  
25 research and development I believe we can be



1 the leaders not just in this nation, but in  
2 the global economy.

3 So, Mr. President, I'll be voting  
4 in the affirmative. Thank you.

5 ACTING PRESIDENT GRIFFO: Senator  
6 Carlucci to be recorded in the affirmative.

7 Senator Kennedy to explain his  
8 vote.

9 SENATOR KENNEDY: Thank you,  
10 Mr. President. Please record me in the  
11 negative on this vote.

12 Our state is in a severe fiscal  
13 crisis, we're all very well aware of that.  
14 And our government is taking many steps to get  
15 our fiscal house in order. And at the same  
16 time, New York's middle-class families and  
17 small businesses are overburdened with taxes.  
18 They're desperate for tax relief.

19 I rise today because the  
20 hardworking men and women of Western New York  
21 and all of New York State have been clamoring  
22 for us to help them make everyday life more  
23 affordable as they struggle to make ends meet.  
24 This bill does not ease the tax burden they've  
25 been enduring. It does, however, provide a

1 tax bailout for Wall Street millionaires.

2 As I've said, the budget takes  
3 money away from Western New York's families,  
4 students and seniors and sends it directly in  
5 the pockets of Wall Street millionaires. It  
6 gives a tax break for millionaires while the  
7 rest of our state, especially middle-class  
8 families, are forced to pay the same but get  
9 less.

10 With New York's business tax  
11 climate known as one of the worst in the  
12 nation, wouldn't it make more sense to target  
13 tax relief to struggling small businesses  
14 rather than giving hefty tax breaks to  
15 millionaires?

16 What about Western New York's  
17 middle-class families? They're bearing the  
18 burden of this budget deficit because their  
19 taxes remain high while services they rely on,  
20 like their kids' schools and their kids'  
21 educations, are suffering severe cuts.

22 This budget plan fails to implement  
23 a tax cap, guts education funding, and gives a  
24 tax bailout to millionaires. In the  
25 Cheektowaga-Sloan School District, one of --

1       which I represent, the school board has cut  
2       the fat, cut through the muscle and now  
3       they're stuck trying to cut through the bone.  
4       They've cut to the point where they really  
5       can't cut anymore, and now they're forced to  
6       consider depleting educational programs.

7               In the Hamburg, West Seneca, Eden,  
8       Lackawanna and Buffalo School Districts that I  
9       represent, the financial outlook is just as  
10      dire. But by simply holding the line on taxes  
11      for millionaires, as this budget does, with  
12      taxes for the rest of the state --

13             ACTING PRESIDENT GRIFFO:     Senator  
14      Kennedy, how do you vote?

15             SENATOR KENNEDY:     I vote no  
16      because this bill takes money away from  
17      Western New York families and puts it in the  
18      pocket of Wall Street millionaires.

19             ACTING PRESIDENT GRIFFO:     Senator  
20      Kennedy to be recorded in the negative.

21             Senator Parker to explain his vote.

22             SENATOR PARKER:     Thank you,  
23      Mr. President. Within two minutes, to explain  
24      my vote.

25             I'm actually unfortunately voting

1       no on this revenue bill. I'd like to be  
2       voting yes, but -- and I think my colleagues  
3       have made the point very aptly that this  
4       revenue bill in particular is unacceptable  
5       because it balances the budget on the backs of  
6       the most vulnerable people in our society --  
7       on schoolchildren, on people with  
8       disabilities -- you know, and there's no  
9       fairness in it.

10                You know, I can go on and on, as my  
11       colleagues have indicated, about the fair  
12       share tax plan that we're now abandoning,  
13       something that would actually give us an  
14       additional -- forget this year, next year it  
15       would provide \$5 billion in the budget and  
16       would actually give us a surplus of \$2 billion  
17       simply by just doing what is fair to the  
18       taxpayer.

19                And we could do that simply -- in  
20       fact, we ought to restructure it, frankly, and  
21       not start it at \$200,000, we ought to probably  
22       raise it to \$750,000 or maybe even make it a  
23       million. But we certainly ought to have that  
24       surcharge in place to in fact do the right  
25       thing by the people of the State of New York.

1 I want to just, you know, have  
2 Senator Young just be correct about this.  
3 Because I'm from Brooklyn, and we have an  
4 expression there about keeping it real. And  
5 to keep it real, from 1989 to 2008, under  
6 Republican control, taxes went up in this  
7 state by \$131 billion. Let me say that again.  
8 Under Republican control, taxes went up by  
9 \$131 billion from 1998 to 2008.

10 The STAR program in this budget is  
11 being cut by \$125 million. In this budget  
12 that you're voting for today.

13 So I want to make sure that  
14 everybody knows what we're doing in this  
15 budget and why I'm voting no. Because that's  
16 the wrong choice for my community. And it's  
17 the wrong choice, frankly, for your  
18 communities.

19 And I put out some things that we  
20 ought to do. We could have actually collected  
21 10 percent of the stock transfer tax, and that  
22 would have gave us \$1.5 billion. We could  
23 have done -- you know, gotten rid of a number  
24 of the tax loopholes that we find, you know,  
25 for corporations --

1                   ACTING PRESIDENT GRIFFO:     Senator  
2     Parker.

3                   SENATOR PARKER:     -- and we could  
4     have collected some money on that.

5                   So there were lots of the options  
6     that we said no to, and that's why I'm saying  
7     no to this revenue budget, Mr. President.

8                   ACTING PRESIDENT GRIFFO:     Senator  
9     Parker to be recorded in the negative.

10                  Senator Ball to explain his vote.

11                  SENATOR BALL:     I'll be voting in  
12     the affirmative. And I'll just give a little  
13     background.

14                  I have a white collar today, but my  
15     collar is as blue as it comes. I grew up, my  
16     parents were caretakers on the Kennedy estate,  
17     Jean Kennedy and Steve Smith, in Pawling,  
18     New York. First in my family to graduate from  
19     college.

20                  You know, it may sound fun that we  
21     were caretakers on the Kennedy estate. That  
22     meant that we got to cut the grass and, when  
23     they weren't around, get into the swimming  
24     pool. When we weren't there, my parents went  
25     paycheck by paycheck, we lived in my

1 grandmother's basement. Now, I'm not talking  
2 about a furnished basement, I'm talking about  
3 concrete, little tiny windows, bedsheets up  
4 instead of walls. That's how I grew up.

5 Now, we're talking about Bush tax  
6 cuts. Bush has -- he's not president anymore,  
7 folks. And these tax cuts have nothing to do  
8 with George Bush.

9 On the MTA payroll tax, which  
10 really affects my district, at the end of the  
11 day that issue certainly has to be addressed.  
12 We had an opportunity in this budget to do  
13 that. On our side we fought for a forensic  
14 accounting of the MTA. It would have been  
15 nice to have your support on that.

16 And moving forward for a full  
17 repeal of the MTA payroll tax, it's going to  
18 be important that you walk over to the other  
19 chamber to make sure that it's a priority just  
20 like it seems to be a priority in the debate  
21 today.

22 Furthermore, on the tax cap, we  
23 have got to address the crisis of the property  
24 tax. But you have to understand something  
25 very real about what's been called the

1       millionaire tax today, folks making between  
2       \$200,000 to a million dollars a year. Many of  
3       these folks that live in my district, these  
4       are the people who are creating the jobs.  
5       They have dirt under their fingernails. They  
6       are being forced out of the state. They are  
7       losing their businesses. We have lost  
8       1.8 million New Yorkers.

9                You can blame the Senate majority  
10       for what you call a millionaire tax. It is  
11       not a millionaire tax. It's a job-killing  
12       tax. And at the end of the day, it's your  
13       governor, Governor Cuomo, who stands solidly  
14       on this issue because he knows that we have no  
15       future in this state continuing to be number  
16       one in all the wrong ways -- number one in  
17       killing jobs, number one in taxing, number one  
18       in outmigration.

19               ACTING PRESIDENT GRIFFO:       Senator  
20       Ball.

21               SENATOR BALL:       People are voting  
22       with their feet --

23               ACTING PRESIDENT GRIFFO:       Senator  
24       Ball, how do you vote?

25               SENATOR BALL:       I vote yes. Thank



1       you.

2                   ACTING PRESIDENT GRIFFO:       Senator  
3 Ball to be recorded in the affirmative.

4                   Senator Fuschillo to explain his  
5 vote.

6                   SENATOR FUSCHILLO:       Just briefly.  
7 Thank you, Mr. President. And let me thank my  
8 colleague Senator DeFrancisco for his work on  
9 the floor here today.

10                  New York State has a spending  
11 problem. And if we continue that, we're going  
12 to continue the mass exodus that we've seen  
13 over the last decade where more people move  
14 out of our state than any other state in the  
15 nation.

16                  I've heard arguments from the other  
17 side of the aisle about the MTA payroll tax.  
18 We agree. Where were you two years ago when  
19 you implemented the tax? It's a job-killing  
20 tax. And just because our budget may get  
21 completed today or tomorrow, our work isn't  
22 done to eliminate the tax that you put on.

23                  So don't tell us you're against it  
24 today when two years ago those of you that  
25 were in the Senate, or in the Senate today who

1       were in the Assembly, you voted for it. This  
2       side of the aisle, when we were over there,  
3       voted against the MTA payroll tax. You gave  
4       it to us.

5               We're number one, in the State of  
6       New York -- actually, number two, almost  
7       number one -- in the state and local tax  
8       burden. New Jersey is number one by  
9       0.1 percent over New York State.

10              The state business tax climate in  
11       the nation, we're the worst. We're at the  
12       bottom. State individual income tax  
13       collection, New York State is number one.

14              I'm a little confused. You're for  
15       the tax, you're against the tax. Every minute  
16       somebody else gets up: We need to tax, we  
17       don't need to tax. If we keep taxing, we're  
18       going to keep running people out of the State  
19       of New York.

20              You know, the last two years -- and  
21       I've heard comments about the last decade --  
22       New York state spent more than \$14 billion in  
23       new taxes and fees the first two years I voted  
24       against the budget. If we continued on that  
25       trend, our state of the economy would be worse

1       than it is today.

2               The Governor has taken some bold  
3 moves. And if we don't eliminate this  
4 \$10 billion deficit, we'd in worse condition  
5 next year. It does that, it doesn't raise  
6 taxes, and it cuts spending to get the state  
7 back to where it fiscally should be in the  
8 right direction.

9               I'll be voting in the affirmative,  
10 Mr. President.

11              ACTING PRESIDENT GRIFFO:     Thank  
12 you, Senator Fuschillo. You will be recorded  
13 in the affirmative.

14              Senator Diaz to explain his vote.

15              SENATOR DIAZ:     Thank you,  
16 Mr. President.

17              You know, to me what's amazing is  
18 that we in our communities, black and Hispanic  
19 communities especially, where I come from, we  
20 all are Democrats. And we -- no Republican,  
21 no Republican will win in our district,  
22 especially in my district. Democrats.  
23 Democrats. And we -- and you know why we do?  
24 Because we do like Chuck Schumer. We educate  
25 our community that Republican are the bad

1       guys. And sometimes you are, guys.

2               But what's amazing is that today we  
3       are having a Democratic Governor getting away  
4       with not putting taxes, not extending taxes on  
5       the rich, giving New Jersey \$350 million,  
6       giving Connecticut money, giving Pennsylvania  
7       money, and killing the black and the Hispanic,  
8       the poor and the needy and the senior  
9       citizens. This is done by a Democratic  
10      Governor. Supported by Republicans.

11             But ladies and gentlemen, we in our  
12      community, we have to learn, we're going to  
13      have to learn that we cannot keep being taken  
14      for granted. During election time, Oh, vote  
15      for me, I'm Democrat. Oh, vote for me, I'm  
16      going to take care of you. And then, when  
17      they get elected, this is what they do to us.

18             And it's amazing to see that all  
19      Republicans are the ones supporting this  
20      Governor's budget. And we Democrats that  
21      voted for him, that supported him, that  
22      campaigned for him, we are the ones saying  
23      huuuh, huuuh. Amazing. Amazing. A  
24      Democratic Governor giving rich people a  
25      break --

1                   ACTING PRESIDENT GRIFFO:     Senator  
2     Diaz, how do you vote?

3                   SENATOR DIAZ:     -- and forcing us  
4     to close hospitals, to close our senior  
5     centers, to cut education.

6                   ACTING PRESIDENT GRIFFO:     Senator  
7     Diaz, how do you vote?

8                   SENATOR DIAZ:     How I'm voting?  
9     Don't you know yet?

10                   (Laughter.)

11                   SENATOR DIAZ:     Do I have to tell  
12     you how I'm voting?

13                   ACTING PRESIDENT GRIFFO:     I want  
14     to ensure that we have this accurately.

15                   SENATOR DIAZ:     Well, in English  
16     it's no, in Spanish it's no --

17                   ACTING PRESIDENT GRIFFO:     Senator  
18     Diaz to be recorded in the negative.

19                   Senator Marcellino to explain his  
20     vote.

21                   SENATOR MARCELLINO:     Thank you,  
22     Mr. President.

23                   I rise to support this bill because  
24     124 new taxes is not the way to continue,  
25     \$14 billion in the last two years in new

1        spending is not the way to continue. Yes,  
2        Senator, the Metropolitan Opera will have  
3        people attending it, the Museum of Modern Art  
4        will still have people attending it. The only  
5        problem is they'll be coming from Connecticut,  
6        New Jersey, and Pennsylvania, not from  
7        New York. Because they're leaving New York.  
8        They're leaving New York.

9                We have to send a message. We have  
10       to send a message to the small businesspeople  
11       who are contemplating leaving because of the  
12       high taxes and regulations that we want them  
13       to stay because they employ our citizens. We  
14       want to send a message to the people who are  
15       contemplating moving out of their homes  
16       because they can't afford the property taxes  
17       that we want them to stay because we need  
18       them. We've got to create jobs in the private  
19       sector, not in the public sector.

20               This is a painful budget, we agree  
21       with that. We understand that. We don't want  
22       to make these decisions, we have to make these  
23       decisions. I commend the Governor for working  
24       with Senator Skelos and the other leaders to  
25       put forth a budget that solves a problem that

1       was created not by us but by the world and by  
2       the situation that's around us. But the  
3       taxing and spending ways of New York State  
4       have to end. Let it end here, let it end  
5       today, and let us move forward in a  
6       responsible way, creating jobs and keeping our  
7       citizens employed and in this state, not  
8       driving them out of the state because they  
9       can't afford to live here.

10               Mr. President, I vote aye.

11               ACTING PRESIDENT GRIFFO:     Senator  
12       Marcellino to be recorded in the affirmative.

13               Senator Farley to explain his vote.

14               SENATOR FARLEY:     Thank you,  
15       Mr. President.

16               I rise to support this because, my  
17       colleagues, we have a \$10 billion deficit. We  
18       have to live in the real world. I am proud of  
19       my colleagues on this side of the aisle that  
20       are supporting this and for my enlightened  
21       colleagues on the other side of the aisle that  
22       will support it.

23               But we have a problem. And I am  
24       proud of the Governor, Governor Cuomo, for  
25       standing up and addressing this. We are

1 solving a \$10 billion deficit with no new  
2 taxes. That is a remarkable accomplishment.

3 When I first addressed this budget  
4 I said I don't know how we're going to do it.  
5 Yes, there's pain. There's pain for  
6 everybody. But we are solving a huge problem  
7 and we're bringing back New York State to  
8 become the Empire State again.

9 I vote aye.

10 ACTING PRESIDENT GRIFFO: Senator  
11 Farley to be recorded in the affirmative.

12 Senator Ranzenhofer to explain his  
13 vote.

14 SENATOR RANZENHOFER: Thank you,  
15 Mr. President. Just briefly, I do want to  
16 rise and explain my vote.

17 It's amazing that for the second  
18 time in 30 years a budget spends less money  
19 that it did the year before. I think it's  
20 reflective of what is going on in our society  
21 and the people that live in our districts.  
22 Economic times have changed. People in their  
23 own households are getting their spending  
24 under control. But for some reason in the  
25 past, New York State has not been able to do



1       that, and my colleagues have eloquently talked  
2       about the problems of population loss and job  
3       loss.

4               I also want to commend the  
5       Governor, who gets it. He understands that  
6       you can't keep on spending money that you  
7       don't have. The Comptroller indicated over  
8       the last couple of years that that level of  
9       spending was not sustainable.

10              So I rise today by saying that this  
11       is a good start. It's a good start for the  
12       first time in many, many, many years that  
13       we're not spending more money than we have,  
14       that we're not continuing to increase taxes on  
15       the hardworking people of this state.

16              For those reasons, I will be voting  
17       in favor of the budget. Thank you.

18              ACTING PRESIDENT GRIFFO:     Senator  
19       Ranzenhofer to be recorded in the affirmative.

20              Senator Grisanti to explain his  
21       vote.

22              SENATOR GRISTANTI:     Yes, thank  
23       you, Mr. President.

24              I can tell you, my friends and  
25       colleagues, that in my district there will be

1       some that are happy with this budget and some  
2       that are not. But however, this is not a time  
3       of easy choices. In fact, they're not choices  
4       at all. Our state is in a state of chaos. I  
5       come from the private sector, and that's what  
6       my people see in my district. But I see the  
7       infant stages of turning this state around, a  
8       state that has not been friendly in the past  
9       to taxpayers, business, in utter and complete  
10      dysfunction.

11               This budget does not cover  
12      everyone's needs, but it does offer a new  
13      beginning to once again make this state the  
14      Empire State again. We are open for business.  
15      And instead of bickering for our own spotlight  
16      and personal needs, you need to compromise.  
17      The sooner you realize that, that we're moving  
18      in the right direction by not taxing, by  
19      creating the opportunity for job growth,  
20      cutting government waste, duplicative  
21      services, and -- most importantly -- realizing  
22      that it is a privilege and not a right to be  
23      here representing your district, the sooner  
24      this state will be a catalyst for not only the  
25      taxpayers of New York but the nation.

1 History tells us that we are often  
2 looked upon as the one who will lead. Once  
3 again, we can make that a reality. As this  
4 state grows, we can all look proudly on what  
5 we accomplished, although painful, as it is  
6 today. I've stated a quote, and I'll state it  
7 again. No state has ever spent themselves  
8 into prosperity. The taxes and the fees that  
9 were issued the last two years were ridiculous  
10 in the eyes of the voters and the people of my  
11 district, fees that people couldn't even  
12 believe that were raised.

13 We have to work harder and together  
14 to free up restrictions on businesses. But  
15 let's remember one thing, because I know my  
16 time is short. Our conference was not looking  
17 and the Governor was not looking at a one-year  
18 fix to a problem. This is a fix that is  
19 carried on to the future, a \$15 billion  
20 deficit next year reduced down to \$2 billion.  
21 We're not only tackling the deficit this year  
22 but tackling the future deficits.

23 ACTING PRESIDENT GRIFFO: Senator  
24 Grisanti, how do you vote?

25 SENATOR GRISTANTI: I vote yes.

1                   ACTING PRESIDENT GRIFFO:     Senator  
2     Grisanti to be recorded in the affirmative.

3                   The Secretary will announce the  
4     results.

5                   THE SECRETARY:     In relation to  
6     Calendar Number 285, those Senators recorded  
7     in the negative are Senators Adams, Diaz,  
8     Duane, Espaillat, Kennedy, L. Krueger,  
9     Montgomery, Parker, Peralta, Perkins. Also  
10    Senator Rivera.

11                  Ayes, 51.   Nays, 11.

12                  ACTING PRESIDENT GRIFFO:     The  
13    bill is passed.

14                  Senator Libous.

15                  SENATOR LIBOUS:     Mr. President,  
16    would you call on Senator Ruth  
17    Hassell-Thompson for an announcement.

18                  ACTING PRESIDENT GRIFFO:     I will,  
19    Senator Libous.

20                  Before I do that, I would ask and  
21    remind all of our guests in the gallery that  
22    they need to remain seated at all times.

23                  I will now recognize Senator Ruth  
24    Hassell-Thompson for purposes of an  
25    announcement.

1                   SENATOR HASSELL-THOMPSON:     Thank  
2     you.   There will be an immediate meeting of  
3     the Democratic Conference in the Democratic  
4     Conference Room.

5                   ACTING PRESIDENT GRIFFO:     There  
6     is an immediate meeting of the Democrat  
7     Conference in the Democrat Conference Room.  
8                   Senator Libous.

9                   SENATOR LIBOUS:     Mr. President,  
10    there will be a Finance Committee meeting at  
11    1:45 in Room 332.

12                  ACTING PRESIDENT GRIFFO:     There  
13    will be a Finance Committee meeting in  
14    Room 332 at 1:45 p.m.

15                  SENATOR LIBOUS:     Pending the  
16    report of the Finance Committee, the Senate  
17    will stand at ease.

18                  ACTING PRESIDENT GRIFFO:     Pending  
19    the report, the Senate stands at ease.

20                         (Whereupon, the Senate stood at  
21    ease at 1:35 p.m.)

22                         (Whereupon, the Senate reconvened  
23    at 2:01 p.m.)

24                  ACTING PRESIDENT GRIFFO:     The  
25    Senate will come to order.

1 Senator Libous.

2 SENATOR LIBOUS: Mr. President, I  
3 believe there's a report of the Finance  
4 Committee at the desk. May we have the report  
5 read, please.

6 ACTING PRESIDENT GRIFFO: The  
7 Secretary will read the report of the Finance  
8 Committee.

9 THE SECRETARY: Senator  
10 DeFrancisco, from the Committee on Finance,  
11 reports the following bill direct to third  
12 reading:

13 Senate 2804D, Senate Budget Bill,  
14 an act making appropriations for the support  
15 of government: CAPITAL PROJECTS BUDGET.

16 ACTING PRESIDENT GRIFFO: The  
17 bill is reported to third reading.

18 Senator Libous, the report has been  
19 accepted and brought to third reading.

20 SENATOR LIBOUS: Thank you. Can  
21 we go to I believe it would be Calendar B, the  
22 noncontroversial reading.

23 ACTING PRESIDENT GRIFFO: The  
24 Secretary will read the substitution.

25 THE SECRETARY: Senator

1 DeFrancisco moves to discharge, from the  
2 Committee on Finance, Assembly Bill Number  
3 4004D and substitute it for the identical  
4 Senate Bill Number 2804D, Third Reading  
5 Calendar 286.

6 ACTING PRESIDENT GRIFFO: The  
7 substitution is so ordered.

8 Senator Libous.

9 SENATOR LIBOUS: Mr. President,  
10 is there a message of necessity at the desk?

11 ACTING PRESIDENT GRIFFO: There  
12 is a message of necessity at the desk.

13 SENATOR LIBOUS: Can we move to  
14 accept the message of necessity, please.

15 ACTING PRESIDENT GRIFFO: All in  
16 favor of accepting the message of necessity  
17 signify by saying aye.

18 (Response of "Aye.")

19 ACTING PRESIDENT GRIFFO:  
20 Opposed?

21 (No response.)

22 ACTING PRESIDENT GRIFFO: The  
23 message of necessity is accepted.

24 The bill is before the house.

25 The Secretary will read.

1                   THE SECRETARY:     Assembly Print  
2     40004D, Assembly Budget Bill, an act making  
3     appropriations for the support of government:  
4     CAPITAL PROJECTS BUDGET.

5                   SENATOR DeFRANCISCO:     Last  
6     section.

7                   ACTING PRESIDENT GRIFFO:     Read  
8     the last section.

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

11                  ACTING PRESIDENT GRIFFO:     Call  
12    the roll.

13                  (The Secretary called the roll.)

14                  THE SECRETARY:     Ayes, 62.

15                  ACTING PRESIDENT GRIFFO:     The  
16    bill is passed.

17                  Senator Libous.

18                  SENATOR LIBOUS:     Mr. President,  
19    could -- I know we hastily passed the bill,  
20    but if we could still be on the vote for a  
21    second, please.

22                  ACTING PRESIDENT GRIFFO:     Senator  
23    Libous, with permission, I will temporarily,  
24    without objection, temporarily withdraw --

25                  SENATOR LIBOUS:     Actually, you



1 don't have to do that, Mr. President. It's on  
2 first reading, so if the member wants to come  
3 in and vote no, it will still be recorded at  
4 the desk.

5 ACTING PRESIDENT GRIFFO: Thank  
6 you.

7 SENATOR LIBOUS: So I believe the  
8 bill is passed?

9 ACTING PRESIDENT GRIFFO: The  
10 bill is passed.

11 Senator Libous.

12 SENATOR LIBOUS: Mr. President,  
13 things are moving a little too quickly.

14 (Laughter.)

15 SENATOR LIBOUS: I would ask  
16 for -- I would ask for -- we really are.  
17 Early budget, early voting.

18 Mr. President, I would pause for a  
19 second and ask my colleagues for unanimous  
20 consent to allow Senator Duane to vote,  
21 please.

22 ACTING PRESIDENT GRIFFO: Without  
23 objection, unanimous consent is granted to  
24 Senator Duane.

25 There being no objection, Senator

1 Duane has cast his vote in the negative.

2 Correct?

3 Senator Diaz in the negative.

4 Senator Perkins in the negative.

5 SENATOR LIBOUS: How are we  
6 doing, Mr. President?

7 ACTING PRESIDENT GRIFFO: We're  
8 doing good.

9 The Secretary will announce the  
10 results.

11 THE SECRETARY: Ayes, 59. Nays,  
12 3. Those recorded in the negative are  
13 Senators Diaz, Duane and Perkins.

14 ACTING PRESIDENT GRIFFO: The  
15 bill is passed.

16 SENATOR LIBOUS: Mr. President,  
17 if we could just stand at ease for a second  
18 here.

19 ACTING PRESIDENT GRIFFO: The  
20 Senate stands at ease momentarily.

21 (Pause.)

22 SENATOR LIBOUS: Mr. President.

23 ACTING PRESIDENT GRIFFO: The  
24 Senate will come to order.

25 Senator Libous.

1                   SENATOR LIBOUS:     There will be an  
2     immediate meeting of the Agriculture Committee  
3     in Room 332.

4                   ACTING PRESIDENT GRIFFO:     There  
5     will be an immediate meeting of the  
6     Agriculture Committee in Room 332.

7                   SENATOR LIBOUS:     And until the  
8     Agriculture Committee meeting is complete, the  
9     Senate will stand at ease.

10                  ACTING PRESIDENT GRIFFO:     Until  
11     that committee is complete, the Senate stands  
12     at ease.

13                  I want to again remind all of our  
14     guests and visitors that you must remain  
15     seated at all times in the gallery.

16                  The Senate is at ease.

17                  (Whereupon, the Senate stood at  
18     ease at 2:09 p.m.)

19                  (Whereupon, the Senate reconvened  
20     at 2:39 p.m.)

21                  ACTING PRESIDENT GRIFFO:     The  
22     Senate will come to order.

23                  I ask all in the gallery to please  
24     remain seated and to remain silent.

25                  Senator Libous.

1                   SENATOR LIBOUS:     Thank you,  
2     Mr. President.

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

5                   The Senate will stand at ease  
6     pending the report of the Rules Committee.

7                   ACTING PRESIDENT GRIFFO:     There  
8     will be an immediate meeting of the Rules  
9     Committee in Room 332.

10                  The Senate stands at ease.

11                  (Whereupon, the Senate stood at  
12     ease at 2:40 p.m.)

13                  (Whereupon, the Senate reconvened  
14     at 3:01 p.m.)

15                  ACTING PRESIDENT GRIFFO:     The  
16     Senate will come to order.

17                  Senator Libous.

18                  SENATOR LIBOUS:     Mr. President,  
19     if we can return to reports of standing  
20     committees, please. There's a report of the  
21     Rules Committee at the desk.

22                  ACTING PRESIDENT GRIFFO:     The  
23     Secretary will read.

24                  THE SECRETARY:     Senator Skelos,  
25     from the Committee on Rules, reports the

1 following bills.

2 By Senator Young, Senate Print 754,  
3 an act to amend the Criminal Procedure Law;

4 By Senator Saland, Senate Print  
5 1414A, an act to amend the Criminal Procedure  
6 Law;

7 By Senator Saland, Senate Print  
8 4222, an act to amend the Social Services Law;

9 By Senator Saland, Senate Print  
10 4244, an act to amend the Criminal Procedure  
11 Law.

12 All bills reported direct to third  
13 reading.

14 ACTING PRESIDENT GRIFFO: Senator  
15 Libous.

16 SENATOR LIBOUS: Thank you,  
17 Mr. President. Can we move to accept the  
18 report of the Rules Committee, please.

19 ACTING PRESIDENT GRIFFO: All in  
20 favor of accepting the report of the Rules  
21 Committee signify by saying aye.

22 (Response of "Aye.")

23 ACTING PRESIDENT GRIFFO:  
24 Opposed?

25 (No response.)

1                   ACTING PRESIDENT GRIFFO:     The  
2     committee report is accepted.

3                   Senator Libous.

4                   SENATOR LIBOUS:     Thank you,  
5     Mr. President.

6                   At this time could we read the  
7     noncontroversial reading of Supplemental  
8     Calendar Number 27C.

9                   ACTING PRESIDENT GRIFFO:     The  
10    Secretary will read.

11                  THE SECRETARY:     Calendar Number  
12    289, by Senator Young, Senate Print 754, an  
13    act to amend the Criminal Procedure Law.

14                  ACTING PRESIDENT GRIFFO:     Read  
15    the last section.

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

18                  SENATOR LIBOUS:     Call the roll.  
19                   (The Secretary called the roll.)

20                  THE SECRETARY:     Ayes, 62.

21                  ACTING PRESIDENT GRIFFO:     The  
22    bill is passed.

23                  THE SECRETARY:     Calendar Number  
24    290, by Senator Saland, Senate Print 1414A, an  
25    act to amend the Criminal Procedure Law.

1                   ACTING PRESIDENT GRIFFO:     Read  
2     the last section.

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

6                   ACTING PRESIDENT GRIFFO:     Call  
7     the roll.

8                   (The Secretary called the roll.)

9                   THE SECRETARY:     Ayes, 62.

10                  ACTING PRESIDENT GRIFFO:     The  
11     bill is passed.

12                  THE SECRETARY:     In relation to  
13     Calendar Number 291, Senator Saland moves to  
14     discharge, from the Committee on Rules,  
15     Assembly Bill Number 627 and substitute it for  
16     the identical Senate Bill Number 4222, Third  
17     Reading Calendar 291.

18                  ACTING PRESIDENT GRIFFO:  
19     Substitution so ordered.

20                  The Secretary will read.

21                  THE SECRETARY:     Calendar Number  
22     291, by Member of the Assembly Weinstein,  
23     Assembly Print Number 627, an act to amend the  
24     Social Services Law.

25                  ACTING PRESIDENT GRIFFO:     Read

1 the last section.

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

4 ACTING PRESIDENT GRIFFO: Call  
5 the roll.

6 (The Secretary called the roll.)

7 THE SECRETARY: Ayes, 62.

8 ACTING PRESIDENT GRIFFO: The  
9 bill is passed.

10 THE SECRETARY: Calendar Number  
11 292, by Senator Saland, Senate Print 4244, an  
12 act to amend the Criminal Procedure Law.

13 ACTING PRESIDENT GRIFFO: Read  
14 the last section.

15 THE SECRETARY: Section 5. This  
16 act shall effect on the first of November.

17 ACTING PRESIDENT GRIFFO: Call  
18 the roll.

19 (The Secretary called the roll.)

20 ACTING PRESIDENT GRIFFO: Senator  
21 Saland to explain his vote.

22 SENATOR SALAND: Thank you,  
23 Mr. President.

24 Mr. President, as I think everybody  
25 in the chamber is aware, and notwithstanding



1 the fact that we're consumed by budget  
2 matters, attempting to deliver an effective  
3 and on-time budget, the fact of the matter is  
4 that today is March 30th, and it's Domestic  
5 Violence Advocacy Day. And both in the  
6 Assembly and in our house a number of measures  
7 have been passed attempting to deal with this  
8 issue which causes such enormous trauma, such  
9 enormous tragedy and often, as is the case in  
10 my district, the loss of life.

11 There have been four separate  
12 instances in my district in the past eight  
13 months in which incidents that are domestic-  
14 violence-related have resulted in the death of  
15 the victim and in one instance not only the  
16 victim, a wife, but also a police officer.

17 During my entire service in this  
18 house and the other house, I've long dwelled  
19 on the subject of child abuse and domestic  
20 violence and made every effort to try and tip  
21 the playing field in a fashion that would  
22 benefit victims, as have so many others in a  
23 bipartisan fashion attempted to do so.

24 What we are accomplishing here  
25 today, and I believe most of these bills

1       certainly are going to be bills that are  
2       ultimately going to make their way to the  
3       Governor's desk, is accomplishing that very  
4       end. We are trying to ensure that victims  
5       will not be victimized as frequently as has  
6       occurred in the past. We're trying to provide  
7       means to further protect victims, we're trying  
8       to provide means for court and law enforcement  
9       intervention long before it becomes a tragic  
10      story that we learn about in the news.

11                So I would merely say to my  
12      colleagues we've taken the time to divorce  
13      ourselves from matters fiscal, but these  
14      matters are certainly extraordinarily every  
15      bit as important and each and every one of us  
16      in our districts knows of, I'm sure, multiple  
17      incidents that have resulted in enormous  
18      personal tragedy not only to the victim but to  
19      the victim's family.

20                I thank you.

21                ACTING PRESIDENT GRIFFO:     Senator  
22      Saland to be recorded in the affirmative.

23                Announce the results.

24                THE SECRETARY:     Ayes, 62.

25                ACTING PRESIDENT GRIFFO:     The

1 bill is passed.

2 Senator Libous, that completes the  
3 reading of the noncontroversial supplemental  
4 calendar.

5 SENATOR LIBOUS: Thank you,  
6 Mr. President.

7 Is there any cleanup work to be  
8 done at the desk at this time?

9 ACTING PRESIDENT GRIFFO: There  
10 is no housekeeping before the desk at this  
11 time.

12 SENATOR LIBOUS: No housekeeping?  
13 Thank you, Mr. President.

14 At this time the Senate will stand  
15 at ease till 5:00 p.m.

16 ACTING PRESIDENT GRIFFO: The  
17 Senate will stand at ease till 5:00 p.m.

18 (Whereupon, the Senate stood at  
19 ease at 3:06 p.m.)

20 (Whereupon, the Senate reconvened  
21 at 5:10 p.m.)

22 ACTING PRESIDENT ZELDIN: Senator  
23 Libous.

24 SENATOR LIBOUS: We're awaiting  
25 Senator Breslin, Mr. President.

1 (Pause.)

2 ACTING PRESIDENT ZELDIN: Senator  
3 Libous, why do you rise?

4 SENATOR LIBOUS: President  
5 Zeldin, I stand before you to let the members  
6 of this body know that we are at ease and we  
7 will remain at ease until further notice.

8 ACTING PRESIDENT ZELDIN: The  
9 Senate stands at ease until further notice.

10 SENATOR LIBOUS: Thank you,  
11 Mr. President.

12 (Whereupon, the Senate stood at  
13 ease at 5:11 p.m.)

14 ACTING PRESIDENT GRIFFO: Senator  
15 Skelos.

16 SENATOR SKELOS: Mr. President,  
17 there will be a 7:45 Majority conference in  
18 the Majority Conference Room.

19 ACTING PRESIDENT GRIFFO:  
20 Conference of the Majority at 7:45 in the  
21 Majority Conference Room.

22 (Whereupon, the Senate reconvened  
23 at 8:42 p.m.)

24 ACTING PRESIDENT GRIFFO: The  
25 Senate will come to order.

1 Senator Libous.

2 SENATOR LIBOUS: Mr. President,  
3 there will be an immediate meeting of the  
4 Finance Committee, an immediate meeting of the  
5 Finance Committee in Room 332.

6 ACTING PRESIDENT GRIFFO: There  
7 is an immediate meeting of the Finance  
8 Committee in Room 332.

9 The Senate will stand at ease.

10 (Whereupon, the Senate stood at  
11 ease at 8:43 p.m.)

12 (Whereupon, the Senate reconvened  
13 at 9:38 p.m.)

14 ACTING PRESIDENT GRIFFO: The  
15 Senate will come to order.

16 Senator Libous.

17 SENATOR LIBOUS: Thank you,  
18 Mr. President. May we have the doors closed  
19 and order in the house, please.

20 ACTING PRESIDENT GRIFFO: Will  
21 the Sergeant please close the doors.

22 Please bring order to the house.  
23 The Senate is in session.

24 SENATOR LIBOUS: Thank you,  
25 Mr. President.

1                   Can we go to the reports of  
2                   standing committees, please. I believe  
3                   there's a report of the Finance Committee at  
4                   the desk.

5                   ACTING PRESIDENT GRIFFO:       The  
6                   Secretary will read.

7                   THE SECRETARY:       Senator  
8                   DeFrancisco, from the Committee on Finance,  
9                   reports the following bills:

10                  Senate Print 2803E, Senate Budget  
11                  Bill, an act making appropriations for the  
12                  support of government: AID TO LOCALITIES  
13                  BUDGET.

14                  Senate Print 2808C, Senate Budget  
15                  Bill, an act to amend the Education Law;

16                  Senate Print 2809D, Senate Budget  
17                  Bill, an act to amend the Elder Law;

18                  And Senate Print 2801A, Senate  
19                  Budget Bill, an act making appropriations for  
20                  the support of government: LEGISLATURE AND  
21                  JUDICIARY BUDGET.

22                  All bills ordered direct to third  
23                  reading.

24                  ACTING PRESIDENT GRIFFO:  
25                  Reported to third reading.

1 Senator Libous.

2 SENATOR LIBOUS: Mr. President,  
3 could we go back to motions and resolutions,  
4 please.

5 ACTING PRESIDENT GRIFFO: On  
6 motions and resolutions.

7 SENATOR LIBOUS: Thank you,  
8 Mr. President.

9 On behalf of Senator DeFrancisco,  
10 on page 1 I offer the following amendments to  
11 Calendar Number 294, Senate Print 2808C, and  
12 ask that said bill retain its place on the  
13 Third Reading Calendar.

14 ACTING PRESIDENT GRIFFO: The  
15 amendments are received and adopted, and the  
16 bill will retain its place on the Third  
17 Reading Calendar.

18 SENATOR LIBOUS: Mr. President.

19 ACTING PRESIDENT GRIFFO: Senator  
20 Libous.

21 SENATOR LIBOUS: At this time  
22 could we have the noncontroversial reading of  
23 Senate Supplemental Calendar 27D.

24 ACTING PRESIDENT GRIFFO: The  
25 Secretary will read.

1                   THE SECRETARY:     Calendar Number  
2     293, Senate Print 2803E, Senate Budget Bill,  
3     an act making appropriations for the support  
4     of government.

5                   SENATOR BRESLIN:     Lay it aside.

6                   ACTING PRESIDENT GRIFFO:     Lay it  
7     aside.

8                   We will accept the message of  
9     necessity, Senator Libous.

10                  SENATOR LIBOUS:     Mr. President,  
11     is there a message of necessity at the desk?

12                  ACTING PRESIDENT GRIFFO:     There  
13     is a message of necessity at the desk.

14                  SENATOR LIBOUS:     I move that we  
15     accept the message of necessity,  
16     Mr. President.

17                  ACTING PRESIDENT GRIFFO:     All in  
18     favor of accepting the message signify by  
19     saying aye.

20                  (Response of "Aye.")

21                  ACTING PRESIDENT GRIFFO:  
22     Opposed?

23                  (No response.)

24                  ACTING PRESIDENT GRIFFO:     The  
25     message is accepted.



1                   SENATOR LIBOUS:     The bill is laid  
2     aside?

3                   ACTING PRESIDENT GRIFFO:     The  
4     bill is laid aside.

5                   SENATOR LIBOUS:     Thank you.

6                   ACTING PRESIDENT GRIFFO:     The  
7     Secretary will continue to read.

8                   THE SECRETARY:     Calendar Number  
9     294, Senate Print 2808D, Senate Budget Bill,  
10    an act to amend the Education Law.

11                  ACTING PRESIDENT GRIFFO:     Senator  
12    Libous.

13                  SENATOR LIBOUS:     Thank you,  
14    Mr. President. Is there a message of  
15    necessity at the desk?

16                  ACTING PRESIDENT GRIFFO:     There  
17    is a message at the desk.

18                  SENATOR LIBOUS:     I move we accept  
19    the message.

20                  ACTING PRESIDENT GRIFFO:     All in  
21    favor of accepting the message signify by  
22    saying aye.

23                         (Response of "Aye.")

24                  ACTING PRESIDENT GRIFFO:  
25    Opposed?

1 (No response.)

2 ACTING PRESIDENT GRIFFO: The  
3 message is accepted.

4 SENATOR BRESLIN: Lay it aside.

5 ACTING PRESIDENT GRIFFO: Lay it  
6 aside.

7 THE SECRETARY: Calendar Number  
8 295, Senate Print 2809D, Senate Budget Bill,  
9 an act to amend the Elder Law.

10 ACTING PRESIDENT GRIFFO: Senator  
11 Libous.

12 SENATOR LIBOUS: Thank you,  
13 Mr. President. Is there a message of  
14 necessity at the desk?

15 ACTING PRESIDENT GRIFFO: There  
16 is a message at the desk.

17 SENATOR LIBOUS: Thank you. Can  
18 we move to accept the message, please.

19 ACTING PRESIDENT GRIFFO: All in  
20 favor of accepting the message say aye.

21 (Response of "Aye.")

22 ACTING PRESIDENT GRIFFO:  
23 Opposed?

24 (No response.)

25 ACTING PRESIDENT GRIFFO: The

1 message of necessity is accepted.

2 Read the last section.

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

5 ACTING PRESIDENT GRIFFO: Call  
6 the roll.

7 (The Secretary called the roll.)

8 ACTING PRESIDENT GRIFFO: All  
9 those voting in the negative, would you please  
10 signify by raising your hands.

11 Announce the results.

12 THE SECRETARY: In relation to  
13 Calendar Number 295, those recorded in the  
14 negative are Senators Diaz, Duane,  
15 Hassell-Thompson, Parker and Perkins.

16 Ayes, 57. Nays, 5.

17 ACTING PRESIDENT GRIFFO: The  
18 bill is passed.

19 The Secretary will read.

20 THE SECRETARY: Calendar Number  
21 296, Senate Print 2801A, Senate Budget Bill,  
22 an act making appropriations for the support  
23 of government.

24 ACTING PRESIDENT GRIFFO: Senator  
25 Libous.

1                   SENATOR LIBOUS:     Mr. President,  
2     is there a message of necessity at the desk?

3                   ACTING PRESIDENT GRIFFO:     There  
4     is a message at the desk.

5                   SENATOR LIBOUS:     I move that we  
6     accept the message, please.

7                   ACTING PRESIDENT GRIFFO:     All in  
8     favor of accepting the message signify by  
9     saying aye.

10                   (Response of "Aye.")

11                   ACTING PRESIDENT GRIFFO:  
12     Opposed?

13                   (Response of "Nay.")

14                   ACTING PRESIDENT GRIFFO:     The  
15     message of necessity is accepted.

16                   Read the last section.

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

19                   ACTING PRESIDENT GRIFFO:     Call  
20     the roll.

21                   (The Secretary called the roll.)

22                   SENATOR BRESLIN:     Lay it aside.

23                   ACTING PRESIDENT GRIFFO:     Lay it  
24     aside.

25                   Senator Libous, that completes the

1 noncontroversial reading of Supplemental  
2 Calendar 27D.

3 SENATOR LIBOUS: Thank you,  
4 Mr. President. Can we now have the  
5 controversial reading of the calendar.

6 ACTING PRESIDENT GRIFFO: The  
7 Secretary will ring the bell.

8 The Secretary will read.

9 THE SECRETARY: Calendar Number  
10 293, Senate Print 2803E, Senate Budget Bill,  
11 an act making appropriations for the support  
12 of government: AID TO LOCALITIES BUDGET.

13 ACTING PRESIDENT GRIFFO: Senator  
14 Oppenheimer, why do you rise?

15 SENATOR OPPENHEIMER: I would  
16 like to ask some questions of the Finance  
17 chair.

18 ACTING PRESIDENT GRIFFO: Senator  
19 DeFrancisco, do you yield to questions from  
20 Senator Oppenheimer?

21 SENATOR DeFRANCISCO: Yes, I do.

22 ACTING PRESIDENT GRIFFO: Senator  
23 Oppenheimer.

24 SENATOR OPPENHEIMER: Can we have  
25 an explanation, please.

1                   ACTING PRESIDENT GRIFFO:     An  
2                   explanation has been requested.

3                   SENATOR DeFRANCISCO:     Everyone  
4                   should have been provided with a memo that  
5                   should be on the desks that outlines the  
6                   various provisions of the bill.  I'll  
7                   highlight a couple of them, and then if you  
8                   have any questions on some of the others.

9                   There was various aging programs  
10                  that the Governor attempted to eliminate or  
11                  wanted to eliminate.  We ended up restoring  
12                  and creating a competitive grant program.  
13                  Well, the Legislature believed that that was  
14                  not the way to go, that we should line out the  
15                  various organizations that were receiving the  
16                  money, as was done in the past, because it's  
17                  difficult for many of these organizations to  
18                  continue without knowing what their next  
19                  year's funding is going to be.

20                  So that was -- those items were  
21                  lined out.  However, we were only able to  
22                  restore one-half of the cuts that Governor  
23                  gave to each of those programs.

24                  Similarly, there was a competitive  
25                  grant program with respect to agriculture.  I

1 think Senator Kennedy asked this on another --  
2 at another time about the competitive grants  
3 in agriculture.

4 Well, the Legislature denied that,  
5 those competitive grants, and funded, in  
6 accordance with the memo on page 2, separate  
7 agriculture programs in the same manner that  
8 they were provided in the past. Because once  
9 again, many organizations live from year to  
10 year, and to not know whether they're going to  
11 get funding would probably end the programs.

12 There are changes in the children  
13 and family services budget. The Legislature  
14 denied the Executive proposal to create a  
15 \$35.4 million primary prevention program and  
16 once again broke those down, provided the  
17 funding to the various organizations to  
18 provide some stability with those  
19 organizations.

20 And that's found in several other  
21 areas in this portion of the budget. There  
22 are legislative restorations to the Education  
23 Department that are found, I believe, on page  
24 5 -- these pages weren't numbered. But there  
25 were additional funds going to the various

1 school districts totaling about \$270 million.  
2 And when we get into -- we can get into that a  
3 little later, Senator, if you need more  
4 detail. Senator Flanagan is the expert in  
5 that area and will provide you some more  
6 details as far as that's concerned.

7 I can go over some of these areas,  
8 unless you have specific questions.

9 SENATOR OPPENHEIMER: Yes, I  
10 think that is sufficient. I thank you.

11 Now, if you would yield for a few  
12 questions.

13 ACTING PRESIDENT GRIFFO: The  
14 Senator yields.

15 SENATOR OPPENHEIMER: When he  
16 stops drinking.

17 ACTING PRESIDENT GRIFFO: You may  
18 ask your question, Senator Oppenheimer.

19 SENATOR OPPENHEIMER: Well, I'd  
20 like to know what are the overall  
21 appropriations for education in the ELFA  
22 budget, both the All Funds and the General  
23 Funds.

24 SENATOR DeFRANCISCO: What was  
25 the question?



1                   SENATOR OPPENHEIMER:     What is the  
2     overall appropriation for education in the  
3     ELFA budget, both in --

4                   SENATOR DeFRANCISCO:     I think  
5     I'll defer that to Senator Flanagan. I  
6     believe you're in a position to answer that  
7     question, Senator Flanagan, having negotiated  
8     this?

9                   ACTING PRESIDENT GRIFFO:     Without  
10    objection, the floor will recognize Senator  
11    Flanagan.

12                   Senator Flanagan, you're  
13    recognized.

14                   SENATOR FLANAGAN:     Thank you.

15                   Senator Oppenheimer, I want to make  
16    sure I understood the question. Would you  
17    repeat it, please?

18                   SENATOR OPPENHEIMER:     In the Aid  
19    to Localities budget, I'm just asking what are  
20    the total appropriations for education both in  
21    the General Fund and also in the All Funds.

22                   SENATOR FLANAGAN:     General  
23    support for public schools is approximately  
24    \$19.6 billion.

25                   SENATOR OPPENHEIMER:     And how

1 does that compare with last year's aprops?

2 Through you, Mr. President.

3 SENATOR FLANAGAN: There's a  
4 \$697 million year-to-year reduction.

5 SENATOR OPPENHEIMER: And what  
6 had the Governor proposed in total cuts to  
7 education?

8 SENATOR FLANAGAN: Mr. President,  
9 if I might. Senator Oppenheimer, I think, if  
10 I could take the liberty, if I just explained  
11 what was proposed and what's actually been  
12 done, I think that might be a little bit more  
13 beneficial.

14 SENATOR OPPENHEIMER: Yes, that  
15 would be beneficial.

16 SENATOR FLANAGAN: Mr. President,  
17 if I may.

18 ACTING PRESIDENT GRIFFO: Senator  
19 Flanagan.

20 SENATOR FLANAGAN: The Governor  
21 came out with a budget proposal that has been  
22 modified in a number of different ways, and I  
23 think it's very important to talk about where  
24 we started from and where we've ended up.  
25 And, frankly, where we might be going as well.

1                   When the Governor came out,  
2           everybody talked -- including us, the Assembly  
3           and the Governor -- about a \$1.5 billion cut,  
4           approximately, in state aid to education. The  
5           school aid runs that we see here and the final  
6           agreement that has been reached has been  
7           modified in a number of different ways, most  
8           notable of which is last year there was  
9           \$600 million that came from the federal  
10          government, as you well know, called EduJobs  
11          funding. That was a one-shot source of  
12          revenue that was similar but separate to the  
13          ARRA money that we had gotten to help offset  
14          some of the problems in the prior budgets.

15                 That money from the last two years  
16          was not considered as part of the base or as  
17          part of the school aid run, so in consultation  
18          with the Assembly and the Governor, we have  
19          taken that out of the run because it's a  
20          one-shot source of revenue and frankly it  
21          should not have been built into the base.

22                 Taking that into account, the  
23          Governor's proposed year-to-year cut in state  
24          aid was \$929 million. Based on the actions  
25          that we've taken, that has been reduced to

1       \$697 million.

2               There are a couple of things in  
3 relation to that that I think are very  
4 important. And while they're separate, they  
5 certainly are worthy of mention.

6               All of our colleagues are well  
7 aware of some of the proposed cost shifts that  
8 were in the Governor's budget -- the 4201  
9 schools, to the tune of \$98 million; summer  
10 school special education, \$57 million; and the  
11 Office of Children and Family Services, while  
12 it's separate, it clearly affects school  
13 districts -- that was about \$37 million.

14              So independent of anything we did  
15 relative to the school aid run, there was  
16 about \$190 million in cost shifts that were  
17 avoided. That did not go back to the local  
18 property taxpayer, and the distribution of  
19 those funds is an important component of what  
20 we did.

21              In relation to the proposal that  
22 the Governor advanced, there were winners and  
23 there were losers. I would respectfully offer  
24 that working with the Assembly and with the  
25 Executive, that we took a bad situation and we

1       made it better. You know it's not perfect, I  
2       know it's not perfect. Certainly anybody who  
3       pays attention and does a fair assessment will  
4       have to recognize that we put money back in.  
5       And here's how we did it. And in fact, it  
6       ended up being very similar to what we had  
7       advanced in our one-house resolution.

8               There's \$272 million in  
9       restorations in school aid; \$57 million of  
10      that represents the cost of funding the summer  
11      school special education program that I had  
12      talked about. Approximately \$161 million of  
13      that for this year's fiscal year makes up part  
14      of that balance. And the rest of the money is  
15      tied to things like teacher centers,  
16      libraries, nonpublic schools.

17             So when you look on a direct year  
18      to year -- meaning school year -- restoration  
19      of money, it's \$230 million that we drove back  
20      into the formula all across the State of  
21      New York.

22             We achieved regional balance.  
23      Certainly coming from the County of  
24      Westchester, you can look at the runs and see  
25      restorations. I know Senator Stewart-Cousins

1        had spoken in detail not only outside the  
2        chamber but here today in terms of some  
3        restorations that have been made. More money  
4        is driven to Rochester, Buffalo, Syracuse,  
5        Yonkers, the City of New York, our rural  
6        districts, and our suburban districts. So  
7        it's spread out.

8                    And you know how it works. You try  
9        and come up with a formula that provides some  
10       fairness and equity and you push here, you  
11       prod there, and sometimes it works in one way.  
12       The final resolution I think is very similar  
13       to what we had advocated in our one-house  
14       budget resolution.

15                   Now, I know, Senator Oppenheimer,  
16       you in particular have been acutely sensitive  
17       to the issue of the 4201 schools. I want to  
18       address that in particular.

19                   There are some who may walk out of  
20       here and think, Well, wait a second, we  
21       haven't really appropriated money to address  
22       this problem. We have absolutely addressed  
23       the problem of the 4201 schools in working  
24       with the Executive. The school districts are  
25       going to pay the money in the first instance.

1       They will get 50 percent of that money  
2       reimbursed during the 2011-2012 school year,  
3       and they will get the other 50 percent in the  
4       2012-2013 school year.

5               The reason there's no formal  
6       appropriation in here is because it's part of  
7       next year's fiscal year. So I'm  
8       representing -- and you know this, because  
9       everyone is aware of it -- that is properly  
10      funded, it's taken out of the local school  
11      districts, taking the burden off their back.  
12      And while it is certainly not perfect, we have  
13      to work on that separately, it clearly is  
14      something that was very much a concern for a  
15      number of our colleagues in all communities  
16      across the State of New York.

17             So I think, as I said, we took a  
18      bad situation and frankly we made it better.

19             ACTING PRESIDENT GRIFFO:     Senator  
20      Oppenheimer.

21             SENATOR OPPENHEIMER:     Thank you,  
22      Senator.

23             I would like to add on that  
24      particular issue, if I can ask another  
25      question. While the payment will come this

1       year, at least, not on the formula for the  
2       first half of the year, the second half is on  
3       the formula. And do you believe that in  
4       future years it will be on the formula so that  
5       the school districts will themselves be paying  
6       the full amount for and getting reimbursed --  
7       maybe 50 percent, maybe more -- over the  
8       course of the year for their payment to send  
9       that child to the 4201?

10               SENATOR FLANAGAN:     No, I would  
11       differentiate and disagree to an extent. I  
12       don't believe the second year is on the  
13       formula. I think I'm making a fair  
14       representation that in essence what we did was  
15       we had a \$98 million problem.

16               And there are those who will say,  
17       Well, why wasn't it the same way? The bottom  
18       line is if we wanted to come up with  
19       additional money to drive to our school  
20       districts, we had to find a way to perhaps do  
21       this creatively, maybe finesse it a little  
22       bit. But the bottom line, again, is that  
23       these schools are going to be made whole.

24               And I think this gives us an  
25       opportunity and a window to work with all the



1 stakeholders -- the schools, the Regents, the  
2 State Education Department, the Division of  
3 the Budget. Because, Senator Oppenheimer, you  
4 know this as well as I do, there isn't really  
5 anybody who's hugely happy with how the  
6 program was working in terms of its financing  
7 long before the Governor's proposal.

8 This in a perverse way may provide  
9 a window for people who are frankly of good  
10 faith, and willing to compromise and  
11 negotiate, to sit down and come up with  
12 something that I hope will continue to be a  
13 direct state appropriation but work out the  
14 details in terms of the financing and the  
15 methodology so the kids, who are supposed to  
16 be our ultimate and primary concern, are  
17 properly taken care of and these schools don't  
18 have to worry about whether or not they're  
19 going to have the cash to meet their bills.

20 SENATOR OPPENHEIMER: I  
21 appreciate your answer, but I'd like to pursue  
22 one more question on this subject.

23 ACTING PRESIDENT GRIFFO: An  
24 additional question by Senator Oppenheimer.  
25 Senator Flanagan, do you yield?

1                   SENATOR FLANAGAN:     I do.

2                   ACTING PRESIDENT GRIFFO:     Senator  
3     Oppenheimer.

4                   SENATOR OPPENHEIMER:     When we  
5     talk about a rate methodology, though, it is  
6     frightening when you think of what has  
7     happened with the 853 schools and with the  
8     special act schools where the rate methodology  
9     has been a catastrophe and they've had to be  
10    loaning money from the banks and now the banks  
11    aren't even loaning to them.

12                  So do you feel that the rate  
13    methodology used on those other two  
14    special-needs schools would be something that  
15    you would suggest for the 4201s?

16                  SENATOR FLANAGAN:     Absolutely  
17    not. I have no -- in fact, I'm going to use  
18    it in a different direction. I think the  
19    example of the 853 schools is something that  
20    we should look at and say we're not going to  
21    do that. We should be doing something  
22    different and better. And frankly, we need to  
23    include the 853 schools in that type of  
24    discussion.

25                  If you look -- and it doesn't

1 matter if it's me or anyone in this chamber.  
2 We talk about education, these are our  
3 frailest of children. Whether they have  
4 disabilities, whether they have learning  
5 problems, whether they have behavioral  
6 problems. If we're going to look in terms of  
7 how we're going to educate kids in the State  
8 of New York, there is no more acute area of  
9 need and sensitivity.

10 So I don't think the 853 situation  
11 is working out the way it should either. But  
12 we are obviously in the throes of this budget.  
13 The Governor did not make any proposed changes  
14 to the 853 schools. So we have to live within  
15 the confines and the structure of what he  
16 presented to us.

17 Do I think it's worthy of  
18 discussion? Yes. And I think that's  
19 something that we can be doing right after we  
20 enact this budget.

21 SENATOR OPPENHEIMER: Thank you,  
22 Senator.

23 I'm going to limit my questions.  
24 I'll probably only have a couple more. So  
25 would the Senator still yield.

1                   ACTING PRESIDENT GRIFFO:     The  
2     Senator yields.

3                   SENATOR OPPENHEIMER:     As you  
4     know, in the past two years when I was chair  
5     of Education I did a lot of work around  
6     unfunded mandates and around sharing of  
7     services. Is there anything in this budget  
8     limiting or eliminating a number of unfunded  
9     mandates on localities, like consolidating  
10    transportation of schools or utilizing a  
11    single superintendent for several school  
12    districts? Is there anything in the budget?  
13    Which I haven't been able to read.

14                  SENATOR FLANAGAN:     Senator  
15    Oppenheimer, I'd be happy to answer that  
16    question. Unfortunately, I have everyone  
17    cheering me on in the background here.

18                         (Laughter.)

19                  SENATOR FLANAGAN:     To your point,  
20    this is Groundhog Day in a bad way. The  
21    Assembly has not advanced anything -- I'm  
22    going to repeat, anything. Nothing  
23    meaningful, nothing substantive, nothing  
24    qualitative, nothing quantitative. They have  
25    not offered one approach whatsoever with

1       regard to mandates.

2               The Governor -- we have been  
3       working on language to do a direct ban on  
4       unfunded state mandates. The Governor was on  
5       board. And we had discussions about not only  
6       do we not but looking at a review of all  
7       existing plants to see which ones work and  
8       maybe where we should be picking up the costs.

9               So there's a good-faith effort,  
10       but -- I'm telling you something you already  
11       know, but it bears repeating. I will tell you  
12       I have talked to many of my colleagues, this  
13       is an area of tremendous concern to all of us.  
14       We need to engage the Assembly.

15              And you know what? There should be  
16       nothing wrong with having a debate on these  
17       issues. If it gets contentious and it gets a  
18       little out of hand at times, so be it.  
19       Everybody talks about it. You tried to  
20       advance it. We tried to advance it. We're  
21       trying to advance it now.

22              I don't think I'm going out on the  
23       proverbial limb to suggest that you will be  
24       seeing, in the coming weeks, mandate relief  
25       proposals on the floor of this house that will

1 address a myriad of concerns, not only in the  
2 area of education but I know Senator Martins,  
3 Senator Little have been extremely active in  
4 putting together ideas for the body's  
5 consideration that I'm comfortable and  
6 confident that we will pass.

7 And then we will have to of course  
8 send it over to the Assembly and see if  
9 they're willing to engage.

10 SENATOR OPPENHEIMER: If he would  
11 yield for another question.

12 ACTING PRESIDENT GRIFFO: The  
13 Senator yields.

14 SENATOR OPPENHEIMER: I think I  
15 heard you say that teacher centers were going  
16 to be funded in this budget. They weren't  
17 funded last year. The prior year, they'd been  
18 funded at \$35 million. But are they funded in  
19 this budget?

20 SENATOR FLANAGAN: Senator  
21 Oppenheimer, they are funded. It is slightly  
22 over \$14 million. I think it's -- thank you.  
23 Senator Farley informs me it's \$14.3 million.

24 SENATOR OPPENHEIMER: -- included  
25 even if it's at half the amount.

1                   Now, if I could just look for a  
2                   moment at libraries. I haven't had the a  
3                   chance to see how much they have been  
4                   improved. They have such great need. And  
5                   years ago, like four, five, six years ago,  
6                   they were up like \$102 million. And we had  
7                   them cut back to like \$74 million. Do you  
8                   know if they are improved in this current  
9                   budget?

10                  SENATOR FLANAGAN:     Yes, they are.  
11                  There's \$3 million added back. And I have  
12                  checked with my resident ambassador to the  
13                  libraries, Senator Farley. While they, like  
14                  everyone else, would like more money, they are  
15                  very gratified that \$3 million was added back  
16                  in the final budget.

17                  SENATOR OPPENHEIMER:     And I'm  
18                  trying to cut down my questions. I think my  
19                  last question would center around BOCES.

20                  Does the budget eliminate BOCES  
21                  aids to the local school districts for certain  
22                  shared services which are now aidable? And  
23                  the Governor's suggestion was to remove that  
24                  aid, which seemed so contrary to our idea of  
25                  trying to promote shared services. I mean,

1       they're the ultimate shared services for 64  
2       years now.

3                   Do you know if aid has been put in?

4                   SENATOR FLANAGAN:       Yeah, the  
5       Governor had proposed two primary changes to  
6       BOCES.  Fortunately, both of them were  
7       prospective.  But regardless, we have rejected  
8       both of them.

9                   One is changing of the  
10       reimbursement methodology to go more tied to  
11       the foundation formula, which would have a  
12       beneficial effect on some districts and  
13       adverse impact on others.  Certainly you're  
14       aware of that.  We have rejected that.

15                   And we have rejected the Governor's  
16       elimination of aid for approximately 25  
17       different types of shared services.  I'm going  
18       to take the Governor at the good faith that  
19       they are really looking for ways to find  
20       efficiencies, promote consolidation.  And that  
21       proposal didn't go that way.  We have rejected  
22       it.

23                   But I think we can move forward in  
24       a way -- and personally, I think we should be  
25       looking for ways to enhance the BOCES model by



1 looking at the reimbursement. Because if  
2 we're going to give incentives to school  
3 districts, the way we do it is through money.

4 SENATOR OPPENHEIMER: Thank you  
5 very much.

6 ACTING PRESIDENT GRIFFO: Thank  
7 you, Senator Flanagan.

8 Is there any other Senator wishing  
9 to be heard?

10 Senator Montgomery.

11 SENATOR MONTGOMERY: Yes, thank  
12 you, Mr. President. I wonder if the sponsor  
13 would yield for a couple of questions.

14 SENATOR DeFRANCISCO: Yes, I  
15 would.

16 ACTING PRESIDENT GRIFFO: The  
17 sponsor yields.

18 SENATOR MONTGOMERY: Thank you.

19 Senator DeFrancisco, this part of  
20 our budget includes funding for programs -- I  
21 should say excludes funding -- for the Work  
22 Advantage Program. Or it would, it should.  
23 But unfortunately it does not. So the  
24 35 million in funding that we have excluded  
25 from this budget for that purpose, which would

1 go to New York City to use for homeless  
2 families, primarily, that funding is no longer  
3 going to be available for New York City.

4 And my question is how many  
5 individuals or how many families would be  
6 affected by the loss of these funds? Do we  
7 have any idea? Has the city been able to give  
8 us some idea as to what's going to -- how many  
9 families are going to be affected by the loss  
10 of these funds?

11 SENATOR DeFRANCISCO: I don't  
12 have any idea. I just know that it was one of  
13 the cuts that we concurred with the Governor  
14 Cuomo on in order to balance the budget. I  
15 don't know the number of families.

16 But there's \$15 million added for  
17 two things, to include two things, a rent  
18 supplement and homeless eviction  
19 intervention -- excuse me. All right,  
20 homeless eviction prevention and rent  
21 supplements to try to help mitigate some of  
22 the problems that you're talking about.  
23 That's \$15 million, but that's all that's in  
24 there.

25 SENATOR MONTGOMERY: So through

1       you, Mr. President, I have another follow-up  
2       questions.

3                   ACTING PRESIDENT GRIFFO:       The  
4       Senator yields.

5                   SENATOR MONTGOMERY:       So, Senator  
6       DeFrancisco, do you think that or has there  
7       been any indication that the city would be  
8       able to in fact use the \$15 million in the new  
9       homeless programs that you're talking about to  
10      sort of replace some of the services that the  
11      Work Advantage Program provides to homeless  
12      families?

13                  SENATOR DeFRANCISCO:       Yes. The  
14      answer is yes.

15                  SENATOR MONTGOMERY:       Through you,  
16      Mr. President, if I can ask in another area.

17                  Senator DeFrancisco, as you know,  
18      one of the areas in this budget that -- in  
19      fact, I want to thank the team that really  
20      were responsible for making sure that the  
21      juvenile justice reform part of the agenda  
22      remained pretty close to what the Governor had  
23      proposed in the beginning. And I'm very happy  
24      about that.

25                  I would like to ask you, however,

1       there is a new sort of arrangement in terms of  
2       the funding. One, there's funding that is set  
3       aside for the purpose of reimbursement, the  
4       state's reimbursement to localities for  
5       detention, both secure and nonsecure. And the  
6       same funding is also available in a flexible  
7       way, it seems, for reimbursement to localities  
8       for something that is referred to as  
9       alternatives to detention.

10               They have different rates of  
11       reimbursement. Alternatives being 62 percent  
12       reimbursement, I believe, and the detention  
13       funding 49 percent.

14               In addition to that, there's a  
15       dedicated fund for the purpose of providing  
16       supervision and treatment for juvenile  
17       services to juveniles through community-based  
18       programs.

19               My question to you is given this  
20       new configuration of funding for services and  
21       programming in those areas, can we be assured  
22       that the local Youth Bureaus who also serve  
23       young people, some in prevention and other  
24       kinds of services and treatment, will those  
25       Youth Bureaus also be able to utilize funding

1 under the first two categories that I  
2 mentioned?

3 SENATOR DeFRANCISCO: They are  
4 able to do that, yes.

5 SENATOR MONTGOMERY: Okay.  
6 That's very important. I appreciate that.

7 And will they also continue to be  
8 eligible for funding under YDDP and SDDP funds  
9 as well?

10 SENATOR DeFRANCISCO: They will.

11 SENATOR MONTGOMERY: Okay. That  
12 being the case, I am assured that local  
13 counties throughout the state are now going to  
14 be able to provide more and much more  
15 effective and efficient services and  
16 programming to young people. So I thank you  
17 for that, and I'm very pleased.

18 Just one last question in that  
19 area, follow-up.

20 SENATOR DeFRANCISCO: Yes.  
21 Senator, just one question. You're not going  
22 to agree with Senator Nozzolio and me in  
23 consecutive days, are you?

24 (Laughter.)

25 SENATOR MONTGOMERY: Well, it

1       sounds like I'm about to, but --

2                       (Laughter.)

3                       SENATOR DeFRANCISCO:     All right,  
4       thank you.

5                       SENATOR MONTGOMERY:     Miracles  
6       never cease to happen.

7                       ACTING PRESIDENT GRIFFO:     Senator  
8       Montgomery, do you still have another  
9       question, a last question?

10                      SENATOR MONTGOMERY:     Yes, I do.  
11       If I may pursue.

12                      ACTING PRESIDENT GRIFFO:     The  
13       Senator yields.

14                      SENATOR MONTGOMERY:     All right.  
15       Senator DeFrancisco, there is an additional  
16       program that was referred to in the Governor's  
17       budget, and I'm just trying to see where it is  
18       in the final version.

19                      It was \$13.5 million proposed for  
20       enhanced medical, mental health, and health  
21       and education services within juvenile  
22       facilities. And it really was to try and  
23       address the Justice Department's findings that  
24       the state was violating the constitutional  
25       rights of the young people in those facilities

1       primarily because we did not provide these  
2       programs.

3               I don't see it, and I guess perhaps  
4       you know where it is and I just am not able to  
5       find it.

6               SENATOR DeFRANCISCO:       The funding  
7       is in the government operations, state  
8       operations bill that we passed earlier.

9               SENATOR MONTGOMERY:       Okay. Thank  
10      you. I appreciate that. That's a good  
11      answer.

12              So, Senator, again, I thank you and  
13      I look forward to working with you as we  
14      implement these aspects of juvenile justice  
15      reform in our state.

16              Thank you, Mr. President.

17              ACTING PRESIDENT GRIFFO:       Senator  
18      Krueger.

19              SENATOR KRUEGER:       Thank you,  
20      Mr. President. I'm going to actually cede to  
21      my colleague Senator Duane first. Thank you.

22              ACTING PRESIDENT GRIFFO:       Senator  
23      Duane.

24              SENATOR DUANE:       Thank you,  
25      Mr. President. As we debate --

1                   ACTING PRESIDENT GRIFFO:     Senator  
2     Duane, are you on the bill or are you asking a  
3     question?

4                   SENATOR DUANE:       No,  
5     Mr. President, I'm on the bill.   Thank you.

6                   ACTING PRESIDENT GRIFFO:     Senator  
7     Duane on the bill.

8                   SENATOR DUANE:       As we debate this  
9     section of the budget, Mr. President, I want  
10    to just begin by raising the issue, although  
11    it's been spoken about before, of the really  
12    misnamed millionaire's tax.   Sadly, it should  
13    only have been millionaires and not -- but the  
14    issue really isn't about the millionaire's  
15    tax.   It's too much of a shorthand.   It's  
16    about how it is that we fairly bring revenue  
17    into the state.

18                   And we used to have a much more  
19    progressive system of taxation, not just in  
20    the state but in the nation.   And that also  
21    provided a way for the federal government to  
22    send more money back to the states, and then  
23    the states to send money to localities for  
24    programs that really there was consensus each  
25    time one was created or funded or eliminated



1       and a new one that there was a need for. And  
2       we learned that some were great and some were  
3       good and some not so good, but that's how the  
4       funding was accomplished.

5               And people who make more than  
6       \$5 million a year -- not people that even have  
7       \$5 million in the bank, but people that make  
8       \$5 million a year should pay more in taxes  
9       than people who make a million dollars a year.  
10      And people who make a million dollars a year  
11      should pay more taxes than a family that makes  
12      under a quarter-million dollars a year.  
13      That's fair, that's progressive.

14             We had a system more like that in  
15      this nation and this state, and we  
16      unfortunately don't have that anymore. And  
17      what's happened is we have a more regressive  
18      system of taxation and we've depended more on  
19      property tax, which I guess sort of cuts both  
20      ways. It's both regressive and I guess it's  
21      not regressive. There's a history of funding  
22      education through property tax in the state  
23      and in the nation.

24             But sales tax, which is pretty darn  
25      regressive -- and these are limited, finite

1 pools of money. We hear people complain about  
2 their property taxes because there isn't as  
3 much state aid as there used to be. And there  
4 isn't as much state aid not just because of  
5 what we do with our tax policy in New York  
6 State but because of what's happened on a  
7 national level and what the federal government  
8 has been doing.

9 But sales tax is going to shrink  
10 even more because people can do more on the  
11 Internet, and municipalities -- it's become  
12 more of a race to the bottom with mom-and-pop  
13 stores and -- I just think this is a terrible,  
14 terrible trend. And I don't know how we got  
15 into this downward spiral, but maybe New York  
16 is, you know, afraid to do something different  
17 than what other states are sadly doing.  
18 Because all states are having the same issue.

19 This money is going to dry up. And  
20 we're going to come back year after year and  
21 be in the same fix over and over again. And I  
22 just -- I think that we're being foolish about  
23 that.

24 And, you know, this budget has been  
25 a very tough call for me. And, you know, I

1 know we had conference committees this year.  
2 And we should have had them when this side of  
3 the aisle was running the show, but the fact  
4 is we had trouble doing a lot of things. And,  
5 you know, unfortunately it was the same -- I  
6 mean, really, you know, I'm going to say  
7 something and then I'm going to say maybe this  
8 is the last time we can talk about it. You  
9 know, I am claiming to have the last word on  
10 it.

11 The terrible thing that happened  
12 here two years ago, the fuse was lit by that  
13 side of the aisle, but we weren't better  
14 actors over here. Everybody wanted someone so  
15 they could have the majority, and that person  
16 was very problematic. And the fuse got lit  
17 and the bomb went off, and nothing good came  
18 in terms of how we govern. Good things  
19 happened in government. I mean, good things  
20 happened in this house. But there are no  
21 angels or -- no one looked good on either side  
22 of the aisle. It was a terrible, horrible,  
23 embarrassing, dreadful thing, and we are all  
24 culpable. So let's just drop it. Enough.

25 Now that said, I believe -- and if

1        someone disagrees, I'd like to hear it -- that  
2        I reached across the aisle a great deal. And  
3        maybe I could have done more, but I think I  
4        really tried to have the courage of what my  
5        conviction had been, which was a body where  
6        there was really a bipartisan spirit that  
7        we -- you know, that we act like a real  
8        deliberative Senate. And as I say, maybe I  
9        fell short, but I don't think -- I mean, I  
10       hope that no one who was here on the other  
11       side of the aisle could say that I behaved in  
12       any different way from that. And I don't  
13       think anyone who was here on this side of the  
14       aisle could say that I behaved in any  
15       different way than that either.

16                And I have to say that the whole --  
17       the conference committee system that we did  
18       there year -- I mean, come on. There was  
19       nothing to be proud of in that either.

20                So, you know, I'll redouble my  
21       efforts. But I would like to ask everybody on  
22       both sides of the aisle if we could redouble  
23       our efforts to reach across the aisle and  
24       leave the past behind us and start again with  
25       a fresh slate. Because we have a lot of

1 problems and a lot of issues that we need to  
2 deal with going forward. And let's remember  
3 the good things that we've done over -- you  
4 know, I've been here much longer than I  
5 thought I was going to be here, and many fine  
6 things have happened here. So let's focus  
7 on -- let's accentuate the positive.

8 ACTING PRESIDENT GRIFFO: Thank  
9 you, Senator Duane.

10 Senator Rivera.

11 SENATOR DUANE: I'm not --  
12 Mr. President, I'm very sorry, I'm not -- I'm  
13 really -- I don't -- I did not conclude.

14 ACTING PRESIDENT GRIFFO: I'm  
15 sorry, Senator Duane, I thought you were  
16 concluding.

17 SENATOR DUANE: No, I don't think  
18 you did think that.

19 ACTING PRESIDENT GRIFFO: Well, I  
20 was wondering whether to the germaneness. But  
21 speak to the bill, then, Senator.

22 SENATOR DUANE: Would you really  
23 like me to explain it, Mr. President? Or  
24 would you please just accept that it's  
25 germane.

1                   ACTING PRESIDENT GRIFFO:     I will  
2           accept. Please continue.

3                   SENATOR DUANE:       Thank you.

4                   You know, by the way, I never did  
5           anything like that when I chaired. That's  
6           really -- you know, I know the hour is late.  
7           I have not spoken before this. I don't think  
8           I've taken up an inordinate amount of time.  
9           So patience, Mr. President.

10                  ACTING PRESIDENT GRIFFO:     Indeed.

11                  SENATOR DUANE:       With no  
12           interruptions, I'll be able to have my say.

13                  ACTING PRESIDENT GRIFFO:  
14           Continue to speak, sir.

15                  SENATOR DUANE:       Thank you,  
16           Mr. President.

17                   I think it's great that we're  
18           having an on-time budget. I do. And  
19           congratulations to the Governor and  
20           congratulations to the Assembly and  
21           congratulations to us on both sides of the  
22           aisle, because there have been far more votes  
23           on this side of the aisle in the minority  
24           than, you know, what happened recently and  
25           even some of the time when the present

1 majority was the majority. So congratulations  
2 to all of us on that.

3 Having an on-time budget is very  
4 important. It's not that I don't love all of  
5 you, but I don't really like spending any  
6 extra time with you. And I hope you feel the  
7 same about me. I've got people I love at home  
8 that I want to see. And I just -- I would  
9 like everyone on both sides of the aisle to  
10 let me finish, though, without -- and then you  
11 can all do all the commenting you want.

12 So, you know, there are a number of  
13 really excellent pieces of this budget. You  
14 know, it's no secret. I spoke out on it, the  
15 cap on noneconomic damages and the Title 20  
16 funding. We can all go home and, you know --  
17 as you know, my -- anyone that has elderly  
18 parents, you can look them in the eye. We did  
19 great stuff with the restoration of TANF and  
20 pre-K. And, you know, I'm very happy about  
21 the continued emphasis on primary care and our  
22 work on medical homes. I don't see Senator  
23 Hannon here, but, you know, we worked  
24 extremely collegially together on health  
25 issues.

1                   But -- and of course there is a  
2                   but. Otherwise, I'd be voting yes. You know,  
3                   this eliminating the -- shall we say the  
4                   exceptionalism around drugs dealing with  
5                   rejection or behavioral health and HIV, I  
6                   think that that's penny-wise and  
7                   pound-foolish. While I know it may not seem  
8                   seem like a big deal to some to have a get a  
9                   physician's override, it can in fact be a  
10                  burden. And it's hard sometimes for people  
11                  still today in managed care to find or to have  
12                  enough time with the physician for the  
13                  prevail.

14                 And those that need those drugs are  
15                 the ones that have the greatest problems:  
16                 Anti-rejection and people who are trying to  
17                 recover from mental illness and people with  
18                 HIV. I mean, I think those are exactly the  
19                 areas where we shouldn't have taken away the  
20                 ability to automatically have a physician  
21                 prescribe what they think is best.

22                 And, you know, I would be remiss --  
23                 you know, I know that people are -- the issue  
24                 around rent regulation is a tough, tough  
25                 issue. But I would argue, and this is a local



1 issue, that the areas where there's rent  
2 regulation -- and that is rent regulation of  
3 units to make sure that they are habitable.  
4 It's not just about price controls, it's about  
5 habitability also.

6 And I believe that actually New  
7 York City's rental housing, and the rental  
8 housing in the other counties surrounding  
9 New York City that have a rent regulation,  
10 that their housing stock is better than in  
11 other places I've seen in the state. So I am  
12 unhappy that we are marching to the brink of  
13 dismantling it rather than strengthening it,  
14 because I believe it works well and helps keep  
15 housing affordable.

16 And, you know, the -- again, the --  
17 within the constraints of the amount of  
18 revenue we have, of the things I talked about,  
19 our progressive system -- and also the  
20 millionaire's tax, which I don't think should  
21 have been sunsetted. And here we are, it's  
22 sunsetting. Right? Now it's sunsetting. But  
23 we would have had more revenue. And we  
24 wouldn't have had to make such difficult  
25 choices.

1                   And, you know, I've never met the  
2                   guy, but you know what, I don't really care if  
3                   Golisano moved to Florida. Good riddance.  
4                   Why do I care whether he feels better? He's  
5                   probably happier in Florida. It's warmer,  
6                   whatever.

7                   But I do believe that we could have  
8                   provided more assistance to localities, to  
9                   people who need help, to middle-class families  
10                  if we hadn't have done that.

11                  And tough, tough call -- I'll say  
12                  on the one hand congratulations to us for an  
13                  on-time budget. Congratulations because we've  
14                  done well in many areas. And we could always  
15                  do better, and so could I. But on balance --  
16                  and there are some other problems in this  
17                  budget. And I've -- I'm going to have to vote  
18                  no, as I have on other parts of the budget.  
19                  And here again, I'm going to vote no.

20                  Thank you, Mr. President.

21                  ACTING PRESIDENT GRIFFO:       Thank  
22                  you, Senator Duane.

23                  And my apologies for interrupting  
24                  you earlier. I thought you had been  
25                  concluded.

1 Senator Rivera.

2 SENATOR RIVERA: Thank you,  
3 Mr. President. On the bill.

4 ACTING PRESIDENT GRIFFO: Senator  
5 Rivera on the bill.

6 SENATOR RIVERA: My colleagues,  
7 as I stated earlier, there are a few words  
8 that guide our deliberations here tonight:  
9 Responsibility, sacrifice, and one word which  
10 I mentioned more than a few times, which is  
11 choices.

12 Now, this is a budget in which  
13 we've had to make very tough choices. This  
14 particular bill that is before us tonight, I  
15 will be voting in the affirmative. But I  
16 wanted to explain that vote.

17 As an educator, I actually teach  
18 college. I've been living in New York for  
19 almost 13 years and have taught college for  
20 about 12 of those, both in public universities  
21 and private universities. And I stand before  
22 you because of education. Both my parents  
23 were both the first graduates from high school  
24 and college of their respective families. And  
25 both of them are children of single mothers

1       who didn't graduate from grammar school. So I  
2       am here because of education.

3               And so I have serious concerns  
4       about what the choices that we are making in  
5       this budget can do to the education system in  
6       the entire state.

7               But in this particular bill, as we  
8       have split up -- as obviously this is what  
9       happens in this process, different bills get  
10      split up. In this case, this particular bill  
11      has a few things which I believe are positive  
12      for the state and that I congratulate both the  
13      Assembly and the Senate and the Governor for  
14      coming to an agreement to putting them on the  
15      bill.

16              This particular one here creates a  
17      standard of living for home health aides. As  
18      we've discussed previously, it establishes  
19      partial restorations for 4201 schools. It  
20      restores Title 20 funding which is so  
21      important to the senior centers back home.  
22      Four of them in my district would have closed  
23      if we didn't reach an agreement on this  
24      restoration. Summer youth employment, which  
25      is also incredibly important -- in my

1 district, in the Bronx, and certainly across  
2 the state. All of these are in this bill, and  
3 it is the reason why I will be voting in the  
4 affirmative for it.

5 But I would be remiss both as a  
6 representative of a very poor district, of a  
7 district that has serious challenges in its  
8 education system, and as an educator myself,  
9 if I did not point out that I have serious  
10 concerns about what this budget would  
11 ultimately do to the education system across  
12 the state.

13 I don't think I have to go over  
14 again what I think the lack of revenue in this  
15 budget will do to us and what are the things  
16 that I believe we need to do to remedy that  
17 situation, at least partially. I've already  
18 made that point.

19 In this one, the only thing that I  
20 will say is that in a bill that we will vote  
21 on very shortly that deals with Article VII  
22 language, I will be voting in the negative.  
23 But on this one I will be voting in the  
24 affirmative because of those programs that are  
25 in it. These are things that I agree with,

1       these are things that I think are positive for  
2       the state, will be positive for my  
3       consistency. And they are part of the tough  
4       choices that we have to make.

5               So I would encourage some of my  
6       colleagues to consider their vote. I  
7       certainly would encourage them to vote one way  
8       or the other but only to do so with full  
9       consideration of what is in each legislation  
10      before us.

11             And in this case, because of this,  
12      but still expressing serious concerns about  
13      what this budget overall does to our education  
14      system, I will be voting in affirmative on  
15      this bill.

16             Thank you, Mr. President.

17             ACTING PRESIDENT GRIFFO:     Senator  
18      Diaz.

19             SENATOR DIAZ:     Thank you,  
20      Mr. President.

21             Tonight is the -- on the bill,  
22      Mr. President. On the bill.

23             ACTING PRESIDENT GRIFFO:     Senator  
24      Diaz on the bill.

25             SENATOR DIAZ:     Tonight is the

1 day -- tonight is the night when we are  
2 rushing, rushing to make Governor Cuomo look  
3 good. There are late budgets, there are  
4 on-time budgets, and there are early budgets.  
5 Early budgets, the last one that happened in  
6 this city, this state, was in 1983. So since  
7 1983 there has not been -- 1983, there has not  
8 been an early budget. Meaning, early budget,  
9 that we have one hour and 25 minutes before  
10 12:00 midnight. If we pass 12:00 midnight,  
11 there will be an on-time budget.

12 But we've got to beat the clock.  
13 We've got to beat that clock and rush so we  
14 could have an early budget. And Governor  
15 Cuomo and the leaders of both houses and some  
16 minority and black and Hispanic legislators  
17 could stand here tomorrow or maybe at 12:00  
18 midnight and take on the press or have a press  
19 conference and say we have an early budget.  
20 Not an on-time budget. Not an on-time budget,  
21 not a late budget, we have an early budget.

22 But let me tell you something. In  
23 our race to get an early budget, we have made  
24 all kind of mistakes, take down the wrong  
25 information, information being left out,

1       rushing here, rushing there -- we got to do  
2       it, we got to do it -- because the guy on the  
3       second floor, the master, said "I want an  
4       early budget.

5               And we are going to have an early  
6       budget. We have people here from our  
7       communities, especially black and Hispanic  
8       communities, since this morning, chanting,  
9       crying "Help, help." Especially, that cry  
10      goes especially to us black and Hispanics. It  
11      is a shame to see black and Hispanic joining  
12      to kill our communities, joining in the rush:  
13      I'm voting yes, so whoa, ho, ho.

14             So we have an early budget. And  
15      those people out there crying, maybe they  
16      haven't eaten since this morning. And all for  
17      the last two weeks and for the last month,  
18      they've been coming here -- children,  
19      handicapped, senior citizens -- everybody has  
20      come here asking us from our communities,  
21      "Hey, help me, don't do this, don't do this."

22             And I ask you if every black and  
23      Hispanic legislator, if every black and  
24      Hispanic legislator would have stood up and  
25      joined forces and said no in the Assembly and



1 in this chamber, this budget would not happen.  
2 We could have done it. We could have done it.  
3 Black and Hispanic, we could have done it. It  
4 is our shame. It is not their shame, it is  
5 our shame. Black and Hispanic, we are the  
6 ones doing it. And then we're going to stand  
7 up, explaining it: I've got no choice, I  
8 could have this, I voted yes, it's either/or.

9 Hey, come on, please stop this  
10 hypocrisy. Black and Hispanic -- I'm not  
11 talking to you guys. Not tonight. I spoke to  
12 you last night. I'm talking now to this side,  
13 to my people, black and Hispanic. We could  
14 have stopped it. We could have stopped it.  
15 And not until we put our foot in the ground  
16 and decide that we're going to protect our  
17 communities, our communities are never, ever  
18 going to come forward and going to improve.

19 Because we go to our communities,  
20 to our neighborhoods, and we're there, while  
21 we're there, we eat lions. In our community  
22 we eat lions. And we eat tigers. [Growling]  
23 "Oh, vote for me." We come here, the master  
24 calls: "Hey, you know, I need you to do  
25 this." "Oh, yes, master."

1           The time of masters has long time  
2           passed already, ladies and gentlemen. We're  
3           here to protect the needy and the poor and to  
4           act as Democrats if we're going to be one.

5           This budget, this budget that you  
6           are all rushing to pass tonight is going to  
7           affect our children's education, it's going to  
8           affect hospitals that are going to close.  
9           People are going to suffer. And it is not  
10          other people, it's especially the people in  
11          the black and Hispanic communities.

12          So all those people out there that  
13          are crying all day long, putting theirself to  
14          be arrested, I'm telling them: I'm with you  
15          guys. I'm with you guys. And even if I'm the  
16          only one. Last year I did, I was the only one  
17          last year. And this year again -- I'm  
18          consistent. This year again, I'm here. The  
19          people of the 32nd Senatorial District voted  
20          for me and sent me here to protect them and to  
21          fight for them and not to come here and kiss  
22          nobody's ring.

23          So in an hour and 20 minutes we  
24          will have an early budget. Not an on-time  
25          budget, an early budget. So all of you that

1       are preparing yourself with your nice dress  
2       for tomorrow morning, join the Governor to  
3       claim victory, you are killing them, you're  
4       killing people that need you. People that  
5       sent you here. People that voted for you,  
6       people that trusted you, you are hurting them.

7               So, Mr. President, my pain and my  
8       diatribe, as my fellow Senator DeFrancisco  
9       called it last night a diatribe -- if this is  
10      a diatribe, I love this diatribe. And last  
11      night I was talking diatribe. I loved last  
12      night. Every newspaper picked it up.

13             So I'm not talking -- again, and  
14      I'm going to repeat myself again, I'm not  
15      talking to you guys tonight, I'm talking about  
16      the black and Hispanic in the Assembly. That  
17      I heard only one, only one black and Hispanic,  
18      only one member of the black and Hispanic  
19      delegation in the Assembly voted against.

20             And I'm talking about the black and  
21      Hispanic in this chamber. We could have done  
22      it. We could have joined forces. We could  
23      have stood together. We, we. I'm not talking  
24      about you. We black and Hispanic, we could  
25      have said no. No. No. Basta ya.

1                   But no, no, we play the same game  
2                   that every year, playing game. We talk, talk,  
3                   talk, talk. And when the time comes: Yes.

4                   I'm going to end so I can  
5                   contribute a little bit with the time so we  
6                   can have an early budget. And Governor Cuomo,  
7                   Governor Andrew Cuomo tomorrow could claim  
8                   that since 1983 it is the first time that we  
9                   have an early budget. And now, ladies and  
10                  gentlemen, we are functioning. This body,  
11                  that to everybody it was a dysfunctioning  
12                  body, now we're going to be a functioning  
13                  body, killing the black and the Hispanic and  
14                  the poor and the needy. We're going to be --  
15                  that's functioning. That's a function. And  
16                  having an early, early budget.

17                  Thank you, Mr. President. I'm  
18                  voting no. I'm voting no with honor. I'm  
19                  voting no with distinction. I'm voting no  
20                  even though I'm making enemies and people will  
21                  say [retching sound]. I don't care. I don't  
22                  care. Black and Hispanic could have stopped  
23                  this. And after I finish, I know there are  
24                  some people are going to start all the time  
25                  criticizing. Whatever it is, it is. It is

1       what it is.

2                   Black and Hispanic, learn how to  
3       fight for your community, for your people.  
4       And stop selling yourself so cheap.

5                   I'm voting no.

6                   ACTING PRESIDENT GRIFFO:       Senator  
7       Stavisky.

8                   SENATOR STAVISKY:       If Senator  
9       DeFrancisco would yield, I'd like to ask  
10      really one question.

11                   SENATOR DeFRANCISCO:       Okay.

12                   ACTING PRESIDENT GRIFFO:       Senator  
13      DeFrancisco to yield.   The Senator yields.

14                   SENATOR STAVISKY:       In the  
15      proposals there has been talk that language is  
16      going to be added to provide TAP under the  
17      Higher Education Services Corporation part of  
18      the budget for schools that are not under the  
19      direct supervision of the State Education  
20      Department.   The religious, presumably  
21      religious institutions, what has been referred  
22      to as rabbinical TAP.   Has this been included  
23      in the budget?

24                   SENATOR DeFRANCISCO:       Yes,  
25      \$3 million in TAP.

1                   SENATOR STAVISKY:     Three billion  
2     in TAP.

3                   SENATOR DeFRANCISCO:     Not  
4     \$3 billion, \$3 million.

5                   SENATOR STAVISKY:     I'm sorry --  
6     \$3 billion? I wish -- \$3 million in TAP.

7                   Then a follow-up question. I don't  
8     see it in the budget. Is this included in the  
9     lump-sum appropriation? In a lump-sum  
10    appropriation.

11                  SENATOR DeFRANCISCO:     Yes. Yes,  
12    it is. In the lump-sum appropriation.

13                  SENATOR STAVISKY:     Thank you,  
14    Mr. President.

15                  ACTING PRESIDENT GRIFFO:     Thank  
16    you, Senator Stavisky.

17                  Senator Espaillat.

18                  SENATOR ESPAILLAT:     Yes,  
19    Mr. President, would the sponsor yield for a  
20    couple of questions on the education part.

21                  ACTING PRESIDENT GRIFFO:     Will  
22    the sponsor yield for a couple questions?

23                  Senator DeFrancisco yields.

24                  SENATOR DeFRANCISCO:     I do.

25                  SENATOR ESPAILLAT:     Thank you,

1 Senator DeFrancisco.

2 Now, earlier on, Senator Flanagan  
3 said that there was a \$697 million cut to  
4 education for New York City.

5 SENATOR DeFRANCISCO: No.  
6 Overall cut. Total cut, entire state, 697.

7 SENATOR ESPAILLAT: What  
8 percentage of that will be for New York City?

9 SENATOR DeFRANCISCO: I believe,  
10 if I recall correctly, about 35 percent. I'm  
11 sorry, 38. Which was the same percentage of  
12 the increases when there were years of  
13 increases.

14 SENATOR ESPAILLAT: And through  
15 you, Mr. President, if the Senator will yield.

16 ACTING PRESIDENT GRIFFO: Senator  
17 Espailat, you may ask your question.

18 SENATOR ESPAILLAT: And how much  
19 funding was not restored through the gap  
20 elimination adjustment, through the GEA?

21 SENATOR DeFRANCISCO: How much  
22 was not restored?

23 SENATOR ESPAILLAT: Yes.

24 SENATOR DeFRANCISCO: \$3.5  
25 billion.

1                   SENATOR ESPAILLAT:     And through  
2     you, Mr. President, if the Senator will yield.

3                   SENATOR DeFRANCISCO:     Yes.

4                   ACTING PRESIDENT GRIFFO:     You may  
5     continue.

6                   SENATOR ESPAILLAT:     And what  
7     percentage of that over \$2 billion was not  
8     restored to New York City?

9                   SENATOR DeFRANCISCO:     \$850  
10    million. And I'd have to calculate what  
11    percentage that is.

12                  SENATOR ESPAILLAT:     So through  
13    you, Mr. President, if the sponsor will yield.

14                  SENATOR DeFRANCISCO:     Yes.

15                  ACTING PRESIDENT GRIFFO:     The  
16    sponsor yields.

17                  SENATOR ESPAILLAT:     So you're  
18    saying that \$850 million were not restored to  
19    New York City through the GEA, and 38 percent  
20    of the \$697 million were also cut for  
21    education for New York City?

22                  SENATOR DeFRANCISCO:     Yes, that's  
23    correct.

24                  SENATOR ESPAILLAT:     So in  
25    essence -- through you, Mr. President, if the



1 sponsor will yield.

2 SENATOR DeFRANCISCO: Yes.

3 ACTING PRESIDENT GRIFFO: The  
4 sponsor yields.

5 SENATOR ESPAILLAT: So in  
6 essence, what you're saying is that there is a  
7 total cut of over a billion dollars for  
8 New York City.

9 SENATOR DeFRANCISCO: The  
10 year-to-year cut is \$270 million.

11 SENATOR ESPAILLAT: And the GEA?

12 SENATOR DeFRANCISCO: Senator  
13 Flanagan can give you a much better answer,  
14 because I am not able to understand the advice  
15 I'm being given at this point. If you don't  
16 mind, I can yield to Senator Flanagan.

17 SENATOR ESPAILLAT: I don't mind.  
18 Of course not.

19 ACTING PRESIDENT GRIFFO: Senator  
20 Flanagan.

21 SENATOR FLANAGAN: Senator  
22 Espailat, you mentioned two different things.  
23 You're talking about the gap elimination  
24 adjustment --

25 SENATOR ESPAILLAT: That's

1 correct, yes.

2 SENATOR FLANAGAN: -- and you're  
3 talking about overall cuts to state aid. I  
4 want to be very, very clear. The state  
5 statewide -- not New York City -- the  
6 statewide cut is \$697 million.

7 SENATOR ESPAILLAT: Yes.

8 SENATOR FLANAGAN: So that  
9 compiles everything, including New York City.  
10 The gap elimination -- and I have  
11 the school runs, just as every member in the  
12 chamber has received this. The gap  
13 elimination adjustment for the City of New  
14 York is \$891 million. Approximately  
15 \$51 million of that was restored, leaving a  
16 gap elimination adjustment to the tune of  
17 \$840.5 million.

18 But I would also want to make it  
19 clear, because I think I understand part of  
20 what you're talking about, no one should labor  
21 under the misimpression that every school  
22 district in the State of New York doesn't have  
23 a gap elimination adjustment as well after  
24 what was done in the budget. New York City's  
25 happens to be larger, of course, because of

1       its sheer size.

2                   SENATOR ESPAILLAT:       Through you,  
3       Mr. President.

4                   I understand that, Senator  
5       Flanagan. But I'm trying to get at the actual  
6       number, the total number of funding that the  
7       City of New York will not have for its  
8       education. And you're saying that there's a  
9       \$697 million cut for the entire state, out of  
10      which \$271 million are cut to New York City,  
11      or 38 percent, and that through the gap  
12      elimination the city will be out approximately  
13      \$840 million.

14                  My math shows me that that's over a  
15      billion dollars that the school system will  
16      not have this year in this fiscal year. Am I  
17      correct to say that?

18                  SENATOR FLANAGAN:       Absolutely  
19      not. I have right in front of me a state aid  
20      run that says total for '10-'11, City of  
21      New York, approximately \$7.93 billion. The  
22      total for this year is \$7.662 billion,  
23      representing a decrease of \$271 million.

24                  You're focusing on components  
25      within that. You should be looking at the

1 total aid. So let's be very clear. The City  
2 of New York is getting \$7.662 billion from the  
3 State of New York. That's a reduction over  
4 last year of \$271 million.

5 SENATOR ESPAILLAT: But is the  
6 gap elimination not part of the school aid  
7 formula?

8 SENATOR FLANAGAN: The gap  
9 elimination adjustment is absolutely part of  
10 the school aid formula. But to look at that  
11 in isolation is totally inappropriate, in my  
12 opinion, because there are a number of factors  
13 that are involved -- expense-driven aids, gap  
14 restoration. There are a number of factors  
15 that not only affect the City of New York but  
16 suburban and rural districts.

17 So it would be inappropriate, in my  
18 opinion, for someone to go out and say that  
19 New York City got shortchanged \$840 million,  
20 because I could say that for Senator  
21 Marcellino's district, Senator Young's,  
22 Senator Oppenheimer's district. Everybody has  
23 a gap elimination adjustment.

24 What I believe you should be  
25 looking at more appropriately is the total

1 year-to-year changes and recognize that where  
2 we came from where the Governor started is far  
3 better for the City of New York and every  
4 other community in the state.

5 SENATOR ESPAILLAT: Through you,  
6 Mr. President.

7 So what you're saying, in essence,  
8 is that the gap elimination adjustment does  
9 not exist and that in fact doesn't translate  
10 into actual dollar cuts for education, not  
11 only in New York City but across the State of  
12 New York, as you well said. That it doesn't  
13 impact New York City exclusively, but that it  
14 impacts other counties and other regions as  
15 well.

16 SENATOR FLANAGAN: No. Senator  
17 Espaillat, you may try and parse my words, but  
18 let's be very clear. The gap elimination  
19 adjustment does exist. I didn't say it didn't  
20 exist whatsoever. It's real, it's palpable,  
21 it has an effect on every single school  
22 district.

23 So when you're talking about  
24 numbers, you want to go out -- my colleague  
25 Senator Lanza is from Staten Island, which you

1 well know. He can go out and say tomorrow  
2 that this \$7.66 billion that's going to the  
3 City of New York, based on efforts that he and  
4 everybody else in this chamber made -- is it a  
5 reduction from last year? You bet it is. But  
6 there's a reduction for every member in every  
7 community in this state. And there's a gap  
8 elimination adjustment.

9 We all went through the school  
10 runs. No one is going to walk out of here  
11 saying "I'm extraordinarily happy." The gap  
12 elimination adjustment does exist. But it's  
13 part of an overall package that includes a  
14 number of different factors, many of which  
15 help the City of New York.

16 Let me give you an example. While  
17 it's not on the run, we talked about certain  
18 things like the 4201 schools. New York City  
19 is a better beneficiary of that program than  
20 any other school district in the state.  
21 Summer school special education, New York City  
22 is a better beneficiary under that program  
23 than any other school district in the State of  
24 New York. And you know what? They deserve  
25 the money. They have the students. That

1       that's where the money should go.

2               That's well over -- those two  
3       programs alone represent \$93 million of  
4       additional money that's not on this run.

5               So if you want to talk about  
6       factors that are involved, I can go beyond the  
7       school run and talk to Senator Lanza and  
8       Senator Golden and bring up factors that  
9       affect the City of New York that make you more  
10      unique because you have a disproportionate  
11      share of these children, in large part based  
12      on the size of the New York City School  
13      District.

14              SENATOR ESPAILLAT:       Through you,  
15      Mr. President.

16              ACTING PRESIDENT GRIFFO:     Senator  
17      Espaillat.

18              SENATOR ESPAILLAT:       That's true,  
19      but that's a different appropriation.

20              A cut is a cut is a cut by any  
21      other name. And whether it is a GEA item that  
22      was not restored to the tune of over  
23      \$800 million, or a cut, a percentage, a  
24      38 percent of the actual \$697 million cut that  
25      you have actually stated that is occurring,

1       it's still a cut to an educational system,  
2       whether it is in New York City or in any  
3       county throughout the State of New York.

4               Senator Flanagan, you are familiar,  
5       obviously, with the Campaign for Fiscal Equity  
6       lawsuit that started back in 1993?

7               SENATOR FLANAGAN:       Yes, I am.

8               SENATOR ESPAILLAT:       And you know  
9       that in fact that lawsuit -- which, by the  
10      way, originated in my district, in the 34th  
11      Senatorial District, took about 13 years.  
12      That litigation went on for about 13 years.  
13      It actually was -- we actually got a decision  
14      from the Supreme Court and the Court of  
15      Appeals in November of 2006. And that  
16      decision called for our Legislature to provide  
17      funding for a sound and basic education.

18              Am I correct with that  
19      interpretation, Senator Flanagan?

20              SENATOR FLANAGAN:       So far I'm in  
21      general agreement, yes.

22              SENATOR ESPAILLAT:       Furthermore,  
23      that lawsuit challenged the constitutionality  
24      of our education funding formula here in  
25      New York State.



1                   And would you say that this year's  
2                   funding for education is a complete U-turn  
3                   from the instructions that we got from the  
4                   Court of Appeals to provide funding and  
5                   provide a sound and basic education not just  
6                   for New York City schoolkids, because we were  
7                   large enough to understand that we had to  
8                   address the need of high-needs districts in  
9                   Buffalo, in Syracuse, in Yonkers and in other  
10                  areas?

11                  Although the lawsuit initiated in  
12                  New York City, and its intent, original intent  
13                  was to address a disparity in funding for  
14                  education exclusive to New York City, when we  
15                  finally dealt with the lawsuit here we were  
16                  large enough to understand that other regions  
17                  of the state also needed help.

18                  Would you say that this budget,  
19                  this funding that we have concluded cuts  
20                  New York City by \$271 million and through the  
21                  GEA, the gap elimination adjustment, denies  
22                  the city another over \$800 million, is a  
23                  complete U-turn from our commitment and the  
24                  mandate that the court vested upon us to  
25                  comply with?

1                   SENATOR FLANAGAN:     Absolutely  
2     not.

3                   Senator Espaillat, would you yield  
4     to a question?

5                   SENATOR ESPAILLAT:     Yes, I would.

6                   SENATOR FLANAGAN:     When you were  
7     in the Assembly in the last several years, did  
8     you vote in favor of the budgets?

9                   SENATOR ESPAILLAT:     Not all the  
10    budgets. Some of the education budgets I  
11    voted against because I felt that we were not  
12    in compliance with the mandate that was given  
13    to us by the Court of Appeals to provide a  
14    sound and basic education for schoolchildren  
15    in New York State.

16                  SENATOR FLANAGAN:     I believe that  
17    we are continuing to provide a sound, basic  
18    education.

19                  And I would go back to part of what  
20    you said. The obligation that came to us as a  
21    result of the Court of Appeals case had  
22    nothing to do with the entire State of  
23    New York. That case was principally decided  
24    about educating children in the City of  
25    New York. And at the time that the case was

1       decided, there had been recognition that we  
2       were already making strides in that direction.  
3       We drove a lot more money, there was the  
4       creation of the foundation formula, and that  
5       was advanced by Governor Spitzer.

6               And then I would say thereafter,  
7       with Democratic governors, with Democratic  
8       Assemblymembers and with Republicans and  
9       Democrats, there were changes made to that  
10      foundation aid formula recognizing that we had  
11      to live within certain fiscal constraints.

12             Do I think we've made a U-turn?  
13      Absolutely not. Am I thrilled with the idea  
14      that we're limiting the funds in education  
15      compared to many other years? No, I'm not.  
16      But there's a fiscal reality that we have to  
17      deal with, and I believe that we're still  
18      meeting the obligations of that court case in  
19      relation to the City of New York, and we've  
20      gone beyond that in meeting those obligations,  
21      which frankly didn't exist to the balance of  
22      the State of New York.

23             SENATOR ESPAILLAT:     Thank you,  
24      Senator Flanagan and Mr. President. Thank you  
25      for your answers to my questions.

1                   On the bill.

2                   ACTING PRESIDENT GRIFFO:       Senator  
3       Espaillat on the bill.

4                   SENATOR ESPAILLAT:       Yes,  
5       Mr. President.

6                   Justice Leland DeGrasse affirmed on  
7       November 30th of 2005, when he made some  
8       recommendations to the Legislature, that in  
9       order to provide a sound and basic education,  
10      New York City needed to gain \$5.6 billion for  
11      operating expenses and another \$9.2 billion  
12      for facilities, for capital. Clearly, that  
13      has not happened.

14                  This budget bill, although it  
15      restores some of the items that I think are  
16      very important to all of us -- Title 20,  
17      summer youth jobs, many of us have already  
18      highlighted what they are -- fails to provide  
19      adequate funding for education. And in fact,  
20      if we are to overcome this economic crisis, if  
21      in fact we are preparing ourselves to have the  
22      best qualified and competitive workforce once  
23      we overcome this economic crisis, we must  
24      invest in education.

25                  The best investment that we can

1       make in this Legislature to prepare ourselves  
2       for the next generation to be competitive when  
3       the economy turns around is to invest in  
4       education. And this bill, this aid to  
5       locality bill does not do that.

6               That's why I will be voting in the  
7       negative, Mr. President. I think that this  
8       bill falls far short of where we need to be  
9       with regards to education funding. It has  
10      clearly been stated that New York City will be  
11      short over a billion dollars in education  
12      funding.

13             I represent a district that built  
14      over 15 new schools, and many of those schools  
15      have empty classrooms and empty floors and  
16      overcrowded classrooms in those floors that  
17      are not empty because we lack operating funds  
18      to hire new teachers and to have gifted  
19      programs and arts programs and to provide the  
20      best possibilities for our students.

21             So, Mr. President, once again, I  
22      will be voting in the negative on this bill.  
23      I feel that we have fallen very short of where  
24      our children ask us to be.

25             ACTING PRESIDENT GRIFFO:       Is

1           there any other Senator wishing to be heard?

2                     Senator Krueger.

3                     SENATOR KRUEGER:       Thank you very  
4           much, Mr. President.

5                     So we have heard here on this floor  
6           tonight angry legislators, upset legislators.  
7           We're hearing from the people of New York  
8           State outside of our chambers here and now in  
9           this great Capitol. There is tough choices in  
10          this budget. I started the day talking about  
11          the revenue bill, talking about how even in a  
12          world of tough choices there could have been  
13          better choices made about how we raised our  
14          money in a variety of ways that would have  
15          helped us avoid specifically many of the cuts  
16          and much of the pain that we are going to be  
17          moving through this budget, much of which are  
18          in this bill tonight.

19                    Senator Espaillat just very  
20          articulately discussed the concerns for public  
21          education in his and my great City of  
22          New York. But Senator Flanagan is right when  
23          he says these cuts are everywhere. They will  
24          impact every community, I agree with you,  
25          Senator Flanagan.

1                   What I'm suggesting is we didn't  
2                   have to end up here. We didn't have to end up  
3                   here with these cuts to education, which we  
4                   know will do harm to every one of our  
5                   communities no matter whether we come from  
6                   upstate or downstate, a big city or a small  
7                   rural town.

8                   And there are more cuts in this  
9                   budget. My colleague Senator Velmanette  
10                  Montgomery talked about the impact on human  
11                  services, the complicating factors of cutting  
12                  services to the lowest-income New Yorkers when  
13                  the unemployment rate does not appear to be  
14                  going down and job opportunities are scarce.

15                 And these budget cuts will not only  
16                 do enormous harm to particularly poor  
17                 families, mostly women and children, but  
18                 ironically those cuts are in categories of  
19                 programs -- in fact, this entire bill is  
20                 filled with cuts that actually move money into  
21                 the communities to be spent as economic  
22                 development money.

23                 Because the one thing we can say  
24                 about the aid to localities budget, the list  
25                 of items of appropriation in this bill, is

1       these monies go directly to local governments  
2       and local communities where they are spent  
3       primarily on jobs for people or to provide  
4       basic living needs, which means people go out  
5       and go and shop in their food store, pay their  
6       rent, meet their children's basic needs,  
7       provide them with all the things we all want  
8       to provide our families.

9               So when I realize that in a  
10       \$132 billion budget with other alternatives  
11       for revenue -- including those \$29 billion in  
12       tax expenditures we never looked at or  
13       considered as options -- and yet we're going  
14       to make these level of cuts in education,  
15       human services, and real jobs for real people,  
16       I also find myself sharing the frustration of  
17       many of my colleagues and the emotional  
18       discussion you heard tonight. And I also will  
19       be voting no on this budget bill.

20               Thank you, Mr. President.

21               ACTING PRESIDENT GRIFFO:     Seeing  
22       no other Senator wishing to be heard, debate  
23       is closed.

24               The Secretary will ring the bell.

25               Senator Oppenheimer, why do you



1       rise?

2                   SENATOR OPPENHEIMER:       To explain  
3       my vote.

4                   ACTING PRESIDENT GRIFFO:       We have  
5       not called the roll yet, Senator Oppenheimer.

6                   I will remind all members of the  
7       Senate, though, that we will be enforcing the  
8       two-minute explanation of votes.

9                   Read the last section.

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

12                  ACTING PRESIDENT GRIFFO:       Call  
13       the roll.

14                  (The Secretary called the roll.)

15                  ACTING PRESIDENT GRIFFO:       Senator  
16       Zeldin to explain his vote.

17                  SENATOR ZELDIN:       Thank you,  
18       Mr. President.

19                  During my campaign I committed to  
20       cut taxes, control spending, and assist with  
21       this private-sector job creation that was so  
22       important all across Long Island and around  
23       New York State. I stand to say thank you,  
24       thank you to Senator Skelos, thank you to  
25       Senator Flanagan for all of your work on this

1 education issue.

2 I am proud to say that I have three  
3 school districts -- William Floyd, South  
4 Country, and Hauppauge -- that actually are  
5 going to end up with more money next year than  
6 they did this year.

7 I went to public school, my  
8 daughters are about to start public school, my  
9 mother's a retired teacher, grandparents were  
10 teachers. I went to SUNY, my chief of staff  
11 went to SUNY, my deputy chief of staff went to  
12 SUNY. I believe in public school education.

13 And I'm happy that we have closed a  
14 \$10 billion budget deficit for next year. And  
15 the following year's budget deficit, which was  
16 projected to be \$15 billion, has been reduced  
17 to \$2 billion.

18 Our work is not done here, but this  
19 is a good start. And I look forward to the  
20 dialogue about a tax cap, to get that tax cap  
21 done, to get mandate relief done, to get the  
22 MTA payroll tax repealed, hopefully get our  
23 school aid formula changed. Because Long  
24 Island should not be an ATM machine for  
25 New York City and elsewhere.

1                   Republican or Democrat, upstate or  
2                   downstate --

3                   ACTING PRESIDENT GRIFFO:       Senator  
4                   Zeldin, how do you vote?

5                   SENATOR ZELDIN:       -- Assembly or  
6                   Senate, we need to stick together. I vote  
7                   aye.

8                   ACTING PRESIDENT GRIFFO:       Senator  
9                   Zeldin to be recorded in the affirmative.

10                  Senator Oppenheimer to explain her  
11                  vote.

12                  SENATOR OPPENHEIMER:       Very  
13                  briefly.

14                  The reality is that we are living  
15                  in very difficult times for our economy and  
16                  for the state and local governments all across  
17                  this nation. And there is no doubt that we  
18                  need to change direction. And we should all  
19                  applaud Governor Cuomo for providing strong  
20                  leadership to turn the state government  
21                  around.

22                  There is no doubt that vital  
23                  services will be badly impacted because this  
24                  year is a crisis year and it's much larger  
25                  than we would have thought. The need for a

1 change in direction is greater than ever. And  
2 the importance of the Legislature successfully  
3 working together is more paramount than ever  
4 before.

5           Going forward, I want to bring to  
6 your attention the challenges that will  
7 continue to face education throughout our  
8 state. Reduced funding for school districts,  
9 the need to improve schools that fail and  
10 protect excellence where it exists, these  
11 present a multitude of pressures that we will  
12 have to address this year and next. Property  
13 taxpayers are already overtaxed. State  
14 resources are declining. But there are  
15 children who are in school now, one grade at a  
16 time, one year at a time, one childhood at a  
17 time. There are no do-overs.

18           We need to work together and with  
19 Governor and give special attention to the  
20 delicate, precarious place we have put our  
21 schools into. We need to help them reduce  
22 costs, provide mandate relief, improve  
23 teaching, make sure we protect a system that  
24 has already suffered incredible cuts. And you  
25 all know what I know, they are cutting in all

1 of our school districts -- music, art,  
2 physical ed, pre-K, full-day kindergarten --

3 ACTING PRESIDENT GRIFFO: Senator  
4 Oppenheimer, how do you vote?

5 SENATOR OPPENHEIMER: All right.  
6 I just want to say that our work is much ahead  
7 of us. I'm voting yes.

8 ACTING PRESIDENT GRIFFO: Senator  
9 Oppenheimer to be recorded in the affirmative.  
10 Senator Carlucci to explain his  
11 vote.

12 SENATOR CARLUCCI: Thank you,  
13 Mr. President. I'll be voting in the  
14 affirmative on this bill.

15 However, I stand here tonight  
16 disappointed. I'm disappointed that the  
17 funding restoration to the Office of People  
18 with Developmental Disabilities that we fought  
19 here in this chamber to restore fell on deaf  
20 ears in the Assembly. And, you know, we're  
21 not talking about cutting bloated government  
22 salaries, we're talking about cutting vital  
23 services to our most vulnerable population.

24 However, I know that the people in  
25 my district and throughout New York State, the

1       good community services, the people that work  
2       everyday towards servicing our most vulnerable  
3       population when it comes to people living with  
4       developmental disabilities, I plan on working  
5       with them to make sure that our most  
6       vulnerable population does not fall through  
7       the cracks.

8               So with this, I vote in the  
9       affirmative. Thank you, Mr. President.

10              ACTING PRESIDENT GRIFFO:     Senator  
11       Carlucci to be recorded in the affirmative.

12              Senator Stewart-Cousins to explain  
13       her vote.

14              SENATOR STEWART-COUSINS:     Yes, to  
15       explain my vote.

16              Tomorrow morning at about 7:00 a.m.  
17       hundreds of children will get up early so that  
18       they can rally in Yonkers because they don't  
19       have gym, they don't have art, they don't have  
20       music, they don't have psychologists, they  
21       don't have social workers. And where we are  
22       today with this budget, we will lay off  
23       possibly 600 people in the Yonkers School  
24       District.

25              I understand there's a lot of pain.

1 But for this school district, the pain has got  
2 to stop. I look at a run where there's  
3 percentages and it's all shared pain. But  
4 among the Big Five, I look at a school  
5 district like Yonkers that loses \$6 million  
6 while another school district gains  
7 \$6 million. I still don't understand how this  
8 continues to be called equitable and fair.

9 So I'm standing here voting no,  
10 walking with those children symbolically  
11 tomorrow, because education matters. Funding  
12 it right matters. We can no longer afford to  
13 keep deciding that it is something that maybe  
14 we'll get right. It's not right yet.

15 I vote no.

16 ACTING PRESIDENT GRIFFO: Senator  
17 Stewart-Cousins to be recorded in the  
18 negative.

19 Announce the results.

20 THE SECRETARY: In relation to  
21 Calendar Number 293, those recorded in the  
22 negative are Senators Adams, Diaz, Duane,  
23 Espaillat, Hassell-Thompson, L. Krueger,  
24 Parker, Peralta, Perkins and Stewart-Cousins.

25 Ayes, 52. Nays, 10.

1                   ACTING PRESIDENT GRIFFO:     The  
2     bill is passed.

3                   Senator Libous.

4                   SENATOR LIBOUS:     Mr. President,  
5     could we please take up Calendar Number 296,  
6     please.

7                   ACTING PRESIDENT GRIFFO:     The  
8     Secretary will read.

9                   THE SECRETARY:     Calendar Number  
10     296, Senate Print 2801A, Senate Budget Bill,  
11     an act making appropriations for the support  
12     of government:  LEGISLATURE AND JUDICIARY  
13     BUDGET.

14                  ACTING PRESIDENT GRIFFO:     Read  
15     the last section.

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

18                  ACTING PRESIDENT GRIFFO:     Call  
19     the roll.

20                  (The Secretary called the roll.)

21                  ACTING PRESIDENT GRIFFO:     Senator  
22     Hassell-Thompson to explain her vote.

23                  SENATOR HASSELL-THOMPSON:     Thank  
24     you, Mr. President.  Just very quickly.

25                  I will be voting for this bill, but



1 I wanted to state for the record my concern  
2 and disappointment that as a part of the  
3 additional savings that OCA was asked to come  
4 up with, a program for civil legal services  
5 was cut 50 percent, or \$12.5 million.

6 I commend the Chief Judge for being  
7 an advocate for civil legal services. And I  
8 know he is deeply concerned with the prospect  
9 of layoffs in an already strained court  
10 system. However, I too must express my  
11 disappointment that such deep cuts took place  
12 in civil legal services even though I  
13 understand the position that Judge Lippman  
14 finds himself in.

15 Thank you, Mr. President.

16 ACTING PRESIDENT GRIFFO: How do  
17 you vote, Senator Hassell-Thompson?

18 SENATOR HASSELL-THOMPSON: I said  
19 in the affirmative, sir.

20 ACTING PRESIDENT GRIFFO: Senator  
21 Hassell-Thompson to be recorded in the  
22 affirmative.

23 Announce the results.

24 THE SECRETARY: In relation to  
25 Calendar Number 296, those recorded in the

1 negative are Senators Adams, Diaz, Duane,  
2 Parker and Perkins.

3 Ayes, 57. Nays, 5.

4 ACTING PRESIDENT GRIFFO: The  
5 bill is passed.

6 Senator Libous.

7 SENATOR LIBOUS: Mr. President,  
8 can we please take up Calendar 294.

9 ACTING PRESIDENT GRIFFO: The  
10 Secretary will read.

11 THE SECRETARY: Calendar Number  
12 294, Senate Print 2808D, Senate Budget Bill,  
13 an act to amend the Education Law.

14 ACTING PRESIDENT GRIFFO: Read  
15 the last section.

16 THE SECRETARY: Section 3. This  
17 act shall take effecting immediately.

18 ACTING PRESIDENT GRIFFO: Call  
19 the roll.

20 (The Secretary called the roll.)

21 ACTING PRESIDENT GRIFFO: Senator  
22 Dilan to explain his vote.

23 SENATOR DILAN: I just want to  
24 indicate that during the Finance Committee I  
25 had concern with language in this bill as it

1       pertains to the MTA. Namely, that language is  
2       on page 95, starting line 53 through 56, and  
3       page 96, line 1 through 9, where it appears  
4       that the MTA is taking a \$200 million cut.

5               However, members of the Majority  
6       and members of the Majority staff and my staff  
7       have also spoken to the MTA, and they assured  
8       me that at the end of the day the MTA will  
9       only wind up with the \$100 million cut that  
10      was discussed at our table. And as a result  
11      of maybe some additional revenues, that they  
12      may actually have additional revenue of  
13      \$45 million, maybe.

14             So I'm going to accept those  
15      assurances and vote yes on this bill.

16             ACTING PRESIDENT GRIFFO:     Senator  
17      Dilan to be recorded in the affirmative.

18             Senator Kennedy to explain his  
19      vote.

20             SENATOR KENNEDY:     Yes, thank you,  
21      Mr. President.

22             I will be voting against this bill.  
23      I'm deeply disappointed this budget does not  
24      include policy reforms necessary to spark the  
25      economic growth in Western New York with the

1 UB 2020 plan.

2 I appreciate Governor Cuomo's  
3 commitment to helping us rebuild the Western  
4 New York economy, and I look forward to the  
5 summit he'll host to discuss how we'll make  
6 UB 2020 a reality. But this budget is a  
7 budget of priorities. And the budget bill  
8 that we are voting on right now does not  
9 include UB 2020 as a priority of this Senate.

10 And UB 2020 is arguably the  
11 number-one priority piece of legislation for  
12 the people of Western New York that I  
13 represent and that my colleagues across the  
14 aisle represent. We have argued in favor of  
15 this bill on both sides of this house, on both  
16 sides of this chamber, out of Western  
17 New York.

18 It is absolutely essential that  
19 UB 2020 be enacted. I am extremely  
20 disappointed that it is not a part of this  
21 budget. And therefore I will be voting in the  
22 negative.

23 ACTING PRESIDENT GRIFFO: Senator  
24 Kennedy to be recorded in the negative.

25 Senator Diaz to explain his vote.

1                   SENATOR DIAZ:     Just a few words,  
2     Mr. President, to address myself of what my  
3     colleague Senator Kennedy just said.

4                   I am from downtown, from lower  
5     New York, and UB 2020 supposed to be a remedy  
6     to help the Western New York.   Senator  
7     Grisanti introduced this bill.   And there was  
8     a, you know, like big thing because we were --  
9     first time we were going to help Western  
10    New York.   And now there is no UB 2020.

11                  So Senator Grisanti, what happened?  
12    No UB 2020.   I'm voting no.

13                  ACTING PRESIDENT GRIFFO:     Senator  
14    Diaz to be recorded in the negative.

15                  Senator Hassell-Thompson to explain  
16    her vote.

17                  SENATOR HASSELL-THOMPSON:     Thank  
18    you, Mr. President.

19                  Again, I think you've heard it  
20    several times already tonight, but I must  
21    reiterate that as someone who signed onto the  
22    CFE lawsuit, it is incumbent upon me to  
23    continue to vote against any budget that does  
24    not keep good faith with that.

25                  It also would not be in the

1 interests of my district to vote for a budget  
2 that is going to cut \$8 million out of the  
3 school budget for the City of Mount Vernon,  
4 which is a high-needs district.

5 When I tried to leave this  
6 afternoon -- many of you were able to duck out  
7 the other way, you were diverted. But I  
8 walked through the crowd. And I walked  
9 through and I met a lady that I didn't know  
10 but who knew me. And she said, "I'm trusting  
11 you to vote no against this budget because  
12 it's bad for us. This is my son. We're going  
13 to stay here all night. And I want him to see  
14 government and how it works."

15 And so I can't vote on behalf of  
16 this budget, on behalf of that 7-year-old who  
17 does not have instruments in his school, who  
18 doesn't have enough textbooks in his  
19 classroom, who doesn't have enough computers  
20 for him to be able to learn.

21 And for us to stand fast and look  
22 at the budget cuts that are going to affect  
23 New York City, of which I also represent, is  
24 not in my best interests and is certainly not  
25 in the best interests of the people that I

1       serve.

2                   Thank you, Mr. President.

3                   ACTING PRESIDENT GRIFFO:     Senator  
4       Ruth Hassell-Thompson to be recorded in the  
5       negative.

6                   Senator Parker to explain his vote.

7                   SENATOR PARKER:     I get that  
8       everybody wants to give the Governor a win.  
9       And I don't mind the Governor having a win.  
10      But the least you guys could have done is give  
11      people a chance to speak on the bill.   Real  
12      basic.

13                   I get we're in the minority.   I  
14      know my little vote doesn't mean anything.   I  
15      know the little votes of all the people who  
16      are making a lot of noise tonight don't mean  
17      anything to anybody.   I get it.   I get it.  
18      Suck it up, go home, you don't get anything in  
19      the budget, you got nothing.

20                   But I'm not going -- you know, I've  
21      come here because people elected me at least  
22      to speak truth to power and to say that this  
23      is not right.   And I'm annoyed now because you  
24      guys rushed this thing through so you can get  
25      this thing -- I know everybody wants to get it

1       early, and I don't know why that's like such a  
2       big deal. Nobody's going to get elected or  
3       unelected, and nobody's going to hold on to  
4       the majority or lose the majority or gain the  
5       majority based on the floor debate on the  
6       budget in 2011.

7                You guys could have gave us a  
8       chance to talk on the bill. I mean, this what  
9       we're doing right now is not correct. What  
10      we're seeing happening right now with the  
11      gallery being closed is not correct. What we  
12      see with the police being walked around this  
13      building as storm troopers is not correct.  
14      This is the people's house. And as much as we  
15      talk about we're here to represent people  
16      tonight, we've denied people their voice.  
17      That's why people are here angry. And that's  
18      why I'm angry, because there's no reason for  
19      this to happen in this manner.

20             Politics is a place where not just  
21      what you do matters, but how you do it is  
22      absolutely critical. And how dare us deny  
23      people voice? How dare us? You guys have  
24      been -- when I say you guys, all of us. We've  
25      been pushing through B.S. on the people of



1       this state for hundreds of years without --  
2       you know, without denying them basic access to  
3       democratic rights.

4               And so what we're doing here  
5       tonight is a disgrace and I'm ashamed to be  
6       part of this body. I'm voting no,  
7       Mr. President, because -- not just because  
8       this budget is bad and it's bad for my  
9       community, but this process is horrible.

10              I have more to say, but I know I'm  
11       only limited to two minutes. And my only  
12       regret is I only have two minutes to speak on  
13       behalf of not just the people of my district  
14       but everybody who's being disenfranchised and  
15       people who will be put out on the street  
16       because of this vote.

17              I vote no.

18              ACTING PRESIDENT GRIFFO:     Senator  
19       Parker to be recorded in the negative.

20              Senator Grisanti to explain his  
21       vote.

22              SENATOR GRISTANTI:     I'm going to  
23       vote yes on this bill.

24              And one thing that I want to say to  
25       my friends across the aisle who doubt UB 2020,

1 if you want to have and sit there and denounce  
2 the commitment of your own Governor, who has  
3 stated five times in a press conference that  
4 there will be a summit in Buffalo -- you don't  
5 have to attend. That's fine. If you want to  
6 doubt what happened here in this Senate of a  
7 55-to-1 vote, that's fine.

8 But what I didn't see is I didn't  
9 see the Democrats on that side talking to  
10 their Democratic friends in the Assembly to  
11 push that bill forward, as I was doing not  
12 only with the Republicans but meeting with  
13 Debra Glick and other members.

14 This bill is not dead. This bill  
15 has moved faster in the last 90 days than it  
16 has in three years. When the Democrats were  
17 in the majority, the bill couldn't even pass.  
18 I've been here 90 days and this bill has gone  
19 further than ever.

20 It is not dead. We have talked to  
21 the Governor. We have commitments. There's a  
22 summit. If you want to use it for political  
23 gain, that's fine. But I've talked to the  
24 people at UB 2020 about this bill, I've talked  
25 to the tradespeople and they are ecstatic as

1 to where UB 2020 lays at this point in time.

2 So if you want to have shame and  
3 shoot me down for UB 2020, go ahead. We'll  
4 see what happens at the end of session. But  
5 UB 2020 is not dead, it's alive. I know it's  
6 important to Western New York. But I'm not a  
7 one-issue person. There are other things in  
8 bill -- restoring funding to Roswell Park --  
9 that the Senate did on this side, no help from  
10 the Assembly, no help from the Governor.

11 Restoration of basically Darwin  
12 Martin House, Olmsted Park Highway, Hoyt Lake  
13 projects, restoring funding to education.  
14 These are things we did on this side. And I  
15 appreciate what the Senate did, but don't  
16 doubt my word. UB 2020 is not dead. It's  
17 alive and well.

18 I will be voting in the  
19 affirmative.

20 ACTING PRESIDENT GRIFFO: Senator  
21 Grisanti to be recorded in the affirmative.

22 Senator Stavisky to explain her  
23 vote.

24 SENATOR STAVISKY: Yes,  
25 Mr. President, I'd like to correct the Senator

1 on the other side of the aisle that when I  
2 chaired the Committee on Higher Education in  
3 2009, with the help of Senator Maziarz and  
4 Senator Stachowski and a whole host -- Senator  
5 Volker -- that bill passed this house. You  
6 are mistaken. You are wrong.

7 I vote aye.

8 ACTING PRESIDENT GRIFFO: Senator  
9 Stavisky votes in the affirmative.

10 Senator Adams to explain his vote.

11 SENATOR ADAMS: Did you hear them  
12 tonight? Did you hear them? They're staying  
13 over tonight. They're staying over. They're  
14 going to sleep in the rafters tonight.

15 And I don't care -- don't tell me  
16 about rules, because you all don't follow  
17 rules. I got my pillow and my blanket. I'm  
18 going to join them. I'm going to sleep with  
19 them tonight. Because when people get so  
20 angry, they don't drop bombs, they don't fight  
21 wars, they use their voices. I'm going to  
22 sleep on that hard slab up there with them.

23 What we did tonight was wrong.  
24 They all participated. When Strahan tackled  
25 to get his last sack, there was an asterisk

1 next to it. You know that? Because it was  
2 cheating. So we're going to beat the clock.  
3 You rushed it through, you didn't allow us to  
4 debate it, you didn't allow us to argue it,  
5 all for one reason only, because we've got to  
6 beat the clock.

7 So I'm going to sleep with those  
8 children, those college students, those people  
9 who are losing their homes, those people who  
10 are concerned, those people who are being  
11 locked out. I'm going to lay down on that  
12 concrete with them and I'm going to stay with  
13 them throughout the entire night. Because  
14 what we did to them during this budget cycle,  
15 it was wrong.

16 And I'm uncharacteristically calm  
17 by saying it. We were wrong. And we should  
18 be ashamed of ourselves as Democrats. Don't  
19 tell me I'm voting for a bill because I like  
20 something in the bill. This is wrong. What  
21 happened during this cycle is wrong.

22 I'm voting nay.

23 ACTING PRESIDENT GRIFFO: Senator  
24 Adams to be recorded in the negative.

25 Senator Gallivan to explain his

1 vote.

2 SENATOR GALLIVAN: Thank you,  
3 Mr. President.

4 My colleagues, both the product and  
5 process of this budget are a testament of the  
6 leadership provided by the Governor and the  
7 bipartisan recognition in the Legislature that  
8 business as usual in state government has  
9 become unsustainable and unacceptable.

10 It took years of shortsighted  
11 governance to deliver New York into its  
12 current condition, but tonight marks the first  
13 step down a new path. This budget eliminates  
14 our current deficit, markedly improves the  
15 state's outlook for the next fiscal year,  
16 consolidates and eliminates inefficient  
17 bureaucracy, and encourages private-sector job  
18 growth, particularly in Western New York, the  
19 district I represent.

20 One year's budget will not erase  
21 decades of poor fiscal management, but this  
22 year's budget agreement, the manner in which  
23 it was reached, signifies there's just cause  
24 to be optimistic in New York's future. The  
25 Legislature and the Governor were able to work

1       together with a sense of common purpose to  
2       make the difficult but responsible choices to  
3       ensure New York's future is brighter today  
4       than it was before.

5               I vote in the affirmative.

6               ACTING PRESIDENT GRIFFO:     Senator  
7       Gallivan to be recorded in the affirmative.

8               Maziarz to explain his vote.

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

11              I rise not to make a similar  
12      announcement that Senator Adams made, but just  
13      to reference very briefly UB 2020.

14              There are aspects of UB 2020 in  
15      this budget. There's a lot of differences  
16      between what the UB 2020, Senator Stavisky,  
17      that was passed in 2009 and the UB 2020 bill  
18      that was sponsored by Senator Grisanti.  
19      Obviously that bill, I think, had almost 20  
20      members in opposition. This one had but one.

21              There is a great deal of  
22      satisfaction with the support of the Governor.  
23      That is different. We didn't have that  
24      before. The Buffalo News editorial board is  
25      satisfied with the direction that we are going

1 in. Funding to implement UB 2020 is contained  
2 in this budget. I think it's a lot further  
3 ahead than it's ever been before.

4 Thank you, Mr. President. It  
5 should be permanent, by the way.

6 ACTING PRESIDENT GRIFFO: Senator  
7 Maziarz to be recorded in the affirmative.

8 Senator Martins to explain his  
9 vote.

10 SENATOR MARTINS: Thank you,  
11 Mr. President.

12 You know, one of the priorities  
13 that we had through this budget process was to  
14 remember that there are people out there that  
15 are in real need throughout New York State and  
16 to try and reach a balance between the needs  
17 of those people -- our constituents, our  
18 residents, our neighbors, our friends, our  
19 family -- that are in need throughout New York  
20 State but at the same time remember those  
21 people who have simply been taxed to the  
22 breaking point and have been enduring more and  
23 more taxes. We are the highest-taxed state in  
24 the entire country.

25 And we made one commitment to them,



1 we would balance those two interests. And I  
2 have heard time and time again the need for us  
3 to focus on the needs of those people who are  
4 most in interest. And I agree with you, that  
5 is our commitment, all of our commitment. You  
6 do not balance a budget on the backs of those  
7 people who are most in need.

8 But at the same time, we have an  
9 equal commitment to those people who have  
10 continuously reached into their pockets and  
11 paid, time and again, more and more taxes. We  
12 have a commitment to both.

13 I believe that this budget  
14 addresses both needs. I believe that you do  
15 not just continue to spend more and more money  
16 in the hopes that you get a better result.  
17 And I believe that we have met not only our  
18 commitment to those people who are most in  
19 need but to the taxpayers of this state  
20 because we have finally restored fiscal order  
21 to New York State, and that's why I'm voting  
22 in the affirmative.

23 ACTING PRESIDENT GRIFFO: Senator  
24 Martins votes in the affirmative.

25 Announce the results.

1                   THE SECRETARY:     In relation to  
2     Calendar Number 294, those recorded in the  
3     negative are Senators Adams, Diaz, Duane,  
4     Espaillat, Hassell-Thompson, Kennedy,  
5     L. Krueger, Parker, Peralta, Perkins, Rivera,  
6     Smith and Stewart-Cousins.

7                   Ayes, 49.   Nays, 13.

8                   ACTING PRESIDENT GRIFFO:     The  
9     bill is passed.

10                  Senator DeFrancisco.

11                  SENATOR DeFRANCISCO:     Yes, I just  
12     want to stand and thank everyone who has been  
13     involved in this budget process, especially  
14     staff, who have worked tirelessly to get the  
15     product together so that we can vote in an  
16     orderly fashion.

17                  And I also want to thank members of  
18     both sides of the aisle and, as far as for the  
19     Minority, Senator Liz Krueger. She was always  
20     prepared, always asked good questions, and  
21     always cordial. And that's the way that this  
22     process should work. And hopefully it will  
23     work like this in the future in all future  
24     years as well.

25                  Thank you.

1                   ACTING PRESIDENT GRIFFO:     Thank  
2     you, Senator DeFrancisco.

3                   Senator Sampson.

4                   SENATOR SAMPSON:     Thank you very  
5     much Mr. President.

6                   Before I speak, I would just like  
7     all of my colleagues to take a moment and  
8     really congratulate our staffs for doing a  
9     phenomenal job these last couple of days to  
10    make sure they had all the information and got  
11    the work done. So we need to give them a  
12    round of applause, my colleagues.

13                  (Applause.)

14                  SENATOR SAMPSON:     They want a  
15     raise, yeah. Senator Skelos, they want a  
16     raise.

17                  First of all, I want to say when  
18     you look at New York State, it's at a  
19     crossroads. Governor Cuomo deserves credit  
20     for his leadership to bring us to an on-time  
21     budget but most of all restore New York's  
22     standing as the Empire State.

23                  Meeting a deadline may not seem  
24     like much of an accomplishment outside of  
25     Albany. Every day you have workers across

1       this state do it because that's what they do.  
2       They go to work, do their job, go home and  
3       enjoy their family.

4               But an on-time budget, my  
5       colleagues, is important because it gives  
6       New Yorkers a reason to begin to trust their  
7       leaders enough to follow them towards a  
8       brighter future.

9               Was this a tough budget? Is this  
10      tough times? And we made tough choices. I am  
11      supporting this budget, but I cast my vote  
12      with eyes wide open to the choices we are  
13      making and the political impact on  
14      middle-class families and working poor.  
15      History will judge us all by those choices, by  
16      whether we stood up to ease the burden on  
17      middle-class families or sat back while they  
18      continued to carry the sole burden of the  
19      shared sacrifices needed to solve these fiscal  
20      crisis.

21              The severity of these economic  
22      challenges facing New York demand a new  
23      direction, a new beginning. And Governor  
24      Cuomo is leading us in that direction.

25              We were sent here to make the tough

1 choices, to solve the tough problems, and  
2 above all never forget our districts. The  
3 budget did not raise taxes. But I wish it did  
4 not give a tax break to what I call the true  
5 millionaires, 70,000 people who are making  
6 over a million dollars, at a time when we have  
7 3 million schoolchildren facing these deep  
8 cuts at this time.

9 We were successful in making some  
10 educational restorations. And I want to  
11 commend Senator Andrea Stewart-Cousins for  
12 helping rectify the unfair treatment Yonkers  
13 received. But I fear the educational  
14 restorations don't go far enough. Sacrificing  
15 the promise of tomorrow by delaying the  
16 fulfillment of the promise of the Campaign for  
17 Fiscal Equity is incorrect. Allowing critical  
18 programs such as art, music, athletics,  
19 language arts means that our children will  
20 only read about the Renaissance and not  
21 experience the Renaissance.

22 We cut spending, we consolidated  
23 agencies to deliver a government that works  
24 better, costs less, and even restored vital  
25 funding for human services like Title 20 to

1       our seniors and also summer youth employment.  
2       And our children will commend us for that.  
3       But I wish we had done more to cut with care,  
4       to balance the budget in line with our values,  
5       protecting our most vulnerable citizens.

6               There were significant restorations  
7       to CUNY and SUNY critical to building the  
8       well-educated workforce that we desperately  
9       need especially during these economic times.  
10       But I wish we had included UB 2020 to build a  
11       stronger university system and a stronger  
12       economy for Western New York.

13              Senator Grisanti, I love your  
14       passion and I agree with your passion. And I  
15       trust your word. Working along with my  
16       colleague Senator Kennedy and the rest of our  
17       colleagues from Western New York, I believe it  
18       will become a reality.

19              As I said, this was a hard vote for  
20       me, a hard vote especially in my district.  
21       But these are hard choices facing New York,  
22       that they had to be made to put us on the  
23       right track. My colleagues, the only reason I  
24       voted this way is because I trust and I have  
25       faith in the Governor that these choices that

1 we are making today will put us on the road to  
2 fiscal prosperity.

3 As I vote for this budget, I hope  
4 the spirit of bipartisanship that we have  
5 experienced these last couple of days will  
6 continue and our promises will be kept. My  
7 conference is here; we made hard choices in  
8 supporting parts of this budget that goes,  
9 some of us, against our grain. But we knew we  
10 had to make tough choices.

11 Senator Skelos, I commend you for  
12 your leadership, I commend all my colleagues  
13 for their leadership for getting us to this  
14 point. But now I'm asking that you join us in  
15 making equally hard choices as we move  
16 forward.

17 I'm asking that you work with all  
18 of us and pass the extension of the rent  
19 regulation laws to prevent a disaster, what I  
20 call a tenant tax for 2.5 million people not  
21 only in New York City but in Nassau County,  
22 Rockland County and in Westchester.

23 I'm asking you also to work  
24 together so we can reach an agreement -- we  
25 talk about property tax, but at the same time

1 we need mandate relief, especially to help  
2 those middle-class families.

3 I'm asking that you work with all  
4 of us to pass an ethics package that restores  
5 faith in the Legislature and gives New Yorkers  
6 a reason to believe in a New York where  
7 anything is possible. We made the first step  
8 tonight by passing an on-time budget. The  
9 next step is ethics reform.

10 And I'm asking that you work with  
11 us to keep the promise that 54 out of 62 of us  
12 made that we pass a nonpartisan redistricting  
13 bill to make sure that politics are out of the  
14 way of drawing our electoral lines.

15 And I'm asking -- and I'm glad  
16 Senator Diaz is not here tonight -- that you  
17 partner with all of us to end the inequality  
18 same-sex couples face by bringing marriage  
19 equality to the floor.

20 Now that this budget is complete,  
21 we have the time, we have the responsibility  
22 to work on this in a bipartisan manner. I say  
23 to my colleagues: Is this ambitious? Yes, it  
24 is. Is this impossible? I say no. Is it  
25 essential? I say absolutely yes.



1                   So, my colleagues, we're on the  
2                   right track. Let's continue to be on the  
3                   right track to make sure that New York State  
4                   is on the road to being the Empire State, on  
5                   the road to fiscal prosperity, but most of all  
6                   investing in one of the most precious  
7                   commodities that we have, and that is our  
8                   children.

9                   So once again, thank you,  
10                  Mr. President. And thank you, all my  
11                  colleagues. Now tomorrow is the time we get  
12                  back to work. Thank you very much,  
13                  Mr. President.

14                 ACTING PRESIDENT GRIFFO:     Thank  
15                 you, Senator Sampson.

16                 Senator Skelos.

17                 SENATOR SKELOS:     Thank you very  
18                 much, Mr. President.

19                 And I'm delighted that this chamber  
20                 has passed not only an on-time budget but an  
21                 early budget. And I'm hopeful that the  
22                 Assembly Democrats will be able to accomplish  
23                 the same thing that we have accomplished so  
24                 that we do have an early budget.

25                 You know, this is a responsible

1 budget that has met the goals of our  
2 conference: Cut spending, reduce taxes, and  
3 empowering the private sector to create jobs.  
4 Many of you in this chamber, especially those  
5 within the Republican Conference, have heard  
6 me say this on more than numerous occasions.  
7 And in fact, when we were sitting on that side  
8 of the aisle, I think you heard me say it on  
9 more than numerous occasions. And I think  
10 that's why we are now on this side of the  
11 aisle.

12 But what I do want to thank is  
13 Senator John DeFrancisco, chair of the Finance  
14 Committee, who has done just a great job in  
15 debating the bills that have come before this  
16 chamber. John, I congratulate you on a great  
17 job.

18 (Applause.)

19 SENATOR SKELOS: Senator Krueger,  
20 we thank you for your spirited debate. I  
21 think it is totally appropriate and what  
22 should occur in this chamber when Republicans  
23 and Democrats gather and exchange ideas. So I  
24 congratulate you also on this spirited debate,  
25 and certainly all of us in this chamber for

1 participating in this great duty that we have  
2 in putting a budget together.

3 I want to thank Robert Mujica,  
4 secretary of the Finance Committee, and Diane  
5 Burman, our counsel. And all the members, the  
6 Senate, the Assembly, staff, Republican side,  
7 Democrat side, everybody did work together to  
8 make this day possible.

9 I'm also pleased that we partnered  
10 with Governor Cuomo, who really did set the  
11 right tone and worked with both Democrats and  
12 Republicans to get a sound budget in place.

13 And, Senator Sampson, I thank you  
14 for your cooperation and certainly your  
15 leadership in accomplishing what is very  
16 difficult choices for all of us in this  
17 chamber.

18 I also want to thank the Speaker  
19 for his cooperation, all of us who  
20 participated in the joint conference  
21 committees. It worked. We talked about the  
22 Budget Reform Act of 2007. You probably heard  
23 me say it so many times last year. Well, we  
24 followed the law this year, and we have an  
25 early budget. So it shows if you follow the

1 law, it works, and you can have an on-time  
2 budget.

3 You know, in the past unfortunately  
4 New York leaders have shouted past each other  
5 and have left critical challenges unmet. This  
6 budget, which has charted a new course and has  
7 made Albany functional -- and yes, Senator  
8 Diaz, I'm delighted to say it's functional and  
9 accountable to the people. And I believe that  
10 we will continue on that course.

11 Today we have enacted in this  
12 chamber, at least, the first early budget  
13 since 1983. And because of the hard work of  
14 all the Senators in this chamber, I think we  
15 should all be very proud of that.

16 As we move forward, we are  
17 committed to passing a responsible ethics  
18 reform bill. We are prepared to pass mandate  
19 relief, which is critically necessary for all  
20 local levels of government. I'm very proud  
21 that our conference was able to restore  
22 millions and millions of dollars that would  
23 have been cost-shifted to local governments.  
24 I'm proud of our conference that we've done  
25 that.

1                   And as we move forward, we have to  
2                   deal with pension relief and other issues that  
3                   are critically important not just to this  
4                   chamber but for the people of the State of New  
5                   York.

6                   And finally, jobs. It's about  
7                   jobs. I believe we've set the right tone now  
8                   with the business community that they see this  
9                   chamber, the Assembly means business, the  
10                  Governor in particular. No new taxes. You  
11                  can't tax your way into prosperity. You can't  
12                  tax your way out of economic problems. You  
13                  have to cut spending in a responsible way.  
14                  We've done that. We've sent the message to  
15                  the business community that we want you to  
16                  stay here, we want you to invest here, we want  
17                  you to grow here and we want you to create  
18                  jobs here.

19                 And yes, we will, as Governor Cuomo  
20                 indicated, finally have a UB 2020 plan before  
21                 this session is over. The Governor has  
22                 guaranteed it, and I believe that when the  
23                 Governor guarantees something, it will occur.

24                 So again, I thank all of my  
25                 colleagues here. I look forward to seeing you

1 tomorrow.

2 And if I may, is there any other  
3 further business to come before the Senate?

4 ACTING PRESIDENT GRIFFO: There  
5 is no further business before the Senate,  
6 Senator Skelos.

7 SENATOR SKELOS: Senator Libous,  
8 am I doing this okay?

9 SENATOR LIBOUS: Keep going.  
10 Eleven a.m. tomorrow.

11 SENATOR SKELOS: I move that we  
12 stand adjourned until 11:00 a.m. Thursday,  
13 March 31st, 11:00 a.m. And there will be a  
14 Republican conference at 10:30.

15 ACTING PRESIDENT GRIFFO: There  
16 will be a Republican conference at 10:30  
17 tomorrow.

18 On motion, the Senate stands  
19 adjourned until Thursday, 11:00 a.m.,  
20 March 31st. Senate is adjourned.

21 (Applause.)

22 (Whereupon, at 11:50 p.m., the  
23 Senate adjourned.)  
24  
25