

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, 2012

11 10:00 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
8 recited the Pledge of Allegiance to the Flag.)

9 ACTING PRESIDENT GRIFFO: Today
10 we are honored to have with us Imam Ohi
11 Chowdhury, of Parkchester Jame Masjid, Inc.,
12 in the Bronx.

13 Imam.

14 IMAM CHOWDHURY: (Chanting in
15 Bangla) Good morning, everybody.

16 "All mankind, verily we have
17 created you male and female and have made you
18 nations and tribes that you may know one
19 another. Certainly the noblest of you in the
20 sight of Allah is the best in conduct. Verily
21 Allah is the best knower." Chapter 49,
22 Part 13 {Quran}.

23 Thank you, everybody. May God
24 bless America, may God bless New York, may God
25 bless all of us.

1 ACTING PRESIDENT GRIFFO: Thank
2 you, Imam, for that invocation.

3 The reading of the Journal.

4 THE SECRETARY: In Senate,
5 Thursday, March 29th, the Senate met pursuant
6 to adjournment. The Journal of Wednesday,
7 March 28th, was read and approved. On motion,
8 Senate adjourned.

9 ACTING PRESIDENT GRIFFO:
10 Without objection, the Journal stands approved
11 as read.

12 Presentation of petitions.

13 Messages from the Assembly.

14 Messages from the Governor.

15 Reports of standing committees.

16 Reports of select committees.

17 Communications and reports from
18 state officers.

19 Motions and resolutions.

20 Senator Libous.

21 SENATOR LIBOUS: Mr. President,
22 I believe there's a resolution at the desk by
23 Senator Ranzenhofer, Number 3876. Could we
24 ask that it be read in its entirety and move
25 for its immediate adoption.

1 ACTING PRESIDENT GRIFFO: The
2 Secretary will read.

3 THE SECRETARY: Legislative
4 Resolution Number 3876, by Senator
5 Ranzenhofer, mourning the untimely death of
6 Sergeant William R. Wilson III of Getzville,
7 New York, and paying tribute to his courageous
8 actions as a member of the United States Army.

9 ACTING PRESIDENT GRIFFO: May I
10 have some order in the chamber, please.

11 The Secretary will continue to
12 read the entire resolution.

13 THE SECRETARY: "WHEREAS, The
14 courage and bravery of our military personnel
15 since the United States Armed Forces commenced
16 Operation Enduring Freedom will ensure our
17 continued role as a nation which embodies the
18 ideals of democracy and as a defender of
19 liberty for people throughout the world; and

20 "WHEREAS, Members of the Armed
21 Services from the State of New York who have
22 served so valiantly and honorably during
23 Operation Enduring Freedom deserve a special
24 salute from this Legislative Body; and

25 "WHEREAS, It is with feelings of

1 deepest regret that this Legislative Body
2 mourns the untimely death of Sergeant William
3 R. Wilson III of Getzville, New York, and pays
4 tribute to his courageous actions as a member
5 of the United States Army; and

6 "WHEREAS, Army Sergeant William
7 R. Wilson III was killed in Paktika Province,
8 located in the eastern part of Afghanistan, on
9 Monday, March 26, 2012. The 27-year-old Army
10 squad leader was training Afghan soldiers and
11 police to take over the country's security
12 when the United States withdraws from
13 Afghanistan in 2014; and

14 "WHEREAS, Sergeant William R.
15 Wilson III enlisted in the United States Army
16 in 2005. Although he was stationed in
17 Germany, he was serving another tour in
18 Afghanistan; and

19 "WHEREAS, Affectionately known as
20 Billy by his family, Sergeant William R.
21 Wilson III was the loving son of William and
22 Kimberly Wilson; and

23 "WHEREAS, He is a 2003 graduate
24 of Williamsville North High School and was
25 recently home visiting family in Western

1 New York; and

2 "WHEREAS, The banner of freedom
3 will always wave over our beloved New York and
4 all of America, the Land of the Free and the
5 Home of the Brave; and

6 "WHEREAS, Residents of this great
7 State must never forget the courage with which
8 these men and women served their country, and
9 must recognize that no greater debt is owed
10 than that owed to those who gave their lives
11 for their beloved nation and to those who
12 continue to be missing in action; and

13 "WHEREAS, The freedoms and
14 security we cherish as Americans come at a
15 very high price for those serving in the
16 military in times of conflict. It is fitting
17 and proper that we who are the beneficiaries
18 of those who risk their lives, leaving their
19 families behind, express our appreciation and
20 eternal gratitude for their sacrifices and
21 courageous acts; now, therefore, be it

22 "RESOLVED, That this Legislative
23 Body pause in its deliberations to mourn the
24 untimely death of Sergeant William R. Wilson
25 III of Getzville, New York, and to pay tribute

1 to his courageous actions as a member of the
2 United States Army; and be it further

3 "RESOLVED, That a copy of this
4 resolution, suitably engrossed, be transmitted to
5 the family of Sergeant William R. Wilson III."

6 ACTING PRESIDENT GRIFFO: Senator
7 Ranzenhofer.

8 SENATOR RANZENHOFER: Thank you,
9 Mr. President.

10 I'd like to express our gratitude
11 to Staff Sergeant William Wilson for his service
12 and courage that he displayed in service to our
13 country. I'd also like to express our
14 condolences to Kimberly and William Wilson, his
15 parents, and their family and friends.

16 Sergeant Wilson was a graduate of
17 Williamsville North High School, he graduated in
18 2003. As a matter of fact, he was a classmate of
19 my son's, who graduated that same year.

20 He was doing his job, serving his
21 country. He was killed while serving his
22 country. He made the ultimate sacrifice to keep
23 us safe in New York and in the United States.

24 I'd also like to thank the Governor
25 for directing that flags be lowered to half-mast

1 on Monday for Sergeant Wilson and for others who
2 have served and been killed while in combat and
3 while serving their country.

4 And again, I'd like to express our
5 gratitude and our thanks for his courage, for his
6 service to our country, and express our very,
7 very deep sorrow and condolences to his parents,
8 his family and friends.

9 Thank you, Mr. President.

10 ACTING PRESIDENT GRIFFO: Thank
11 you, Senator Ranzenhofer.

12 I ask all to remain silent for a
13 moment of reflection in honor of Sergeant William
14 R. Wilson. Please rise.

15 (Whereupon, the assemblage rose and
16 respected a moment of silence.)

17 ACTING PRESIDENT GRIFFO: On the
18 resolution, all in favor signify by saying aye.

19 (Response of "Aye.")

20 ACTING PRESIDENT GRIFFO:

21 Opposed?

22 (No response.)

23 ACTING PRESIDENT GRIFFO: The
24 resolution is adopted.

25 Senator Libous.

1 SENATOR LIBOUS: Mr. President, I
2 believe that Senator Ranzenhofer would open the
3 resolution up for cosponsorship to all members.
4 If there's any member wishing not to be on the
5 resolution, please let the desk know.

6 ACTING PRESIDENT GRIFFO: So
7 ordered.

8 Senator Libous.

9 SENATOR LIBOUS: Mr. President,
10 there's a resolution by Senator Ball at the
11 desk. Could you have its title read and move for
12 its immediate adoption.

13 ACTING PRESIDENT GRIFFO: The
14 Secretary will read.

15 THE SECRETARY: Legislative
16 Resolution Number 3915, by Senator Ball,
17 commemorating the observance of Welcome Home
18 Vietnam Veterans Day on March 30, 2012.

19 ACTING PRESIDENT GRIFFO: All in
20 favor of the resolution signify by saying aye.

21 (Response of "Aye.")

22 ACTING PRESIDENT GRIFFO:

23 Opposed?

24 (No response.)

25 ACTING PRESIDENT GRIFFO: The

1 resolution is adopted.

2 Senator Libous.

3 SENATOR LIBOUS: Mr. President,
4 there's a resolution at the desk, Number 3869, by
5 Senator Diaz. Can we please have it read in its
6 entirety and move for its immediate adoption.

7 ACTING PRESIDENT GRIFFO: The
8 Secretary will read.

9 THE SECRETARY: Legislative
10 Resolution Number 3869, by Senator Diaz,
11 celebrating Bangladesh Day.

12 "WHEREAS, March 26th is the
13 national independence day of Bangladesh. This
14 day is celebrated in Bangladesh and also all
15 around the world in honor of its country's
16 declaration of independence from Pakistan in the
17 late hours of March 25, 1971, and the start of
18 the Bangladesh Liberation War; and

19 "WHEREAS, This day is also a
20 memorial to the deaths of thousands of students,
21 civilians, political leaders, and unarmed Bengali
22 people. The Bangladesh Liberation War started
23 between West and East Pakistan; and

24 "WHEREAS, West Pakistan believed
25 they were far superior to those in East

1 Pakistan. They gave East Pakistan no
2 privileges. They had a bad economy, and no
3 rights; and

4 "WHEREAS, The first election in the
5 history of Pakistan was held on December 7,
6 1970. There were 300 seats in the parliament;
7 east Pakistan won 160 seats and West Pakistan won
8 81 seats. Instead of handing over the power to
9 the winning party, they imposed martial law on
10 East Pakistan; and

11 "WHEREAS, East Pakistani leader
12 Mr. Sheikh Mujibur Rahman urged the Bengali
13 people to turn their homes into resisting forts.
14 He said, "Our struggle is for our freedom. Our
15 struggle is for our independence." This speech
16 is what mainly inspired the nation to fight for
17 freedom; and

18 "WHEREAS, The West Pakistani army
19 sent a military plan known as Operation
20 Searchlight. It was planned to curb the
21 Bengali's movement by taking control of major
22 cities and eliminating all opposition, political
23 or military; and

24 "WHEREAS, At this point, March 26,
25 1971, the Bangladesh Liberation War had broken

1 out in the whole country. This was the day the
2 Bengali people stood up to the Pakistani Army;
3 and

4 "WHEREAS, After a nine-month-long
5 war, the Pakistani army finally surrendered
6 unconditionally. Many lives were lost, but
7 Bangladesh, as a country, gained its freedom, its
8 independence; now, therefore, be it

9 "RESOLVED, That this Legislative
10 Body pause in its deliberations to celebrate
11 Bangladesh Independence Day."

12 ACTING PRESIDENT GRIFFO: Senator
13 Diaz.

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

16 Good morning, ladies and
17 gentlemen. I would like to start by thanking
18 Senator Skelos and Senator Libous for granting me
19 the opportunity and the honor of being the
20 sponsor of this resolution today.

21 Mr. President and ladies and
22 gentlemen, today I'm proud, I am a proud
23 Puerto Rican and I am the proud sponsor of this
24 legislative resolution celebrating Bangladesh Day
25 for the first time here in this chamber, in this

1 honorable body. This is the first time that
2 we're doing this and honoring the people of
3 Bangladesh, and I feel very proud, very honored
4 to be chosen to do this.

5 Mr. President and ladies and
6 gentlemen, as you just heard, March 26th is the
7 national independence day of Bangladesh. This
8 day is celebrated in Bangladesh and also around
9 the world in honor of its country's declaration
10 of independence from Pakistan in the last hours
11 of March 25, 1971, and the start of the
12 Bangladesh Liberation War.

13 Today we commemorate and remember
14 the thousands of people who lost their lives in
15 this war. The first election in the history of
16 Pakistan was held on December 7, 1970. And I'm
17 forced to say that December 7, ladies and
18 gentlemen, is a very memorable day for my family
19 because that was the day that we lost our mother,
20 December 7, 1954. On December 7th also we know
21 what happened in America.

22 So on December 7th, Pakistan held
23 their election, and there were 300 seats in the
24 parliament. East Pakistan won 160 seats, and
25 West Pakistan, as you said before, won 81 seats.

1 But instead of handing over the power to the
2 winning party, they imposed martial law on
3 East Pakistan.

4 The leader of East Pakistan,
5 Mr. Sheikh Mujibur Rahman, urged the Bengali
6 people to turn their homes into resisting forts.
7 He inspired the nation to fight for freedom with
8 the following words, and you said it before:
9 "Our struggle is for our freedom. Our struggle
10 is for our independence."

11 Today I'm honored. In closing, I
12 want to acknowledge the leaders from the
13 Bangladesh community that came all the way from
14 New York City. We have here in the Senate
15 chambers Mr. Zakir Khan. We have Mr. Mohbub
16 Alom. We have with us Mrs. Tanmina Chowdhury.
17 We have Imam Ohi Chowdhury, who gave us the
18 invocation. We also have Mohammed Goffer
19 Chowdhury and Giash Uddin. And my lawyer, Luis
20 Sepulveda.

21 And here, over there in the
22 gallery, we have members of the Bangladesh
23 community that are honoring us today. Thank you
24 for being here.

25 It's a pleasure for me to introduce

1 this resolution for the first time here in this
2 body, and I hope that every year from now on we
3 continue doing this. Thank you for allowing me.

4 And thank you, Mr. Giash Uddin,
5 because you gave me my first donation in 1972 to
6 become an elected official. Thank you.

7 ACTING PRESIDENT GRIFFO: Thank
8 you, Senator Diaz.

9 All in favor of the resolution
10 signify by saying aye.

11 (Response of "Aye.")

12 ACTING PRESIDENT GRIFFO:

13 Opposed?

14 (No response.)

15 ACTING PRESIDENT GRIFFO: The
16 resolution is adopted.

17 Senator Libous, I may note that
18 Senator Ball has also offered up his resolution
19 for cosponsorship. If you choose not to be a
20 cosponsor, notify the desk.

21 Senator Libous.

22 SENATOR LIBOUS: Thank you,
23 Mr. President.

24 I believe there's a resolution by
25 Senator Huntley, 3518, at the desk. Could we

1 have the resolution read and call on Senator
2 Huntley.

3 ACTING PRESIDENT GRIFFO: The
4 Secretary will read.

5 THE SECRETARY: Legislative
6 Resolution Number 3518, by Senator Huntley,
7 honoring Shirley N. Moore posthumously upon the
8 occasion of the co-naming of a section of
9 150th Street between Rockaway Boulevard and
10 North Conduit Boulevard in Queens, New York, in
11 her honor on March 7, 2012.

12 "WHEREAS, It is the custom of this
13 Legislative Body to pay tribute to citizens of
14 the State of New York whose lifework and civic
15 endeavor served to enhance the quality of life in
16 their communities and the great State of
17 New York; and

18 "WHEREAS, On Wednesday, March 7,
19 2012, a section of 150th Street between
20 Rockaway Boulevard and North Conduit in Queens,
21 New York, will be co-named in Shirley Moore's
22 honor, a fitting tribute to her memory; and

23 "WHEREAS, Founding member of the
24 Southeast Queens Community Corporation, formerly
25 known as the chairperson of Community Board 12,

1 and founding member of the Southern Queens Park
2 Association, Shirley Moore passed away on
3 September 8, 1997, at the age of 72; and

4 "WHEREAS, Born on July 14, 1925,
5 Shirley Moore was one of five siblings, the
6 mother of two children, Susan Lina Moore-Jones
7 and Wayne Barnes, and was the wife of Mr. Lee
8 Moore for 52 years; in addition, she was a
9 grandmother of five and great-grandmother of 11;
10 and

11 "WHEREAS, A community activist,
12 Shirley Moore played the part of a strong and
13 determined woman with the ability to make change
14 and the power to infect her community. An
15 ever-positive figure in her children's lives,
16 Shirley Moore lead by example. Her children
17 reaped the benefits, as she was an involved
18 parent; and

19 "WHEREAS, Shirley Moore sat on the
20 board of her children's school as an active PTA
21 member. She became a den mother to the Boy and
22 Girl Scouts of her children's chapters, and also
23 sat as a member of the vestry for both
24 St. Margaret's and St. Stephens Church, teaching
25 Sunday school at both; and

1 "WHEREAS, Fortunately, Shirley
2 Moore was an advocate for all children, and as a
3 result she worked toward making sure that the
4 community recognized the need to facilitate
5 programs in response to its youth. She also
6 served on the board of the New York City Parks
7 Department to ensure that the youth in her
8 community were not left behind; and

9 "WHEREAS, Shirley Moore established
10 herself over her long career as a staunch
11 community volunteer and activist. She was
12 affiliated with quality organizations such as the
13 Guy R. Brewer United Club, the NAACP of Jamaica,
14 the Board of Directors at the Jamaica Chamber of
15 Commerce and the Advisory Board at York College,
16 to name a few; and

17 "WHEREAS, A true asset to society,
18 she believed wholeheartedly that she could make a
19 difference throughout her 35 years of
20 volunteering; and

21 "WHEREAS, Rare indeed is the
22 impressive dedication shown by an individual for
23 the benefit of others which Shirley Moore
24 displayed throughout her life; now, therefore, be
25 it

1 "RESOLVED, That this Legislative
2 Body pause in its deliberations to honor Shirley
3 N. Moore posthumously upon the occasion of the
4 co-naming of a section of 150th Street between
5 Rockaway Boulevard and North Conduit in Queens,
6 New York, in her honor; and be it further

7 "RESOLVED, That a copy of this
8 Resolution, suitably engrossed, be transmitted to
9 the family of Shirley N. Moore."

10 ACTING PRESIDENT GRIFFO: Senator
11 Huntley.

12 SENATOR HUNTLEY: Yes, thank you,
13 Mr. President.

14 Shirley N. Moore was my very, very
15 good friend for 45 years. We volunteered in all
16 aspects of community. She was not selfish. She
17 spent a lot of time away from home, helping other
18 people, as I did. We loved each other because we
19 knew, we knew we could make a difference.

20 Our children grew up together. In
21 fact, today her daughter Susan and her
22 granddaughter Nadine are with me today.

23 I'm going to tell you one thing
24 that was not in this that's very funny. Shirley
25 and I started the Christmas parties for the women

1 in Rikers Island. Every year we would go around
2 to the different department stores and collect
3 toys and toiletries and clothing, and we would go
4 up to Rikers Island to have the Christmas party
5 for the women with their children. We even
6 decorated the tree. We dragged the tree up there
7 also.

8 One Christmas party we're having a
9 great time, everyone is laughing with the kids,
10 and we're talking to the women -- because
11 basically, what we did, we counseled the women to
12 try to show them how to stay out of prison. As
13 we're doing this, we heard this bell and all of a
14 sudden someone screamed, "It's lockdown."

15 And I looked at Shirley and she
16 looked at me, and she says, "What does that
17 mean?" I says, "I don't know." We went to the
18 gate, and the guard said to us, "Sorry, ladies,
19 you can't come out now."

20 So I said, "How long will we be
21 here?" So Shirley says, "Oh, I've got to go
22 home. Lee will" -- her husband -- "Lee will
23 think I'm totally crazy." I said, "Herb will
24 kill me. We're locked up in Rikers Island with a
25 Christmas party on lockdown."

1 We were there nine hours, and what
2 a time.

3 So Shirley was that kind of
4 person. She just took chances as long as she was
5 helping people.

6 And I miss her because there are
7 not many Shirley Moores. And she certainly
8 deserves the name of this street. In fact, it
9 should have been done a long time ago.

10 And I just want to tell her
11 daughter and her granddaughter that I still think
12 about her all the time. And when I pass Southern
13 Queens Park, where she started the park garden, I
14 think about her and think how great the garden is
15 now.

16 Thank you.

17 ACTING PRESIDENT GRIFFO: Thank
18 you, Senator Huntley.

19 Senator Stavisky.

20 SENATOR STAVISKY: Thank you,
21 Mr. President.

22 I too have great memories of
23 Shirley Moore. And you notice that Senator
24 Huntley and I are smiling, because we knew the
25 real Shirley Moore.

1 I met Shirley in 1980. We were
2 both working for the Bureau of the Census.
3 Shirley was the assistant district manager in
4 South Queens, and I was the district manager of
5 Northeast Queens. And I came in, I was appointed
6 to lead the census midway through the count. So
7 we would meet for lunch every month, every three
8 weeks with the other district managers. And
9 Shirley sort of took me under her wing.

10 And I've got to tell you, it was
11 just a lot of fun working with Shirley Moore.
12 She conveyed a community spirit, a depth of
13 understanding, a sense of compassion for others.
14 And I used to see her at -- not often, but at
15 lunches, at the women's lunches. And we just
16 recalled the great memories that we have.

17 And to her daughter and to her
18 granddaughter, I tell you that we all have great
19 memories, and that's the way we all want to
20 remember Shirley Moore.

21 Thank you, Mr. President.

22 ACTING PRESIDENT GRIFFO: Senator
23 Smith.

24 SENATOR SMITH: Thank you very
25 much, Mr. President.

1 And let me congratulate my
2 colleague Senator Huntley for this resolution.

3 There are certain people in
4 politics that you admire, there are certain
5 people that you respect. From time to time you
6 fear them. Shirley Moore was somebody you
7 feared.

8 While we respected her and while we
9 honor her, fearing her wasn't because she was a
10 violent individual, fearing her was because
11 whenever she stood for a cause, you'd better be
12 clear about the fact if you were going to be on
13 the opposite side. She would rally hundreds of
14 people for a particular cause.

15 And she was someone who wouldn't
16 hesitate to grab you by the ear -- and I mean
17 that literally, as her daughter is over there
18 laughing. I'm sure you felt that ear every now
19 and then.

20 But she was loved and still is
21 loved by all of us, and I think it is very
22 fitting that we are naming a street section after
23 her. And I am honored to be on the floor this
24 day to support and second the passage of this
25 resolution by my good friend and colleague

1 Senator Shirley Huntley.

2 Thank you very much, Senator.

3 ACTING PRESIDENT GRIFFO: The
4 question is on the resolution. All in favor
5 signify by saying aye.

6 (Response of "Aye.")

7 ACTING PRESIDENT GRIFFO:
8 Opposed?

9 (No response.)

10 ACTING PRESIDENT GRIFFO: The
11 resolution is adopted.

12 Senator Libous.

13 SENATOR LIBOUS: Thank you,
14 Mr. President.

15 Mr. President, I believe there's
16 another resolution by Senator Huntley, 3519. And
17 if you would just read its title only and then
18 move for its immediate adoption.

19 ACTING PRESIDENT GRIFFO: The
20 Secretary will read.

21 THE SECRETARY: Legislative
22 Resolution Number 3519, by Senator Huntley,
23 celebrating the life and mourning the passing of
24 Tuskegee Airman William Alexander Samber, Sr.

25 ACTING PRESIDENT GRIFFO: All in

1 favor of the resolution signify by saying aye.

2 (Response of "Aye.")

3 ACTING PRESIDENT GRIFFO:

4 Opposed?

5 (No response.)

6 ACTING PRESIDENT GRIFFO: The
7 resolution is adopted.

8 Senator Libous.

9 SENATOR LIBOUS: Mr. President
10 could we now adopt the Resolution Calendar.

11 We're going a little backwards. Could we adopt
12 the overall Resolution Calendar at this time.

13 ACTING PRESIDENT GRIFFO: The
14 Resolution Calendar is before the house. All in
15 favor of adopting the Resolution Calendar signify
16 by saying aye.

17 (Response of "Aye.")

18 ACTING PRESIDENT GRIFFO:

19 Opposed?

20 (No response.)

21 ACTING PRESIDENT GRIFFO: The
22 Resolution Calendar is adopted.

23 Senator Libous.

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

1 At this time could we have the
2 noncontroversial reading of the calendar that is
3 before us.

4 ACTING PRESIDENT GRIFFO: The
5 Secretary will read.

6 THE SECRETARY: Calendar Number
7 478, by the Committee on Rules, Senate Print
8 6830, an act to amend the Education Law.

9 SENATOR BRESLIN: Lay it aside.

10 ACTING PRESIDENT GRIFFO: Lay the
11 bill aside.

12 THE SECRETARY: On page 23,
13 Senator DeFrancisco moves to discharge, from the
14 Committee on Finance, Assembly Bill Number 9050D
15 and substitute it for the identical Senate Bill
16 Number 6250D, Third Reading Calendar 480.

17 ACTING PRESIDENT GRIFFO:
18 Substitution so ordered.

19 The Secretary will read.

20 THE SECRETARY: Calendar Number
21 480, Budget Bill, Assembly Print Number 9050D --

22 SENATOR BRESLIN: Lay it aside.

23 ACTING PRESIDENT GRIFFO: Lay the
24 bill aside.

25 THE SECRETARY: Calendar Number

1 481, Senate Budget Bill, Senate Print 6251B,
2 LEGISLATURE AND JUDICIAL BUDGET.

3 SENATOR BRESLIN: Lay it aside.

4 ACTING PRESIDENT GRIFFO: Lay the
5 bill aside.

6 THE SECRETARY: Calendar Number
7 482, Budget Bill, Senate Print 6253E --

8 SENATOR BRESLIN: Lay it aside.

9 ACTING PRESIDENT GRIFFO: Lay it
10 aside.

11 THE SECRETARY: Calendar Number
12 483, Budget Bill, Senate Print 6254D, CAPITAL
13 PROJECTS BUDGET.

14 SENATOR BRESLIN: Lay it aside.

15 ACTING PRESIDENT GRIFFO: Lay it
16 aside.

17 THE SECRETARY: Calendar Number
18 484, Budget Bill, Senate Print 6256D, an act to
19 amend the Public Health Law.

20 SENATOR BRESLIN: Lay it aside.

21 ACTING PRESIDENT GRIFFO: Lay it
22 aside.

23 THE SECRETARY: Calendar Number
24 485, Budget Bill, Senate Print 6257E, an act in
25 relation in school district eligibility.

1 SENATOR BRESLIN: Lay it aside.

2 ACTING PRESIDENT GRIFFO: Lay the
3 bill aside.

4 THE SECRETARY: Calendar Number
5 486, Budget Bill, Senate Print 6259D, an act to
6 amend Chapter 540 of the Laws of 1992.

7 SENATOR BRESLIN: Lay it aside.

8 ACTING PRESIDENT GRIFFO: Lay it
9 aside.

10 Senator Libous, that completes the
11 noncontroversial reading of the calendar.

12 SENATOR LIBOUS: Mr. President,
13 we'll have the controversial reading. But what I
14 would like to do is take up Calendar Number
15 480 first.

16 ACTING PRESIDENT GRIFFO: So
17 noted. The Secretary will ring the bell.

18 The Secretary will read Calendar
19 Number 480.

20 THE SECRETARY: Calendar Number
21 480, substituted earlier today, Budget Bill,
22 Assembly Print 9050D, STATE OPERATIONS BUDGET.

23 ACTING PRESIDENT GRIFFO: Senator
24 Krueger.

25 SENATOR KRUEGER: Thank you,

1 Mr. President. If the sponsor could please
2 yield.

3 SENATOR DeFRANCISCO: Yes.

4 ACTING PRESIDENT GRIFFO: The
5 sponsor yields.

6 SENATOR KRUEGER: Thank you very
7 much.

8 To start us off, do we have on our
9 desks the report prepared by the Senate to
10 include for the General Fund a summary of
11 proposed legislative revisions to the Executive
12 Budget for the ensuing fiscal year, separately
13 identifying and presenting all legislative
14 additions, reestimates and other revisions that
15 increase or decrease disbursements and separately
16 identify and present all legislative reestimates
17 and other revisions that increase or decrease
18 available resources?

19 The Legislative Law Section 54
20 requires this and includes that, where
21 practicable, it display and separately identify
22 all legislative additions, reestimates and other
23 revisions that increase or decrease state funds
24 and All Funds spending, including an estimate of
25 the impact of the proposed revisions on local

1 governments and the state workforce.

2 SENATOR DeFRANCISCO: It is not
3 presently on the desks, but I understand it's on
4 its way. And I think it basically summarizes
5 what's been out in the public for the last at
6 least three days on each of the bills here. But
7 they're making copies right now.

8 ACTING PRESIDENT GRIFFO: Senator
9 Krueger.

10 SENATOR KRUEGER: I will happily
11 revisit that question when that report is made
12 available and on our desks. So I appreciate the
13 sponsor's answer to the question.

14 Excuse me one second while I just
15 jump to the actual bill for now, since we aren't
16 going to deal with the report right this second.

17 My understanding is that -- excuse
18 me, Mr. President. Through you, if the sponsor
19 would yield.

20 ACTING PRESIDENT GRIFFO: The
21 sponsor yields.

22 SENATOR KRUEGER: Thank you.

23 So my understanding is that there
24 is a difference in the original interchange
25 language and transfer language that was in the

1 Governor's proposed state operations bill and the
2 language that we see before us today.

3 And specifically, in the Office of
4 Aging the interchange language is included under
5 several federal programs, such as the federal
6 human services fund, the federal operating
7 grants.

8 Why is the appropriation language
9 necessary in federal program appropriations? And
10 can we find the appropriation language in other
11 state agencies that receive federal funds for
12 state ops?

13 SENATOR DeFRANCISCO: The reason
14 it's in the appropriation language is because we
15 are going to appropriate the funds and spend
16 those funds from the federal government. And to
17 spend, you have to appropriate.

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

21 ACTING PRESIDENT GRIFFO: The
22 sponsor yields.

23 SENATOR KRUEGER: Thank you.

24 Again, I think I'm really asking
25 about the new powers to interchange language

1 after the budget is passed vis-a-vis certain
2 programs with federal funds. So do we know how
3 many different federal programs throughout the
4 budget have this interchange language where we
5 would be applying a new set of standards to the
6 use of federal money?

7 SENATOR DeFRANCISCO: That would
8 be true for all state appropriations.

9 SENATOR KRUEGER: Thank you,
10 Mr. President.

11 If the sponsor could continue to
12 yield.

13 SENATOR DeFRANCISCO: Yes.

14 ACTING PRESIDENT GRIFFO: The
15 sponsor yields.

16 SENATOR KRUEGER: Thank you.

17 Can the sponsor share with me what
18 the total level of appropriations is in the State
19 Operations Budget bill?

20 SENATOR DeFRANCISCO: I can look
21 it up. I can tell you the total amount of
22 spending is \$132.6 billion. I hadn't really
23 broken it down between each of the budget bills,
24 but I'm sure I could find it for you.

25 SENATOR KRUEGER: Through you,

1 Mr. President, if the sponsor would continue to
2 yield.

3 ACTING PRESIDENT GRIFFO: The
4 sponsor yields.

5 SENATOR KRUEGER: Could the
6 sponsor tell me, in the State Ops bill is the
7 appropriations level above or below what the
8 Governor originally proposed?

9 SENATOR DeFRANCISCO: It is
10 slightly above.

11 SENATOR KRUEGER: If the sponsor
12 would continue to yield, Mr. President.

13 ACTING PRESIDENT GRIFFO: The
14 sponsor yields.

15 SENATOR DeFRANCISCO: Yes.

16 SENATOR KRUEGER: Thank you.

17 Is there any federal ARRA funding
18 authorized in this bill?

19 SENATOR DeFRANCISCO: I'm sorry,
20 what was that?

21 SENATOR KRUEGER: Is there any
22 federal ARRA funding authorized or reauthorized
23 in this bill?

24 SENATOR DeFRANCISCO: Yes.

25 SENATOR KRUEGER: Through you,

1 Mr. President, could the sponsor tell me what
2 amounts and for what purposes?

3 SENATOR DeFRANCISCO:

4 Approximately \$20 billion of previous
5 appropriations.

6 SENATOR KRUEGER: Through you,
7 Mr. President, if the sponsor would continue to
8 yield.

9 SENATOR DeFRANCISCO: Yes.

10 ACTING PRESIDENT GRIFFO: The
11 sponsor yields.

12 SENATOR KRUEGER: Twenty billion
13 in previous -- I'm sorry, \$20 billion or
14 \$20 million? I'm not sure I heard him correctly.

15 SENATOR DeFRANCISCO: Twenty
16 billion of reappropriations.

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

20 SENATOR DeFRANCISCO: Yes.

21 ACTING PRESIDENT GRIFFO: The
22 sponsor yields.

23 SENATOR KRUEGER: Thank you.

24 That's all within the State
25 Operations bill?

1 SENATOR DeFRANCISCO: No, it's in
2 that bill plus the Aid to Localities bill. I
3 haven't broken down the actual amounts as far as
4 each of the respective bills.

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

8 ACTING PRESIDENT GRIFFO: The
9 sponsor yields.

10 SENATOR DeFRANCISCO: Yes.

11 SENATOR KRUEGER: Thank you.

12 I certainly want to give the
13 sponsor leeway in my questions because I agree,
14 any number of these questions I have, the
15 answers are actually spread across several state
16 budget bills, and I do understand that.

17 So in a variety of bills, state
18 debt is increased in this full budget. Can the
19 sponsor tell me how much state debt for 2012-2013
20 there is and how much that is over what we took
21 on as new state debt in the last budget year?

22 SENATOR DeFRANCISCO: We are
23 living within the debt cap for state debt, and
24 there was a slight increase in the MTA
25 authority's debt. But we're still living within

1 the debt cap of the state operations.

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

5 SENATOR DeFRANCISCO: Yes.

6 ACTING PRESIDENT GRIFFO: The
7 sponsor yields.

8 SENATOR KRUEGER: I'm assuming we
9 are within the state debt cap because we would
10 have a big problem if we were passing bills today
11 that went higher than the state debt cap.

12 But again, my question is, how much
13 state debt are we taking on this year? I guess I
14 will edit that by how close are we to the cap,
15 and how much higher is the debt we are taking on
16 this year than last year?

17 So it's three questions,
18 Mr. President.

19 SENATOR DeFRANCISCO: There's a
20 \$1.2 billion increase, and we're \$1.2 billion
21 away from the cap.

22 SENATOR KRUEGER: I appreciate the
23 sponsor's answer. Thank you, Mr. President.

24 To continue to another section or a
25 section of the bill, the State Operations Budget

1 includes an additional \$1.275 million for the
2 Department of Environmental Conservation, and
3 \$775,000 is appropriated to expenses relating to
4 the Invasive Species Program.

5 Can the sponsor help me understand
6 what that money is to be used for and how it will
7 be allocated?

8 SENATOR DeFRANCISCO: I'm being
9 informed that the dollars for invasive species is
10 dollars throughout the state. They could be in
11 the Finger Lakes, they could be in Lake George,
12 they could be anywhere where invasive species are
13 a problem. And that's what those dollars were
14 allocated for.

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

18 SENATOR DeFRANCISCO: Actually
19 it's the eradication of invasive species. We're
20 not trying to create them.

21 SENATOR KRUEGER: I agree. I'm
22 delighted we're not trying to create more
23 invasive species. We have enough already.

24 My understanding is this will
25 actually be distributed, as the sponsor said,

1 through a variety of programs around the state.

2 So my question is why isn't this in the Aid to
3 Localities Budget? Is this not itemized for
4 specific localities to deal with individual
5 invasive species problems they are having?

6 SENATOR DeFRANCISCO: The monies
7 are being taken out of the dedicated Conservation
8 Fund, and there was some issues as to when
9 different parts of the budget were concluded and
10 when they were closed and when the bills were
11 printed. And as well when the eradication has to
12 take place, which is in early spring.

13 SENATOR KRUEGER: Thank you,
14 Mr. President. If the sponsor would continue to
15 yield.

16 SENATOR DeFRANCISCO: Yes.

17 ACTING PRESIDENT GRIFFO: The
18 sponsor yields.

19 SENATOR KRUEGER: Thank you.

20 The Executive Budget proposed to
21 decrease \$968,550,000 to the General Fund in
22 spending for SUNY state-operated colleges by
23 transferring this amount to the general offset
24 account. Is this transfer still included as part
25 of the agreed-upon budget before us today?

1 SENATOR DeFRANCISCO: Yes.

2 SENATOR KRUEGER: Thank you.

3 Through you, Mr. President, if the
4 sponsor would continue to yield.

5 ACTING PRESIDENT GRIFFO: The
6 sponsor yields.

7 SENATOR KRUEGER: Thank you.

8 So can the sponsor help explain to
9 me what the fiscal impact of the transfer of
10 HESC, Higher Education Service Corporation debt
11 collection functions to the Department of Tax and
12 Finance will mean for us in the coming year? How
13 many positions will be transferred, and will
14 there be a change of revenue in this program?

15 SENATOR DeFRANCISCO: There is no
16 money attached to it, and there's therefore no
17 fiscal impact.

18 SENATOR KRUEGER: Through you,
19 Mr. President, if the sponsor would continue to
20 yield.

21 ACTING PRESIDENT GRIFFO: The
22 sponsor yields.

23 SENATOR KRUEGER: Thank you.

24 In the original Executive Budget
25 the Governor had a line item for a Tenant

1 Protection Unit within the Department of Housing
2 and Community -- DHCR. I'm sorry, I'm blanking
3 on the "R." I don't believe that is in the final
4 budget. Can the sponsor explain to me why that
5 was rejected or why that's no longer in the
6 budget?

7 SENATOR DeFRANCISCO: Yes. First
8 of all, the New York City government did not want
9 that program. Number two, the Legislature -- or
10 at least the final budget did not appropriate any
11 funds for that function.

12 However, the Governor has indicated
13 that out of existing funds he was going to make
14 certain that that organization was funded. And
15 in fact I think an executive director has been
16 hired, a deputy executive director has been
17 hired, and the program is actually beginning, and
18 the Governor is finding the funds from a
19 different source rather than allocating
20 additional funds for that purpose.

21 SENATOR KRUEGER: Through you,
22 Mr. President, on the bill.

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

25 SENATOR KRUEGER: Thank you. I

1 want to thank my colleague Senator DeFrancisco
2 for the answers to the questions of what will no
3 doubt become a long day of questions in order to
4 ensure that everyone in the Senate has an
5 opportunity to ask clarifications and go on the
6 record with the concerns they may have or the
7 happy news they may find in the budget.

8 This bill, when I look at it,
9 rejects HESC moving functions of college debt
10 collection to the Department of Taxation and
11 Finance; rejects the merger from the original
12 Governor's proposal of the Department of Civil
13 Service and the Office of Employee Relations into
14 a new workforce management department; creates
15 the Office of new Americans in the Department of
16 State, with funding for it; includes additional
17 spending authority to CUNY and SUNY; increases by
18 \$1.25 million the Department of Environmental
19 Conservation's Invasive Species Program and
20 another half a million for related fish stocking
21 and game farm operations; and maintains the 11
22 Department of Transportation regional offices.

23 Many people in this chamber today
24 on both sides of the aisle, I think, are pleased
25 to see these changes compared to the Governor's

1 original proposed budget.

2 I am only mildly disturbed that the
3 specific funding line for the Tenant Protection
4 Unit in DHCR has been removed, because I actually
5 agree with the sponsor that the state is
6 committed to making sure that this program is
7 fully running and operational without trying to
8 bill a cost to the City of New York.

9 Just for the record, I don't think
10 the City of New York is opposed to this important
11 unit, I think they were opposed to being sent the
12 bill for this important unit.

13 I think that some of my other
14 colleagues may have additional questions for the
15 sponsor on the bill. Thank you, Mr. President.

16 ACTING PRESIDENT GRIFFO: Senator
17 Stavisky.

18 SENATOR STAVISKY: Thank you,
19 Mr. President. If Senator DeFrancisco would
20 yield for some questions.

21 SENATOR DeFRANCISCO: Yes.

22 SENATOR STAVISKY: The Executive
23 Budget proposed a decrease of \$968 million in the
24 General Fund for the SUNY state-operated colleges
25 by transferring this amount into the General

1 Fund, the general offset account. Was this
2 transfer part of the agreement between the --
3 both houses and the Governor?

4 I'm sorry, I withdraw that
5 question. I withdraw the question.

6 SENATOR DeFRANCISCO: Okay.

7 SENATOR STAVISKY: My mistake.

8 The Senate proposed to correct an
9 error made last year by eliminating the gradual
10 tuition revenue increase approved by the
11 Legislature, the rational tuition, in 2009. This
12 would have provided support for CUNY in the
13 amount of \$11 million and SUNY in the amount of
14 \$16.5 million.

15 Is this included in the bill before
16 us today?

17 SENATOR DeFRANCISCO: It is not
18 included in this bill. The fix you're talking
19 about is not part of this bill. And in fact it's
20 not part of any subsequent bill either.

21 SENATOR STAVISKY: It's not in any
22 chapter amendment?

23 SENATOR DeFRANCISCO: It is not.

24 SENATOR STAVISKY: Will the
25 Senator yield for another question?

1 SENATOR DeFRANCISCO: Yes.

2 ACTING PRESIDENT GRIFFO: The
3 sponsor yields.

4 SENATOR STAVISKY: There is a
5 \$28 million restoration for the SUNY hospitals in
6 this bill before us. How is that \$28 million
7 going to be appropriated?

8 SENATOR DeFRANCISCO: How is it
9 going to be distributed?

10 SENATOR STAVISKY: Distributed,
11 yeah.

12 SENATOR DeFRANCISCO: It's going
13 to be distributed among the three teaching
14 hospitals, one-third apiece.

15 SENATOR STAVISKY: So it's going
16 to be one-third, one-third, one-third?

17 SENATOR DeFRANCISCO: Correct.

18 SENATOR STAVISKY: If the Senator
19 would continue to yield on this point.

20 SENATOR DeFRANCISCO: Yes.

21 ACTING PRESIDENT GRIFFO: The
22 Senator yields.

23 SENATOR STAVISKY: Downstate
24 has unique problems and in fact there are serious
25 questions of its survival. It has to -- it can

1 only survive with SUNY support. Is there any
2 provision to help the special needs of the
3 Downstate facility that's attached -- SUNY
4 Downstate Medical School, I'm talking about the
5 medical center.

6 SENATOR DeFRANCISCO: First of
7 all, I understand that some hospitals may have
8 difficulties but I don't believe it's fair to
9 penalize the other hospitals just because they're
10 operating in an effective way. So that's why
11 it's one-third, one-third, one-third.

12 There is also \$400 million in HEAL
13 money that no question that Brooklyn is going to
14 be getting a large portion of that, the Brooklyn
15 Hospital. And there's also, I think, another
16 \$60 million of aid to the SUNY hospitals that is
17 also a pot of money that's available generally to
18 SUNY hospitals.

19 SENATOR STAVISKY: If the Senator
20 would yield on an additional question on this
21 topic.

22 SENATOR DeFRANCISCO: Yes.

23 SENATOR STAVISKY: I thought we
24 have gotten away from the flat grant approach,
25 which is really what one third, one third, one

1 third is, and that we're tending to apportion aid
2 based upon need rather than the flat grant, which
3 is somewhat unequalizing.

4 SENATOR DeFRANCISCO: Except that,
5 as I mentioned before, there is another
6 \$60 million that is not allocated. It's subject
7 to the needs of the various hospitals and the
8 decisions made by the Health Department and the
9 Governor's office. So it's not a pure one-third,
10 one-third, one-third, it's just as to that
11 \$28 million.

12 And plus the HEAL grants -- in
13 fact, people in other areas of the state are
14 concerned that Brooklyn Hospital's needs are so
15 great that a lot of the \$400 million will be
16 taken by -- or given to the Brooklyn Hospital.
17 And if you look at the rest of the state, they're
18 not too happy about that either.

19 But the fact of the matter is those
20 are two additional pots.

21 SENATOR STAVISKY: Because I do
22 want to emphasize that Downstate has not only a
23 unique need but also serves a unique population
24 which does not have access to other healthcare.

25 If the Senator would yield for one

1 final question.

2 SENATOR DeFRANCISCO: Yes.

3 SENATOR STAVISKY: The SUNY 2020
4 plan authorized tuition increases for
5 out-of-state students. Has this been
6 implemented?

7 SENATOR DeFRANCISCO: I don't
8 know. I don't know. But it's not -- the
9 authorization was given. I don't know -- it's
10 not part of this budget, so I don't really know
11 whether it's been implemented or not.

12 SENATOR STAVISKY: If the Senator
13 would continue to yield.

14 SENATOR DeFRANCISCO: Yes.

15 SENATOR STAVISKY: It was
16 authorized last year. And I understand they have
17 not increased the tuition for the out-of-state
18 residents. And this is revenue that really
19 should be coming in to us.

20 But again, I thank you for your
21 answers. Thank you.

22 ACTING PRESIDENT GRIFFO: Thank
23 you, Senator Stavisky.

24 Senator Peralta.

25 SENATOR PERALTA: Yes, thank you,

1 Mr. President. Would Senator DeFrancisco yield
2 for a question.

3 SENATOR DeFRANCISCO: Yes.

4 ACTING PRESIDENT GRIFFO: Senator
5 DeFrancisco yields.

6 SENATOR PERALTA: I would like to
7 read a portion of a contract language that was
8 agreed upon with PEF and then I'd like to ask a
9 question.

10 SENATOR DeFRANCISCO: Okay. Can
11 you identify the contract, who the parties were?

12 SENATOR PERALTA: Yes. It's the
13 contract language in the PEF New York State
14 collective bargaining agreement for 2011 through
15 2015 relating to no layoffs. Section 21.2, the
16 Workforce Reduction Limitation.

17 There are three provisions in that,
18 the Workforce Reduction Limitation. (A) For
19 fiscal years 2011 through 2012 and 2012 through
20 2013, employees shall be protected from layoffs
21 resulting from the facts and circumstances that
22 gave rise to the present need for 450 million in
23 workforce savings.

24 (B) For the term of the agreement,
25 only material unanticipated changes in the

1 state's fiscal circumstances, financial plan, or
2 revenue will result in potentially layoffs.

3 And (C) workforce reductions due to
4 the closure or restructuring of facilities as
5 authorized by legislation or the SAGE Commission
6 determinations are excluded from these
7 limitations.

8 So regarding this budget
9 appropriation transfer language, do you feel that
10 its legislative intent -- that reductions in the
11 workforce related to the consolidation of
12 administrative functions authorized in this
13 budget fall within the stated exemptions? And if
14 they do, would layoffs be permitted?

15 SENATOR DeFRANCISCO: I charge for
16 my legal advice.

17 But in interpreting the contract,
18 the legislative intent is I don't think relevant
19 here, because the actual management of the state
20 government and the operations budget is the
21 Governor's office. And whether or not there have
22 been -- we have not been informed that there's
23 been any layoffs by the Governor. And it's my
24 understanding that some of the negotiations that
25 took place earlier averted those layoffs.

1 So I don't think there's a --
2 there's no legislative intent that I can see that
3 would prohibit the Governor from his normal
4 powers of managing the operations of the state.

5 SENATOR PERALTA: Still, Section
6 C -- through you, Mr. President, Section C I'll
7 read again: "Workforce reductions due to the
8 closure or restructuring of facilities as
9 authorized by legislation or the SAGE Commission
10 determinations are excluded from these
11 limitations."

12 So if this is not legislated, does
13 this apply?

14 SENATOR DeFRANCISCO: The SAGE
15 Commission has not provided us a report yet, so
16 there's nothing the Legislature could act upon.

17 SENATOR PERALTA: So does this
18 budget language constitute legislative authority?

19 SENATOR DeFRANCISCO: This
20 legislation is unrelated to SAGE's operations,
21 which is what is referred to in paragraph C
22 there.

23 SENATOR PERALTA: It's authorized
24 by legislation or SAGE.

25 SENATOR DeFRANCISCO: All right.

1 Does this legislation -- are you asking if this
2 legislation authorizes layoffs?

3 SENATOR PERALTA: Yes.

4 SENATOR DeFRANCISCO: No. This
5 legislation is neutral on layoffs.

6 SENATOR PERALTA: So the
7 legislative intent of this language would not
8 authorize layoffs?

9 SENATOR DeFRANCISCO: I didn't say
10 that. I just said the language is neutral
11 insofar as there's no indication that layoffs are
12 requested, contemplated or -- we don't know what
13 the Governor is going to do.

14 This legislation simply provides an
15 appropriation. The Governor has to manage the
16 government.

17 SENATOR PERALTA: Okay. Thank you
18 very much.

19 ACTING PRESIDENT GRIFFO: Thank
20 you, Senator Peralta.

21 Senator Diaz.

22 SENATOR DIAZ: Mr. President, on
23 the bill.

24 ACTING PRESIDENT GRIFFO: Senator
25 Diaz on the bill.

1 SENATOR DIAZ: I'm not going to
2 ask you no questions.

3 I'm just -- this is the first piece
4 of one, two, three, four, five, six, seven pieces
5 of legislation that we are going to do today.
6 And I see and I hear people asking questions on
7 the first one. So, Mr. President and ladies and
8 gentlemen, I have to ask, why is it that we're
9 asking questions? Is it because we don't know
10 what are we voting for? And if we don't know
11 what are we voting for, then we should vote no.

12 And my question is, what is it we
13 are asking questions for? If we are asking
14 questions one hour, spending one hour asking
15 questions, that means that we don't know what is
16 in the budget. Because if we know what does the
17 budget include, ladies and gentlemen, we know, we
18 don't have to ask questions. But if we don't
19 know, then vote no.

20 Or if you have questions, what is
21 the purpose? Because if you are asking
22 questions, one hour asking questions, I imagine,
23 I believe, I assume that you're voting no. But
24 don't please stand here breaking a budget apart,
25 telling and showing the whole world how bad and

1 how rotten this budget is -- and then to vote
2 yes? It doesn't make sense. I cannot understand
3 that.

4 For example, this piece of
5 legislation today does eliminate the Tenant
6 Protection Unit, division. I mean there is no
7 protection for the tenants in our communities.
8 What are we voting yes for? That, Mr. President,
9 is the reason why I am voting no on the first
10 piece of legislation.

11 I'm not going to ask you questions,
12 Senator DeFrancisco, because I know what I'm
13 doing and I know who I'm defending. The tenants,
14 at least, they don't have protection in this
15 one.

16 So I will be voting no in this
17 first one, and then we'll be talking on the other
18 ones. Thank you, Mr. President.

19 ACTING PRESIDENT GRIFFO: Thank
20 you, Senator Diaz.

21 Is there any other Senator wishing
22 to be heard?

23 Senator Peralta.

24 SENATOR PERALTA: Yes, I believe
25 that the reason that we're asking questions is

1 for clarification.

2 SENATOR DIAZ: Because we don't
3 know.

4 SENATOR PERALTA: Clarification on
5 certain statements that we need answers on.

6 And I believe that if we can get
7 those clarifications then we can make a better
8 decision when it comes to voting on these budget
9 bills.

10 And I understand the antics. I
11 understand the playing to the cameras. But this
12 is serious work.

13 SENATOR DIAZ: It is.

14 SENATOR PERALTA: We need to
15 understand and be clear about what is in these
16 budget bills. And therefore one of our
17 responsibilities as legislators, as Senators, is
18 to clarify, is to ask questions and to ask them
19 on the floor.

20 So therefore I believe that we're
21 within our right to ask these questions on both
22 sides of the aisle. And that's why we're asking
23 these questions for clarification. And some of
24 us will vote yes and some of us will vote no, but
25 the bottom line is we need to be clear on what

1 we're voting for.

2 Thank you, Mr. President.

3 ACTING PRESIDENT GRIFFO: Senator
4 Espaillat.

5 SENATOR ESPAILLAT: Yes,
6 Mr. President. On the bill.

7 ACTING PRESIDENT GRIFFO: Senator
8 Espaillat on the bill.

9 SENATOR ESPAILLAT: This bill
10 addresses some of the housing matters in our
11 state.

12 Last year we passed the extension
13 of rent regulations. There was a very long and
14 contentious debate about tenant protections and
15 rent regulation. Subsequent to that debate, we
16 were encouraged that this year we will get a
17 Tenant Protection Unit implemented to allow
18 tenants to go to in case their rights were being
19 violated, to track down unscrupulous landlords
20 who prey on tenants, hike their rents illegally,
21 or perhaps drag them to court to evict them.

22 And this bill does not fiscally
23 implement that. In fact, it eliminates that. I
24 know that there have been promises made that the
25 Tenant Protection Unit will be implemented

1 next year or this year administratively within
2 the housing agency. But many promises are made
3 in the hallways of Albany, and very often many of
4 them are not kept.

5 So until I see the funding for such
6 unit in writing, in this budget, I am compelled
7 to vote no on this particular bill.

8 SENATOR DIAZ: Thank you.

9 ACTING PRESIDENT GRIFFO: The
10 debate is closed, and the Secretary will ring the
11 bell.

12 Read the last section.

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

15 ACTING PRESIDENT GRIFFO: Call the
16 roll.

17 (The Secretary called the roll.)

18 ACTING PRESIDENT GRIFFO: Senator
19 Perkins, to explain his vote.

20 SENATOR PERKINS: Thank you very
21 much.

22 I'm going to have to vote no. I am
23 concerned about the absence of funding for the
24 Tenant Protection Unit. And I do recall, not
25 just in the halls but also in the suites and

1 other areas having discussions that made
2 commitments towards that end, as well as having
3 spent some time in civil disobedience in support
4 of that.

5 So because of those reasons, I will
6 vote no on this bill in hopes that that promise
7 will be fulfilled sooner than later.

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

10 Senator Diaz to explain his vote.

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

13 I'm glad that some of my colleagues
14 are joining me in voting no because of that
15 reason, because of that reason. We are here, we
16 are here to protect our communities. We are not
17 here to set ourselves up to the Governor or to
18 anybody else. We have a calling, a calling to
19 protect and defend our community.

20 And this is a -- this is
21 outrageous. There is no tenant protection here.
22 We're going to go back to our community and
23 confront our people and say, Oh, we're going to
24 fight for you to defend your rights as tenants,
25 and then vote yes? No sir, no way, no how.

1 I'm voting no too.

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

4 Senator Parker to explain his vote.

5 SENATOR PARKER: Thank you,
6 Mr. President. To explain my vote.

7 Once again, I know this has been a
8 tough process. And congratulations to the staff
9 and to my colleagues who have been working on
10 this difficult thing. Although it's well
11 documented my displeasure with the process, I do
12 appreciate how much it does take to get this
13 thing actually done.

14 I'm going to stand with my
15 colleagues who are not happy about the fact that
16 we have eliminated a Tenant Protection Unit for
17 the Division of Housing and Community Renewal.
18 This was supposed to be an important thing,
19 especially after last year and doing the rent
20 control thing, that this was supposed to be
21 really the next step to making sure that tenants
22 were really protected in the State of New York.

23 We also -- the Executive includes
24 interchange language in the state operations
25 appropriation that would authorize OGS to

1 interchange transfer authority. This is not, I
2 think, a proper use of this authority at this
3 time, and so I'm going to be voting no on this as
4 well.

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

7 Announce the results.

8 Senator Krueger, excuse me.

9 Senator Krueger to explain her vote.

10 SENATOR KRUEGER: Thank you.

11 Thank you very much, Mr. President. I think I
12 was on the list.

13 I appreciate my colleagues'
14 points. I am also disappointed, as I said
15 before, about there being no funding for the
16 Tenant Protection Unit.

17 But again, because I believe there
18 has been a commitment made by the Governor's
19 office to assure that this unit will be fully
20 staffed and operational in this fiscal year, I am
21 prepared to vote yes on this bill because of my
22 belief that the commitment is there and the
23 ability is there for DHCR to provide the services
24 of this very important unit.

25 But I share my colleagues'

1 disappointment that I believe it should have been
2 a specific program line item within this budget
3 bill.

4 Thank you, Mr. President.

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

7 Announce the results.

8 THE SECRETARY: In relation to
9 Calendar Number 480, those recorded in the
10 negative are Senators Adams, Diaz, Duane,
11 Espaillat, Hassell-Thompson, Montgomery, Parker,
12 Perkins, and Rivera.

13 Ayes, 51. Nays, 9.

14 ACTING PRESIDENT GRIFFO: The bill
15 is passed.

16 Senator Libous.

17 SENATOR LIBOUS: Mr. President, at
18 this time could we take up Calendar 483, please.

19 ACTING PRESIDENT GRIFFO: The
20 Secretary shall read.

21 THE SECRETARY: On page 23,
22 Senator DeFrancisco moves to discharge, from the
23 Committee on Finance --

24 ACTING PRESIDENT GRIFFO: Excuse
25 me, Chris.

1 Could I have some order, please.

2 The Secretary will read.

3 THE SECRETARY: On page 23,
4 Senator DeFrancisco moves to discharge, from the
5 Committee on Finance, Assembly Bill Number 9054D
6 and substitute it for the identical Senate Bill
7 Number 6254D, Third Reading Calendar 483.

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

10 The Secretary will read.

11 THE SECRETARY: Calendar Number
12 483, Budget Bill, Assembly Print Number 9054D,
13 CAPITAL PROJECTS BUDGET.

14 ACTING PRESIDENT GRIFFO: The bill
15 is before the house.

16 Senator Krueger, Senator Stavisky
17 had requested prior to your rising. Do you want
18 to defer to her or would you like to lead?

19 SENATOR KRUEGER: I would like to
20 defer to her, with one question, Mr. President,
21 through you.

22 ACTING PRESIDENT GRIFFO: Sure.

23 SENATOR KRUEGER: We have just
24 received on our desks the Enacted Budget
25 Summary. We have not had time to look at it. Is

1 this the document that meets the requirements of
2 the 2007 Budget Reform Act that I referenced
3 earlier requiring a specific summary report with
4 differences from the Executive and the dollar
5 amounts up and down in each appropriation
6 category?

7 ACTING PRESIDENT GRIFFO: Senator
8 DeFrancisco.

9 SENATOR DeFRANCISCO: Yes.

10 SENATOR KRUEGER: Thank you,
11 Mr. President. I will now defer to Senator
12 Stavisky.

13 ACTING PRESIDENT GRIFFO: Senator
14 Stavisky.

15 SENATOR STAVISKY: Thank you,
16 Mr. President. If the Senator would yield for
17 several questions.

18 SENATOR DeFRANCISCO: Yes.

19 ACTING PRESIDENT GRIFFO: The
20 Senator yields.

21 SENATOR STAVISKY: Through you,
22 Mr. President, does the Capital Projects Budget
23 bill provide for a five-year capital plan for
24 CUNY and SUNY?

25 SENATOR DeFRANCISCO: No, it does

1 not. The only -- the capital that's referred to
2 in this budget is primarily the \$130 million that
3 the Governor first proposed for the Economic
4 Development Councils. During the negotiations,
5 \$20 million was put into that program in addition
6 to the \$130 million, so a total of \$150 million.

7 And the only other amount for
8 capital projects in economic development is
9 \$20 million that is in the Economic Development
10 Fund for ESDC.

11 SENATOR STAVISKY: Mr. President,
12 if the Senator would yield.

13 ACTING PRESIDENT GRIFFO: The
14 Senator yields.

15 SENATOR DeFRANCISCO: I do.

16 SENATOR STAVISKY: The question
17 that I asked was is there a five-year capital
18 plan. And the answer is no, is that correct?

19 SENATOR DeFRANCISCO: There is no
20 new five-year capital plan, but there's
21 reappropriations of funds for SUNY that -- or
22 capital funds for SUNY that have been
23 appropriated in prior years.

24 SENATOR STAVISKY: Through you,
25 Mr. President, is there any funding for critical

1 maintenance in this budget? For SUNY and CUNY.

2 SENATOR DeFRANCISCO: Yes. Once
3 again, those are reappropriations from prior
4 years.

5 SENATOR STAVISKY: So there's no
6 new money?

7 SENATOR DeFRANCISCO: No new
8 money, correct. The only new money is what I
9 mentioned before.

10 SENATOR STAVISKY: Through you,
11 Mr. President, is there any new funding for the
12 CUNY capital program associated with science and
13 technology as part of a CUNY 2020 plan?

14 SENATOR DeFRANCISCO: No, there is
15 no additional funds. As I mentioned, the only
16 additional funds were the \$20 million more for
17 the Economic Development Regional Councils and
18 \$20 million in the ESDC budget. And there's no
19 2020 for the university in Syracuse either.

20 SENATOR STAVISKY: How are those
21 funds going to be distributed?

22 SENATOR DeFRANCISCO: The economic
23 development funds -- first of all, the
24 reappropriations for the projects that were
25 appropriated for originally, the new dollars,

1 it's the same procedure through each of the
2 Economic Development Councils. The \$150 million
3 will be distributed, and the councils will make
4 determinations as to what projects are worthy of
5 those dollars.

6 SENATOR STAVISKY: There was a
7 proposal in the other house for a CUNY
8 construction -- CUNY capital money corresponding
9 to a similar appropriation for SUNY which made it
10 into the budget. The CUNY capital money I
11 understand did not. Can you tell me why not?

12 SENATOR DeFRANCISCO: No, there
13 was no additional funds for CUNY.

14 SENATOR STAVISKY: Is there an
15 explanation?

16 SENATOR DeFRANCISCO: First of
17 all, it wasn't in the Governor's budget.

18 And second of all, all the capital
19 money -- none of the capital money that we're
20 using in this budget is going to be bonded. So
21 the theory was that we can afford what we can
22 afford, pay as you go until we get into a
23 situation where the economy starts providing more
24 funding for us and without getting deeper in
25 debt.

1 SENATOR STAVISKY: One last area I
2 would like to address, Mr. President.

3 ACTING PRESIDENT GRIFFO: The
4 Senator yields.

5 SENATOR STAVISKY: Is there any
6 funding in this budget for the CUNY Construction
7 Fund?

8 SENATOR DeFRANCISCO: Once again,
9 it's just the reappropriations of whatever had
10 been appropriated in the past. No new money.

11 SENATOR STAVISKY: SUNY. Did I
12 say CUNY? I meant SUNY.

13 SENATOR DeFRANCISCO: Are you
14 asking about the Construction Fund?

15 SENATOR STAVISKY: The SUNY, State
16 University of New York Construction Fund.

17 Shall I rephrase my question? Has
18 that construction fund --

19 ACTING PRESIDENT GRIFFO: Senator
20 Stavisky, are you asking Senator DeFrancisco --

21 SENATOR DeFRANCISCO: No, I
22 understand the question.

23 I'm a little confused myself; I'm
24 trying to clarify it in my own mind. (Pause.)

25 Okay, what I'm informed is once

1 again it's not new money, but there's \$15 million
2 from last year that's carried over into this year
3 in the SUNY Construction Fund as part of that
4 2020 commitment.

5 SENATOR STAVISKY: So the SUNY
6 Construction Fund still exists?

7 ACTING PRESIDENT GRIFFO: Senator
8 Stavisky, are you asking Senator DeFrancisco --

9 SENATOR STAVISKY: Yes, I'm asking
10 the Senator to yield.

11 SENATOR DeFRANCISCO: It's in the
12 bill.

13 SENATOR STAVISKY: Where? I do
14 not see it in the budget.

15 SENATOR DeFRANCISCO: It's in the
16 SUNY Capital Budget.

17 SENATOR STAVISKY: Thank you,
18 Mr. President.

19 ACTING PRESIDENT GRIFFO: Thank
20 you, Senator Stavisky.

21 Senator Stewart-Cousins.

22 SENATOR STAVISKY: Thank you for
23 your answers.

24 SENATOR DeFRANCISCO: I'm sorry we
25 were confused. But thanks for the questions.

1 ACTING PRESIDENT GRIFFO: Senator
2 Stewart-Cousins.

3 SENATOR STEWART-COUSINS: Thank
4 you, Mr. President. If the sponsor would yield
5 for a question.

6 SENATOR DeFRANCISCO: Yes.

7 ACTING PRESIDENT GRIFFO: The
8 sponsor yields.

9 SENATOR STEWART-COUSINS: I was
10 just curious about the reappropriations. And in
11 looking at the reappropriations, it seems like
12 there's just one project that was not
13 reappropriated in full. I'm not going to ask you
14 to guess which one that is, because I'm going to
15 tell you.

16 SENATOR DeFRANCISCO: Is it in
17 your district?

18 SENATOR STEWART-COUSINS: How did
19 you conclude that?

20 The last time we had this kind of
21 conversation, and it got worked out. So that's
22 why I'm happy to have this conversation now.

23 Yeah, it is in my district. It is
24 the City of Yonkers Saw Mill River Redevelopment
25 Project, which had \$24 million allocated to it.

1 And it was the only reappropriation that did not
2 get reappropriated in full, so I was wondering
3 why that was.

4 SENATOR DeFRANCISCO: What I'm
5 informed -- because I was not familiar with that
6 particular project. But I've been informed that
7 this project has been on the books for about six
8 years and nothing much has happened. And that's
9 why only \$8 million of it was reappropriated,
10 until there's more specifics and there's actually
11 a plan to show that it's actually going to be
12 completed.

13 SENATOR STEWART-COUSINS: Well,
14 now this is where --

15 ACTING PRESIDENT GRIFFO: Senator
16 Stewart-Cousins, are you asking Senator
17 DeFrancisco to continue to yield?

18 SENATOR STEWART-COUSINS: Through
19 you, Mr. President, would the Senator continue to
20 yield?

21 ACTING PRESIDENT GRIFFO: Yes, the
22 Senator yields.

23 SENATOR STEWART-COUSINS: I can
24 say to you that there has been great progress in
25 that redevelopment, that the saw mill is now

1 uncovered and there are continuing advancements
2 to the redevelopment of that particular
3 initiative.

4 And so I just wanted you to know --
5 I guess this is not really a question. I did
6 want you to know that a lot has happened and a
7 lot more can happen. So that is why my concern
8 of the \$16 million. Do you know where the
9 \$16 million went?

10 SENATOR DeFRANCISCO: It didn't go
11 anywhere. Probably it went towards some of these
12 increases for the general economic development
13 regional offices, because we're paying as you
14 go. That's probably where it went.

15 But I guess the -- what I'm
16 informed is the information that you just gave of
17 what's been accomplished so far has already been
18 paid for by the state, and what people are mostly
19 concerned about now is, you know, what's the plan
20 from here and what do you need and when do you
21 need it. And that's why only \$8 million was
22 reappropriated this year. And if it -- I suppose
23 next year is another year if you get beyond the
24 \$8 million.

25 SENATOR STEWART-COUSINS: Through

1 you, Mr. President, if the sponsor continues to
2 yield.

3 SENATOR DeFRANCISCO: Yes.

4 ACTING PRESIDENT GRIFFO: The
5 sponsor yields.

6 SENATOR STEWART-COUSINS: I asked
7 you a question, and I know that you gave what you
8 thought was the best answer. But I can tell you
9 where that money went. The money is now in the
10 bottom line, to be determined by the Temporary
11 President of the Senate in conjunction with the
12 Division of the Budget. So it didn't go
13 anywhere, but it is in, at this point -- it is
14 under the jurisdiction of DOB and the Temporary
15 President of the Senate.

16 So I would be more than happy to
17 continue this discussion next year, because I
18 think it's important that the project, which is
19 really underway, continues. And I understand
20 that you need to know where we're going forward.
21 But I will, for the record, tell you that there
22 is a great deal to be done and the resources that
23 had been put aside all these years have finally
24 begun to bear fruit, and more will come.

25 So I just --

1 SENATOR DeFRANCISCO: If I could
2 just add, we have -- you know, we've worked
3 together when you've had another problem last
4 year.

5 SENATOR STEWART-COUSINS:
6 Absolutely.

7 SENATOR DeFRANCISCO: I was not
8 aware of this until you asked the question, and
9 I'd be happy to try to get involved in it as
10 well.

11 SENATOR STEWART-COUSINS: I
12 appreciate that.

13 Thank you, Mr. President.

14 ACTING PRESIDENT GRIFFO: Thank
15 you, Senator Stewart-Cousins.

16 Senator Rivera.

17 SENATOR RIVERA: Thank you,
18 Mr. President. On the bill.

19 ACTING PRESIDENT GRIFFO: Senator
20 Rivera on the bill.

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

23 The bill that we're dealing with
24 right now relates to capital funds across the
25 state. And I want to talk a little bit about

1 what I believe are missed opportunities in this
2 piece of legislation and this budget process.

3 Now, while this bill does restore
4 \$770 million for the MTA capital plan, it does
5 not do much to improve mass transit. I don't
6 believe that with what we're allocating here, I
7 don't think that we will prevent what are really
8 impending transit fare hikes in 2013, which if
9 we're counting -- and many of us that use the
10 train on a regular basis, and the bus, in the
11 city, we have been counting -- that would be the
12 fourth hike since 2007.

13 Again, I repeat, I believe this is
14 a missed opportunity. The northwest Bronx that I
15 represent, the majority, the great majority of
16 people in my district rely on mass transit every
17 single day.

18 And when we look at what has
19 happened in the last couple of years where the
20 state has at different times raided the MTA and
21 taken hundreds of millions of dollars that is
22 supposedly dedicated transit funding and instead
23 uses it for all sorts of other things, what this
24 has led to, as we know, is that the MTA has gone
25 into a spiraling hole of debt.

1 And what this means, ultimately, is
2 that the services get cut. In the last couple of
3 years we had two subway lines that no longer
4 exist, 32 bus routes, 570 bus stops that we don't
5 have anymore. And yet we are not funding the MTA
6 capital plan at the level that we should, which
7 makes the impact on services going to be all that
8 much worse in the next couple of years.

9 We have to remember that
10 one-quarter, one-quarter of the population of
11 New York State uses mass transit to get to and
12 from work. And I am disappointed that the funds
13 that we're talking about in this bill today,
14 although they do provide funding for highways,
15 bridges, municipal water systems, dams, and even
16 in some cases state parks and historic sites,
17 they do not do enough for the transit system that
18 my constituents use on an everyday basis.

19 We have to pay attention to things
20 like this because obviously, as I said, a quarter
21 of the population of this state uses transit on a
22 daily basis.

23 I believe that this particular bill
24 is a missed opportunity when it comes to funding
25 for transit riders, and I will be voting in the

1 negative on this particular piece of
2 legislation.

3 Thank you, Mr. President.

4 ACTING PRESIDENT GRIFFO: Senator
5 Squadron.

6 SENATOR SQUADRON: Thank you,
7 Mr. President. If the sponsor would yield
8 briefly.

9 ACTING PRESIDENT GRIFFO: The
10 sponsor yields.

11 SENATOR SQUADRON: Thank you.

12 Just to circle back to some of the
13 CUNY funding that Senator Stavisky was speaking
14 about previously.

15 In previous years, over
16 \$250 million has been allocated for City Tech,
17 the New York City College of Technology, which is
18 a significant portion of a total large project.
19 They were looking for authorization to move
20 forward with that project, start getting those
21 dollars out into the economy this year. Are they
22 given authorization to do so in this year's
23 budget?

24 Well, let me ask, actually, in the
25 interests of time, why are they not given

1 authorization to do so in the budget?

2 SENATOR DeFRANCISCO: Because as I
3 mentioned at the end of the outset, we're about a
4 billion-two from our debt cap, and we don't want
5 to raise the debt cap. That's number one.

6 And number two, there isn't enough
7 additional money to provide capital projects like
8 the state did in the past.

9 SENATOR SQUADRON: If the sponsor
10 would continue to yield.

11 SENATOR DeFRANCISCO: Yes.

12 SENATOR SQUADRON: Does this
13 suggest that previously allocated capital,
14 allocated by one majority or the other in
15 previous years, is now somehow at risk for
16 recipients?

17 SENATOR DeFRANCISCO: No. If
18 you're talking about from prior years, all the
19 reappropriations are in the budget.

20 SENATOR SQUADRON: If the sponsor
21 would continue to yield.

22 ACTING PRESIDENT GRIFFO: The
23 sponsor yields.

24 SENATOR DeFRANCISCO: Except for
25 Senator Stewart-Cousins, apparently, her project

1 that she referred to earlier.

2 SENATOR SQUADRON: The issue is
3 there's a previously allocated \$252 million for
4 this project. CUNY is able to move forward with
5 the project at a reduced cost of \$252 million.
6 It had previously been a \$460 million project had
7 they simply received authorization to begin
8 spending that money -- which shouldn't relate to
9 our debt cap unless there's a concern that
10 previously appropriated dollars are now at risk.

11 So I'm just trying to understand,
12 are those previously appropriated dollars at
13 risk? Or if they're not, why couldn't they be
14 authorized to be spent this year?

15 SENATOR DeFRANCISCO: They are
16 reauthorized. And there's no reason -- they're
17 not at risk, no. They're not at risk.

18 SENATOR SQUADRON: Thank you.

19 On the bill.

20 ACTING PRESIDENT GRIFFO: Senator
21 Squadron on the bill.

22 SENATOR SQUADRON: I'm pleased to
23 hear that promises made in previous years are not
24 at risk.

25 However, I'm disappointed that in

1 the case especially of City Tech, which was
2 CUNY's number-one capital priority this year -- a
3 critically important institution in my district
4 in Brooklyn, a place where more than four out of
5 five students are the first in their families to
6 attend higher education -- was not given the
7 authorization it sought.

8 That authorization was not for new
9 dollars. The conversation that the sponsor has
10 had earlier today about the difficulties in this
11 year's budget and the difficulties with capital I
12 know are real. The advantage of this project was
13 it would have cost the state nothing more that
14 was not previously allocated to a project. They
15 simply wanted authorization.

16 It would have been a critical
17 project, \$252 million could have begun moving
18 immediately. A critical project for CUNY, for
19 jobs in New York, and for students across the
20 five boroughs and across the state.

21 It's disappointing that
22 authorization is not in here, and I still don't
23 -- I do understand and appreciate the
24 conversation I had with the sponsor. I still do
25 not fully understand what the rationale is not to

1 allocate those dollars unless somehow they are at
2 risk. I'm very glad to hear today on the floor
3 that they are not at risk but disappointed they
4 have not been allowed to be moved forward.

5 And just briefly to follow up on my
6 colleague Senator Rivera's comments about the
7 MTA, I'd like to both associate myself with
8 concerns about the capital program overall and
9 also add to that the fact that again and again it
10 looks like when we do fund the MTA, the risk is
11 we do it on the backs of riders.

12 And when you look at the funding
13 for the capital program that is in the budget,
14 I'm pleased that there is a significant state
15 allocation, I'm pleased that this house has
16 agreed to what the Governor and the Assembly both
17 put forward on that basis, but very disappointed
18 that some of that capital program is inevitably
19 going to lead to higher fares put on the backs of
20 riders.

21 We need a sustainable funding
22 stream for transit. It's not a New York City
23 issue, it's a New York State issue. It's not
24 just a five boroughs issue, it's the entire MTA
25 region. And in fact, as we saw recently, it's

1 jobs everywhere from Plattsburgh to Western
2 New York as well.

3 So it's very disappointing that the
4 plan for the capital program relies on the backs
5 of riders instead of a sustainable funding
6 stream. I continue to hope that this body will
7 revisit this issue and we will be able to fund an
8 MTA capital plan with a funding stream that makes
9 sense and that doesn't mean higher fares
10 everywhere from Suffolk to Brooklyn to Dutchess.

11 Thank you, Mr. President.

12 ACTING PRESIDENT GRIFFO: Senator
13 Kennedy.

14 SENATOR KENNEDY: Thank you,
15 Mr. President. On the bill.

16 ACTING PRESIDENT GRIFFO: Senator
17 Kennedy on the bill.

18 SENATOR KENNEDY: This is a great
19 day for the people of New York State, it's a
20 great day especially for the people of Western
21 New York that I represent.

22 With the focus on economic
23 development and infrastructure investment, I'm
24 confident that this budget is going to help
25 create the jobs we need to get our economy and

1 our workforce sparked again.

2 The highlights for Western New York
3 start with the state's billion dollars commitment
4 to job creation in the Buffalo region. Governor
5 Cuomo has outlined this investment in this budget
6 as a five-year commitment, and it starts with a
7 \$100 million down payment in this year's budget.

8 We're confident this investment is
9 going to unleash the potential for major economic
10 growth across Western New York. It's going to
11 help us attract new industries and strengthen
12 existing industries.

13 This budget also invests in our
14 state's infrastructure. The New York Works
15 program is going to put people to work and
16 improve the safety of our roads and bridges in
17 Western New York and across the New York State.
18 It accelerates funds to projects across the
19 state.

20 There's also a specific focus on
21 enhancing transportation funding for Western
22 New York. In the past our region of Western
23 New York, Region 5, has been shortchanged funding
24 while the west of New York State benefited. This
25 was a result of flawed aid formulas. These

1 formulas are being corrected in this budget.

2 The funding shortfalls we suffered
3 made it tougher for Western New Yorkers to find
4 work. It caused projects to be delayed or even
5 canceled in the past. It made us miss out on
6 economic activity when the rest of the state
7 benefited to the shortchanging of Western
8 New York. This year Western New York is finally
9 getting its fair share of transportation funding,
10 more funding than we've gotten in Western
11 New York in over a decade. And the state has
12 made a commitment to continuing to take steps
13 toward rectifying the funding shortfalls of the
14 past.

15 This budget contains significant
16 commitments to economic development and
17 infrastructure improvement in Western New York.
18 With our region finally being heard in Albany, we
19 can be confident that the commitments made will
20 become commitments delivered and jobs created.

21 This budget sends a message. It
22 says New York State is open for business. And to
23 Western New Yorkers, it also says something long
24 overdue. It says Albany is finally paying
25 attention to the needs of the Western New York

1 community, to the businesses of Western New York,
2 and toward putting people to work in Western
3 New York.

4 For decades our economy has been
5 struggling, and for just as long we've been
6 making our case for enhanced state support to
7 Western New York and the Buffalo region. Albany
8 is finally working on behalf of all New Yorkers
9 and is committed to helping our region grow.

10 I want to thank Governor Cuomo for
11 his determined focus on Western New York and the
12 Buffalo economy, and I thank my colleagues from
13 the Western New York delegation who worked with
14 us in helping shift the attention of Albany to
15 the needs of Buffalo and Western New York.

16 Mr. President, I will be voting
17 aye. Thank you.

18 ACTING PRESIDENT GRIFFO: Senator
19 Smith.

20 SENATOR SMITH: Thank you very
21 much, Mr. President. Very briefly on the bill.

22 ACTING PRESIDENT GRIFFO: On the
23 bill.

24 SENATOR SMITH: I believe my
25 colleagues have outlined a number of concerns and

1 issues related to this capital budget bill.

2 I just want to raise two items, one
3 of which is the importance of having established
4 an infrastructure fund or an infrastructure bank
5 that would be aligned with producing and
6 financing capital projects throughout the state.

7 I believe Canada has an
8 infrastructure bank and fund operation that has
9 been quite successful. It has allowed a number
10 of projects to go forward, including the P-3 type
11 of an establishment, which many projects
12 throughout our state should be funded through and
13 looking at.

14 In addition, I would hope,
15 Mr. President, that as we go forward with the
16 remainder of this year, while the Economic
17 Development Councils are provided a certain
18 amount of resources through our budget, that the
19 input of the members would be allowed.

20 As we know, clearly there has been
21 a restructuring of how dollars have been
22 appropriated to our districts. The Economic
23 Development Councils, while they are one of the
24 Governor's signature projects -- and I agree with
25 how these projects are soliciting and evaluating

1 the different projects that are associated with
2 their funding -- I would hope that as we as a
3 body and our members would take a very serious
4 look at each one of those projects, that we would
5 be in aggressive dialogue with the
6 Lieutenant Governor's office, the Economic
7 Development Councils as well to make sure that,
8 if nothing else, the courtesy of your input is
9 accepted and that those projects, as they are
10 awarded and/or announced throughout the state,
11 that again that courtesy is provided to the
12 members of our conference so that they can show
13 their constituents they have been involved in
14 this process.

15 I will be supporting the bill, but
16 I do hope as we move forward from this day to the
17 end of session that there will be dialogue, one,
18 on an infrastructure bank, infrastructure fund,
19 and also some means by which members will have
20 the appropriate input into projects that are
21 funded by the councils within their district.

22 Thank you, Mr. President.

23 ACTING PRESIDENT GRIFFO: Is there
24 any other Senator wishing to be heard?

25 Seeing none, hearing none --

1 Senator Krueger.

2 SENATOR KRUEGER: I wanted to make
3 sure any other colleague got to rise first.
4 Thank you, Mr. President.

5 If the sponsor would please yield.

6 ACTING PRESIDENT GRIFFO: The
7 sponsor yields.

8 SENATOR KRUEGER: Thank you.

9 So again, I appreciate that we did
10 receive an Enacted Budget Summary. I'm still a
11 little confused about whether it meets the
12 legislative requirement to separately identify
13 and present all legislative additions,
14 reestimates, disbursements or revisions. But
15 since we're on the capital budget, maybe I can
16 use that as an example of questions.

17 In the capital budget, under
18 Department of Transportation, reading from the
19 document we just received on our desks, it says
20 that the Legislature concurs with the Executive
21 proposal of \$5.09 billion, with the following
22 modifications, and then lists approximately a
23 million dollars in restorations.

24 So is there somewhere a million
25 dollar reduction? Because it doesn't change the

1 \$5.09 billion, but it appears to add a specific
2 program. So what was the specific program
3 rejected because it restored some other things?

4 SENATOR DeFRANCISCO: I've been
5 told that it was a reestimate.

6 SENATOR KRUEGER: So there was a
7 million dollar reestimate in transportation
8 within the capital bill?

9 SENATOR DeFRANCISCO: That's what
10 I'm informed, correct.

11 SENATOR KRUEGER: And then in
12 another section of the capital budget relating to
13 the State University of New York, again it
14 concurs with the Executive's recommendation of
15 approximately \$1.1 billion but then adds
16 \$53 million for a repurposed capital
17 reappropriation for Stony Brook Medical and
18 Research Translation Center. Did we subtract
19 \$53 million somewhere else?

20 SENATOR DeFRANCISCO: No. It's
21 not a new project, it's simply repurposed the use
22 of the money. But those monies were already
23 there.

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

1 yield.

2 SENATOR DeFRANCISCO: Yes.

3 SENATOR KRUEGER: What was the
4 \$53 million originally for?

5 SENATOR DeFRANCISCO: The
6 identical project, but there was some changes in
7 the language.

8 SENATOR KRUEGER: Through you,
9 Mr. President, if the sponsor would yield.

10 SENATOR DeFRANCISCO: Yes.

11 SENATOR KRUEGER: I'm not sure I
12 understand that. So it's \$53 million repurposed
13 for the same project, a Stony Brook Medical and
14 Research Translation Center, but it's a different
15 project? How is it different?

16 SENATOR DeFRANCISCO: It's
17 different in language as to who pays for certain
18 portions of the project. But the same capital
19 expenditure for the same project is what is in
20 the budget.

21 SENATOR KRUEGER: On the bill,
22 Mr. President.

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

25 SENATOR KRUEGER: Thank you.

1 So many of my colleagues have
2 raised concerns within this budget bill, and I'm
3 just going to raise a few more rather than ask
4 them as questions.

5 When we did earlier budget bills, I
6 addressed my concerns around not enough detail on
7 transparency and evaluation or ability to
8 evaluate how economic development funds are
9 spent. In this capital bill there are various
10 proposals for expanding on the regional economic
11 development funds for next year, and yet we still
12 don't have the answer about the monies that were
13 allocated this year and whether or not we think
14 those were good decisions.

15 We are adding additional money, a
16 \$20 million increase compared to the 2011-2012
17 budget, but we know that we didn't spend
18 \$215 million from the year-that's-ending Regional
19 Economic Development Council funding.

20 So I'm concerned that there are not
21 enough answers for us about how the money is
22 spent, the wins and the losses when we spend that
23 money, and yet we move forward to the next year
24 without getting answers or having an ability for
25 the public to track what is happening and to make

1 their own judgments about successes and
2 failures.

3 And it's okay to have failures. I
4 don't imagine there's any model of economic where
5 there aren't wins and losses. What I'm disturbed
6 about is we still move forward in this state
7 spending the taxpayers' money on these programs
8 without even being willing as legislators to
9 demand that the questions be asked and the
10 information be made public so that all
11 19.5 million New Yorkers might make their own
12 judgments and ask those questions.

13 I'm concerned, on the same theme,
14 that we are creating a New York Works capital
15 project -- I'm not concerned about our creating
16 it, let me be careful in what I say. I am
17 delighted that the Governor recognizes the
18 importance in real investment in the
19 infrastructure of this state. We are way behind
20 where we need to be in ensuring we have
21 infrastructure to be a competitive 21st-century
22 state. What I'm concerned about is that we still
23 don't know, the day we are passing a budget, what
24 the intention of the use of much of this money is
25 or will be.

1 I know that expanding rail freight
2 in New York is a critical infrastructure issue.
3 I know there are many people who have focused
4 priority on high-speed rail, on upstate transit
5 systems, on providing for transportation
6 alternatives to highways and bridges such as
7 ferries and bus rapid transit. No one in this
8 state has escaped knowing that there is a serious
9 problem with our Tappan Zee Bridge.

10 And yet the day we are being asked
11 to pass a budget that has 1.\$16 billion for a
12 New York Works program, we don't actually know
13 how that money will be distributed. We don't
14 know what the signature projects will be and how
15 the monies are intended to be spent, even though
16 we know that there are signature projects.

17 I'm concerned that only a year ago
18 we passed a bill to create a lockbox for
19 downstate transit and yet we've already reneged
20 on that agreement. And so there is actually a
21 reduction of \$4.7 million to the downstate
22 12-county regions transportation funds.

23 I'm concerned that we haven't done
24 enough to understand the impact on not investing
25 in housing. I'm concerned, as Senator Stavisky

1 so well laid out in her questions, what we are
2 doing or not doing with higher education capital
3 money.

4 And, as two of my colleagues spoke
5 about the impact on the MTA, both Senator Rivera
6 and Senator Squadron, I'm very disturbed that we
7 have a capital budget that provides the MTA the
8 ability to go further into debt and gives them
9 the minimal \$770 million they needed this year
10 but guarantees, literally guarantees that they
11 will be further in debt in the coming years, with
12 an estimated 25 cents on the dollar collected
13 from them having to go into debt payments in a
14 few years compared to, I think, the 16 cents on
15 the dollar that they currently have to pay
16 towards debt.

17 Capital investment, infrastructure
18 are crucial to every county of the state. And
19 yet I don't believe we have enough answers, and I
20 don't believe we're thinking big enough and
21 broadly enough about the demands in front of us.

22 So I will be voting yes on this
23 bill, Mr. President, but again, for the record, a
24 budget bill should have more details than this.

25 ACTING PRESIDENT GRIFFO: Senator

1 Diaz, why do you rise?

2 SENATOR DIAZ: Would Senator
3 Krueger yield for a question or two?

4 ACTING PRESIDENT GRIFFO: Senator
5 Krueger, will you yield to a question from
6 Senator Diaz?

7 SENATOR KRUEGER: I will happily
8 yield to a question.

9 ACTING PRESIDENT GRIFFO: Senator
10 Diaz.

11 SENATOR DIAZ: Senator Krueger,
12 you are the ranking member on our conference's
13 fiscal department --

14 SENATOR KRUEGER: Finance, yes.

15 SENATOR DIAZ: And I heard you
16 say -- you used the word "I'm disturbed,"
17 "disturbed," you used that word about the
18 problems with this budget. And you said so much
19 concerned you were with the many things wrong
20 with this capital budget.

21 Are you are advising us, your
22 Democratic colleagues, to vote against? Or
23 you're voting yes? I heard you're voting yes
24 after you said you are disturbed? You're voting
25 yes, okay.

1 SENATOR KRUEGER: To answer the
2 Senator's question, yes, he's correct that he
3 heard me say I am voting yes on the bill. He
4 also heard me lay out my concerns that this is
5 not enough information and in fact a capital
6 budget ought to be more detailed in the projects
7 that are going forward so that we, the
8 Legislature, and the public can in fact track the
9 monies that are being invested, the money being
10 borrowed by the state and the money being
11 invested in the state.

12 It is true that the Senator and I
13 disagree that you can vote yes on a bill while
14 raising concerns about what's not there or what
15 is there. I'm not asking any of my colleagues to
16 vote with me, I'm simply explaining my own vote.

17 Thank you, Mr. President.

18 ACTING PRESIDENT GRIFFO: Thank
19 you, Senator Krueger.

20 Is there any other Senator wishing
21 to be heard?

22 Seeing none, the debate is closed.
23 The Secretary will ring the bell.

24 The Secretary will read the last
25 section.

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

3 ACTING PRESIDENT GRIFFO: Call the
4 roll.

5 (The Secretary called the roll.)

6 ACTING PRESIDENT GRIFFO: Announce
7 the results.

8 THE SECRETARY: In relation to
9 Calendar Number 483, those recorded in the
10 negative are Senators Adams, Diaz, Duane, Parker,
11 Rivera, and Stewart-Cousins.

12 Ayes, 54. Nays, 6.

13 ACTING PRESIDENT GRIFFO: The bill
14 is passed.

15 Senator Libous.

16 SENATOR LIBOUS: Mr. President, at
17 this time can we take up Calendar Number 482,
18 please.

19 ACTING PRESIDENT GRIFFO: The
20 Secretary will read.

21 Senator Breslin, we're going to
22 have to do a substitution.

23 THE SECRETARY: On page 23,
24 Senator DeFrancisco moves to discharge, from the
25 Committee on Finance, Assembly Bill Number 9053E

1 and substitute it for the identical Senate Bill
2 Number 6253E, Third Reading Calendar 482.

3 ACTING PRESIDENT GRIFFO: The
4 substitution is so ordered.

5 THE SECRETARY: Calendar Number
6 482, Budget Bill, Assembly Print 9053E, an act
7 making appropriations for the support of
8 government.

9 ACTING PRESIDENT GRIFFO: Senator
10 Breslin, why do you rise?

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

13 I believe there's an amendment by
14 Senator Hassell-Thompson at the desk. I ask that
15 we waive reading of the amendment and allow
16 Senator Hassell-Thompson to speak on the
17 amendment.

18 ACTING PRESIDENT GRIFFO: Senator
19 Breslin, upon review of the amendment that is
20 before the house, in accordance with Rule 6,
21 Section 4B, I rule the amendment that is at the
22 desk is unconstitutionally drafted and therefore
23 out of order.

24 SENATOR BRESLIN: Mr. President, I
25 would appeal the ruling of the chair and ask you

1 to allow Senator Hassell-Thompson to explain why
2 she disagrees.

3 ACTING PRESIDENT GRIFFO: The
4 appeal is so noted and Senator Hassell-Thompson
5 is allowed to speak on the appeal.

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

8 The amendment that I offer today
9 would appropriate an additional \$25 million to
10 the Small Business Revolving Loan Fund to create
11 more economic activity and provide greater access
12 to capital for Main Street small businesses.
13 While the economy may be beginning to improve,
14 the credit market, especially for small
15 businesses, continues to be restricted. It is of
16 vital importance that New York State stays true
17 to the message of being open for business and
18 supports the continued growth and viability of
19 small businesses.

20 The program is targeted to small
21 businesses that have had difficulty accessing
22 regular credit markets, and the fund offers both
23 regular and microloans depending on the business
24 owner's needs. Small businesses are the heart of
25 the American economy, comprising 98 percent of

1 all businesses in New York, and employ more than
2 one-half of New York's private-sector workforce.

3 Innovation, creativity,
4 determination and perseverance are just a few of
5 the essential qualities small business owners
6 demonstrate every day. And we should do
7 everything that we can to support them and to
8 encourage job creation.

9 While the economy is improving,
10 there is still a problem for small businesses
11 getting financing. Appropriating additional
12 funds for the Small Business Revolving Loan Fund
13 is a way to make sure that this lifeline to small
14 businesses stays open.

15 Thanks to the 2010 passage of the
16 Business Diversity Act, which has been slow but
17 gradually has increased in the amount of MWBEs
18 that are obtaining and participating in state
19 contracts -- however, one major obstacle that
20 stands in the way of more MWBEs obtaining state
21 contracts is their ability to obtain and gain
22 financing to believe able to complete those
23 contracts.

24 This bill would help finance
25 MWBE-performing state procurement contracts. The

1 additional appropriation is set forth separately
2 and distinctly from the original items contained
3 in the Executive's appropriation budget
4 submission and I believe complies with Article 7,
5 Section 4 of the Constitution.

6 Thank you, Mr. President.

7 ACTING PRESIDENT GRIFFO: Thank
8 you, Senator Hassell-Thompson.

9 The question is on the appeal of
10 the chair. All those in favor of overruling the
11 chair signify by saying aye.

12 (Response of "Aye.")

13 ACTING PRESIDENT GRIFFO: Opposed?
14 Senator Breslin.

15 SENATOR BRESLIN: Can we have a
16 show of hands, please.

17 ACTING PRESIDENT GRIFFO: Senator
18 Breslin has requested a show of hands. So
19 ordered.

20 (Senators raised their hands.)

21 ACTING PRESIDENT GRIFFO: Announce
22 the results.

23 THE SECRETARY: Ayes, 24.

24 ACTING PRESIDENT GRIFFO: The
25 ruling of the chair stands.

1 Senator Breslin.

2 SENATOR BRESLIN: Mr. President, I
3 believe there's an amendment at the desk by
4 Senator Perkins. I request that the reading be
5 waived and that Senator Perkins be allowed to
6 speak on the amendment.

7 ACTING PRESIDENT GRIFFO: Thank
8 you, Senator Breslin.

9 Again, in accordance with Rule 6,
10 Section 4B, I have reviewed the amendment before
11 the desk and do not find it legally or
12 procedurally effectual. So accordingly, it is
13 not appropriately before the house.

14 SENATOR BRESLIN: Mr. President, I
15 appeal the ruling of the chair and ask Senator
16 Perkins to speak on behalf of why he thinks that
17 ruling is --

18 ACTING PRESIDENT GRIFFO: Senator
19 Breslin has asked for a ruling of the chair.
20 And, Senator Perkins, you may be heard on that
21 appeal.

22 SENATOR PERKINS: Thank you very
23 much, Mr. President.

24 My amendment to this budget bill is
25 germane for the following reasons. Number one,

1 the amendment deals with the same subject matter
2 as the underlying budget bill in the following
3 respects.

4 The proposed amendment would simply
5 add an additional \$930,000 in tuition assistance,
6 a program that is funded in this very bill.

7 The amendment neither unreasonably
8 expands the object or subject of the underlying
9 bill, nor does it change the purpose, scope or
10 object of the original bill.

11 The additional appropriation is set
12 forth separately and distinctly from the original
13 items contained in the Executive's appropriation
14 budget submission, and therefore it complies with
15 Article 7, Section 4 of the Constitution.

16 For the foregoing reasons, the
17 amendment I'm offering today is germane to the
18 bill currently under consideration, and lawful.
19 Period.

20 ACTING PRESIDENT GRIFFO: Thank
21 you, Senator Perkins.

22 The question is on the appeal of
23 the chair. All those in favor signify by saying
24 aye.

25 Senator Breslin.

1 SENATOR BRESLIN: Yes,
2 Mr. President, I request a show of hands on the
3 amendment.

4 ACTING PRESIDENT GRIFFO: Senator
5 Breslin has requested a show of hands. So
6 ordered.

7 (Senators raised their hands.)

8 ACTING PRESIDENT GRIFFO: Announce
9 the results.

10 THE SECRETARY: Ayes, 23.

11 ACTING PRESIDENT GRIFFO: The
12 ruling of the chair stands.

13 Senator Breslin.

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

16 I believe there's an amendment at
17 the desk by Senator Stavisky. I ask that the
18 reading be waived and that Senator Stavisky be
19 allowed to speak on the amendment.

20 ACTING PRESIDENT GRIFFO: Senator
21 Breslin, in accordance again with Rule 6,
22 Section 4B, I have reviewed the amendment and
23 find that this amendment is unconstitutionally
24 drafted and therefore out of order.

25 SENATOR BRESLIN: Mr. President, I

1 appeal the rule of the chair and ask you to allow
2 Senator Stavisky to explain why we believe that
3 ruling is incorrect.

4 ACTING PRESIDENT GRIFFO: There is
5 a request to appeal the ruling of the chair.

6 Senator Stavisky, you may be heard
7 on that. Senator Stavisky.

8 SENATOR STAVISKY: Thank you,
9 Mr. President.

10 This amendment that I introduced
11 today would restart Foundation Aid for the school
12 year 2012-2013 at a higher level than in the bill
13 before us. It would be tied to additional
14 Foundation Aid phased in and restorations to the
15 Gap Elimination Adjustment, with an emphasis on
16 helping high-needs school districts.

17 Over the past two years, New York's
18 public schools have lost almost \$3 billion.
19 School districts are forced to eliminate
20 thousands of teaching positions and reduce or
21 eliminate various important programs.
22 Districts have been put through three years of
23 aid cuts and freezes. Ninety percent of the
24 districts are now receiving less state aid than
25 they were in 2008-2009.

1 And at the same time, the
2 districts have had to absorb additional costs for
3 pension, health insurance, and other contractual
4 agreements. They have worked hard to keep
5 spending down and limit tax increases in the
6 budgets that they've asked voters to approve.
7 The spending increases in the past two years were
8 about half of the increases in the pensions and
9 other benefits.

10 The implication is that the
11 districts cut all their other spending, on
12 balance, to hold down the tax increases that they
13 have been forced to approve, and at the same time
14 cutting school aid. And as a result, many
15 districts are using their reserves to cover these
16 increases.

17 But eventually the reserves are
18 going to run out, and therefore we need to do
19 more to support schools in this state. And for
20 that reason, I tried to introduce this amendment.

21 The additional appropriation -- and
22 you have, Mr. President, the amendment before
23 you. It sets forth separately and distinctly
24 from the original items contained in the
25 Executive's appropriation, and therefore it

1 complies with Article 7, Section 4 of the State
2 Constitution.

3 Provisions that may be contained in
4 an appropriation bill are limited to those that
5 relate specifically to some particular
6 appropriation in this budget. But there is a
7 separate provision for an appropriation, and
8 therefore it does not violate Pataki v. The
9 New York State Assembly. And this amendment sets
10 forth a separate line-item appropriation.

11 Therefore, this amendment is
12 constitutional.

13 ACTING PRESIDENT GRIFFO: Thank
14 you, Senator Stavisky.

15 The question is on the ruling of
16 the chair and overruling the chair. All those in
17 favor -- Senator Breslin.

18 SENATOR BRESLIN: Yes,
19 Mr. President, I request a show of hands on the
20 vote.

21 ACTING PRESIDENT GRIFFO: Senator
22 Breslin has requested a show of hands. So
23 ordered.

24 All those in favor of overruling
25 the chair please signify by raising your hand.

1 (Senators raised their hands.)

2 ACTING PRESIDENT GRIFFO: Announce
3 the results.

4 THE SECRETARY: Ayes, 23.

5 ACTING PRESIDENT GRIFFO: The
6 ruling of the chair stands.

7 We are now on the bill before the
8 house.

9 Is there any Senator wishing to be
10 heard?

11 Senator Stavisky. Senator Stavisky
12 yields to Senator Krueger.

13 Senator Krueger.

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

16 So continuing with some questions
17 on the Aid to Localities bill, if the sponsor
18 would yield, please.

19 ACTING PRESIDENT GRIFFO: The
20 sponsor yields.

21 SENATOR DeFRANCISCO: Yes. I
22 would.

23 SENATOR KRUEGER: Thank you very
24 much.

25 So again, starting with our newly

1 printed and on our desks Enacted Budget Summary,
2 in the Aid to Localities bill there are quite a
3 few changes by topic. But maybe just choosing
4 economic development, there's quite a few changes
5 or additions in economic development.

6 Can you tell me how much additional
7 money has been added for economic development
8 projects in the Aid to Localities bill in total?
9 And I guess to save time, and where we're getting
10 that money, since we're concurring with the
11 Executive but we're adding many items.

12 SENATOR DeFRANCISCO: The total
13 amount that's added under this bill is
14 \$5 million.

15 And I just want to kind of respond
16 to the original comment by Senator Krueger about
17 the newly copied, just on our desks document
18 summary. I assume we're going to hear that each
19 time she talks.

20 I just want to remind Senator
21 Krueger what life was like when there was no
22 document at all, when no questions were answered
23 at all, when there was a sheet of paper one page
24 long that was supposed to be the document that
25 complied with the 2007 Budget Reform Act.

1 So I just wanted to say it once,
2 and I hope we don't have to go through that
3 preface to every question. Because this is more
4 information than anybody has ever had in years in
5 the Senate. And plus we've had three days that
6 these bills have been online for anybody to read
7 any way they want to read it.

8 So with that said, \$5 million and
9 they're listed in the summary.

10 SENATOR KRUEGER: Mr. President,
11 if through you the sponsor would yield.

12 Because the two years we sat on the
13 opposite side of the aisle I know that we
14 provided full reports. So which years were it
15 that you didn't get full reports?

16 SENATOR DeFRANCISCO: 2009 and
17 2010. I thought maybe you would remember the
18 engaging questions and answers between me and the
19 former Finance chair, Senator Kruger, where I got
20 no answers, no documents, no anything.

21 SENATOR KRUEGER: Through you,
22 Mr. President.

23 ACTING PRESIDENT GRIFFO: Senator
24 Krueger.

25 SENATOR KRUEGER: Granted I

1 believe I'm not that Senator Kruger, I'm the
2 other Senator Krueger. But I'm quite sure,
3 according to my Finance staff, that we did
4 provide these documents.

5 ACTING PRESIDENT GRIFFO: So
6 noted.

7 SENATOR KRUEGER: But nonetheless,
8 I'm actually -- I will stop pointing out it's a
9 newly printed document because I think I have
10 made the point.

11 But there are questions nonetheless
12 about the budget documents. Because it is true
13 we are not doing messages of necessity. We have
14 had three days. And for the record and for the
15 cameras, I can't lift the bills, but it's this
16 entire stack on each of our desks.

17 So I would make the proposal that
18 even those of us who with full due diligence
19 attempt to review all of these documents in three
20 days and attempt to hold these documents up to
21 the Executive proposed budget, which is --

22 ACTING PRESIDENT GRIFFO: Senator
23 Krueger, are you on the bill now?

24 SENATOR KRUEGER: I guess I am on
25 the bill.

1 ACTING PRESIDENT GRIFFO: Senator
2 Krueger on the bill.

3 SENATOR KRUEGER: Thank you.

4 SENATOR DeFRANCISCO: Would
5 Senator Krueger yield to a question?

6 ACTING PRESIDENT GRIFFO: Senator
7 Krueger, would you yield to a question?

8 SENATOR KRUEGER: I will if I can
9 just finish my thought of what I was saying.

10 ACTING PRESIDENT GRIFFO: Senator
11 Krueger on the bill.

12 SENATOR KRUEGER: Thank you. And
13 then I will be happy to yield to my colleague.

14 I guess my point was it is true,
15 happily there are no messages of necessity, we
16 are allowing bills to age the full three days.
17 But for the record and for the public, who may
18 not always understand the process, these are the
19 budget bills we are dealing with today. It's
20 approximately a foot stack of paper,
21 double-sided. The original Executive Budget was
22 an equivalent-sized set of documents. Oh, and
23 we're not doing all of the budget bills, we did
24 some of them earlier, so it's a higher stack.

25 And so the assignment is in fact to

1 try to compare how these documents today compare
2 to the original proposed budget of the Governor.
3 It is a complex situation, I think everyone
4 agrees.

5 And so in fact the value of having
6 a summary report, summary materials, open
7 discussion when we're not on the floor and when
8 we are on the floor, is for any and all of us to
9 ask questions and have a better understanding of
10 what are in these documents, how do these
11 documents compare to another giant set of
12 documents, and to make the best decisions we can
13 on behalf of the State of New York, even when we
14 may find there are things we agree with in any
15 given document and disagree with in any given
16 document.

17 Which is why a budget summary that
18 actually does a comparison between what the
19 Governor's Executive proposals were and what the
20 final budget bills we're looking at is so
21 valuable, because in fact, only speaking for
22 myself, I find the detail in a document more this
23 size a little easier to review and summarize and
24 cross-check than two giant piles of double-sided
25 budget bills.

1 And now I'm happy to answer
2 questions from my colleague.

3 ACTING PRESIDENT GRIFFO: Senator
4 DeFrancisco, do you wish to continue to
5 question?

6 SENATOR DeFRANCISCO: There's no
7 point. I'll waive my question, because I've had
8 a request that I be able to make an announcement
9 unrelated to the budget in view of some recent
10 arrivals.

11 ACTING PRESIDENT GRIFFO: Senator
12 Krueger, you have completed, correct, your -- on
13 the bill?

14 SENATOR KRUEGER: Oh, no, I did
15 have other questions, but I would be happy to
16 yield to an announcement.

17 ACTING PRESIDENT GRIFFO: Senator
18 Skelos for an announcement.

19 SENATOR SKELOS: Mr. President,
20 can we have unanimous consent for Senator
21 DeFrancisco to make a statement on a previously
22 adopted resolution.

23 ACTING PRESIDENT GRIFFO: Without
24 objection, unanimous consent is granted.

25 Senator DeFrancisco, you may be

1 heard.

2 SENATOR DeFRANCISCO: Yes, thank
3 you, Mr. President.

4 We are in the process of doing
5 budget bills, so we don't have much time to
6 recognize the group that's here. We have passed
7 a resolution on a previous session for the
8 Baldwinsville Central School District Marching
9 Band, all 100 of them.

10 And it's perfect that you're here
11 today because we're going to do the budget
12 earlier this year, like we did last year, and
13 it's only appropriate that we have a marching
14 band to announce that throughout the Capitol. So
15 at 1:15 they're going to be in the Concourse and
16 playing music. Maybe we can hear them from
17 here.

18 But it's wonderful that they came.
19 There's a hundred of them, that's why it took a
20 little time to get them in. But let me just tell
21 you one thing about them.

22 They won a national competition,
23 and that competition was around the Gator Bowl
24 in -- was it Jacksonville, Florida? And they
25 were the national champions in this, and they got

1 to play before the Gator Bowl, I think it was
2 December 31st, is that correct?

3 And they also won individual first
4 place for best drum major, best percussion, best
5 guard, best marching, best general effect, and
6 best music and best just about everything.

7 So we passed this resolution. Each
8 of you will get a copy. Congratulations. And I
9 understand you're all excellent students as well,
10 and you're going to be our future leaders.

11 And we really appreciate your being
12 here. And maybe if we could move this along a
13 little bit, we could be down there at 1:15 to
14 listen to you. And thank you for joining us.

15 (Applause.)

16 ACTING PRESIDENT GRIFFO: We
17 welcome the students, the marching band from
18 Baldwinsville High School. We extend to you a
19 warm welcome and the courtesies of the Senate.
20 Congratulations and welcome.

21 (Applause.)

22 ACTING PRESIDENT GRIFFO: We will
23 return to the bill at hand.

24 Senator Krueger, have you
25 completed?

1 SENATOR KRUEGER: I am going to
2 first defer to my colleague Senator Stavisky.

3 ACTING PRESIDENT GRIFFO: Senator
4 Stavisky.

5 SENATOR STAVISKY: Thank you,
6 Mr. President. If the Senator would yield.

7 SENATOR DeFRANCISCO: Yes.

8 ACTING PRESIDENT GRIFFO: Senator
9 DeFrancisco yields.

10 SENATOR STAVISKY: First let me
11 ask you ask the questions on higher education and
12 then on education itself.

13 The Senate bill, the resolution
14 that we passed in this house, swept the CUNY and
15 SUNY funds to make restorations. Literally, SUNY
16 and CUNY -- didn't SUNY and CUNY pay out of their
17 own budgets for these restorations?

18 SENATOR DeFRANCISCO: No.

19 In this bill, though, nothing was
20 swept from SUNY or CUNY.

21 SENATOR STAVISKY: In other words,
22 SUNY and CUNY did not have to pay out of their
23 own budgets for the restorations?

24 SENATOR DeFRANCISCO: We proposed
25 that in our-house, but that's not how it

1 ultimately turned out.

2 SENATOR STAVISKY: That was not in
3 the final.

4 SENATOR DeFRANCISCO: That's
5 correct.

6 SENATOR STAVISKY: Thank you.
7 Mr. President, if the Senator would
8 yield.

9 ACTING PRESIDENT GRIFFO: The
10 Senator yields.

11 SENATOR STAVISKY: I must tell
12 you, I was delighted that the budget, both in the
13 Senate and Assembly resolutions, called for
14 increases in base aid to community colleges both
15 for SUNY and CUNY.

16 However, in the community college
17 childcare centers, that money was restored, but
18 it appears that in subsequent years both SUNY and
19 CUNY will be required to provide a 35 percent
20 match, and I think the wording that's used is
21 from nonstate sources. Is that correct? And can
22 you explain what a nonstate source is?

23 SENATOR DeFRANCISCO: It's a
24 source other than the State of New York. It
25 could be donations, it could be contributions by

1 the individuals who are using the childcare
2 services. It's just not state revenues.

3 SENATOR STAVISKY: Would TANF
4 funds be included as a nonstate source?

5 SENATOR DeFRANCISCO: I guess it's
6 federal money that's just coming through the
7 state government. My opinion would be that it
8 would be nonstate funds.

9 My opinion would be it would be
10 nonstate funds, because the TANF funds come from
11 the federal government and we're just funneling
12 them through. But that's my opinion of it.

13 SENATOR STAVISKY If TANF money is
14 not available, and I know obviously these are
15 federal funds, who is going to pay -- what if the
16 student doesn't have the 35 percent? Who is
17 going to pay that 35 percent? Are the localities
18 going to pay it?

19 SENATOR DeFRANCISCO: No. Then
20 they apparently will not be able to use the
21 services.

22 There's many universities and
23 colleges that don't have any childcare. I think
24 this is something the state is providing
25 65 percent of the childcare funding. I think

1 that's a wonderful benefit. It's more than
2 half -- the glass is more than half full. It's
3 just that at some point you don't have enough
4 money to do everything for all people.

5 SENATOR STAVISKY: Through you,
6 Mr. President.

7 ACTING PRESIDENT GRIFFO: The
8 sponsor yields.

9 SENATOR STAVISKY: There are
10 students, older students with children who are
11 returning either because of personal
12 circumstances, the job market, or for whatever
13 reason, and they need a place to leave their
14 children so that they can return to school and
15 pursue a degree and perhaps get a better job, and
16 they don't have the match in private money.
17 These students, then, will be forced out of
18 college, is that correct?

19 SENATOR DeFRANCISCO: I don't
20 think so. I think people are extremely
21 resourceful. If someone wants a college
22 education and they're being provided with certain
23 benefits, whether it's TAP, whether it's more aid
24 to the community colleges like we're giving, or
25 in this case 65 percent of the cost, that's a

1 benefit. I think if that student truly wants to
2 get through college he'll find -- he or she would
3 find a way.

4 And I'm just happy that we're able
5 to provide the 65 percent. Many people are
6 losing their jobs that have low incomes. They
7 can't -- they're in the same box, they're in the
8 same problem. So I just think we cannot provide
9 all for everybody.

10 ACTING PRESIDENT GRIFFO: Senator
11 Stavisky.

12 SENATOR STAVISKY: If the Senator
13 would continue to yield.

14 SENATOR DeFRANCISCO: Yes.

15 ACTING PRESIDENT GRIFFO: The
16 Senator yields.

17 SENATOR STAVISKY: On the Aid to
18 Localities portion that deals with the state aid
19 formula. In my budget amendment, which was ruled
20 unlawful, the Governor provided for \$289 million
21 for restoration of the gap elimination
22 adjustment. How much does this bill include as a
23 restoration in that Gap Elimination Adjustment?

24 SENATOR DeFRANCISCO: It's an
25 additional \$110 million. The additional funds of

1 approximately \$200 million were directed by this
2 formula, but \$110 million was for what you had
3 asked about. About 75 percent of this additional
4 amend of money were used for low-wealth,
5 high-need districts.

6 SENATOR STAVISKY: If the Senator
7 would yield.

8 SENATOR DeFRANCISCO: Yes.

9 SENATOR STAVISKY: The Governor's
10 restoration provided for 76 percent of the total
11 restoration for high-needs school districts.

12 What percentage of this GEA restoration goes to
13 the high-needs districts in the bill before us?

14 SENATOR DeFRANCISCO: I can't
15 break it down by GEA. But I can tell you
16 overall, 71 percent goes to high-needs,
17 low-wealth districts.

18 SENATOR STAVISKY: In other words,
19 it's less than the Executive --

20 ACTING PRESIDENT GRIFFO: Senator
21 Stavisky, are you asking --

22 SENATOR STAVISKY: Yes, I am.

23 SENATOR DeFRANCISCO: It's less a
24 percentage, more dollars. Each district under
25 the formula would get more dollars. But instead

1 of 76 percent that the Governor had, it's
2 71 percent.

3 SENATOR STAVISKY: If the Senator
4 would continue.

5 SENATOR DeFRANCISCO: Yes.

6 SENATOR STAVISKY: Can you break
7 it down in terms of high wealth or low wealth or
8 average school districts?

9 SENATOR DeFRANCISCO: You know, I
10 can. I think I got that. Surprisingly, I can
11 answer that question.

12 SENATOR STAVISKY: Well, that's
13 why I asked the question.

14 SENATOR DeFRANCISCO: I do have a
15 chart here that was prepared for me, if I can
16 find it.

17 The Big Five districts -- excuse
18 me. Where is it? Well, the increase per pupil
19 by need, the Big Five, the average increase per
20 pupil was \$318. High-need urban and suburban
21 districts, the average was about \$400. High-need
22 rural, about \$470. And average need, \$233 per
23 student. And low need, \$89 per student.

24 So I don't know the percentages,
25 but that's per student what the increases were.

1 SENATOR STAVISKY: If the Senator
2 would continue to yield.

3 ACTING PRESIDENT GRIFFO: The
4 Senator yields.

5 SENATOR STAVISKY: Obviously
6 you're aware that the wealth behind each child in
7 a high-wealth district is something in the
8 neighborhood of \$2.5 million, and in a low-wealth
9 district it's approximately \$151,000.

10 Does the Foundation Aid satisfy the
11 needs in terms of equity? In other words, are we
12 meeting the needs of the poor rural, the poor
13 urban districts in the same way that we're
14 satisfying the average student needs?

15 SENATOR DeFRANCISCO: Well, equity
16 is in the eyes of the beholder. I imagine the
17 school districts that are only under our new
18 money getting \$90 a student might not think it's
19 equitable when a high-need rural district gets
20 \$470 more money per pupil.

21 So I guess this is a negotiated use
22 of the additional \$200 million. From my
23 perspective, I think it's an equitable way to
24 provide the funding. But if you're getting less
25 than you want, I guess you'll think it's

1 unequitable.

2 SENATOR STAVISKY: If the Senator
3 would continue to yield.

4 SENATOR DeFRANCISCO: Yes.

5 SENATOR STAVISKY: Let's switch to
6 the area of the Governor's performance grants
7 proposal. Is there a proposal -- obviously --
8 how much funding are we talking about in the 2013
9 budget, in the outyear? The 2013 Governor's
10 performance grants appropriations.

11 SENATOR DeFRANCISCO: This year
12 it's \$50 million, which is basically a
13 reappropriation from last year's budget. It's at
14 \$115 million -- 125 in the outyear that you asked
15 about.

16 SENATOR STAVISKY: In addition to
17 the Governor's performance grants --

18 SENATOR DeFRANCISCO: Let me just
19 add something. Not that I'm suggesting that
20 we're going to do this, but presumably if there's
21 \$125 million in an outyear and there's another
22 budget cycle that's going to take place, then
23 things could change just like they are changing
24 this year.

25 SENATOR STAVISKY: If the Senator

1 would continue to yield.

2 SENATOR DeFRANCISCO: Yes.

3 ACTING PRESIDENT GRIFFO: The
4 Senator yields.

5 SENATOR STAVISKY: Do you know how
6 many school districts of the 700-some-odd school
7 districts in New York State, how many have
8 applied for these grants?

9 SENATOR DeFRANCISCO: I don't
10 know, but I know the argument. I know no money
11 has gone out the door. And I know the argument
12 that many districts won't qualify, many districts
13 will never be able to get great performance
14 grants because they don't believe they have
15 enough funding. And that was the whole argument
16 why \$200 million was transferred.

17 Again, as I mentioned before, I
18 think we can reevaluate this plan for the outyear
19 of \$150 million just like we reevaluated the plan
20 here to see what's in the pipeline, whether
21 districts are being treated fairly in being able
22 to apply, and then see what happens in the next
23 year's budget.

24 But this was a negotiated solution
25 to get the \$200 million into the budget this

1 year.

2 SENATOR STAVISKY: If the Senator
3 would yield.

4 SENATOR DeFRANCISCO: Yes.

5 SENATOR STAVISKY: Are there any
6 other groups such as BOCES or charter schools or
7 libraries that have applied for these challenge
8 grants?

9 SENATOR DeFRANCISCO: I don't
10 know. I don't know.

11 SENATOR STAVISKY: If the Senator
12 would continue.

13 SENATOR DeFRANCISCO: Yes.

14 SENATOR STAVISKY: Does the budget
15 bill include an increase in state aid associated
16 with the Foundation Aid?

17 SENATOR DeFRANCISCO: I'm not sure
18 I understand the question. Would you try again?

19 SENATOR STAVISKY: Let me go into
20 another area which I'm concerned about, and
21 that's the \$20 million appropriation for bullet
22 aid. Can you tell us how bullet aid was
23 allocated last year, and can you compare it to
24 the allocation this year?

25 SENATOR DeFRANCISCO: The

1 \$20 million is in the budget because the budget
2 is not perfect -- excuse me, the State Ed
3 education formula is not perfect and in some
4 instances there are inequities in certain school
5 districts. And the purpose of the \$20 million,
6 which includes both the Senate and the Assembly,
7 is that correct -- no, it just goes to the
8 Senate -- is to try to resolve those inequities.

9 SENATOR STAVISKY: If the Senator
10 would continue to yield.

11 ACTING PRESIDENT GRIFFO: The
12 Senator yields.

13 SENATOR DeFRANCISCO: Yes.

14 SENATOR STAVISKY: On page 179 and
15 180 there's language included as part of the
16 appropriation for bullet aid that would require
17 the Senate to act on a resolution. Does the
18 Assembly have to approve this resolution, or is
19 this sufficient for the Senate?

20 SENATOR DeFRANCISCO: It's
21 sufficient for the Senate. Because the Assembly
22 also has some money for smoothing out the
23 formula, this bullet aid, and they would
24 presumably have to pass their own resolution.

25 SENATOR STAVISKY: Can you tell us

1 when the resolution is going to be presented?

2 SENATOR DeFRANCISCO: I can't.

3 Because I imagine we'll be learning what the
4 inequities are and be learning what the problems
5 are from the various representatives. And at
6 that time, once we know all the problems, at that
7 point there will be a resolution to vote on as to
8 how that money should be distributed.

9 SENATOR STAVISKY: Since the
10 resolution only needs Senate approval and not the
11 Assembly approval, the Budget Reform Act of 2007
12 required both houses to concur in passing these
13 resolutions. Wouldn't this violate the Budget
14 Reform Act of 2007?

15 SENATOR DeFRANCISCO: No, because
16 we are -- both houses will be passing the budget,
17 which will have the dollars in it. And the
18 budget does say that it will be allocated by
19 resolution.

20 So the Budget Reform Act deals with
21 the passage of the budget, not other items that
22 implement the terms of the budget.

23 SENATOR STAVISKY: If the Senator
24 would continue to yield.

25 ACTING PRESIDENT GRIFFO: The

1 Senator yields.

2 SENATOR STAVISKY: Doesn't the
3 Budget Reform --

4 SENATOR DeFRANCISCO: Let me just
5 add something. I didn't know this, and I had
6 forgotten about it. Last year there was a
7 similar situation -- you asked about last year --
8 where the budget required a joint resolution from
9 the Assembly and the Senate, and the Assembly
10 never passed that resolution. And it caused
11 substantial problems in getting those funds to
12 where they were needed. So that's why it was
13 separated between the two this year.

14 SENATOR STAVISKY: But -- if the
15 Senator would continue to yield.

16 ACTING PRESIDENT GRIFFO: The
17 Senator yields.

18 SENATOR DeFRANCISCO: Yes.

19 SENATOR STAVISKY: Doesn't that
20 prove the point that a joint -- that it would
21 have to be approved in both houses in order to
22 satisfy the mandates of the Budget Reform Act of
23 2007?

24 SENATOR DeFRANCISCO: No, it
25 doesn't. Because last year the budget that was

1 passed in accordance with the 2007 Budget Reform
2 Act required those both houses to pass that
3 resolution. This budget has different language.
4 It provides for the Senate to pass the resolution
5 pertaining to their bullet aid and the Assembly
6 too to pass theirs related to their bullet aid.

7 So by passing this budget, that new
8 procedure will be adopted for this year.

9 SENATOR STAVISKY: If the Senator
10 would continue to yield.

11 SENATOR DeFRANCISCO: Yes.

12 SENATOR STAVISKY: I have a
13 problem with bullet aid, because to me there's no
14 equity here, it's another example of aid to those
15 with the most power.

16 And if the Senator would answer --
17 I'm sorry. I'm sorry. On what basis do you
18 anticipate the allocation of bullet aid? Is it
19 going to be based on need?

20 SENATOR DeFRANCISCO: It's going
21 to be based upon a resolution that will be
22 presented by the majority party for review and
23 passage or defeat by the entire Senate.

24 SENATOR STAVISKY: I'm sorry, I
25 didn't hear that last sentence.

1 SENATOR DeFRANCISCO: The way it's
2 going to be distributed is a resolution will be
3 prepared by the Majority Leader and the majority
4 party to be presented to the entire Senate for a
5 vote.

6 But the purpose, as I mentioned
7 before, is to try to ease the pain in those
8 districts that have substantially more problems
9 than other districts.

10 SENATOR STAVISKY: My question was
11 the basis on which it is awarded. And I guess
12 you've answered that question.

13 I have one more area that I would
14 like to question, if the Senator would yield.

15 SENATOR DeFRANCISCO: Yes.

16 ACTING PRESIDENT GRIFFO: The
17 Senator yields.

18 SENATOR STAVISKY: Taking this Aid
19 to Localities Budget in its entirety, does it
20 satisfy the court requirements of the Campaign
21 for Fiscal Equity? And if so, how?

22 SENATOR DeFRANCISCO: Well, I
23 don't know the answer to that question because
24 there's been a ruling of the court on that
25 Campaign for Fiscal Equity several years ago, and

1 I don't think the amounts that were contemplated
2 by that court decision ever have really been
3 accomplished.

4 So I don't -- I didn't check this
5 budget against that particular court ruling, but
6 ultimately the Legislature can only provide what
7 it's got and provide it in the fairest way it
8 could possibly provide it.

9 So whether it technically satisfies
10 what the court contemplated, I'm not sure. But I
11 don't think it ever has.

12 SENATOR STAVISKY: Then my last
13 question is, is it moving toward the target that
14 the court has set for us?

15 SENATOR DeFRANCISCO: I think so.
16 Because what we're doing, even by the additional
17 \$200 million, we're driving more towards
18 low-wealth, high-needs districts. And as we keep
19 going, moving in that direction, I think we're
20 getting closer to the intent of the court
21 decision.

22 SENATOR STAVISKY: And you're
23 suggesting that bullet aid also helps in that
24 direction?

25 SENATOR DeFRANCISCO: Hopefully.

1 SENATOR STAVISKY: Thank you. And
2 thank you for your patience.

3 SENATOR DeFRANCISCO: Yes, no
4 problem.

5 ACTING PRESIDENT GRIFFO: Senator
6 Rivera.

7 SENATOR RIVERA: Thank you,
8 Mr. President. On the bill.

9 ACTING PRESIDENT GRIFFO: Senator
10 Rivera on the bill.

11 SENATOR RIVERA: I wanted to stand
12 up, Mr. President, and talk about a couple of
13 issues that are in this bill. I will be
14 supportive of this piece of the budget for a
15 couple of different reasons.

16 First of all, I'll talk about SNUG
17 funding. SNUG is a program that exists across
18 the state. It was started in Chicago a few years
19 ago as a way to deal with gun violence. It has
20 proven to be very effective in Chicago, it has
21 come to New York and exists both in Yonkers and
22 Niagara Falls and a couple of different places
23 around the state.

24 We put \$1 million in the budget to
25 be able to fund SNUG in the State of New York.

1 I'm very -- I think that that is a good thing.
2 It helps us to deal with gun violence in
3 different parts of the state.

4 Still, I would make the approach to
5 the Executive that we need to make sure that this
6 happens in the Bronx. We don't have a SNUG
7 program right now in the Bronx. And I know that
8 there's many members of the Democratic Conference
9 that believe the same thing, particularly my
10 colleagues in the Bronx. We need to make sure
11 that it comes here.

12 But that is one thing that happens
13 in this budget that I am supportive of.

14 Second, we restored the
15 Neighborhood and Rural Preservation Programs, the
16 NPP and the RPP programs. Both of those are
17 incredibly important across the State of New
18 York, all the way from Senator Young's
19 district -- because she's made clear many times
20 that it is a very important part of the rural
21 parts of the state -- and the NPP program is very
22 important in parts of the state downstate.

23 We were able to take those programs
24 and put them back in the budget. I am
25 appreciative of that. We should have more

1 funding for housing preservation, but this
2 funding was restored. I think that is a positive
3 thing that we did in this budget.

4 Domestic violence programs. There
5 was restoration through DCJS for domestic
6 violence programs, for civil and legal services
7 for victims of domestic violence and for
8 Family Court domestic violence services, all of
9 which were not in the -- you know, I'm glad that
10 through negotiations between the two chambers and
11 the Governor's office we were able to put this
12 back. This restoration is incredibly important
13 for families all across the state.

14 I'm also very happy that there is
15 an establishment for an Office of New Americans
16 in this budget. It is an office that will exist
17 within the Department of State in the Executive.

18 And the purpose of this office is
19 to engage legal permanent residents across
20 New York and certainly in the northwest Bronx
21 that I represent, make sure that we can expand
22 access to much-needed English language education
23 services and citizenship services.

24 It is an office that is going to be
25 dedicated to reaching out to new immigrant

1 communities, much like the Bangladeshi community
2 that we had in this chamber just earlier today,
3 and making sure that, in particular, new American
4 business owners and entrepreneurs have access to
5 services in the Executive.

6 So this office that will be created
7 in the Department of State, I am very much
8 looking forward to its creation and looking
9 forward to working with the Department of State
10 so that it can serve folks in the northwest
11 Bronx, my constituents in the northwest Bronx.

12 As far as higher education is
13 concerned, I have two CUNY campuses in my
14 district, both Lehman College and Bronx Community
15 College.

16 While I continue to be concerned,
17 as Senator Stavisky expressed, about the fact
18 that we are, I believe, not making a true
19 commitment from the state to what is public
20 higher education -- I believe that we need to
21 make public universities less dependent on the
22 tuition of individual students and more on state
23 funding. So while I will continue to make the
24 argument that we need to fund them at a higher
25 level, I am glad that we were able to increase

1 state aid from \$178 million to \$184 million. It
2 is a modest increase but certainly one that is a
3 positive.

4 I do say again that I am concerned
5 that when we include language that says that in
6 future years these universities will have to rely
7 on nonstate resources -- this is the discussion
8 that Senator Stavisky and Senator DeFrancisco had
9 a bit earlier. I am concerned when we insert
10 that language into the budget, it makes it harder
11 for us to make sure that we fund these
12 institutions as the public higher education
13 institutions that they are.

14 On K-12 education, there has been
15 discussions about the competitive grants. I was
16 certainly disappointed that at the beginning of
17 this process there was an allocation of
18 \$250 million on these performance-based grants.
19 But I definitely want to credit, on the record,
20 the parents, the students and the teachers who
21 visited legislators, who visited Albany and
22 pushed hard to make sure that we would get --
23 that not all this money would be allocated to
24 competitive grants.

25 Negotiations brought \$200 million

1 of that back into the General Fund and general
2 state aid, and I'm very, very glad that we were
3 able to do that. Because I do not believe that
4 competitive grants should be a substitute for
5 school aid, particularly when, as we've discussed
6 before, the neediest school districts, you know,
7 are not likely to win competitive grants, which
8 makes them less likely to be successful in the
9 future.

10 So finally, I think that there's
11 many things in this part of the budget that maybe
12 we could have done a little bit more, but
13 certainly addressed a lot of the concerns for
14 folks in my district, in the northwest Bronx and
15 across the State of New York. And I will be
16 voting in the affirmative on this piece of
17 legislation.

18 Thank you, Mr. President.

19 ACTING PRESIDENT GRIFFO: Thank
20 you, Senator Rivera.

21 Senator Addabbo.

22 SENATOR ADDABBO: Thank you,
23 Mr. President. Briefly on the bill.

24 ACTING PRESIDENT GRIFFO: Senator
25 Addabbo on the bill.

1 SENATOR ADDABBO: I rise to
2 support today the Aid to Localities Budget bill.
3 It provides essential funding for our schools
4 throughout the state, including New York City.
5 It provides for the first Foundation Aid phase-in
6 since 2008-2009. It continues the Contract for
7 Excellence requirement for the City of New York,
8 which should encourage the city to honor its
9 obligation toward our students.

10 The school aid run provides an
11 overall increase of \$292 million for the City of
12 New York. And the city will receive a
13 Foundation Aid increase of \$47 million, which
14 restarts a process that was started by advocates
15 and parents in New York City back in the early
16 1990s.

17 I also support the increase of
18 \$4 million to our libraries. Given the increase
19 in use of our libraries for everyone throughout
20 the state, this is a much-needed funding and
21 important contribution for those who work in the
22 libraries and use our libraries.

23 The \$7 million increase in the
24 funding for the comprehensive attendance programs
25 will help the nonpublic schools meet their

1 burden, their financial burden throughout the
2 state, and again will help the nonpublic schools
3 reach their increasing financial burden.

4 Mr. President, in closing,
5 education is an extremely important issue for our
6 residents throughout the state. These
7 restorations and the Foundation Aid increase
8 should continue to assist the school districts in
9 their rising costs and the student needs.

10 I'm grateful to have been a part of
11 the Education Conference Committee. I wish well
12 our Senator, Suzi Oppenheimer, and her speedy
13 recovery. And again standing in for her, those
14 are big shoes to fill on the Education Conference
15 Committee, so I do wish her well.

16 I want to thank the Education
17 chair, Senator Flanagan, for his work and the
18 work of all the staff on the education portion of
19 our state budget. And I will be voting aye.

20 Thank you, Mr. President.

21 ACTING PRESIDENT GRIFFO: Thank
22 you, Senator Addabbo.

23 Senator Espaillat.

24 SENATOR ESPAILLAT: Yes,
25 Mr. President, on the bill.

1 ACTING PRESIDENT GRIFFO: Senator
2 Espaillat on the bill.

3 SENATOR ESPAILLAT: Yes,
4 Mr. President.

5 Last year I voted against the
6 Education bill because I felt that it leveled
7 very serious budget cuts on an educational system
8 in the City of New York which cries out for
9 additional funding.

10 This year, however, I rise in
11 support of this Aid to Localities Budget for
12 several reasons. First, because the school aid
13 formula, for the first time it provides an
14 increase, a down payment of \$111 million that
15 hopefully will serve to restart the multiyear
16 plan to fulfill our promise with the Campaign for
17 Fiscal Equity lawsuit, a lawsuit that was started
18 in my district over 15 years ago.

19 Second, the school aid formula
20 gives particular attention to the need of limited
21 English proficiency students, the LEP students.
22 Foundation Aid also recognizes LEPs, and the new
23 phase-in recognizes LEPs. The Governor's
24 original restoration formula and the additional
25 restoration formula also recognize the LEP

1 students. So this is a good measure that I am
2 very much in support of.

3 Additionally, community
4 colleges are also receiving an increase in base
5 aid. Community colleges are the backbone of
6 higher education and the front line in the fight
7 to educate our students. In many cases community
8 colleges continue to be a window of opportunity
9 for many folks that find themselves unemployed
10 during this economic crisis. The \$150 per
11 full-time student increase will assist community
12 colleges in reducing some of the financial
13 burdens on their students.

14 Fourthly, the opportunity programs
15 funded through the State Education Department are
16 restored. HEOP, STEP, C-STEP and the Liberty
17 Partnership Programs help economically
18 disadvantaged students realize the dream of
19 higher education and expanded opportunities in
20 different fields.

21 Let me just say that whereas this
22 budget provides increased help in education, both
23 elementary school, intermediate school, high
24 school, and college education, it fails to do one
25 thing, Mr. President. It fails to include the

1 DREAM Act.

2 And although I recognize that the
3 DREAM Act is a separate piece of legislation that
4 is carried in different forms, one by Senator
5 Perkins and myself in this house, I am hopeful
6 that it will be our highest priority when we come
7 back from recess.

8 I will be voting in support of this
9 bill, and I do really hope that when we come back
10 we'd add that additional piece that was left out,
11 the DREAM Act that will help thousands of
12 undocumented young people have access to higher
13 education.

14 ACTING PRESIDENT GRIFFO: Senator
15 Smith.

16 SENATOR SMITH: Thank you,
17 Mr. President. On the bill.

18 ACTING PRESIDENT GRIFFO: Senator
19 Smith on the bill.

20 SENATOR SMITH: As Senator Rivera
21 spoke earlier, I too am pleased that the
22 agreement was made to continue to support the
23 SNUG program, which has been very effective
24 throughout the state. I do hope that as we move
25 forward with the rest of this year there is

1 opportunity for the Bronx to be added to that
2 program.

3 As you know, Mr. President, I am
4 one who continually will champion the importance
5 of One New York. However, over the last several
6 budget cycles there has been a consistent level
7 of performance not to provide AIM to the City of
8 New York.

9 And I believe that while there has
10 been some discussion around the Medicaid
11 absorption increased cost over the next three
12 cycles that the state will do for localities,
13 there's been some discussion that that would seek
14 to mitigate the challenge of no AIM money to
15 New York City, I would hope, in the spirit of
16 fairness as we move forward, that we would begin
17 to recognize that New York City is part of the
18 entire state. And in the spirit of One New York
19 that we recognize the resources that New York
20 City gives to the State of New York and in turn
21 should be returned to New York as well.

22 So there are good things in this
23 particular budget. I do hope that we do more
24 with SNUG, we do more with the AIM for New York.

25 And finally, Mr. President, as one

1 who was part of an area that was ground zero for
2 the foreclosure area, I know there is \$9 million
3 in there for foreclosure. I know they are
4 looking at the Attorney General's success in
5 another \$15 million.

6 But I would hope that we recognize
7 the significance of the foreclosure challenge in
8 this state and, as we move forward with some of
9 our cleanup bills before the end of the year, as
10 we look to do some corrective measures before now
11 and the end of the year, that we recognize the
12 fungibility within this budget and move to
13 appropriate in some other categories, such as the
14 foreclosure issue in this budget.

15 Thank you, Mr. President.

16 ACTING PRESIDENT GRIFFO: Senator
17 Diaz.

18 SENATOR DIAZ: Thank you,
19 Mr. President. On the bill.

20 ACTING PRESIDENT GRIFFO: Senator
21 Diaz on the bill.

22 SENATOR DIAZ: Before, this is the
23 third -- this is number three, Mr. President, out
24 of seven that we are doing today. This one is
25 called Aid to Localities.

1 And I asked before, why are we
2 asking questions. And the answer, I said to
3 myself, maybe because we don't know. If we don't
4 know, then we vote no.

5 Before, a few minutes ago, Senator
6 Krueger mentioned the bigger -- what we're
7 dealing with today. And Senator Krueger even
8 said that it's impossible for us to understand
9 and to read those things.

10 This thing, ladies and gentlemen --
11 ladies and gentlemen, this thing today, this is
12 bigger than Obamacare. Obamacare is 2700 pages.
13 And for one year already, almost a year, and
14 people don't even understand or know throughout
15 the state and throughout the Congress what
16 Obamacare entails.

17 So they want to us read this in two
18 days and understand all of this and vote on
19 this. It's impossible for anyone to read this in
20 two days and understand everything.

21 However, I know, Mr. President and
22 ladies and gentlemen, even as Adriano Espaillat
23 said, that this section, Aid to Localities, do
24 not include the DREAM Act. Even through Adriano
25 says that it could be another bill, a separate

1 bill. No. This is something that was supposed
2 to be fought and supposed to be -- do everything
3 possible to be included here. It's not
4 included.

5 The DREAM Act, ladies and
6 gentlemen, is not included in this piece of
7 legislation, 6253, called Aid to Localities.
8 There's not even money here included for the
9 Small Business Revolving Loan, according to
10 Senator Hassell-Thompson.

11 So what are we voting for? What is
12 it my colleagues are voting for? For something
13 that nobody could tell me exactly what it is?

14 The bare fact, the bare fact that
15 this piece of legislation do not include, that
16 the Governor and the members of the Legislature
17 refuse to include the DREAM Act -- this does not
18 even include money for -- this does not even
19 include money -- this does not even include money
20 to help the students with any kind of help.

21 So I'm not asking questions, I'm
22 just going to use Senator Krueger's word. I
23 am -- what was the word that she used? She used
24 a word -- disturbed. And because I'm disturbed,
25 I'm voting no. Thank you.

1 ACTING PRESIDENT GRIFFO: Senator
2 Krueger.

3 SENATOR KRUEGER: Thank you,
4 Mr. President. If the sponsor would please
5 yield.

6 ACTING PRESIDENT GRIFFO: The
7 sponsor yields.

8 SENATOR KRUEGER: Thank you. I
9 just want to make sure he hears my question, so I
10 want to wait until he's ready.

11 SENATOR DeFRANCISCO: I'm sorry.
12 Go ahead.

13 SENATOR KRUEGER: Thank you.
14 Actually my colleague Senator
15 Stavisky was asking a series of questions earlier
16 about the sections in the Aid to Localities bill
17 that appear to violate the Budget Reform Act of
18 2007.

19 SENATOR LaVALLE: Mr. President --

20 SENATOR KRUEGER: I yield.

21 SENATOR LaVALLE: Thank you,
22 Senator.

23 ACTING PRESIDENT GRIFFO: Senator
24 LaValle, why do you rise?

25 SENATOR LaVALLE: Can we have

1 unanimous consent to have a brief recess? Stand
2 at ease.

3 ACTING PRESIDENT GRIFFO: Without
4 objection, the Senate will stand at ease briefly.

5 SENATOR LaVALLE: Thank you.

6 (Whereupon, the Senate stood at ease
7 at 12:49 p.m.)

8 (Whereupon, the Senate reconvened at
9 1:23 p.m.)

10 SENATOR SKELOS: Mr. President.

11 ACTING PRESIDENT GRIFFO: Senator
12 Skelos.

13 SENATOR SKELOS: If we could
14 return to the debate on Aid to Localities.

15 ACTING PRESIDENT GRIFFO: We shall
16 return to the debate. Senator Krueger has the
17 floor.

18 Senator Krueger.

19 SENATOR KRUEGER: Thank you. I
20 believe before recess I was asking the sponsor to
21 yield.

22 ACTING PRESIDENT GRIFFO: Senator
23 DeFrancisco yields.

24 SENATOR DeFRANCISCO: Yes.

25 SENATOR KRUEGER: Thank you.

1 And I was saying, but to repeat
2 myself, that earlier in discussion around this
3 bill Senator Stavisky had asked some questions
4 about the changed use -- excuse me, a change in
5 the language in legislation around education
6 funding that I believe violates the 2007 Budget
7 Reform Act because it would no longer require
8 lined-out resolutions to come before both houses
9 and be passed by both houses.

10 I believe that Senator DeFrancisco
11 said yes, this year we changed that in the
12 language.

13 So my question, having reminded us
14 about what I thought the dialogue was, my
15 question is does he believe that this is a
16 violation of the Budget Reform Act as we passed
17 it in 2007.

18 SENATOR DeFRANCISCO: No.

19 SENATOR KRUEGER: Mr. President,
20 if he could continue to yield, please.

21 ACTING PRESIDENT GRIFFO: Senator
22 DeFrancisco yields.

23 SENATOR KRUEGER: Yes, sir. Yes.
24 Why is it not a violation of the Budget Reform
25 Act?

1 SENATOR DeFRANCISCO: Because we
2 are passing a budget, and that budget changes the
3 procedure as far as that bullet aid over the
4 budget of last year. Last year that budget that
5 we passed required a joint resolution by the
6 Senate and the Assembly to distribute that bullet
7 aid, and that this budget changes it to split up
8 the bullet aid and require only individual
9 resolutions of each house.

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

13 SENATOR DeFRANCISCO: Yes.

14 ACTING PRESIDENT GRIFFO: The
15 sponsor yields.

16 SENATOR KRUEGER: Thank you.
17 Is there any other section of the
18 budget, either in this Aid to Localities bill or
19 in some other bill we're going to be dealing with
20 later, where parallel language is applied or in
21 fact the old budget reform language remains?

22 SENATOR DeFRANCISCO: I don't
23 think there's any similar provision to the bullet
24 aid other than this one.

25 Except there's many provisions in

1 there that give the Governor broader discretion
2 as far as moving money, for example, in the IT
3 area and back-office areas, without further
4 action on behalf of the Legislature. So that's
5 different than it was in prior years. And I
6 think that's the only thing I could think of that
7 may be different than prior years.

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

10 SENATOR DeFRANCISCO: Yes.

11 ACTING PRESIDENT GRIFFO: The
12 sponsor yields.

13 SENATOR KRUEGER: Thank you.

14 While it's -- sorry, I'm just
15 making sure I have the right question.

16 Mr. President, I think clarification. I believe
17 that in the Aid to Localities bill, under the
18 section for criminal justice services, there is a
19 similar language where it only requires the vote
20 of one house on specific items. I don't have the
21 page -- oh, I think -- I'm sorry, I don't have
22 the correct page numbers, but it's Division of
23 Criminal Justice, Aid to Localities, Federal
24 Operating Grants Fund, Edward Byrne Memorial
25 Account, then Domestic Violence Account.

1 Am I correct that those also lay
2 out specifically a resolution only of one house
3 to determine how those lump-sum monies should be
4 distributed at a later date?

5 SENATOR DeFRANCISCO: I'll take
6 your word for it. I am not sure. But the same
7 answer would apply: It doesn't violate anything
8 because that provision is being voted upon by the
9 entire body, and that's the procedure set for the
10 distribution of those funds by this body in
11 passing the budget bill.

12 SENATOR KRUEGER: Mr. President,
13 on the bill.

14 ACTING PRESIDENT GRIFFO: Senator
15 Krueger on the bill.

16 SENATOR KRUEGER: So I looked at
17 these sections, and Senator DeFrancisco is
18 correct, we use the fabulous wonderful word
19 "notwithstanding" in each of these sections of
20 the budget. And so, for the record,
21 "notwithstanding" is a term that lets us do away
22 or ignore or some might say violate agreements
23 that we have made, statutes we have passed,
24 statements we have made to the public about what
25 we are committing to do in future.

1 So for the record, Senator
2 DeFrancisco is correct, the "notwithstanding"
3 sentence is there in each case. And for the
4 record, I object. We made a commitment to the
5 public in the Budget Reform Act that we were
6 going to go forward with certain agreements
7 around MOU lump sums --

8 ACTING PRESIDENT GRIFFO: Senator
9 DeFrancisco.

10 SENATOR DeFRANCISCO: Would
11 Senator Krueger yield to a question.

12 SENATOR KRUEGER: Certainly,
13 Mr. President.

14 ACTING PRESIDENT GRIFFO: She
15 yields.

16 SENATOR DeFRANCISCO: Senator
17 Krueger, in the years 2009 and 2010 did you have
18 a similar commitment to follow the 2007 Budget
19 Reform Act?

20 SENATOR KRUEGER: Yes.

21 SENATOR DeFRANCISCO: And with
22 that commitment, did you follow it there were?

23 SENATOR KRUEGER: There were some
24 flaws. I think probably you're going to discuss
25 conference committees.

1 SENATOR DeFRANCISCO: There were
2 some flaws, that's the way you describe the
3 procedure in 2009-2010?

4 SENATOR KRUEGER: No, you may
5 describe it as you wish.

6 SENATOR DeFRANCISCO: Okay. One
7 more question.

8 ACTING PRESIDENT GRIFFO: Senator
9 Krueger, do you continue to yield?

10 SENATOR KRUEGER: Yes.

11 ACTING PRESIDENT GRIFFO: Senator
12 DeFrancisco.

13 SENATOR DeFRANCISCO: So in this
14 budget we're making a "notwithstanding" clause
15 for a couple of provisions and you're concerned
16 that that violates the Budget Reform Act, is that
17 correct?

18 SENATOR KRUEGER: I'm concerned
19 that we are violating the agreement we made in
20 budget reform having an impact on the
21 distribution of over \$40 million of tax money,
22 yes.

23 SENATOR DeFRANCISCO: One last
24 question.

25 ACTING PRESIDENT GRIFFO: Senator

1 Krueger yields.

2 SENATOR KRUEGER: Yes, certainly.

3 SENATOR DeFRANCISCO: With respect
4 to the failure to have the timeline that's
5 required on the 2007 Budget Reform Act, the
6 failure to have conference committees, the
7 failure to have the budget on time, the failure
8 to have a detailed summary of the budget and the
9 financial plan, did you complain about any of
10 those things in 2009 and 2010?

11 SENATOR KRUEGER: Actually, in
12 response, I did actually complain that we failed
13 to do certain things. Yes, I did, Mr. President.

14 SENATOR DeFRANCISCO: Okay.

15 SENATOR KRUEGER: We actually did
16 provide the summary reports as requested. And I
17 have sent staff to go find those copies for you,
18 Senator DeFrancisco, since you mentioned that
19 twice. But yes, there were not conference
20 committees and hence they were not on time.

21 I think it's legitimate for both
22 sides to raise issues when we are in fact
23 violating law or agreements that have been made
24 in the past. So I will accept that there were
25 violations in the past, and I object to this

1 violation today.

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

4 SENATOR KRUEGER: Thank you.
5 On the bill, Mr. President.

6 ACTING PRESIDENT GRIFFO: Senator
7 Krueger on the bill.

8 SENATOR KRUEGER: Thank you.

9 Oh, I apologize, I had one
10 additional question for the sponsor. Would the
11 sponsor please yield?

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

14 SENATOR DeFRANCISCO: Yes.

15 ACTING PRESIDENT GRIFFO: The
16 sponsor yields.

17 SENATOR KRUEGER: Thank you.

18 So this is our Aid to Localities
19 bill which drives the vast majority of state and
20 federal pass-through funds to our localities to
21 run the programs -- education, human services,
22 assortments of transportation, health. I mean,
23 an endless list of programs go through the Aid to
24 Localities bill.

25 Does the sponsor know what the

1 impact on our localities would be from the budget
2 that the Congress passed yesterday in Washington,
3 what that impact would have on our localities in
4 the upcoming budget year?

5 SENATOR DeFRANCISCO: I don't
6 know, and it's irrelevant. The fact that one
7 house of the federal government passes a budget
8 bill that's not the budget, I don't know what
9 relevance it would be for us to know what's in it
10 since it's not a final budget. And we haven't
11 had a final budget for some time in the federal
12 government.

13 So the point is that that
14 information should not and does not affect our
15 budget today.

16 SENATOR KRUEGER: Now on the bill,
17 Mr. President.

18 ACTING PRESIDENT GRIFFO: Senator
19 Krueger on the bill.

20 SENATOR KRUEGER: Thank you.

21 We are state government, and so we
22 have to factor in the impact of what federal
23 monies we may or may not have to pass through to
24 our localities or to spend ourselves in planning
25 for a year ahead.

1 So I do agree the Congress as a
2 whole has not passed the budget bill that was
3 submitted by the Republicans in the House of
4 Representatives yesterday. But in fact it was
5 passed in the House of Representatives yesterday,
6 and it would have a devastating impact on the
7 localities and on almost every domestic program
8 in this country, devastating to the effect that
9 we could see 63 percent reductions in domestic
10 spending for programs that impact the elderly,
11 the disabled, and low-income New Yorkers.

12 This at a time when unfortunately
13 our unemployment rate continues to be
14 unacceptably high, our poverty rate is growing,
15 the documentation of lack of access to healthcare
16 is causing severe impact and disproportionate
17 impact to low-income New Yorkers.

18 And in fact beyond the proposal in
19 Washington by the Republicans in the House of
20 Representatives and the impact, if it became law,
21 it would have on this state and our localities, I
22 don't believe that the bill before us, the Aid to
23 Localities bill, in any way adequately funds
24 critical programs in each of our counties, in
25 each of our communities.

1 The fact that it is a better budget
2 bill than last year or the year before doesn't
3 make it a good budget bill, does not mean it's
4 addressing the needs for education, for higher
5 education, for human services, to deal with
6 issues of homelessness, to prevent evictions, to
7 provide protections for people in the fundamental
8 responsibilities that I believe government should
9 have.

10 So this will be an on-time budget.
11 There are portions of this budget that I am proud
12 of and I applaud. But I do believe that I came
13 to Albany to ensure that our state reprioritized
14 our focus in our budget to address the needs at
15 the local level that are the most fundamental
16 needs of a state government and its
17 responsibilities. And this isn't as bad a bill
18 as the year before or the year before that, but
19 it's not a good bill. And it's not a bill I can
20 vote for.

21 So I'll be voting no. Thank you,
22 Mr. President.

23 ACTING PRESIDENT GRIFFO: Is there
24 any other Senator wishing to be heard??

25 Seeing none, hearing none, debate

1 is closed. The Secretary will ring the bell.

2 Read the last section.

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

5 ACTING PRESIDENT GRIFFO: Call the
6 roll.

7 (The Secretary called the roll.)

8 ACTING PRESIDENT GRIFFO: Senator
9 Diaz to explain his vote.

10 SENATOR DIAZ: Yes, Mr. President,
11 thank you.

12 I'm just -- again, this is a big
13 piece of -- package that we're doing today. And
14 I'm glad that Senator Krueger is voting no. As I
15 was saying, I think that you, when you have
16 reason to vote no, you could take hours to
17 explain why, all the reasons in the world why
18 you're voting no. If you're voting yes, there's
19 no reason to take too much time to say "I'm
20 voting yes."

21 And I'm voting no, Mr. President,
22 because this piece of legislation does not
23 include the DREAM Act legislation. And my
24 colleagues should have fought and should have
25 held their votes to force the Governor to include

1 the DREAM Act in this bill. There is not even
2 money for small business revolving loans. So how
3 could we vote for something like this?

4 That's why I'm voting no. Thank
5 you.

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

8 Senator Perkins to explain his
9 vote.

10 SENATOR PERKINS: Thank you very
11 much.

12 I just want to, for the record,
13 establish that clearly, as has been noted, there
14 is no DREAM Act. And of course that's a great
15 concern of mine.

16 And for the record, I would just
17 like to point out that according to the Institute
18 for Taxation and Economic Policy, undocumented
19 immigrants paid over \$662 million in taxes to
20 New York State in 2010, making it the state with
21 the fourth-highest revenue in taxes from
22 undocumented immigrants. They paid approximately
23 \$104.4 million in personal income taxes,
24 \$95 million in property taxes, and over
25 \$463 million in sales taxes.

1 It is unjust, unfair, and
2 un-American to collect over a half a billion
3 dollars in tax revenue from undocumented
4 immigrants only to deny them financial support
5 that is granted to other New Yorkers.

6 Actually, it is universally
7 accepted that those who pay taxes should benefit
8 from those taxes, whether those benefits be
9 public safety or access to higher education.

10 Plainly speaking, the DREAM Act
11 would respect the dignity and contributions and
12 of undocumented youth in New York. While this
13 bill does not acknowledge that, I'm nevertheless
14 going to be voting for the bill, with the
15 expectation that we will sooner than later
16 legislate a DREAM Act that will respect the
17 Dreamers.

18 Thank you so much. I vote aye.

19 ACTING PRESIDENT GRIFFO: Senator
20 Perkins to be recorded in the affirmative.

21 Senator Stavisky to explain her
22 vote.

23 SENATOR STAVISKY: Thank you,
24 Mr. President. And I thank Senator DeFrancisco
25 for his responses.

1 There were a number of areas that I
2 have problems with in this budget. For one
3 thing, for the SUNY and CUNY childcare centers, I
4 was not satisfied that nonstate sources next year
5 are going to pick up the slack and force the
6 people who make use of the CUNY and SUNY
7 childcare centers, force them to pay the
8 35 percent copayment. I don't know if TANF is
9 available, as I asked.

10 Secondly, I regret that you ruled
11 my hostile -- it's not a hostile amendment, it's
12 an enhancing amendment to make a budget better --
13 that you ruled it unconstitutional, the question
14 of Foundation Aid increases, because clearly it
15 was constitutional.

16 The question of Foundation Aid I
17 think should be based upon need, it should be
18 based upon the resources that we have. And I was
19 not at all satisfied with the answer on bullet
20 aid, because I think Senator Krueger is correct,
21 it certainly does violate the 2007 budget
22 agreement that we came together on. We agree
23 that budget reform is important, and yet it's
24 important except when it's not.

25 And I do have a problem with the

1 allocation of the \$20 million in bullet aid,
2 because I don't know where it's going.

3 Unfortunately, education in this state --

4 ACTING PRESIDENT GRIFFO: Senator
5 Stavisky, how do you vote?

6 SENATOR STAVISKY: -- is based too
7 often on where the child lives.

8 With all of these caveats, I vote
9 yes.

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

12 Senator Ruth Hassell-Thompson to
13 explain her vote.

14 SENATOR HASSELL-THOMPSON: Thank
15 you, Mr. President.

16 I think it's been stated on this
17 floor that if you're unhappy with the bill you
18 ought to vote against it.

19 There are too many areas within
20 this, including the base aid to my community that
21 is included -- and certainly I could never vote
22 against anything that is favorable to my
23 constituency.

24 But having said that, I am very
25 displeased about the fact that small businesses,

1 which is very much the heart of the American
2 economy, is being ignored, particularly in a
3 chamber where we have espoused constantly the
4 need to develop jobs. And the importance of
5 small business to job development in this state
6 is historic.

7 So I think that we're doing a
8 disservice to our small businesses and to the
9 arguments that we continue to make if we fail to
10 make the appropriate appropriations to enhance
11 the ability of small businesses to grow.

12 Therefore, Mr. President, as
13 ambiguous as that statement may be, I will be
14 voting in favor.

15 ACTING PRESIDENT GRIFFO: Senator
16 Ruth Hassell-Thompson to be recorded in the
17 affirmative.

18 Senator Parker to explain his vote.

19 SENATOR PARKER: Thank you,
20 Mr. President. To explain my vote.

21 As everybody has indicated, with an
22 omnibus bill like this there's always good and
23 bad. And you have to unfortunately either take
24 the good with the bad or sometimes throw the baby
25 out with the bathwater.

1 In this particular case, I don't
2 think there's enough of a baby in there for me to
3 vote for this bill, and so I'm throwing out the
4 bathwater.

5 There's a number of things that I
6 thought we could have done a little bit different
7 in this budget. One of which, there's no
8 increase to TAP. And certainly that's something
9 that we could have done.

10 And the DREAM Act legislation --
11 you know, I represent a district that is very
12 largely immigrant, particularly, you know,
13 representing one of the largest concentrations of
14 Caribbean people outside the Caribbean in the
15 world. I represent the largest Pakistani
16 community outside of Pakistan in the world. Much
17 of the parts of Borough Park that I represent
18 represents an orthodox Jewish community, many of
19 which are immigrants as well. And so the DREAM
20 Act legislation certainly would have provided a
21 step up, as Senator Perkins indicated.

22 And the bill certainly does not do
23 what we ought to be doing as both a city and
24 state of immigrants. Understand this, in the
25 context of the census, that we lost population

1 upstate. And the only reason why we gained
2 population in New York City was actually because
3 of the immigrant population. So any time that we
4 try to delude ourselves that Americans don't
5 include new Americans, we should just look at the
6 numbers. The numbers never lie.

7 And so, you know, there's some
8 things that we did good here, but not enough me
9 for me to vote for it. I vote nay,
10 Mr. President.

11 ACTING PRESIDENT GRIFFO: Senator
12 Parker to be recorded in the negative.

13 Senator Smith to explain his vote.

14 SENATOR SMITH: Yes, thank you,
15 Mr. President.

16 My colleagues have indicated more
17 or less the challenges to this piece of
18 legislation. But again, for the record, while I
19 will be voting yes, I do hope, in the fairness of
20 a One New York theme, that we recognize the
21 importance of New York City at some point
22 receiving adequate AIM money relative to the
23 amount that it gives.

24 And also, as our conference for
25 years has put a tremendous effort into the

1 foreclosure area, I would hope that as we begin
2 to clean up some of our appropriation legislation
3 as well as some of the categories that need to be
4 revisited, we will once again recognize the
5 importance of the foreclosure area and bring that
6 appropriation amount up from the \$9 million.

7 I'll be voting yes, Mr. President.

8 ACTING PRESIDENT GRIFFO: Senator
9 Smith to be recorded in the affirmative.
10 Senator Squadron to explain his
11 vote.

12 SENATOR SQUADRON: Thank you,
13 Mr. President.

14 I just want to point out that in
15 this bill, in the funding for children and
16 families and OTDA, I want to, in the spirit of
17 bipartisanship, commend and congratulate Senator
18 Gallivan, the chair of Social Services, Senator
19 Savino, Senator Montgomery, the ranking member of
20 Children and Families. There is actually a lot
21 in here you would not know which party, on some
22 of these issues, is in the majority. And we
23 don't do that enough.

24 And I particularly want to point
25 out that the Nurse Family Partnership, which is a

1 program that we created on the state level a
2 couple of years ago, is funded at \$2.5 million,
3 including another half million in the health bill
4 that we'll get to; that settlement houses are
5 funded significantly; and that homeless
6 prevention programs were all increased from the
7 Executive Budget.

8 It was a pleasure to work in a
9 bipartisan way. I appreciate the spirit of
10 bipartisanship and the focus on the safety net in
11 this bill. So I will be voting yes,
12 Mr. President.

13 ACTING PRESIDENT GRIFFO: Senator
14 Squadron to be recorded in the affirmative.

15 Announce the results.

16 THE SECRETARY: In relation to
17 Calendar Number 482, those recorded in the
18 negative are Senators Adams, Diaz, Duane,
19 Krueger, and Parker.

20 Ayes, 56. Nays, 5.

21 ACTING PRESIDENT GRIFFO: The bill
22 is passed.

23 Senator Libous.

24 SENATOR LIBOUS: Mr. President,
25 can we return to motions for a moment, please.

1 ACTING PRESIDENT GRIFFO: We will
2 return to motions.

3 SENATOR LIBOUS: On page 5 I offer
4 the following amendments to Calendar Number 38,
5 Senate Print 1998, and ask that said bill retain
6 its place on the Third Reading Calendar. That's
7 on behalf of my friend and colleague
8 Senator Fuschillo.

9 ACTING PRESIDENT GRIFFO: So
10 ordered, and the bill will retain its place on
11 the Third Reading Calendar.

12 Senator Libous.

13 SENATOR LIBOUS: If we could go
14 back to the calendar, at this time I would like
15 to take up Calendar Number 481.

16 ACTING PRESIDENT GRIFFO: Calendar
17 Number 481 is before the house, and the Secretary
18 will read.

19 THE SECRETARY: Calendar Number
20 481, Senate Budget Bill, Senate Print 6251B,
21 LEGISLATURE AND JUDICIARY BUDGET.

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

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

1 Read the last section.

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

4 ACTING PRESIDENT GRIFFO: Call the
5 roll.

6 (The Secretary called the roll.)

7 THE SECRETARY: Ayes, 58. Nays,
8 3. Senators Diaz, Duane and Parker recorded in
9 the negative.

10 ACTING PRESIDENT GRIFFO: The bill
11 is passed.

12 Senator Libous.

13 SENATOR LIBOUS: Mr. President,
14 we're going to take up Calendar 485. But I would
15 just like to, in the spirit of cooperation, ask
16 the members to please be in the chamber.

17 And if for whatever reason you have
18 to use the phone, go no further than maybe the
19 lounge or the areas where the phones are, because
20 we do want to move along here and get this budget
21 done early.

22 So, Mr. President, based on that,
23 we will now take up Calendar Number 485.

24 ACTING PRESIDENT GRIFFO: The bill
25 is before the house, and the Secretary will read.

1 THE SECRETARY: Calendar Number
2 485, Budget Bill, Senate Print 6257E, an act in
3 relation to school district eligibility.

4 ACTING PRESIDENT GRIFFO: Senator
5 Breslin, why do you rise?

6 Could I have some order, please, in
7 the chamber.

8 Senator Breslin.

9 SENATOR BRESLIN: Thank you,
10 Mr. President.

11 I believe there's an amendment at
12 the desk. I request that the reading be waived
13 and we allow Senator Hassell-Thompson to speak on
14 the amendment.

15 ACTING PRESIDENT GRIFFO: Senator
16 Breslin, I have reviewed the amendment, and under
17 Senate Rule 6, Section 4B, I believe this bill to
18 be nongermane and therefore out of order.

19 SENATOR BRESLIN: Mr. President, I
20 respectfully appeal that ruling and ask that
21 Senator Hassell-Thompson be allowed to explain.

22 ACTING PRESIDENT GRIFFO: There is
23 a request for an appeal of the ruling of the
24 chair. Senator Hassell-Thompson, you may be
25 heard on that appeal.

1 SENATOR HASSELL-THOMPSON: Thank
2 you, Mr. President.

3 The amendment that I offer today
4 would amend the Education, Labor, and Family
5 Assistance bill, and it would reinstate the
6 Senior STAR Rebate Program.

7 Real property taxes are a serious
8 burden for many senior homeowners with limited
9 incomes. School taxes represent a substantial
10 portion of the property taxes that these
11 homeowners pay. This bill would give additional
12 help to senior homeowners who are on limited
13 incomes and who are struggling to afford to
14 remain in their homes. I hope everyone will join
15 me in supporting this amendment.

16 ACTING PRESIDENT GRIFFO: Thank
17 you, Senator Hassell-Thompson. We are --

18 SENATOR HASSELL-THOMPSON: I'm
19 sorry. In 2007 the middle-class STAR rebate
20 program was enacted as part of the Education,
21 Labor, and Family Assistance Act, which is
22 Article 7, budget bill, to become Chapter 57 of
23 the Laws of 2007.

24 In addition, the Senate majority
25 included a senior STAR rebate proposal in their

1 one-house budget bill this year, in Senate Bill
2 6257D, Alpha, Article 7 bill, Part A through 3.

3 Let me be clear, Mr. President,
4 that a vote against this germaneness is a vote
5 against reinstating the STAR rebate program.

6 For the foregoing reasons, the
7 amendment I am offering today is germane to the
8 bill currently under consideration.

9 ACTING PRESIDENT GRIFFO: Thank
10 you, Senator Hassell-Thompson.

11 I want to reiterate that the vote
12 is strictly on the motion of the chair and the
13 appeal of the motion that was made before the
14 chair.

15 All those in favor of overruling
16 the chair signify by saying aye.

17 (Response of "Aye.")

18 ACTING PRESIDENT GRIFFO:
19 Opposed? Senator Breslin, why do you rise?

20 SENATOR BRESLIN: I request a show
21 of hands, Mr. President.

22 ACTING PRESIDENT GRIFFO: Senator
23 Breslin has requested a show of hands. So
24 ordered.

25 (Senators raised their hands.)

1 ACTING PRESIDENT GRIFFO: Announce
2 the results.

3 THE SECRETARY: Ayes, 25.

4 ACTING PRESIDENT GRIFFO: The
5 ruling of the chair stands.

6 The bill is before the house. The
7 Secretary will ring the bell.

8 Is there any Senator wishing to be
9 heard on the bill? Senator Stavisky, then
10 Senator Diaz.

11 Senator Stavisky.

12 SENATOR STAVISKY: Thank you.

13 If the sponsor would rise for
14 several questions.

15 ACTING PRESIDENT GRIFFO: Senator
16 Stavisky, would you yield to Senator
17 Hassell-Thompson? She rose and would like to be
18 heard.

19 SENATOR STAVISKY: Absolutely.

20 ACTING PRESIDENT GRIFFO: Senator
21 Hassell-Thompson.

22 SENATOR HASSELL-THOMPSON: Thank
23 you, Mr. President. On the bill.

24 ACTING PRESIDENT GRIFFO: Senator
25 Hassell-Thompson on the bill.

1 SENATOR HASSELL-THOMPSON: Just a
2 few comments that I'd like to make on the bill,
3 Mr. President.

4 The Senate Democrats proposed to
5 reinstate the Senior STAR Rebate Program
6 beginning in the 2012-2013 school year and for
7 every year thereafter. This amendment provides
8 \$275 million in property tax relief to senior
9 citizens for this school year who are eligible
10 for the enhanced STAR property tax exemption.

11 Under this amendment, the
12 Department of Taxation and Finance would issue
13 STAR rebates to those entitled to receive such
14 rebates. Nearly 640,000 senior citizens received
15 the enhanced STAR property tax exemption. The
16 average enhanced STAR rebate check was \$458 in
17 the last year that they were effective.

18 New York's property tax ranks among
19 the highest in the nation. Real property taxes
20 are a significant burden for our many senior
21 homeowners with --

22 SENATOR LIBOUS: Mr. President.

23 ACTING PRESIDENT GRIFFO: Senator
24 Libous.

25 SENATOR LIBOUS: Mr. President,

1 with all due respect to the Senator, is there a
2 rebate bill before the house?

3 ACTING PRESIDENT GRIFFO: There is
4 not. That bill is not before the house. We're
5 dealing with budget bills, Senator Ruth
6 Hassell-Thompson.

7 So your point of order is
8 well-taken.

9 Senator Hassell-Thompson, under the
10 rules of the Senate, please be germane.

11 SENATOR HASSELL-THOMPSON: Are you
12 saying I'm out of order, Mr. President? Are you
13 saying I'm out of order?

14 ACTING PRESIDENT GRIFFO: Senator
15 Hassell-Thompson, I would like you to speak to
16 the bill before the house. And there's a
17 specific bill --

18 SENATOR HASSELL-THOMPSON: I was
19 offering background information on the bill that
20 is before the house and why my recommendation --

21 ACTING PRESIDENT GRIFFO: You had
22 the opportunity, Senator Hassell-Thompson, to
23 speak on that appeal and the amendment before the
24 chair. Now I would ask you just to put your
25 comments onto the specific bill, please.

1 SENATOR HASSELL-THOMPSON: Thank
2 you, Mr. President.

3 ACTING PRESIDENT GRIFFO: Thank
4 you, Senator Hassell-Thompson.

5 Senator Stavisky.

6 SENATOR STAVISKY: I have some
7 questions, if the sponsor would yield.

8 SENATOR DeFRANCISCO: Yes.

9 ACTING PRESIDENT GRIFFO: Senator
10 DeFrancisco yields.

11 SENATOR STAVISKY: During the
12 budget hearings I asked both the chancellor of
13 SUNY and the chancellor of CUNY about the need
14 for remediation and the fact that at the CUNY
15 community colleges approximately 75 percent of
16 the students need remediation in one of the three
17 areas where remediation is provided.

18 Can you tell me why we need a study
19 when newspaper accounts, testimony at the budget
20 hearings -- there's so much evidence that there
21 is a serious remediation problem, why is a study
22 needed?

23 SENATOR DeFRANCISCO: The question
24 isn't, I don't believe, whether or not students
25 need remediation. What the question is is how do

1 we provide that remediation at the lowest
2 possible cost.

3 Presently the SUNY colleges -- we
4 spend \$80 million on remediation. So the purpose
5 of -- and I also learned -- I also know that in
6 high schools very often seniors in high
7 schools are allowed to leave early during their
8 senior year. They've got the right credits, they
9 don't have to worry about additional credits,
10 there's some justification that I don't believe
11 in to get them back in the workforce, to show
12 them how to get a job.

13 I think what has to be done is how
14 to provide the remediation at the least possible
15 cost. And to me, it means instead of giving them
16 a test when they enter college, give them a test
17 right when they enter the senior year, and then
18 be in a position at that time to remediate
19 instead of letting them out early because they've
20 got all their credits.

21 So I'm not the answer. So the
22 question is what the real answer. That's my
23 thought, a study would be necessary to see how we
24 provide that remediation in the least expensive
25 way. That's why a study is needed.

1 SENATOR STAVISKY: If the Senator
2 would continue to yield.

3 SENATOR DeFRANCISCO: Yes.

4 SENATOR STAVISKY: There are
5 programs, particularly at CUNY community
6 colleges -- in fact, I think each of the
7 community colleges in the CUNY system offer what
8 is known as the ASAP program. Are you familiar
9 with that program?

10 SENATOR DeFRANCISCO: I'm familiar
11 with it. But the point is that why spend any
12 money at a SUNY college, we could use the money
13 for other college purposes if the kids have a
14 more intense program before they leave high
15 school.

16 SENATOR STAVISKY: I'm not in
17 disagreement. I've made it very clear that I
18 think the high schools -- but my question is are
19 we limiting accessibility to the colleges as a
20 result of this --

21 SENATOR DeFRANCISCO: No, the
22 study doesn't limit anything. Hopefully after
23 the study maybe we'd be in a position to make
24 sure kids are prepared and need less remediation
25 at the university expense.

1 SENATOR STAVISKY: If the Senator
2 would continue to yield.

3 ACTING PRESIDENT GRIFFO: The
4 Senator yields.

5 SENATOR DeFRANCISCO: Yes.

6 SENATOR STAVISKY: Are you
7 inferring, then, that there will be additional
8 aid provided if the study concludes that
9 additional funding is necessary at the community
10 college level?

11 SENATOR DeFRANCISCO: That depends
12 on what the study says. And if the majority of
13 this house believes that -- and the majority of
14 the Senate believes that that's the solution,
15 then maybe that is the solution.

16 I kind of believe that we need more
17 work at the high school level and -- but we'll
18 see what the study says.

19 SENATOR STAVISKY: I'm in total
20 agreement with that.

21 I have a couple of other areas, if
22 the Senator would yield.

23 SENATOR DeFRANCISCO: Yes.

24 ACTING PRESIDENT GRIFFO: The
25 Senator yields.

1 SENATOR STAVISKY: You also
2 provide for a study commission for the
3 charge-backs to both the community college and
4 the local government. This is a concern, rather,
5 for the community colleges and the local
6 governments.

7 Why do we need a study to determine
8 the implication if we already have laws that
9 would help some of the counties with the
10 reimbursements that the charge-backs provide?

11 SENATOR DeFRANCISCO: I'm not
12 quite sure. Maybe Senator LaValle can indicate
13 why that study was necessary.

14 ACTING PRESIDENT GRIFFO: Without
15 objection, Senator LaValle.

16 SENATOR LaVALLE: Actually,
17 Senator DeFrancisco, I'm going to start with the
18 remediation question briefly and then roll into
19 this.

20 We wanted to fully get engaged in
21 the remediation -- and I know you and I spoke
22 about that -- and had conversations with both
23 chancellors, with the State Education Department,
24 the independent sector. Everyone felt that we
25 needed to identify best practices in the system

1 and then take those best practices -- and if you
2 notice, the study has people coming back before
3 we leave at the end of this year, so conceivably
4 we could get engaged in the remediation. We will
5 have time to flesh that out in a proper way.

6 The same issue came up with the
7 charge-back issue, where we wanted to do
8 something with the charge-backs. When we looked
9 at this question there were some community
10 colleges that would benefit by some of the things
11 that we had on the table, and some of the
12 community colleges across the state would have
13 problems since they were very highly dependent on
14 the students that they get from outside their own
15 county.

16 So both Assemblymember Glick and I
17 felt that we needed to engage both questions in a
18 methodical way. And in order to do that, we
19 needed people to get fully engaged. And here
20 again, they will come back to us, the Board of
21 Trustees, with recommendations on how we deal
22 with this.

23 SENATOR STAVISKY: If the Senator
24 would continue to yield. Because the question
25 that I'm asking involves -- second area, whoever

1 wants to answer -- involves the charge-backs.
2 And they talk about -- let me get the right
3 words. They talk about the efficiency and the
4 fiscal impact of implementing such modifications
5 to the students, the counties, and state.

6 Why is the fiscal impact to the
7 institution not included? In other words,
8 they're talking about the charge-back issue in
9 terms of the students, the localities, but not
10 the fiscal impact on the institution itself.

11 SENATOR DeFRANCISCO: Well, it
12 seems to me, what from Senator LaValle explained
13 about this particular study, that it would be
14 broad enough to include impacts in all
15 directions. And the fact that maybe that word
16 was omitted I don't think limits them in studying
17 what the proper solution to the problem is.

18 SENATOR STAVISKY: If the Senator
19 would continue to yield.

20 SENATOR DeFRANCISCO: Yes.

21 ACTING PRESIDENT GRIFFO: The
22 Senator yields.

23 SENATOR STAVISKY: In terms of the
24 SUNY community colleges, is there one institution
25 in particular where there would be a negative

1 impact on the charge-back issue?

2 SENATOR DeFRANCISCO: Senator
3 LaValle is saying several. And maybe he should
4 answer this question; it's his area of expertise.

5 ACTING PRESIDENT GRIFFO: The
6 chair recognizes Senator LaValle.

7 SENATOR LaVALLE: I don't think
8 there's any more to say than there are several
9 community colleges that would be impacted, some
10 upstate in the western part of the state, some in
11 the middle part of the state, and some downstate.

12 SENATOR STAVISKY: But if the
13 Senator would continue to yield.

14 SENATOR LaVALLE: And by the way,
15 Senator, it is implied, when you look at the
16 funding of the community colleges, that the
17 institution is the beneficiary of the study in
18 putting the pieces together. We don't move away
19 from that commitment to the institution.

20 SENATOR STAVISKY: But wouldn't
21 you agree, if the Senator would yield, that of
22 those chartered as community colleges in the SUNY
23 system, one stands out for having the largest
24 negative impact in terms of the charge-back? And
25 that institution is located in New York City, and

1 of course I'm referring to FIT.

2 SENATOR LaVALLE: Senator, I would
3 tell you that there are other institutions that
4 are impacted besides FIT.

5 And we focused, the committee and
6 members in working gave a great deal of focus on
7 FIT. The amount of time that I spoke with
8 President Brown and her staff and both the
9 Assembly and Senate staffs, we just did not have
10 the time to put it together.

11 But I will tell you that putting
12 aside FIT, there are other community colleges
13 that are impacted by the charge-back issue. So I
14 think you're being myopic, and I'm trying to get
15 you into a broader statewide view.

16 SENATOR STAVISKY: I beg to
17 disagree. I am not myopic. Even though I'm
18 wearing glasses.

19 (Laughter.)

20 SENATOR STAVISKY: If Senator
21 DeFrancisco, or whoever, would like to yield on
22 the last area.

23 SENATOR DeFRANCISCO: Okay.

24 ACTING PRESIDENT GRIFFO: Senator
25 DeFrancisco yields.

1 SENATOR STAVISKY: I too am
2 concerned with people who are in the United
3 States who are undocumented. And let me preface
4 by saying that we permit undocumented students to
5 qualify for in-state rates for the public
6 colleges and universities, even if they're not
7 here with the proper papers.

8 Don't you think we should extend
9 the tuition benefits of TAP and other financial
10 benefits to these students? And if not, why
11 not?

12 SENATOR DeFRANCISCO: My personal
13 opinion is no. My personal opinion is no because
14 we have a limited number of benefits and those
15 benefits will have to be spread away from
16 citizens of the State of New York and citizens
17 from the State of New York who would be receiving
18 less money, whether it's TAP, whether it's any
19 other government program that helps students in
20 college.

21 And that's my personal opinion. I
22 know there's a lot of people who disagree with
23 that. And since we've been -- that issue has
24 come up on many, many different occasions already
25 this year, but that's my personal opinion.

1 SENATOR STAVISKY: If the Senator
2 would continue to yield.

3 SENATOR DeFRANCISCO: Yes.

4 SENATOR STAVISKY: Are you aware
5 that the cost is under a million dollars? It's
6 \$980,000, roughly.

7 SENATOR DeFRANCISCO: I would find
8 that absolutely impossible to believe.

9 SENATOR STAVISKY: Those are the
10 State Education Department figures.

11 SENATOR DeFRANCISCO: Well, I
12 don't care if it was the Regents. The fact of
13 the matter, it's impossible to believe that would
14 only be a million dollars in view of the other
15 funding that goes to students to help them pay
16 for college in TAP programs.

17 But whether it's a million dollars
18 or whether it's \$10 million, I think the
19 principle is basically the same.

20 SENATOR STAVISKY: So if the
21 Senator would yield. Then you would also
22 withdraw the in-state tuition rates for
23 undocumented students?

24 SENATOR DeFRANCISCO: Would I
25 withdraw it? I would. But I'm not a majority of

1 this house, nor -- the bill has already been
2 passed, the policy is already in place. I would,
3 for the same reasons.

4 SENATOR STAVISKY: Thank you.
5 On the bill.

6 ACTING PRESIDENT GRIFFO: Senator
7 Stavisky on the bill.

8 SENATOR STAVISKY: Well, I thank
9 the Senator. I have some reservations,
10 obviously, on this, but I will defer to my
11 colleagues. Thank you.

12 ACTING PRESIDENT GRIFFO: Thank
13 you.

14 Senator Diaz.

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

17 ACTING PRESIDENT GRIFFO: On the
18 bill, Senator Diaz, are you?

19 SENATOR DIAZ: I have no questions
20 for you, senator DeFrancisco. I never have
21 questions. I've read this piece of -- and I know
22 exactly what's in here. But I would like to
23 commend Senator -- on the bill.

24 ACTING PRESIDENT GRIFFO: Senator
25 Diaz on the bill.

1 SENATOR DIAZ: I would like to
2 commend Senator Stavisky for her desire to
3 protect the undocumented and to find a way in
4 which we could solve the problems in education.
5 So thank you, Senator Stavisky.

6 Ladies and gentlemen, again, again
7 and again, this is Bill Number 5 today. We have
8 two more to go. Two more. So far -- three to
9 go? So so far, so far, we have passed some of
10 the bills. And so far we have rejected, the
11 Governor has refused and you have voted for one
12 of the pieces of legislation that reject to
13 include the DREAM Act.

14 So there's no DREAM Act. And
15 that's why I voted no, because there is no DREAM
16 Act. We could have done better on that. We have
17 voted to eliminate, to eliminate the Tenant
18 Protection Unit. There are no protections for
19 our tenants. That's why I voted no. We have
20 voted not to include money for Small Business
21 Revolving Loans. Poor small business, no help.
22 That's why I voted no.

23 And now in this one, the senior
24 citizens are hurt one more time because there is
25 no -- there is no property tax relief for

1 homeowners in this one. And as you know, the
2 property tax relief is very important to
3 homeowners across New York State. New York State
4 has among the highest property taxes in the
5 nation. But this piece of legislation that we
6 are voting on now rejects to include tax relief
7 for our senior citizens. No tax relief, ladies
8 and gentlemen.

9 So you're going to vote yes because
10 the Governor says "I need you guys." Ladies and
11 gentlemen, we have a calling. Even though I
12 might be the lonely voice in the desert, in the
13 wilderness, I'm going to continue saying it. One
14 day we have a higher someone to answer to. You
15 have been chosen to protect, you have been chosen
16 to fight, and you have been chosen to have a
17 voice for those that don't have a voice.

18 But you continue rejecting your
19 calling and you continue supporting the one that
20 has against the one that has not. And one day,
21 one day, ladies and gentlemen, you might be --
22 and I'm the one that you make fun of, I am the
23 one that you call crazy, I am the one that you
24 call all kind of things. I'm the one that you
25 call fanatic or whatever. But one day, ladies

1 and gentlemen, one day, one day you are all going
2 to answer for all the abuses and all the
3 disrespect and all the selling out of our members
4 of our community that needs your support, that
5 needs your protection. You come here and you
6 forget about them.

7 Mr. President, I am proudly,
8 proudly voting no.

9 ACTING PRESIDENT GRIFFO: Is there
10 any other Senator wishing to be heard?

11 Seeing none, hearing none, the
12 debate is closed. The Secretary will ring the
13 bell.

14 The Secretary will read the
15 substitution.

16 THE SECRETARY: On page 24,
17 Senator DeFrancisco moves to discharge, from the
18 Committee on Finance, Assembly Bill Number 9057D
19 and substitute it for the identical Senate Bill
20 Number 6257E, Third Reading Calendar 485.

21
22
23
24
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1 ACTING PRESIDENT GRIFFO: The
2 substitution is so ordered.

3 The Secretary will read.

4 THE SECRETARY: Calendar Number
5 485, Budget Bill, Assembly Print 9057D, an act in
6 relation to school district eligibility.

7 ACTING PRESIDENT GRIFFO: Read the
8 last section.

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

11 ACTING PRESIDENT GRIFFO: Call the
12 roll.

13 (The Secretary called the roll.)

14 ACTING PRESIDENT GRIFFO: Senator
15 Parker to explain his vote.

16 SENATOR PARKER: To explain my
17 vote, Mr. President.

18 There's nothing more important than
19 education. You know, as some of you know, I used
20 to work for Carl McCall, who was fond of saying
21 that education was not just a key to unlock the
22 door of opportunity, it was a sledgehammer to
23 knock the door of opportunity down. And
24 certainly we ought to be giving every high-needs
25 school district an opportunity for their children

1 to succeed, just like the low-needs school
2 districts.

3 We have not fulfilled our need for
4 CFE. I know everybody wants to pretend that, you
5 know. And we've had lawsuits on that hotly
6 debated issue. Long story short, we owe them
7 money, we haven't paid it, we're literally in
8 violation of a court order saying that we owe
9 high-needs school districts, particularly in
10 New York City, money. But the money we actually
11 agreed, as we started doing our budgets a number
12 of years ago, to put it in every single
13 high-needs school district, from Buffalo to Bath,
14 New York, from Brookhaven to Brooklyn, should
15 have gotten some of that money. That money is
16 not here.

17 In addition, we need to be looking
18 at ways to do some different things. One of the
19 things the Governor, when he ran, talked about
20 are the 10,000 governments that we have in
21 New York State. We ought to start reducing some
22 of those governments. Myself and Kevin Cahill
23 have a bill that would create essentially a
24 Berger Commission for schools and start looking
25 at school district consolidations. That should

1 have been done in this budget, and I'm urging
2 that that bill be brought forth.

3 We ought to be looking at higher
4 education consolidations, and we ought to be
5 talking about why do we have a separate SUNY
6 system from a CUNY system. I have a bill that
7 would actually create one system under SUNY that
8 we would merge the City University system into
9 SUNY. I want that bill to come to the floor.
10 That's something we should be doing now. We
11 could save money, disband the CUNY board, put
12 everything under SUNY, we could consolidate, save
13 money, and continue to educate our young people
14 in the best way.

15 So I'm going to be voting no on
16 this bill and hoping that we do better for the
17 young people of our state in the next budget.

18 ACTING PRESIDENT GRIFFO: Senator
19 Parker to be recorded in the negative.

20 Announce the results.

21 THE SECRETARY: In relation to
22 Calendar Number 485, those recorded in the
23 negative are Senators Adams, Diaz, Duane and
24 Parker.

25 Ayes, 57. Nays, 4.

1 ACTING PRESIDENT GRIFFO: The bill
2 is passed.

3 Senator Libous.

4 SENATOR LIBOUS: Mr. President, at
5 this time could we take up Calendar Number 478.

6 ACTING PRESIDENT GRIFFO: Calendar
7 Number 478 is before the house. The Secretary
8 will read.

9 THE SECRETARY: Calendar Number
10 478, by the Committee on Rules, Senate Print
11 6830, an act to amend the --

12 ACTING PRESIDENT GRIFFO: Can I
13 have some order in the house, please.

14 The Secretary will continue to
15 read.

16 THE SECRETARY: Calendar Number
17 478, by the Committee on Rules, Senate Print
18 6830, an act to amend the Education Law.

19 SENATOR BRESLIN: Explanation.

20 ACTING PRESIDENT GRIFFO: An
21 explanation has been requested.

22 SENATOR DeFRANCISCO: Which bill
23 is it?

24 ACTING PRESIDENT GRIFFO: We're on
25 Calendar Number 478, technical changes to

1 references --

2 SENATOR DeFRANCISCO: This was the
3 bill where, when the original bill was drafted,
4 the date references were wrong. So this changes
5 the date references from 2011-2012 to 2012-2013.
6 But you knew that, because you gave me the
7 explanation.

8 SENATOR KRUEGER: Well, someone
9 else asked, but I was trying to be helpful.

10 SENATOR DeFRANCISCO: That's the
11 explanation. Thank you.

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

14 Seeing none, hearing none, the
15 debate is closed. The Secretary will ring the
16 bell.

17 I would ask the members again to
18 remain in the chamber and that there be order in
19 the house.

20 Read the last section.

21 THE SECRETARY: Section 2. This
22 act shall take effect on the same date and in the
23 same manner as Section 12-c of Part A of a
24 chapter of the Laws of 2012.

25 ACTING PRESIDENT GRIFFO: Call the

1 roll.

2 (The Secretary called the roll.)

3 ACTING PRESIDENT GRIFFO: Announce
4 the results.

5 THE SECRETARY: In relation to
6 Calendar Number 478, those recorded in the
7 negative are Senators Diaz, Duane and Parker.

8 Absent from voting: Senator
9 Espaillat.

10 Ayes, 56. Nays, 3.

11 ACTING PRESIDENT GRIFFO: The bill
12 is passed.

13 Senator Libous.

14 SENATOR LIBOUS: Mr. President,
15 can we now take up Calendar Number 484, please.

16 ACTING PRESIDENT GRIFFO: Calendar
17 Number 484 is before the house.

18 Again, I'm going to ask for some
19 order in the chamber, please. We have several
20 bills remaining.

21 The Secretary will read.

22 THE SECRETARY: Calendar Number
23 484, Budget Bill, Senate Print 6256D, an act to
24 amend the Public Health Law.

25 ACTING PRESIDENT GRIFFO: Senator

1 Breslin, why do you rise?

2 SENATOR BRESLIN: Mr. President, I
3 believe there's an amendment at the desk. I ask
4 that the reading be waived and that I allowed to
5 be heard on the amendment.

6 ACTING PRESIDENT GRIFFO: Senator
7 Breslin, I will waive the reading and you may be
8 heard on the amendment.

9 SENATOR BRESLIN: Thank you,
10 Mr. President.

11 The amendment I offer today, which
12 would establish the New York Health Benefit --

13 ACTING PRESIDENT GRIFFO: Excuse
14 me, Senator Breslin.

15 Once again, please, if we can
16 please have some order in the chamber.

17 Senator Breslin.

18 SENATOR BRESLIN: Again, the
19 amendment I offer today is the New York Health
20 Benefit Exchange, a public benefit corporation
21 that will serve as a marketplace for the purchase
22 and sale of qualified health claims in the State
23 of New York, in accordance with the Affordable
24 Care Act.

25 Creating the health exchange will

1 make health rates more affordable. It will give
2 consumers and small businesses real help in
3 comparing insurance products and choosing one
4 that is right for them. It will let consumers
5 and small businesses better navigate insurance
6 paperwork and changes relating to things like new
7 jobs or changing family circumstances, bringing
8 greater transparency and accountability to
9 healthcare plans.

10 If New York does not have a health
11 exchange up and running by January 1, 2013, the
12 federal government will intercede and give us
13 that change and charge us for it. I do not
14 understand why the Majority here refused to
15 accept the Governor's proposal to include this in
16 the budget, and therefore I am making a final
17 appeal to my colleagues.

18 The Affordable Care Act is here.
19 We've seen kids in homes up to 26 years of age
20 being afforded coverage. We see preexisting
21 conditions, part of the Affordable Care Act, now
22 not being denied healthcare coverage. We've seen
23 the doughnut hole all but plugged totally.

24 So I urge the entire body here
25 today to think about this amendment and its

1 importance to setting up a healthcare exchange
2 which will dramatically change the way healthcare
3 is delivered in the State of New York and provide
4 a way for businesses, particularly small
5 businesses, and the 2.8 million New Yorkers that
6 at any one point in time who do not have health
7 insurance, they'll be able to come to that
8 exchange and change the dynamics relative to
9 healthcare and make it more affordable.

10 Thank you, Mr. President. I urge a
11 yes vote.

12 ACTING PRESIDENT GRIFFO: Thank
13 you, Senator Breslin. All those in favor of the
14 amendment signify by saying aye.

15 (Response of "Aye.")

16 ACTING PRESIDENT GRIFFO:
17 Opposed?

18 (Response of "Nay.")

19 SENATOR BRESLIN: Can we have a
20 show of hands, please.

21 ACTING PRESIDENT GRIFFO: Senator
22 Breslin has requested a show of hands. All those
23 voting for signify by raising your hands.

24 (Senators raised their hands.)

25 ACTING PRESIDENT GRIFFO: Announce

1 the results.

2 THE SECRETARY: Ayes, 24.

3 ACTING PRESIDENT GRIFFO: The
4 amendment is not adopted.

5 Senator Breslin.

6 SENATOR BRESLIN: Thank you,
7 Mr. President.

8 I believe there's an amendment at
9 the desk. I ask that the reading be waived and
10 that Senator Krueger be allowed to explain the
11 amendment.

12 ACTING PRESIDENT GRIFFO: Thank
13 you, Senator Breslin.

14 In accordance with Rule 6,
15 Section 4B, I have reviewed the amendment and
16 rule that it is nongermane to the bill and
17 therefore out of order.

18 SENATOR BRESLIN: Mr. President, I
19 would appeal that decision and request that you
20 allow Senator Krueger to be heard on that appeal.

21 ACTING PRESIDENT GRIFFO: Senator
22 Breslin has appealed the ruling of the chair.
23 And, Senator Krueger, you may be heard on that
24 appeal.

25 SENATOR KRUEGER: Thank you,

1 Mr. President.

2 I have to disagree with your
3 finding that this is not germane. This proposal
4 for a full state takeover of the total local
5 Medicaid cost share is extremely germane to the
6 Health and Mental Hygiene Article 7 bill for the
7 following reasons.

8 Part F of Senate Bill 6256D, the
9 bill we are on, includes a partial state takeover
10 of the local Medicaid costs, as originally
11 proposed in the Executive Budget. This proposal
12 in my amendment before you simply extends what is
13 already in the Health and Mental Hygiene bill
14 which authorizes reimbursements for expenditures
15 made by or on behalf of social service districts
16 for medical assistance for needy persons and the
17 administration thereof, and seeks a state
18 assumption of local Medicaid costs.

19 This amendment proposes a 10-year
20 phased-in state takeover of the total local cost
21 share of Medicaid beginning in fiscal year
22 2015-2016, New York City and all counties outside
23 of New York City.

24 If you were to accept this
25 proposal, this would represent the single largest

1 mandate relief initiative anyone has proposed in
2 the history of our state. It would result in
3 crucial property tax relief for the localities
4 throughout the state.

5 For the record, New York State is
6 the only state with large Medicaid programs that
7 requires localities to significantly assist in
8 paying for the cost of the program. Our
9 localities finance their portion of the Medicaid
10 program through their property taxes, and
11 Medicaid payments are the most costly mandate
12 expenditure for our localities.

13 In fiscal year 2011-2012 it was
14 estimated that localities will have spent nearly
15 \$7.3 billion on Medicaid, or approximately
16 15 percent of the program's total cost for
17 New York State.

18 This proposal will provide fiscal
19 relief to localities by taking over the full
20 local responsibility for payments over a 10-year
21 period. This proposal would provide a total of
22 \$42 billion in savings to counties and the City
23 of New York over that 10-year period beginning in
24 2015-2016 and ending in fiscal year 2024-2025, a
25 \$7.6 billion dollars in local savings for each

1 year thereafter.

2 This proposal, if we were to accept
3 it, would help local governments balance their
4 budgets with associated savings being able to be
5 used to provide additional services to local
6 citizens and property tax relief.

7 Further, this proposal is very
8 timely in recognition of the gradual state
9 takeover of the local administration of the
10 Medicaid program described within the bill before
11 this house, and the shift in responsibility will
12 assist the state in becoming a singular entity in
13 charge of administration.

14 The Governor's own Medicaid
15 Redesign Team called for a full state takeover as
16 an official recommendation. The New York State
17 Association of Counties also supports a full
18 state takeover proposal. And for the record,
19 this amendment is extremely similar to a bill
20 proposed by my colleague Senator Gallivan here in
21 this house which was introduced in 2011.

22 It is for all these reasons that I
23 am offering this amendment today and believe it
24 is completely germane to the bill before us.

25 Let me be clear. A vote against

1 germaneness is a vote against mandate and
2 property tax relief for New York cities and
3 towns. Thank you.

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

6 And let me reiterate that we are
7 just voting on the ruling of the chair. All
8 those in favor of overruling the ruling of the
9 chair signify by saying aye.

10 (Response of "Aye.")

11 ACTING PRESIDENT GRIFFO:
12 Opposed?

13 Senator Breslin.

14 SENATOR BRESLIN: A show of hands,
15 here, please, Mr. President.

16 ACTING PRESIDENT GRIFFO: Senator
17 Breslin has requested a show of hands. It is so
18 ordered.

19 (Senators raised their hands.)

20 ACTING PRESIDENT GRIFFO: Announce
21 the results.

22 THE SECRETARY: Ayes, 25.

23 ACTING PRESIDENT GRIFFO: The
24 ruling of the chair stands.

25 The bill is before the house.

1 Is there any other Senator wishing
2 to be heard?

3 Senator Rivera.

4 SENATOR RIVERA: Thank you,
5 Mr. President.

6 I rise today to talk a little bit
7 about one of the last bills that we're going to
8 be dealing with today, dealing specifically with
9 health and mental hygiene.

10 I think, first of all, that if we
11 missed an opportunity as relates to capital
12 funding and MTA funding, here we missed an even
13 bigger opportunity. I think that we have, by not
14 including the healthcare exchange -- something
15 that it would be fully funded by the federal
16 government and something that is absolutely
17 necessary to make sure that our state's citizens
18 receive access to healthcare and save money in
19 the process -- we missed an incredible
20 opportunity to be able to establish it here.

21 I believe that my colleagues should
22 be embarrassed that we didn't include this in the
23 final product. The majority of people of the
24 state want for this to happen, were supportive of
25 the President's efforts in making sure that the

1 Affordable Care Act was approved at the national
2 level, and certainly are supportive of the
3 actions that we have to take here at the state
4 level to make sure that this extends to our
5 citizenry.

6 We didn't do that today. And by
7 not doing that, we are blocking 1 million
8 uninsured New Yorkers, we are blocking their
9 access to affordable healthcare and affordable
10 health insurance coverage.

11 Now, I'm very thankful that the
12 Governor has said that he is going to create this
13 by executive order, but it is totally
14 unacceptable that we did not do it in the
15 Legislature. It is here that we should do it,
16 and the Governor shouldn't have to go around
17 Senate Republicans to get this done.

18 I think that there's a lot of
19 politics that is driving this conversation --

20 ACTING PRESIDENT GRIFFO: Senator
21 Rivera, you need to speak to the bill. The
22 amendment was before the house and defeated. We
23 are now on the bill in its present form, please.

24 SENATOR RIVERA: Yes,
25 Mr. President.

1 I believe that we should have
2 included this in the bill.

3 There is something else that the
4 bill does not have which was one of the original
5 proposals that was presented, and that was the
6 proposal that required certain pharmacies to
7 provide translation services to individuals with
8 limited English proficiency. This is something
9 else that I believe needed to be included in this
10 proposal. It was in the original Executive
11 proposal and eventually was taken out by this
12 house. It was also supported by our colleagues
13 in the Assembly.

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

16 SENATOR HANNON: I'd like to ask a
17 question of the speaker.

18 ACTING PRESIDENT GRIFFO: Senator
19 Rivera, will you yield to Senator Hannon?

20 SENATOR RIVERA: Absolutely.

21 ACTING PRESIDENT GRIFFO: Senator
22 Hannon.

23 SENATOR HANNON: Are you aware
24 that those provisions you're now objecting to
25 their omission were moved from the Health bill

1 and put in the Education bill?

2 SENATOR RIVERA: This one in
3 particular?

4 SENATOR HANNON: Absolutely.
5 Almost 90 percent of the original Governor's
6 proposal, it's in the Education bill.

7 SENATOR RIVERA: Through you
8 Mr. President, I thank you for making the
9 observation. I was unaware that some of this had
10 been moved over to that particular bill.

11 I still think that we should have
12 included it in this piece of legislation as was
13 originally intended in the proposal, but I thank
14 Senator Hannon for bringing it to my attention.

15 Overall, ladies and gentlemen, I
16 think that we have missed a series of
17 opportunities in this bill, were it for the
18 insurance exchange that we didn't include or for
19 part of this funding related to translation that
20 we did not include in this bill. I believe that
21 we could be doing better. We have missed a few
22 opportunities today. I will be voting in the
23 negative on this piece of legislation.

24 ACTING PRESIDENT GRIFFO: Senator
25 Duane.

1 SENATOR DUANE: Thank you,
2 Mr. President. Would the chair of the Health
3 Committee yield?

4 ACTING PRESIDENT GRIFFO: Do you
5 want to speak to Senator DeFrancisco or
6 Senator Hannon?

7 SENATOR DUANE: I believe
8 Senator Hannon.

9 ACTING PRESIDENT GRIFFO: Without
10 objection, Senator Hannon may have the floor.
11 Senator Hannon.

12 SENATOR DUANE: I wanted to know
13 why the D&TCs are not going to be able to access
14 HEAL money and what is the reasoning behind that.

15 ACTING PRESIDENT GRIFFO: Senator
16 Hannon.

17 SENATOR HANNON: The question is
18 there is an existing fund of money that has been
19 used for capital construction, and it was
20 originally started when the restructuring
21 commission, called the Berger Commission, was
22 established several years ago.

23 The monies available through that
24 are now limited. They're down to about
25 \$500 million, of which \$450 million were put up

1 for requests for proposals last November. And
2 the primary policy indication is that most of
3 that money was going to be oriented towards
4 restructuring of Brooklyn hospitals.

5 Given the nature of that backdrop,
6 when the proposal was to expand the HEAL monies
7 to diagnostic and treatment centers, the thought
8 was (A) there's too little money remaining;
9 (B) there are other needs throughout the state.

10 And so not necessarily because
11 people don't favor diagnostic and treatment
12 centers, which are aimed at doing primary care
13 and outpatient care, but rather because there's a
14 scarcity of funds available, they were not
15 included.

16 SENATOR DUANE: And through you,
17 Mr. President, if the chair would continue to
18 yield.

19 ACTING PRESIDENT GRIFFO: Senator
20 Hannon yields.

21 SENATOR HANNON: Yes.

22 SENATOR DUANE: Even if that is
23 the case, why was it necessary to explicitly put
24 that into language?

25 SENATOR HANNON: If that's a

1 question, we just didn't include it. We didn't
2 put anything explicitly into language. It was
3 not included as originally requested.

4 SENATOR DUANE: Through you,
5 Mr. President, if the sponsor would continue to
6 yield.

7 SENATOR HANNON: Yes.

8 ACTING PRESIDENT GRIFFO: Senator
9 Hannon yields.

10 SENATOR DUANE: I believe that
11 whether they are excluded because they are not
12 explicitly mentioned or whether they're excluded
13 because they are explicitly said to be excluded,
14 the result is still the same: They are
15 excluded. And so, again, I'm wondering why they
16 are being singled out in the budget.

17 SENATOR HANNON: Well, the simple
18 answer is yes, they're not there.

19 The bigger answer is they're not
20 being singled out because no one else had
21 requested to be into the HEAL funding.

22 The bigger, bigger answer would be
23 what I have said to folks doing primary care and
24 concerned with Brooklyn, is if you're going to be
25 looking at the structure of healthcare in that

1 borough and any other county or borough that has
2 a similar type of situation, is you want to start
3 defining what a community should have in terms of
4 its healthcare system. What should be there in
5 primary care, what should be there in emergency
6 rooms, what should be there as ambulatory
7 centers?

8 Do we continue to have to have
9 hospitals as the center and the be-all and the
10 end-all of the healthcare delivery system?
11 They're expensive, sometimes they're outmoded,
12 sometimes their infrastructure is just way beyond
13 repair. So there's a need to take a look at what
14 the healthcare system ought to be.

15 And in many of the ways that we
16 have done through the Medicaid Redesign Team,
17 we're trying to revamp and relook at what that
18 delivery system should be. And that's the bigger
19 picture of where we should be going down the
20 road.

21 SENATOR DUANE: Through you,
22 Mr. President, if the chair would continue to
23 yield.

24 SENATOR HANNON: Yes.

25 ACTING PRESIDENT GRIFFO: Senator

1 Hannon yields.

2 SENATOR DUANE: I just wanted to
3 get clarification of how much money is still
4 available in HEAL grants, how much money has not
5 been, if you will, put out, given to
6 institutions.

7 SENATOR HANNON: Well, this is not
8 accurate, but this is my best guess, is it's
9 about \$500 million. The reason it's a guess is
10 we do know that it's at least \$450 million,
11 because that was what was put up for request for
12 proposals in November of 2011.

13 The remaining money would be unused
14 expenditures from those who had previously
15 received awards and for one reason or another,
16 their capital programs or in some cases they
17 would be information technology infrastructure,
18 those projects haven't been able to go forward.

19 SENATOR DUANE: Through you,
20 Mr. President, if the chair would continue to
21 yield.

22 ACTING PRESIDENT GRIFFO: Senator
23 Hannon yields.

24 SENATOR DUANE: The "prescriber
25 prevails" in the final Article 7 budget bill

1 provides that managed care will cover some
2 prescription drugs, but only the atypical
3 antipsychotic drugs -- you know, the nonformula
4 antipsychotic therapeutic drugs. And I'm
5 wondering why they were singled out over organ
6 transplant rejection drugs or certain specific
7 diseases or some kinds of cancer, for instance,
8 or HIV/AIDS.

9 Why are only antipsychotic drugs
10 now covered through Medicaid managed-care plans
11 and not the others? What was the thinking behind
12 that?

13 SENATOR HANNON: The backdrop to
14 the policy question lies in the fact that on
15 October 1, 2011, as a result of actions by this
16 Legislature a year ago, the provision of
17 pharmaceutical drugs to those on Medicaid was now
18 done through the Medicaid managed-care plans
19 instead of being directly administered by the
20 state. When it had been administered by the
21 state, there was a provider-prevail policy
22 provision.

23 Going completely -- there was a
24 change in delivery of drugs for 3 million
25 New Yorkers that happened all at once. There

1 have been some anecdotal reports that has not
2 been done correctly. There were suggestions that
3 provider-prevail ought to be carried over to all
4 of those Medicaid recipients. And in fact in the
5 budget bill that passed and the resolution that
6 passed in this house a couple of weeks ago, we
7 had a much broader provision.

8 When it came to negotiating
9 provider-prevail with the other house and the
10 Executive, we found that this became a very
11 costly item to include in the final budget. The
12 provision that's in there now for the atypical
13 psychiatric drugs costs, in this budget,
14 \$3 million. That's only for a partial fiscal
15 year. On a full fiscal year, it would be over
16 \$12 million. Those were monies that were not
17 able to be found in the monies available to the
18 health table, and the result is what you have
19 correctly described as resulting in the bill.

20 SENATOR DUANE: And through you,
21 Mr. President, if the chair would continue to
22 yield.

23 SENATOR HANNON: Yes.

24 ACTING PRESIDENT GRIFFO: Senator
25 Hannon yields.

1 SENATOR DUANE: The bill that's
2 before us is going to make it so that -- well,
3 actually what I'd like is an explanation of the
4 Medicaid part B cost-sharing limits. What is the
5 impact on the dual-eligible Medicaid/Medicare
6 people? I want to know what the real-life
7 implications --

8 SENATOR HANNON: What section?

9 SENATOR DUANE: It is Section 41.
10 It will limit the Medicaid coinsurance for
11 Medicare covered Part B services when the total
12 coinsurance amount would exceed the amount
13 Medicaid would have paid using a Medicaid rate.

14 In other words, it definitely, I
15 think -- well, so I guess I can't say I
16 definitely think. I believe it is true for
17 dual-eligible Medicaid/Medicare recipients. Is
18 that correct? And who else will that impact?
19 It's an informational question.

20 SENATOR HANNON: Well, it's a
21 technical accounting question and I will get you
22 the details of it. I've had it explained to me,
23 and it's one of those answers that goes out of
24 your head after you get the explanation. But
25 it's frankly nothing more. It's not policy, but

1 it's technical accounting.

2 SENATOR DUANE: Okay, thank you.

3 If the chair would -- I know he's
4 not the sponsor, but if the chair would continue
5 to yield, would kindly continue to yield.

6 SENATOR HANNON: Yes, sure.

7 SENATOR DUANE: And I thank him
8 for his patience, and everyone else.

9 The HEAL New York funds -- and I
10 know this has been raised before, but I was
11 hoping that the chair could just be a little bit
12 more specific in how that part of the budget was
13 amended from its original format.

14 SENATOR HANNON: The only thing
15 that was added was to attempt to have an
16 equitable distribution of funds as far as
17 practicable. And I think that was the language
18 that was added.

19 SENATOR DUANE: Well -- and
20 through you, Mr. President, if the chair would
21 just continue to yield.

22 ACTING PRESIDENT GRIFFO: Senator
23 Hannon yields.

24 SENATOR DUANE: So the origin of
25 the language was I believe with the Senate

1 Majority, and that did stipulate that no more
2 than 50 percent of HEAL funds could be
3 distributed to a particular economic region.

4 So how explicit is that -- how has
5 that been amended or has it been amended? And if
6 so, how explicitly has it been amended?

7 SENATOR HANNON: The bill now says
8 that "provided, however, that to the extent
9 practicable, the commissioner shall award such
10 grants equitably among health planning regions of
11 the state."

12 SENATOR DUANE: And through you,
13 Mr. President, just to clarify, if the chair just
14 would clarify. So the 50 percent has been taken
15 out?

16 SENATOR HANNON: There is no
17 50 percent in this sentence.

18 SENATOR DUANE: Thank you.

19 Okay, and the Preferred Drug
20 Program extender, it's extended until June 15th.
21 You know, the PDP.

22 SENATOR HANNON: Which section are
23 you speaking about?

24 SENATOR DUANE: Part G. And most
25 specifically, it's Section 14. If the chair

1 would be so kind as just to explain what
2 Section 14 -- what was the impact of not
3 extending all provisions of the PDP program.
4 It's my understanding that it doesn't extend to
5 Section 14. So what is it that mean in real
6 terms?

7 SENATOR HANNON: That was in the
8 original bill.

9 SENATOR DUANE: So if the sponsor
10 would just --

11 SENATOR HANNON: I don't have what
12 it was extended. I believe it was in the
13 original bill.

14 SENATOR DUANE: And so through
15 you, Mr. President, the chair and I will I assume
16 discuss it at a later --

17 SENATOR HANNON: I will get you
18 the information.

19 SENATOR DUANE: Thank you.

20 Again, just because the language is
21 confusing in the final bill, the integration of
22 health and behavioral health services delivery,
23 there was -- the Senate modified that a little
24 bit. And again -- oh, it's -- I may not have
25 written down the page. Is it part -- Part L, I

1 believe. Part L, yes.

2 And through you, Mr. President,
3 while this is being looked at, these questions
4 are not in any way meant to be hostile, and I
5 hope they're not taken that way. They are truly
6 informational, because it's a very -- it's a new
7 and actually very good concept, but there was a
8 modification from the original Executive Budget,
9 and it's hard for me to figure out what the
10 modification has been.

11 SENATOR HANNON: Senator Duane,
12 Part L deals with joint action by OASAS and the
13 Office of Developmental Disabilities along with
14 the commissioner of the Department of Health when
15 they would be jointly acting. This is an attempt
16 to streamline the operations of these agencies,
17 tie them together, because they are all in one
18 way or another funded by Medicaid and federal
19 regulation.

20 And to the extent that it's clear
21 here, there's a lot of clarity here, to the
22 extent there needs to be discretion, the
23 commissioner is given discretion.

24 SENATOR DUANE: And just through
25 you, Mr. President, the one thing that I did see,

1 and I just want to confirm this, is that the
2 difference is that the reporting requirements
3 were -- well, they seem to have been nonexistent
4 before and now there are reporting requirements
5 and a requirement of how this delivery of the
6 integrated services are constructed now must be
7 presented to the Legislature.

8 Is that what the change was -- is?
9 Does this sound accurate?

10 SENATOR HANNON: Well, I think the
11 language is very clear. I think there is an
12 accountability that's set forward here, there's a
13 transparency. What different versions had on
14 this would have been only technical.

15 And I think this -- I think it's a
16 very positive step forward as we try to integrate
17 so much of our 0 agencies into a care management
18 system and for the better care of the patient.

19 SENATOR DUANE: Yes. And through
20 you, Mr. President, I'm going to make a
21 statement. I think it's a good thing to have
22 reporting to the Legislature both on the
23 construction of the integration -- and of course
24 it would be great to see outcomes. And if that's
25 the result of what the new language is, then that

1 would be a good thing.

2 And finally, and really finally,
3 the educational service for children in OMH
4 facilities and hospitals, originally there was
5 going to be an agreement between the Office of
6 Mental Health and State Ed to establish some
7 pilot programs. This is a very disempowered
8 population.

9 The proposal in the Executive
10 Budget I believe was very good, but the Senate
11 modified it. Am I correct in assuming that
12 instead of going forward with it completely we're
13 now just going to have pilot programs and no
14 specific schedule?

15 SENATOR HANNON: The goal was to
16 have the education given through OMH to be at
17 least the equivalent of what we give children in
18 the public school system. And it was always
19 intended to be a pilot. I think the
20 modifications in the language came as a result of
21 discussions with the Assembly.

22 I don't know that they've actually
23 changed the guts of what the administration wants
24 to do with this in terms of, and you're correct,
25 how to improve the system.

1 SENATOR DUANE: Okay, thank you,
2 Mr. Chairman.

3 And if I may speak on the bill.

4 ACTING PRESIDENT GRIFFO: Senator
5 Duane on the bill.

6 SENATOR DUANE: I have very strong
7 concerns about the lack of a complete restoration
8 of the prescriber-prevail provisions that we
9 previously had and that we're only limiting it to
10 antipsychotic therapeutic drugs. I think the
11 decisions specifically around those conditions
12 which had previously been carved out for
13 prescriber-prevails, there was good reason to do
14 that.

15 I think the decisions made between
16 healthcare providers and patients or consumers,
17 particularly around those conditions, I regret
18 that they were removed originally and I regret
19 that only antipsychotics are being put back in.
20 I believe that they all should have been put in.

21 I also am saddened that there's a
22 delay in the implementation of the COLA for at
23 least a year for various human services
24 programs. It seems unfair that those who we
25 entrust with helping the most vulnerable are not

1 getting their COLA. They didn't cause the
2 financial crisis, and for them not to get a COLA
3 just piles on what already is a condition of an
4 employment where people are underpaid for really
5 very, very important work.

6 I think it's a positive thing that
7 we added money for women's health and wellness
8 programs. I also think it's a good thing that we
9 provided money for the Niagara Health Quality
10 Coalition. As the chair knows, and others, these
11 are things that I think matter a lot, and I hope
12 we can build on those in the outyears.

13 The money that's put in for the
14 Nurse Family Partnership, particularly as we
15 transform healthcare, is very good. But sadly,
16 the appropriation is not enough. And again, the
17 Nurse Family Partnership is, I believe, going to
18 be and is a very good health policy, but we
19 really are not devoting the resources to it.

20 I'm not going to go through my
21 position, which would come as no surprise to
22 anyone, about additional grants, that there
23 should be more for HIV education, prevention,
24 et cetera. Also grants to Article 28 treatment
25 centers, because sadly HIV continues to be a

1 chronic problem in our state.

2 And I also, because I think that
3 the relationship between particularly our
4 universities and our academic medical centers,
5 that we are not -- or it doesn't seem as if maybe
6 money will be found later on -- that we are
7 taking \$5 million away from the stem cell grant
8 expenditures is -- it's bad public policy. We
9 should be investing more at this time in that
10 kind of research. And it's also an investment in
11 our universities and our academic medical
12 centers.

13 I know that Senator Montgomery has
14 mentioned this many times. And while there is
15 money for new and existing school-based health
16 centers, again, that's the best way to reach
17 children for preventive care. And we can do
18 more, we can do better.

19 The same is true of -- and I know
20 these are tough times. And as you know, I am
21 supportive of -- though I know we changed the tax
22 structure last year, I still think that we need
23 to have some people put up more of their fair
24 share so that we can do things like put more
25 money into the Breast Cancer Network.

1 I'm very concerned about what the
2 EI -- there was a shift from having an EI
3 infrastructure, a big umbrella, to replace what's
4 there now. There's no language at all about it
5 in the budget. The devil will be in the
6 details. But EI is a very -- I know it's a
7 contentious issue, both from expense and, you
8 know, philosophically, perhaps. But how the
9 changes will happen I think is something that
10 needs to be transparent.

11 I am a big supporter of Roswell,
12 and I'm glad we're giving them more time to
13 develop a plan. They certainly needed that.

14 And, I don't know, I have a sense
15 that maybe people would be -- they don't want to
16 only hear the bad and not the good, so maybe I'll
17 stop with that, because there's more good and
18 bad, and --

19 ACTING PRESIDENT GRIFFO: Thank
20 you, Senator Duane.

21 SENATOR DUANE: -- so I'll just
22 wrap up, if I may.

23 I still am -- I am incredibly upset
24 about the -- whether it's implicit or omission or
25 comission, that HEAL grants can't go to D&TCs.

1 As we see more hospital closures, they are
2 picking up the slack. They're doing the work.
3 They need to be eligible to get HEAL grants.

4 We need to restore the
5 prescriber-prevails for those categories which we
6 had previously had which were removed in last
7 year's budget. Yes, the antipsychotic prevails
8 being put back in, that's good. But we should
9 not have left off the others.

10 I do not want us to forget or not
11 bring to the table pharmacies, large and small,
12 about translation services. This is going to be
13 a direct impact, a mandate upon them.
14 Particularly the smaller pharmacies, the
15 independent ones who have many managed-care
16 clients, this is going to be burdensome.

17 And there are many places across
18 the state where there aren't enough pharmacies.
19 Senator Young and I, though there was also money
20 put in for -- we need to be investing in primary
21 health care in rural areas, and part of that
22 investment has to be to keep independent
23 pharmacies alive. Because independent pharmacies
24 know who lives in our rural areas and they can be
25 incredibly helpful to their clients.

1 And this mandate is going to affect
2 them, and I think we do a disservice. I hope
3 they don't go out of the business, but we're
4 losing a lot of them as it is. And they're a
5 very important part of providing rural
6 healthcare, particularly primary healthcare.

7 And finally -- and again, I do this
8 in a spirit of collegiality -- I very much want
9 to in the outyears work with the Executive, with
10 both parties in both houses to work on some of
11 these issues to make sure that we reach out to
12 the stakeholders. I as you know didn't go
13 through the entire list of where my concerns are,
14 but we have much work to do.

15 I know that the federal healthcare
16 reform law is before the Supreme Court. However
17 it comes out will -- if it's changed in any way
18 will have a dramatic input on healthcare
19 delivery, as well as what the state has been and
20 is doing and is doing in this budget is going to
21 have an impact on all New Yorkers and New York
22 families and families with children and families
23 with challenges, health challenges and challenges
24 with access to healthcare.

25 So I do that in a spirit of wanting

1 to see cooperation on that, because we all know
2 our districts very well and what's needed.

3 For instance, I've found that urban
4 and rural healthcare needs are remarkably
5 similar, and I look forward to all of us working
6 together, both houses, both parties, the
7 Executive and stakeholders, to make sure that we
8 do not hurt healthcare delivery but that we
9 provide the best possible healthcare for all New
10 Yorkers even if that means we need to get more
11 revenue so that we will have the resources to do
12 that.

13 Thank you, Mr. President.

14 ACTING PRESIDENT GRIFFO: Senator
15 Hassell-Thompson.

16 SENATOR HASSELL-THOMPSON: Just
17 very quickly on the bill, Mr. President.

18 ACTING PRESIDENT GRIFFO: Senator
19 Hassell-Thompson on the bill.

20 SENATOR HASSELL-THOMPSON: As
21 someone who spent a great deal of her life prior
22 to coming to the Senate in the field of health
23 and healthcare proviso, it's incumbent upon me to
24 just make couple of comments.

25 One, as Senator Hannon knows, we

1 don't agree on a whole lot of things, but one of
2 the things that I have to agree with his
3 statement on -- and I do this very carefully --
4 medicine of the future is not going to be
5 dependent on hospital beds. And so that when
6 we're talking about how do we plan to ensure that
7 the healthcare needs of all of our
8 communities are taken care of, rushing to save
9 hospital beds is not the answer.

10 But I am concerned that the SAGE
11 Committee and some of the other people who have
12 had input into making some of the determinations
13 about healthcare in the future do not contain
14 enough people from the field of health to help to
15 make the kind of determinations that I think are
16 really in the best interests of all New Yorkers.

17 In our desire to save money, to be
18 careful about how we expend the state dollars, we
19 cannot rush to judgment but rather need to be
20 very thoughtful and deliberate in terms of how we
21 look to provide the care of all of our citizens
22 and take into consideration the cultural
23 differences if we're going to ensure that we're
24 going to really be providing that which is in the
25 best interests and will attract people to coming

1 in to get healthcare in a preventive mode,
2 thereby saving a lot of money on the back end.

3 So I think that as we look at how
4 we expend our money, the concerns that Senator
5 Duane continues to raise and I would continue to
6 reiterate -- that we're still not doing enough in
7 terms of HIV and AIDS among our women and the way
8 in which treatment is being developed is still
9 designed around how men receive treatment as
10 opposed to the needs of women. And so I think
11 there are a lot of things that need to be taken
12 into consideration. And I don't want us to just,
13 in our desire too be fiscally responsible, be
14 medically irresponsible.

15 Thank you, Mr. President.

16 ACTING PRESIDENT GRIFFO: Thank
17 you.

18 Is there any other Senator wishing
19 to be heard? Senator Hannon.

20 SENATOR HANNON: Yes,
21 Mr. President.

22 I'm not going to get into the vast
23 amount of things we have done in a positive way
24 in this bill. But I just wanted to mention that
25 the EPIC program has been one, I think, of a

1 hallmark of accomplishment.

2 Nowhere near as much a restoration
3 as I would have liked, but still a major
4 restoration and a major addition, because there
5 has been a determined policy from Budget that
6 they would like to have it done away from our
7 public health system in New York.

8 And I also want to just point out
9 one other thing. People keep on making mention
10 of the health exchange. My whole position on the
11 health exchange, and it's a personal one, is what
12 does it cost. Where is the money going to come
13 from, but what is it going to cost?

14 The more we go into the debate we
15 don't need to look into anyone's ideological
16 viewpoint, we don't need to look into Supreme
17 Court arguments, we need to know what it's going
18 cost the state.

19 As I hear people in this chamber on
20 the Democratic side offer amendments to better
21 the STAR program, money that I don't know where
22 we would get that money, even though I like that
23 STAR program, as I hear people offer amendments
24 to have a takeover Medicaid from the local -- a
25 policy I think is a really good idea, but I don't

1 know where we'd get the money -- I think we have
2 to be prudent with the people's dollar and figure
3 out where is the money going to come from if we
4 ever have a health benefit exchange.

5 We know that there's questions as
6 to what would be in the essential benefit
7 package. The federal healthcare reform law says
8 that the state pays for anything in that package
9 over and above what the federal government says
10 is the basic package. We know that there are
11 lots of other parts to this healthcare reform.

12 Not dealing with the people who are
13 in the exchange, but people who are on Medicaid,
14 we know that many people will go on to Medicaid
15 to avoid the individual mandate, if that
16 survives. That addition would be a burden to
17 localities as well as to the state.

18 So there's a lot of questions, and
19 I think those questions need to be answered.
20 We've been supportive of expansion of coverage in
21 the past and will be in the future. But we need
22 to know what it costs before we put a burden on
23 our taxpayers.

24 Thank you, Mr. President.

25 ACTING PRESIDENT GRIFFO: Senator

1 Diaz.

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

4 I was not going to speak on this
5 one, I was going keep quiet, but Senator Hannon
6 mentioned EPIC. And by him mentioning EPIC, I
7 have to speak about EPIC and about the travesty
8 that we're doing in this piece of legislation
9 with EPIC.

10 However, as I said a few days ago,
11 I have to give credit to the Republican side, I
12 have to give a little credit, I said last time,
13 about EPIC. The only credit I'm going to give
14 you, Senator Hannon and Senator Skelos and that
15 side, is that last year Governor Cuomo took away
16 \$58 million from EPIC, \$58 million, forcing the
17 senior citizens, many of them, to pay 25 percent
18 of their prescription drugs. Seniors that don't
19 have money, they have to decide if they eat, if
20 they pay their rent, if they pay utilities or if
21 they buy their medicine.

22 That was last year. So this year,
23 Governor Cuomo, not satisfied enough with what he
24 did last year, requested \$48 million in this
25 year's budget to take away from EPIC. And I'm

1 going to give you credit because you, that side,
2 tried to put the whole \$48 million back. Yes,
3 let's give credit where credit is due. It was
4 the Assembly side that decided not to put any
5 money, and you had to agree to put \$30 million
6 back.

7 And I'm going to go that far to
8 give you credit, \$30 million back on EPIC this
9 year. However, however, those \$30 million will
10 be due on January 1, 2013. Meaning that seniors
11 cannot get sick until January 1, 2013. Because
12 if they get sick from now to 2013, thanks to
13 Governor Cuomo's budget of last year and this
14 year, they're going to have to pay 25 percent out
15 of their pocket of their prescription drugs.

16 So, ladies and gentlemen, this
17 action is killing our seniors, to tell those
18 senior citizens wait until January 1, 2013, so
19 the \$30 million that the Republican side agreed
20 to put back -- I give you that credit, Senator
21 Skelos. At least they got \$30 million. Because
22 the other side, the Democratic side, the Assembly
23 side, the Democrats didn't want nothing.

24 So I've got no problem with saying
25 that. On the other hand, the seniors have to

1 wait -- I'm going to repeat myself again -- till
2 January 1, 2013, to get sick and to be able to
3 use some money out of EPIC.

4 This is a travesty, it's an abuse
5 it's something that we -- it's uncalled for to
6 put our senior citizens through this. And that's
7 why I'm asking all of you to vote no. Vote no.
8 Tell the Governor, Governor, no, enough is
9 enough. No. Thank you.

10 ACTING PRESIDENT GRIFFO: Seeing
11 and hearing no other Senator who wishes to be
12 heard or speak, I now close debate and ask the
13 Secretary to ring the bell.

14 The Secretary will substitute the
15 bill.

16 THE SECRETARY: On page 24,
17 Senator DeFrancisco moves to discharge, from the
18 Committee on Finance, Assembly Bill Number
19 9056D and substitute it for the identical Senate
20 Bill Number 6256D, Third Reading Calendar 484.

21 ACTING PRESIDENT GRIFFO: The
22 substitution is so ordered, and the Secretary
23 will read the bill.

24 THE SECRETARY: Calendar Number
25 484, Budget Bill, Assembly Print 9056D, an act to

1 amend the Public Health Law.

2 ACTING PRESIDENT GRIFFO: Read the
3 last section.

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

6 ACTING PRESIDENT GRIFFO: Call the
7 roll.

8 (The Secretary called the roll.)

9 ACTING PRESIDENT GRIFFO: Senator
10 Montgomery to explain her vote.

11 SENATOR MONTGOMERY: Yes,
12 Mr. President, to explain my vote on this
13 particular part of our budget.

14 The healthcare in particular, I
15 want to thank my colleague Senator Duane, who's
16 mentioned school-based health, and my colleagues
17 who have talked about the HEAL grant. I think
18 those two concepts in terms of health reform for
19 our state are extremely important.

20 I am very, very disappointed that
21 the HEAL funding will not be available for the
22 D&TCs, because that's where primary and
23 preventive care is in fact provided for people.
24 And we certainly know that as we're looking for
25 planning for a future different and more

1 significant healthcare reform, we have to look at
2 what we're doing for young people and what our
3 health system will look like for them.

4 And so every dollar that we do not
5 invest in school-based health clinics means that
6 we're going to be spending a few hundred thousand
7 dollars later because we will not have provided a
8 basic beginning of a quality healthcare
9 experience.

10 So that's why I talk about
11 school-based health clinics all the time, and
12 that's a very important part of a primary
13 preventive health system that then walks into the
14 community as adults and becomes a health system
15 that works for people, as opposed to waiting
16 until they get sick and cost us more money.

17 I vote yes, but I just did want to
18 go on record that we really -- I hope that this
19 is the beginning and next budget we will be
20 including and not excluding HEAL funding for
21 D&TCs, primary care, preventive care, and
22 exploding our school-based health clinic
23 program.

24 Thank you, Mr. President. I vote
25 aye.

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

3 Senator Duane to explain his vote.

4 SENATOR DUANE: Thank you,
5 Mr. President. This is mostly so that I can have
6 a clear conscience. I'm generally concerned that
7 we don't reward nursing homes that don't provide
8 good care and that we reward nursing homes which
9 are necessary for some that provide good care.

10 Though the issue of reimbursement
11 for house calls was raised, the budget is silent
12 on it. I believe this is something that should
13 be reimbursed.

14 I'm also concerned that there's
15 silence on the rate enhancement for rural
16 hospitals. And I do that because of my work with
17 my colleagues who represent rural areas.
18 Certainly when I've visited Senator Valesky's
19 district, when I've worked with Senator Young,
20 this is a critically important issue.

21 Doctors Across New York. There are
22 doctors that are good to go, there are healthcare
23 facilities ready to hire them, but the money is
24 still not going out fast enough to bring them in,
25 and that's also a critical part of our rural

1 healthcare delivery.

2 I commend Senator Nozzolio because
3 I know he's concerned about the involvement of
4 Mental Health, OMH, in our correctional
5 facilities. And I look forward to working with
6 him on that.

7 EPIC is a good thing, if I'm ending
8 on a high note.

9 And my vote on this, as on the
10 others, is not done lightly. However, even if we
11 get every available federal grant, we still need
12 more revenue to do what we need to do to keep
13 New Yorkers healthy.

14 And it is because of that that I
15 sadly have to vote no, with the hope that,
16 working together, we can continue to try to
17 improve our state's healthcare system during this
18 very difficult and complex time.

19 Thank you, Mr. President.

20 ACTING PRESIDENT GRIFFO: Senator
21 Duane to be recorded in the negative.

22 Announce the results.

23 THE SECRETARY: In relation to
24 Calendar Number 484, those recorded in the
25 negative are Senators Diaz, Duane, Parker, and

1 Rivera.

2 Absent from voting: Senator

3 Oppenheimer.

4 Ayes, 56. Nays, 4.

5 ACTING PRESIDENT GRIFFO: The bill
6 is passed.

7 Senator Libous.

8 SENATOR LIBOUS: Mr. President,
9 could we please go to motions for a minute and
10 call on Senator Valesky.

11 ACTING PRESIDENT GRIFFO: We will
12 return to motions and call on Senator Valesky.

13 SENATOR VALESKY: Mr. President, I
14 move that the following bill be discharged from
15 its respective committee and be recommitted with
16 instructions to strike the enacting clause:
17 Senate Bill 5036C.

18 ACTING PRESIDENT GRIFFO: So
19 ordered.

20 Senator Libous.

21 SENATOR LIBOUS: Thank you,
22 Mr. President. Can we now take up Calendar
23 Number 486.

24 ACTING PRESIDENT GRIFFO: The bill
25 is before the house.

1 The Secretary will read the
2 substitution.

3 THE SECRETARY: On page 25,
4 Senator DeFrancisco moves to discharge, from the
5 Committee on Finance, Assembly Bill Number 9059D
6 and substitute it for the identical Senate Bill
7 Number 6259D, Third Reading Calendar 486.

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

10 The Secretary will read.

11 THE SECRETARY: Calendar Number
12 486, Budget Bill, Assembly Print Number 9059D, an
13 act to amend Chapter 540 of the Laws of 1992.

14 ACTING PRESIDENT GRIFFO: Senator
15 Krueger.

16 SENATOR KRUEGER: Thank you,
17 Mr. President. If the sponsor would please yield
18 to some questions.

19 SENATOR DeFRANCISCO: Yes.

20 ACTING PRESIDENT GRIFFO: Senator
21 DeFrancisco yields.

22 SENATOR KRUEGER: Thank you.

23 Are you restoring any rebate checks
24 in this revenue bill?

25 SENATOR DeFRANCISCO: When you say

1 scoring, what is your --

2 SENATOR KRUEGER: Restoring.

3 SENATOR DeFRANCISCO: Oh,
4 restoring. No. I'm sorry, no.

5 SENATOR KRUEGER: Through you,
6 Mr. President, if the sponsor would continue to
7 yield.

8 ACTING PRESIDENT GRIFFO: The
9 sponsor yields.

10 SENATOR KRUEGER: Is there any
11 property tax circuit-breaker language in the
12 revenue bill?

13 SENATOR DeFRANCISCO: No.

14 And by the way, the restorations
15 you're referring to, there was nothing to restore
16 from this year. The cuts to the rebate program
17 were done in prior years.

18 SENATOR KRUEGER: Through you,
19 Mr. President, if the sponsor would continue to
20 yield.

21 SENATOR DeFRANCISCO: Yes.

22 ACTING PRESIDENT GRIFFO: The
23 sponsor yields.

24 SENATOR KRUEGER: Thank you.
25 Is there any repeal to the MTA

1 payroll tax in this revenue bill?

2 SENATOR DeFRANCISCO: We already
3 did that for part of the MTA tax. There's
4 nothing -- are you referring to the MTA payroll
5 tax that was imposed in either the year 2009 or
6 2010?

7 SENATOR KRUEGER: The remaining
8 MTA payroll tax.

9 SENATOR DeFRANCISCO: Right. In
10 December we passed a bill that eliminated part of
11 it, but there's nothing more in this one.

12 SENATOR KRUEGER: Thank you. If
13 the sponsor would continue to yield.

14 SENATOR DeFRANCISCO: Yes.

15 SENATOR KRUEGER: Thank you.

16 Is there any repeal to the 18A
17 assessment increase enacted in 2009 in this
18 revenue bill?

19 SENATOR DeFRANCISCO: No. And,
20 you know, I'm glad you brought this up, because
21 it's very, very difficult to repeal all the
22 repressive taxes that the state became reliant
23 upon during the years 2009 and 2010.

24 We've been trying to repeal as much
25 as we can, like with the library, the MTA payroll

1 tax was cut back. We're trying to do as much as
2 we can to repeal those taxes. It would have been
3 much better if we didn't have the taxes in the
4 first place and rely on that money, which was
5 just money that we shouldn't have been taking
6 from the taxpayers.

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

10 SENATOR DeFRANCISCO: Yes.

11 ACTING PRESIDENT GRIFFO: Senator
12 DeFrancisco yields.

13 SENATOR KRUEGER: Are there any
14 mandate relief proposals in this revenue bill?

15 SENATOR DeFRANCISCO: There is
16 mandate relief throughout the budget bills, not
17 in this particular one.

18 For example, we rejected the Early
19 Intervention cost shift that the Governor had in
20 his budget so that we didn't provide that burden
21 on the locals. Same thing with the special ed
22 pre-K cost shift. We did some mandate relief
23 with respect to the 3 percent of the Medicaid
24 takeover. And we provided funding, for example,
25 for the increase in the DNA database and the

1 like.

2 So nothing in this bill, but those
3 are some of the things we did for mandate relief
4 in the overall budget.

5 SENATOR KRUEGER: Through you,
6 Mr. President, if the sponsor would continue to
7 yield.

8 SENATOR DeFRANCISCO: Yes.

9 SENATOR KRUEGER: What is the
10 total value of tax expenditures in this budget?

11 SENATOR DeFRANCISCO: I missed
12 that one, I'm sorry.

13 SENATOR KRUEGER: The total value
14 of tax expenditures projected for the next fiscal
15 year, 2012-2013.

16 SENATOR DeFRANCISCO: Total value
17 of tax expenditures. I can't give you the
18 number. I know the total expenditures are
19 \$132.6 billion. But what is taxes, what is money
20 from the federal government, what is from
21 different sources, I can't give you that
22 breakdown.

23 SENATOR KRUEGER: Through you,
24 Mr. President, if I might make this a bit of a
25 longer question.

1 The definition of a tax expenditure
2 is a feature of the Tax Law that by exemption,
3 exclusion, deduction allowance, credit,
4 preferential tax rate, deferral or other
5 statutory device reduced the amount of some
6 taxpayers' liabilities to the state by providing
7 either an economic incentive or tax relief to a
8 particular class of person or entities.

9 So the question is, within this
10 revenue bill or, to be broader, within any other
11 bill, since this is the last budget bill, do we
12 know the total amount of tax expenditures to the
13 State of New York, either new ones or decreased
14 ones?

15 SENATOR DeFRANCISCO: Net new is
16 \$1.6 million.

17 SENATOR KRUEGER: Through you,
18 Mr. President, \$1.6 million new, therefore
19 bringing the total amount to how much?

20 SENATOR DeFRANCISCO: I don't have
21 that number.

22 SENATOR KRUEGER: On the bill,
23 Mr. President.

24 ACTING PRESIDENT GRIFFO: Senator
25 Krueger on the bill.

1 SENATOR KRUEGER: So the revenue
2 bill is a rather small bill this year. I agree
3 with the sponsor there's very little new in it
4 for tax expenditures, there's very little new in
5 it for new taxes or fees. There's also not
6 mandate relief in this budget bill, nor is there
7 reversal of previous tax policies made by the
8 state.

9 But perhaps most disturbing to me,
10 what's not in here is any discussion of the fact
11 that we'll have an estimated \$28 billion in
12 specific tax expenditures in 2012-2013. Now, I
13 don't know exactly the number because it's always
14 an estimate until after it happens. But the
15 projected tax expenditures for 2011-2012 were
16 \$28.8 billion, so I think it's reasonable to
17 assume approximately the same amount in
18 2012-2013. I have been in the Senate for ten
19 years and I have seen this number grow
20 exponentially each year, so even assuming a flat
21 amount for next year is a very conservative
22 projection.

23 Why should I care in the context of
24 the revenue budget? Because we have talked about
25 taxes people don't like having. The sponsor, in

1 responding to my questions, pointed out several
2 that I think he doesn't like having. We've heard
3 from many of my colleagues today their
4 frustrations about things that should have been
5 funded at a higher level, programs that should
6 not have been proposed to be cut were actually
7 cut in this budget, promises made that have not
8 been kept for public funding of education, losses
9 to funding for healthcare.

10 Again, \$10 billion in cuts last
11 year. I believe it's an estimated \$2 billion
12 hole we were filling this year. And again, in
13 this revenue bill there's not one discussion of
14 challenging any of the existing law on tax
15 expenditures, exemptions from taxes for specific
16 categories of individuals and companies within
17 state law.

18 Every year we in theory attempt to
19 start from scratch, having a budget that decides
20 how much revenue we're going to collect, how much
21 money we're going to spend in which ways. This
22 is the final budget bill of I believe 11 in total
23 bills. Months and months of debates and
24 disagreements and agreements, ultimately, on what
25 would be the budget for the State of New York

1 moving forward.

2 But as far as I can tell, almost no
3 discussion of the third budget bill, the tax
4 expenditure budget, which is not its own bill
5 because we simply allow, ad infinitum, anything
6 that has gone into the tax code in any year to
7 continue as an exception for somebody or
8 somebodies from having to pay their taxes.

9 I question, as I have many times
10 before, why this house or the other house or the
11 Governor -- because a budget is a three-way
12 responsibility -- why nobody will ever ask the
13 questions or challenge the amount of money we
14 don't collect from certain entities under certain
15 categories because of tax expenditures. We never
16 revisit them. We simply pass new budgets each
17 year that accept whatever was there before in tax
18 expenditures.

19 And in fact, some of them grow
20 radically over time. Because in fairness, if you
21 can find a loophole in the tax law that will make
22 sure you don't have to pay a tax, you're going to
23 figure out how to redesign your business model,
24 your corporate papers, your actual structure
25 under banking or corporation law to make sure you

1 can maximize your advantage in not paying taxes.

2 Now, that's legal. I don't
3 question someone's right to take advantage of tax
4 expenditures under the law. I question this
5 government's failure to ever ask the questions
6 about whether those should be the laws.

7 Because it's not a hypothetical.
8 We have a limited amount of money to spend on the
9 needs of our people, and clearly we have a
10 limited ability to create new taxes. So I say
11 the discussion should be on who isn't paying
12 their taxes. And when there's \$28.8 billion not
13 being collected from somebody or somebodies in
14 taxes when other people in similar circumstances
15 are paying taxes, that should be the fundamental
16 question before this house.

17 Why aren't we collecting taxes that
18 are owed to us if only we corrected our tax
19 code? And in fact, even further, why aren't we
20 collecting taxes that are owed to us under law?

21 There are two proposals that I have
22 made that are not in this revenue bill, both of
23 which would not raise taxes, not one dollar more
24 in taxes owed, but rather require those who owe
25 taxes to pay them.

1 Several states have already enacted
2 a law that I drafted here which is in shorthand
3 called the Zapper Bill, which would establish
4 prohibitions, presumptions, and penalties related
5 to the use and sale of sales suppression
6 technology. There are companies selling devices
7 to retailers to artificially remove from their
8 recordkeeping systems the sales tax collected.

9 So, Mr. President, you go to a
10 store or another kind of retail outlet, a
11 restaurant, you purchase something -- could be in
12 your county, could be in my county. You pay your
13 tax, I pay my tax. The company doesn't pay the
14 State of New York that tax because they have used
15 a device to rig their books, through technology,
16 so that it doesn't show up.

17 Florida and Georgia have already
18 passed laws to do something about this. Canada
19 and multiple countries of Europe have passed laws
20 to do something. The technology exists.

21 The estimate, the estimate is that
22 New York State would collect \$1.7 billion more
23 per year if we actually used technology to stop
24 this fraud. Not a new tax on anyone, a
25 fraud-prevention system that would bring in new

1 revenue to the state. It's not in the bill today
2 before us.

3 There has been documentation of a
4 particular form of tax fraud specific to real
5 estate partnerships, groups of people who come
6 together in real estate partnerships to purchase
7 buildings. Perfectly legal. The buildings are
8 then sold or turned over. Perfectly legal. But
9 there's a pattern of the individuals not paying
10 taxes on the profits.

11 The IRS has estimated a billion
12 dollars not being paid in taxes to the State of
13 New York from this kind of activity. The State
14 of Pennsylvania recently implemented a system of
15 investigating and going after this kind of tax
16 fraud. The State of Pennsylvania recaptured over
17 \$700 million by making sure that the investors in
18 real estate partnerships pay the proper taxes on
19 their overall gains.

20 Imagine if the discussion today
21 included the collections of fraudulently withheld
22 tax revenue. We would have so much more money to
23 be fighting over on the critical issues that we
24 think we should be spending money on -- not by
25 raising taxes, but by collecting the taxes that

1 are owed.

2 Imagine if we had a serious
3 discussion over the tax expenditure laws that
4 year in, year out, simply exempt certain entities
5 from paying us \$28 billion in taxes. Our full
6 budget, through all funds, is \$132.6 billion.

7 SENATOR LIBOUS: Excuse me,
8 Senator Krueger.

9 SENATOR KRUEGER: Certainly.

10 SENATOR LIBOUS: If members have
11 their cellphones on, they're instructed to turn
12 them off. Staff shouldn't have any cellphones in
13 the chamber.

14 Thank you, Senator.

15 SENATOR KRUEGER: Thank you,
16 Senator Libous.

17 ACTING PRESIDENT GRIFFO: Your
18 point is well-taken, Senator Libous.

19 Please refrain from using the
20 mobile devices in the chamber or take them
21 outside to the lobby.

22 Senator Krueger, you may continue.

23 SENATOR KRUEGER: Thank you,
24 Mr. President.

25 So \$28 billion wasn't even put on

1 the table for discussion. Billions of dollars of
2 uncollected taxes weren't put on the table for
3 discussion, and they're not in this revenue
4 bill. And that is such a loss to us, because
5 this budget is the most important thing we do
6 each year in this house, in both houses, I think
7 most people would agree.

8 It includes an enormous amount of
9 Article 7 language that is in fact policy and
10 statutory changes for the State of New York. It
11 is the document or group of documents that
12 determine the priorities of the State of
13 New York, what we think are the most important
14 things to spend money for, what are the things
15 that we don't think we should spend money for.

16 The budget is not about making the
17 numbers work out; that's a bare minimum. The
18 people deserve better. The budget is a statement
19 of our priorities. It is how we as a state try
20 to guarantee a healthy environment for our
21 businesses and our families. It is how we lay
22 out how we intend to solve the problems and build
23 a better future. A budget is about what we know
24 we need to do for the people of New York State
25 and how we're going to do it.

1 Passing a budget on time is
2 important, passing a balanced budget is
3 important. But in fact I would argue that is
4 simply the minimal statutory requirement on us.
5 We need to have a 21st-century budget that
6 addresses our 21st-century problems. We have
7 lagged behind other states.

8 I think there are some very good
9 things in this year's budget. I applaud Governor
10 Cuomo for taking on difficult issues, facing the
11 question of billions of dollars in deficit over
12 the last two years and attempting to build us a
13 model of a better government and a better
14 budget. But again, we're not there. We need to
15 go further.

16 And in this revenue bill I believe
17 we highlight what we haven't yet done in all of
18 the other budget bills. Because again, if we had
19 had a fair, reasonable debate about where the
20 revenue was that wasn't being collected or wasn't
21 being spent, we might have had a more serious
22 discussion about what to do about our
23 unemployment rate that is still more than
24 9 percent. We might have done something about
25 the fact that more than 16 percent of families

1 with children under the age of 18 in New York are
2 living under the poverty line.

3 We have real problems. Our poverty
4 rate is going up. Our unemployment rate is
5 barely going down. We've heard from so many of
6 my colleagues about the needs of our educational
7 system from kindergarten to college, trying to do
8 more with less when they should be equipping our
9 children for a future that requires high-skilled,
10 globally competitive workers. And our high
11 school statistics aren't really reflecting our
12 ability to accomplish this, since we're finding
13 that our high school graduates aren't even
14 college-ready.

15 We talked about the importance of
16 investing in public transportation and the fact
17 that we did the minimum we needed to do, leaving
18 our transit system with enormous debt to pay
19 back, almost requiring that they raise rates for
20 the people who need to use buses and trains and
21 subways every day of their lives.

22 We heard about our failure to
23 create a health exchange, health benefits
24 exchange. And there was debate about whether we
25 were losing money or saving money by not enacting

1 that today. I think the facts are there, we're
2 losing money by not creating a health benefit
3 exchange.

4 And none of this -- again, the
5 decisions that are made in the budget for the
6 expenditures, none of it's made in a vacuum.
7 It's made because we decide what is our revenue
8 bill, what's in it and what's not in it. And
9 there's not enough in it. One in 10 New Yorkers
10 are unemployed. We're lagging the national
11 economic recovery.

12 It's not a time to simply say it
13 was a better budget than the last two years.
14 It's not good enough to say we'll have an on-time
15 budget or even an early budget. Although
16 actually I don't understand an early budget,
17 because the existing budget lasts through the end
18 of the fiscal year whether we get it done at
19 midnight or six hours early. But fine, somebody
20 thinks it's good to have an early budget.

21 But I think what's much more
22 important is what's in that budget or what's not
23 in that budget. For decades we have learned over
24 and over there's no free lunch. The people of
25 New York State have paid their tax dollars and

1 we've given them back as tax expenditures and tax
2 loopholes, rather than investing in our
3 infrastructure, in our education, or in
4 successful models of job creation that are
5 documentable. That's what we need to be doing,
6 committing ourselves to a 21st-century vision for
7 our future.

8 There were bills I could vote for
9 today; there were bills I voted no on. But the
10 number-one bill I must vote no on is the revenue
11 bill because of what it doesn't do.

12 Now, I'm told somebody is going to
13 raise the issue of the earned income tax being
14 the single largest tax expenditure. That may be
15 true. I'm not a hundred percent sure that's
16 true, because there's also homeowners' tax
17 exemptions, and I think that might be larger.
18 I'll double-check, perhaps when someone asks me a
19 question.

20 But really the issue is why didn't
21 we have the debate before we got to the floor or
22 why aren't any of those proposals in the budget.
23 I think of those \$28 billion in tax expenditures,
24 I could agree and support many of them. Many of
25 them are justifiable. Many are not.

1 You might have been following some
2 national debate about why we are giving petroleum
3 companies enormous tax expenditures at the
4 federal level, why we are still providing federal
5 tax expenditures for certain kinds of
6 environmentally hazardous activities. Do you
7 know we have the same expenditures on our books
8 here in New York State? We match many of those
9 bad policy decisions in Washington, and we don't
10 have to. We can do the right thing. We can
11 change the dynamic of the money we have to spend
12 in our budget, the money we collect and how we
13 prioritize, not with increasing taxes on people
14 but in tax fairness and equity.

15 So I will vote no on the revenue
16 bill because it does not reflect tax fairness or
17 equity.

18 Thank you, Mr. President.

19 ACTING PRESIDENT GRIFFO: Senator
20 Diaz.

21 SENATOR DIAZ: (Expostulation.)

22 ACTING PRESIDENT GRIFFO: Can you
23 repeat that?

24 (Laughter.)

25 SENATOR DIAZ: Thank you,

1 Mr. President.

2 You know, ladies and gentlemen, I
3 am a pastor of a church. I'm a pastor of a
4 church. And when I invite a preacher to my
5 church and that preacher, he or she, stays long
6 and talk, talk, talk for long, I go to him, hand
7 him my keys, or to her, and tell her, "When you
8 finish, please close the church." And I leave.

9 But we cannot do --

10 (Laughter.)

11 SENATOR DIAZ: But we cannot do
12 this in here. We have to be professional. We
13 have to be intelligent.

14 It's 4 o'clock. It's 4 o'clock.
15 We are about to finish voting on the budget of
16 this year. We haven't even finished yet, we are
17 about to finish, but at 12:00 noon Governor Cuomo
18 called a press conference and signed the budget.

19 (Laughter.)

20 SENATOR DIAZ: He cannot sign the
21 budget before it passed. He already did. The
22 budget has been signed while you were making here
23 believe that you deal with a budget. It's
24 already signed. This is a mockery.

25 But the Governor cannot do this

1 unless, unless he called each and every one of
2 you -- not me, because he doesn't call me. I'm
3 on the blacklist. Not because I'm black, because
4 I'm on the blacklist.

5 (Laughter.)

6 SENATOR DIAZ: But for the
7 Governor to call a press conference at 12:00 noon
8 and sign the budget that is not even finished
9 yet, he has to call each and every one of you and
10 ask you "I need your vote, did you commit your
11 vote?" And you have to say yes. So he is
12 counting chips, says "I got it," and then he
13 goes, calls a press conference and signed the
14 budget. And we are here making the people of the
15 State of New York believing that we are the
16 greatest legislators in the world fighting for
17 them.

18 I have too much respect for
19 myself -- I am black, Puerto Rican, with kinky
20 hair and broken English, but I respect myself. I
21 got respect for myself. This is a game. This is
22 a joke. The Governor cannot -- how could he do
23 this? How could he call a press conference to
24 sign a budget? We're dealing with it. We're
25 discussing it.

1 But I wish you all a nice Holy
2 Week. Go to church Good Friday. Go to church,
3 it's Passover. Celebrate it. And pray, pray
4 that maybe next year we all come back with our
5 pants on and our skirts on and decide to tell the
6 Emperor Cuomo: No more, no more, we respect
7 ourself too much for you to laughing at us. He
8 should be laughing at -- wherever he is, he's
9 laughing at us. Not at me. I'm voting no.

10 God bless you all. Have a nice
11 week -- two weeks, right? Senator Skelos, two
12 weeks?

13 ACTING PRESIDENT GRIFFO: Thank
14 you, Senator Diaz.

15 SENATOR DIAZ: Thank you, sir.

16 ACTING PRESIDENT GRIFFO: Is there
17 any other Senator wishing to be heard?

18 Seeing none, hearing none, debate
19 is closed. The Secretary will ring the bell.

20 Read the last section.

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

23 ACTING PRESIDENT GRIFFO: Call the
24 roll.

25 (The Secretary called the roll.)

1 ACTING PRESIDENT GRIFFO: Senator
2 DeFrancisco to explain his vote.

3 SENATOR DeFRANCISCO: Yes, I just
4 wanted to respond to a few things that were said
5 about the process as well as a little bit about
6 the substance.

7 You know, I agree with Senator
8 Krueger that maybe we should talk about the tax
9 expenditures and discuss that issue. And she
10 must have overheard us speaking a little bit,
11 because there are -- many of the tax expenditures
12 include not only the Earned Income Tax Credit but
13 housing credits for low-income housing, the
14 credit for having a child in the State of
15 New York, child tax credits, tuition tax credits,
16 low-income housing credits, clothing tax sale --
17 we're all going to take advantage of that
18 discussion, since the clothing tax is going to be
19 on a break coming next year. So there are a lot
20 of them.

21 And there's a lot of credits for
22 business, because other states do it and we've
23 got to compete to bring in companies here.

24 And had there been a request to
25 discuss this topic about expenditures at any time

1 in the six weeks we sat next to each other until
2 today, I would have definitely made sure we had
3 that discussion at one of the tables.

4 With respect to the process, I
5 know Senator Diaz -- he's gone? He must have
6 given somebody the keys.

7 (Laughter.)

8 SENATOR DeFRANCISCO: With respect
9 to Senator Diaz, I know there was a news
10 conference earlier today, but that was done, I
11 believe, to accommodate Speaker Silver.

12 And the budget wasn't signed, one
13 of the budget bills that had passed up to that
14 point was signed. Maybe that wasn't the greatest
15 of procedures, but the Governor was accommodating
16 the Speaker at that time.

17 Lastly, as far as the overall
18 process, we can debate the issues but as to the
19 overall process, this was a wonderful year.
20 There was very little incivility. There was a
21 lot of cooperation.

22 The six weeks that I sat with the
23 ranking member of the Finance Committee during
24 those hearings, they were difficult, but we asked
25 good questions, we tried to get to the bottom of

1 things, and I think we made some substantial
2 changes in this budget that accommodated many of
3 the members here.

4 So this was a good budget
5 substantively and it was a good budget
6 procedurally, and I'm happy to vote aye.

7 Thank you, Mr. President.

8 ACTING PRESIDENT GRIFFO: Senator
9 DeFrancisco to be recorded in the affirmative.
10 Senator Parker to explain his vote.

11 SENATOR PARKER: Thank you,
12 Mr. President, to explain my vote.

13 Again, I know this has been a long
14 process and I know people have put in a lot of
15 time and hours. And congratulations and thank
16 you for all your hard work.

17 And as I listened to Senator
18 DeFrancisco, I was overcome. As many of you
19 know, I have, as Liz Krueger calls it, waxed
20 poetic about my problems with the process that we
21 have had.

22 I think that the budget process
23 that we've done this year is a joke. I think it
24 goes back to the old dysfunction that we saw, you
25 know, prior to 2009 and 2010 where three men in a

1 room -- you pick the color that you want them to
2 be -- but, you know, a process that has iced out
3 the minority conferences in both houses, not
4 only -- where we don't get even the courtesy of
5 even a discussion about what was going on.

6 And we talk about the tables? The
7 tables are a joke. Let's be clear, ladies and
8 gentlemen. They're a joke. There are between
9 \$50 million and \$500 million which, you know, if
10 we took that money, that's MegaMillion money,
11 right? That would change all of our lives if we
12 split it up between anybody in this room. But in
13 the context of the third largest budget in the
14 entire country, at \$132.6 billion, it is a
15 rounding error.

16 I've been in meetings with some of
17 you guys when we dropped \$500 million on the
18 floor and didn't even bend over to pick it up.

19 So to be at a table talking about
20 education and you're talking about \$500 million
21 and then call that a real conversation about
22 education spending is insulting to the people of
23 the State of New York.

24 I think this process was flawed. I
25 think that we don't do ourselves justice by

1 pretending that it is anything other than it is.

2 And I'm hoping that next year that we have a
3 better process and thus a better product.

4 Thank you, Mr. President.

5 ACTING PRESIDENT GRIFFO: Senator
6 Parker, how do you vote?

7 SENATOR PARKER: Nay.

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

10 Senator Grisanti to explain his
11 vote.

12 SENATOR GRISANTI: Thank you,
13 Mr. President.

14 I stand here today as a member of
15 the State of New York Senate voting yes on this
16 budget and proud to represent my district,
17 Western New York, and the great State of
18 New York.

19 With the leadership of Governor
20 Cuomo, our leader Dean Skelos, and with
21 bipartisan support from the Assembly, I got a
22 different take. My friends and colleagues, we
23 are shutting the door on the dysfunction that has
24 plagued Albany by its spending and its debt,
25 especially in 2009 and 2010.

1 This budget will pass on time two
2 years in a row. It has done with less spending
3 for the last two years the first time in
4 30 years, without raising a single tax or a
5 single fee. It's a budget that resonates with a
6 single message: Cut spending, cut taxes, and
7 have the necessary tools for job growth.

8 This budget does that. It has
9 programs that will create private-sector jobs.
10 I'm proud about this budget from Western
11 New York. We've assisted Roswell, the NFTA,
12 provided programs for our youth such as the
13 New York Youth Program, jobs, the New York Works
14 Task Force, provided much-needed funding for our
15 roads, bridges, infrastructure in my region and
16 the state.

17 We corrected past mistakes from
18 Western New York by DOT funding in Region 5,
19 started repayment for those errors. We kept our
20 commitment with regards to SUNY UB 2020. Yes,
21 you did hear the word again this year. UB 2020
22 is a reality. We know it was in last year's
23 budget. The process has begun, and in this
24 budget we continue to provide for this plan and
25 all SUNY schools.

1 We provide for our community
2 colleges, where it's just as important, with
3 additional funding and restoration of childcare
4 centers. We restored education aid, in
5 particular to need-based districts. We increased
6 aid to libraries. For our seniors, we restored
7 EPIC. Copays will remain low. We established a
8 Power Proceeds bill for Western New York to
9 authorize funding for economic development which
10 is dedicated to Erie and Niagara counties, again
11 resulting in the construction of permanent jobs.

12 Funds will be provided for a second
13 round of Regional Economic Development Councils
14 throughout the state, which was a success last
15 year, and the beginning of Buffalo's regional
16 innovation cluster, otherwise known as the
17 Billion for Buffalo.

18 The energy superhighway is
19 underway, bringing again thousands of jobs.
20 Foreclosure relief. There's mandate relief in
21 here for Western New York to provide numerous
22 monies for various groups, HEOP, EOP, and Liberty
23 Partnerships.

24 For that reason, again, I will
25 continue to fight for my district, Western

1 New York --

2 ACTING PRESIDENT GRIFFO: Senator
3 Grisanti, how do you vote?

4 SENATOR GRISANTI: -- putting
5 people first and not politics. I vote yes.

6 ACTING PRESIDENT GRIFFO: Senator
7 Grisanti to be recorded in the affirmative.

8 Announce the results.

9 THE SECRETARY: In relation to
10 Calendar Number 486, those recorded in the
11 negative are Senators Diaz, Duane, Krueger,
12 Parker, and Perkins.

13 Ayes, 55. Nays, 5.

14 ACTING PRESIDENT GRIFFO: The bill
15 is passed.

16 Senator Libous, that completes the
17 controversial reading of the budget bills and the
18 calendar.

19 SENATOR LIBOUS: Mr. President, at
20 this time would you please call on Minority
21 Leader John Sampson.

22 ACTING PRESIDENT GRIFFO: I will.
23 Senator Sampson.

24 SENATOR SAMPSON: Thank you very
25 much, Mr. President.

1 And I just want to give a few brief
2 remarks, and just to follow up on, just to make a
3 point of reference.

4 Senator Grisanti, you're right.
5 You know, the people of New York State don't care
6 whether you're a Democrat or Republican or an
7 Independent. People are concerned about a couple
8 of things. They're concerned about putting food
9 on the table, they're concerned about making sure
10 they have a roof over their head, they have a
11 good education for their children and, most of
12 all, they have a job. They're concerned about
13 making sure that they can make ends meet at the
14 end of the day.

15 And when we talk about this budget
16 process -- but before I even talk about it, I
17 have to commend the staff of both sides for doing
18 a phenomenal job. Because without you, we would
19 not have been able to do what we're doing. So,
20 my colleagues, we need to give them a round of
21 applause for the phenomenal work that they do.

22 (Applause.)

23 SENATOR SAMPSON: And, Senator
24 Skelos, I want to also thank you for your
25 leadership on this, and all my colleagues.

1 Because when we talk about passing a budget on
2 time, it's phenomenal that we're passing a budget
3 on time.

4 But time does not dictate what is a
5 good or a bad budget. It's the content that
6 makes that determination. And last year we know
7 there was unprecedented cuts to services that was
8 taken, and we know that people had to make hard
9 choices. But at this point in time the people
10 are seeing a little light at the end of the
11 tunnel.

12 You know, we talked about shared
13 sacrifice, and last year some felt others were
14 not sharing. But however, we came back in
15 December and allowed the principles of fairness
16 and equity to guide us. And this is what this
17 budget has done because of the foundations that
18 we laid in December.

19 There are good parts and there are
20 bad parts about this budget. We talk about the
21 unprecedented money provided for economic
22 development throughout New York, the increase in
23 school aid, and also the funding formula is
24 slightly fairer. But at other times there's
25 things that we missed. Talking about the DREAM

1 Act, providing opportunities for all New Yorkers
2 irrespective of where you come from. Mandate
3 relief, there has been mandate relief throughout
4 this budget. But can we go a little bit
5 further? Yes, we can. And I know, my
6 colleagues, we'll go a little bit further.

7 Did we provide additional help for
8 our seniors? Yes, we provided additional help
9 for our seniors. But could we have gone a little
10 bit further with the New York health exchange to
11 provide affordable health care to all
12 New Yorkers? We didn't. But hopefully the
13 Governor, with his executive order, will also.

14 We talked about the money we
15 provided for the development of new sources of
16 energy but yet we failed to provide funding for a
17 study to deal with hydrofracking.

18 So is the process perfect, is the
19 budget perfect? I would say no. But one thing I
20 can say is that the principles, the foundation
21 has been laid for fairness and equity. And this
22 is the foundation that has made New York the
23 Empire State.

24 So, my colleagues, I want to
25 congratulate you on a job well done. I will be

1 voting yes for this budget. There's things I
2 like and things I don't like. But what I always
3 remember is that the foundation has been laid for
4 fairness and equality, and that's what we need to
5 go forward. Understanding that we still have
6 work to do, our work is not done. But as long as
7 we understand the principles of fairness and
8 equity, they will continue to guide us to make
9 sure that New York State is the Empire State.

10 So thank you very much,
11 Mr. President.

12 ACTING PRESIDENT GRIFFO: Thank
13 you, Senator Sampson, for your comments.

14 Senator Skelos.

15 SENATOR SKELOS: Thank you,
16 Mr. President. And thank you for presiding in
17 such a wonderful way.

18 I want to thank Senator
19 DeFrancisco, our chair of Finance, for not only
20 answering the questions so well but really the
21 time that was involved in the hearings throughout
22 the year and putting the final package together.

23 John, we thank you very much for
24 your dedication and good work.

25 To our staff -- and, Senator

1 Sampson, you mentioned both on your side of the
2 aisle, our side. We thank you.

3 And I want to pay special tribute
4 to Diane Burman, our counsel, but in particular
5 Robert Mujica, who is just an expert, understands
6 public policy, understands the direction that
7 this state should be going, and certainly working
8 very closely with us, keeping you informed, and
9 dealing with so many personalities on the second
10 floor at times.

11 Robert, we thank you for your good
12 work. Excellent job, Robert.

13 We should be very proud of today.
14 Number one, the sun is shining, which is
15 excellent. We're about to depart for a short
16 break. And I wish everybody, obviously, a
17 blessed holiday season.

18 And this is the second early budget
19 that we've passed in a row. I think that is
20 significant because we've done it by working on a
21 bipartisan basis, working with Speaker Silver,
22 working with Governor Cuomo. And I salute the
23 Governor for his leadership. You know, you have
24 policy disagreements, but those policy
25 disagreements were resolved by listening to each

1 other, finding a middle ground, and ending up
2 with a positive result.

3 And this budget is a good budget.
4 We are still in challenging times economically,
5 and the people of the State of New York have
6 asked us to do a fiscally sound budget that does
7 not increase spending. We didn't increase
8 spending. They asked us not to raise taxes. We
9 listened, we did not raise taxes. And they've
10 asked us to really focus in on private-sector job
11 creation, to empower the private sector to create
12 jobs. And I believe this budget goes a long way
13 in doing this.

14 There is a lot more to do. You
15 know, sometimes people think that it's over with
16 now that it's early, which is great. But we have
17 to stay focused on mandate relief to help our
18 local property taxpayers, and we have to continue
19 to look at ways to cut taxes so that we can
20 empower the private sector to create
21 private-sector jobs.

22 And that's going to be the focus of
23 our majority. We ask you to join us so that we
24 can have a great session -- not just a budget
25 session, but a great legislative side when we

1 return.

2 So I thank you, Senator Sampson,
3 for your cooperation. I thank all of our members
4 for the great work that we've done collectively.
5 We should all be proud today to be State Senators
6 and to live in this great state.

7 So, Mr. President, I thank you very
8 much.

9 ACTING PRESIDENT GRIFFO: Thank
10 you, Senator Skelos, for your comments.

11 Senator Libous.

12 SENATOR LIBOUS: Mr. President, is
13 there any further business at the desk?

14 ACTING PRESIDENT GRIFFO: There is
15 no further business.

16 SENATOR LIBOUS: Mr. President,
17 there being no further business at the desk, I
18 move we adjourn until Tuesday, April 17th, at
19 3:00 p.m., intervening days being legislative
20 days.

21 ACTING PRESIDENT GRIFFO: On
22 motion, the Senate stands adjourned until
23 Tuesday, April 17th, at 3:00 p.m., intervening
24 days being legislative days.

25 Senate adjourned.

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(Whereupon, at 4:19 p.m., the Senate
adjourned.)