

1 NEW YORK STATE SENATE

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3
4 THE STENOGRAPHIC RECORD

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9 ALBANY, NEW YORK

10 March 31, 2015

11 4:26 p.m.

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13
14 REGULAR SESSION

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18 SENATOR JOSEPH GRIFFO, Acting President

19 FRANCIS W. PATIENCE, Secretary

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

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

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

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

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

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

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

17 THE SECRETARY: In Senate, Monday,
18 March 30th, the Senate met pursuant to
19 adjournment. The Journal of Sunday, March 29th,
20 was read and approved. On motion, Senate
21 adjourned.

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

25 Presentation of petitions.

1 Messages from the Assembly.
2 Messages from the Governor.
3 Reports of standing committees.
4 Reports of select committees.
5 Communications and reports of state
6 officers.
7 Motions and resolutions.
8 Senator LaValle.
9 SENATOR LaVALLE: Mr. President,
10 on behalf of Senator Ortt, on page number 22 I
11 offer the following amendments to Calendar
12 Number 287, Senate Print Number 2953, and I ask
13 that said bill retain its place on the Third
14 Reading Calendar.
15 ACTING PRESIDENT GRIFFO: The
16 amendments are received, and the bill shall
17 retain its place on third reading.
18 Senator LaValle.
19 SENATOR LaVALLE: Would you now
20 recognize Senator Gianaris, please.
21 ACTING PRESIDENT GRIFFO: Senator
22 Gianaris.
23 SENATOR GIANARIS: Thank you,
24 Mr. President. On behalf of Senator Squadron, I
25 move that the following bill be discharged from

1 its respective committee and be recommitted with
2 instructions to strike the enacting clause:
3 Senate Bill 581.

4 ACTING PRESIDENT GRIFFO: It is so
5 ordered.

6 Senator LaValle.

7 SENATOR LaVALLE: Mr. President,
8 can we adopt the Resolution Calendar.

9 ACTING PRESIDENT GRIFFO: All in
10 favor of adopting the Resolution Calendar
11 signify by saying aye.

12 (Response of "Aye.")

13 ACTING PRESIDENT GRIFFO: Opposed?

14 (No response.)

15 ACTING PRESIDENT GRIFFO: The
16 Resolution Calendar that was before the house is
17 adopted.

18 Senator LaValle.

19 SENATOR LaVALLE: Mr. President,
20 can we call an immediate meeting of the Finance
21 Committee off the floor at 4:45.

22 ACTING PRESIDENT GRIFFO: There
23 will be --

24 SENATOR LaVALLE: I know, yes.
25 Thank you. That's not immediate, it's 4:45.

1 ACTING PRESIDENT GRIFFO: There
2 will be a meeting of the Finance Committee off
3 the floor in Room 332 at 4:45 p.m.

4 Senator LaValle.

5 SENATOR LaVALLE: We're going to
6 stand at ease.

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

9 (Whereupon, the Senate stood at ease
10 at 4:28 p.m.)

11 (Whereupon, the Senate reconvened at
12 5:00 p.m.)

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

15 Senator LaValle.

16 SENATOR LaVALLE: Thank you,
17 Mr. President.

18 There will be an immediate meeting
19 of the Cities Committee, immediate, in Room 332.

20 ACTING PRESIDENT GRIFFO: There
21 will be an immediate meeting of the Cities
22 Committee in Room 332.

23 Senator LaValle.

24 SENATOR LaVALLE: Mr. President,
25 would you return to the reports of the standing

1 committees.

2 ACTING PRESIDENT GRIFFO: We will
3 return to reports of standing committees.

4 SENATOR LaVALLE: Do you have a
5 report of the Finance Committee at the desk?

6 ACTING PRESIDENT GRIFFO: There is
7 a report of the Finance Committee at the desk.

8 SENATOR LaVALLE: Okay.

9 ACTING PRESIDENT GRIFFO: The
10 Secretary will read.

11 THE SECRETARY: Senator
12 DeFrancisco, from the Committee on Finance,
13 reports the following bills:

14 Senate Print 2000C, Senate Budget
15 Bill, an act making appropriations for the
16 support of government;

17 Senate 2004C, Senate Budget Bill, an
18 act making appropriations for the support of
19 government;

20 And Senate 4611, Senate Budget Bill,
21 Concurrent Resolution of the Senate and Assembly.

22 All bills reported direct to third
23 reading.

24 ACTING PRESIDENT GRIFFO: Senator
25 LaValle.

1 SENATOR LaVALLE: Mr. President, I
2 move that we accept the report.

3 ACTING PRESIDENT GRIFFO: All in
4 favor of accepting the Finance Committee report
5 signify by saying aye.

6 (Response of "Aye.")

7 ACTING PRESIDENT GRIFFO: Opposed?

8 (No response.)

9 ACTING PRESIDENT GRIFFO: The
10 report is accepted and before the house.

11 SENATOR LaVALLE: Mr. President.

12 ACTING PRESIDENT GRIFFO: Senator
13 LaValle.

14 SENATOR LaVALLE: Yes, can we have
15 the reading of the noncontroversial active list.

16 ACTING PRESIDENT GRIFFO: The
17 Secretary will read the active list,
18 noncontroversial.

19 THE SECRETARY: Calendar Number
20 308, Senate Budget Bill, Senate Print 2001A, an
21 act making appropriations for the support of
22 government.

23 ACTING PRESIDENT GRIFFO: Read the
24 last section.

25 THE SECRETARY: Section 5. This

1 act shall take effect immediately.

2 ACTING PRESIDENT GRIFFO: Call the
3 roll.

4 (The Secretary called the roll.)

5 THE SECRETARY: Ayes, 59. Nays, 2.
6 Senators Parker and Perkins recorded in the
7 negative.

8 ACTING PRESIDENT GRIFFO: The bill
9 is passed.

10 Senator LaValle.

11 SENATOR LaVALLE: Mr. President, we
12 have on our desks Supplemental Calendar Number
13 28A. Can we have the reading of the
14 noncontroversial supplemental calendar, Calendar
15 Number 314.

16 ACTING PRESIDENT GRIFFO: The
17 Secretary will read.

18 THE SECRETARY: Calendar Number
19 314, Senate Budget Bill, Senate Print 2000C, an
20 act making appropriations for the support of
21 government.

22 SENATOR GIANARIS: Lay it aside.

23 ACTING PRESIDENT GRIFFO: Lay the
24 bill aside.

25 Senator LaValle.

1 SENATOR LaVALLE: Can we have the
2 controversial reading of the supplemental
3 calendar, Number 314.

4 ACTING PRESIDENT GRIFFO: We are on
5 Supplemental Calendar 28A, and we will now have
6 the controversial reading of Calendar Number 314.
7 The Secretary is ringing the bell, and the
8 Secretary will read.

9 THE SECRETARY: Calendar Number
10 314, Senate Budget Bill, Senate Print 2000C, an
11 act making appropriations for the support of
12 government.

13 ACTING PRESIDENT GRIFFO: Senator
14 Stavisky.

15 SENATOR STAVISKY: Thank you,
16 Mr. President. I really only have one question,
17 if somebody would claim sponsorship.

18 SENATOR DeFRANCISCO: I'll claim
19 it.

20 (Laughter.)

21 ACTING PRESIDENT GRIFFO: Senator
22 DeFrancisco, will you yield?

23 SENATOR DeFRANCISCO: Yes.

24 ACTING PRESIDENT GRIFFO: Senator
25 DeFrancisco yields, Senator Stavisky.

1 SENATOR STAVISKY: The budget bill
2 before us talks about the Performance Improvement
3 Plan, which had a 10 percent holdback feature.
4 The 10 percent holdback has been withdrawn. The
5 Executive proposed it, but it was withdrawn in
6 the final agreement. What is going to happen to
7 the Performance Improvement Plan in this budget?

8 SENATOR DeFRANCISCO: (Conferring
9 off the record.)

10 SENATOR STAVISKY: Well, let me
11 rephrase my question.

12 SENATOR DeFRANCISCO: There's going
13 to be an additional \$18 million for SUNY. That's
14 what I'm being told. (Conferring off the
15 record.)

16 What section is it of the bill? Do
17 you have a number or a letter?

18 SENATOR STAVISKY: (No response.)

19 SENATOR DeFRANCISCO: Senator
20 LaValle apparently has an answer at hand, and I
21 don't. Maybe he can answer it.

22 ACTING PRESIDENT GRIFFO: Senator
23 LaValle has not spoken.

24 Senator Stavisky, I will ask Senator
25 LaValle to respond if there's no objection.

1 SENATOR STAVISKY: I would
2 appreciate it.

3 ACTING PRESIDENT GRIFFO: With
4 unanimous consent, Senator LaValle, you're
5 recognized.

6 SENATOR LaVALLE: Yes, thank you.

7 Senator Stavisky, you're absolutely
8 right. In the Governor's budget he had money in
9 there that there was a penalty if the campuses
10 did not move forward. We stripped it of that,
11 and the money will now go forward so that the
12 campuses can use it for a variety of reasons.

13 And one of the things that the
14 chancellor has made as a priority is a
15 graduate-in-four, so that this money will be used
16 pretty much for SUNY for purposes of improving
17 programs, graduate-in-four, and there is nothing
18 tied to it in terms of any penalty.

19 SENATOR STAVISKY: Would the
20 Senator continue to yield?

21 SENATOR LaVALLE: Yes.

22 ACTING PRESIDENT GRIFFO: The
23 Senator yields.

24 SENATOR STAVISKY: It's my
25 understanding that most if not all of the

1 colleges have already complied with the
2 requirements without the sword of Damocles put
3 over their heads of the 10 percent withholding.

4 Are there plans in the future -- and
5 that's really the thrust of my question, are
6 there plans in the future to reinstate that
7 10 percent holdback? Because the wording, from
8 what I understand, is somewhat unclear.

9 SENATOR LaVALLE: So at the very
10 beginning the members probably did not hear a
11 great deal of concern from the presidents at the
12 colleges that they represent because they were
13 moving in a direction, as I had indicated, of
14 graduate-in-four, different kinds of curriculum
15 improvements.

16 It is not the intent of our
17 committee, that you are the ranking member of,
18 to -- we've rejected it this year. We would
19 reject it again next year. I think we've ended
20 up with a good result that everyone is very
21 comfortable with.

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

24 Thank you, Mr. Chairman.

25 ACTING PRESIDENT GRIFFO: Thank

1 you, Senator Stavisky.

2 Any other Senator wishing to be
3 heard?

4 Senator Gianaris.

5 SENATOR GIANARIS: No.

6 ACTING PRESIDENT GRIFFO: Is there
7 any other Senator that wishes to be heard?

8 Senator LaValle.

9 SENATOR LaVALLE: Can we lay this
10 aside temporarily? We're waiting for a message.

11 ACTING PRESIDENT GRIFFO: So we
12 will lay Calendar 314 temporarily aside.

13 Senator LaValle.

14 SENATOR LaVALLE: Once again,
15 Mr. President, I would like to go to Supplemental
16 Calendar Number 28A.

17 ACTING PRESIDENT GRIFFO: Senator
18 LaValle, before we do that, on Calendar Number
19 314, for the record's purposes, I have asked
20 whether there was any other Senator that wanted
21 to be heard, and I've seen none and heard none,
22 so debate is closed on that. And it's been
23 temporarily laid aside. So when we come back,
24 we'll be ringing the bell for the vote.

25 Senator LaValle.

1 SENATOR LaVALLE: Yes. On the
2 Supplemental Calendar 28A, can we have the
3 reading of the noncontroversial Calendar Number
4 315.

5 ACTING PRESIDENT GRIFFO: The
6 Secretary will read.

7 THE SECRETARY: Calendar Number
8 315, Senate Budget Bill, Senate Print 2004C, an
9 act making appropriations for the support of
10 government.

11 SENATOR GIANARIS: Lay it aside.

12 ACTING PRESIDENT GRIFFO: Senator
13 Gianaris, do you mind if we accept the message?

14 SENATOR GIANARIS: I do not mind.

15 ACTING PRESIDENT GRIFFO: Senator
16 LaValle.

17 SENATOR LaVALLE: Mr. President,
18 can we have the controversial reading of Calendar
19 Number 315.

20 ACTING PRESIDENT GRIFFO: Senator
21 LaValle, there's a message of necessity before
22 the desk. Would you like me to consider that
23 message?

24 SENATOR LaVALLE: Yes.

25 ACTING PRESIDENT GRIFFO: The

1 question is on the message of necessity that's
2 before the desk. All in favor of accepting the
3 message signify by saying aye.

4 (Response of "Aye.")

5 ACTING PRESIDENT GRIFFO: Opposed?

6 (No response.)

7 ACTING PRESIDENT GRIFFO: The
8 message of necessity is accepted.

9 And Calendar Number 315 has been
10 laid aside by Senator Gianaris. The Secretary
11 will ring the bell, and we will have the
12 controversial reading.

13 The Secretary will read.

14 THE SECRETARY: Calendar Number
15 315, Senate Budget Bill, Senate Print 2004C, an
16 act making appropriations for the support of
17 government.

18 ACTING PRESIDENT GRIFFO: Senator
19 Krueger.

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

23 ACTING PRESIDENT GRIFFO: The
24 sponsor yields.

25 SENATOR KRUEGER: Thank you.

1 Could the sponsor clarify what has
2 changed from the original proposal of
3 \$147.7 million under the Office of Children and
4 Families? It's been modified so that the
5 expenditure is instead \$110 million relating to
6 the age of juvenile jurisdiction.

7 So what are we doing with 110 versus
8 the 147? Have we just cut out something, or did
9 we change the purpose of the \$110 million?

10 SENATOR DeFRANCISCO: First of all,
11 the \$147.7 million was to include the Raise the
12 Age. But since we don't have the actual
13 mechanics, it was too soon to try to put the
14 actual mechanics in a bill, he took the funding
15 out of there. And I know there is another spot
16 in the budget that it's included.

17 Yeah, here it is. The capital
18 program related to Raising the Age shall be
19 subject to a chapter of the Laws of 2015. So
20 \$110 million of it is from Raise the Age, but
21 it's not going to be finalized until we have a
22 chapter that actually describes where individuals
23 are going to be put and the mechanics of the
24 changes of Raise the Age to the criminal justice
25 system as it now stands.

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

4 SENATOR DeFRANCISCO: Yes.

5 ACTING PRESIDENT GRIFFO: The
6 sponsor yields.

7 SENATOR KRUEGER: So the answer is
8 \$110 million is to be determined in a later bill
9 to come before this house at a time yet to be
10 determined?

11 SENATOR DeFRANCISCO: The money is
12 there, and we have an appropriation. But we have
13 to have a bill detailing the changes in procedure
14 before that money can be used.

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

18 SENATOR DeFRANCISCO: Yes.

19 ACTING PRESIDENT GRIFFO: The
20 sponsor yields.

21 SENATOR KRUEGER: Thank you.

22 So in the section on Empire State
23 Development Corporation, we've accepted the
24 \$1.89 billion --

25 SENATOR LaVALLE: Mr. President,

1 excuse me.

2 ACTING PRESIDENT GRIFFO: Senator
3 LaValle.

4 SENATOR LaVALLE: The members in
5 the back rows are having a difficult time hearing
6 both Senator Krueger and Senator DeFrancisco. So
7 I don't know whether we need to put up the volume
8 in their mics. Just be mindful of it as you --

9 ACTING PRESIDENT GRIFFO:
10 Technologically, let's see if we can the raise
11 the volume on the mics --

12 SENATOR LaVALLE: Thank you.

13 ACTING PRESIDENT GRIFFO: -- and
14 not in the voices.

15 And I'd ask those in the back to
16 please take any conversations outside the
17 chamber, please.

18 Senator Krueger, you may continue.

19 SENATOR KRUEGER: Thank you. I
20 was -- I had asked the sponsor to yield, I
21 believe he had said yes.

22 SENATOR DeFRANCISCO: Yes.

23 SENATOR KRUEGER: And I was asking
24 the question involving the Empire State
25 Development Corporation, \$1.89 billion, but it

1 has been modified.

2 So it adds \$400 million for capital
3 projects in areas not eligible for the Upstate
4 Revitalization Initiative or the Buffalo Regional
5 Innovation Cluster program. So on that subset,
6 one, have we added \$400 million or have we
7 repurposed \$400 million of the original
8 \$1.89 billion?

9 SENATOR DeFRANCISCO: No, we've
10 added \$400 million. There was a lot of concern
11 that only three regions of upstate, of the seven
12 that are eligible, would get money. And there
13 are other areas of the state that felt that they
14 should be provided some economic development
15 money to offset what's being given in a program
16 to other regions of the state.

17 SENATOR KRUEGER: Through you,
18 Mr. President, if 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 So on this section, so there was the
25 \$1.5 billion that the Governor was discussing

1 distributing in three \$500 million competitive
2 grants. I believe that is still there and will
3 be given out over five years, \$100 million per
4 year to each of those three winners.

5 And then these new \$400 million will
6 go to only upstate areas and the upstate areas
7 not included in the three winners?

8 SENATOR DeFRANCISCO: No, it
9 includes not only the other regions, but it also
10 includes any other area of the state.

11 SENATOR KRUEGER: It includes --
12 sorry. Through you, Mr. President, if the
13 sponsor --

14 ACTING PRESIDENT GRIFFO: The
15 sponsor yields.

16 SENATOR KRUEGER: Thank you.

17 Does it include New York City and
18 Long Island as well?

19 SENATOR DeFRANCISCO: Yes.

20 SENATOR KRUEGER: Thank you.

21 Through you, Mr. President, if the sponsor would
22 continue to yield.

23 SENATOR DeFRANCISCO: Yes.

24 ACTING PRESIDENT GRIFFO: The
25 sponsor yields.

1 SENATOR KRUEGER: On that same
2 section, can this money be used for or is it
3 explicitly to be used for infrastructure needs
4 that we've been hearing so much from counties and
5 municipalities that they are so in search of
6 money for, or is it not able to be used this way?

7 SENATOR DeFRANCISCO: It's just the
8 limiting language simply is capital projects.
9 And I would think infrastructure would be
10 eligible -- I know that infrastructure would be
11 eligible. And EDC will determine, Empire State
12 Development Corp. would determine which projects
13 they were going to fund.

14 SENATOR KRUEGER: And through you,
15 Mr. President, an additional question on this
16 section.

17 SENATOR DeFRANCISCO: Yes.

18 ACTING PRESIDENT GRIFFO: The
19 sponsor yields.

20 SENATOR KRUEGER: Thank you.

21 So the \$1.5 billion is over five
22 years. Is the \$400 million intended also to be
23 over five years, or all in one year?

24 SENATOR DeFRANCISCO: It can be
25 used over a period of four years, or it can be

1 matched to the funding upstate at five years.

2 Four or five years.

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

6 SENATOR DeFRANCISCO: Yes.

7 ACTING PRESIDENT GRIFFO: The
8 sponsor yields.

9 SENATOR KRUEGER: Thank you.

10 There's also a section on
11 environmental conservation projects that adds
12 \$200 million for a multiyear Water Quality
13 Infrastructure Improvement Act, or the
14 \$200 million is part of \$566.9 million. That
15 water quality infrastructure improvement money,
16 is that over multiple years? And how large can
17 the grants be?

18 SENATOR DeFRANCISCO: It's over
19 three years.

20 And the grants that could come out
21 of here -- it's applicable to the entire state,
22 but the grants that come out of here are limited
23 to \$5 million. And if I'm not mistaken, it
24 requires a match from the local government
25 depending upon the type of project.

1 SENATOR KRUEGER: This is where I
2 do get a little confused, because there is the
3 \$200 million for the water quality infrastructure
4 and then -- you know what, I wasn't confused.
5 Let me refocus my question, Mr. President, if the
6 sponsor will continue to yield.

7 SENATOR DeFRANCISCO: Sure.

8 ACTING PRESIDENT GRIFFO: The
9 sponsor yields.

10 SENATOR KRUEGER: So you can
11 receive no more than \$5 million per project or
12 per municipality?

13 SENATOR DeFRANCISCO: Per
14 municipality. So there's enough money to be
15 spread around.

16 SENATOR KRUEGER: Through you,
17 Mr. President, is this money funded through the
18 EFC?

19 SENATOR DeFRANCISCO: Yes.

20 SENATOR KRUEGER: It is. So per
21 municipality. And is it a one-to-one match?
22 What's the match formula?

23 SENATOR DeFRANCISCO: They can
24 get -- the municipality can get up to 60 percent
25 of the project cost.

1 SENATOR KRUEGER: So they put in
2 40 cents and they get 60 cents --

3 SENATOR DeFRANCISCO: Correct.

4 SENATOR KRUEGER: -- up to
5 \$5 million.

6 SENATOR DeFRANCISCO: That's
7 correct.

8 SENATOR KRUEGER: Counties are not
9 eligible, only towns, cities and villages?

10 SENATOR DeFRANCISCO: I think
11 counties are eligible. I think any governing
12 unit. Any governing unit is considered a
13 municipality.

14 SENATOR KRUEGER: And through you,
15 Mr. President, if the sponsor would continue to
16 yield.

17 SENATOR DeFRANCISCO: Yes.

18 ACTING PRESIDENT GRIFFO: The
19 sponsor yields.

20 SENATOR KRUEGER: Thank you.

21 So if there were a group of
22 municipalities near each other all within one
23 county, could they come in for a group package
24 totaling more than \$5 million? Since my
25 understanding on water infrastructure is it

1 rarely changes when a line is crossed for a town
2 or village.

3 SENATOR DeFRANCISCO: Yes, I -- it
4 would be. They could combine as long as that
5 portion that they're applying for, the costs
6 could be justified as occurring in their
7 particular municipality.

8 SENATOR KRUEGER: Okay, thank you.
9 Through you, Mr. President, if the
10 sponsor would continue to yield.

11 SENATOR DeFRANCISCO: Yes.

12 ACTING PRESIDENT GRIFFO: The
13 sponsor yields.

14 SENATOR KRUEGER: Thank you.

15 There's a "Capital Projects --
16 Health Department" section that's providing
17 \$175,000 for the Ezra Medical Center. Can I ask
18 where that center is located and what that money
19 is for?

20 SENATOR DeFRANCISCO: We've got
21 another participant here.

22 SENATOR HANNON: May I speak?

23 ACTING PRESIDENT GRIFFO: Without
24 objection, I ask for unanimous consent. Senator
25 Hannon, you're hereby recognized.

1 Senator Krueger, pose your question.

2 SENATOR KRUEGER: Thank you.

3 If I might repeat the question,
4 within the \$1.2 billion capital projects for the
5 Health Department there was added \$175,000 for
6 the Ezra Medical Center. I was wondering what or
7 where that medical center is and what the
8 \$175,000 is for.

9 SENATOR HANNON: It is a community
10 health center, I think it's an FQHC, Federally
11 Qualified Health Center. It's located in
12 Brooklyn. And through a drafting error, it was
13 left out of the main bill.

14 SENATOR KRUEGER: Okay, thank you.

15 Through you, Mr. President, if some
16 sponsor would continue.

17 SENATOR DeFRANCISCO: Well, it
18 depends on the question.

19 (Laughter.)

20 ACTING PRESIDENT GRIFFO: Senator
21 DeFrancisco will yield. And you may continue,
22 Senator Krueger, and we can designate
23 accordingly.

24 SENATOR KRUEGER: I welcome all
25 sponsors. I am very equal opportunity that way.

1 In the section on Housing and
2 Community Renewal, yesterday in a bill we took
3 all the housing money out, and then today we seem
4 to be putting at least the \$439.5 million in
5 JPMorgan settlement funds back in. Is there a
6 breakdown on how much money is for what specific
7 project that the sponsor can share with me?

8 SENATOR DeFRANCISCO: Yup. We'll
9 get that for you right now.

10 There's a Public Housing
11 Modernization Program, NYCHA, \$100 million.
12 Moderate-Income Loan Program, \$25 million.
13 Mitchell-Lama repairs and revitalization,
14 \$25 million. SONY Neighborhood Revitalization
15 Purchase Program, \$21,689,965. Access to Home
16 for Heroes, \$19,000,601. RESTORE Seniors
17 Program, \$5 million. Statewide New York IV
18 Supportive Housing Program, \$124.5 million.
19 Restore New York Communities Initiative, \$25
20 million. State CDFI Fund, zero. New York Rental
21 Assistance Link 1, \$40 million. HIV rent cap,
22 \$27 million. The Neighborhood Preservation
23 organization and the Rural Preservation
24 organization, a total of \$20,259,000. The
25 Adirondack Housing Community Trust, \$1 million.

1 And lastly, Main Street Program, \$5.35 million.

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: Thank you.

9 So some of these program amounts
10 have in fact changed since the Executive proposal
11 came out; is that correct? These numbers are
12 actually different than we had seen earlier?

13 SENATOR DeFRANCISCO: That is
14 correct.

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

18 ACTING PRESIDENT GRIFFO: The
19 sponsor yields.

20 SENATOR KRUEGER: And here I'm
21 working not off of the budget bill itself, but
22 actually the report on the budget bill that has
23 been placed on our desks. And the language for
24 Housing and Community Renewal just says "The
25 Legislature concurs with the Executive

1 recommendation of \$91.2 million, with the
2 following modifications." And then the following
3 modifications -- that's page 3 of the report --
4 the following modifications are the
5 \$439.5 million that the sponsor just kindly read
6 off of how it's being spent.

7 But I'm a little confused. How does
8 that mesh with the \$91.2 million? Did we add
9 439.5 to the 91.2 and did the list you just read
10 off really total more like \$529 million?

11 SENATOR DeFRANCISCO: That's
12 correct.

13 And the fact that this was not in
14 the normal bill that it was in is because there
15 was a lot of discussion about how to break up
16 that money, and it resulted in the additional
17 funds being placed there.

18 SENATOR KRUEGER: Okay. So I
19 appreciate the sponsor's answer. I did want to
20 make sure, because the money has been moving in
21 and out of different bills, as I discussed here
22 yesterday. Things that you thought would be in
23 one bill weren't, but then they are sometimes
24 popping up in others.

25 So I just wanted to go on record

1 that we understood how much money there was for
2 housing in the capital budget and how it was
3 being distributed.

4 SENATOR DeFRANCISCO: And I want to
5 go on record simply to say I promised that this
6 would all mesh together. And now I'm explaining
7 why it had to be taken out, and now it is coming
8 to a final budget at the very end. And I told
9 you I had faith, and I do have faith.

10 SENATOR KRUEGER: I still like to
11 work off the facts, but I appreciate the
12 sponsor's faith.

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

15 SENATOR DeFRANCISCO: Yes.

16 ACTING PRESIDENT GRIFFO: The
17 sponsor yields.

18 SENATOR KRUEGER: Thank you.

19 In the section on "Transportation"
20 in the capital budget, there's been a change from
21 the Executive, which moved from \$4.9 billion to
22 \$5.1 billion. What have we added and/or changed
23 from the original 4.9 to get to 5.1?

24 SENATOR DeFRANCISCO: The ones
25 listed on the sheet that was provided to you are

1 the ones that were added.

2 And they hopefully will add up to
3 the additional -- those are the adds, and
4 hopefully it will add up to \$200 million.

5 SENATOR KRUEGER: I'm sorry,
6 through you, Mr. President, there's the dilemma.
7 I don't think it does add up. Because I see
8 \$200 million added, but in the chart below I see
9 \$100 million for highways and bridges and
10 \$50 million for one-time consolidated local
11 highway program, \$15 million for upstate transit,
12 \$2.5 million for the Wells Bridge, \$1 million for
13 the Glens Falls highway bridge. So I think we're
14 still about \$45 million short.

15 SENATOR DeFRANCISCO: Then it was
16 increased from 4.9 million to whatever that next
17 number is when you add those in.

18 SENATOR KRUEGER: So it was a
19 rounding error?

20 SENATOR DeFRANCISCO: I don't know
21 if it was a rounding error, but the intent was --
22 and it will be in the bill itself -- that these
23 were additions to the original \$4.9 million.

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

1 yield.

2 SENATOR DeFRANCISCO: Yes. Yes.

3 ACTING PRESIDENT GRIFFO: The
4 sponsor yields.

5 SENATOR KRUEGER: So the sponsor
6 just pointed out that yesterday we had a
7 discussion about faith and that things would all
8 come together. Yesterday I asked him about the
9 circuit breaker property tax program. Is that
10 going to pop up today somewhere?

11 SENATOR DeFRANCISCO: No, and it's
12 not going to pop up at all. And neither is the
13 alternative we provided to the Governor; namely,
14 a rebate check from new funds for next year, not
15 this calendar year. That fell off the table as
16 well. So neither one will be in this budget.

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

20 SENATOR DeFRANCISCO: Yes.

21 SENATOR KRUEGER: Thank you.

22 What is the total amount in this
23 capital budget bill?

24 SENATOR DeFRANCISCO: Well, that's
25 a very good question. Whatever all these numbers

1 add up to.

2 (Laughter.)

3 SENATOR KRUEGER: I'm sorry, I --
4 could I ask the sponsor to repeat?

5 ACTING PRESIDENT GRIFFO: It's
6 probably a once-in-a-lifetime kind of expression
7 from Senator DeFrancisco, Senator.

8 SENATOR DeFRANCISCO: I simply said
9 whatever all these numbers add up to is in this
10 budget.

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

13 ACTING PRESIDENT GRIFFO: Senator
14 Krueger.

15 SENATOR KRUEGER: They have all
16 these wonderful budget and policy analysts, one
17 for each topic. So somebody knows how much
18 capital this budget bill adds up to.

19 SENATOR DeFRANCISCO: A
20 mere 7 billion, 581 million.

21 ACTING PRESIDENT GRIFFO: Excuse
22 me, the chamber is getting a little noisy.
23 Please, so we can have the members hear each
24 other.

25 SENATOR KRUEGER: If the sponsor

1 could just repeat that number one more time for
2 me.

3 SENATOR DeFRANCISCO: Seven
4 billion, 581 million.

5 SENATOR KRUEGER: And if the
6 sponsor would continue to yield, please.

7 ACTING PRESIDENT GRIFFO: The
8 sponsor yields.

9 SENATOR KRUEGER: Thank you.

10 And how much of the \$5.4 billion in
11 bank settlement money is within this
12 \$7.581 billion capital budget?

13 SENATOR DeFRANCISCO: I can't give
14 you that number at this point. But all of the
15 \$5.4 billion was utilized in this budget.

16 SENATOR KRUEGER: So all 5.4 is in
17 this budget somewhere within various bills.

18 SENATOR DeFRANCISCO: Right. And I
19 know 1.3 went to the Thruway Authority, primarily
20 for the Tappan Zee Bridge; \$1.5 billion went into
21 the competition. A group of that -- the money
22 for the hospitals amounted to --

23 SENATOR KRUEGER: Through you,
24 Mr. President, if the -- oh, I'm sorry, I thought
25 you were done.

1 SENATOR DeFRANCISCO: No, I was
2 just going to say the hospital money that went to
3 the Utica area, Brooklyn, and rural hospitals,
4 that was about 1.4, 1.4 total. And then there
5 was about a billion, 900 million -- \$850 million
6 that we had to pay back the federal government
7 because certain things were overcharged.

8 And all those things that I've been
9 reading off happened to appear somewhere here.
10 From the New York State Infrastructure Account.
11 Is that in here? And there's a -- as you can
12 see, let me just -- it should be listed here.
13 All right. I did it as best from memory, but let
14 me try again.

15 Five hundred million for the New NY
16 Broadband Initiative; \$1.3 billion, as I said,
17 for the Thruway Stabilization Fund, \$1 billion of
18 which goes to the Tappan Zee Bridge; \$250 million
19 for the MTA for Metro-North access to Penn
20 Station; \$50 million for the Southern Tier and
21 Hudson Valley farm program; \$115 million for
22 infrastructure improvements, including rail and
23 port capital projects and the State Fair, which
24 is in my district; \$150 million for municipal
25 restructuring; \$150 million for counterterrorism

1 and disaster resistance, including public safety;
2 \$400 million for healthcare-related projects --
3 the \$400 million is the rural part of the
4 hospital piece -- and \$580-some-odd million for
5 paying back the federal government for
6 overpayment on developmental disability payments;
7 \$150 million for the transformative economic
8 development projects for Nassau and Suffolk.

9 So that is 3.5. The other money is
10 in the economic development piece, which I
11 probably could get to you.

12 Repayment on developmental
13 disabilities, 850, and we're looking for the rest
14 of the money. (Conferring off the record.)

15 That list I gave you did not include
16 something I mentioned before, the 1.5 economic
17 development in upstate New York. So that wasn't
18 listed in what I just said. The 1.5 is the
19 Hunger Games.

20 SENATOR KRUEGER: Okay. Thank you.
21 There's a lot of different pieces of information
22 there.

23 Going specifically to -- through
24 you, Mr. President, if the sponsor would continue
25 to yield.

1 ACTING PRESIDENT GRIFFO: The
2 sponsor will continue to yield.

3 SENATOR KRUEGER: Thank you. I
4 appreciate his trying to pull together all this
5 information.

6 I guess for me it partly highlights
7 it's a capital bill worth \$7.581 billion. I
8 think it came to print maybe noon today. We're
9 doing this with a message of necessity. I
10 empathize with his struggling to find all the
11 right information. I think the public would have
12 even greater trouble figuring this all out
13 between noon and I guess it's 5:30.

14 Specifically within the New York
15 State Special Infrastructure Account, where much
16 of this settlement money that you just read off
17 is going, there was the \$1.3 billion for the
18 Thruway Stabilization Program. And my
19 understanding is that broke out as \$900 million
20 for the Tappan Zee and \$400 million for the
21 Thruway Authority's core capital program.

22 Is there a list somewhere of what
23 that \$400 million will be spent on, specific
24 projects?

25 SENATOR DeFRANCISCO: No, there's

1 no list. It's going to the Thruway Authority for
2 their discretion. And the thought would be,
3 since it's capital money, that it will relieve
4 them from responsibility to bond and pay for
5 bonding in order to help stabilize the Thruway
6 tolls throughout the Thruway system. So that
7 there will hopefully -- it's expected that there
8 will be no toll increases this year.

9 So it's primarily, if they have more
10 capital, to use that for things that they used to
11 use Thruway Authority tolls for.

12 SENATOR KRUEGER: Through you,
13 Mr. President, if the sponsor would continue to
14 yield.

15 ACTING PRESIDENT GRIFFO: The
16 sponsor yields.

17 SENATOR DeFRANCISCO: Yes.

18 SENATOR KRUEGER: Okay, so there's
19 not a specific list. But if one actually goes to
20 the budget language of the bill under the Thruway
21 Stabilization Program -- there's no point in
22 really reading a page number, but it's under
23 "Miscellaneous -- All State Departments,"
24 "New York State Special Infrastructure Account,
25 Capital Projects."

1 It says: "Provided, however, that
2 funds shall not be made available from this
3 appropriation unless the New York State Thruway
4 Authority has submitted a plan to the Governor,
5 the speaker of the Assembly, the President Pro
6 Tem of the Senate that describes the portions of
7 the funding appropriated herein that will be used
8 for costs related to the New NY Bridge" -- which
9 is what we've been calling the new Tappan Zee
10 Bridge -- "bridge-related transportation
11 improvement and the Thruway core capital
12 programs."

13 So I believe that this budget bill
14 is actually requiring there being a lined-out
15 document or MOU before money can be spent. Would
16 the sponsor agree with me that we should be
17 getting that before money is appropriated?

18 SENATOR DeFRANCISCO: We don't have
19 to approve a list. We have to get a listing of
20 specifically what they're going to use the
21 additional money for.

22 SENATOR KRUEGER: Through you,
23 Mr. President, if the sponsor --

24 SENATOR DeFRANCISCO: And by the
25 way, with respect to your prior remarks about not

1 being able to read the -- or find all of the
2 different parts of this infrastructure account,
3 they were -- most of them were in the fact sheet
4 that we provided you with today.

5 And also, the other 1.5 was from
6 another part of the budget -- namely, the
7 economic development program some call the Hunger
8 Games. So it all added up, they were just in two
9 different places.

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

13 SENATOR DeFRANCISCO: Yes.

14 ACTING PRESIDENT GRIFFO: The
15 sponsor yields.

16 SENATOR KRUEGER: Yes, I am very
17 glad we have these reports on each bill put on
18 our desks. I think the sponsor might remember we
19 had a budget reform law that passed in 2007 that
20 requires these kinds of reports, and I think
21 we're all very glad we have them in comparison to
22 the system before.

23 And again, I believe the sponsor is
24 correct that the list does not have to be voted
25 on, but it has to be shared. But we have not

1 seen that list as of now.

2 SENATOR DeFRANCISCO: Well, the
3 reason is they haven't made the list yet, not
4 making decisions yet as to where the funding is
5 going to be used. We just confirmed the chairman
6 of the Thruway Authority I think yesterday, and
7 she hasn't had time yet to do that.

8 With respect to the sheets, I agree
9 with you, this is extremely helpful to me. I
10 remember when I sat in your chair, and I remember
11 we got no lists, we got no --

12 SENATOR KRUEGER: We did, actually.
13 That was post-2007. You had the reports.

14 SENATOR DeFRANCISCO: But we got
15 not answers whatsoever from your predecessor.
16 And I've got video of those, just so you know.
17 We're trying to cooperate as best we can.

18 SENATOR KRUEGER: Through you,
19 Mr. President, what was the line of Mr. Gianaris
20 yesterday about the New Deal?

21 I'm sorry, may I ask Senator
22 Gianaris to yield, please.

23 ACTING PRESIDENT GRIFFO: Senator
24 Krueger, would -- sure. Senator Gianaris, do you
25 yield?

1 (Laughter.)

2 SENATOR KRUEGER: Thank you.

3 ACTING PRESIDENT GRIFFO: Without
4 objection.

5 SENATOR GIANARIS: What you said,
6 Mr. President.

7 (Laughter.)

8 SENATOR KRUEGER: So we're going
9 back in history again, Senator Gianaris, to a
10 predecessor who's no longer here but apparently
11 there's video of him. What would be your
12 response about going back in history and budget
13 discussions?

14 SENATOR GIANARIS: I believe
15 yesterday I indicated that the statute of
16 limitations has expired on going too far back,
17 unless they want us to invoke the Republicans'
18 opposition to the New Deal, which was apparently
19 through the '30s and '40s, Senator Hannon.

20 (Laughter.)

21 SENATOR KRUEGER: Thank you.

22 ACTING PRESIDENT GRIFFO: Senator
23 Gianaris.

24 Senator Krueger, are you on the
25 bill?

1 SENATOR KRUEGER: I am on the bill,
2 thank you.

3 ACTING PRESIDENT GRIFFO: Senator
4 Krueger on the bill.

5 SENATOR KRUEGER: I do want to
6 thank my colleagues, the two sponsors who got up
7 to answer questions.

8 The capital budget is an enormously
9 important budget bill. We're talking about
10 almost \$8 billion in money for an incredibly
11 broad range of capital issues throughout the
12 state, throughout every agency of the state.

13 There are some good things in this
14 bill. It expands infrastructure money for
15 localities, an issue that I have been crucially
16 aware of that we are, I feel, starving our
17 localities for basic infrastructure money as we
18 put more and more money into these, as my
19 colleague referred, these Hunger Game
20 competitions that too often don't put any money
21 into basic infrastructure.

22 The strength of an economy, the
23 strength of our state, from the northern end to
24 the southern tip of Long Island, requires that we
25 have a solid infrastructure, we have roads and

1 bridges, we have clean water, we can assure
2 people, if they come to live here or if they come
3 to do business here or open up new businesses
4 here, that we have the basics that they need to
5 make sure that they can live their life and be
6 successful.

7 We need quality workers for them to
8 hire who have been educated in the great
9 K-through-college educational system. They need
10 to be assured that when they turn on the
11 electricity, it will go on and stay on; when they
12 turn on the water, clean water will come out for
13 them to drink. And so much of this money is
14 being spent appropriately for the future of the
15 State of New York and the infrastructure.

16 I no doubt could find a number of
17 things here that I would say was not being spent
18 correctly or that I am disappointed have remained
19 in this final budget bill, in this final capital
20 budget bill. But tonight I am comfortable voting
21 yes on this, Mr. President.

22 Thank you.

23 ACTING PRESIDENT GRIFFO: Senator
24 Espaillat.

25 SENATOR ESPAILLAT: Thank you,

1 Mr. President. Would the sponsor yield for a
2 couple of questions?

3 ACTING PRESIDENT GRIFFO: The
4 sponsor yields.

5 SENATOR DeFRANCISCO: If it's not
6 about the three-card monte.

7 (Laughter.)

8 SENATOR ESPAILLAT: I am still
9 looking for the red. Perhaps I'll find it today.

10 Through you, Mr. President. We were
11 visited by the NYCHA chair, and the New York City
12 mayor has expressed an interest in capturing
13 capital dollars to improve the conditions of
14 NYCHA-complex buildings and has even pledged to
15 match capital dollars up to \$300 million. Is
16 there any capital monies for NYCHA in this bill?

17 SENATOR DeFRANCISCO: Yes, just a
18 mere \$100 million.

19 SENATOR ESPAILLAT: Okay.

20 SENATOR DeFRANCISCO: That's not
21 bad.

22 SENATOR ESPAILLAT: That's not bad.
23 Well, thank you for that.

24 And originally the Governor put on
25 the table the New York/New York IV program to

1 fund affordable housing and housing also for
2 Mitchell-Lama middle-income homes. Is there any
3 funding for that particular program in the
4 budget?

5 SENATOR DeFRANCISCO: There's
6 \$124.5 million for supportive housing. And also
7 I know there's Mitchell-Lama on this,
8 \$25 additional million.

9 SENATOR ESPAILLAT: So through you,
10 Mr. President, if the sponsor will yield.

11 ACTING PRESIDENT GRIFFO: The
12 sponsor yields.

13 SENATOR ESPAILLAT: So there is an
14 additional \$25 million on top of the 124 for
15 New York/New York for Mitchell-Lama housing in
16 particular?

17 SENATOR DeFRANCISCO: Correct.

18 SENATOR ESPAILLAT: Okay, very
19 good.

20 Now, HCR, the office for Housing and
21 Community Renewal, what is the total budget for
22 HCR? And is that in that particular bill?

23 SENATOR DeFRANCISCO: I don't have
24 that information. We can tell you what the
25 capital is. The entire capital is \$91.2 million.

1 The capital is 91.2, adding to it the
2 \$439,549,000 which is in the listing of the
3 capital additions.

4 SENATOR ESPAILLAT: Thank you. I
5 want to thank the sponsor.

6 Mr. President, on the bill.

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

9 SENATOR ESPAILLAT: For the first
10 time in many years, we have been able to capture
11 funding for NYCHA buildings in the City of
12 New York. Some years back, many years back, we
13 abandoned them, and these structures have
14 suffered deterioration. We were able to get some
15 funding through the stimulus package when we
16 federalized a number of them, over 30 of those
17 complexes that were not part of the federal
18 program. And that capital funding proved to be
19 very effective in improving the conditions of
20 those buildings and the apartments within.

21 So this \$100 million assigned to
22 NYCHA, although shorter than what we proposed as
23 a conference -- because we felt that a good
24 portion of the settlement money, the \$5 billion
25 settlement money should go to this endeavor -- is

1 a step in the right direction.

2 In addition, the 124 for
3 New York/New York, which proposes to finance
4 statewide multi-agency supportive housing
5 programs to provide housing and support services
6 for vulnerable New Yorkers, is also a step in the
7 right direction.

8 We're hoping that the HCR housing
9 agency will stay whole as we finish this budget.
10 And, Mr. President, at least we found one of the
11 reds today that we were looking for yesterday. I
12 will be voting in the affirmative on this bill.

13 ACTING PRESIDENT GRIFFO: Senator
14 Panepinto.

15 SENATOR PANEPINTO: Mr. President,
16 will the speaker entertain some questions, or the
17 sponsor entertain some questions?

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

20 SENATOR DeFRANCISCO: Yes.

21 ACTING PRESIDENT GRIFFO: The
22 Senator yields.

23 SENATOR PANEPINTO: Senator
24 DeFrancisco, on the economic development portion
25 of the capital bill, there's a change from the

1 competitive process. Is Western New York going
2 to be part of the competitive process that's now
3 put in place?

4 SENATOR DeFRANCISCO: No. In
5 addition to the \$1 billion without competition
6 that you got, there's another \$400 million in
7 this budget, since you were not included in the
8 Hunger Games, that you will have available to you
9 in this budget.

10 SENATOR PANEPINTO: So it's the
11 \$400 million separate appropriation which Western
12 New York can compete for?

13 SENATOR DeFRANCISCO: Not compete,
14 get.

15 SENATOR PANEPINTO: Get, okay.

16 SENATOR DeFRANCISCO: If you want
17 to compete, we can add it to the pot.

18 SENATOR PANEPINTO: If the Governor
19 and you took it out of the competition --

20 ACTING PRESIDENT GRIFFO: Senator
21 Panepinto, are you asking the sponsor to continue
22 to yield?

23 SENATOR PANEPINTO: Yes, please.

24 ACTING PRESIDENT GRIFFO: Okay.

25 Senator DeFrancisco yields.

1 SENATOR PANEPINTO: So will there
2 be regional competitions? How will the money
3 then be distributed, the \$1.5 billion?

4 SENATOR DeFRANCISCO: The 1.5,
5 there's seven regions listed in the budget, all
6 upstate. Three of them will be winners for
7 additional funds. But the losers aren't going to
8 be losers, because there's still economic
9 development money at the REDC tables. And they
10 won't be excluded from funding, they just won't
11 get as much funding as three winners in this
12 competition.

13 SENATOR PANEPINTO: Will the
14 sponsor continue to yield?

15 ACTING PRESIDENT GRIFFO: The
16 sponsor yields.

17 SENATOR DeFRANCISCO: Yes.

18 SENATOR PANEPINTO: Who will make
19 the decision on those funding requests?

20 SENATOR DeFRANCISCO: It goes right
21 through the same Economic Development Councils.
22 And there's an overall super-duper body in Albany
23 that makes recommendations and supposedly makes
24 the decisions, but I've got a feeling there may
25 be some Governor input.

1 SENATOR PANEPINTO: Will the
2 speaker continue to yield?

3 ACTING PRESIDENT GRIFFO: The
4 sponsor yields.

5 SENATOR DeFRANCISCO: Yes.

6 SENATOR PANEPINTO: On higher
7 education, what's the allocation for SUNY and
8 CUNY for capital projects in our capital budget?

9 SENATOR DeFRANCISCO: Well, CUNY, I
10 got that right here. It's \$160.9 million total.
11 And SUNY, if this is in alphabetical order,
12 \$462,427,000.

13 SENATOR PANEPINTO: Will the
14 sponsor continue to yield?

15 SENATOR DeFRANCISCO: Yes.

16 ACTING PRESIDENT GRIFFO: The
17 sponsor yields.

18 SENATOR PANEPINTO: Was there
19 consideration given to the five-year capital plan
20 that both SUNY and CUNY lobbied for? And what
21 was the reasoning behind not going in that
22 direction?

23 SENATOR DeFRANCISCO: It's not in
24 the budget.

25 SENATOR PANEPINTO: It's not in the

1 budget.

2 SENATOR DeFRANCISCO: You're
3 talking about additional funds for capital?

4 SENATOR PANEPINTO: Yes.

5 SENATOR DeFRANCISCO: For SUNY and
6 CUNY, there's no additional funds. That is
7 correct, there's no additional funds.

8 In the capital plan it's listed as
9 sort of a wish list, but there's no appropriation
10 for it.

11 SENATOR PANEPINTO: And will the
12 sponsor continue to yield?

13 SENATOR DeFRANCISCO: Yes.

14 ACTING PRESIDENT GRIFFO: The
15 sponsor yields.

16 SENATOR PANEPINTO: Isn't it true
17 that we've just finished two five-year
18 consecutive plans for SUNY funding for capital
19 projects?

20 SENATOR DeFRANCISCO: The last one
21 that was approved was completed two years ago.

22 SENATOR PANEPINTO: Okay. Will the
23 sponsor continue to yield?

24 SENATOR DeFRANCISCO: Yes.

25 ACTING PRESIDENT GRIFFO: The

1 sponsor yields.

2 SENATOR PANEPINTO: On the question
3 of -- under the "Labor" portion of the capital
4 budget, there's a \$60 million appropriation for
5 information technology for the Workers'
6 Compensation Board. Is there any detail to that,
7 of what that's going to go towards?

8 SENATOR DeFRANCISCO: I'll check
9 for you.

10 It's a capital appropriation to
11 upgrade their software and hardware for claims
12 administration.

13 SENATOR PANEPINTO: Will the
14 speaker continue to yield?

15 SENATOR DeFRANCISCO: Yes.

16 ACTING PRESIDENT GRIFFO: The
17 sponsor yields.

18 SENATOR DeFRANCISCO: This isn't
19 the Assembly; I'm not the speaker. I just want
20 you to be clear about that.

21 SENATOR PANEPINTO: The sponsor, I
22 apologize.

23 SENATOR DeFRANCISCO: All right.

24 SENATOR PANEPINTO: Is that
25 \$60 million going to be spent this year, or is

1 that a continuing program?

2 SENATOR DeFRANCISCO: Well, the
3 intent is to get this system up and operating as
4 quickly as possible. But they anticipate that
5 the program will take five years to complete.

6 SENATOR PANEPINTO: Will the
7 sponsor continue to yield?

8 SENATOR DeFRANCISCO: I'm getting
9 kind of tired now, but go ahead.

10 (Laughter.)

11 SENATOR PANEPINTO: I apologize.
12 I'll wrap it up.

13 ACTING PRESIDENT GRIFFO: The
14 sponsor yields.

15 SENATOR PANEPINTO: Under the
16 \$150 million for severe weather acts, how will
17 that be determined or how will that money be
18 distributed?

19 SENATOR DeFRANCISCO: Well, it's
20 additional CHIPS money, if I'm not mistaken.
21 Fifty million? Which one are you referring to?
22 I'm sorry.

23 ACTING PRESIDENT GRIFFO: He was
24 referring to severe weather, he said.

25 SENATOR PANEPINTO: Severe weather,

1 acts of terrorism. It was a \$150 million
2 appropriation.

3 SENATOR DeFRANCISCO: I got
4 50 million of it so far, for DOT trucks or
5 equipment. Forty million for counterterrorism.
6 And 60 million for police equipment for local law
7 enforcement.

8 SENATOR PANEPINTO: On the bill.

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

11 SENATOR PANEPINTO: Thank you,
12 Senator DeFrancisco.

13 I'll be voting aye on the capital
14 spending bill, but I'm disappointed that the
15 Governor and the Senate Republicans didn't
16 consider the five-year programs that SUNY and
17 CUNY wanted or the five-year DOT appropriation.

18 But all in all, the capital budget,
19 you know, looks like it's moving forward, and I'm
20 a yes on it.

21 ACTING PRESIDENT GRIFFO: Senator
22 Squadron.

23 SENATOR SQUADRON: Thank you,
24 Mr. President. If the sponsor, having taken a
25 brief rest, would yield.

1 ACTING PRESIDENT GRIFFO: The
2 sponsor yields.

3 SENATOR DeFRANCISCO: Rest won't
4 help me here, but go ahead.

5 (Laughter.)

6 SENATOR SQUADRON: Thank you very
7 much. It's a marathon, not a sprint, Senator.

8 As Senator Espaillat talked about,
9 I'm also pleased to see the NYCHA amount. I
10 noticed you had said it was \$100 million, through
11 you, Mr. President. Which, you know, is no small
12 amount.

13 I wanted to ask on page 748 of this
14 bill, I see \$150 million, at the top of that
15 page, for severe weather. And I just wanted to
16 know what --

17 SENATOR DeFRANCISCO: We just
18 discussed that. That was the last question I
19 answered.

20 SENATOR SQUADRON: Yes. Fifty
21 million for trucks, I heard about that.

22 SENATOR DeFRANCISCO: Fifty million
23 for trucks. And these have great emission
24 systems, because they're new.

25 (Laughter.)

1 SENATOR DeFRANCISCO: And then
2 \$60 million for equipment for police, and
3 40 million for something else. Counterterrorism.

4 SENATOR SQUADRON: Thank you. So
5 if the sponsor would continue to yield.

6 SENATOR DeFRANCISCO: Yes.

7 ACTING PRESIDENT GRIFFO: The
8 sponsor yields.

9 SENATOR SQUADRON: So is there
10 another part of this bill that has a weather
11 system -- weather detection system, as was at
12 some point under discussion in this budget?

13 SENATOR DeFRANCISCO: No, it's --
14 it's -- I don't know why it was termed "weather
15 detection." But of the three components, what
16 it's earmarked for. Well, "earmarked" is a bad
17 word. What it's programmed for.

18 SENATOR SQUADRON: Thank you. If
19 the sponsor would continue to yield.

20 ACTING PRESIDENT GRIFFO: The
21 sponsor yields.

22 SENATOR DeFRANCISCO: Yes.

23 SENATOR SQUADRON: If the sponsor
24 would go to the part of the budget that
25 appropriates capital for the MTA.

1 SENATOR DeFRANCISCO: Okay.

2 SENATOR SQUADRON: What's the total
3 amount of capital appropriated for the MTA?

4 SENATOR DeFRANCISCO: Okay, the
5 total amount is -- well, the \$750 million for
6 general capital needs, and \$250 million for
7 Penn Station access.

8 SENATOR SQUADRON: And is the total
9 amount -- if the sponsor would continue to yield.

10 SENATOR DeFRANCISCO: One billion.

11 SENATOR SQUADRON: If the sponsor
12 would continue to yield --

13 SENATOR DeFRANCISCO: Yes.

14 SENATOR SQUADRON: -- is the total
15 amount -- how much less than the Governor
16 proposed is the total amount?

17 SENATOR DeFRANCISCO: I don't
18 believe we reduced it. But I may be wrong.

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

21 ACTING PRESIDENT GRIFFO: The
22 sponsor yields.

23 SENATOR SQUADRON: I believe
24 there's a reduction of \$150 million from the
25 Governor's proposal? Forgive me.

1 SENATOR DeFRANCISCO: No, that
2 \$150 million was not an MTA capital money.

3 SENATOR SQUADRON: For
4 transit-oriented development?

5 SENATOR DeFRANCISCO: Transit-
6 oriented development. Does that go to the MTA?

7 That was specifically for parking
8 garages, I'm being told. And that money is -- so
9 that's still in the budget, along with the other
10 billion. (Conferring off the record.)

11 That's correct, but I'm told that
12 the ultimate budget didn't limit it to parking
13 garages, as the Governor had in his budget.
14 There was broader language that it could be used
15 for other capital projects.

16 SENATOR SQUADRON: If the sponsor
17 would continue to yield. My understanding is it
18 was for parking garages around Long Island
19 Railroad stations in particular. And if I
20 understand the sponsor, it does exist elsewhere
21 in this budget in this bill, or in another bill,
22 and if so -- well, in any case, where? In any
23 case, where, I think is the form of the question.

24 SENATOR DeFRANCISCO: The 150 is
25 still there, but it's just a language change.

1 It's in this bill, correct? Yes.

2 SENATOR SQUADRON: If the sponsor
3 would continue to yield.

4 ACTING PRESIDENT GRIFFO: The
5 sponsor yields.

6 SENATOR SQUADRON: Thank you. So
7 the language changed and the location changed,
8 but the appropriation is the same?

9 SENATOR DeFRANCISCO: The
10 appropriation is the same. The language was
11 broadened so the MTA was not limited to garages.

12 It's under "Special Infrastructure."
13 We can give you the correct page.

14 SENATOR SQUADRON: If the sponsor
15 would continue to yield. So is it still for
16 MTA-related projects?

17 SENATOR DeFRANCISCO: Yes, but it
18 gives MTA more discretion.

19 SENATOR SQUADRON: Okay.

20 SENATOR DeFRANCISCO: I don't know
21 how I can explain it --

22 SENATOR SQUADRON: No, no, thank
23 you. I appreciate that.

24 We're figuring out an understanding.
25 Sometimes these questions and answers are a

1 public opportunity, sometimes they're an
2 opportunity to understand a bill that is fresh in
3 our minds, and this is the latter case.

4 If the sponsor would continue to
5 yield.

6 SENATOR DeFRANCISCO: Okay.

7 ACTING PRESIDENT GRIFFO: The
8 sponsor yields.

9 SENATOR SQUADRON: So in total,
10 what will be the annual deficit to the current
11 proposed MTA capital plan after this budget is
12 passed?

13 SENATOR DeFRANCISCO: I'm being
14 told there's no current plan by the MTA.

15 SENATOR SQUADRON: If the sponsor
16 would continue to yield.

17 SENATOR DeFRANCISCO: As far as
18 what their actual deficit is, as we sit here
19 today? There's no plan as far as how they're
20 going to --

21 SENATOR SQUADRON: Just a
22 clarification of the question. I said the
23 proposed plan.

24 SENATOR DeFRANCISCO: The Executive
25 did not accept the plan, and it was never

1 implemented. It was vetoed in a prior bill.

2 SENATOR SQUADRON: If the sponsor
3 would continue to yield.

4 SENATOR DeFRANCISCO: Yes.

5 SENATOR SQUADRON: Does the sponsor
6 know the sort of rule of thumb for fare hikes or
7 toll hikes, for that matter, in relation to
8 capital deficits?

9 SENATOR DeFRANCISCO: I don't know
10 what the rule of thumb is on just about anything.
11 We try to be -- you know, we try to have specific
12 lines and specific dollar amounts that are in the
13 budget. But as far as a rule of thumb by
14 whatever agency or whatever thumb is being used,
15 I don't know. We act with more precision here.

16 (Laughter.)

17 SENATOR SQUADRON: If the sponsor
18 would continue to yield.

19 ACTING PRESIDENT GRIFFO: The
20 sponsor will yield.

21 SENATOR DeFRANCISCO: Yes.

22 SENATOR SQUADRON: Is it
23 sufficiently precise to say that you would have a
24 1 percent toll or fare increase for every billion
25 dollars in capital deficit?

1 SENATOR DeFRANCISCO: I don't know.
2 I have no idea. But we have the same problem in
3 upstate transit, and it was a real fight to get
4 capital and operating. So it's not limited to
5 the MTA.

6 Unfortunately, we can't get
7 everything we want when we want it. So it may
8 not be all that's needed, but we're suffering the
9 same thing throughout the state. We do the best
10 we can.

11 SENATOR SQUADRON: If the sponsor
12 would continue to yield.

13 SENATOR DeFRANCISCO: Yes.

14 ACTING PRESIDENT GRIFFO: The
15 sponsor yields.

16 SENATOR SQUADRON: I was pleased to
17 see, in fact, an increase in capital funds for
18 the other transit systems in the state.

19 And also just to -- not to look
20 backwards, but to look forwards, last evening we
21 also discussed there being no operating increase
22 for upstate transit, but I think there was in
23 fact a 5 or 10 percent increase in operating as
24 well. So those increases are appropriate and, as
25 the sponsor says, probably insufficient.

1 Is it the sponsor's view that the
2 upstate transit system should get a higher
3 increase than the MTA or that they should be
4 proportional?

5 SENATOR DeFRANCISCO: No, I think
6 everybody should be treated in the same
7 proportional way, unless there's like a hospital
8 in Brooklyn that keeps getting more money every
9 year to operate. There's some emergency
10 situations that last for years and years and
11 years; sometimes you've got to bite the bullet
12 and pay for those.

13 But as far as upstate New York is
14 concerned, in the Governor's budget there was no
15 operating or capital increase until the
16 Legislature got involved.

17 So -- but we should do it as
18 proportional as we can unless there's an
19 emergency situation.

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

22 SENATOR DeFRANCISCO: Yes.

23 ACTING PRESIDENT GRIFFO: The
24 sponsor yields.

25 SENATOR SQUADRON: Just a final

1 question.

2 I notice that in the \$100 million
3 for NYCHA, that I think is important and is the
4 reason I'm going to be voting for this bill that
5 Senator Espaillat and you discussed previously,
6 how many different agencies need to be involved
7 before that money is actually released for NYCHA
8 to use to fix its roofs and begin to keep itself
9 in a state of good repair?

10 SENATOR DeFRANCISCO: I'm getting
11 the answer, I hope. (Conferring off the record.)

12 HCR proposes a plan in conjunction
13 with the City of New York and the Department of
14 Transportation -- excuse me. DHCR establishes a
15 plan in consultation with NYCHA and it's approved
16 by the Department of Budget.

17 SENATOR SQUADRON: If the sponsor
18 would continue to yield.

19 And DASNY as well, and the Dormitory
20 Authority as well, actually disburses the
21 dollars; is that correct? With the Department of
22 Budget circling back in there at the end.

23 SENATOR DeFRANCISCO: Okay, I
24 agree.

25 SENATOR SQUADRON: Thank you.

1 On the bill.

2 ACTING PRESIDENT GRIFFO: Senator
3 Squadron on the bill.

4 SENATOR SQUADRON: Look, we talked
5 about three different issues here. The issue
6 that Senator Panepinto raised for the
7 \$150 million that I appreciate the description of
8 by the sponsor but is not described in any detail
9 in the budget, we've had many different answers
10 over the last couple of months on what's
11 happening with that \$150 million. We have
12 \$100 million for the New York City Housing
13 Authority. And we have \$150 million for the MTA
14 that has disappeared but I'm being told is still
15 there for the MTA.

16 These three dollar amounts seem
17 unrelated. But when you look at it and when you
18 look at some of the priorities, I think it's
19 important to raise the question why is it that
20 the New York City Housing Authority, the largest
21 public landlord in this state by a long shot,
22 needs to struggle for any dollars -- and again,
23 \$100 million is a big step forwards from where
24 we've been, and that has to be acknowledged --
25 but then needs a five-agency process to access

1 that money?

2 Why is it that the MTA and the
3 upstate transit authorities, for that matter,
4 need to struggle and beg for every dollar and
5 have \$150 million disappear, have at best a
6 vagueness of the consequences of underfunding
7 their capital plan, when these transit agencies
8 and the MTA in particular are the lifeline for
9 economies in every single city in our state and
10 in the entire downstate region, not just in
11 New York City, from Suffolk County to
12 Nassau County through the five boroughs, through
13 Westchester and Rockland?

14 At the same time that \$150 million
15 that have the words "severe weather," have the
16 word "terrorism" -- all very important. You
17 don't need to tell me, as a representative of
18 Lower Manhattan, how important these issues are,
19 either of them -- just kind of goes through and
20 we get a description. And again, I appreciate we
21 got some sort of description here at the eleventh
22 hour.

23 I really do think that there's
24 something wrong with this budget process. We
25 need more transparency in the process. We should

1 have closed the tables down. We should have had
2 more representation in the so-called room when it
3 was being negotiated. Because we know that we
4 need to fix NYCHA. That's a critical thing for
5 more than 400,000 New Yorkers; it is their home.
6 We know we need to fix the MTA capital plan, we
7 need our buses and subways and our upstate
8 transit systems running, kept in a state of good
9 repair and expanded.

10 And we certainly need to do a lot to
11 prepare for severe weather and terrorism, but we
12 need to do it in a way where we understand as a
13 Legislature, all 63 of us in the Senate, what it
14 is we're doing and why it's money well-spent.

15 I will be voting yes on this bill.
16 I do support the funding that is in here for the
17 MTA. I do support the funding that's in here for
18 NYCHA; that is a big step forward in Albany by
19 any measure. But I do wish that we had a
20 different process to get here.

21 Thank you, Mr. President.

22 ACTING PRESIDENT GRIFFO: Senator
23 Panepinto.

24 SENATOR PANEPINTO: Mr. Speaker,
25 would the sponsor kindly yield to one more

1 question from me?

2 ACTING PRESIDENT GRIFFO: Senator
3 DeFrancisco, will you yield to a question from
4 Senator Panepinto?

5 SENATOR DeFRANCISCO: Yes.

6 ACTING PRESIDENT GRIFFO: He does.

7 SENATOR PANEPINTO: Senator, you
8 told me that the \$400 million in the economic
9 development was available to Buffalo. I've got
10 in front of me the bill language, and it says --
11 it references the \$400 million and says the funds
12 shall not be available from this appropriation
13 for projects within regions that are eligible to
14 receive funding from the Upstate Revitalization
15 Initiative or the Buffalo Regional Innovation
16 Cluster program.

17 What's the Buffalo Innovation
18 Regional Cluster program that exempts us from the
19 \$400 million in funding?

20 SENATOR DeFRANCISCO: It's
21 \$400 million. We talked about the competition;
22 that's understood. It's another pot of money for
23 Western New York that is not included in the
24 additional Buffalo Billion.

25 So I guess you could say that it's

1 -- correct me if I'm wrong -- that the 400 -- you
2 don't have the full billion yet, if I'm not
3 mistaken.

4 SENATOR PANEPINTO: That's correct.

5 SENATOR DeFRANCISCO: And you're
6 short maybe a few hundred million, right?

7 So I think this could be used in
8 support of those projects not otherwise -- not
9 otherwise started towards the -- to use it
10 towards the Buffalo Billion, but not on projects
11 that have already been accounted for.

12 (Conferring off the record.)

13 SENATOR PANEPINTO: Mr. President,
14 I'm not sure if we're still formulating an answer
15 or --

16 ACTING PRESIDENT GRIFFO: Yes, we
17 are, Senator Panepinto.

18 SENATOR PANEPINTO: Okay, I wasn't
19 sure.

20 ACTING PRESIDENT GRIFFO: Be
21 patient.

22 SENATOR DeFRANCISCO: We're still
23 forming an answer. And it will come out when
24 it's percolated.

25 ACTING PRESIDENT GRIFFO: Senator

1 DeFrancisco.

2 SENATOR DeFRANCISCO: All right, I
3 misspoke before, you're absolutely right.

4 There's seven regions that are
5 eligible, three that are not: Buffalo, because
6 they got the Buffalo Billion, Long Island, and
7 New York City. So the \$400 million is basically
8 available to Long Island and New York City, if
9 I'm not mistaken. Yes, that's the way it is. I
10 misspoke before.

11 SENATOR PANEPINTO: Thank you very
12 much.

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

15 Senator Klein.

16 SENATOR KLEIN: Thank you,
17 Mr. President.

18 I don't have any questions for the
19 sponsor, I just wanted to highlight --

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

22 SENATOR KLEIN: -- two important
23 pieces of the capital portion of the budget.

24 Certainly I do want to thank my
25 colleague Senator Adriano Espaillat for his

1 advocacy on behalf of the Housing Authority.

2 But I also want to make it clear
3 that this is the first time since 1998 that the
4 State of New York in our budget has ever given
5 any money to the New York City Housing Authority.
6 And I really want to thank any colleagues in the
7 Republican Conference, especially Senator Skelos,
8 for joining us in really making this happen.

9 Clearly this was not something that
10 was in the Governor's proposed budget, this was
11 \$50 million that came from the Assembly and this
12 is \$50 million that came from the State Senate
13 from last year's JPMorgan settlement.

14 Again, I think this is a very
15 important down payment on that money. And I
16 think by having DHCR and these other agencies
17 provide oversight, I think it's important.

18 I really unfortunately do not have
19 faith that the New York City Housing Authority
20 can actually make these repairs and make them on
21 their own in a timely fashion. I'm not saying
22 that the new NYCHA chair isn't working very hard
23 and isn't very qualified. But I think everyone
24 knows that NYCHA has a history of really ignoring
25 these repairs, not making them in a timely

1 fashion, and the tenants are the ones that
2 suffer.

3 Myself and some of my colleagues in
4 this room put out a report a couple of months ago
5 which actually, according to investigations in
6 really the entire City of New York of NYCHA
7 units, we found leaky ceilings, roofs that needed
8 repairs for probably over the last 10 years,
9 intercom systems, dangerous conditions in
10 hallways -- where NYCHA can very well be
11 considered the worst landlord in the City of
12 New York.

13 So I think the oversight that we're
14 going to provide under this budget bill I think
15 is something that is important. I think
16 certainly the eyes of the state are looking to
17 see to make sure that this hundred million
18 dollars gets to the NYCHA developments and
19 actually goes in the form of repairs -- it's
20 something that's very important.

21 The other piece that I want to
22 highlight is something that I think is again
23 something very important, something that I
24 advocated for for quite some time. It's the
25 \$250 million for the MTA for the Metro-North

1 Railroad access to Penn Station in my home county
2 of the Bronx.

3 Myself and the borough president,
4 Ruben Díaz, Jr., three years ago put out a study
5 where we advocated for these stations. This is
6 truly going to be a game-changer for the
7 communities in the Bronx that actually are going
8 to be home to these Metro-North stations. One is
9 going to be in Co-op City, one is going to be in
10 Parkchester, one is going to be in Hunts Point,
11 and one in Morris Park.

12 One of the problems that these
13 communities all shared over the years is that in
14 order to get into Manhattan to go to work or just
15 leisure, or even to go in the reverse direction
16 to Westchester or Connecticut, it was probably a
17 one-hour commute. You know, clearly that's not
18 causing a community for people to want to live
19 there or be able to even get a job in Manhattan
20 or other places.

21 When these Metro-North stations are
22 up and running, the commute is now going to be 19
23 to 20 minutes -- 19 to 20 minutes, they'll be
24 able to get to Penn Station. This is going to
25 not only change the economic climate in the

1 Bronx, but also really benefit these communities.

2 So this is not only a very, very
3 important transportation project that we've been
4 advocating for for a long time, but it's an
5 important economic development tool as well. So
6 of course I'm going to vote yes on this capital
7 portion of the budget.

8 Thank you.

9 ACTING PRESIDENT GRIFFO: Seeing
10 and hearing no other Senator that wishes to be
11 heard -- Senator Dilan.

12 SENATOR DILAN: Yes, I would like
13 to ask the sponsor questions.

14 ACTING PRESIDENT GRIFFO: Senator
15 DeFrancisco, do you yield to Senator Dilan?

16 SENATOR DeFRANCISCO: Yes.

17 SENATOR DILAN: Through you, sir,
18 with respect to DOT and MTA, I know in previous
19 years it has been the tradition of this body or
20 of this state to vote on a capital plan. And I
21 believe that the capital plan for both the MTA
22 and DOT expire this year.

23 I would like to know if we're voting
24 on a capital plan for MTA and DOT. Is it a
25 one-year plan, two-year plan, three-year plan,

1 four-year plan or a five-year plan? And where is
2 the plan? Because I know that the MTA originally
3 came out with a plan of \$32.5 billion, which was
4 immediately rejected by the commissioner of DOT,
5 who's a member of the Capital Review Board. Can
6 you let me know what's going on with those plans,
7 sir?

8 SENATOR DeFRANCISCO: Yeah, the
9 Executive rejected the MTA plan because there's a
10 \$15 billion gap. And we're not going to get to
11 the plans during the budget process, it's going
12 to have to be done at a later date this session,
13 if there can be an agreement.

14 SENATOR DILAN: So the sponsor
15 continues?

16 ACTING PRESIDENT GRIFFO: The
17 sponsor yields.

18 SENATOR DILAN: So you're telling
19 me that we're not voting on any capital plan for
20 MTA or DOT at this time?

21 SENATOR DeFRANCISCO: That is
22 correct, because of the rejection by the Governor
23 of a plan that was proposed by MTA that had a
24 \$15 billion gap.

25 We all understand the need to have a

1 plan. But the Governor, I think rightly, wants
2 it to be a real plan without a gap in it that
3 just pushes it down the road. So we're all
4 trying to work towards that goal before the end
5 of session.

6 SENATOR DILAN: So therefore that
7 means the budget will be late. Thank you.

8 ACTING PRESIDENT GRIFFO: Thank
9 you, Senator Dilan.

10 Seeing and hearing no Senator that
11 wishes to be heard, debate is closed. The
12 Secretary will ring the bell.

13 The Secretary will read the last
14 section.

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

17 ACTING PRESIDENT GRIFFO: Call the
18 roll.

19 (The Secretary called the roll.)

20 ACTING PRESIDENT GRIFFO: Senator
21 Dilan to explain his vote.

22 May I have some order in the house,
23 please.

24 SENATOR DILAN: You know, I just
25 rise -- I'm kind of inclined to vote no on this

1 bill. However, there are some good things in the
2 capital plan. It does provide \$100 million for
3 New York City Housing Authority, and I think
4 that's perhaps the only reason why I would vote
5 yes in this portion of the bill.

6 I'm very disappointed that we do not
7 have a capital plan for the MTA or Department of
8 Transportation. I know when the budget hearings
9 started, as Senator Krueger knows, in early
10 February, we asked the commissioner of DOT for
11 her capital plan, which she never submitted to
12 us. We asked her for a list of capital projects,
13 which was never provided to this body. I think
14 that that's a total disrespect to the legislative
15 process that we do not have a list of projects
16 for DOT.

17 And the fact that at least the MTA
18 did do due diligence by providing their five-year
19 plan, which was immediately rejected by the
20 Capital Review Board, perhaps at the urging of
21 the second floor -- I'm just very disappointed
22 with the process that we are following here.

23 But I am voting yes --

24 ACTING PRESIDENT GRIFFO: Excuse
25 me, could I have some order in the chamber,

1 please.

2 Senator Dilan.

3 SENATOR DILAN: I am voting yes,
4 but I think that the public just needs to know
5 that there's something definitely wrong with the
6 process. When we as a Legislature cannot put
7 together a five-year plan with sufficient time to
8 do it, there is just something that is definitely
9 broken here.

10 Thank you.

11 ACTING PRESIDENT GRIFFO: Senator
12 Dilan, how do you vote?

13 SENATOR DILAN: I vote aye.

14 ACTING PRESIDENT GRIFFO: Senator
15 Dilan to be recorded in the affirmative.

16 Announce the results.

17 THE SECRETARY: Ayes, 60. Nays, 2.
18 Senators Parker and Perkins recorded in the
19 negative.

20 ACTING PRESIDENT GRIFFO: The bill
21 is passed.

22 Senator LaValle.

23 SENATOR LaVALLE: Mr. President,
24 once again on Supplemental Calendar Number 28A,
25 can we have the noncontroversial reading of

1 Calendar Number 318.

2 ACTING PRESIDENT GRIFFO: We will
3 have, on the supplemental calendar, Calendar
4 Number 318 read. The Secretary will read.

5 THE SECRETARY: Calendar Number
6 318, Senate Budget Bill, Senate Print 4611,
7 Concurrent Resolution of the Senate and Assembly.

8 ACTING PRESIDENT GRIFFO: Call the
9 roll on the resolution.

10 (The Secretary called the roll.)

11 ACTING PRESIDENT GRIFFO: Senator
12 Hamilton to explain his vote.

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

15 I believe that if someone does
16 commit a crime, a felony, they should pay for
17 their crime. But personally for myself, I have a
18 30-year pension already in place. And I don't
19 perceive myself committing a felony, but we do
20 have overzealous prosecutors who do go after
21 elected officials for some other reason. And it
22 doesn't apply to everybody, and that's why I'm
23 voting no on it.

24 And also the next reason why I'm
25 voting no is for families, especially children

1 and wives and significant others who depend on
2 pensions. Especially for mothers who were home
3 caretakers of their children for most of their
4 life, I just wouldn't want to see them adversely
5 affected by any bad deeds of anyone.

6 So I just want to record the vote
7 that I believe that a penalty should be applied
8 to someone who commits a felony, but I don't
9 think the family members should be jeopardized in
10 having income for living from the pension. So I
11 think the pension is a property right that should
12 not be taken away for bad deeds of anyone.

13 Thank you very much.

14 ACTING PRESIDENT GRIFFO: Senator
15 Hamilton to be recorded in the negative.

16 Some order in the house, please.

17 Senator Hassell-Thompson to explain
18 her vote.

19 SENATOR HASSELL-THOMPSON: Thank
20 you, Mr. President. I rise to explain my vote.

21 You know, I have some real
22 difficulty with this bill. And I certainly am
23 one who believes that people ought to serve time,
24 do whatever's appropriate if they commit a crime.

25 But I think it's unconscionable for

1 us to sit here and talk about people who pay into
2 their pension program and then you decide that
3 the money that they have put in, you're going to
4 take it back.

5 If you're in Tier 1, I can
6 understand that, because those who were fortunate
7 enough to have been in Tier 1, the state paid
8 that pension. But for those who have been in the
9 pension plan from Tier 3 on, the majority of that
10 money is their money.

11 Therefore, I will never in this
12 chamber vote to remove a pension as a part of the
13 penalty. I vote no.

14 ACTING PRESIDENT GRIFFO: Senator
15 Hassell-Thompson to be recorded in the negative.

16 Announce the results.

17 THE SECRETARY: In relation to
18 Calendar 318, those recorded in the negative are
19 Senators Comrie, Dilan, Hamilton,
20 Hassell-Thompson, Montgomery, Parker, Peralta,
21 Perkins, Sanders and Savino.

22 Ayes, 52. Nays, 10.

23 ACTING PRESIDENT GRIFFO: The
24 resolution is adopted.

25 Senator LaValle, that completes the

1 reading of both the noncontroversial and
2 controversial calendars before the house.

3 SENATOR LaVALLE: Mr. President.

4 ACTING PRESIDENT GRIFFO: Senator
5 LaValle.

6 SENATOR LaVALLE: I'd like to call
7 an immediate meeting of the Finance Committee in
8 Room 332.

9 ACTING PRESIDENT GRIFFO: There
10 will be an immediate meeting of the
11 Finance Committee in Room 332.

12 The Senate will stand temporarily at
13 ease.

14 (Whereupon, the Senate stood at ease
15 at 6:30 p.m.)

16 (Whereupon, the Senate reconvened at
17 6:56 p.m.)

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

20 Senator LaValle.

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

23 Can we return to the reports of
24 standing committees for the report --

25 ACTING PRESIDENT GRIFFO: We are

1 returning to reports of standing committees.

2 Senator LaValle.

3 SENATOR LaVALLE: I believe there's
4 a report of the Finance Committee at the desk.
5 May we please have it read at this time.

6 ACTING PRESIDENT GRIFFO: There is
7 a report of the Finance Committee at the desk.

8 The Secretary will read.

9 THE SECRETARY: Senator
10 DeFrancisco, from the Committee on Finance,
11 reports the following bills:

12 Senate Print 2006B, Senate Budget
13 Bill, enacts into law major components;

14 Senate 4612A, Senate Budget Bill, an
15 act to amend a chapter of the Laws of 2015.

16 Both bills reported direct to third
17 reading.

18 ACTING PRESIDENT GRIFFO: Senator
19 LaValle.

20 SENATOR LaVALLE: Mr. President, I
21 move we accept the report of the Finance
22 Committee.

23 ACTING PRESIDENT GRIFFO: The
24 question is on accepting the Finance Committee
25 report before the house. All in favor signify by

1 saying aye.

2 (Response of "Aye.")

3 ACTING PRESIDENT GRIFFO: Opposed?

4 (No response.)

5 ACTING PRESIDENT GRIFFO: The
6 report of the Finance Committee is accepted and
7 before the house.

8 Senator LaValle.

9 SENATOR LaVALLE: Mr. President, we
10 have on our desks Senate Supplemental Calendar
11 Number 28B. I move we have a reading of the
12 noncontroversial supplemental agenda, Bill 316.

13 ACTING PRESIDENT GRIFFO: We are on
14 Senate Supplemental Calendar 28B, and the
15 Secretary will read Calendar Number 316.

16 THE SECRETARY: Calendar Number
17 316, Senate Budget Bill, Senate Print 2006B, an
18 act to amend the Education Law.

19 SENATOR LaVALLE: Mr. President, is
20 there a message of necessity at the desk?

21 ACTING PRESIDENT GRIFFO: There is
22 a message of necessity at the desk.

23 SENATOR LaVALLE: I move we accept
24 the message.

25 ACTING PRESIDENT GRIFFO: All in

1 favor of accepting the message of necessity of
2 the Governor signify by saying aye.

3 (Response of "Aye.")

4 ACTING PRESIDENT GRIFFO: Opposed?

5 (No response.)

6 ACTING PRESIDENT GRIFFO: The
7 message is accepted and the bill is before the
8 house.

9 SENATOR GIANARIS: Lay it aside.

10 ACTING PRESIDENT GRIFFO: The bill
11 is laid aside.

12 Senator LaValle.

13 SENATOR LaVALLE: Mr. President, I
14 move we go to the controversial reading of the
15 supplemental calendar, Number 316.

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

18 The Secretary will read.

19 THE SECRETARY: Calendar Number
20 316, Senate Budget Bill, Senate Print 2006B, an
21 act to amend the Education Law.

22 ACTING PRESIDENT GRIFFO: Senator
23 Gianaris.

24 SENATOR GIANARIS: Mr. President, I
25 believe there's an amendment at the desk. I ask

1 that the reading of the amendment be waived and
2 that Senator Latimer may be heard on the
3 amendment.

4 ACTING PRESIDENT GRIFFO: Senator
5 Gianaris, upon review of the amendment I find
6 that it is not germane to the bill at hand.

7 SENATOR GIANARIS: That is
8 disappointing, Mr. President. I would like to
9 appeal from that decision and ask that
10 Senator Latimer be heard on the appeal.

11 ACTING PRESIDENT GRIFFO: Your
12 appeal is accepted.

13 And, Senator Latimer, you may be
14 heard.

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

17 My amendment to this legislation is
18 germane because it does maintain the same purpose
19 and addresses the same areas of law as the
20 underlying bill.

21 The amendment that we've before us
22 in the house I believe is logical action which
23 allows for us to plan for a well-thought-out plan
24 for teacher evaluation, done with a proper
25 review, implementation that allows us the time

1 necessary to involve all of the stakeholders that
2 should be involved in this process, and at the
3 same time have the school districts that have to
4 know what their available dollars are, because in
5 the course of the next few weeks they're
6 finalizing budgets which will go before the
7 voters in their various school districts in May.
8 That budget for the school districts is the
9 urgent need of the law, but the APPR program is
10 not urgent to go in effect today or tomorrow.

11 And in fact we've just had an
12 education in what happens when you implement
13 something that is rushed and it's poorly
14 administered.

15 So, Mr. President, I would argue
16 that what this amendment does is take rationality
17 to the process, it puts the dollars and it takes
18 the policy and puts them on a different time
19 frame that makes logical sense and would give the
20 best possible opportunity for a successful
21 result.

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

24 The vote is on the ruling of the
25 chair. It's a procedural vote. All those in

1 favor of overruling the chair's decision signify
2 by saying aye.

3 (Response of "Aye.")

4 SENATOR GIANARIS: Show of hands,
5 please.

6 ACTING PRESIDENT GRIFFO: Senator
7 Gianaris has requested a show of hands and it is
8 so ordered.

9 Announce the results.

10 THE SECRETARY: Ayes, 24.

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

13 Senator Gianaris, why do you rise?

14 SENATOR GIANARIS: Mr. President, I
15 believe there's another amendment at the desk. I
16 ask that the reading be waived and that Senator
17 Espaillat be heard on the amendment.

18 ACTING PRESIDENT GRIFFO: Senator
19 Gianaris, upon reviewing the amendment that has
20 been proposed before the desk, we rule that it is
21 not germane and therefore out of order.

22 SENATOR GIANARIS: I would like to
23 appeal that decision, Mr. President, and ask that
24 Senator Espaillat be heard on the appeal.

25 ACTING PRESIDENT GRIFFO: The

1 appeal is accepted and, Senator Espaillat, you
2 may be heard.

3 SENATOR ESPAILLAT: Thank you,
4 Mr. President.

5 My amendment to this legislation is
6 germane because it does maintain the purpose and
7 addresses the same areas of the law as the
8 underlying bill.

9 Families are struggling throughout
10 the state because the national government has
11 failed to raise the federal minimum wage to keep
12 pace with inflation.

13 In 1938, FDR -- as we have been
14 referring to the New Deal in this past two
15 days -- signed the first federal minimum wage
16 law, the Fair Labor Standards Act, with a
17 25-cent-per-hour wage floor and a
18 44-hour-work-week ceiling for most employees. In
19 the depths of the Great Depression, this
20 legislation lifted families out of poverty.

21 The national government has failed
22 to increase the federal minimum wage enough to
23 keep pace with inflation, and families are once
24 again struggling throughout the state. In
25 New York City, one in three rental households

1 spend more than 50 percent on rent and utilities,
2 and are considered severely rent-burdened. One
3 in five city residents are recipients of SNAP,
4 and over 1.9 million people, one in three New
5 York City residents, struggle to afford food.

6 This is due to the skyrocketing cost
7 of living in our state while wages have
8 stagnated, having a serious and detrimental
9 impact on working-class New Yorkers.

10 Raising the minimum wage will help
11 boost economic activity, propelling our economy
12 forward. This amendment will raise the base
13 statewide minimum wage to \$10.50 on and after
14 January 1, 2016, and index it to a real consumer
15 price index.

16 Now, Mr. President, there are
17 several states, many that have already passed
18 legislation upping the minimum wage above what we
19 have it at right now: Alaska has enacted
20 legislation for \$9.75 effective January 1, 2016.
21 California at \$10, effective January 1, 2016.
22 Connecticut at \$9.60 on 1/16 and \$10.10 on 1/17.
23 Hawaii, \$8.50, 1/16, \$9.25 on 1/17.
24 Massachusetts at \$10 in January 2016 and \$11.00
25 in January 2017. Michigan at \$9.25 in January

1 2018. And so forth.

2 So we are far behind. This
3 amendment will raise the base statewide minimum
4 wage to \$10.50 on and after January 1, 2016.

5 It would also allow cities and
6 counties to raise their minimum wage up to
7 30 percent higher than the state. We know that
8 the cost of living varies across the state. The
9 cost of living in Midtown Manhattan is not the
10 same as the cost of living in Syracuse. The cost
11 of living in the Bronx is not the same cost of
12 living as in Scarsdale, New York.

13 There are varied costs of living
14 across the state, the economies are regionally
15 motivated, and we must have the ability to
16 address those needs.

17 We must act as FDR 77 years ago and
18 reinstate a livable wage to elevate working-class
19 families out of poverty.

20 Thank you, Mr. President.

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

23 The vote will be on the procedures
24 of the house. The vote before you is all those
25 in favor of overruling the ruling of chair

1 signify by saying aye.

2 (Response of "Aye.")

3 SENATOR GIANARIS: Show of hands,
4 please.

5 ACTING PRESIDENT GRIFFO: Senator
6 Gianaris has requested a hand vote, and so
7 ordered.

8 Results?

9 THE SECRETARY: Ayes, 25.

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

12 Senator Gianaris.

13 SENATOR GIANARIS: Hello,
14 Mr. President.

15 I believe there's yet another
16 amendment at the desk. I ask that its reading be
17 waived and that Senator Squadron be heard on the
18 amendment.

19 SENATOR SQUADRON: Thank you --

20 SENATOR GIANARIS: I have to appeal
21 first.

22 ACTING PRESIDENT GRIFFO: Once
23 again, Senator Gianaris, upon review of the
24 amendment we rule that it is not germane to the
25 bill and therefore out of order.

1 SENATOR GIANARIS: I would like to
2 appeal that decision and ask that Senator
3 Squadron be heard on the appeal.

4 ACTING PRESIDENT GRIFFO: The
5 appeal is accepted. Senator Squadron, you may be
6 heard.

7 SENATOR SQUADRON: Thank you,
8 Mr. President. That pause created a great deal
9 of excitement, so thank you.

10 (Laughter.)

11 SENATOR SQUADRON: I believe that
12 my amendment is germane. It maintains the same
13 purpose and addresses the same area of law as the
14 underlying bill.

15 In fact, as recently as last
16 evening, Senator DeFrancisco talked about the
17 fact that a provision the Governor originally put
18 in was getting driven forward into this bill.
19 And we do see, relative to independent
20 expenditures, a provision in this bill that was
21 originally linked to this very provision, which
22 everyone in this house will be surprised to know
23 is about closing the limited liability company
24 loophole.

25 The limited liability company

1 loophole, as folks know, allows anonymous,
2 nontransparent, unlimited contributions from
3 corporations, from individuals, from any other
4 entity into this political system. It is used
5 extensively. You've all heard me speak about it
6 extensively through the course of this month. So
7 I'm actually going to take this time to explain
8 its importance with others' words.

9 The New York Times said: "For
10 powerful politicians and the big businesses they
11 court, getting around New York's campaign
12 donation limits is easy, thanks to the LLC
13 loophole."

14 For those of you who think that the
15 New York Times may not reflect what happens in
16 your district, the Albany Times Union said:
17 "Closing the LLC loophole would be an important
18 first step in reducing the corrupting influence
19 of money in political campaigns. Taking this one
20 simple bite out of corruption will force any
21 politician who objects to explain why." If only
22 that were true.

23 It's not just the New York Times and
24 the paper that covers this town. The Syracuse
25 Post-Standard: "And then there's the LLC

1 loophole that makes a mockery of campaign
2 contribution limits." The Rochester D&C,
3 Democrat and Chronicle: LLC stands for "limited
4 liability company," but in a growing number of
5 cases it also means "let's legally cheat."

6 The Buffalo News: "But the LLC
7 loophole lets those very officeholders" -- us --
8 "bathe in a river of money given by business
9 interests seeking favorable treatment. So each
10 year the loophole lives on as a widely loathed
11 fixture in campaign finance."

12 The Glens Falls Post-Star: "The
13 difference between a legitimate campaign
14 contribution and an outright bribe continues to
15 be murky in Albany," in an article written about
16 LLCs.

17 The Plattsburgh Press-Republican in
18 the North Country: "Top-heavy influence in the
19 political process" is created through the LLCs.
20 "The average individual cannot give that kind of
21 money, only the wealthy and powerful can. It is,
22 in effect, buying influence."

23 The Middletown Times Herald Record:
24 "Good luck following the other millions that flow
25 through these limited liability corporations that

1 have the ability to split up fundraising efforts
2 to avoid exceeding even New York's generous
3 limitations, and then making sure that the money
4 all goes to a single candidate."

5 Not only is this amendment germane,
6 it is necessary. It is necessary if we have any
7 hope of restoring faith in our government. It is
8 necessary if the ethics reforms that have been
9 made such a priority this year, appropriately,
10 are going to have any appreciable effect on the
11 culture in this town. And it's necessary if you
12 believe newspapers, local newspapers across the
13 state, these and others.

14 This is not a New York City issue,
15 this is not an Albany issue, this is a New York
16 State issue. This is an issue of the validity of
17 our government, and it is germane, as are the
18 other provisions in this bill, including the one
19 on independent expenditures. And that's why I
20 hope that my colleagues join me in overruling the
21 ruling of the chair.

22 Thank you, Mr. President.

23 ACTING PRESIDENT GRIFFO: Thank
24 you, Senator Squadron.

25 The question is again on the

1 procedures of the house. All those in favor of
2 overruling the ruling of the chair signify by
3 saying aye.

4 (Response of "Aye.")

5 ACTING PRESIDENT GRIFFO: Opposed?

6 SENATOR GIANARIS: Show of hands.

7 ACTING PRESIDENT GRIFFO: Senator
8 Gianaris has requested a show of hands. It is so
9 ordered.

10 Results?

11 THE SECRETARY: Ayes, 24.

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

14 The bill is before the house.

15 Senator Latimer.

16 SENATOR LATIMER: Thank you,
17 Mr. President. Will the sponsor yield for some
18 questions?

19 ACTING PRESIDENT GRIFFO: Without
20 objection, Senator DeFrancisco will yield to
21 Senator Flanagan, chair of the Education
22 Committee. With unanimous consent, so ordered.

23 Senator Latimer, you may pose a
24 question.

25 SENATOR LATIMER: Thank you,

1 Mr. President. Thank you, Senator Flanagan.

2 This bill has got a lot of things in
3 it. In addition to education, it's got ethics
4 and brownfields and so forth. But I want to
5 limit the questions to those that I know you're
6 very expert in and to try to understand exactly
7 what kind of an arrangement we have here.

8 In the Senate one-house bill that
9 was passed by our house a couple of weeks ago on
10 the Senate majority line, it was a high priority
11 that there be full restoration of the GEA.
12 Senator, can you tell us, in the agreement now
13 that's been struck with the Governor and the
14 other house, what is the percentage in the
15 aggregate for GEA restoration?

16 SENATOR FLANAGAN: Mr. President,
17 through you, I am more than happy to speak to
18 that issue, but I just want to be a little
19 cautious, in that that's in the appropriation
20 bill, not the Article VII bill.

21 But the GEA, as we began this year,
22 and in the Executive Budget, was at
23 \$1.036 billion. Our advocacy, through the
24 one-house budget resolution, as it has been for
25 the last several years, was to eliminate it in

1 its entirety. But, Senator Latimer, you are
2 aware that we operate on a three-legged chair
3 here with the Governor, the Senate and the
4 Assembly, and ultimately we effectuate a
5 compromise. So the change this year is that the
6 GEA is further reduced from \$1.036 billion by
7 \$603 million.

8 SENATOR LATIMER: The questions
9 that relate, Mr. President, to the dollars and
10 cents of the GEA, would you prefer that they be
11 addressed on the next bill in the Aid to
12 Localities?

13 ACTING PRESIDENT GRIFFO: Without
14 objection, Senator Flanagan will answer them now.

15 SENATOR LATIMER: Okay, I'll follow
16 whatever direction you have.

17 Will the Senator yield for
18 additional questions.

19 SENATOR FLANAGAN: Yes.

20 ACTING PRESIDENT GRIFFO: The
21 Senator yields.

22 SENATOR LATIMER: Thank you,
23 Senator.

24 The distribution of the GEA benefits
25 at this relative percentage, which we estimate to

1 be about a 60 percent restoration in the
2 aggregate, is not equally distributed throughout
3 all districts at that same level. There is a
4 formula for which we've seen language.

5 Can you give us a range of the upper
6 end and the lower end of restoration so that we
7 understand, when we go back to our districts,
8 which districts have been restored at a high
9 level and which at a low level of restoration?

10 SENATOR FLANAGAN: Yes. Consistent
11 with the pattern that started with the GEA at its
12 inception, it was \$2.8 billion. Now it's just
13 slightly over \$400 million left in the balance.

14 And as an aside, I am terribly
15 confident and comfortable that by the time we
16 have this budget discussion next year, we will
17 all be talking about the final elimination of the
18 GEA.

19 Within the GEA structure, last year
20 the minimum restoration that any district could
21 have had was 29 percent. Those would be
22 basically your higher-wealth, essentially
23 lower-needs districts. But certainly every
24 district in the State of New York has its own set
25 of needs.

1 We drove, over the first three
2 years, a significantly higher portion of
3 restoration to high-needs districts, which
4 include the City of New York, the Big Four,
5 high-needs rural, high-needs urban, high-needs
6 suburban. But the restoration occurred at a much
7 more accelerated pace for districts that are,
8 frankly, poorer in comparison. And we continue
9 that this year.

10 But I would say, Senator Latimer,
11 there are two things that are noteworthy. The
12 minimum restoration now goes from 29 percent to
13 50 percent. So every district across the State
14 of New York, the least amount of restoration that
15 you would have on GEA would be 50 percent.

16 On the high end, I have to be
17 honest, I'm not quite sure but I believe it's --
18 I can confidently say that it is probably around
19 90 or north, but certainly less than a hundred.

20 Everyone in this budget still has
21 some GEA, but the districts who are high-needs
22 still receive the overwhelming majority of the
23 increase in funding, GEA or otherwise. And where
24 there is less of a restoration on GEA, there is
25 more of an enhancement on Foundation Aid.

1 SENATOR LATIMER: Will the Senator
2 continue to yield?

3 SENATOR FLANAGAN: Yes.

4 SENATOR LATIMER: Thank you.

5 In looking at the school runs that
6 we saw earlier today and doing some simple
7 mathematics, it appears that there are districts,
8 though, that restoration has reached only the
9 30 percent level. Which means that there are
10 some number of districts, and not just a few of
11 them, that will still have 70 percent of the
12 current level of GEA that is still unrestored,
13 leaving for next year a significant amount of
14 money that is still owed those districts.

15 And the argument that has been made
16 in many different venues is that this is money
17 that we took from these districts during a time
18 of crisis and now that the crisis is over, we
19 should be able to restore it. That is the
20 rationale that the majority and you yourself have
21 made, and I think accurately so when you made
22 that argument.

23 So what is your sense of what kind
24 of a time frame we could realistically look at
25 for 100 percent restoration, given the fact that

1 some districts only have a 30 percent restoration
2 this year?

3 SENATOR FLANAGAN: Senator Latimer,
4 I would make a couple of points. First of all,
5 I'll only differentiate in this regard. I can
6 very clearly tell you I did not vote for the GEA.
7 Certainly at its inception, I voted against it at
8 the time. And we are living the effects of that
9 enactment a number of years ago.

10 I respectfully disagree, the minimum
11 restoration -- and I spent a lot of time talking
12 to our staff, and the negotiations went back and
13 forth. The minimum restoration is 50 percent,
14 not 30. If there are lower numbers for school
15 districts, it is primarily a function of the fact
16 that they either had lower reimbursement on
17 expense-based aids or reductions.

18 And let me parenthetically add while
19 we ultimately have to come to a compromise, I can
20 tell you unequivocally that the Assembly balked
21 at our efforts to raise that minimum restoration
22 to a higher number. Again, I know we come to a
23 negotiated compromise. But when you are dealing
24 back and forth, I am very, very confident and
25 knowledgeable that the Assembly balked at exactly

1 what you are speaking to.

2 SENATOR LATIMER: Will the Senator
3 continue to yield?

4 SENATOR FLANAGAN: Yes.

5 ACTING PRESIDENT GRIFFO: The
6 Senator yields.

7 SENATOR LATIMER: Senator, I know,
8 I'm sure you fought very strong for this. This
9 is a practical reason why those of us in the
10 minority should be included in negotiations
11 because you had, in this chamber, Democrats who
12 supported your point of view and could give you a
13 bipartisan argument against other Democrats who
14 might not have shared your point of view.

15 But I would say that my
16 understanding in reading the runs -- and I'm
17 happy to be redirected by anybody on staff -- it
18 seems very clear to me that in a number of cases
19 the restoration is only at 30 percent for certain
20 districts. But we'll hold that off to an offline
21 conversation rather than to trouble individuals
22 with additional time.

23 The next question I have is
24 regarding Foundation Aid. In the one-house bill
25 there was no particular reference to Foundation

1 Aid. What does this agreement represent, in
2 general terms, in terms of Foundation Aid for the
3 new school year?

4 SENATOR FLANAGAN: Senator Latimer,
5 I'm going to give you a two-part answer. I
6 failed to answer the second part of your previous
7 question.

8 We have consistently advocated for
9 the elimination of GEA. It is our hope, desire,
10 intention, plan, strategic planning, however one
11 may want to call it -- there is now just slightly
12 over \$400 million left in GEA. Based on our
13 track record, collectively, Democrats and
14 Republicans, last year we restored \$602 million,
15 this year we got to \$603 million. I think it's
16 very fair to say that getting the full
17 elimination next year is something that is
18 eminently within striking distance.

19 Now, as relates to Foundation Aid,
20 you are accurate, in the one-house budget
21 resolution we spoke to the elimination of GEA and
22 an increase in general support to public schools.

23 Here, there's \$427 million in
24 Foundation Aid, \$427 million additional funding
25 in Foundation Aid over last year. Which is, by

1 the way, a very significant increase in
2 Foundation Aid vis-a-vis last year. Last year it
3 was roughly 250, so this year it went from 250 to
4 427.

5 SENATOR LATIMER: Will the Senator
6 continue to yield?

7 SENATOR FLANAGAN: Yes.

8 SENATOR LATIMER: Thank you.

9 In terms of what we've heard much
10 about, failing schools or problem schools or
11 target schools, whatever terminology is being
12 used, how has the Foundation Aid been targeted to
13 address those situations in this document, given
14 the fact that it is identified that these are the
15 schools that are in the greatest jeopardy?

16 SENATOR FLANAGAN: Senator Latimer,
17 I would make this distinction. I think if you
18 look at, quote, unquote, failing schools, the sad
19 news is that we have them. The sadder news is
20 that they are distributed all throughout the
21 state, it is not just an urban problem by any
22 stretch of the imagination.

23 I can comfortably tell you without
24 having any specific school district in front of
25 me that a number of these schools get a

1 relatively high amount of funding compared to
2 many other districts in the State of New York.
3 And I don't want that misinterpreted. I'm not
4 suggesting for one moment that they don't deserve
5 it or that we shouldn't be looking at
6 opportunities to try and find ways to ameliorate
7 that situation. But I'll use, respectfully, the
8 City of New York as an example.

9 You know, there are certain
10 parameters under which we operate vis-a-vis the
11 city and overall education funding. It's a
12 little different when you're driving a \$9 billion
13 check to the City of New York or thereabouts.
14 They have a lot more latitude in terms of the
15 fungibility of what they do within their schools
16 right now.

17 I've had a number of meetings with
18 the mayor's office recently on what they call
19 Renewal Schools. They came up with \$150 million
20 to address some of their concerns. I asked them
21 where they got the money: They made some
22 discretionary moves at the local level, they have
23 School Improvement Grants, they have federal
24 funding, they have Community Schools funding.

25 So I think one of the areas where

1 the Governor's Education Reform Commission did
2 some good work, very solid work, was in creating
3 this whole concept of Community Schools, which in
4 essence would allow for not only immersion during
5 the school day but thereafter. So where you have
6 those unique set of circumstances, you have a
7 high index of poverty, free and reduced lunch, a
8 disproportionate number of ELLs or students with
9 disabilities. Those are the types of things that
10 can be addressed. You can have a mental health
11 worker or a social worker, a health-type person
12 who would be available on-site, and a lot of the
13 other districts may not have that.

14 So I believe that you could arguably
15 and fairly say that money is driven to these
16 districts in a higher percentage than in many
17 other districts in the State of New York.
18 Irrespective of what we may do in the whole
19 concept or rubric of failing schools.

20 SENATOR LATIMER: Thank you,
21 Senator.

22 Mr. President, may I continue? This
23 is a very deep area of the budget, so I
24 appreciate your indulgence. Would the Senator
25 yield for additional questions?

1 SENATOR FLANAGAN: Yes.

2 ACTING PRESIDENT GRIFFO: The
3 Senator yields.

4 SENATOR LATIMER: Thank you,
5 Senator.

6 The CFE court case, which was
7 adjudicated a number of years ago, identified a
8 significant amount of money that was owed the
9 New York City school system because of the school
10 budget formula that extended over many, many
11 years. And in the first two years or so after
12 the court ruling, there were some special amounts
13 of money that were targeted to restore that for
14 that district. That has stopped happening over
15 the last few years.

16 Can you describe how this budget
17 treats the responsibility for CFE compliance for
18 New York City schools?

19 SENATOR FLANAGAN: Well, I would
20 say a couple of things.

21 The CFE case at its inception
22 certainly involved the City of New York. And
23 I've read all the cases -- Supreme Court,
24 Appellate, Court of Appeals, back down and back
25 up. So there are a number of court cases that

1 focused on the City of New York.

2 At the time, Governor Pataki and the
3 Legislature, both Senate and Assembly, Democrats
4 and Republicans, came up with steps that helped
5 address some of the needs or the issues raised by
6 the court.

7 As you are well aware, Foundation
8 Aid was the creation of Governor Spitzer at the
9 time, and there are differing schools of thought
10 in terms of what was done as it relates to
11 content. Certainly Foundation Aid was not a
12 New York City approach only; it was a statewide
13 approach. So when speaking about Foundation Aid
14 and the City of New York, it is very important to
15 recognize -- and I know you're aware of this --
16 that there are a number of districts who were the
17 beneficiaries of the legislative outgrowth of the
18 CFE case.

19 I will say this. I believe that
20 there are a number of people who would say that
21 we have not met the commitment of CFE, and I
22 would differentiate it and put it this way.
23 Since Governor Cuomo became governor, in his
24 first year in office he inherited a \$10 billion
25 deficit that he did not create. He was charged

1 with, as we were, with fixing the problem. The
2 historical nature of the problem I'm not going to
3 get involved in. I'll just say that in the first
4 year, everybody made difficult choices that
5 nobody liked making.

6 Since then, we have directionally
7 been moving in a very, very positive direction.
8 So if you incorporate what we have done in the
9 last four years, including this budget, we have
10 added over \$4.4 billion in new funding to
11 education. I believe -- and I respect the fact
12 that there are those who will disagree. I
13 believe we are meeting our obligations to the
14 extent that we can within existing resources and
15 the revenues of the State of New York.

16 So there are those who constantly
17 raise the specter that we are not spending
18 enough. But I know this and you know this,
19 because we come from similar communities. When
20 you add up what we are spending in general
21 support for public schools and you add in what we
22 fund the STAR program at, we're talking about
23 \$27 billion of taxpayers' money that goes towards
24 education and, by extension, our taxpayers and
25 property taxpayers. Because as you well know,

1 the more money we drive from the State of
2 New York back to local districts, the less
3 pressure there is on the local property tax.

4 SENATOR LATIMER: Will the Senator
5 continue to yield?

6 SENATOR FLANAGAN: Yes.

7 ACTING PRESIDENT GRIFFO: The
8 Senator yields.

9 SENATOR LATIMER: Thank you.

10 The issues I relate to CFE may be
11 pursued by some of my colleagues who are more
12 familiar with the impacts in their districts, so
13 I'll hold those off except to make a correlation
14 to the issue of the receivership proposal that
15 the Governor put before us and then whatever is
16 in this final plan.

17 Can you describe, Senator, what this
18 plan does in terms of the receivership proposal
19 for troubled schools?

20 SENATOR FLANAGAN: How long do you
21 have, Senator Latimer?

22 SENATOR LATIMER: I think we have
23 until 12 o'clock tonight, Senator.

24 SENATOR FLANAGAN: Okay. So I
25 would say there are a couple of very important

1 points to recognize. And you know what? I'm
2 going to take the liberty of speaking for both of
3 us only for a moment.

4 I believe that one of the problems
5 we have is the dialogue that takes place
6 vis-a-vis education. We all support education,
7 all of us. We may come at it from different
8 angles, but we all care about kids and parents
9 and students, and we equally care about teachers.
10 There's nothing more important than having a good
11 teacher in front of the classroom.

12 I believe one of the failures -- and
13 I'm using that word specifically -- is the level
14 of the dialogue. So I'm going to take the
15 liberty of just saying you hate the word "failing
16 schools"; so do I. So in this discussion I'm not
17 calling them failing schools anymore, because I
18 think of parents who would send their children to
19 a school like that, the perception becomes the
20 reality, it's a bad way to start the day and it's
21 certainly a bad way to end the day.

22 So I think we can have a fair
23 discussion about struggling schools, opportunity
24 schools, renewal schools, revitalization
25 schools -- but at the end of the day, all those

1 schools are filled with children. And I know you
2 have the same level of concern.

3 As it relates to a receiver, there
4 are significant changes from what the Governor
5 had advocated in his original budget. And the
6 schools, as defined, total 178 across the State
7 of New York, 91 of which are within the City of
8 New York.

9 But there is a subcategory that is
10 amongst the most egregious by far, and I
11 frankly -- I really don't even like having to
12 have this discussion, because it means that we
13 have failed in some regards in relation to these
14 schools in particular. There's a lot of reasons
15 for that. But nonetheless, there are 27 schools
16 that fall within the most egregious category.
17 The balance of the 151 are still in extremis, but
18 not necessarily to the same degree.

19 The reason I focus on that is
20 because there are different standards and there's
21 differentiation between and amongst what would
22 happen in each of those schools. There is
23 discussions about additional funding. There are
24 parameters that suggest that any one of these
25 schools, as a result of what may happen, will now

1 become a community school, which would make them
2 eligible for School Improvement Grants and some
3 of the things I mentioned in terms of federal
4 funding. So just by that alone, that may
5 generate additional funding for some of these
6 schools as defined.

7 In the category of the 27 schools,
8 there is a slight distinction between the City of
9 New York and the rest of the state. I believe
10 it's fair to represent that on the whole, this is
11 not a knee-jerk reaction, it is a fluid process
12 that allows for some changes. And it has a set
13 of benchmarks that if you meet them, you can get
14 out of that quagmire. If you don't, there are
15 additional points at which action can be taken
16 either in concert with the district or in concert
17 with SED or by SED in the most far-reaching
18 circumstances.

19 So in those 27 schools the mayor and
20 the City of New York had expressed grave concern
21 about who may be playing what fundamental roles.
22 Therein, the chancellor would be appointed the
23 receiver, and that would be after one year.
24 There is a one-year window to have a turnaround
25 plan developed at the local level and have it

1 reviewed and potentially approved by the State
2 Education Department.

3 So I do think it's very important to
4 reiterate that this is not, you know, the bill
5 getting enacted tonight and tomorrow there's a
6 receiver. I have a pretty confident feeling that
7 a lot of people here, and by extension in our
8 other house, are not really apt or desirous of
9 just jumping in overnight. I think this sets a
10 very good timetable, a solid timetable.

11 So again, those 27 schools are under
12 a different framework, if you will. And the
13 other 151 schools, they actually get a little bit
14 more time, I think it's more of a three-year
15 process.

16 In the 27 and the 151, the
17 superintendent may be appointed as the receiver.
18 And, you know, a lot of people said, well, if the
19 super gets in there, are they just going to
20 ignore the school board? I think part of this
21 discussion would include the notion that
22 superintendents are hired by school boards. So I
23 think there's probably a pretty good chance that
24 as opposed to taking drastic measures, that there
25 would be some middle-ground efforts to try and

1 ameliorate these situations locally.

2 One thing that's very important in
3 both scenarios is that there is an obligation to
4 have a community engagement team, which would
5 include parents and stakeholders at the local
6 level.

7 And then, Senator Latimer, as you
8 are well aware, there are issues involving
9 negotiations, what can be done by the receiver,
10 and can the receiver just gratuitously go in and
11 say everyone is now unemployed. I don't believe
12 that to be the case.

13 So I think there are safeguards that
14 prevent egregious action from being taken. But
15 nonetheless, it recognizes the situation that we
16 find ourselves in as a state. Because amongst
17 those 178 schools, it is distributed equitably
18 and geographically throughout the State of
19 New York.

20 SENATOR LATIMER: Will the Senator
21 continue to yield?

22 SENATOR FLANAGAN: Yes.

23 ACTING PRESIDENT GRIFFO: The
24 Senator yields.

25 SENATOR LATIMER: Thank you.

1 The explanation you have given,
2 where will I find in the budget the language that
3 shows the implementation along the lines that
4 you've said? The original Executive proposal was
5 rather harshly written and was written in a way
6 where an external person would come in, there was
7 no identification of resources of how that
8 external person would come in and would have the
9 ability to abrogate contracts and take some very
10 bold actions.

11 Can you point out, Senator, for our
12 benefit how the implementation you've just
13 described verbally is placed into reality?

14 SENATOR FLANAGAN: Senator Latimer,
15 just to show you how fortunate I am, I have a
16 tabbed bill copy here. And I would say that a
17 fair reading would be that it would start on
18 page 148, under subpart H. And given the depth
19 of this issue, it goes on for at least several
20 different pages.

21 SENATOR LATIMER: Will the Senator
22 continue to yield?

23 SENATOR FLANAGAN: Yes.

24 ACTING PRESIDENT GRIFFO: The
25 Senator yields.

1 SENATOR LATIMER: I appreciate --

2 SENATOR FLANAGAN: In fact, Senator
3 Latimer, let me just -- I would say it goes on
4 from page 148 till the end of the bill.

5 SENATOR LATIMER: Okay, very good.
6 Thank you, Senator. Again, Mr. President, I
7 realize this is a long process of questioning,
8 but again this is a multiheaded issue. So I
9 apologize to my colleagues and to you. I just
10 want to make sure we get out each of these points
11 as best as we can.

12 The issue of the 3020-a removal
13 procedures, Senator, that's in this bill, is
14 there a rationale for why we have moved from a
15 three-person panel to an individual person? And
16 I think the concern that we have is that a
17 three-person panel will do a more balanced job of
18 evaluating the situation; one person may or may
19 not have that same approach and might tend to err
20 on one side or other of these things.

21 SENATOR FLANAGAN: Well, I think
22 within the discussion of 3020-a that it's
23 important to recognize some of the other changes
24 that we made as well.

25 And now, and I frankly am amazed

1 that we even had to have a legitimate discussion
2 on this, if a teacher is convicted of a violent
3 felony offense against a child -- believe it or
4 not, the law did not allow for automatic removal.
5 However, that person's teaching certificate can
6 now be revoked upon that conviction. And even in
7 spite of that, we still provide due process
8 protection for that individual, no matter how
9 heinous the crime may be, and they are then
10 subject to an expedited 3020-a process.

11 Second, there are now equal
12 standards for teachers along with everyone else.
13 There were aspects of discovery and some of
14 procedural aspects of these hearings which
15 afforded the teachers a different set of rules
16 than other similarly situated parties and, I
17 think it's fair to say, people who would be
18 subject to civil service Article 75 hearings like
19 CSEA and PEF.

20 So now there's an equal footing and
21 the hearing officer has the opportunity to set a
22 timetable on discovery. That provides balance.
23 That's something that school districts have asked
24 for for a number of years.

25 So I think I'm going to -- and I'll

1 get much more directly to your point. A very
2 strong feeling, and I saw comments from
3 Assemblywoman Nolan on what she said on the
4 Assembly floor not too long ago, that this
5 effectuates a reasonable compromise.

6 We believe that there are due
7 process protections and there is also an
8 opportunity to streamline the process and to
9 provide for efficiency and potential cost savings
10 to districts.

11 And by the way, I think one of the
12 things that gets overlooked -- I know we talk
13 about things like DNA evidence. There are many
14 times that DNA evidence can be used to exonerate
15 someone. Here, a more timely process without
16 depriving anyone of their due process rights
17 could be beneficial to a teacher as well.

18 So I think the single hearing
19 officer is for purposes of efficiency and an
20 opportunity to potentially save money and still
21 have an positive outcome.

22 SENATOR LATIMER: Will the Senator
23 continue to yield?

24 SENATOR FLANAGAN: Yes.

25 SENATOR LATIMER: Thank you,

1 Senator.

2 ACTING PRESIDENT GRIFFO: The
3 Senator yields.

4 SENATOR LATIMER: I'm concerned
5 that the savings of going from three hearing
6 officers to one hearing officer is not much of a
7 savings when in other parts of this budget we're
8 talking about adding outside consultants to come
9 in to do a variety of different things where we
10 don't seem to be as worried about either the
11 streamlining or the savings in cost savings.

12 There appears in the 3020 changes
13 that have been made that there is a presumption
14 of guilt on the individual. Is that not a fair
15 comment from your perspective?

16 SENATOR FLANAGAN: No.

17 SENATOR LATIMER: Because it seems
18 that's changed -- it has changed the dynamic.

19 SENATOR FLANAGAN: Well, I respect
20 your opportunity to essentially say it that way,
21 I just don't happen to agree.

22 SENATOR LATIMER: Isn't the
23 burden -- I'm sorry, through the president, may
24 I -- will he continue to yield for questions?

25 ACTING PRESIDENT GRIFFO: The

1 sponsor yields.

2 SENATOR LATIMER: Doesn't this
3 change the burden, Senator, to the individual to
4 defend themselves rather than on the organization
5 to prove their failure to perform in a certain
6 fashion? Isn't that changed fundamentally by
7 this?

8 SENATOR FLANAGAN: Well, Senator
9 Latimer, I would say there are distinctions
10 between 3020-a proceedings based on misconduct
11 and now in 3020-b what one may define as being
12 ineffective or incompetent. And there are
13 distinctions between the two of those. So let me
14 go back to 3020-a for a second.

15 There is, and I just want to make --
16 because of the gravity of this, I want to make
17 sure I'm saying it correctly. Okay, we do a
18 couple of other things which I think are
19 important as well. We allow for a child witness
20 to testify through closed circuit television.

21 Here's a good example. We allow a
22 school district to suspend an employee without
23 pay who was charged with misconduct, conduct
24 constituting physical or sexual abuse of a
25 student. These are very serious charges, and

1 people recognize that.

2 There is a potential suspension, but
3 there has to be a probable cause hearing. No one
4 can be suspended without pay for more than
5 120 days -- which, by the way, is a lesser
6 standard than exists in the City of New York,
7 which is 90 days.

8 So there are, I think there are a
9 number of continued due-process protections for
10 anyone who is accused of either misconduct or,
11 under the new portions of 3020-b, something that
12 would rise to the level of incompetence.

13 So on that point, I think what
14 you're probably more alluding to -- and I
15 certainly don't want to speak for you -- is the
16 concept of if you are rated ineffective on your
17 teacher evaluations, what then are the procedures
18 and what is the sort of the rules of engagement
19 in terms of something like that?

20 There's a distinction between being
21 found ineffective twice. There's a distinction
22 from that and being found ineffective for three
23 years. Under the two-year scenario, a school
24 district may bring the proceeding. If you are
25 found ineffective for three years, the school

1 district is obligated to bring that proceeding.
2 And while we may debate what is ineffective,
3 effective, highly effective or developing, I
4 think it is a reasonable standard to say if
5 someone has been found ineffective for three
6 years in a row, that there should be a proceeding
7 brought.

8 SENATOR LATIMER: Mr. President,
9 will the Senator continue to yield? I will try
10 my best to wrap these questions up as quickly as
11 I can.

12 ACTING PRESIDENT GRIFFO: The
13 Senator yields.

14 SENATOR LATIMER: Thank you.
15 Thank you, Senator.

16 I would disagree, Senator, that I
17 think there is a change in the presumption on the
18 3020-a situation, so we're going to have to be in
19 disagreement on that one.

20 I want to touch on the last topic
21 area -- there are many other topic areas, but in
22 deference to your time and the time of my
23 colleagues, I want to touch on the APPR
24 situation.

25 The plan that has been put before us

1 here, isn't that a permanent acceptance of
2 high-stakes testing as now part and parcel of
3 what we're doing, instead of using this
4 opportunity to reevaluate, through other
5 stakeholders, whether or not we want to see this
6 high-stakes testing?

7 We have heard from parents in your
8 counties and in my counties how unhappy they are
9 with high-stakes testing. There's legislation
10 that's sponsored on your side of the aisle for
11 opt-out information and so forth. But yet it
12 seems as if we are now accepting and doubling
13 down on that by moving in this direction. Is
14 that a fair or unfair comment?

15 SENATOR FLANAGAN: Senator Latimer,
16 I do not agree. There is language specifically
17 relating to actions that have been taken in the
18 past. And I would remind everyone that
19 collectively, we made improvements to areas of
20 this section of the law last year.

21 So in here one of the fundamental
22 precepts is that the whole idea has to be on how
23 to effectively and diagnostically assess
24 students, at the same time looking very clearly
25 on how to reduce testing. It's specifically

1 written into the bill.

2 And I would also tell you that this
3 is a unique opportunity, because the stakeholders
4 involved, the people you reference, the beauty of
5 this approach is that there is a public comment
6 period under which the Regents would draft
7 regulations and the public and everyone similarly
8 situated -- parents, grandparents, students --
9 they'd all have an opportunity for that input.
10 And you and I both know very well there is going
11 to be no shortage of comments.

12 SENATOR LATIMER: Will the Senator
13 continue to yield?

14 SENATOR FLANAGAN: Yes.

15 ACTING PRESIDENT GRIFFO: The
16 Senator yields.

17 SENATOR LATIMER: Thank you,
18 Senator.

19 I would argue that what we want to
20 have now, Senator, is we want to start with a
21 stakeholder-based review of the process and then
22 let the Board of Regents and then this
23 Legislature approve whatever comes out of that
24 process.

25 But let me ask a question in a

1 different direction. We have the testing that
2 will test students and will also be the basis for
3 evaluation of teachers in two basic areas:
4 English language and in math. How do we assess
5 teachers that don't teach in either of those two
6 courses, based on the grades of the students in
7 Grades 3 to 8, when the other teachers that don't
8 teach in those two areas are going to be judged
9 by what's happening to those students in the
10 areas which are part of the standardized testing?

11 SENATOR FLANAGAN: A couple of
12 things.

13 First of all, that is really a
14 fundamental component of the charge that we are
15 giving to the Board of Regents. And we have had
16 a multitude of people comment and significant
17 input from all areas of the educational community
18 on the Governor's proposal. So there are
19 significant changes from the Governor's original
20 proposal.

21 The issues that you are addressing
22 and the concerns that you raise are not only
23 valid but I think that they could be contemplated
24 and acted upon in a proper and appropriate
25 capacity through the process that is contained in

1 this statute.

2 SENATOR LATIMER: Will the Senator
3 continue to yield?

4 SENATOR FLANAGAN: Yes.

5 ACTING PRESIDENT GRIFFO: The
6 Senator yields.

7 SENATOR LATIMER: Thank you.

8 The question of the cost for outside
9 review. And I understand that it is not
10 specified in so many words exactly who will be
11 the person doing the outside evaluation part of
12 this. But that really represents another
13 mandate.

14 And unless you can tell me
15 otherwise, isn't that another unfunded mandate
16 that's placed before the local districts, for
17 them to have an outside person come in? There
18 will have to be some cost factor involved in
19 that, and I don't see anything in our budget that
20 allows additional funding so that schools can
21 handle that additional cost.

22 SENATOR FLANAGAN: If you look at
23 the Governor's original proposal, one of the most
24 overarching themes that we heard, in addition to
25 concerns about APPR, was exactly the point that

1 you are making. That's why it looks nothing like
2 what the Governor originally proposed.

3 And within that framework, what we
4 are doing is providing SED and the Regents an
5 opportunity to review exactly what you're
6 speaking to. It is not an outside evaluation.
7 It is someone who would be qualified and employed
8 by a school district. It is not an outside third
9 party, it is someone who is already gainfully
10 employed by that school district.

11 And the weight of that can be
12 nominal. That's something that would be
13 determined by input -- excuse me, by the Board of
14 Regents, ultimately, with input of all the
15 stakeholders that we are both referring to.

16 SENATOR LATIMER: Thank you,
17 Senator.

18 Mr. President, may I go on the bill?

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

21 SENATOR LATIMER: Thank you very
22 much.

23 And I want to thank Senator
24 Flanagan, as always, for being an articulate and
25 energetic spokesperson. I enjoy these

1 conversations, John. And. I hope to the extent
2 that we enjoy them at all, you do as well.

3 On the bill itself, Mr. President,
4 we have before us a budget which we all know is a
5 fiscal document. But constitutionally and by
6 interpretation of the courts of the State of
7 New York, that significant policy can be adopted
8 inside a fiscal document.

9 But I can argue what may be
10 constitutional and what may be legal is still
11 unwise. We have before us a bill, as I said
12 earlier, that marries policies on ethics,
13 policies on brownfields with policies on
14 education. And there are other component pieces
15 to this. And that is mixing, as I said a few
16 years ago, kumquats and peanut brittle in one
17 single document. That is a bad way to make
18 change, particularly when what we are embarking
19 on is a major change in the way we're going to
20 deliver education in this state.

21 And I would argue that we're using
22 the power of the purse to compel people to do
23 something because they need the money. That is
24 exactly the way we got into mandatory testing,
25 because the power of the purse was so essential

1 to us back in 2010, when we couldn't close the
2 budget without federal money to help do that.

3 Some people will call this reform.
4 Some people will call this wreckage. Because we
5 are changing the system of educational delivery,
6 and we're doing it in the context of a budget and
7 under the threat of financial support, which
8 these schools desperately need. We have put
9 property caps on them and, as I said earlier
10 yesterday when I spoke about general governments,
11 we put other mandates on them and they have very
12 little place to go. We limit how much funds they
13 can accumulate from year over year to draw
14 against.

15 And so we now have other issues to
16 be resolved. I believe that all of this change
17 on education is built on a faulty presumption,
18 and that is the presumption that public education
19 in New York is failing. I do not believe that.
20 I have districts, the majority, the vast majority
21 of my districts in my home district -- and I
22 understand it may not be a representative
23 district all across the state -- which are
24 proving every single day the validity of public
25 education and their ability to produce a positive

1 result for kids in a public setting.

2 So in those places where we are not
3 succeeding with public education, the question to
4 me is not an across-the-board wholesale
5 restructuring but an attention that's been long
6 overdue in those areas where we have problems in
7 public education.

8 And I will agree with Senator
9 Flanagan, we toss the word "failing" out, but it
10 makes a connotation that's not accurate. Because
11 individuals rise and fall, and there are
12 brilliant individuals in every setting and there
13 are individuals who have to work harder in every
14 setting. And I think we do ourselves a
15 disservice when we lump groups of people and we
16 attach a word "failing" to them. I think we are
17 creating a self-fulfilling prophecy.

18 It has been proven time and time
19 again, study after study, that there is a
20 correlation between poverty and performance. And
21 the poverty of the individual, the tax base of
22 the area, since we pay for schools initially
23 based on property tax, is the property tax wealth
24 of a community allows for them to provide
25 services in Community A that may not be present

1 in Community B, and that performance follows
2 having those resources along with other factors
3 that are in here.

4 But we are tying ourselves in this
5 budget now more firmly than we ever have before
6 to a mast on a ship, and that mast that we're
7 tying ourselves to is high-stakes testing. And
8 you know on each side of the aisle how people are
9 reacting to this commitment to high-stakes
10 testing. There are other states in this nation
11 that are backing off of that, that are seeking
12 waivers to avoid having to go through with what
13 they think could be a negative effect on their
14 educational process.

15 And it's not just what we talk about
16 in teachers and administrators and school
17 districts and school trustees, but it's the
18 parents themselves, it's the parents that feel
19 the loss of local control, that they can't go and
20 have the same impact on their teachers and their
21 administrators in the neighborhood school because
22 the system is changing and it's creating a whole
23 different set of priorities.

24 Now, there is a school of thought
25 that says you go into a school and you take

1 names, you kick butt, you find the
2 underperforming teachers and the underperforming
3 administrators and get rid of them.

4 Mr. President, I'm a fan of the
5 New York Knicks. There hasn't been a worse year
6 in my life for the New York Knicks than this
7 year. This year began when we fired a coach and
8 brought in a very expensive president, and the
9 results of the New York Knicks is worse today
10 than it was a year ago. And the reason is the
11 New York Knicks do not have sufficient talent at
12 this point in time to perform well enough.

13 So you can rearrange the coach
14 structure and the president all you want, but if
15 you don't have enough quality players on the
16 court, you're going to lose a lot of games. And
17 that is exactly what is happening.

18 And my great concern is that we're
19 looking at the wrong things when we look at where
20 we need to put time and attention into our
21 situation. The APPR system, to me, is
22 fundamentally flawed if it doesn't begin with a
23 bottom-up review of what will work in terms of
24 evaluating teachers.

25 And in the same way that we would

1 not restructure fire services in this state and
2 not talk to a firefighter, that we could figure
3 out to how best to deliver fire services and
4 never talk to the people on the lines or to
5 vilify the firefighters. Well, we wouldn't dream
6 of doing that because we see every day the
7 bravery of firefighters. And when we see them
8 with soot on their face, there's an emotional
9 attachment to what they do in the public domain.

10 But I think we have forgotten that
11 same aspect of teaching and that every day that
12 teachers go into those settings and they teach
13 our children, and those of us who are ourselves
14 products of that system that have come through
15 the system as it has existed up to now.

16 I've used the analogy before from my
17 business background of observing what happened in
18 the early '80s with Coca-Cola and the
19 introduction of New Coke. I won't repeat that
20 analogy, but I think it is apt.

21 What I also think is apt is the
22 story of Enron. Most of us remember that Enron
23 was a major energy company in the United States.
24 Ken Lay, the president of it, was a friend of
25 presidents and prominent individuals. They had

1 enough resources to buy the naming rights for the
2 Houston Astros' home park. In fact, they used to
3 call it Ten-Run Field, because it was such a good
4 hitters' ballpark, instead of Enron Field.

5 But we know what happened to Enron.
6 They built a business model on sand. And when it
7 collapsed, it collapsed thoroughly and
8 completely. And there were brilliant people that
9 were involved in the selling and the construct of
10 what Enron did professionally.

11 So it has been proven time and time
12 again that brilliant people can articulate a
13 different vision and that vision can be wrong and
14 that vision can fail.

15 Now, I learned math without the
16 benefit of Common Core or the New Math. I know
17 how to count. I know how many votes for this
18 budget there's going to be in this house, and I
19 know how many votes there are going to be in the
20 other house. I don't speak to persuade, I don't
21 speak to insult anybody who's going to vote in
22 their own way. But in your own mind, in your own
23 conscience, you have to be asking yourself a
24 question: Is this what we should be doing in the
25 State of New York? You have to ask it.

1 Many of you have served in this
2 position or in other positions for a long time.
3 You don't need me to tell you to look at the
4 scope of what you've seen in your life. But this
5 is a sea change. We are locking it in because of
6 a budget and because of financial realities, and
7 it raises some significant questions. And those
8 questions, when they get answered, may be
9 answered to reverse the path that we're on. But
10 if that reversal comes ten years down the road,
11 that's ten years' worth of students that we
12 today, in this government, have written off.

13 And we let the editorial boards
14 drive us in a direction. Those same editorial
15 boards told us to take the \$750 million back in
16 2010. Didn't they? Those are the same editorial
17 boards that are telling us today that, oh, we
18 have to make these changes because they represent
19 reform.

20 Mr. President, you've been very
21 indulgent. I thank you for your time. I don't
22 speak all that much in session, so I appreciate
23 the fact that you allowed me to raise these
24 questions. I thank Senator Flanagan and my
25 colleagues for their thoughtfulness.

1 I intend to vote in the negative on
2 this bill. I intend to hope for the best, but I
3 am very concerned that we are on a wrong path
4 today and that path is going to cause us great
5 difficulty.

6 ACTING PRESIDENT GRIFFO: Senator
7 Peralta.

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

10 Today, ladies and gentlemen, is --

11 ACTING PRESIDENT GRIFFO: Senator
12 Peralta, are you on the bill?

13 SENATOR PERALTA: On the bill.

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

16 SENATOR PERALTA: Today, ladies and
17 gentlemen, is the birthday of the great labor
18 leader Cesar Chavez. And how appropriate but yet
19 sad that we have to talk about how decades later,
20 after his struggles, that we're still talking
21 about the lack of dignity and the lack of respect
22 for immigrants who have come here to this country
23 to work hard and live the American dream.

24 He would have been 88 years old
25 today. And he stood for something. He stood for

1 a struggle. It didn't matter to him whether they
2 were documented or undocumented, but he stood for
3 a struggle.

4 Mr. President, here we go again.
5 Another year, another budget that doesn't include
6 the DREAM Act. This is going to look and sound
7 like the movie "Groundhog Day," where the same
8 day gets repeated over and over and over again.
9 Another year of false fear-mongering propaganda
10 led by the majority, perpetuating an intolerant
11 ideology that the sky is going to fall if we
12 allow these undocumented kids to receive money
13 from the Tuition Assistance Program, better known
14 as TAP.

15 But the irony here, Mr. President,
16 is that the TAP is an entitlement program,
17 meaning that everyone, including the
18 undocumented, would have to meet the residency
19 and income eligibility requirements. Meaning
20 that everyone would have to file a tax return,
21 either using a Social Security number or an ITN
22 number to qualify. And for those who don't know,
23 an ITN is used by the undocumented to file taxes.
24 So as long as the household income is under
25 \$80,000 a year and they met all the criteria in

1 the standard, then and only then would they
2 qualify to receive TAP.

3 But who cares about these facts as
4 long as the majority can continue to promote
5 these falsehoods, that these individuals don't
6 pay taxes and citizens would have to subsidize
7 the cost. Well, the irony here is that the
8 college graduates would contribute over \$60,000
9 more in taxes than if they didn't receive a
10 degree. Which means the investment would pay for
11 itself, and then some, since the maximum
12 investment that we would be making per individual
13 would be about \$20,000 for the four-year period.

14 But who cares about these facts as
15 long as the majority can continue to perpetuate
16 and promote these falsehoods, that these
17 individuals won't be able to get jobs anyway
18 after they graduate because of their immigration
19 status, even though most can become independent
20 contractors, can open up small businesses or an
21 LLC and in turn hire people to work for them
22 without a problem. And in fact, most immigrants
23 do. They're about 60 percent more likely to open
24 up a small business because of their immigration
25 status. Not to mention that if they qualify

1 under the DACA policy, and if it continues to be
2 in effect on a federal level, where an individual
3 can get a temporary status that's renewed every
4 two years with a valid Social Security number and
5 permission to work, these kids have another
6 option to then in turn, again, pay taxes.

7 But who cares about these facts as
8 long as the majority can continue these
9 falsehoods, that by giving money -- in this
10 sense, \$27 million worth -- to the undocumented,
11 that the children of hardworking blue-collar
12 parents would lose out because these kids, these
13 undocumented kids, would take away money from
14 them.

15 But the irony here, Mr. President,
16 is that the only reason that these kids of these
17 hardworking blue-collar parents would lose out is
18 because their parents' household income is more
19 than \$80,000 a year. Which means that they would
20 lose out whether we included these Dreamers or
21 not. The Dreamers have nothing to do with them
22 qualifying for TAP, because simply put, ladies
23 and gentlemen, simply put, their parents just
24 make too much money to qualify for TAP.

25 Which is why we have been pushing to

1 increase the income eligibility from \$80,000 to
2 \$150,000 or more. And by the way, if the person
3 qualifies for TAP, no one will ever say to that
4 person "We don't have enough money" or "We ran
5 out of money" because we as a state are required
6 to find the money for them.

7 But who cares about these facts as
8 long as the majority continues to promote these
9 falsehoods.

10 Ladies and gentlemen, New York State
11 and Dreamers have really lost out here today --
12 New York State because we really had an
13 opportunity to really live up to our distinction
14 of being state innovators and progressive
15 thinkers, and the Dreamers because they had hoped
16 to attend and graduate college and pave the way
17 for the next generation. They had hoped to begin
18 living the American dream and become even more
19 productive members of society.

20 But today they have lost out. What
21 we have done today is punish these kids for the
22 actions of their parents. What we have done
23 today is say to them no matter how hard you work,
24 no matter how many colleges court you because of
25 your high GPA and your high achievements, and no

1 matter how much taxes your parents pay into the
2 system, the American dream is not for you because
3 you are not welcome here. Because your parents
4 made a decision to bring you to this country
5 without your consent so that you can live a
6 better life and actually break the chains of
7 poverty, receiving a high-quality education.

8 So I hope, Mr. President, that every
9 one of my colleagues in the majority can sleep
10 well at night -- and I'm pretty sure you will --
11 knowing that this was done intentionally here
12 today, crushing these kids' hopes and aspirations
13 of succeeding in the only place that they call
14 home and the only place that they pledge
15 allegiance to, the only place that they grew up
16 and know, all over this fear-mongering ideology
17 of a minority voting bloc.

18 But, Mr. President, like the sun
19 rises every morning, I too believe that even in
20 the darkest hours there's still light at the end
21 of the tunnel, because it's always darkest before
22 the dawn. So I want to take this opportunity to
23 call upon the Governor to make it a priority, as
24 he has said throughout his entire campaign last
25 year, and he has said throughout this entire

1 budget process.

2 Because when the Governor placed the
3 DREAM in his executive budget, it lit the spark
4 in the eyes of every Dreamer. And it sent a loud
5 message that he too, he too believed in what they
6 can accomplish. He sent an infusion of hope and
7 inspiration up the ladder of success that after
8 all those other disappointing years that this,
9 this would be the year that the DREAM would
10 finally become a reality.

11 But yet much to the dismay of all
12 those Dreamers, the DREAM Act was talked about
13 being left out of the budget, which led the
14 Dreamers to go on a drastic hunger strike and
15 call attention to the importance of this issue.
16 And even with that, the Dream was pushed out of
17 the final budget. Needless to say, I, as well as
18 many others, was disappointed, infuriated,
19 devastated. These are the words that I've used.

20 But we all know that the Governor
21 has much more political capital than any of us.
22 And when he has championed other issues and has
23 used his political capital, as in the case of
24 marriage equality, the SAFE Act and even this
25 year, the ethics reform, he has leveraged it well

1 and sometimes, sometimes, seemingly against all
2 odds.

3 So today I call upon the Governor to
4 keep his promise and use his political capital to
5 ensure that the DREAM is passed before the end of
6 this session, because these Dreamers are
7 depending on the Governor now. The ball is in
8 his court. The fate of their futures are in his
9 hands, and he can build up his progressive
10 legacy. And I will stand by him, and I know many
11 more will stand next to him to do whatever it
12 takes to make sure that the DREAM becomes a
13 reality.

14 So I implore the Governor to rise up
15 above the politics and allow these Dreamers to
16 wake up one morning to the reality that New York
17 State is willing to allow them to succeed and
18 receive TAP in order to achieve their full
19 potential. In the words of the great Cesar
20 Chavez, once social change begins it cannot be
21 reversed. You cannot uneducate the person who
22 has learned to read. You cannot humiliate the
23 person who feels pride. You cannot oppress the
24 people who are not afraid anymore.

25 Finally, Mr. President, since my

1 voice has been taken for granted yet another year
2 and my leader has not been allowed in the room to
3 talk about these issues, this budget does not
4 merit my positive vote. And although I fully
5 understand, as my colleague Senator Latimer
6 pointed out, that I am in the minority and I will
7 not affect the outcome of this final passage, as
8 it was once said, I'm sick and tired about being
9 sick and tired of having my vote taken for
10 granted.

11 So therefore, Mr. President, I will
12 be voting nay.

13 ACTING PRESIDENT GRIFFO: Senator
14 Panepinto.

15 SENATOR PANEPINTO: On the bill,
16 please, Mr. President.

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

19 SENATOR PANEPINTO: There are good
20 things in this bill. But I think that Senator
21 Latimer's analogy of kumquats and peanut brittle
22 is appropriate. I can't think of two things that
23 less go together than ethics reform, brownfields
24 and broken education reforms.

25 I would like to be able to vote for

1 ethics reform. I think it's something whose time
2 has come. I wish that the ethics discussion was
3 done in the light of day. I wish it was
4 transparent. But I support the Governor on his
5 ethics reform.

6 We should disclose our outside
7 income, we should disclose our clients if it's
8 appropriate. And I think there are many good
9 things in the ethics package. I'm happy to
10 disclose who my clients are. I'm happy to
11 disclose how much money I make. And we all
12 should do that. And this legislation will allow
13 us to do that.

14 Unfortunately, I'm not going to be
15 able to vote for this ethics package because it's
16 connected to a broken education package.

17 There's good things in here on
18 brownfields. I represent 40 miles of waterfront.
19 We've got Bethlehem Steel that was there, we've
20 had the Huntley Power Station, we've got 40 miles
21 of industry along the water, and we benefit from
22 the brownfields program.

23 Unfortunately, I can't vote for the
24 brownfields program because it's connected to a
25 broken educational plan. And I'm disappointed by

1 those things.

2 So let's talk about this so-called
3 educational plan. We were supposed to have a
4 transparent discussion about education reform.
5 Well, our leader wasn't part of that process, our
6 voices weren't heard, and what we get back is a
7 process by which due process is taken away from
8 teachers, where we shift the presumption onto
9 someone who has been a teacher. We are
10 eliminating or curtailing, you know, that due
11 process in the 3020-a procedure.

12 More problematic than that
13 elimination of due process is that we're
14 infringing on the collective bargaining
15 principles that we hold near and dear to our
16 hearts. The American labor movement was built in
17 New York State, and it's a disgrace that this
18 legislation impedes on that collective bargaining
19 process.

20 How does it impede? Well, this
21 should be something that should be negotiated at
22 the bargaining table between teachers and
23 municipalities. But from on high, we're telling
24 educators what to do. And we're doing it in a
25 way that we're imposing our will on boards of

1 education and superintendents, and those
2 boards are independently elected democratic
3 bodies.

4 This week a board in my district had
5 a nonbinding vote to consider whether or not they
6 would implement Common Core testing. And what
7 happened as a result of that? They were sent a
8 threatening letter by the Department of
9 Education, threatened to be put into
10 receivership, and got a call from the Lieutenant
11 Governor. That is not the democratic process.
12 That's an independently elected board who we
13 should respect.

14 So where are we going with this?
15 Well, testing, the overtesting that was mentioned
16 by Senator Latimer is where we want to go.
17 There's no correlation between the overtesting of
18 our children where there's a correlation of the
19 effectiveness of teachers. The American Society
20 of Statisticians finds no correlation between
21 what happens in that test and the effectiveness
22 of the teacher.

23 So we're going to overtest students,
24 we're going to stress out parents, and then we're
25 going to evaluate those teachers based upon

1 flawed tests. The paradigm is upside down.
2 We're supposed to be educating children to do
3 well on tests, not educating children to evaluate
4 their teachers. That's not what's supposed to
5 happen in the classroom.

6 So I think what's really going on is
7 education has become the whipping boy for income
8 inequality. We don't want to deal with the
9 systemic income inequality in this country. In
10 the budget proposal from the Governor we talked
11 about a minimum wage increase and raising that
12 minimum wage to \$10.50 in Western New York and
13 \$11.50 in New York City. We talked about, you
14 know, a fight for \$15. Income inequality is the
15 problem. Kids come to school undernourished,
16 underclothed, and without having the tools to
17 compete. But we don't want to deal with those
18 issues, we want to blame teachers for what the
19 problems of society are.

20 You know, if we don't deal with that
21 disparity in income, we really are letting down
22 our democracy. And we've got to fight to raise
23 people up. This budget could have dealt with
24 raising the minimum wage, it could have dealt
25 with, you know, paid family leave, but it chose

1 not to. And it chose to scapegoat teachers in
2 the process.

3 We could have eliminated the GEA,
4 the Gap Elimination Adjustment. We chose not to.
5 And in fact what we did with the Gap Elimination
6 Adjustment is we funded 63 percent of the Gap
7 Elimination Adjustment. Now, I haven't been in
8 school in a long time, but that's a failing
9 grade. Sixty-three percent is a failing grade
10 for the GEA. We get an F for New York State
11 because we didn't fully fund that gap
12 elimination.

13 We deserve an A+ in education. And
14 we don't have failing schools. My daughters
15 attend a school in Buffalo, New York, that's a
16 public school that's rated among the top ten in
17 the country. I pay my taxes, and they go to that
18 school and they're taught by tremendous teachers.
19 And we don't have a broken education system, we
20 have a broken economic system. And we don't want
21 to deal with the broken economic system.

22 So I'm ashamed that we're only
23 funding 63 percent of the GEA. That's a failing
24 grade. We're New York. We should be funding it
25 at 95 percent or 100 percent. That would give us

1 an A+. And our kids deserve an A+ in education.
2 We shouldn't scapegoat teachers. We shouldn't
3 overburden parents. We shouldn't stress out
4 kids. We should fund education like we're
5 supposed to and like the courts say we should.

6 So I'm voting no on the bill,
7 although there's some good things in it. But we
8 should not punish our kids and hold them hostage
9 for our inability to do the right thing and fund
10 education.

11 Thank you, Mr. President.

12 ACTING PRESIDENT GRIFFO: Senator
13 Díaz.

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

16 Ladies and gentlemen, today is a
17 very difficult day. It's a very difficult
18 situation which we are all in. Again, I have to
19 ask the same question, Mr. -- on the bill, I'm
20 sorry.

21 ACTING PRESIDENT GRIFFO: Senator
22 Díaz on the bill.

23 SENATOR DIAZ: Again, I have to ask
24 the same question that I asked last night. Last
25 night we were debating taxes for the rich who

1 could buy airplanes and boats, and there were
2 some Senators in my party stating that those were
3 taxes for the rich. And there were some Senators
4 from my party saying that they were not taxes for
5 the rich.

6 Today we are dealing with a bill
7 where my colleagues, my county chairman, my
8 speaker, my democratic colleagues in the Assembly
9 coordinate it, talk about it, plan it with the
10 Governor, a Democrat, with the leader of the
11 Republican Party, and there was a three-way
12 agreement in this bill.

13 So I have the same predicament that
14 I had last night. I've got some members of my
15 Democratic Party saying that this is a good bill
16 they coordinated that will protect children in
17 the school. I have some members of my Democratic
18 Party saying this is a terrible bill, that we
19 should not vote for it.

20 And we come here tonight and if we
21 vote against the bill, some people will say we
22 are voting against the children and we are
23 protecting the unions and we are protecting other
24 interests and not the interests of our children
25 in our schools. If we vote in favor of the bill,

1 there are people going to say that we are
2 anti-teacher, that we are against the teachers,
3 and that we are voting against the unions.
4 That's the predicament that we have, especially
5 on this side of the aisle.

6 On the other hand, Mr. President,
7 let's see what is facts. Fact number one. There
8 are 178 failing schools in the State of New York.
9 Fact, 178 failing schools in the State of
10 New York. Fact, undeniable.

11 A second fact: 250,000 children,
12 the majority of them black and Hispanic, have
13 been sent for the last 10 years, knowingly,
14 purposely, have been sent to those failing
15 schools. For the last ten years, 250,000
16 children, the majority of them, not to say all of
17 them, the majority of them black and Hispanic
18 children have been sent to failing schools.

19 Fact: 79 of those 178 failing
20 schools are located in the City of New York.
21 Seventy-nine of those failing schools are located
22 in the City of New York, fact.

23 Fact, 40 of those failing schools,
24 Mr. President and ladies and gentlemen, 40 of
25 those failing schools are located in Bronx

1 County. And nine of those failing schools are
2 located in the district that I represent. Fact,
3 250,000 children have been sent to failing
4 schools in the last ten years, 178 failing
5 schools in the State of New York, 79 of those
6 failing schools in the City of New York, 40 of
7 those failing schools in Bronx County, and nine
8 of these failing schools in my district.

9 Fact. Should I -- am I against the
10 teachers or am I in favor of the children? Am I
11 against the children or am I against the
12 teachers? These facts and other facts, 800,000
13 children are being -- have been failed every
14 year, 800,000 children.

15 So we are here today, I represent
16 the City of New York, I represent a district in
17 the Bronx County. And I'm here, ladies and
18 gentlemen, with all due respect to everybody
19 else -- and to everyone, I always, when I have to
20 speak, I speak my mind and I do what my counsels
21 tell me. But I'm here to look out for the
22 children, not for teachers, not for unions, not
23 for the mayor, not for the governor, not for
24 anybody. I'm here to look out for the best of
25 the children that I represent.

1 What are the reason for these
2 failing schools and for 250,000 kids have been
3 sent for the past ten years to failing schools?
4 What are the reasons why 79 of those failing
5 schools are in the City of New York? And what
6 are the reason that 40 of them are in the Bronx,
7 and what are the reason that nine of them are in
8 my district?

9 Some people say it is because of
10 lack of money. Some people say that happened
11 because of lack of money. Some other people say,
12 wait -- and I'm one of them -- money is always
13 needed and we should work to protect and to be
14 sure that our public school system works for our
15 children and that black and Hispanic children
16 stop being left out. All children, especially
17 black and Hispanic children.

18 And other people say the reason
19 is -- this is the simple reason. The City of
20 New York, when we distribute money, every county
21 or every district gets money assigned to those
22 districts. But the City of New York is one
23 district, the whole city. So when the money is
24 distributed, the money goes to one district, the
25 City of New York.

1 And ladies and gentlemen, no matter
2 how much money we have put -- because I have been
3 here for the last 12 years, and every single year
4 we assign money to assist them. Every single
5 year we assign money to assist them, and every
6 single year the schools in black and Hispanic
7 communities are rotten. Every single year we
8 assist with money, but the money never gets to
9 our children. The money never gets to the
10 districts that really need the money. Because
11 the money here goes to one district, and the one
12 district is the City of New York, so the City of
13 New York distributes the money according to how
14 they please.

15 It is not until something is done to
16 change that system and we could assign and locate
17 the money directly to the districts, so
18 District 7 in the Bronx, so District 9, so
19 District 12 in the Bronx could get directly the
20 money. Then we will have a chance to save our
21 children. But not until we do that, not until we
22 do that, ladies and gentlemen, no matter how much
23 money we put, no matter how much money we send,
24 the money never gets to our districts.

25 And I'm telling you here in front of

1 you and in front of my Lord Jesus and Savior,
2 that's the truth. Our children, our districts
3 don't get the necessary money that they need.
4 But we -- we -- we send money. District 7 in the
5 Bronx, they don't get the money -- they get some
6 money. District 9 in the Bronx, oh, they get
7 some money. District 12, oh, they get some
8 money. But the real money, the money that they
9 need, they don't get because it's supposed to go
10 directly to the city.

11 So, ladies and gentlemen, if you
12 want to stop the abuses, you want to stop all
13 these things, let's change the system. Let's
14 assign the money instead of assigning the money
15 to the one district, the City of New York, let's
16 assign the money to districts. District 7,
17 directly, here's your pile of money. District
18 12, District 9, here's your pot of money. You do
19 now what you're supposed to do. And I assure
20 you, Mr. President, I assure you, ladies and
21 gentlemen, that the whole thing will stop.

22 So money is not the problem. The
23 problem is who gets the money. Money is not the
24 problem, the problem is who gets the money.

25 Now, to do that and to try to save

1 our children, some people have tried to create
2 some solutions. Before I was an elected official
3 and before charter schools came to the system,
4 Reverend Floyd Flake -- Reverend Wyatt Tee Walker
5 from Manhattan and Reverend Floyd Flake from
6 Queens and myself, the three of us got together
7 to lobby for charter schools before charter
8 schools.

9 And charter schools came about
10 because, because the idea was let's try to do
11 something to protect and to try to save our
12 children, and at least until this problem with
13 the money going directly to our district in the
14 public system -- and, ladies and gentlemen, the
15 public system works. And I know, if the money
16 goes to our districts directly, it works. It
17 will work.

18 Once you send the money directly to
19 the district, the public system of the schools in
20 my districts, in our districts will work. But
21 they will never get the money. The money will
22 never get to them because there's other things
23 more important than to send the money directly to
24 where it's needed.

25 So charter schools came to be, and

1 charter schools were a creation to be located in
2 black and Hispanic communities to serve black and
3 Hispanic children. At least a little bit, to see
4 what we could do.

5 In this budget, some people that say
6 that they are for the children, those that fry
7 biscuits for the children, they fry and they're
8 oooh, we're for the children. Yeah, because
9 everybody use the black and Hispanic children for
10 their needs. And everybody use the black and
11 Hispanic children whenever it's good for them.

12 And I told somebody, the other day I
13 told somebody: You know something, our
14 community, the black and Hispanic community, our
15 minority community, I don't know why we're doing
16 so bad, because everybody fight for us.
17 Everybody fight for the poor. Everybody fight
18 for black and Hispanic children, everybody for
19 the children.

20 Why are we doing so bad? Why all
21 our schools are doing so bad? Why are we having
22 250,000 children sent to failing schools for the
23 last ten years? Why? Where are those saviors?
24 Where have been all those protectors of our
25 children's education that knowingly, knowingly,

1 ladies and gentlemen, knowingly, they have sent
2 our children to failing schools.

3 So there was a law invented, the
4 Educational Income Tax Credit, to try to help
5 another way. So no education tax credit, no
6 charters. Because people don't want charter
7 schools, people want more money, more money, more
8 money. More money. No, no, no charter schools
9 where black and Hispanic children are being --
10 taking opportunities and being saved. No charter
11 schools. More money, more money. No education
12 tax credit, because that's no good. More money.
13 More money.

14 Go to the schools in my districts,
15 in black and Hispanic neighborhoods, and you will
16 see how they look and you'll see how they are.
17 So go to those areas, go to other areas and
18 compare. And you will see, ladies and gentlemen,
19 you will see that our children are always the
20 ones, our students are always the ones left
21 behind. Left behind.

22 And I -- I -- I didn't come here to
23 fight for nobody else's interests. I didn't come
24 here and -- I don't go campaigning to say vote
25 for me because I'm going to help you out. And

1 when I come here and say, oh, no good, this no
2 good, this is no good. I came here -- and I
3 always do what my conscience tell me. I have
4 always done what I believe is right.

5 And ladies and gentlemen, yes, of
6 course for the last four years I have been
7 standing in my conference and here and telling
8 all my colleagues the DREAM Act is not in, let's
9 vote against it. Nobody listened for four years.
10 Oh, no, they go, oh, no, no, he's a Democrat, we
11 got to do it. Oh, no.

12 This year again, the fifth year,
13 this year again, no -- no -- no DREAM Act.
14 People that were saying people three months ago,
15 people that were saying two months ago, if
16 there's no DREAM Act, he's going to see we will
17 not vote for it, and you will see I will not vote
18 for this thing, for this budget if there is no
19 DREAM Act on it. The DREAM Act, the same people
20 are now saying this is a good budget. I'm
21 disappointed.

22 Ladies and gentlemen, some people --
23 people say "I'm tired." Well, I'm tired too. My
24 first concern is the children. Children first.
25 Children first. And charter schools have been

1 helping children, black and Hispanic children, in
2 my districts in our communities. And that's my
3 only concern.

4 Charter school works, public school
5 works. Public school is good. But again, the
6 money doesn't get to our communities. It is not
7 that it's a public system. It is not the
8 teachers, it is not -- it's the money, where the
9 money goes. Let's change the system. Let's
10 change the system. Let's change the system.

11 My friend here, let's change the
12 system. Senator Rivera, let's change the system.
13 Let's change the system in a way that the money
14 goes directly to the districts, where our
15 districts goes with that money. Once the City of
16 New York gets the money, our communities don't
17 get the money they need. Our areas don't get the
18 money they need.

19 So whose fault is that? It's not
20 the teachers. It's not the public education.
21 It's how the money's being distributed. The
22 money doesn't get to us. Once again, again --
23 and with this I'll conclude -- again, no matter
24 how much money we assign, no matter how much
25 money we assign to the district, one in New York,

1 there is one district, the money doesn't get to
2 the districts that need it. Never gets to them.
3 Not until we change the system in how the
4 district is going to the city and the money goes
5 directly to districts, then the thing will
6 change.

7 Meanwhile, meanwhile my suggestion,
8 I'm happy, I'm honored to say meanwhile, till
9 that time comes, charter schools. Charter
10 schools till that time comes. Education income
11 tax credit till that time comes. But until that
12 time comes, nothing going to happen, and I will
13 continue fighting for charter schools.

14 And that's why I'm voting yes in
15 this one. Thank you.

16 ACTING PRESIDENT GRIFFO: Thank
17 you, Senator Díaz.

18 Senator Stavisky.

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

21 ACTING PRESIDENT GRIFFO: Senator
22 Stavisky, are you on the bill or do you have
23 questions?

24 SENATOR STAVISKY: No, I would like
25 to ask a couple of questions.

1 ACTING PRESIDENT GRIFFO: Okay.

2 Senator Flanagan?

3 SENATOR STAVISKY: I assume Senator
4 Flanagan.

5 SENATOR FLANAGAN: Yes.

6 ACTING PRESIDENT GRIFFO: Okay,
7 Senator Stavisky, you may pose your questions.

8 I want to remind the members that
9 we're closing on the time of --

10 SENATOR STAVISKY: I know that. I
11 will be relatively --

12 ACTING PRESIDENT GRIFFO: No, no,
13 you're fine, I'm just giving general information
14 for the membership as a whole.

15 SENATOR STAVISKY: If the Senator
16 would yield.

17 SENATOR FLANAGAN: Yes.

18 SENATOR STAVISKY: I am one of the
19 few teachers serving in the Legislature, as I've
20 said many times. My colleague across the aisle,
21 Senator Marcellino, is the other one. We are
22 both high school teachers.

23 Oh, I'm sorry, Senator LaValle also.
24 And I think Senator Stewart-Cousins. And Senator
25 Little. Then I speak on behalf of everybody.

1 (Laughter; cross-talk.)

2 SENATOR STAVISKY: One of my
3 teaching positions was at a vocational high
4 school in Queens, Thomas Edison. And when I was
5 hired, I was asked "Can you teach math?" Because
6 my license area, social studies, we had plenty of
7 social studies teachers. But very few math
8 teachers, which I think is a problem today. We
9 are short of people who can teach in the STEM
10 subjects.

11 How would this legislation affect my
12 evaluation as a teacher of math teaching out of
13 license?

14 SENATOR FLANAGAN: Teaching out of
15 license?

16 SENATOR STAVISKY: Yes. I'm a
17 licensed social studies teacher, but I was given
18 a program of math to teach. I had a lot of math
19 in college. But nevertheless, I was not licensed
20 in math. How would my evaluation and tenure be
21 affected by this legislation?

22 SENATOR FLANAGAN: Senator
23 Stavisky, I'm going to give a two-part answer.

24 And I try very hard to pay
25 attention; I'm not exactly sure. I'm not sure

1 that it would be any different under this
2 proposed new law than it would be under present
3 or existing law. And my good colleague from
4 Staten Island reminds me that the City of
5 New York, as many other places, endeavors to make
6 sure that people are teaching in their
7 certification. And I'm sure that's a continued
8 effort on the part of the city.

9 SENATOR STAVISKY: Before I taught
10 at -- if the Senator would continue to yield.

11 SENATOR FLANAGAN: Yes.

12 SENATOR STAVISKY: Before I taught
13 at Edison, I taught at a high school. In fact,
14 my first teaching job was at a high school in
15 Manhattan that was all boys, it was called
16 Haaren. It was at 59th Street and 10th Avenue.
17 It's now John Jay College.

18 But the boys there came from often
19 single-parent homes, they were often students who
20 could not read, they were disciplinary problems.
21 They were struggling, quite frankly. And how
22 would my evaluations in a school where the
23 reading level was extremely low, these are not
24 students who would do well on standardized
25 testing -- and yet would I continue to be

1 evaluated based upon my students' test scores?

2 SENATOR FLANAGAN: What subject are
3 you teaching?

4 SENATOR STAVISKY: Social studies.

5 SENATOR FLANAGAN: So you're not
6 ELA/math 3 through 8, you're outside the state
7 tests?

8 SENATOR STAVISKY: That's correct.

9 SENATOR FLANAGAN: Okay. So I
10 believe it's accurate that we have a framework
11 right now of 20, 20, 60.

12 And there are opportunities, and
13 I've had many discussions with districts outside
14 of the City of New York where they have
15 collectively bargained, non-ELA and math
16 teachers, at the school district level -- and
17 again, I would repeat, collective bargained that
18 they will use either schoolwide measures or -- I
19 had one district visit me from Senator LaValle's
20 area in which they said they originally started
21 out with SLOs, which you know are student
22 learning objectives, and they didn't like that.
23 So without any change in the law, they
24 collectively bargained to go and be evaluated
25 based on the test scores of the teachers 3

1 through 8.

2 I believe that what we are trying to
3 achieve are a number of different things. And I
4 think there's almost unanimity on some of the
5 factors that you spoke to directly and others
6 have raised separately. And I'm going to give
7 you what I think and hopefully use that as maybe
8 a modicum of what legislative intent would be.

9 If you have two teachers who are
10 competent and qualified, and in one class there's
11 25 students who I'll use the loose description
12 are, quote, unquote, gifted and talented, and
13 then you have in the next classroom 25 students,
14 there's 7 children with IEPs, there are six
15 English language learners, there are children who
16 are chronically in poverty, children who are
17 undernourished and malnourished, I believe that
18 our intention is do everything conceivable, and
19 some of that protection exists within existing
20 law that can be collectively bargained, but
21 everything conceivable to make sure that those
22 factors are taken into account.

23 There are comments in the
24 legislation that speak to correspondence between
25 the Governor's office and the chancellor,

1 Chancellor Tisch, in which she had written about
2 a 20-page response to inquiries from the
3 Governor's office. They lay out some of those
4 concerns. And I want to make sure that IEPs,
5 students with disabilities, English language
6 learners, indices of poverty, including free and
7 reduced lunch, would be part of anything that
8 ultimately leads to a teacher's evaluation,
9 regardless of subject.

10 ENATOR STAVISKY: Thank you.

11 On the bill.

12 ACTING PRESIDENT GRIFFO: Senator
13 Stavisky on the bill.

14 SENATOR STAVISKY: I believe that
15 the principal is the leader in the school. The
16 principal in a high school, it's usually the
17 assistant principal, will come and evaluate the
18 teachers. And that's good. I think the
19 principal sets the tone. And I'm convinced that
20 a good school begins with a good principal, as
21 well as teachers who are licensed, involved
22 parents, school support staff, et cetera.

23 But what happens if the principal
24 and the teacher do not get along? What happens
25 if the principal just doesn't like the teacher?

1 That teacher is going to get an unsatisfactory or
2 a poor evaluation. That I find troubling.

3 Secondly, I am concerned that
4 teachers are not going to want to go into these
5 school districts where children may not speak
6 English, they may be ELL students, they may be
7 disabled, they may have special needs. They may
8 be disadvantaged in a whole variety of ways.

9 And I'm concerned that teachers are
10 not going to go to those school districts.
11 They're going to be more concerned about their
12 evaluations and about receiving tenure than
13 teaching the children. That is a concern.

14 Secondly, I represent a school
15 district in New York City of immigrants. My
16 Senate district, as I've said many times, is
17 about two-thirds Asian-American. And these
18 children come to the United States as children,
19 and they don't speak English. They learn very
20 quickly. But again, it's difficult to attract
21 teachers, quite often, to schools that are a
22 little different than the schools that they're
23 used to.

24 The observation reports are so
25 subjective that I'm not sure that that is the

1 best way to evaluate teachers in conjunction with
2 the students' achievements on this standardized
3 testing. I'm afraid that there is such an
4 emphasis on high-stakes testing that it becomes
5 unfair for these children.

6 All of these issues I think are of
7 concern to me. And lumping these issues into a
8 bill -- what was it, pretzels and -- no, no, not
9 pretzels, peanut brittle and kumquats. Lumping
10 ethics legislation into this bill is a mistake,
11 because I think we all support strong ethics
12 legislation. I don't think it's strong enough.

13 Brownfields. Extremely important in
14 my Senate district, particularly in Flushing and
15 downtown Flushing, which is a brownfield area and
16 which is undergoing tremendous economic
17 development, and it will continue with the
18 brownfields cleanup that I think is going to
19 occur in the next few years.

20 I think we're doing a disservice to
21 our constituents, and I think we're doing a
22 tremendous disservice to the children. Because
23 with all due respect, they are our clients.
24 They're the ones who we care about. And yes, I
25 do care about our children. And I intend to vote

1 no on this bill.

2 Thank you, Mr. President.

3 ACTING PRESIDENT GRIFFO: Senator
4 Espaillat.

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

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

9 SENATOR ESPAILLAT: Yes, I will
10 address three issues hopefully quickly. Time is
11 of the essence.

12 First, on high-stakes testing. It
13 was just brought up by my colleague the impact
14 that it's having on the performance, the academic
15 performance of children. And I will limit myself
16 to the City of New York, where 50 percent of
17 New Yorkers are now foreign-born or the sons and
18 daughters of folks that came from other places
19 across the world.

20 And language proficiency continues
21 to be a major hurdle in the academic achievement
22 of children. And I can tell you that because I
23 was one of those kids that sat in the back of a
24 classroom for three years, two to three years,
25 not knowing what was being said. Didn't have

1 bilingual education back then; monolingual
2 education. I sat in the back of a classroom for
3 three years not really understanding what was
4 being said.

5 And so in a city that has
6 50 percent, Senator Flanagan, of kids from
7 outside the country -- and you can go to the
8 neighborhoods of the City of New York, and you
9 see them, how they change. Chinatown is no
10 longer downtown in Manhattan, it's in Flushing.
11 The real Chinatown is in Flushing. The Mexican
12 community now lives in East Harlem. There are
13 Africans in the Bronx, Southeast Asians in
14 Queens, Russians in Brooklyn.

15 And so this is a city, an
16 amalgamated city of different cultures from
17 around the world, where the kids that make up the
18 educational system have a problem with language
19 proficiency. Maybe they can read, maybe they can
20 speak, but when they begin to write the language,
21 they have difficulties.

22 And if you take math, which used to
23 be a computation science, it's no longer a
24 computation science. It is a science designed to
25 elicit analytical reasoning. In fact, you need

1 to have greater proficiency in reading to
2 decipher a very complicated math problem where
3 the answer is a trick answer, somewhere that you
4 may not know where it is, certainly if you don't
5 speak, write or read the language with
6 proficiency.

7 So language proficiency continues to
8 be a major, major challenge for our kids. And
9 when you have a kid right off a plane being
10 forced to take a Regents exam in English language
11 arts, which is tough enough for you as born kids,
12 you're setting that kid to fail. And half of the
13 kids in our school system are in that
14 predicament.

15 So unless we break away from this
16 high-stakes test-taking model which just pushes
17 the kids to gobble up information without really
18 taking the time to address their linguistic
19 needs, we're going to continue to fail. We're
20 going to fail in English language arts. We're
21 going to fail in math and science, which are no
22 longer computation sciences, but they are now
23 sciences that -- and if you speak to Kaplan and
24 some of the other test-makers, they will tell you
25 they hide the answer.

1 One day I was having a breakfast and
2 explaining to a group of business leaders down in
3 the Wall Street area about how difficult it was
4 for a foreign-born kid to determine the answer,
5 and the guy sitting right across from me said "I
6 know, because I make those tests." He was one of
7 the Kaplan guys. "And we design those tests to
8 make it difficult linguistically for you to get
9 the right answer."

10 And so these kids are facing major
11 hurdles. Yes, it's not just about money. And
12 the teachers are facing great challenges because
13 they have to face these real-life situations
14 every day in their classrooms.

15 And so the problem is more complex
16 than meets the eye. And I can tell you, again,
17 because I was one of those kids. I lost a grade
18 when I came here, because back then they would
19 take a grade away from you. I was a good math
20 student back home. And when I came here, I was
21 doing math above grade level. But I couldn't
22 speak the language for three years, Lanza. I
23 couldn't speak the language. And so I fell back.

24 When I got to college -- I found one
25 of my freshman college papers at my mother's

1 house the other day, and I read it. And I said,
2 man, I wasn't really there. I wasn't there yet.
3 Not like I am right now. Maybe some of you can
4 say that I speak Shakespearean English now,
5 right? Right?

6 (Laughter.)

7 SENATOR ESPAILLAT: And I read it
8 and I said, wow, you know, I was not really
9 there. But when I looked at it, I was only six
10 years in the country. Most of the data tells you
11 that it takes seven years for you to master a
12 language.

13 So if 50 percent of our kids are
14 foreign-born, if they're facing these
15 language-related issues, proficiency issues, and
16 we continue to treat them the same way and cut
17 them with the same scissors, we're going to
18 continue to fail.

19 So I am against high-stakes testing.
20 And I think the teachers are facing great
21 difficulties in the classroom, greater than meet
22 the eye. And I'm not here to defend anybody.
23 I'm here to defend the kids. I was one of those
24 guys.

25 But we need to change that model.

1 And maybe more money needs to come to the
2 classroom, that's right. Maybe we need to take a
3 look at the bureaucratic setup and how much money
4 that's gobbling up that's not trickling down to
5 instruction in the classroom. And so that's the
6 first issue.

7 The second issue is totally
8 different. And I now understand, you know, we
9 may be getting into this three-card monte game
10 again, DeFrancisco, because now I have to speak
11 about ethics. And whereas this part of the bill
12 also brings about some changes such as reporting
13 outside income, a review of the per-diem process,
14 I don't know really how much change happens
15 there.

16 When I come from the garage, I swipe
17 in. When I come from the garage into the LOB
18 building, I swipe in. Maybe we'll have to swipe
19 in again over here. And that's fine, I'll swipe
20 in three or four times. Does that really take
21 care of the ethical problem in Albany? I don't
22 know.

23 And then you have the pension issue
24 that we just took up right now.

25 Unless we bring about changes in

1 campaign finance, unless we bring about public
2 financing of campaigns, money will continue to
3 run this town. Money will continue to run this
4 town.

5 So let's come back at another
6 juncture, maybe not in the budget, and let's talk
7 about public financing of campaigns and how we
8 can level out the playing field so that I can
9 have four people run against me. Why should we
10 worry so much about being primaried or run
11 against? That's what we're here to do. Let
12 people run. Let people have the ability to raise
13 a little money and be as competitive financially
14 as I can be as an incumbent.

15 There's no issue with that. I've
16 had 15 primaries in the last 17 years. You know
17 about that, Senator, right? And so unless you
18 have public financing of campaigns, we will
19 continue to face these major issues.

20 And finally, Senator Peralta was
21 very eloquent in speaking about the omission of
22 the DREAM Act in this budget. And I will tell
23 you what Langston Hughes said in his rendition of
24 "Harlem":

25 "What happens to a dream deferred? Does it dry up

1 like a raisin in the sun? Or fester like a sore --
2 And then run? Does it stink like rotten meat?
3 Or crust and sugar over -- like a syrupy sweet?
4 Maybe it just sags like a heavy load.
5 Or does it explode?"

6 I think it will explode.

7 We need to bring these kids into the
8 educational system and give them the tools that
9 all New Yorkers have at their disposition to be
10 better members of our society.

11 I will be voting in the negative,
12 Mr. President.

13 ACTING PRESIDENT GRIFFO: Senator
14 Sanders.

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

17 My colleagues have all waxed
18 poetically on these great issues -- on the bill,
19 of course.

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

22 SENATOR SANDERS: And there are
23 many things that we can say, but let me say this.
24 In roughly three hours the Empire State, God
25 willing, will have a budget. The Empire State

1 will have a budget.

2 But a budget is really a reflection
3 on priorities. A budget is the reflection of
4 what the state is, who are we as a state. And
5 with that in mind, we've gone from -- we've taken
6 some amazing turns while I've been here. We went
7 from the rising tide of the DREAM Act to the --
8 we became the rising tide that lifts all yachts.

9 (Laughter.)

10 SENATOR SANDERS: We've come a long
11 way. We've gone from obeying the law with CFE to
12 spiting the law with our educational budget.
13 We've come a long way.

14 Although there are many good and bad
15 things in this budget, perhaps the most glaring,
16 the most costly, the most horrible omission that
17 we have done has been our failure to raise the
18 minimum wage.

19 Perhaps we have gotten a little bit
20 too far away from the average man and woman on
21 the street, trying to make ends meet and live on
22 the minimum wage. Perhaps we have forgotten what
23 it's like -- and maybe we've never known what
24 it's like to try to feed a family on the minimum
25 wage, a wage that has not increased in many

1 years.

2 This is going to be costly to us as
3 a society because raising the minimum wage, my
4 friends, is one of the best economic stimulus
5 that you can have. Any economist is going to
6 tell you that one of the best ways of stimulating
7 an economy is raising the minimum wage.

8 Why? Because unlike the
9 billionaires that we seem to have catered to, the
10 low-wage workers, they don't buy jets, they don't
11 buy yachts. They buy food, they buy clothing.
12 They go to the local stores, not to the hedge
13 funds. They don't put their money away. They're
14 taking care of immediate needs. And therefore
15 you have stimulated your economy better than any
16 of these ideas of giving more to the rich.

17 Trickle-down. How about bubbling up
18 instead of trickling down?

19 My friends, let me just point to one
20 thing. And I'm going to be quick, Mr. President.
21 I'm going to get us to 12 o'clock. Scott
22 Stringer, who's the comptroller of New York City,
23 he gave two, but I'll just read a small one. He
24 said "A minimum wage of 13.13 is likely to
25 benefit New York City's working poor

1 substantially. The Comptroller's office
2 estimated that nearly 1.2 million New York City
3 workers who would benefit from the increase would
4 experience a weekly impact on average earnings
5 large enough to improve their housing stability
6 and health security."

7 Meaning that we could have saved
8 ourselves a lot of money. We're spending a lot
9 of money trying to prop up people inside, keep
10 you in your house. Why don't we just pay them
11 enough so they can pay their own rent and won't
12 need a subsidy? We're spending enough to try to
13 catch up after the fact when we should deal with
14 their health now. So we missed our opportunity,
15 my friends, and America is going to suffer for
16 years to come.

17 So as I conclude, Mr. President -- I
18 told you I was going to be quick. You owe me
19 some time. But that's all right, I'll get it the
20 next budget.

21 So as I conclude, may we in the
22 Empire State return to our mission, return to
23 helping people pull themselves up by their
24 bootstraps instead of stepping on their
25 bootstraps as we rush to cater to the

1 well-heeled.

2 Thank you very much, Mr. President.

3 ACTING PRESIDENT GRIFFO: Thank
4 you, Senator Sanders. I appreciate that.

5 Senator Hoylman.

6 SENATOR HOYLMAN: Thank you,
7 Mr. President. On the bill.

8 ACTING PRESIDENT GRIFFO: Senator
9 Hoylman on the bill.

10 SENATOR HOYLMAN: Thank you.

11 And thank you for your fairness
12 throughout tonight's proceeding.

13 I'm going to be speaking briefly on
14 Part CC of ELFA, the ethics disclosure portion.
15 And while there is some of it I think we will we
16 all appreciate -- taking steps for additional
17 disclosure of income, disclosure of clients,
18 exceptions to disclosure, per diem reform,
19 pension forfeiture, the use of personal campaign
20 funds, independent expenditures, different issues
21 addressed and not addressed -- I would like to
22 say that fundamentally, Mr. President, I don't
23 think this addresses the problem that we have in
24 our Legislature.

25 And the problem is practicing

1 lawyers, frankly. I can say that; I'm one. I'm
2 a lawyer. But we lawyers, we're paid, it is our
3 profession, we are trained, we learn how to find
4 loopholes.

5 So you can't tell me, Mr. President,
6 that the lawyers in this chamber and the lawyers
7 who work for lawyers in this chamber aren't
8 already poring over this legislation trying to
9 find ways to subvert it. And that's the problem.

10 Fundamentally, you can't serve two
11 masters. Either you represent the people of the
12 State of New York or you represent your clients.
13 You can't have it both ways.

14 Yes, it is profitable, as we know,
15 to have outside clients. But the problem,
16 Mr. President, is that when you are a lawyer --
17 and I think the nonlawyers know this too -- you
18 have confidentiality with your clients, a
19 fiduciary relationship. You have secrets,
20 secrets that you share with your clients, that
21 are only between you and the client. Where do
22 the people of New York come into that equation?

23 Now, this bill attempts to address
24 that by requiring certain practices of law to
25 reveal their clients given certain thresholds of

1 expenditure. But again, fundamentally, we
2 haven't addressed the root problem.

3 Now, there isn't any need to permit
4 outside income, in my opinion, especially after
5 this bill, because this Legislature and the
6 Governor have wisely taken steps to establish a
7 pay commission. So for all the lawyers who feel
8 like they don't make enough money here, well,
9 that will be addressed.

10 So I'm hoping, Mr. President, that
11 this is another step that we can rely on to
12 fundamentally alter this chamber and have only
13 professionals who serve the people rather than
14 outside interests.

15 I think that we should also
16 understand why lawyers might get hired by
17 clients, lawyers who work in the Legislature. I
18 mean, let's face it, you're a Senator. That's
19 access. And we should address that head-on by
20 banning the practice of law while being members
21 of the Legislature.

22 We don't have to reinvent the wheel,
23 either. Congress has already done it. They had
24 their Watergate moment. I think we're actually
25 undergoing ours, to a certain extent. In

1 Congress you cannot practice law and you're
2 limited in outside income to 15 percent of your
3 base salary. We should follow suit. The
4 Attorney General and others have suggested even
5 greater restrictions on outside income. I think
6 it's time that the Legislature addresses that
7 too.

8 Now, frankly, I think this is the
9 only place in America where we seem to feel sorry
10 for lawyers. And we shouldn't. There's more of
11 us than them. And we should end the lawyer
12 exceptionalism in the New York State Legislature.
13 Let's ban fiduciary relationships. Let's end
14 outside income. Let's serve the people of
15 New York and only the people of New York.

16 Thank you, Mr. President.

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

19 I just want to extend a reminder to
20 everyone that we have exceeded the time. I am
21 going to exercise some flexibility and allow
22 debate to continue. We do have several more
23 members and several other bills before the house,
24 so I'd just ask members to be respectful of that,
25 so each will have the opportunity to be heard.

1 I'll call on Senator Comrie now.

2 Senator Comrie?

3 SENATOR COMRIE: Mr. President, on
4 the bill.

5 ACTING PRESIDENT GRIFFO: Senator
6 Comrie on the bill.

7 SENATOR COMRIE: I'm rising today
8 to vote no on the bill. There are many issues
9 that need to be addressed that have not been
10 addressed that affect our community. I'll focus
11 on some that affect my district.

12 I'll focus on agreeing with most
13 of -- everything that Senator Latimer said. My
14 district has a high turnover of foster-care
15 children in many of our schools, where some of my
16 schools have a 40 percent turnover in foster-care
17 children in the building within a year. There's
18 no way that a teacher, without additional
19 resources that are needed -- that could be
20 gleaned if we had respected the CFE decision --
21 would be able to get those resources so that they
22 could make sure that there were smaller class
23 sizes, that we wouldn't have to deal with
24 overcrowding in our schools and that we could
25 address those needs for children that are moving

1 from building to building within the course of a
2 year.

3 The issues of teacher evaluation,
4 teacher tenure and teacher funding are all issues
5 that frankly could be worked out better for all
6 people if there weren't -- if there was not such
7 a negative attitude towards trying to come to a
8 compromise instead of pointing fingers of blame
9 at people.

10 And it's at a point where we need to
11 stop blaming the system, stop blaming, trying to
12 find a victim, but really, as Senator Díaz said,
13 try to help the children, try to make sure that
14 our children get the resources that they need --
15 understanding that we have failing schools,
16 understanding that we have failing systems all
17 over the state -- and that the resources are
18 adequately put in the areas that are failing.

19 We need to make sure that there's
20 more funding also for the people that were most
21 hurt that we had a \$5 billion windfall from.
22 That people are calling a windfall, but it's
23 really money that was taken from people that
24 should be given redress. This money was gleaned
25 and stolen from people, \$5 billion from people

1 that were in foreclosure, people that were
2 dealing with -- that were hoodwinked by the
3 system, people that were criminalized and also,
4 further, given no help when they were trying to
5 get help.

6 And it's only through this one
7 opportunity that we've gotten from our Attorney
8 General and the legal system to try to help these
9 people, and there's barely any money to redress
10 these issues or to give any opportunity to
11 continue affordable housing in this budget or
12 housing support in this budget as well.

13 And opportunity for people to come
14 back and do the things necessary to ensure that
15 people can stay in their homes and that people
16 can maintain an opportunity to allow young people
17 to also be able to afford to live in their
18 communities. In my community, most of the young
19 people are looking to move out because they can't
20 afford to buy a home in the community they grew
21 up in.

22 And also, while we are working --
23 the Summer Youth Employment Program, which is a
24 program which also has thousands of kids every
25 year crying and calling up our offices looking

1 for work because they've applied for the Summer
2 Youth Employment Program. We've actually
3 increased no additional slots this year. That's
4 a travesty when we have such a budget surplus,
5 when we could do something to help our
6 communities.

7 And this is not even talking about
8 the \$5 billion money from the settlement. We had
9 a general budget surplus in the budget. We're
10 not reaching back and lifting up people. We're
11 not reaching back and making sure that all
12 communities can benefit from the largesse in this
13 state. We're not reaching back and making sure
14 that our young people that are trying to get
15 their first job can go out and benefit.

16 I was the lucky recipient of a
17 summer youth employment job back when I was a
18 youth, and that changed my life. It changed my
19 focus. It changed my opportunity to understand
20 what work was, what responsibility was, how to
21 show up on time and how to be responsible.

22 If we don't give these kids this
23 opportunity -- especially these kids that are
24 focused on the Internet, focused on social
25 media -- an opportunity to get a real job, an

1 opportunity to have responsibility in large
2 numbers, we're going to lose more generations of
3 kids to selfishness and to things that are just
4 totally anti-educational.

5 We need to make sure that our youth
6 employment programs are better invested. Our
7 community reinvestment funds also, and
8 after-school programs, have been woefully
9 underfunded in this budget.

10 There are many other items, but I'm
11 fighting a head cold and it seems to have gotten
12 worse today. So I'm going to just say that, you
13 know, I'm disappointed in this budget. I'm
14 disappointed that our conference wasn't
15 represented in the budget so that we could be
16 able to make sure that all of our voices were
17 heard in the room.

18 And I understand that there was past
19 history, but I'm working on the present. I'm
20 working on the future. I don't want to hear
21 about what happened in the past. You know, every
22 time I get into a group somebody wants to tell me
23 history. I'm worried about the future and the
24 future of this state where we have 8 million
25 people that are not represented in a room. Where

1 we have a legislature that is trying to work on
2 developing ideas and policies and we can't have
3 everybody in the room having a real discussion,
4 that's a failed legislature.

5 So I'm voting no on this. Thank you
6 very much, Mr. President.

7 ACTING PRESIDENT GRIFFO: Senator
8 Rivera.

9 SENATOR RIVERA: Thank you,
10 Mr. President. On the bill.

11 ACTING PRESIDENT GRIFFO: Senator
12 Rivera on the bill.

13 SENATOR RIVERA: Fact. A few weeks
14 ago there was an article in the New York Post
15 that identified a series of failing schools.
16 Fact. My picture was on this article. And of
17 the schools that were identified as being failing
18 in this list that was identified in this article,
19 13 of them are in my district.

20 Fact. When you look at these
21 schools -- actually, there's 12 of them, not 13,
22 12. I've visited seven of them in the four years
23 that I've been in the Senate, a couple of them
24 just in the last year.

25 Fact. If we take all the money that

1 the Campaign for Fiscal Equity owes these
2 schools, it adds up to about \$26 million.

3 Fact. When I spoke to the
4 principals of these schools and I asked them
5 whether they could use -- let's say at I.S. 219,
6 New Venture School, whether they could have used,
7 I don't know, \$968,758.87, well, let's just say
8 that the exclamation that came out is not
9 something that necessarily I can say on this
10 floor.

11 But fact. This money, which is not
12 in this budget, would help all these
13 institutions, all these schools. Of them, six
14 are Renewal Schools, one is a Community School.
15 And there's real challenges that face the
16 children in those schools.

17 When we're talking about the money
18 that is owed to these schools, it's not that
19 we're saying just like money can make everything
20 better. But you cannot tell me that if P.S. 92
21 had another million dollars -- actually,
22 \$1,088,101.67, they probably could have done
23 something with that. They probably could have
24 tutoring, extracurricular activities,
25 after-school programs, social service programs,

1 supplies. These resources are necessary. This
2 is not in this budget.

3 Second, this budget also -- fact, I
4 should say. Fact. This bill and the proposal,
5 the education proposal that we have before us,
6 doesn't just talk about testing, it doubles down
7 on testing.

8 We've had many discussions on this
9 floor and in the public conversation about
10 education as far as high-stakes testing and how
11 we should be really reconsidering whether it's
12 the way that we want to actually measure success
13 of students or teachers. And now we are doubling
14 down.

15 Third, fact. What this bill does is
16 it establishes a sort of reform -- and I use that
17 term loosely -- which are ultimately punitive,
18 extremely punitive to the folks that are on the
19 front lines every single day to try to make the
20 lives of these school kids better.

21 These are all facts. And the
22 concern, the main concern that I have about that
23 part of this budget -- and certainly Senator
24 Latimer outlined them at length -- is that it
25 might indeed perpetuate the status of these

1 schools. I do not call them failing, I call them
2 challenged. And they're challenged just like the
3 neighborhoods that they are in. These are the
4 schools that I represent. These are the children
5 that I represent. These are the parents that I
6 represent.

7 Another fact. The overwhelming
8 majority of the students in the entire State of
9 New York go to public schools.

10 Fact. There's certain charter
11 schools in my district that are successful.
12 Others are not.

13 Fact. Maybe 5 percent of the total
14 number of children in the entire school system in
15 the state go to charter schools. And if we are
16 to, in this body, say that we care about the
17 children of the state, we should be thinking
18 about how we reform the system, certainly not in
19 this way, but in a way that impacts that
20 95 percent.

21 Two more points, Mr. President, and
22 I shall conclude.

23 Senator Peralta talked about it at
24 length, and we've talked about it on this floor
25 many, many times as far as what the DREAM Act is

1 and what it is not. It does not take away
2 anything from anyone. The DREAM Act gives access
3 to students that are individuals, children, that
4 came here without wanting to. Their parents
5 brought them here. And they have already been
6 successful in the educational system of our
7 state. And we're saying to them: Well, now you
8 can't be anything else. Congratulations on being
9 successful in high school, but you can't go to
10 CUNY or SUNY.

11 It doesn't take away anything from
12 anybody. It doesn't take away anything from any
13 other student. It just provides access to them.

14 Fact. Lastly, the ethics proposal
15 that we have in front of us is also,
16 unfortunately, woefully, not addressing the real
17 concerns that we need to address in this body.
18 And many of my colleagues have talked about this
19 in detail.

20 So I will just say that I join them
21 in saying that for all of these reasons,
22 certainly as it relates to no DREAM Act in this
23 budget, a weak ethics reform, and an education
24 proposal that in the three instances that I
25 mentioned -- no CFE funding, doubles down on

1 high-stakes testing, and establishes reforms that
2 are ultimately punitive as opposed to trying to
3 really fix the system -- Mr. President, I think
4 that this is a bad budget bill, and I'll be
5 voting in the negative. And that is a fact.

6 Thank you, Mr. President.

7 ACTING PRESIDENT GRIFFO: Senator
8 Hamilton.

9 SENATOR HAMILTON: Mr. President,
10 would the sponsor of the bill please yield to a
11 question?

12 ACTING PRESIDENT GRIFFO: Senator
13 Flanagan, do you yield?

14 SENATOR FLANAGAN: Yes.

15 ACTING PRESIDENT GRIFFO: Senator
16 Flanagan yields.

17 SENATOR HAMILTON: Senator
18 Flanagan, how you doing today?

19 SENATOR FLANAGAN: Good.

20 SENATOR HAMILTON: Senator
21 Flanagan, I'd like to know how would you rate, on
22 a letter grade, the State Education Department?

23 SENATOR FLANAGAN: I'm sorry, could
24 you repeat the question?

25 SENATOR HAMILTON: The State

1 Education Department, their overall performance
2 of educating our kids, which letter grade would
3 you give them?

4 SENATOR FLANAGAN: Oh, Senator
5 Hamilton, I think that -- you know, I look at
6 things over a continuum of time.

7 SENATOR HAMILTON: Right.

8 SENATOR FLANAGAN: I am unabashed
9 in suggesting a couple of things. I don't always
10 agree with the State Education Department. I
11 have great admiration for the people who serve as
12 Regents even when I may not agree with them. I
13 have a special admiration for the chancellor,
14 because these people dedicate hundreds and
15 hundreds of hours of their time that frankly they
16 don't need to.

17 Within the Education Department
18 there are some highly incredibly talented
19 individuals who do yeomanlike work for children
20 all across the State of New York, children with
21 disabilities, children in preschool programs. So
22 I can look in isolation and pick out some
23 extraordinarily talented people who -- I was on
24 the phone today with SED for 45 minutes before we
25 had this debate already talking about where

1 things may go.

2 So respectfully, I would say I
3 believe that it's important for us as members and
4 as a Legislature to have a good working
5 relationship with the State Education Department,
6 even when we aren't always in sync.

7 SENATOR HAMILTON: Yes,
8 Mr. President, would the sponsor please yield to
9 a question?

10 SENATOR FLANAGAN: Yes, I do.

11 ACTING PRESIDENT GRIFFO: The
12 Senator yields.

13 SENATOR HAMILTON: Senator
14 Flanagan, how would you rate the State Education
15 Department by letter grade?

16 SENATOR FLANAGAN: Senator
17 Hamilton, I think I've answered the question.
18 See, one of the good things about this body is
19 it's deliberative and we get to answer questions
20 in the way we think appropriate. Which I've
21 done.

22 SENATOR HAMILTON: Okay. So
23 overall, since you won't give me a letter
24 grade --

25 ACTING PRESIDENT GRIFFO: Senator

1 Hamilton, are you on the bill?

2 SENATOR HAMILTON: Would the
3 sponsor of the bill please yield to a question.

4 ACTING PRESIDENT GRIFFO: Are you
5 on the bill or do you want to ask a question?

6 SENATOR HAMILTON: I'm on the bill.
7 I'm on the bill. I'm just trying to get to
8 the --

9 ACTING PRESIDENT GRIFFO: No, do
10 you want to speak on the bill or do you --

11 SENATOR HAMILTON: I want to speak
12 on the bill. I want to ask a question to the
13 bill, yes.

14 (Laughter.)

15 ACTING PRESIDENT GRIFFO: Senator
16 Flanagan, do you yield to a question?

17 SENATOR FLANAGAN: I yield, yes.

18 ACTING PRESIDENT GRIFFO: All
19 right. Go ahead, Senator Hamilton.

20 SENATOR HAMILTON: If he'd please
21 yield to a question.

22 SENATOR FLANAGAN: Yes.

23 SENATOR HAMILTON: I see in the
24 bill we put a lot of emphasis on the teachers and
25 turning schools around. But I want to get to the

1 point -- there seems to be no emphasis on the
2 State Education Department on turning the system
3 around.

4 Right now we have black and Hispanic
5 students only graduating at a 60 percent ratio.
6 Only 15 percent of black and Hispanic students
7 are ready for college. So we are putting
8 emphasis on the teachers, but we're not putting
9 emphasis on the person or the entity that's in
10 charge of the State Education Department.

11 So my question is, how much time do
12 we give the State Education Department to turn
13 around the system?

14 SENATOR FLANAGAN: Well, I would
15 respectfully suggest that if it were only the
16 State Education Department alone, that that would
17 be a completely different story.

18 But the State Education Department
19 is funded by the State of New York as well as the
20 federal government, so it's a shared
21 responsibility that extends to the Governor, the
22 Senate and the Assembly, and frankly, by
23 extension, stakeholders throughout the State of
24 New York. That includes superintendents,
25 teachers, administrators, students as

1 ambassadors, PTAs, school boards.

2 So there's a lot of people involved
3 in this process, and I would not -- I don't want
4 to nor would I rest that sole responsibility on
5 the State Education Department.

6 SENATOR HAMILTON: Would the
7 sponsor please yield to a question?

8 SENATOR FLANAGAN: Yes.

9 ACTING PRESIDENT GRIFFO: The
10 sponsor yields.

11 SENATOR HAMILTON: There has to be
12 some accountability somewhere, and it starts from
13 the top. And I know we have stakeholders that
14 are part of the system. But if we're going to
15 put emphasis on teachers that are not performing
16 well, we have to put emphasis on the people who
17 are at the top of delivering the curriculum, on
18 delivering evaluating teachers.

19 So if we have a system that's
20 failing us, how much time do we give a
21 commissioner as far as turning the system around,
22 when we know every year of a child's life is
23 important?

24 So the question is how many years --
25 if the children are failing, if only 15 percent

1 of black and Hispanic kids are ready for college,
2 how much time should we give the commissioner to
3 turn the system around at least to get them to
4 50 percent? Or even less. To get them at, say,
5 30 percent, how much time should we give the
6 commissioner for that, Senator?

7 SENATOR FLANAGAN: Well, Senator
8 Hamilton, the first thing I'd like to do is get a
9 commissioner. We might be in a better spot if we
10 had a commissioner --

11 SENATOR HAMILTON: Good point.
12 Good point.

13 SENATOR FLANAGAN: -- which is the
14 charge of the Regents and the State Education
15 Department.

16 And I believe that you could look at
17 any one of these issues or any day and make it a
18 snapshot in time. There are a variety of factors
19 that affect what the State Education Department
20 does.

21 And I can tell you, while he's now
22 down in Washington, I had many, many
23 conversations with former Commissioner King about
24 education, educational policy.

25 I've spoken with Senator Robach, my

1 colleague who represents Rochester, about the
2 graduation rates of black and Hispanic males in
3 the City of Rochester.

4 I live on Long Island; I'm troubled
5 by that. And I think we all share that, not only
6 that concern but that responsibility.

7 But, Senator Hamilton, since you've
8 asked me a few questions, I would wonder --
9 Mr. President, through you -- if you would yield.

10 SENATOR HAMILTON: Yes, I would,
11 Senator.

12 ACTING PRESIDENT GRIFFO: Senator
13 Hamilton yields.

14 SENATOR FLANAGAN: Senator
15 Hamilton, we had an occasion recently to visit
16 with the New York State Assembly on a joint
17 legislative session that involved the election of
18 new Regents. Did you attend that session?

19 SENATOR HAMILTON: Yes.

20 SENATOR FLANAGAN: And --

21 SENATOR HAMILTON: I supported -- I
22 supported Lester Young, from Brooklyn, who has
23 been in the forefront of educating young black
24 men in our community in Central Brooklyn.

25 And also for Mrs. Cashin, also, who

1 was around when I was on the school board who
2 helped us keep the fifth best school in New York
3 State, the Crown School for Law and Journalism.
4 So yes, to answer your question.

5 SENATOR FLANAGAN: So would it be
6 fair -- Mr. President, through you -- Senator
7 Hamilton, did you support all the Regents
8 appointments?

9 SENATOR HAMILTON: Did I support
10 all the Regents appointments? I guess I did
11 support all the Regents appointments. Yes, I
12 did.

13 SENATOR FLANAGAN: Okay, so would
14 you -- Mr. President, through you.

15 ACTING PRESIDENT GRIFFO: Senator
16 Hamilton, do you yield?

17 SENATOR FLANAGAN: Senator
18 Hamilton, would you concur, then, that the
19 Regents play a significant role and that they are
20 essentially the body that sets up educational
21 policy in the State of New York?

22 SENATOR HAMILTON: Can you please
23 repeat the question, please? I didn't hear it.

24 SENATOR FLANAGAN: Would you agree
25 that the Regents play a pivotal role in education

1 in New York, particularly in light of the fact
2 that they set educational policy?

3 SENATOR HAMILTON: Yes, they do
4 play a pivotal role. And of the people who were
5 voted in this year, four were new. And they do
6 it for free, yes, they do.

7 But you're switching the issue here
8 of going from the State Education Department and
9 the time it takes for them to turn around the
10 system. If we're doing it for schools at two
11 years and they go into receivership, how much
12 time do we give to the State Education Department
13 so they can go into some type of receivership so
14 our children can get an education and be able to
15 be productive citizens in our state?

16 SENATOR FLANAGAN: Mr. President,
17 through you. Senator Hamilton, are you
18 suggesting that the State Education Department be
19 placed in receivership?

20 SENATOR HAMILTON: No, I do not,
21 Senator Flanagan. What I'm saying is we have to
22 put time limits on failing educators, failing
23 State Education Departments {sic} who are not
24 serving our children in this state. And if we're
25 doing it for the schools, we should do it for the

1 State Education Department when we do get a
2 commissioner.

3 But at some point in time we have to
4 have a limitation on failure at the top of the
5 educational system.

6 SENATOR FLANAGAN: Mr. President,
7 through you. Senator Hamilton, you represent the
8 City of New York, and I certainly understand that
9 and respect that.

10 SENATOR HAMILTON: Yes.

11 SENATOR FLANAGAN: Do you believe
12 that the mayor and the City Council play a
13 significant role in educational policy in the
14 City of New York?

15 SENATOR HAMILTON: Under -- yes,
16 under the old policy, Mayor Bloomberg had the
17 system for 12 years, and it's failing. That's
18 why I believe we have to have a holistic way of
19 educating our children, with parents,
20 stakeholders in the community and the school
21 system working together. Not just a top-down
22 approach, but from a bottom-up approach, because
23 the parents know what's best for their children.

24 A parent living in Brooklyn should
25 not have to go to Manhattan to find out what's

1 going on with their child. So I'm not for
2 mayoral control in New York City, I'm for having
3 parents and all the stakeholders in our community
4 effecting the change and making sure our children
5 learn.

6 SENATOR FLANAGAN: So I just want
7 to make sure I understand. Are you saying you're
8 opposed to mayoral control?

9 SENATOR HAMILTON: I say I'm
10 opposed to it the way that mayoral control is set
11 up right now, yes, I am.

12 SENATOR FLANAGAN: So you would
13 expect that we would have changes in the law?

14 SENATOR HAMILTON: Excuse me, is it
15 my -- do I have a bill on the floor?

16 ACTING PRESIDENT GRIFFO: You
17 asked -- Senator Hamilton, you have the floor.
18 But you asked Senator Flanagan to yield --

19 SENATOR HAMILTON: Yes, I will, I
20 will answer the question, yes. I'm sorry.

21 SENATOR FLANAGAN: So let me ask on
22 a parallel. You believe that there are issues
23 that the State Education Department has failed to
24 address, and you are inquiring of me, to some
25 extent, how long they should have to fix those

1 issues.

2 I'm going to ask you a parallel.
3 You suggested that you are not enamored with
4 mayoral control as it exists. How long do you
5 believe the mayor should have to make the changes
6 that you're talking about, since the mayor wants
7 mayoral control and the graduation rates are not
8 at the level that anyone believes they should be,
9 including the mayor?

10 SENATOR HAMILTON: Well, to answer
11 your question, Senator Flanagan, that's why I'm
12 not for total mayoral control. I believe we
13 should go back to the school boards, who have
14 three-year terms. And with those three-year
15 terms, if the school board is not being
16 productive in educating our children, they will
17 be voted out of office.

18 The same way I think we should have
19 three-year terms or a three-year period of
20 analyzation for the commissioner in the State
21 Education Department to see if they can make a
22 turnaround in the school system. And if they
23 can't, then we need to get someone else.

24 SENATOR FLANAGAN: Okay. So,
25 Mr. President, through you, if Senator Hamilton

1 would continue to yield.

2 ACTING PRESIDENT GRIFFO: Senator
3 Hamilton, do you yield?

4 SENATOR HAMILTON: Yes, I will
5 answer the question.

6 SENATOR FLANAGAN: The Board of
7 Regents hires the commissioner. Senator
8 Hamilton?

9 SENATOR HAMILTON: Yes.

10 SENATOR FLANAGAN: The Board of
11 Regents hires the commissioner. Are you
12 suggesting that there be a three-year contract
13 period for the commissioner, whomever that person
14 may be?

15 SENATOR HAMILTON: No, I -- I --
16 Senator Flanagan, I believe the question was how
17 much time should we give the mayor of New York
18 City to be at the head of the school system.

19 And you asked me was I for mayoral
20 control, and I said I'm for mayoral control but
21 not in its present form. And I said that we
22 should go back to having school boards, which are
23 elected by the people and responsive to the
24 people, with three-year terms.

25 SENATOR FLANAGAN: Okay,

1 Mr. President, through you. What I heard, part
2 of your answer was that the commissioner should
3 be under a three-year review. So I'm just trying
4 to make sure -- see, I believe differently.

5 I believe that the Board of Regents
6 should have the wherewithal to remove a
7 commissioner who's not fulfilling their duties
8 and responsibilities. So I don't believe in a
9 contract. And the Board of Regents is the
10 management team for the State Education
11 Department.

12 But I appreciate Senator Hamilton's
13 indulgence.

14 ACTING PRESIDENT GRIFFO: Senator
15 Hamilton, do you want to continue on the bill?

16 SENATOR HAMILTON: Yes, I would
17 like to continue on the bill. But due to time, I
18 just want to thank Senator Flanagan for your time
19 in answering the questions.

20 And I just want to end in just
21 saying I'm not voting for this bill. I think the
22 teachers are being scapegoated and it's going to
23 drive good teachers away from school districts
24 that are low-performing for being in fear of
25 losing their jobs.

1 And I just want to say -- I want to
2 congratulate -- this is the last day of Women's
3 History Month, and I want to congratulate the
4 women of Seneca Falls who in 1848 had the first
5 suffrage meeting here in New York State. And it
6 took 70 years later for women to get the right to
7 vote, in August of 1920. And now we're almost a
8 hundred years from when the women had the right
9 to vote in this great country, and our great
10 leader, Andrea Stewart-Cousins, is still not the
11 room. Hopefully, within a hundred years of women
12 having the right to vote, we would have a woman
13 in the room making decisions.

14 And because Andrea Stewart-Cousins,
15 who is representing 8 million people, was not
16 part of the process, I cannot support this bill.
17 And I just hope that we can have a woman making
18 history in this great room, being part of the
19 good old boy network.

20 Thank you very much.

21 ACTING PRESIDENT GRIFFO: Senator
22 Breslin.

23 SENATOR BRESLIN: Thank you,
24 Mr. President. On the bill.

25 ACTING PRESIDENT GRIFFO: Senator

1 Breslin on the bill.

2 SENATOR BRESLIN: I will be very
3 short, as the time is late and time is short.

4 When I first got to the Senate, I
5 had many teachers and principals from New York
6 City telling me about the conditions of their
7 schools. I thought they were, at best,
8 apocryphal -- until I went down and visited. And
9 what I found were schools that had coal-burning
10 stoves, asbestos, doors locked, kids who ran from
11 class to class because they didn't have a seat in
12 the next class, books that were out of date, half
13 the teachers not certified. And I could go on
14 and on. And we were effectively denying hundreds
15 of thousands of kids every year the right to an
16 education.

17 That was the genesis of the CFE
18 decision. And after the CFE decision by the
19 Court of Appeals, there was an order of payments
20 to bring those schools up to par. That order has
21 been violated year after year after year after
22 year.

23 And now it's moved north. There's a
24 small-city case that was just concluded in Albany
25 that will cover a lot of the small cities outside

1 the CFE district. A decision not yet been
2 rendered. I assume, based on the precedent of
3 New York, it will be essentially the same and
4 will have that same condition.

5 And what do we do? Day after day,
6 by this legislation and by our conduct over the
7 number of years since the CFE decision, is first
8 blame the kids and then blame their teachers, and
9 put harsh conditions upon them through testing
10 and evaluations.

11 I believe it's time to stop,
12 recognize the problem. I now have five cities in
13 my district, cities with problems that I saw some
14 15 years ago in New York City. The problems of
15 we need smaller class sizes, we need to take care
16 of mental health, we need to take of care of
17 physical health. We have disruptive kids, we
18 need those smaller class sizes with some
19 additional assistance.

20 And without the dollars, it doesn't
21 work. And we have to stop blaming the teachers
22 and the students, come up with the dollars, use
23 them effectively, and it makes the difference.

24 I've visited schools in the five
25 cities I represent -- in Troy, Rensselaer,

1 Watervliet, Cohoes and Albany -- and they all
2 have similar problems. And you see those kids
3 that could be so effective, and we're denying
4 them the opportunities to continue on, get a good
5 education, and not be a burden on our society.
6 And it's a problem that we can solve, and it
7 costs too much not to solve it.

8 Thank you, Mr. President. I'll be
9 voting in the negative.

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

12 Senator Krueger.

13 SENATOR KRUEGER: Good evening,
14 Mr. President. I will not ask any questions,
15 given the lateness the time frame for this budget
16 bill.

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

19 SENATOR KRUEGER: Thank you.

20 So the Regents called for a
21 \$2 billion increase in education aid. We're
22 getting \$1.3 billion, substantially less.

23 I've actually immensely enjoyed the
24 debate here this evening around the Governor's
25 proposed changes in how to evaluate teachers and

1 how to give them tenure and when to fire them.
2 It's sort of amazing to me that the first
3 discussion we're having like this is the night
4 the budget must be passed. This is one of the
5 last bills to come out and be introduced to us
6 with a message of necessity.

7 It's extraordinarily complicated
8 issues. And we keep dumbing down our own
9 assignment. We just keep defaulting to more
10 teach to test, test more, punish for failure in
11 tests, everybody -- teachers, parents, children.
12 Don't ask the questions what is working in
13 education, only criticize and attack.

14 I am incredibly proud of the fact
15 that I come from New York City. District 2
16 schools in Manhattan, parents are fighting to get
17 their children into our schools. So for all the
18 horror stories, let me just remind you New York
19 City also has some of the best schools in the
20 nation.

21 But there is of course a correlation
22 between money available for schools, for
23 students, the poverty reality of the students
24 coming to school, the need for special services
25 if English is their first language, if they have

1 special needs which disproportionately, if they
2 live in poverty, they will have.

3 And it doesn't really seem like any
4 of the proposed changes in this bill will address
5 any of that. It certainly will scare teachers
6 away from ever wanting to work in schools with
7 poor students or special-needs children. They'll
8 probably be delighted to work in my district,
9 where in fact I have disproportionately middle-
10 and high-middle-income children coming from
11 families with very high attainment and
12 educational levels already.

13 In fact, if you look at the private
14 schools in my district, they're all running away
15 from testing and saying we have to get back to
16 focusing on one size does not fits all and
17 children need art and music and creativity and to
18 be able to learn at their own pace in unique
19 ways. And then I watch our public schools being
20 told: Never let that happen.

21 And if this bill, if it becomes law,
22 which I guess it will, will increase not only
23 that structure to test, to test, to test, to die,
24 but it will also expand on the inequity between
25 school systems with families and resources who

1 recognize that's just the opposite of what
2 they're doing for their own children.

3 So I do think the discussion is
4 seriously worthy of much longer and extended
5 evaluation. I do not believe that this proposal
6 tonight in this bill will result in anything good
7 for education or our children. I've watched now
8 in the I guess 13 years I've been in the Senate
9 as New York City went into mayoral control and
10 then we had a series of changes by our previous
11 mayor. I watched constant change, everybody
12 always had a new answer -- except it just kept
13 meaning more testing and not necessarily any
14 better outcomes.

15 So I think the rush to say now we
16 have it down, we'll make all these changes, it
17 will get better -- I do not believe it will.

18 I also, like many of my colleagues,
19 am particularly disturbed at what's not here in
20 this budget tonight. A minimum wage increase
21 would have had the most significant impact of
22 anything we could do in our budget this year,
23 including significance for families with children
24 living in poverty. Because if anyone thinks you
25 can focus on school if your family is facing

1 eviction or you're not sure what you're going to
2 get for dinner tonight, you don't understand
3 poverty.

4 And my colleagues have also waxed
5 poetic about their frustration about the fact
6 that the DREAM Act is yet again not in a budget
7 this year. And it really has no negative impact
8 on anyone else. It just means children will be
9 able to grow up, go to college, get better jobs
10 and be taxpayers.

11 I don't know the history of everyone
12 in this chamber. I'm the grandchild of
13 immigrants. My grandfather came here at the age
14 of 10, ended up going to public university for
15 free. He had no papers, he was escaping the
16 pogroms of Russia. He then signed up to be a
17 soldier in World War I at the age of 16 -- no,
18 I'm sorry, 17, because he did finish college
19 first, by 17. He then completed his military
20 duty in World War I and went off to be one of the
21 first Jews to graduate Harvard Law School.

22 He wasn't legal. He got an
23 education. He did everybody proud. That's all
24 anyone is asking for with the DREAM Act.

25 And the ethics. You know, more

1 disclosure, more transparency really isn't going
2 to be a game-changer for the problems up here.
3 And ironically, the transparency doesn't even go
4 into effect until 2017. Seriously not a
5 game-changer.

6 But the campaign finance, the LLC
7 loophole closing, the rules about limitations on
8 income and how you get it, those all disappeared.

9 So I'll be voting no on this bill
10 for any number of reasons -- no minimum wage, no
11 DREAM Act, bad education policy, and not even a
12 half a loaf on ethics.

13 So I wish we were dealing with a
14 different bill. I wish we were having more
15 substantive discussions about all these issues.
16 But we just get that one vote on this bill. So
17 I'll be voting no, Mr. President.

18 ACTING PRESIDENT GRIFFO: Senator
19 Stewart-Cousins.

20 SENATOR STEWART-COUSINS: Thank
21 you, Mr. President. On the bill.

22 ACTING PRESIDENT GRIFFO: Senator
23 Stewart-Cousins on the bill.

24 SENATOR STEWART-COUSINS: You know,
25 I preface my remarks by saying that I am a

1 product of public school education. I have had
2 the opportunity to teach in public schools. My
3 children attended public schools. My
4 grandchildren attend public schools.

5 One of the great motivators of
6 running for the Senate was because of the impact
7 that I know the state has on education and how
8 much had to be done. And I really, really
9 believed that we would be able to make that
10 difference.

11 This budget and its approach is
12 really, really -- frankly, I think all of my
13 colleagues have spoken so eloquently about it.
14 But I think of it in terms of my district, as we
15 all think in terms of our own districts.

16 I have Yonkers and White Plains and
17 New Rochelle and Greenburgh and Scarsdale. And
18 there couldn't be more stark differences between
19 some of these school districts. I have
20 Scarsdale, which is an extremely high-performing
21 school, probably one of the highest-performing
22 schools in the nation. And Yonkers, according to
23 what we have been told, has at least 7 so-called
24 failing schools.

25 The thing that brought these

1 different pieces of my district together was the
2 Common Core conversation. That Common Core
3 conversation -- of not whether there should be a
4 a Common Core, because I think most of us
5 understand why standards matter and why we should
6 know what achievements our children have. What
7 brought all of these people together was the
8 implementation of Common Core. What brought all
9 of them together was the rush to get it done so
10 that we could get to the Race to the Top money so
11 that we could proceed to make sure that we proved
12 that we could do it better than everybody.

13 And as the rollout occurred, and as
14 we had the listening tours with the -- you
15 remember the Regents and everyone else coming all
16 together, parents in my district flocked to beg,
17 beg for a reprieve for their children, for their
18 children's teachers. Not because they didn't
19 want Common Core, but they didn't want an
20 expeditious implementation of an untested
21 mechanism to be able to dictate the future of
22 their children and the future of their children's
23 teachers.

24 And at the end of the day, we all
25 realized, listening to all of our parents, how we

1 needed to move this back. And we said our
2 children will be exempt from the negative impacts
3 of the testing. But we all agree that there's
4 far too much testing going on. We want our kids
5 to have fun while they learn. It shouldn't be
6 the place you go to take a test.

7 Now, here I am looking at a budget
8 that says that how our teachers will be rated
9 will be created under the authority of the
10 commissioner of the State Department of
11 Education.

12 And I know Senator Flanagan
13 mentioned, and we all know, we don't actually
14 have a commissioner right now. We've got an
15 acting commissioner. And this person has until
16 June 30th of 2015 to now put together the
17 evaluation system that's going to rate the
18 teachers that are going to teach our kids.

19 And this person is going to be able
20 to consult with experts and practitioners in the
21 fields of education, economics, and psychometrics
22 and take considerations of some of the parameters
23 that were in a letter to the chancellor and the
24 Board of Regents. And they're going to consult
25 in writing with the Secretary of the United

1 States, Arne Duncan, as to what exactly happens.

2 I don't know about you, but I've
3 been down this road. I understand what faulty
4 and fast implementation does. And I don't blame
5 our teachers, who are sitting in classrooms,
6 sometimes overcrowded, sometimes underresourced,
7 trying to teach children who are now going to
8 have to depend on people putting this together in
9 a couple of months without, I'm sorry, the
10 department commissioner in place.

11 Now, that's the global. And then I
12 have the City of Yonkers, one of those places
13 that out of all of my district that has, yes,
14 these failing schools, all in the same geographic
15 area. All of those people have spoken about the
16 impacts of poverty and all of the things --
17 English language learners, all of these things.

18 The superintendent, the mayor comes
19 begging for \$89 million; they'll take 50, of
20 course. There's nothing like that in this
21 budget. The Assembly, to their credit, was able
22 to get some capital money for the city. But as
23 of right now this district, with these failing
24 schools, is looking at how to proceed with a
25 school district that still doesn't have music,

1 still doesn't have art, still doesn't have JV,
2 and does not know how any of these things will
3 happen -- but they do know that their teachers
4 will now have a new system of tests to figure out
5 whether or not they're effective.

6 I need -- and so many of us with
7 these failing so-called schools and these kids
8 who are struggling, we need to find an answer for
9 those children. We need to divert the resources
10 to those children. We need to make sure that
11 when we stand here and suggest we are passing a
12 budget that is going to help our education system
13 because there's more money and so on, that we are
14 at least wrapping around those children who at
15 this point are waiting desperately for us to do
16 something.

17 I won't be voting for this budget.

18 ACTING PRESIDENT GRIFFO: Senator
19 Klein.

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

22 I'm going to speak on the ethics
23 portion of the bill.

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

1 SENATOR KLEIN: First and foremost,
2 I want to thank my colleagues, especially the
3 colleagues on the Republican side of the aisle,
4 who I know worked very, very hard, especially the
5 practicing attorneys, in fashioning a bill that
6 will truly reform our system when it comes to
7 outside income.

8 I know I had many conversations with
9 a lot of the members, and I know specifically
10 Senator Lanza I know worked very, very hard in
11 trying to come up with something that would
12 certainly meet the standards of ethics reform.

13 I also want to thank my colleague
14 Senator Hoylman, who introduced a piece of
15 legislation which is reform model along the lines
16 of Congress, which effectively bans outside
17 income, especially the practice of law.

18 I have been in public life now for
19 20 years, and I also remember very distinctly
20 when I passed the bar. I think many of us can
21 always reflect on sort of memorable occasions in
22 our lives, times we kind of never forget. And
23 certainly one of the two proudest moments in my
24 life was when I was admitted to the bar and when
25 I was elected to public office for the first time

1 20 years ago. Those two memories I think shaped
2 who I am today.

3 But I think a public official learns
4 very quickly that serving the public is a
5 full-time job. And over the years, my
6 constituents always come first.

7 As I said before, I know a lot of my
8 colleagues, just by their actions here and how
9 they speak up on legislation that they care
10 about, how they serve their constituents,
11 especially my Republican colleagues. I can only
12 imagine how they treat the practice of law and
13 how they treat their clients. I understand that
14 they find that responsibility a very important
15 one. You owe a very special duty to a client.
16 You owe them a very special duty to handle their
17 cases to the best of your ability.

18 So I know the disclosure laws that
19 are put forth today are probably some of most
20 effective in the country when it comes to
21 disclosure. But I think in recent weeks, and
22 especially over the past year, outside income,
23 unfortunately, has casted a taint on both houses
24 of the State Legislature. I believe right now
25 our future is really in jeopardy.

1 And I've always been someone who's
2 prided myself on looking to negotiate, looking to
3 compromise. I firmly believe that compromise is
4 not a dirty word. It's a function of government,
5 it's a function of the real world. But you know
6 something? When it comes to outside income, when
7 it comes to the practice of law, when it comes to
8 representing my constituents, I think we have to
9 make one choice. And I think that choice is a
10 full ban on outside income.

11 As I said before, I firmly believe
12 that the current climate in Albany leaves public
13 officials with a simple choice: Serve the public
14 who elected you on a full-time basis, or keep a
15 full-time career out of office.

16 As I said, my career in the law has
17 meant an awful lot to me. I worked my way
18 through law school, worked for two members of
19 Congress, served as chief of staff to both. I
20 founded a small law practice in the Bronx with
21 two law school buddies. We did wills, we did
22 estates, it was a family sort of practice,
23 neighborhood practice.

24 But I think at the same time, as
25 much as I cared about the practice of law, the

1 most that I cared about handling individual
2 clients, I think right now this is sort of a
3 crossroads. And I think the message we have to
4 send right now to the public must be clear. We
5 are lawmakers, and we are not above the law.

6 And while I think the disclosure
7 requirements, having to actually go to OCA and
8 have them sort of spot a conflict before it
9 exists, probably would be something -- in a
10 different time, that would solve our problem.
11 But I don't think I am exaggerating when I think
12 we're going to be back here a month from now, a
13 year from now, dealing with the same type of
14 problem over and over and over.

15 So I think the only way we can
16 effectively handle that is to ban outside income
17 and become a full-time legislature. I vote no on
18 this legislation, Mr. President.

19 ACTING PRESIDENT GRIFFO: Seeing
20 and hearing no other Senator that wishes to be
21 heard, debate is closed, and the Secretary will
22 ring the bell.

23 The Secretary will read the last
24 section.

25 THE SECRETARY: Section 3. This

1 act shall take effect immediately.

2 ACTING PRESIDENT GRIFFO: Call the
3 roll.

4 (The Secretary called the roll.)

5 ACTING PRESIDENT GRIFFO: I'm going
6 to have Senator Kennedy explain his vote. And
7 remind the members of Rule 10(3)(e), that we'll
8 have a two-minute limit.

9 Senator Kennedy.

10 SENATOR KENNEDY: Thank you,
11 Mr. President.

12 We started this year with all eyes
13 on Albany and on an issue that's been delayed far
14 too long, comprehensive ethics reform. And the
15 bill we have before us today falls woefully short
16 of what would restore the public's trust in
17 government.

18 We're not holding our legislative
19 body accountable for the reform promises made
20 just a few months ago. Further action is still
21 needed to place limits on outside income and
22 close the LLC loophole if we want to truly move
23 toward regaining public trust at the Capitol. We
24 must advance serious reforms until we get it
25 right.

1 And on education, I don't think
2 there's a legislator among us who would not agree
3 our education system is in need of reform. But
4 this is simply not the way to go about it. We
5 cannot gamble with state aid district by district
6 based on a brand-new and untested evaluation
7 system that was cobbled together at the last
8 minute.

9 Never before have we expected
10 schools to implement such a system in such a
11 short period of time. It's been difficult enough
12 as districts waited for their school aid runs,
13 but this places an even more dire, undue burden
14 upon them.

15 And of course the students are the
16 ones caught in the middle of this. They're the
17 ones who are punished if the teachers and school
18 districts can't agree on evaluation systems.
19 They're the ones who will lose out on an
20 education. They're the ones who we will have
21 failed.

22 Over the past month I've visited
23 several schools in Buffalo, Cheektowaga,
24 Lackawanna, throughout Western New York. If the
25 teachers and school districts can't agree on the

1 evaluation systems and the ones that are put in
2 place, the kids are going to lose out on the
3 programs that we're trying to implement here.

4 We are worried about the schools and
5 the direction of education in New York State.
6 Together, we can help these students. We've made
7 incredible strides to help bring school funding
8 back by undoing some of the damaging effects of
9 the Gap Elimination Adjustment. But our schools
10 still lack the full funding they deserve. And
11 the proposal to allow a state takeover and --

12 ACTING PRESIDENT GRIFFO: Senator
13 Kennedy --

14 SENATOR KENNEDY: -- eventual
15 privatization of what's being deemed failing
16 schools doesn't even appear to provide --

17 ACTING PRESIDENT GRIFFO: Senator
18 Kennedy, how do you vote?

19 SENATOR KENNEDY: -- the funding
20 that some of the schools in the City of Buffalo
21 desperately need.

22 On behalf of students, teachers,
23 educated taxpayers across Western New York and
24 New York State, Mr. President, I vote no.

25 ACTING PRESIDENT GRIFFO: Senator

1 Kennedy to be recorded in the negative.

2 Senator DeFrancisco to explain his
3 vote.

4 SENATOR DeFRANCISCO: It's nice to
5 hear such passion --

6 ACTING PRESIDENT GRIFFO: Let's
7 have some order, please.

8 SENATOR DeFRANCISCO: It's nice to
9 hear such passion as this late hour. And I hope
10 I don't get as passionate.

11 But I think the comments by Senator
12 Hoylman during the debate were really out of
13 line, basically saying that the problem in this
14 chamber or in the Legislature are lawyers. Well,
15 there are good lawyers, there are bad lawyers.
16 There are lawyers who go to Harvard, and there
17 are lawyers that are fortunate enough to go to
18 Duke.

19 (Laughter.)

20 SENATOR DeFRANCISCO: And every
21 single one of them --

22 ACTING PRESIDENT GRIFFO: Senator
23 Hoylman, why do you rise? We're on explanation
24 of votes. I'd ask members to sit down.

25 Senator DeFrancisco, you can explain

1 your vote. Please do not refer to any member by
2 name. Please continue.

3 SENATOR DeFRANCISCO: Okay, I won't
4 refer to him by name, then.

5 But the fact of the matter is we're
6 glowing over a \$5.4 billion surplus because of
7 good, solid, ethical lawyering.

8 And because you're a lawyer doesn't
9 mean you're a corrupt lawyer. There are corrupt
10 lawyers, there are corrupt businessmen, there are
11 corrupt teachers, there are corrupt everything.
12 There's good and there's bad. To suggest that
13 the problem is lawyers is outrageous. There have
14 been lawyers in legislative bodies for years,
15 since the beginning of this government, who have
16 made great contributions to this country.

17 So if an individual is ethical,
18 follows the rules as they existed, we should not
19 eliminate a class of people and end up with a
20 class that's excluded. We hear a lot about
21 discrimination in this body --

22 ACTING PRESIDENT GRIFFO: Senator
23 DeFrancisco, how do you vote?

24 SENATOR DeFRANCISCO: I vote in a
25 minute.

1 (Laughter.)

2 ACTING PRESIDENT GRIFFO: Senator
3 DeFrancisco. Senator DeFrancisco.

4 SENATOR DeFRANCISCO: And I'm just
5 finishing this sentence. And to discriminate by
6 those who are so heavily against discrimination
7 is outrageous.

8 This bill will work, and lawyers
9 should not be excluded. They should be
10 complimented when they do a good job. They
11 should be prosecuted if they act criminally, just
12 like anybody else in this body.

13 Thank you.

14 ACTING PRESIDENT GRIFFO: Senator
15 DeFrancisco to be recorded in the affirmative.

16 Senator Hoylman.

17 SENATOR HOYLMAN: Mr. President,
18 I'll be voting no because if this Legislature
19 does become full-time, I will remain in this
20 Legislature as a lawyer, just not as a practicing
21 attorney who has private clients, profiting on
22 the side.

23 So I vote no. Thank you,
24 Mr. President.

25 ACTING PRESIDENT GRIFFO: Senator

1 Hoylman to be recorded in the negative.

2 Announce the results.

3 THE SECRETARY: In relation to
4 Calendar 316, those recorded in the negative are
5 Senators Addabbo, Breslin, Comrie, Dilan,
6 Espaillat, Gianaris, Hamilton, Hassell-Thompson,
7 Hoylman, Kennedy, Klein, Krueger, Latimer,
8 Montgomery, Panepinto, Parker, Peralta, Perkins,
9 Rivera, Sampson, Sanders, Savino, Serrano,
10 Squadron, Stavisky and Stewart-Cousins.

11 Ayes, 36. Nays, 26.

12 ACTING PRESIDENT GRIFFO: The bill
13 is passed.

14 Senator LaValle.

15 SENATOR LaVALLE: Mr. President,
16 can we go to Supplemental Calendar 28A and return
17 to Calendar Number 314.

18 ACTING PRESIDENT GRIFFO: Senator
19 LaValle, we will return to Supplemental Calendar
20 28A, Calendar Number 314, on which debate had
21 been closed and the bill was temporarily laid
22 aside awaiting a message.

23 SENATOR LaVALLE: Is there a
24 message of necessity at the desk?

25 ACTING PRESIDENT GRIFFO: There is

1 a message of necessity now at the desk.

2 SENATOR LaVALLE: I move to accept
3 the message.

4 ACTING PRESIDENT GRIFFO: All in
5 favor of accepting the message signify by saying
6 aye.

7 (Response of "Aye.")

8 ACTING PRESIDENT GRIFFO: Opposed?

9 (No response.)

10 ACTING PRESIDENT GRIFFO: The
11 message of necessity has been accepted and the
12 bill is before the house. Debate has been
13 closed.

14 The Secretary will read the last
15 section.

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

18 ACTING PRESIDENT GRIFFO: Call the
19 roll.

20 (The Secretary called the roll.)

21 ACTING PRESIDENT GRIFFO: Senator
22 Gianaris to explain his vote.

23 SENATOR GIANARIS: Just to remind
24 my colleagues, Mr. President, this is the bill we
25 debated earlier in the night. It was laid aside

1 temporarily and we're now taking it up for the
2 vote. It's the state operations bill.

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

5 Announce the results.

6 THE SECRETARY: Ayes, 60. Nays, 2.
7 Senators Parker and Perkins recorded in the
8 negative.

9 ACTING PRESIDENT GRIFFO: The bill
10 is passed.

11 Senator LaValle.

12 SENATOR LaVALLE: Can we go back to
13 motions and resolutions.

14 ACTING PRESIDENT GRIFFO: We will
15 return to motions and resolutions.

16 SENATOR LaVALLE: On behalf of
17 Senator DeFrancisco, Mr. President, on page
18 number 1 I offer the following amendments to
19 Calendar Number 319, Senate Print Number 4612A,
20 and ask that said bill retain its place on the
21 Third Reading Calendar.

22 ACTING PRESIDENT GRIFFO: The
23 amendments are received, and the bill shall
24 retain its place on third reading.

25 SENATOR LaVALLE: Mr. President,

1 can we now call a meeting of the Finance
2 Committee in Room 332.

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

6 The Senate will stand at ease.

7 (Whereupon, the Senate stood at ease
8 at 9:58 p.m.)

9 (Whereupon, the Senate reconvened at
10 10:18 p.m.)

11 ACTING PRESIDENT GRIFFO: The
12 Senate will come to order.

13 Senator LaValle.

14 SENATOR LaVALLE: Mr. President, is
15 there a report of the Finance Committee at the
16 desk?

17 ACTING PRESIDENT GRIFFO: There is
18 a report of the Finance Committee before the
19 desk.

20 SENATOR LaVALLE: I ask that it be
21 read.

22 ACTING PRESIDENT GRIFFO: The
23 Secretary will read.

24 THE SECRETARY: Senator
25 DeFrancisco, from the Committee on Finance,

1 reports the following bill:

2 Senate Print 4610A, Senate Budget
3 Bill, enacts various provisions of the law
4 necessary to implement.

5 The bill is reported direct to third
6 reading.

7 SENATOR LaVALLE: Mr. President, I
8 move to accept the report.

9 ACTING PRESIDENT GRIFFO: All those
10 in favor of accepting the Finance Committee
11 report signify by saying aye.

12 (Response of "Aye.")

13 ACTING PRESIDENT GRIFFO: Opposed?

14 (No response.)

15 ACTING PRESIDENT GRIFFO: The
16 Finance Committee report has been accepted and is
17 before the house.

18 SENATOR LaVALLE: Mr. President.

19 ACTING PRESIDENT GRIFFO: Senator
20 LaValle.

21 SENATOR LaVALLE: On our desks we
22 have Supplemental Calendar 28C. I move that we
23 go to Calendar Number 317.

24 ACTING PRESIDENT GRIFFO: The
25 Secretary will read Calendar Number 317 from

1 Supplemental Senate Calendar 28C,
2 noncontroversial.

3 THE SECRETARY: Calendar Number
4 317, Senate Print 4610A, Senate Budget Bill, an
5 act to amend Chapter 41 of the Laws of 1985.

6 ACTING PRESIDENT GRIFFO: Senator
7 LaValle.

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

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

12 SENATOR LaVALLE: I move we accept
13 the message.

14 ACTING PRESIDENT GRIFFO: All in
15 favor of accepting the Governor's message of
16 necessity indicate by saying aye.

17 (Response of "Aye.")

18 ACTING PRESIDENT GRIFFO: Opposed?

19 (No response.)

20 ACTING PRESIDENT GRIFFO: The
21 message of necessity has been accepted, and the
22 bill is before the house.

23 SENATOR GIANARIS: Lay it aside.

24 ACTING PRESIDENT GRIFFO: Lay the
25 bill aside.

1 SENATOR LaVALLE: Can we now have
2 the controversial reading of Calendar Number 317.

3 ACTING PRESIDENT GRIFFO: The
4 Secretary will ring the bell, and the Secretary
5 will read.

6 THE SECRETARY: Calendar Number
7 317, Senate Budget Bill, Senate Print 4610A, an
8 act to amend Chapter 41 of the Laws of 1985.

9 ACTING PRESIDENT GRIFFO: Senator
10 Gianaris.

11 SENATOR GIANARIS: Mr. President, I
12 believe there's an amendment at the desk. I ask
13 that the reading of the amendment be waived and
14 that we call on Harvard lawyer Senator Hoylman to
15 speak on the amendment.

16 (Laughter.)

17 ACTING PRESIDENT GRIFFO: One
18 second, please.

19 SENATOR GIANARIS: Apparently it's
20 arriving. There's an amendment on its way to the
21 desk, Mr. President. And since the reading will
22 be waived anyway --

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

25 SENATOR DeFRANCISCO: By the way, I

1 want to object to Senator Gianaris mentioning a
2 member's name on the floor.

3 (Laughter.)

4 ACTING PRESIDENT GRIFFO: Duly
5 noted.

6 Senator Gianaris, there is an
7 amendment now before the desk. And as I review
8 the amendment, I believe it is not germane to the
9 bill at hand and therefore out of order.

10 SENATOR GIANARIS: I would like to
11 appeal the ruling of the chair, and I would like
12 to gratuitously mention Senator DeFrancisco's
13 name, but then ask that Senator Hoylman be called
14 on, on the appeal.

15 (Laughter.)

16 ACTING PRESIDENT GRIFFO: Senator
17 Hoylman, you are recognized on the appeal of the
18 ruling of the chair.

19 SENATOR HOYLMAN: Thank you,
20 Mr. President.

21 I contend my amendment to this
22 legislation is germane because it does maintain
23 the same purpose and addresses the same areas of
24 law as the underlying bill, no matter where I
25 went to law school.

1 Mr. President, the budget sweeps
2 \$41 million from New York's Regional Greenhouse
3 Gas Initiative proceeds, directing \$15 million to
4 prop up as window dressing to an increase in the
5 Environmental Protection Fund while dumping
6 \$26 million into the General Fund for unspecified
7 purposes which could be used for anything --
8 supporting tax credits for billionaires buying
9 airplanes, to take one example.

10 My amendment, Mr. President, would
11 create a lockbox, a lockbox for the RGGI funds,
12 prohibiting the Legislature from inappropriately
13 diverting those funds for anything other than the
14 purposes for which they are intended under the
15 RGGI compact.

16 And for those of you who are less
17 familiar with RGGI, the Regional Greenhouse Gas
18 Initiative, it actually found its origin in this
19 chamber. It was first proposed by Governor
20 Pataki as a way to harness the free market of the
21 Northeastern states -- Connecticut, Delaware,
22 Maine, Maryland, Massachusetts, New Hampshire,
23 New York, Rhode Island, and Vermont. With the
24 goal to cap and reduce carbon dioxide emissions
25 from the power sector, the biggest users of

1 carbon-based energy sources like coal and natural
2 gas, this fund was created which allows the
3 investment in alternative forms of energy, to
4 create jobs and reduce greenhouse gases.

5 At the same time, Mr. President, my
6 amendment also increases by \$15 million the
7 amount of the real estate transfer tax that is
8 deposited in the Environmental Protection Fund.

9 So the EPF, the Environmental
10 Protection Fund, is traditionally funded by the
11 real estate transfer tax. And that makes sense,
12 Mr. President, because those who create growth in
13 the State of New York -- a lot of those are real
14 estate developers, and we commend them for
15 that -- the idea is that they will offset by
16 paying into the Environmental Protection Fund.

17 But the problem, Mr. President, is
18 that by robbing RGGI to pay for the EPF, we're
19 trying to equate apples and oranges, because RGGI
20 does something very different than the EPF. The
21 EPF is sometimes concerned with water resources
22 or land preservation. RGGI, though,
23 Mr. President, is big-picture addressing of
24 climate change. And that is so important.

25 Last year New York's share of RGGI

1 proceeds was about \$691 million, and that's been
2 used for everybody from energy efficiency to
3 renewable energy to direct bill assistance to
4 consumers to carbon abatement programs.

5 And what's so crucial about it is
6 that we've been doing things like reducing
7 fossil-based electric generation, generating over
8 800,000 megawatt hours from renewal sources.
9 We've saved about \$917 million for New Yorkers in
10 residential energy bills. It's truly been a
11 success.

12 The problem, Mr. President, is that
13 by robbing RGGI to pay for the EPF, we undermine
14 New York's best and sharpest tool to address
15 climate change. And this amendment,
16 Mr. President, would give us the confidence that
17 we won't be moving money from RGGI into the
18 EPF -- which doesn't address big-picture climate
19 change issues -- nor would we be moving money
20 into the General Fund which could be used for
21 anything, but the money in RGGI would be
22 safeguarded to address the issue of global
23 warming.

24 The budget, as we've heard it
25 tonight, it's a moral document. And it really is

1 immoral if we don't do everything in our power to
2 make sure that we combat global warming.

3 So I urge you, Mr. President and my
4 colleagues, to support this amendment, put RGGI
5 in a lockbox and protect it, and protect the
6 environment.

7 Thank you.

8 ACTING PRESIDENT GRIFFO: Thank
9 you, Senator Hoylman.

10 The vote before the house is on the
11 procedures of the house. All those in favor of
12 overruling the ruling of the chair please say
13 aye.

14 (Response of "Aye.")

15 SENATOR GIANARIS: Show of hands,
16 Mr. President.

17 ACTING PRESIDENT GRIFFO: A show of
18 hands has been requested and so ordered.

19 Announce the results.

20 THE SECRETARY: Ayes, 24.

21 ACTING PRESIDENT GRIFFO: The
22 ruling of the chair stands.

23 The bill in chief is before the
24 house. Read the last section.

25 THE SECRETARY: Section 3 --

1 SENATOR GIANARIS: Mr. President, I
2 believe Senator Rivera --

3 ACTING PRESIDENT GRIFFO: Senator
4 Rivera.

5 SENATOR RIVERA: Thank you,
6 Mr. President.

7 I have a couple of questions about
8 Part J, which is related to the \$700 million for
9 Brooklyn hospitals, if the sponsor would yield
10 for a few questions.

11 SENATOR DeFRANCISCO: Yes, I would.

12 ACTING PRESIDENT GRIFFO: Senator
13 DeFrancisco yields.

14 SENATOR DeFRANCISCO: Well,
15 actually, Senator Hannon probably would be best
16 to answer your questions.

17 ACTING PRESIDENT GRIFFO: Senator
18 Hannon has already spoken, so he's also
19 recognized.

20 And, Senator Hannon, do you yield?

21 SENATOR HANNON: Yes.

22 ACTING PRESIDENT GRIFFO: Senator
23 Hannon yields.

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

1 Again, I'm referring to Part J in
2 the budget bill that we have before us, which
3 relates to a healthcare facility transformation
4 program in Kings County in particular.

5 Through you, Mr. President. As
6 you're aware, Senator Hannon, the healthcare
7 delivery system in Brooklyn is certainly in a
8 very precarious position, and this \$700 million
9 which is identified in this budget to help that
10 situation along, the way that that's going to
11 happen is sketched out here. And I want to have
12 a brief conversation -- through you,
13 Mr. President -- about how exactly it's done so
14 that for the record we know how that process is
15 going to play itself out.

16 So through you, Mr. President, if
17 Senator Hannon could describe basically what this
18 that provision does regarding that \$700 million.

19 SENATOR HANNON: Thank you.

20 I'm really going to take a little
21 bit of a long-winded answer, because this is
22 dealing with capital appropriations for
23 hospitals, and all of Part J is throughout the
24 state.

25 The first part deals with Brooklyn.

1 The second part deals with Oneida, the County of
2 Oneida. The third part deals with the Essential
3 Healthcare Provider Support Program, which is
4 again funded in this. Then there's a critical
5 access program under Section 4 of Part J. And
6 finally, there is a new Section 6 which deals
7 with, to mix up some terms that have been used
8 before, VAP and IAAF.

9 And the reason I mention all of
10 those is to lay the groundwork for the fact that
11 this is a statewide program, the very last one,
12 what I just called VAP-IAAF -- and I'm not going
13 to go into the explanations of the acronyms --
14 that deals with 28 hospitals that inexplicably
15 the administration left with no cash as of
16 tomorrow morning. And so our enactment of this
17 is necessary to make sure that they continue to
18 have their doors open.

19 When you get going back to the
20 direct part of your question, there is a lot of
21 parallels between Brooklyn and Oneida. And
22 parallels in regard to how the awards will be
23 determined, how the capital project will have
24 long-term sustainability, the extent to which the
25 proposed project fits into the federal waiver

1 program, the relationship between the capital
2 project and primary care outpatient services.
3 Those are all parallel in both Oneida and
4 Brooklyn.

5 For Brooklyn itself, there is a
6 provision contained in Section 3 of Part --
7 Section 1 of Part J which talks about for
8 Brooklyn, (a) there's no competitive bid needed.
9 And second, it has to be an area of high levels
10 of healthcare disparities, a large number of
11 Medicaid enrollees, any number of certain
12 healthcare conditions present in the population,
13 low levels of income, high rates of unemployment,
14 et cetera.

15 There are no specific hospitals
16 mentioned. Hospitals are used in the plural,
17 located in Kings County. There is some
18 anticipation that this would include Brookdale,
19 Kingsbrook, Interfaith, University Hospital at
20 Brooklyn. That's not specified. Instead, there
21 are criteria. Nothing I say is going to change
22 the nature of that criteria. It's what's in the
23 printed portion.

24 I would think that would be
25 responsive to your question.

1 SENATOR RIVERA: It would.
2 Mr. President, if the sponsor will continue to
3 yield.

4 SENATOR HANNON: Yes.

5 ACTING PRESIDENT GRIFFO: The
6 sponsor yields.

7 SENATOR RIVERA: Thank you,
8 Mr. President.

9 Secondly -- and yes, you are -- you
10 are referring to the part of the bill, and you
11 mentioned some of it as far as the criteria
12 that's necessary to apply, for any of these
13 institutions to apply.

14 If you could briefly tell us a
15 little bit about the criteria to award. And
16 particularly I wanted to ask -- through you,
17 Mr. President -- since there is a part of it that
18 speaks about "including but not limited to,"
19 related to the criteria as far as the awards are
20 concerned, I just wanted to discuss that briefly.

21 SENATOR HANNON: When you say
22 "including but not limited to," you're referring
23 to what section of the bill?

24 SENATOR RIVERA: Section 4, which
25 is line 44.

1 SENATOR HANNON: Well, first of
2 all, as I said, this is all discretionary grants.
3 There's no request for proposals, there's no bid.

4 The criteria, long-term
5 sustainability of the applicant or, or,
6 preservation of essential health services. The
7 extent to which the proposed project meshes with
8 the federal waiver. The relationship between the
9 proposed project and identified community need.
10 The way the project furthers primary care and
11 other outpatient services. The extent to which
12 the proposed capital project benefits Medicaid
13 enrollees and uninsured enrollees. And the
14 extent to which the applicant has consulted the
15 community.

16 SENATOR RIVERA: Through you,
17 Mr. President, I have one more question, if
18 sponsor will continue to yield.

19 ACTING PRESIDENT GRIFFO: The
20 sponsor yields.

21 SENATOR HANNON: Yes.

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

24 I wanted you to briefly speak about
25 Section 5, which has to do with the oversight as

1 far as this legislative body is concerned, and
2 the reports that would be necessary from the
3 department as it relates to the awarding of these
4 funds.

5 SENATOR HANNON: There's a
6 provision for quarterly reporting to the chairs
7 of Senate Finance and Health, to Assembly Ways
8 and Means and Health, and they must be submitted
9 no later than 60 days after the close of the
10 quarter.

11 SENATOR RIVERA: Thank you,
12 Mr. President. On the bill.

13 ACTING PRESIDENT GRIFFO: Senator
14 Rivera on the bill.

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

17 I thank Senator Hannon for indulging
18 me in a couple of these questions. This is just
19 to make sure that we get this on the record.

20 We've had the discussion many times
21 on this floor about the precarious situation that
22 the healthcare delivery system in Brooklyn finds
23 itself in. And we have in this budget, much like
24 I debated with Senator Hannon yesterday, although
25 I certainly would have liked for us to be part of

1 the conversation -- we'll get back to that point
2 in a second -- I do believe that this part of
3 this budget does deal adequately with the idea of
4 addressing these concerns that we have in
5 Brooklyn.

6 There is another whole section that
7 deals with Oneida County. I will not touch upon
8 it only because it basically does the same thing
9 that we're talking about in Brooklyn, except it
10 does so with \$300 million and it substitutes
11 Oneida County for where Kings County is in this
12 section.

13 But the important part that I wanted
14 to make sure that I underlined here, certainly to
15 give credit where credit is due, I certainly
16 thank Senator Hannon for making sure that this
17 was in here; certainly Assemblymember Dick
18 Gottfried, on the other side of the other
19 chamber, as far as the inclusion of this; and
20 many other folks that are involved in this.

21 The only thing that I would ask you
22 to do, and I would say it for the record, is that
23 I would implore that as this process goes
24 forward, even though as it says here in Section 5
25 the only people that are supposed to get reports

1 on a quarterly basis are the chairs of Senate
2 Finance, Assembly Ways and Means, Senate Health
3 and Assembly Health Committees, most of the
4 individuals that are -- that represent, if not
5 all of the individuals that represent the
6 constituents or the patients that would be
7 impacted, hopefully positively by this infusion
8 of money, are on this side of the aisle.

9 We've heard from Senator Parker,
10 certainly from Senator Montgomery and Senator
11 Hamilton, among others, about the real serious
12 concerns that they have with their constituency
13 and how they're impacted by the current failures
14 of the healthcare delivery system in Brooklyn.

15 I do believe, Mr. President, that
16 this is an adequate way to start dealing with
17 this problem. Certainly it's not the end or the
18 final solution, but it is certainly -- I'm sorry,
19 I do not want to use that term. It is not the
20 ultimate solution, but it is one that I believe
21 does move the ball forward.

22 But I would again implore, for the
23 record, that there be an inclusion of the
24 individuals on this side of the aisle that
25 represent these constituencies in Brooklyn to

1 make sure that whatever ultimately happens
2 regarding the \$700 million, it impacts their
3 constituency in the most positive way that is
4 possible.

5 Thank you, Mr. President. I'll be
6 voting in the affirmative.

7 ACTING PRESIDENT GRIFFO: Senator
8 Krueger.

9 SENATOR KRUEGER: Thank you,
10 Mr. President. If the sponsor would please
11 yield.

12 ACTING PRESIDENT GRIFFO: Senator
13 Hannon, would you yield?

14 SENATOR KRUEGER: Oh, I think it's
15 perhaps Senator DeFrancisco, since it's not
16 health.

17 SENATOR DeFRANCISCO: Yes.

18 SENATOR KRUEGER: But if Senator
19 Hannon wants to be the sponsor --

20 ACTING PRESIDENT GRIFFO: Senator
21 DeFrancisco?

22 SENATOR DeFRANCISCO: Yes.

23 SENATOR KRUEGER: Thank you.

24 On Part B, the START-UP NY airport
25 facility section, can you explain how a law that

1 was supposed to apply to college campuses and
2 then was expanded to land purchased by colleges,
3 even if it wasn't adjacent to the college
4 campuses, is now expanding to airport facilities
5 and for what purpose?

6 SENATOR DeFRANCISCO: How it's
7 happened is by this bill. It expanded the
8 properties where START-UP NY would be eligible.
9 And the two leaders and the Governor believe that
10 these airports would be a good location to have
11 start-up businesses, and that's why it's being
12 amended.

13 SENATOR KRUEGER: Through 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: So like other
20 geographic areas within the START-UP NY program,
21 businesses that locate here won't pay property
22 taxes, employees won't pay personal income taxes,
23 the exact same deal for tax-free businesses?

24 SENATOR DeFRANCISCO: That is
25 correct.

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

4 SENATOR DeFRANCISCO: Yes.

5 ACTING PRESIDENT GRIFFO: The
6 sponsor yields.

7 SENATOR KRUEGER: Are there
8 businesses who have already been identified to
9 receive this largesse from the state?

10 SENATOR DeFRANCISCO: I don't know
11 that answer. I don't believe so, but -- I've
12 been told that there's none presently there. But
13 those areas want to have the opportunity to try
14 to attract businesses and get this largesse from
15 the state.

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

19 SENATOR DeFRANCISCO: Yes.

20 ACTING PRESIDENT GRIFFO: The
21 sponsor yields.

22 SENATOR KRUEGER: So we used to
23 have an Empire Zone model that sort of kept
24 expanding and expanding to eat up significant
25 parts of New York. Is this the continuation of

1 an expansion of START-UP NY to turn into the
2 Empire Zone program?

3 SENATOR DeFRANCISCO: The rules and
4 regulations are different for START-UP NY than
5 they were from the Empire Zone program, but I can
6 see where you could see an analogy. But that's
7 what was agreed upon by the Governor and the two
8 leaders.

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

12 SENATOR DeFRANCISCO: Yes.

13 ACTING PRESIDENT GRIFFO: The
14 sponsor yields.

15 SENATOR KRUEGER: Part D creates
16 the New York City Corporate Tax Reform Package of
17 2015. Is this supported by the City of New York,
18 this version?

19 SENATOR DeFRANCISCO: Yes. In
20 fact, it was drafted, the sheet that you have
21 that kind of gives a summary, it was actually
22 drafted in conjunction with the New York City
23 Finance Office. And this is just changes in the
24 way that corporate tax is structured, and it
25 apparently is revenue-neutral.

1 SENATOR KRUEGER: Thank you.

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

4 SENATOR DeFRANCISCO: Yes.

5 ACTING PRESIDENT GRIFFO: The
6 sponsor yields.

7 SENATOR KRUEGER: Thank you.

8 Section G, New York State Water
9 Infrastructure Improvement Act of 2015, we had
10 actually discussed this in a previous bill, that
11 it's \$5 million per municipality, 60 percent
12 match, \$200 million, \$50 million available, and
13 then \$75 million in the two outyears.

14 But can the sponsor tell me what the
15 estimated actual demand for water infrastructure
16 improvement is throughout the State of New York?

17 SENATOR DeFRANCISCO: Well, I'm
18 sure it's substantial.

19 The mayor and the City of Syracuse
20 have been talking about this all during the
21 budget process and before that. We basically
22 have, in Syracuse, a water main break about every
23 three days. And it's an aging infrastructure.

24 The infrastructure's been neglected
25 in many, many areas for a long, long time. And

1 so there's going to be a substantial demand with
2 respect to this figure.

3 I would think, quite frankly, you
4 know, that more money hopefully will be put into
5 this pot as soon as possible. But at least it's
6 a start.

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

10 SENATOR DeFRANCISCO: Yes.

11 ACTING PRESIDENT GRIFFO: The
12 sponsor yields.

13 SENATOR KRUEGER: The sponsor might
14 recall there was an attempt by the state to draw
15 down money from a federal loan program for water
16 infrastructure improvement that we were
17 attempting to use for the New NY Bridge. I think
18 originally it was over \$500 million, then cut in
19 half, and now we still have the EPA determining
20 whether they will give us anything.

21 Might the sponsor agree with me that
22 we'd be better off using water infrastructure
23 improvement money to improve our water
24 infrastructure?

25 SENATOR DeFRANCISCO: Not

1 necessarily.

2 I was on the board that approved
3 half of the use of that fund for the Tappan Zee
4 Bridge. I thought we could -- that clearly half
5 of the fund was -- half of the requested amount
6 of money was justified in view of the
7 environmental issues that had to be resolved as
8 part of the Tappan Zee project. So I think that
9 was perfectly legitimate, to cut the request down
10 in half.

11 And I think as far as whether this
12 could have done it, this fund could have done it,
13 it wasn't there at the time. But -- so I think
14 it was correct to do what was done.

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

18 SENATOR DeFRANCISCO: Yes.

19 ACTING PRESIDENT GRIFFO: The
20 sponsor yields.

21 SENATOR KRUEGER: There's a number
22 of sweeps in this bill in Part I, specifically
23 the RGGI sweep, which takes \$41 million from RGGI
24 and moves the proceeds into a General Fund. RGGI
25 is not technically a budget item, and it's not

1 technically an authority that we traditionally
2 sweep from. It was set up actually as a
3 cap-and-spend program, not through statute.

4 Does the sponsor potentially share
5 my concern that it's not actually legal for us to
6 sweep money into our budget from a nonbudgetary
7 and non-public authority funding stream?

8 SENATOR DeFRANCISCO: No, I don't
9 share your concerns.

10 SENATOR KRUEGER: On the bill,
11 Mr. President.

12 ACTING PRESIDENT GRIFFO: Senator
13 Krueger on the bill.

14 SENATOR KRUEGER: You know, it's
15 late. I respect my colleague, but I do not agree
16 with his analysis of my questions on this bill.

17 I never supported the START-UP NY
18 program and voted against it. And I raised the
19 point, I believe at the time, that I was worried
20 we would start to expand it until it became the
21 21st century new model of Empire Zones, where we
22 ate up our tax revenue by giving people
23 exemptions for everything under the sun, under
24 any geographic circumstance that somebody said it
25 sounded like a good idea to let them be tax-free

1 or them be tax-free.

2 You know, I'm particularly
3 frustrated to learn that somehow the small
4 business tax reduction that was in the original
5 proposed budget bill is not in the final budget
6 bill this year. I think that I can make a much
7 stronger case for a reduction in taxes for small
8 start-up businesses who disproportionately create
9 new jobs in New York State. But alas, that tax
10 reduction disappeared.

11 But we continue to expand on these
12 what I call more special-interest and luxury-item
13 tax exemptions. I would far prefer to see us be
14 able to reduce everyone's taxes across the board
15 rather than these continuing carve-outs for
16 airports or, I guess last night, airplanes and
17 yachts. It's another one of these specialized
18 carve-outs.

19 I'm also concerned that we are
20 putting so little into the infrastructure needs
21 of our communities. As I said on the earlier
22 bill, there's I think up to a \$36 billion demand
23 for water infrastructure improvements in this
24 state. We come up with \$50 million this year,
25 out of \$5 million a pop for a municipality.

1 I suspect we will hear loudly from
2 our local governments by tomorrow that that's not
3 really going to do it, we're not going to save
4 our upstate cities and towns and our aging
5 infrastructure, including down in my city, in
6 Manhattan, some of the oldest infrastructure in
7 the State of New York.

8 And yet I know we have more money
9 out there, but we don't ever use it for these
10 kinds of purposes. And I don't know the legal
11 argument. I think we will see about whether we
12 actually have the authority to take RGGI money
13 and put it on budget into a general fund. I hope
14 somebody does challenge us on that, because I
15 think it's a very bad precedent and a very bad
16 decision. And it potentially opens the door for
17 a large number of challenges if we start to take
18 money that is not technically ours to take to
19 balance our budget through sweeps.

20 And having said all that, there's
21 things in here that I'm glad to see. And I'm
22 torn about whether, at this late date, to vote no
23 or yes. I sort of want to split my vote, I vote
24 yes on half the bill and I vote no on the other
25 half. But I'm not allowed to.

1 What do I do, yes or no? What
2 should I do folks, yes or no?

3 (Laughter.)

4 ACTING PRESIDENT GRIFFO: Senator
5 Krueger, can you please conclude.

6 SENATOR KRUEGER: You know, I'm
7 going to vote no. Even though there's good
8 things in this bill, there's too many dangerous
9 precedents for me to be comfortable with it.

10 So I'm voting no, Mr. President.
11 Thank you all for your help.

12 ACTING PRESIDENT GRIFFO: Senator
13 Comrie.

14 SENATOR COMRIE: Mr. President, I
15 wanted to ask a question of the sponsor regarding
16 hospital funding, if I may.

17 ACTING PRESIDENT GRIFFO: Senator
18 Hannon, will you yield?

19 SENATOR HANNON: Yes.

20 SENATOR COMRIE: Thank you,
21 Senator.

22 I wanted to know some more specifics
23 about how hospitals can apply for the funding
24 that have projects that are already in the
25 pipeline, that are ready to go, shovel-ready

1 projects, as I would say.

2 And I would just want to preface
3 that, if I may. Queens County has been
4 historically underbedded since the Berger Report
5 in 2006. Since 2006, we've lost three major
6 hospitals in the borough and we're even more
7 severely underbedded than before. We have four
8 hospitals that have shovel-ready projects, and
9 I'd like to know how they can be considered as
10 priorities in this available dollars.

11 SENATOR HANNON: Two points to the
12 answer.

13 The first part is how do you do it,
14 you write a letter to the commissioner of the
15 Health Department and talk about what projects
16 you have. They'll start to consider that, put
17 you in a queue.

18 The second part to the answer --

19 ACTING PRESIDENT GRIFFO: Excuse
20 me, Senator Hannon.

21 Can we have some order, please.

22 Senator Hannon, please continue.

23 SENATOR HANNON: The second part to
24 the answer is to be aware that this state has now
25 applied for and received \$8 billion from the

1 federal government for a waiver for something
2 that's very awkwardly called the DSRIP program,
3 design change and all of that.

4 That waiver, when we took the money,
5 we said we will reduce hospital admissions by
6 25 percent in five years. And the Medicaid
7 director said "And I hope to reduce it by
8 50 percent."

9 When you apply to the Health
10 Department for monies that were appropriated
11 tonight, they're going to be evaluating the
12 application in conjunction with the waiver in
13 conjunction with the goal of reducing admissions.
14 And I would just say to you that the fact that
15 there are less beds is not automatically a need
16 for getting more.

17 And in fact, just the fact that
18 people want to improve their hospitals is not
19 enough to meet the conditions of the waiver,
20 since the waiver requires a lot of community
21 health. And we put a provision in here for
22 revolving payments for community health projects.

23 So there's going to be a whole
24 different view than we've had before. We talked
25 about it, trying to do it equitably in terms of

1 projects and throughout the state. But it's also
2 the nature is different.

3 And so all of you, whether you're in
4 Oneida or you're in Brooklyn or someplace else,
5 ought to be paying attention to this waiver,
6 because every one of your healthcare providers in
7 each area of the state is going to be subject to
8 this waiver, and organizing together. So it's a
9 great thing to think about in the next three
10 weeks.

11 SENATOR COMRIE: Thank you.

12 On the bill, Mr. President.

13 ACTING PRESIDENT GRIFFO: Senator
14 Comrie on the bill.

15 SENATOR COMRIE: I appreciate the
16 information from Senator Hannon.

17 I just want to further emphasize
18 that Queens County has been severely underbedded
19 in hospital beds and hospital procedures. Many
20 Queens residents have to travel to Brooklyn just
21 to get the opportunity to have full diagnostic
22 services done.

23 I believe that these hospitals that
24 are looking and have shovel-ready projects are
25 already dealing with overpopulation. Jamaica

1 Hospital, which is a crisis care center and
2 emergency center for Queens and Brooklyn, needs
3 projects, and they have shovel-ready projects
4 just to improve their ability to take in
5 emergency patients. Their ambulatory surgery
6 suite, their cardiac catheterization suite, their
7 ambulatory imaging suite are all in need of
8 update so that they can maintain the flow as they
9 are dealing with an overabundance of patients
10 every day.

11 Flushing Hospital Center, the same
12 thing. They're trying to get an emergency triage
13 suite and an observation suite. New York Medical
14 Hospital is also trying to improve their
15 facilities so that they can keep up with the
16 deluge of patients. So I would hope that in
17 these monies that are available that
18 Queens County can be given every consideration.

19 And Queens Hospital also, which is
20 having an overabundance of patients due to the
21 closing of Mary Immaculate Hospital, Peninsula
22 Hospital, and other hospitals in Queens, is
23 seeing patients at a higher level than they ever
24 have before. And even though they've been
25 working to try to acquire more space, I would

1 hope that they can be given the opportunity to
2 ensure that they are getting part of this extra
3 money.

4 And that this entire Senate would
5 work to make sure that Queens can find a way to
6 improve their services on emergency care, because
7 most of the requests for the shovel-ready
8 projects are for emergency care services to deal
9 with the high numbers that these hospitals are
10 getting now, and those services will not be
11 transferred to the other types of centers that
12 are being requested in the Derma {ph} report. So
13 I would hope that we could consider that.

14 Thank you. Thank you,
15 Mr. President.

16 ACTING PRESIDENT GRIFFO: Senator
17 Dilan.

18 SENATOR DILAN: Mr. President, I
19 would like to ask a question of the chairman of
20 the Health Committee for a quick --

21 ACTING PRESIDENT GRIFFO: Chairman
22 of the Health Committee, did you say?

23 Senator Hannon, do you yield?

24 SENATOR HANNON: Yes.

25 SENATOR DILAN: Yes, just for a

1 point --

2 ACTING PRESIDENT GRIFFO: Senator
3 Dilan.

4 SENATOR DILAN: Mr. President, just
5 for a point of clarification, the Senator
6 mentioned several hospitals in Brooklyn. I just
7 want to know, is this application process open to
8 all hospitals in Brooklyn?

9 SENATOR HANNON: Yes.

10 SENATOR DILAN: It is.

11 SENATOR HANNON: If you meet those
12 criteria.

13 SENATOR DILAN: The reason I asked
14 the question is because I know that you mentioned
15 certain hospitals. And I just wanted
16 clarification that all hospitals in Brooklyn are
17 eligible.

18 SENATOR HANNON: Those hospitals I
19 mentioned are not in the bill, they're just the
20 ones that have been mentioned the most. They're
21 the ones that frankly have made some headlines of
22 being in financial trouble.

23 SENATOR DILAN: Thank you very
24 much.

25 On the bill.

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

3 SENATOR DILAN: Yeah, just a point
4 also. I'd just like to indicate for the record
5 that this is an issue that all members of the
6 entire Brooklyn delegation have been working on,
7 and I'd that to be noted in the record.

8 Thank you.

9 ACTING PRESIDENT GRIFFO: Senator
10 Montgomery.

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

13 Would the chair of the Health
14 Committee answer a question?

15 SENATOR HANNON: Yes.

16 ACTING PRESIDENT GRIFFO: Senator
17 Hannon yields.

18 SENATOR MONTGOMERY: Thank you.
19 Through you.

20 Senator Hannon, I just have a couple
21 of questions that I would like to ask you, one on
22 the funds that are established based on Part J.
23 Obviously we're very happy to see the
24 \$700 million that's a targeted amount. But you
25 then talk about several other funds as part of

1 this legislation.

2 And the two questions that I have is
3 I don't see the amounts associated with those
4 funds, one.

5 And two, since there are specific
6 criteria established related to eligibility for
7 the \$700 million, are other hospitals that don't
8 meet that criteria going to be eligible for the
9 other funds that you have established in this
10 bill? The Community Health Revolving Loan Fund,
11 there's an Essential Healthcare Provider Support
12 Program fund. Are other hospitals going to be
13 eligible for all that?

14 SENATOR HANNON: There's different
15 criteria for different groups.

16 SENATOR MONTGOMERY: For different
17 groups.

18 SENATOR HANNON: And Oneida
19 obviously is not Kings. The revolving loan fund
20 is basically for primary care. That's
21 \$19.5 million, all of which is found in the
22 approp bill, capital.

23 And then there's the community --
24 no, that's for the community health revolving
25 fund. Then the sole community hospitals, which

1 wouldn't be a criteria for anybody in the
2 metropolitan area. And then there's others --
3 then there's rural, and there's 355 of the 400
4 for the rurals. So it is divvied up.

5 The key, which I mentioned before,
6 is this waiver money. As that waiver money is
7 established and made available to members of the
8 geographic region belonging to what's known as a
9 preferred provider group, PPS, then they will be
10 able to share in that as they meet certain
11 project milestones that they themselves have
12 submitted.

13 So there is a source of additional
14 monies. I do believe one of the hospitals in
15 Brooklyn did not become part of a PPS, I believe
16 that's Brookdale. But that was their own choice
17 and their own standards.

18 So there is monies available, and
19 that needs to be looked at carefully. The
20 hospital community is well aware of all of this.

21 SENATOR MONTGOMERY: Okay. The
22 second question that I have is related to the
23 temporary adjustment to reimbursement rates. And
24 I would like to know, exactly how does that work?
25 Does that have any relevance to those of us,

1 those hospitals in Brooklyn that have had this
2 huge disparity in their reimbursement rates?
3 Which in a sense, in a way, has triggered some of
4 the fiscal problems that they have. And so is
5 this an attempt to address that problem, or is
6 this something else that I'm misreading it?

7 SENATOR HANNON: The first criteria
8 for VAP, which is -- for lack of a better term,
9 but I'm going to use what the negotiators have
10 been using, which is VAP, Vital Access Provider,
11 dash, IAAF. Those are the hospitals, the 28
12 hospitals that shared in the \$250 million from
13 the first part of the waiver. And they were
14 given that when they had less than 15 days of
15 cash on hand and were deemed to be essential to
16 their communities.

17 There are several that are in
18 Kings County: Brookdale, Interfaith, Kingsbrook
19 and Wyckoff Heights. And Downstate was part of a
20 public program. The rest of it were hospitals
21 around the state. So it's not just Brooklyn
22 that's suffering.

23 But these hospitals would get these
24 monies, and one presumes relatively
25 proportionally to what they got last year. But

1 that's not to say they can just assume it's going
2 to happen. The criteria in the bill is they must
3 show long-term viability. And these are the
4 hospitals that for decades have not shown that.
5 So there's a lot of work that they have to do
6 immediately.

7 SENATOR MONTGOMERY: Right. Right.
8 Mr. President, on the bill.

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

11 SENATOR MONTGOMERY: Yes. I asked
12 a question specifically about the issue of the
13 rate adjustment because, while certainly we want
14 to do as much as we can to save hospitals that
15 have been in trouble for many years and are
16 trying to survive -- and they're the VAPs, that
17 we understand -- we have lost several hospitals,
18 one very recently. Last year we lost a major
19 hospital in Brooklyn, facility, and so there's
20 been a lot of pressure on the remaining hospitals
21 in the region to fulfill some of what we've lost
22 based on LICH closing, Long Island College
23 Hospital closing.

24 So we now have a situation where
25 many of our hospitals have for many years been

1 short-changed in terms of their reimbursement
2 rates. That is a problem that creates a
3 structural imbalance in terms of their fiscal
4 position. And so we cannot necessarily assume
5 that just because the hospital is not going into
6 bankruptcy tomorrow, it's not in a weakened
7 position, because the reimbursement rates are so
8 very different between Manhattan hospitals and
9 Brooklyn hospitals.

10 So I hope that we can look at that
11 as a major issue in terms of our healthcare
12 system. So as we move to transform the system,
13 we really need to create an equitable
14 reimbursement rate process so that our system in
15 Kings County, which serves the largest number of
16 people, is the largest, most populous county in
17 the whole state, does not suffer this very, very
18 weak, vulnerable healthcare delivery system
19 because we have a structural imbalance.

20 So I would like to just say that
21 this is an opportunity. I'm very happy to see
22 that you've put that funding into Kings County,
23 \$700 million. We're very happy that you and the
24 Governor and all of us have worked very hard to
25 save, as much as we can, our hospitals. But we

1 do recognize that going forward, we're going to
2 need to look very carefully at that reimbursement
3 rate system so that we don't continue to have to
4 come to this every year or so to rescue these
5 health institutions.

6 So thank you, Mr. President. I'll
7 be voting yes.

8 ACTING PRESIDENT GRIFFO: Hearing
9 and seeing no other Senator that wishes to be
10 heard, the debate is closed and the Secretary
11 will ring the bell.

12 Read the last section.

13 THE SECRETARY: Section 3. 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: Announce
19 the results.

20 THE SECRETARY: Ayes, 59. Nays, 3.
21 Senators Krueger, Parker and Perkins recorded in
22 the negative.

23 ACTING PRESIDENT GRIFFO: The bill
24 is passed.

25 Senator LaValle.

1 SENATOR LaVALLE: Mr. President, on
2 our desks someplace is Supplemental Calendar 28B.

3 ACTING PRESIDENT GRIFFO: We'll
4 refer to Supplemental Calendar 28B.

5 SENATOR LaVALLE: And if we can go
6 to the noncontroversial reading of Calendar 319.

7 ACTING PRESIDENT GRIFFO: On
8 Supplemental Calendar 28B, we will have the
9 noncontroversial reading of Calendar Number 319.

10 The Secretary will read.

11 THE SECRETARY: Calendar Number
12 319, Senate Budget Bill, Senate Print 4612B, an
13 act to amend a chapter of the Laws of 2015.

14 ACTING PRESIDENT GRIFFO: Senator
15 LaValle.

16 SENATOR LaVALLE: Is there a
17 message of necessity at the desk?

18 ACTING PRESIDENT GRIFFO: There is
19 a message of necessity at the desk.

20 SENATOR LaVALLE: I move we accept
21 the message.

22 ACTING PRESIDENT GRIFFO: All in
23 favor of accepting the Governor's message of
24 necessity signify by saying aye.

25 (Response of "Aye.")

1 ACTING PRESIDENT GRIFFO: Opposed?

2 (No response.)

3 ACTING PRESIDENT GRIFFO: The
4 message is accepted and the bill is before the
5 house.

6 Read the last section.

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

9 ACTING PRESIDENT GRIFFO: Call the
10 roll.

11 (The Secretary called the roll.)

12 THE SECRETARY: Ayes, 61. Nays, 1.
13 Senator Parker recorded in the negative.

14 ACTING PRESIDENT GRIFFO: The bill
15 is passed.

16 Senator LaValle.

17 SENATOR LaVALLE: Mr. President,
18 that was our last bill that we needed to pass.

19 Mr. President.

20 ACTING PRESIDENT GRIFFO: Can I
21 have some order, please, in the chamber.

22 SENATOR LaVALLE: Thank you.

23 ACTING PRESIDENT GRIFFO: Senator
24 LaValle.

25 SENATOR LaVALLE: Can you recognize

1 Senator Stewart-Cousins, please.

2 Excuse me, Senator LaValle?

3 SENATOR LaVALLE: Sorry. We have
4 on our desk another resolution calendar.

5 We are opening for sponsorship, by
6 Senator Breslin, Resolution 1332. It's a
7 resolution extending admiration to William A.
8 Toomey, III. Mr. President, I move we adopt this
9 resolution.

10 ACTING PRESIDENT GRIFFO: What
11 we'll do, Senator LaValle, is have the Resolution
12 Calendar before the house, and we'll adopt the
13 calendar.

14 All in favor of adopting the
15 Resolution Calendar before the house signify by
16 saying aye.

17 (Response of "Aye.")

18 ACTING PRESIDENT GRIFFO: Opposed?

19 (No response.)

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

22 The resolution that Senator Breslin
23 has sponsored is open for cosponsorship. Should
24 you choose not to be a cosponsor, please notify
25 the desk.

1 Now we will have remarks from the
2 leaders?

3 SENATOR LaVALLE: Now we're ready
4 to recognize Senator Stewart-Cousins.

5 ACTING PRESIDENT GRIFFO: I'd ask
6 for some order in the house, please, as we call
7 upon the leaders for closing remarks for the
8 2015-2016 budget.

9 Senator Stewart-Cousins.

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

12 And again, thank you, Senator Skelos
13 and Senator Klein. And of course I want to
14 congratulate Governor Cuomo for once again
15 getting a budget passed on time, at least in this
16 house, through the Senate.

17 And I really wanted to thank my
18 wonderful conference. During this budget
19 process, you were incredible. You raised such
20 important issues. You debated with intelligence,
21 passion and compassion. And I was also so
22 heartened by the way you stood up for me every
23 day as we talked about my being in the
24 negotiation room.

25 So again, I couldn't be more

1 grateful and more proud of all of you, and I
2 thank you all.

3 And I'd also want to, in terms of
4 the budget, give a special thanks to my ranker,
5 Senator Krueger, for all of your hard work. And
6 of course the staff on both sides of the aisle.
7 What happens during these weeks and months are
8 really just incredible feats, and you all do it
9 and you all make us look really smart and really
10 good. So I want to thank all of you.

11 So I bet you all know what I'm going
12 to say. I'm going to say what my colleagues
13 said. What happened in this budget and the story
14 of this budget is more a story of who was
15 included and who was left out. And it's also
16 more of a story of what didn't happen as opposed
17 to what did.

18 So we'll talk about some of the
19 things that didn't happen, because I know you all
20 are going to hear the things that did.

21 But for our part, we failed to raise
22 the minimum wage that would have lifted thousands
23 of New Yorkers out of poverty. We failed to
24 provide desperately needed property tax relief
25 for homeowners and business owners across

1 New York State, yet we gave tax breaks to yacht
2 owners and airplane owners.

3 We failed to deliver relief for
4 renters and provide adequate funding for
5 affordable housing. We failed to address the
6 inequality in how we fund our schools. And
7 instead of using comprehensive bottom-up
8 approaches, we once again rely on SED and a quick
9 testing fix.

10 We haven't gone far enough to ensure
11 that every child has the opportunity to access
12 quality affordable higher education. We failed
13 to pass the DREAM Act.

14 Scandal after scandal has rocked
15 Albany, yet we failed to pass a meaningful ethics
16 package that would have gotten to the heart of
17 the problem.

18 We didn't include paid family leave
19 or Raise the Age legislation, and we even failed
20 to provide the transparency and openness that the
21 public deserves when we deal with such a massive
22 undertaking. We simply rushed bills to print and
23 then to the floor with little or no real public
24 debate or input.

25 And always this time of the year we

1 pat ourselves on the back for what we've
2 accomplished and we talk about the importance of
3 on-time budgets. And I agree, they are
4 important. But I know that we also can't forget
5 that we still have a lot of work to do, and we've
6 got three months in the session left.

7 And in these three months I hope
8 that the voices of my conference and the over
9 8 million people we represent are allowed to
10 participate in negotiations that will continue to
11 build our economy, create jobs, and cut the tax
12 burden. I hope together we'll be able to find
13 real solutions for our education system and not
14 simply more testing or demonizing our teachers.

15 I hope that together we'll be able
16 to pass even stronger ethics reforms and a real
17 public financing system. I hope that we'll be
18 able to enact Raise the Age legislation and
19 create more affordable housing across New York
20 State. I hope together we will extend and
21 strengthen our rent control rations, pass paid
22 family leave, and enact a real minimum wage
23 indexed to inflation to lift people out of
24 bone-crushing poverty.

25 Ladies and gentlemen, as we embark

1 on our break, I wish you happy Easter and
2 Passover and a good rest. And I hope that when
3 we come back, we'll be able and ready and willing
4 to together take on the rest of New York's
5 problems and continue to work together.

6 Thank you.

7 (Applause.)

8 ACTING PRESIDENT GRIFFO: Thank
9 you, Senator Stewart-Cousins.

10 Senator LaValle.

11 SENATOR LaVALLE: Mr. President,
12 would you recognize Senator Klein.

13 ACTING PRESIDENT GRIFFO: Senator
14 Klein.

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

17 I know the hour is late, but a lot
18 of work and a lot of time and effort went into
19 crafting this budget. And I know the Republican
20 side of the aisle, their staff, led by Robert
21 Mujica, has worked so hard.

22 But certainly the staff of the
23 Independent Democratic Conference -- although a
24 small conference, we have very demanding and
25 focused members -- worked very hard as well. I

1 want to thank our chief of staff, John Emrick,
2 our finance director, Francesc Marti, deputy
3 finance director Sarah Bangs, and David Frazier,
4 our policy director Dana Carotenuto, our counsel
5 Shelley Andrews, Candice Giove in communications.

6 I think they deserve a tremendous
7 round of applause. Thank you.

8 (Applause.)

9 SENATOR KLEIN: I also want to say
10 a very special thank you to my colleagues in the
11 Independent Democratic Conference.

12 We unveiled a very ambitious plan
13 called Invest New York in the beginning of the
14 year. We were focused. We accomplished a lot of
15 it. Some of it has not been done, but that means
16 we have to roll up our sleeves and work even
17 harder over the months ahead.

18 And I want to thank Senator Cousins,
19 and especially I want to thank Senator Skelos. I
20 think Senator Skelos proves each and every day
21 that he's a leader. He proves that he's
22 interested in getting things done. You know, a
23 lot of people talk the talk about working
24 together in a bipartisan fashion; I think Senator
25 Skelos does that, he believes in it, and he

1 accomplishes it each and every day.

2 I think this is certainly monumental
3 once again. It's about 11:20. Hopefully the
4 Assembly does the same; we're about to pass the
5 fifth on-time budget. I know some will say it's
6 merely a talking point. Others who understand
7 good government realize by doing this we lower
8 our bond rating. By doing this we tell financial
9 institutions we're serious about doing the
10 people's business.

11 And I think, first and foremost, I
12 think the people understand that now the
13 State Senate and government works. When we used
14 to pass budgets two months, three months late,
15 now we do it on time and it's become a matter of
16 course. And I think it's our seriousness in
17 governing.

18 I think today we have a budget where
19 we invest \$1.3 billion more in education. When
20 it comes to our schools and our students, we're
21 increasing our investments, making sure students
22 in K through 12 also have the support they need.

23 Childcare subsidies, I think we
24 recognize that working families around the State
25 of New York need help in decent, affordable

1 childcare. There were many years that went by
2 that we actually, because of the financial
3 crisis, made severe cuts to childcare subsidies.

4 This is the second year in a row
5 we've increased our state support for daycare,
6 recognizing that families need help with daycare.
7 And it's not only about daycare, it's an economic
8 development tool. How are we ever going to
9 expect working moms or working families to go out
10 and work if they can't rely on decent, affordable
11 childcare at home? And we've accomplished that.

12 I think our investment in housing
13 has been the most we've done in a long time. As
14 we talked about before, \$100 million,
15 \$100 million to NYCHA, which makes sure we're
16 taking our investment in NYCHA, our low-income
17 housing seriously. And there's going to be
18 strings attached, and there should be. Because I
19 think NYCHA can do a better job in making sure
20 they deliver decent and affordable housing for
21 the thousands of tenants across New York City.

22 Something that I'm particularly
23 proud of, as I worked on it for a long time and
24 we actually made our initial investment this
25 year, is the Mitchell-Lama housing program.

1 Many of you probably know anywhere
2 in the State of New York that the Mitchell-Lama
3 housing program is the greatest housing program
4 ever created in the State of New York. It worked
5 well. It understood a very simple premise, that
6 you can have different income groups, various
7 income levels living under one roof. And they've
8 called that their home for many, many years.

9 Unfortunately, we haven't built any
10 new Mitchell-Lama housing in over 30 years. Well
11 today, as part of this budget, we established
12 Mitchell-Lama 2020, a \$50 million investment for
13 new housing, \$50 million investment to
14 rehabilitate existing Mitchell-Lama housing,
15 recognizing that we need housing for all levels
16 of the income spectrum in our state.

17 We're talking about a lot of very,
18 very important things and I think a lot of very
19 important accomplishments. But like any budget,
20 you celebrate your victories and you roll up your
21 sleeves and you work hard to get the things that
22 you weren't able to get.

23 I still believe that we need an
24 increase in the minimum wage. I think there's no
25 excuse for thousands of hardworking taxpayers

1 across this state still living paycheck to
2 paycheck. And I think it was mentioned here
3 before that one of the greatest economic
4 development tools is an increase in the minimum
5 wage. When we increased the minimum wage to \$9,
6 I predicted that it would not only help our
7 economy but it would create jobs, putting more
8 money back into our local communities and stores.

9 Paid family leave. I'm very proud
10 of the fact that we had a committee hearing that
11 was chaired by the Labor chair, Jack Martins,
12 where we heard both sides of a very important
13 issue. We heard from the business community, we
14 heard from working families and labor groups.
15 But I'm confident that we can come up with a paid
16 family leave package that doesn't burden business
17 but at the same time helps our workers.

18 Because I think we have to remember
19 a very simple truth, that no New Yorker should
20 ever have to choose between what their heart is
21 telling them to do and what their bank account
22 allows them to do.

23 I think before the end of this
24 legislative session we have to once again do
25 property tax relief. We have to recognize that

1 the American dream of homeownership around our
2 state is slipping. Senior citizens can't afford
3 to live in their family home, young families
4 can't afford to buy a home because of the high
5 cost of property taxes. And I'm very confident
6 that we can get together and once again pass
7 meaningful property tax relief.

8 You know, there's a lot of other
9 things that we need to do, but I think I'll leave
10 it at that. And I just want to say we should be
11 very proud today because we did address many,
12 many of the needs of New Yorkers. We once again
13 did it in a bipartisan fashion. And I'm very,
14 very proud to be part of the fifth on-time budget
15 in a row.

16 Thank you, Senator Skelos.

17 (Applause.)

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

20 Senator LaValle.

21 SENATOR LaVALLE: Mr. President,
22 would you recognize Senator Skelos.

23 ACTING PRESIDENT GRIFFO: Senator
24 Skelos.

25 SENATOR SKELOS: Thank you,

1 Mr. President.

2 Let me start off by saying the
3 Governor, because he is so thrilled with this
4 budget, he's invited all of us -- seriously --
5 back to the mansion to celebrate how wonderful
6 this budget is. So you're all invited. It's
7 down the street. And I'm sure there will be some
8 libations there. So he just wants to thank
9 everybody for supporting him in his budget.

10 I want to start off by thanking
11 Senator Klein and certainly Senator
12 Stewart-Cousins.

13 ACTING PRESIDENT GRIFFO: Can I
14 have some order in the chamber.

15 Excuse me, Senator Skelos.

16 Members, please. Thank you.

17 Senator Skelos.

18 SENATOR SKELOS: -- and Senator
19 Stewart-Cousins, all working together to make
20 sure that we did have an on-time budget.

21 I want to thank Senator DeFrancisco,
22 chair of Finance. His journey to this point is
23 long and many times boring as he sat through all
24 those budget hearings, listening to testimony
25 upon testimony, but working diligently answering

1 the questions today.

2 So, Senator DeFrancisco, we thank
3 you for the great, great job that you've done as
4 chair.

5 (Applause.)

6 SENATOR SKELOS: All of our
7 staff -- IDC, minority, majority -- we're all
8 blessed to have great people that work day and
9 night to make sure that we get to this point of
10 having a budget completed to serve the people of
11 this state.

12 I want to thank counsel Dave Lewis,
13 communications director Kelly Cummings, but in
14 particular I want to thank Beth Garvey.

15 (Applause.)

16 SENATOR SKELOS: Now, as you know,
17 there will be a change in her life shortly, to
18 the better.

19 But -- and I've said this before,
20 Beth, in all honesty, until I really experienced
21 going through this budget cycle with you, I
22 didn't appreciate the ability that you have and
23 how important you are to the functioning of this
24 Senate. So we thank you, Beth.

25 (Applause.)

1 SENATOR SKELOS: Robert Mujica.
2 What can I say about Robert? I'd better say more
3 than I said about Beth, because I don't want him
4 to get jealous.

5 But he is, I really believe, the
6 most talented person that I've ever met in
7 government. Respected by all in this chamber,
8 Republican or Democrat, and certainly respected
9 by the Governor and the Assembly, in his ability
10 to bring issues together, especially as they
11 relate to the budget, and get a positive result
12 for the people of this state.

13 So, Robert, all of us thank you for
14 the great work that you've done.

15 (Applause.)

16 SENATOR SKELOS: So with your help,
17 and hopefully the help of the Assembly -- I think
18 they've completed one bill so far, hopefully
19 more -- this will be our fifth on-time budget.
20 And really, we're all to be congratulated for
21 that.

22 Many of our priorities, our
23 Republican priorities for a brighter future for
24 the taxpayers and their families, are in this
25 budget. For the fifth year in a row, our budget

1 lives within a 2 percent spending cap and rejects
2 tax increases. In just five years, we've turned
3 a \$10 billion deficit to a surplus, and certainly
4 that positions us well for the future.

5 I'm pleased that we have done away
6 with nearly 60 percent of what remains of the
7 Gap Elimination Adjustment which was imposed upon
8 our schools a number of years ago, and boosted
9 overall state aid by \$1.4 billion. As a result,
10 students will once again have the resources they
11 need to learn and to thrive.

12 As a state, we make private-sector
13 job creation a priority and ensure that every
14 region of the state is helped with its needs, as
15 we should: \$1.5 billion for upstate
16 revitalization and critical capital funds for
17 Long Island, New York City, and the
18 Hudson Valley.

19 The Governor and the Legislature
20 have worked together to strengthen the state's
21 ethics codes and disclosure laws, increase
22 transparency, and restore the public's trust.

23 Despite these victories, there's a
24 lot more to do. We have yet to reach an
25 agreement on the creation of an education

1 investment tax credit. We need to lift the cap
2 on charter schools so that all kids have the
3 ability to learn and have opportunities. We need
4 to make the property tax cap permanent, among
5 other things. And certainly, based upon the
6 discussions that we had today, we will explore
7 how and if mayoral control should be continued in
8 New York City, in what will be in the best
9 interests of the students of New York City.

10 I will be asking all of us to work
11 together for the next couple of months, and I
12 think this budget is certainly a good start.
13 Before we close our session in June, let's finish
14 the job for taxpayers, job creators, and all
15 New Yorkers.

16 I thank you very much. Have a happy
17 Easter and a happy Passover.

18 I'm serious about the Governor's
19 invite --

20 (Laughter.)

21 SENATOR SKELOS: -- so if we go,
22 enjoy yourself, be careful going home, and have a
23 great break.

24 And there being -- any business at
25 the desk?

1 ACTING PRESIDENT GRIFFO: There is
2 no further business before the desk,
3 Senator Skelos.

4 SENATOR SKELOS: Thank you. Then I
5 move we stand adjourned until Tuesday,
6 April 21st, at 3:00 p.m., intervening days being
7 legislative days.

8 (Standing ovation.)

9 ACTING PRESIDENT GRIFFO: On
10 motion, the Senate will stand adjourned until
11 Tuesday, April 21st, at 3:00 p.m., intervening
12 days being legislative days.

13 The Senate is adjourned.

14 (Whereupon, at 11:30 p.m., the
15 Senate adjourned.)

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