NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

March 31, 2016

4:08 p.m.

REGULAR SESSION

SENATOR JOSEPH GRIFFO, Acting President

FRANCIS W. PATIENCE, Secretary

P R O C E E D I N G S

ACTING PRESIDENT GRIFFO: The Senate will come to order.

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

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

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

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

ACTING PRESIDENT GRIFFO: The reading of the Journal.

THE SECRETARY: In Senate, Wednesday, March 30th, the Senate met pursuant to adjournment. The Journal of Tuesday, March 29th, was read and approved. On motion, Senate adjourned.

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

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, on page 9 I offer the following amendments to Calendar Number 141, Senate Print Number 4520, by Senator Croci and ask that said bill retain its place on the Third Reading Calendar.

ACTING PRESIDENT GRIFFO: The amendments are received, and the bill shall retain its place on third reading.

SENATOR DeFRANCISCO: I now move to adopt the Resolution Calendar, with the exception of Resolution 4649.

ACTING PRESIDENT GRIFFO: All those in favor of adopting the Resolution Calendar, with the exception of Resolution Number 4649, signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The Resolution Calendar is adopted.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Now would you please take up previously adopted Resolution Number 4407, by Senator Nozzolio, read it in its entirety, and then call on Senator Nozzolio.

ACTING PRESIDENT GRIFFO: The Secretary will read.

Can I have some order in the house, please. Thank you.

THE SECRETARY: Legislative Resolution Number 4407, by Senator Nozzolio, congratulating the South Seneca Girls Varsity Basketball Team upon the occasion of capturing the New York State Class C Championship.

"WHEREAS, Excellence and success in competitive sports can only be achieved through strenuous practice, team play, and team spirit, nurtured by dedicated coaching and strategic planning; and

"WHEREAS, Athletic competition enhances the moral and physical development of the young people of this state, preparing them

for the future by instilling in them the value of teamwork, encouraging a standard of healthy living, imparting a desire for success and developing a sense of fair play and competition; and

"WHEREAS, The South Seneca Girls Varsity Basketball Team captured their second New York State Class C Championship in school history with an exciting 63-49 victory over Pine Plains on Sunday, March 13, 2016, at Hudson Valley Community College in Troy, New York; and

"WHEREAS, The athletic talent displayed by this team is due in great part to the efforts of Coach Heather Mott, and Assistant Coaches Bob Mott and Joe Mastracy, skilled and inspirational tutors, respected for their ability to develop potential into excellence; and

"WHEREAS, The team's overall record of 24-3 is outstanding, and the team members were loyally and enthusiastically supported by family, fans, friends and the community at large; and

"WHEREAS, Athletically and academically, the team members have proven themselves to be an unbeatable combination of talents, reflecting favorably on their school;

and

"WHEREAS, Coach Heather Mott has done a superb job in guiding, molding and inspiring the team members toward their goals; and

"WHEREAS, Sports competition instills the values of teamwork, pride and accomplishment, and Coach Heather Mott and these outstanding athletes have clearly made a contribution to the spirit of excellence which is a tradition of their school; now, therefore, be it

"RESOLVED, That this Legislative Body pause in its deliberations to congratulate the South Seneca Girls Varsity Basketball Team; its members: Jade Parsons, Skylar Shaulis, Kelsey Shaulis, Laura Wyckoff, Sarah Albro, Emily Lavarnway, Mackenzie Kenyon, Bailey Minges, Elisia Panipinto, Hannah Podgorny, Mary Kate Badalamenti; Coach Heather Mott; Assistant Coaches Bob Mott and Joe Mastracy; and Manager Morgan McGonigal, on their outstanding season and overall team record; and be it further

"RESOLVED, That copies of this resolution, suitably engrossed, be transmitted

to the members of the South Seneca Girls Varsity Basketball Team and to Coach Heather Mott."

ACTING PRESIDENT GRIFFO: (Gaveling.) Some order in the chamber, please. Thank you.

Senator Nozzolio.

SENATOR NOZZOLIO: Thank you, Mr. President. Thank you, Leader DeFrancisco.

This measure begins our deliberations on a long session, but it's great to start out in such a wonderful way, congratulating wonderful young women from South Seneca Central School, located in southern Seneca County. A small school, but a great heart, with a wonderful community supporting it, and so proud of these fine young women who are state basketball champions.

They got there through hard work, determination, and great coaching -- coaching from a team led by Heather Mott, who is not simply a coach, but also the athletic director and history teacher at South Seneca Central School. And together with her assistant coach -- and I have been told to underscore "assistant" -- Bob Mott, who is her husband, partner, a great

coaching team that pulled together and helped lead these fine young ladies into the state championship.

Congratulations to the Motts and thank you for your leadership and above and beyond the call of duty in bringing the young ladies here today to be so recognized.

In the regionals, this team defeated Holland, which is in Senator Gallivan's district; in the semis, they beat Northern Adirondack -- that's in Senator Little's district -- and in the finals they were soundly defeating Pine Plains, which is Senator Serino's district.

So we're very pleased that South Seneca stood so tall and so strong. And what's amazing about that in many, many ways, these are fine young ladies, wonderful role models for the entire student body at South Seneca, but also many will be returning next year, playing again. And so we look forward to their continued success.

Mr. President, thank you for allowing us to interrupt the proceedings to congratulate fine young athletes who are exemplary. It's going to be a great week for

New York State basketball teams; Senator DeFrancisco, myself, and all those who are Syracuse alumni are very pleased that the women and men have made to the NCAA Final Four. They only need to follow the example of the South Seneca Central School Lady Falcons in their success, and I congratulate them and wish them all the best in the future.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Nozzolio.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, Mike already told you about Syracuse. But you already knew that.

But just a few years ago, they weren't very good. But based upon all the progress over the years, and all the work, they unexpectedly got to the Final Four. But I'm going to mention somebody else.

Four years ago, a young lady from my district came here and we honored her because she was the Gatorade Player of the Year in high school. And this weekend she's going to be playing for her fourth consecutive national title

in women's basketball, and probably the fourth consecutive Player of the Year Award, Breanna Stewart.

Now, I don't see too many 6-foot-4, 7-foot wing spans on this team, but I don't think there's been many like her anyway. However, what you do have in common is you have in common an incredible accomplishment that you worked hard for. And most importantly, you have these friends that you're going to have for life, for life.

And I can attest to that, because I'm an old guy -- not so old, but I'm a pretty old guy, and the friends that I played with in high school, we still do things together. Maybe not baseball, basketball, but it's definitely things that are athletic, like golf and whatever else we do, tennis.

So congratulations. Cherish this relationship, cherish this memory. The people with you are going to have your back your entire life. Congratulations.

ACTING PRESIDENT GRIFFO: Thank you.

As noted, the resolution was

previously adopted on St. Patrick's Day, March 17th of this year.

We congratulate all of the young ladies, the coaching staff, and their parents for the support they've given them. To all the young ladies -- if you'd please rise -- from South Seneca Girls Varsity Basketball.

(Applause.)

ACTING PRESIDENT GRIFFO: We welcome you and extend the courtesies of the house. Congratulations, and the best of luck in the future.

Can I have some order in the house, please.

SENATOR DeFRANCISCO: Senator Nozzolio has offered this resolution for cosponsorship.

ACTING PRESIDENT GRIFFO: The resolution is open for cosponsorship. Should you choose not to be a cosponsor, please notify the desk.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Now would you take up previously adopted Resolution 4413, also by Senator Nozzolio, read it in its entirety, and

call on Senator Nozzolio.

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: Legislative Resolution Number 4413, by Senator Nozzolio, congratulating student-athlete Aubrianna Lantrip upon the occasion of capturing First Place in High Jump at the New York State Indoor Track and Field Championships.

"WHEREAS, Excellence and success in competitive sports can be achieved only through strenuous practice, team play and team spirit, nurtured by dedicated coaching and strategic planning; and

"WHEREAS, Athletic competition enhances the moral and physical development of the young people of this state, preparing them for the future by instilling in them the value of teamwork, encouraging a standard of healthy living, imparting a desire for success and developing a sense of fair play and competition; and

"WHEREAS, This Legislative Body is justly proud to congratulate student-athlete Aubrianna Lantrip upon the occasion of capturing

First Place in High Jump at the New York State Track Indoor Track and Field Championships held at Cornell University in Ithaca, New York, on March 5, 2016; and

"WHEREAS, Aubrianna Lantrip, the daughter of Lori and Richard Lantrip and a senior at Midlakes High School, competed against high jumpers from across New York State, earning first-place honors with a spectacular 5'9" jump and a new personal best record; and

"WHEREAS, Prior to winning the state tournament, Aubrianna Lantrip captured the Wayne-Finger Lakes League titles in both the high jump and triple jump, and became the Sectional Champion in the high jump, long jump, and triple jump; she is also the Houghton Invitational High Jump Champion; and

"WHEREAS, In addition, this exceptional athlete has set new Midlakes High School records in the long jump, triple jump, high jump, and 300-meter dash, and holds the Wayne-Finger Lakes all-time high jump record; and

"WHEREAS, The recipient of numerous awards and honors, Aubrianna Lantrip was presented with the Rochester Winter All-League

Award, the Wayne-Finger Lakes Most Valuable Female Athlete Award, and the Section V Class C Outstanding Female Field Athlete Award; and

"WHEREAS, Moreover, Aubrianna Lantrip was selected to the All-Greater Rochester First Team, and was named both Athlete of the Year and All-Star Team member by the Canandaigua Daily Messenger; and

"WHEREAS, Aubrianna Lantrip's overall performance is outstanding; she was loyally and enthusiastically supported by family, fans, friends and the community at large; and

"WHEREAS, Sports competition instills the values of teamwork, pride and accomplishment, and Aubrianna Lantrip has clearly made a contribution to the spirit of excellence which is a tradition of her community and school; now, therefore, be it

"RESOLVED, That this Legislative Body pause in its deliberations to congratulate student-athlete Aubrianna Lantrip upon the occasion of capturing First Place in High Jump at the New York State Indoor Track and Field Championships; and be it further

"RESOLVED, That a copy of this

resolution, suitably engrossed, be transmitted to Aubrianna Lantrip."

ACTING PRESIDENT GRIFFO: Senator Nozzolio.

SENATOR NOZZOLIO: Mr. President, on the resolution.

ACTING PRESIDENT GRIFFO: On the resolution.

SENATOR NOZZOLIO: Mr. President and my colleagues, I rise with great pride in welcoming Aubrianna Lantrip, her mom Lori, her brother Tyler, here to the proceedings of the State Senate recognizing Bri's significant achievements in the field of track and athletic competition.

That the resolution chronicles her many accomplishments. But behind each and every one of those accomplishments is a series of hard work and dedication. Track is a team sport but a very individual sport. And these records that Bri continued to set established herself as the premier woman athlete in all of the Finger Lakes region.

Bri is much more than an athlete. She's indeed a scholar-athlete who will be going

to the University of Iowa, a Division I school that will certainly enhance the competition that she so readily accepts and the challenges, athletic challenges, that she enjoys.

More than that, though, she is a wonderful citizen of New York. One who is articulate, dedicated, very caring, respectful, and one who I believe will have a wonderful future in whatever she chooses to do. Frankly, in my experiences with her, I think she would be a wonderful leader someday, maybe even someone who when she comes home after her track and field career is over, to come and be involved in New York State government and possibly even serve in this chamber someday.

Mr. President, we are indeed fighting hard for educational assistance. But the product of that assistance, as we deliberate our budget later today, the product of that assistance is so well-represented here today, first with the South Seneca Basketball Team, the women's state champions, and now with Bri Lantrip, an indeed state individual champ that is the pride of the Finger Lakes region.

I am so pleased to have them here

today. Thank you for coming to receive the recognition that you women athletes deserve -- well deserved. Congratulations to Bri, to the South Seneca Falcons.

Mr. President, I'm very honored to present these resolutions and to have my colleagues support them.

ACTING PRESIDENT GRIFFO: Thank you, Senator Nozzolio.

And as indicated, that resolution was also adopted on March 17th of this year.

We want to congratulate and recognize Aubrianna Lantrip and her family for being here. Best wishes to you.

Please rise and be recognized.

(Applause.)

ACTING PRESIDENT GRIFFO: We extended the privileges and courtesies of the house.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Senator Nozzolio has also offered this for cosponsorship.

ACTING PRESIDENT GRIFFO: The resolution is open for cosponsorship. Should you choose not to be a cosponsor, please notify the

desk.

Senator DeFrancisco.

SENATOR DeFRANCISCO: And now the moment that we've all been waiting for. There's an immediate meeting of the Finance Committee in Room 332 of this building, the Capitol.

ACTING PRESIDENT GRIFFO: There will be an immediate meeting of the Senate Finance Committee in Room 332, an immediate meeting of the Senate Finance Committee in Room 332.

The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 4:26 p.m.)

(Whereupon, the Senate reconvened at 4:50 p.m.)

ACTING PRESIDENT GRIFFO: The Senate will return to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, Mr. President, is there a report from the Finance Committee at the desk?

ACTING PRESIDENT GRIFFO: There is a report of the Finance Committee before the desk.

I will have the Secretary read.

THE SECRETARY: Senator Young, from the Committee on Finance, reports the following bills:

Senate Print 6405C, Senate Budget Bill, an act intentionally omitted;

Senate 6407C, Senate Budget Bill, an act intentionally omitted;

And Senate 6408C, Senate Budget Bill, an act intentionally omitted.

All bills reported direct to third reading.

SENATOR DeFRANCISCO: Can we please call up Calendar 514.

ACTING PRESIDENT GRIFFO: Senator DeFrancisco, I'll entertain a motion to accept the Committee on Finance report.

SENATOR DeFRANCISCO: I definitely want to do that, yes.

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

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The

Committee on Finance report is accepted and before the house.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Now I'd like to take up Number 514 on the calendar and ask if there's a message of necessity at the desk.

ACTING PRESIDENT GRIFFO: We're going to have a substitution on that first, Senator DeFrancisco.

SENATOR DeFRANCISCO: We are? I didn't know that.

(Laughter.)

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: Senator Young moves to discharge, from the Committee on Finance, Assembly Bill Number 9005C and substitute it for the identical Senate Bill 6405C, Third Reading Calendar 514.

ACTING PRESIDENT GRIFFO: The substitution is so ordered.

There is a message of necessity before the desk, Senator DeFrancisco.

SENATOR DeFRANCISCO: And there is on the substituted bill as well?

ACTING PRESIDENT GRIFFO: Absolutely.

SENATOR DeFRANCISCO: All right. That's good. Could you call that bill up?

ACTING PRESIDENT GRIFFO: Okay, I'll entertain a motion on the message. All in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message of necessity is accepted, and the Secretary will read.

THE SECRETARY: Calendar Number 514, Assembly Budget Bill, Assembly Print 9005C, an act intentionally omitted.

SENATOR GIANARIS: Lay it aside.

ACTING PRESIDENT GRIFFO: Lay the bill aside.

THE SECRETARY: Calendar Number 515, Senate Budget Bill, Senate Print 6407C, an act intentionally omitted.

ACTING PRESIDENT GRIFFO: There is a message of necessity before the desk. All in favor of accepting the Governor's message of

necessity signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted.

Read the last section.

SENATOR GIANARIS: Lay it aside.

ACTING PRESIDENT GRIFFO: Lay the bill aside.

THE SECRETARY: Calendar Number 516, Senate Budget Bill, Senate Print 6408C, an act intentionally omitted.

ACTING PRESIDENT GRIFFO: There is a message of necessity at the desk. All in favor of accepting the Governor's message of necessity signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted.

SENATOR GIANARIS: Lay it aside.

ACTING PRESIDENT GRIFFO: The bill is laid aside.

Senator DeFrancisco, that completes the noncontroversial reading.

SENATOR DeFRANCISCO: Yes, would you now take up the controversial reading.

ACTING PRESIDENT GRIFFO: The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 514, Assembly Budget Bill, Assembly 9005C, an act intentionally omitted.

ACTING PRESIDENT GRIFFO: Senator Gianaris.

SENATOR GIANARIS: Mr. President, I believe there's an amendment at the desk. I ask that the reading of the amendment be waived and that Senator Squadron be heard on the amendment.

ACTING PRESIDENT GRIFFO: Senator Gianaris, I've reviewed the amendment that is before the desk and rule it out of order. Therefore, I will call upon Senator Squadron.

SENATOR SQUADRON: Thank you, Mr. President.

My amendment to this legislation is germane. It maintains the same purpose and addresses the same areas of law as in this

underlying bill. As everyone in this house knows, the underlying bill impacts a great number of laws.

I do understand why the President may have made his ruling in error in this instance, since this year the Governor's proposal to dramatically alter ethics and campaign finance reform in the State of New York was not originally proposed in this bill. It was originally proposed in S6411, Part A in particular, when we talk about the item in the hostile amendment closing the LLC loophole.

However, Mr. President, this very provision was in the equivalent bill last year in the 2015 budget, which I think is in and of itself an argument that it is germane.

It's also an argument that Albany has done nothing to curb the crisis of ethics and integrity that has gripped the Capitol and the state for the last year and more.

The relevance of this is that since this time last year, the former leaders of both houses of the Legislature have been convicted of public corruption crimes, federal crimes, both of which made specific mention of the LLC loophole.

The relevance is the need, in passing a budget of more than $150 billion, to make a true effort to reestablish the faith of the people of this state in the work we are doing and the money we are spending.

A budget is a statement of values and principles. It is also the Legislature making choices with other people's money, with the taxpayers' dollars. And to do so without also addressing the taxpayers' ability to have faith in the independence of this government is an enormous mistake.

Now, it's an enormous mistake that was made last year as well. And to all my colleagues, the hour is not yet late, but something tells me it will be soon enough. And so if you've heard me say this before and you wish maybe we could get past this part of our annual festivities, I apologize. But we continue do that. We cannot stand silently as we pass another budget while we still have the LLC loophole in effect in this state.

For any of who you are new this year, the LLC loophole was opened through a decision made by the Board of Elections that

contravened the purpose and letter of the law, that allows limited liability companies to be treated as individuals under the Election Law. What that means is that limited liability companies can be used by individuals to contribute unlimited sums of the money into the political process. Even though we have an Election Law that very clearly is meant to limit the number of dollars folks can contribute.

It means that limited liability companies can be used to shield the source of those dollars, as we saw in the Southern District courthouses in my district over the course of the last year, even though the Election Law is clear that the source of contributions is a critical part of the political process.

The limited liability company loophole has been roundly criticized by editorial boards across the state. This is not an issue that starts and ends in Manhattan or in New York City or in Long Island, in the downstate region. Papers across the state, in every region of the state, have editorialized against it because of its corrupting influence.

In fact, my office did a report last

fall on the LLC loophole, and we found some interesting facts. The median LLC contribution was almost six times higher than the median individual contribution. LLCs were nine times more likely to contribute between $5,000 and $10,000 than individuals, and eight times more likely to contribute between $10,000 and $50,000. That's before you even link the multiple sources that often appear to be disparate because of the ability of the LLC to mask the source.

In fact, 22 different LLCs contributed nearly $2 million listing 1200 Union Turnpike in New Hyde Park as a contribution address. In total, there were 586 LLCs that contributed over $5,000 -- the corporate limit, the limit that would apply to corporate giving which is allowable under the Election Law and is clearly how LLCs -- one of the ways that LLCs could be addressed.

In fact, one limited liability company contributed and provided the following address: 123 IDK, Buffalo, New York. I've spent some time in Buffalo, and it's a wonderful city. I do not believe that 123 IDK is an address in Buffalo. If any of my colleagues from Western

New York would like to correct me, that would create a brief, brief moment of levity in an issue that really does not merit any.

There's no question that this state government, this legislature, this house needs to communicate what we all know is true, which is the majority of us, the majority of elected officials are here because we believe in public service, because we care about our constituents and our communities.

There is no better way to send that message than to close the LLC loophole. That was true last year before it had appeared in federal courthouses, and it is even more true this year. It's the reason the Governor proposed it. However, this house is not just going to fail to pass it, this house has failed to even allow it to the floor for a vote.

So I have to apologize because you're going to hear the same thing from me again and again and again until this loophole is closed, until I can go to my constituents and all of us can go to their constituents and say an egregious error that allows small numbers of heavily funded interests to have an outsized

influence in our state government while masking who they are is no longer possible.

You should not need to be Sherlock Holmes to follow the money in New York State politics. You should not need to be a broken record to do something that we all know is the right thing to do.

I urge folks to vote to overrule the chair about the relevance of this amendment. There's no question, if you look at the history of this very provision in this bill, it's relevant. There's no question that were we to attach this, it would pass without delaying the budget, since we know the Assembly and the Governor both support it. It is doable. It is solvable. We need 32 votes to overrule my good friend sitting in the chair, and we can close this once and for all. And you know what? The headlines tomorrow across the state will be: In a shocker, Albany has stood up against corruption, for reform, despite all of the institutional interests that oppose that.

For that reason, I urge everyone to vote with me and overrule the ruling of the chair.

Before I finish, I would like to point out there are other ethics reforms in the Governor's package that are also not being addressed here: Limited outside income for members of the Legislature; implementing campaign finance reform; dealing with pensions of convicted lawmakers. None of those issues are being dealt with either. It is a shame. It is a discouraging way to start this budget. And hopefully between now and the end, whenever the end is, we will solve it. I urge you to join me in voting to overrule the ruling of the chair.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Squadron.

Senator Gianaris has appealed the ruling of the chair. Senator Squadron has been heard on that appeal. All in favor of overruling the ruling of the chair signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

SENATOR GIANARIS: Show of hands, please.

ACTING PRESIDENT GRIFFO: A show of hands has been requested and so ordered.

Announce.

THE SECRETARY: Ayes, 25.

ACTING PRESIDENT GRIFFO: The ruling of the chair is sustained.

The bill is before the house.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, I believe there's another amendment at the desk. I ask that the reading of this amendment be waived and that Senator Krueger may be heard on the amendment.

ACTING PRESIDENT GRIFFO: Senator Gianaris, upon review of the amendment that has been submitted, I view it and rule it not germane to the bill and as accordingly out of order.

SENATOR GIANARIS: I would like to appeal from the decision of the chair and ask that Senator Krueger be heard on the appeal.

ACTING PRESIDENT GRIFFO: An appeal is so requested and Senator Krueger so recognized.

SENATOR KRUEGER: Thank you, Mr. President.

Like my colleague before me, I am convinced that my amendment to the budget bill is

germane because it does not unreasonably expand the object of the underlying bill, maintains the same purpose, and addresses the same areas of law.

My amendment offered today would add or allow the addition of $285 million for allocation to cities, towns and villages through the Aid and Incentives for Municipalities program under Local Government Assistance in the Public Protection and General Government Article VII bill.

This program, known as AIM, is probably the most effective property tax relief program in the history of the state, and when sufficiently funded, it has effectively suppressed the growth of municipal property tax levies.

Under my amendment, AIM funding would increase by nearly 40 percent, compared to current funding in the next fiscal year. By the way, we have in the past funded AIM at a significantly higher level than we are funding it this year, including more money than this amendment proposes. And of course we ended AIM for New York City several years ago, promising to

give it back but never giving it back.

AIM funding has provided significant municipal property tax relief since local governments across the state are under immense fiscal stress due to unfunded mandates, the aftermath of the Great Recession, a declining property tax base, and now a 2 percent cap on property tax levies -- or less, depending on the previous year's CPI. In fact, this year the growth in property tax under the cap is minuscule.

So growth in AIM funding is more critical now than ever. The time has come to restore AIM funding. And I believe that if we were to support this amendment to this specific bill, we would be applauded throughout the state by counties, towns and localities.

Now, I sat through the budget hearings with my colleagues, many of them here, but specifically with Chair Cathy Young, through 95 hours of budget hearings. And I can't even tell you how many different people testified about the desperate need for additional state funding to localities so that they could meet their basic needs. Each and every one of us has

constituent local governments, county governments, municipal governments who have pleaded with us just to share a reasonable amount of AIM funding with them at home.

The whole concept is revenue sharing. Most of our localities have no ability to tax themselves, other than through the property tax system, without our permission. They are limited in what they can draw from property taxes, both through policy and through the local politics of the reality.

The State of New York has, year after year, been expanding our budget while reducing the amount we give to our localities. To some degree, we balance our budget on the backs of our local governments not getting adequate funding from us. This would be a tiny step in the right direction in a budget anticipated to be over $150 billion.

I will note, but I will go back to it later, that we are being provided on our desks a projected spending finance plan for the State Budget, which I find a little ironic because we don't have any of the appropriation bills even have moved through LRS. So how can we

possibly know, as we discuss the appropriation bill tonight, what the actual revenue for the State of New York, what the actual projected expenditures for the State of New York are?

As is often the case when we deal with the budget, we take things out of order, we don't learn the information until literally when we're asked to vote on it. And tonight we're being handed a document that purports to show us some of the key numbers of the State Budget without even having those bills exist. It's a tad confusing.

But I digress. To go back to the importance of my amendment, in a budget that will conceivably be, according to this document without backup yet, $155.6 billion -- $155.6 billion -- you'd think we could come up with a little extra money for our localities who are so desperate for it through an increase in the AIM funding.

I am hoping that my colleagues will join me in agreeing this is not only critically germane but absolutely one of the right things for us to be doing here before we complete the budget process.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Krueger.

The question is on the ruling of the chair for procedural purposes. All those in favor of overruling the chair signify by saying aye.

SENATOR GIANARIS: Show of hands, please.

ACTING PRESIDENT GRIFFO: A show of hands has been requested and so ordered.

Announce.

THE SECRETARY: Ayes, 25.

ACTING PRESIDENT GRIFFO: The chair's ruling stands.

The bill is before the house.

Senator Squadron.

SENATOR SQUADRON: Thank you, Mr. President. If the sponsor would yield.

ACTING PRESIDENT GRIFFO: Senator Young, do you yield for a question from Senator Squadron?

SENATOR YOUNG: Yes. Yes, I yield.

ACTING PRESIDENT GRIFFO: The sponsor yields.

Senator Squadron, I think we have an issue with your mic there, if somebody can --

SENATOR SQUADRON: No, it's off. Thank you. I think I'm okay. Okay, thank you. I thank the sponsor. I think the microphone issue is dealt with.

I would ask, are any of the provisions of the Governor's proposal from 6411, the good government and ethics reform proposal, included in this bill before us, the Public Protection and General Government bill before us?

SENATOR YOUNG: Actually, I'd like to start out by just giving a general overview of what is in the budget.

And this budget actually is a very good document because it stays within the 2 percent spending cap. This house and state government has been very fiscally responsible and accountable over the past several years by staying within the spending cap. And basically, we increase the spending by $296.2 billion, or 2 percent. So it's right on target.

The budget also includes all kinds of very positive aspects that are important to the people of New York State. For example, in

education, there's approximately $25 billion in school aid statewide -- that is a record -- on behalf of the children of New York State, their learning opportunities and their future.

There's a school aid increase of more than $1.4 billion from fiscal year 2016. We completely eliminate the Gap Elimination school aid cuts that unfortunately were imposed in this house in 2009 and 2010. The Senate Republican Majority has worked extraordinarily hard to get rid of the GEA, and we do that this year: Over a billion-dollar increase in operating aid for education from fiscal year 2016.

We also take action on behalf of the hardworking overburdened taxpayers of New York State. There's included $1 billion in tax cuts that is targeted at middle-class families, middle-class earners --

SENATOR GIANARIS: Mr. President -- I'm sorry, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Gianaris.

SENATOR GIANARIS: I'm sorry, but it appears that this answer is not connected either to the question presented or to the bill

before us. I think Senator Young is discussing things that --

ACTING PRESIDENT GRIFFO: I think, Senator Gianaris, the sponsor said she wanted to give some background before she got to the question. So we'll allow that and then let her get to the question.

SENATOR GIANARIS: Okay. It just would help us all move the debate along if the answers were relevant and were actually related to a bill that we've seen, which these answers are not.

SENATOR YOUNG: Mr. President, I think it's extremely relevant to outline what is included in this State Budget.

So on behalf of the hardworking overburdened taxpayers in New York State, there's a billion dollars in tax cuts that are targeted at middle-class families, middle-class earners. And this is real tax relief for real people.

On top of that, there is $2.7 billion in funding for STAR and Enhanced STAR. And how we all know in this room how important it is to provide significant property tax relief for homeowners across the state.

Under Health and Mental Hygiene, so many of our colleagues have come to me, to others; we have a task force that is dealing with the heroin and opioid addiction crisis that we see in every community, every corner of this state. It has affected so many families, so many individuals. And under the enacted budget, it will include an additional $25 million for expansion of treatment, recovery and prevention services for heroin and opioid use and addiction disorders, for a total of $166 million.

We also direct $200 million for statewide healthcare capital to benefit community-based providers. That will ensure that we have access to quality healthcare across the state.

And we also make critical public health investments in organ donation awareness, women's health, and Lyme disease prevention.

Under Higher Education -- and I can hear students and parents cheering across the state -- there will be no tuition increase this year.

For Transportation, there's a $25.1 billion commitment for a multiyear DOT

capital plan that includes additional funds for roads and bridges, non-MTA upstate and downstate transit --

SENATOR GIANARIS: Mr. President, would the sponsor yield for a question?

SENATOR YOUNG: -- rail freight and aviation.

ACTING PRESIDENT GRIFFO: Senator Gianaris, why do you rise?

SENATOR GIANARIS: Would the sponsor yield for a question?

SENATOR YOUNG: When I finish. When I finish.

ACTING PRESIDENT GRIFFO: She will yield upon completion of --

SENATOR GIANARIS: Of whatever it is she's doing?

ACTING PRESIDENT GRIFFO: She's giving a summary of --

SENATOR YOUNG: I'm almost done, Senator Gianaris. I'm just going over --

SENATOR GIANARIS: We're only getting started. We're not almost done, Senator Young.

SENATOR YOUNG: And finally --

ACTING PRESIDENT GRIFFO: I would ask all members to please observe decorum and respect.

Senator Young.

SENATOR GIANARIS: (Inaudible.)

SENATOR YOUNG: And finally, under Environment -- clean air, clean water, protect our natural resources -- there's $200 million in new funds for water quality improvement programs. This brings total spending on water infrastructure to $400 million. And that's a $123 million increase to the Environmental Protection Fund from last year, to bring total EPF spending to $300 million.

And at this point I would be very happy to yield for some questions.

ACTING PRESIDENT GRIFFO: Senator Squadron has the floor. He had the question posed.

SENATOR SQUADRON: It's the same question, now it has hundreds -- over $100 billion in taxpayer money being spent behind it, much of which is not in this bill and is not in the light of day or something anyone in this state, except for the so-called three men in a

room, are aware of.

So in that context, I think the question is even more significant. With all the taxpayer spending in this bill, is there anything to increase integrity or people's faith in our state government?

SENATOR YOUNG: Through you, Mr. President, as we know in this chamber, we passed ethics reforms in our one-house budget that included stripping pensions from public officials who are convicted of felonies. And also we had term limits for leaders that was included.

Unfortunately, during budget negotiations those major reforms were not in the final budget.

SENATOR SQUADRON: I yield the floor to Senator Gianaris.

ACTING PRESIDENT GRIFFO: Senator Gianaris.

SENATOR GIANARIS: Would the sponsor yield?

ACTING PRESIDENT GRIFFO: Does the sponsor yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR GIANARIS: I heard the thorough summary that the sponsor gave just a few minutes ago, and I'm wondering whether she was announcing a budget deal for all of us or if those bills exist in some manner that we can look at all these wonderful provisions she cited in her summary. Or if the sponsor is privy to information that nobody else is.

SENATOR YOUNG: Through you, Mr. President, these are the items that will be included in the final budget, and those will be coming to us by messages of necessity.

SENATOR GIANARIS: Would the sponsor continue to yield?

SENATOR YOUNG: Certainly.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR GIANARIS: Are those provisions in any of the three bills before this house that were accepted in the Finance Committee report?

SENATOR YOUNG: Through you, Mr. President, as I said, I wanted to give an

overview of the budget as we kicked off the deliberation process and began voting on the budget bills. And those are the items that I wanted to highlight.

SENATOR GIANARIS: Would the sponsor continue to yield?

SENATOR YOUNG: Of course.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR GIANARIS: Is it the sponsor's intention that this body should discuss, debate, and vote on provisions that none of us have seen on a piece of paper, none of us have seen in our new tablets, or none of us have had the ability to review or have a deliberation on?

SENATOR YOUNG: Through you, Mr. President. Again, these are the elements of the budget that you will -- that we will be passing, and we are going to push hard to get the people's work done in a timely manner.

SENATOR GIANARIS: Would the sponsor continue to yield?

SENATOR YOUNG: Of course.

ACTING PRESIDENT GRIFFO: The

sponsor yields.

SENATOR GIANARIS: Is it the sponsor's contention that there are bills that are currently being drafted that no one has seen that will contain those provisions, or is this just her opinion of what she would like to see in the budget?

SENATOR YOUNG: Through you, Mr. President, these are items that we are pushing to have in the final budget, and I am confident that they will be there.

SENATOR GIANARIS: Would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR GIANARIS: What is the source of the sponsor's confidence that they will be in the final budget?

SENATOR YOUNG: The source of the confidence is that we have been working closely with the Assembly and the Governor in a bipartisan way to come up with a final budget agreement.

SENATOR GIANARIS: Will the sponsor

continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: Senator Gianaris, the sponsor yields.

SENATOR GIANARIS: I understand that there have been discussions going on. I also understand that the discussions, by public reports, have been on and off various times. I'm also aware that there were members of the majority conference who came out of your recent conference saying there were no deals on many of the issues you just pointed out were part of the budget.

So I'm wondering, on behalf of not only my conference, but on behalf of the public, who is dying to know what's going to be in this budget if we ever get to see it, where does the confidence that those provisions will be in a budget that's yet to be printed come from?

SENATOR YOUNG: Through you, Mr. President, these are items that have been negotiated, and I have a lot of faith.

ACTING PRESIDENT GRIFFO: Let me remind everyone, we do have a bill before us. I did give some flexibility because Senator Young

had asked to explain generally the budget process. I allowed that before she answered Senator Squadron's question.

Senator Gianaris, I have allowed you to ask some questions. You need to be germane now, in accordance with Rule 10 --

SENATOR GIANARIS: If we're going to be germane, we can both be germane. You can't do that.

ACTING PRESIDENT GRIFFO: I gave you --

SENATOR GIANARIS: -- (inaudible) --

ACTING PRESIDENT GRIFFO: -- some opportunity.

SENATOR GIANARIS: -- (inaudible) --

ACTING PRESIDENT GRIFFO: -- and I gave them some opportunity, Senator Gianaris. Senator Gianaris {gaveling} --

SENATOR GIANARIS: You can bang the gavel all you want, Senator Griffo --

ACTING PRESIDENT GRIFFO: Senator Gianaris, you're out of order.

SENATOR GIANARIS: -- this is not a

one-way --

ACTING PRESIDENT GRIFFO: Senator Gianaris, you're out of order. Please take your seat.

SENATOR GIANARIS: I will not --

ACTING PRESIDENT GRIFFO: Senator Gianaris, please take your seat.

SENATOR GIANARIS: Will the sponsor yield.

SENATOR DeFRANCISCO: Excuse me. Let's calm down a little bit, both sides. And I would like to see Senator Gianaris's further questions, and hopefully we can move to the point and get on with this at a reasonable hour.

SENATOR GIANARIS: Thank you, Senator DeFrancisco.

ACTING PRESIDENT GRIFFO: Senator Young, do you yield?

SENATOR YOUNG: Yes.

SENATOR GIANARIS: My final question on this topic, Mr. President, is whether the sponsor would like to share with us the document she's reading from that outlines the budget provisions that none of us have seen so that we could fairly evaluate what she tells us

is going to be in the final budget.

SENATOR YOUNG: Through you, Mr. President, this is a list of items that I put together that I believe will be highlights in the final budget.

SENATOR GIANARIS: And would the sponsor be willing to share that with us so we can all have that available to us as we discuss the budget?

SENATOR YOUNG: Of course I will.

SENATOR GIANARIS: Thank you very much.

SENATOR YOUNG: Thank you.

ACTING PRESIDENT GRIFFO: Senator Squadron.

SENATOR SQUADRON: Thank you, Mr. President.

In this bill -- we've heard a lot about what's in it -- is there anything that establishes limits on outside income for members of the State Legislature, as the Governor proposed in his campaign finance and ethics reform bill, Part B?

ACTING PRESIDENT GRIFFO: Senator Squadron, are you asking Senator Young to yield?

SENATOR SQUADRON: Forgive me. I forgot that we had not established that. If the sponsor would yield.

ACTING PRESIDENT GRIFFO: Senator Young, will you yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: Senator Squadron.

SENATOR SQUADRON: And I'll repeat the question.

Through you, Mr. President. Is there anything in this bill that establishes limits on outside income for members of the State Legislature as proposed in Part B of the Governor's campaign finance and ethics reform Article VII proposal?

SENATOR YOUNG: So through you, Mr. President, I'm going to defer to the point in time when those issues actually would have been included, because they would not have been under the Public Protection part of the budget which we are considering right now.

As I said, as Finance chair, I gave an overview of highlights that I believe will be in the final budget. Right now we are

considering the Public Protection part of the budget, and I would be very happy to answer any questions you may have about Public Protection.

SENATOR SQUADRON: If the sponsor will continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: Is Part C of the Governor's ethics proposal, which implemented various campaign finance reforms, in this bill?

SENATOR YOUNG: Same answer.

SENATOR SQUADRON: If the sponsor would continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: Soft money housekeeping limit, is that in this bill?

SENATOR YOUNG: Through you, Mr. President, I would be happy to answer any questions on the Public Protection part of the budget. My colleague seems to be asking about other areas of the budget right now.

And so I'd be glad to answer

anything about Public Protection, and I'm hopeful that he can come up with a question regarding that issue.

SENATOR SQUADRON: If the sponsor would continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: When is the appropriate time to discuss ethics reforms that were proposed by the Governor as part of the budget and not introduced by the leadership of this house?

SENATOR YOUNG: It's not under the Public Protection part of the budget which we are considering right at the moment.

SENATOR SQUADRON: If the sponsor will continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: If it's about Public Protection.

SENATOR SQUADRON: In prior years, were the provisions I discussed included in the

Public Protection and General Government budget proposal?

SENATOR YOUNG: We are not -- through you, Mr. President, we are not looking at other years right now, we are looking at this year.

SENATOR SQUADRON: If the sponsor will continue to yield.

SENATOR YOUNG: If it's about Public Protection. If not, I will not.

ACTING PRESIDENT GRIFFO: Senator Squadron, is your question relative to Public Protection?

SENATOR SQUADRON: Mr. President, I believe all of my questions have been relevant to Public Protection, and I will continue to --

SENATOR YOUNG: Mr. President, point of order. Point of order.

ACTING PRESIDENT GRIFFO: Senator Young, what is your point of order?

SENATOR YOUNG: We are talking about the Public Protection portion of the budget. I have yet to hear one question about any element about the Public Protection portion of the budget that is before the house. And I

will be happy to answer any questions regarding that bill that is before us. Otherwise, if it's about off-topics, other topics, then I unfortunately will not be able to yield.

ACTING PRESIDENT GRIFFO: So, Senator Squadron, do you choose to speak on the bill based upon that?

SENATOR SQUADRON: Point of order.

ACTING PRESIDENT GRIFFO: Point of order, Senator Squadron. What is your point of order? State it.

SENATOR SQUADRON: As I understand the customs of this house, when a bill sponsor or any member speaking on the floor raises a topic or an issue, it is appropriate to pursue that topic or issue for someone else questioning. Much as we do not name members on the floor unless a member is named or speaks themselves, at which point it becomes appropriate.

So since these topics were raised, it seems to me they are appropriate and germane to the bill.

ACTING PRESIDENT GRIFFO: Senator Squadron, an opportunity was presented before on an amendment. You were heard on that amendment.

It was ruled nongermane, and the ruling of the chair was given and sustained.

Therefore, the sponsor of this particular bill, the chair of the Finance Committee, has indicated she will take questions specific to the bill before the house, which is specifically on Public Protection.

So accordingly, I would ask you to pursue that line of questioning or speak on the bill.

SENATOR SQUADRON: Mr. President. Mr. President, if the sponsor would yield.

SENATOR YOUNG: I will yield if it's on Public Protection of this year's budget.

SENATOR SQUADRON: Mr. President, through you, an attempt within the narrow parameters, I would like to speak about the debate in this house between myself and the sponsor of this bill on the one-house budget that went before this house.

Does the sponsor agree with me that asking that question would be appropriate and germane?

SENATOR YOUNG: We are discussing the bill before the house. And I will no longer

yield, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Squadron, do you wish to speak on the bill?

SENATOR SQUADRON: On the bill, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Squadron on the bill.

SENATOR SQUADRON: Mr. President, no amount of discussion about provisions that are not in this bill, that have not been made public, and that may or may not end up in enacted budget, will distract from the underlying fact that the leadership of this house has put before us a budget that has no ethics reform or public integrity provisions at all, despite the fact that they were proposed by the Governor.

No amount of unwillingness to discuss the budget will justify a refusal to talk about a significant part of the Governor's budget proposal. The provisions in that proposal will never be before this house because the leadership of this house refuses to call them up for a vote. So by refusing to answer questions relevant to the provisions of law that are amended by this bill, that are relevant to a history of how we

have -- of this bill in prior years, does not justify -- does not justify refusing to engage a critical issue. I understand it's an uncomfortable issue. It's uncomfortable after the year Albany has had to refuse to talk about ethics reform. It's uncomfortable, after what we've seen, to refuse to talk about closing the LLC loophole. But it is germane. It's germane to the overall budget process, which is where this conversation started, and it's germane to this very bill.

If the sponsor or the Majority would commit to a robust discussion on the Governor's ethics reform proposal, I would be happy to sit down, yield, and deal with that debate when the bill comes up. But the sponsor and the Majority know full well that will never happen.

The hope here is that this uncomfortable portion of the budget debate comes and goes as quickly as possible, and all of the other things that may or may not end up in the budget, all of the other ways in which the taxpayers' money is getting spent, will distract from an underlying flaw, which is public integrity and ethics are being erased from this

budget and now erased from debate on the floor.

I promised a few moments ago that you would keep hearing from me on this. I was hoping that a robust debate on this issue would be it for the year. However, absent the debate, I guess I just have to keep talking to you, Mr. President.

It's extraordinary that we have a budget that's supposed to have so much that it may or may not have, but that no one would claim has ethics reform, and that no one is willing to answer any questions about why, or the thinking, or whether the LLC loophole is appropriate and within the law. It's really extraordinary and disappointing, 154 billion reasons why it's a mistake.

With that Mr. President, I sit down. I do have more questions, but unfortunately I don't believe anyone will answer them.

Thank you.

ACTING PRESIDENT GRIFFO: Senator Krueger.

SENATOR KRUEGER: Thank you, Mr. President. If the sponsor would please yield to some questions.

SENATOR YOUNG: Yes, Senator Krueger.

And I do want to point out, because Senator DeFrancisco said your first question may be "Do you have a financial plan on your desk?" -- and I want to point out you should have this financial plan on your desk.

ACTING PRESIDENT GRIFFO: Senator Krueger.

SENATOR KRUEGER: I want to thank the sponsor. That actually wasn't the question I was going to ask now.

(Laughter.)

SENATOR KRUEGER: I did point out in the earlier statements that we have the financial plan, we just don't have any of the budget bills that would reflect how we think we got that financial plan.

But I'm staying germane to this bill, following through on some of the other questions. So in this bill, it specifically omits Part A, Criminal Justice. Can the sponsor please tell me what we chose to omit from the bill in Criminal Justice?

ACTING PRESIDENT GRIFFO: The

sponsor yields.

SENATOR YOUNG: If you could just give us a moment.

ACTING PRESIDENT GRIFFO: Just a moment, Senator Krueger.

SENATOR YOUNG: Thank you, Senator Krueger, that information was just relayed to me.

Part A actually is the Executive proposal to allow the Executive to appoint an independent special counsel to review allegations regarding police or peace officers.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So since that proposal by the Governor has been omitted, am I to believe that proposal will not be seen anywhere in the budget this year?

SENATOR YOUNG: Through you, Mr. President, that part was not agreed to.

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

yield.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

SENATOR KRUEGER: So just to make sure we're all speaking the same language, so it was not agreed to so we will not see anything else relating to that section of law in another budget bill?

SENATOR YOUNG: That part, Part A, was not agreed to by the Governor, the Assembly, and the Senate. So that Part A is gone.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to leave -- to -- not to leave, excuse me.

SENATOR YOUNG: It's only 5:30.

SENATOR KRUEGER: I know, exactly. Would the sponsor continue to yield?

SENATOR YOUNG: Yes.

SENATOR KRUEGER: Thank you.

ACTING PRESIDENT GRIFFO: This is like Casablanca: it's the beginning of a beautiful friendship.

(Laughter.)

ACTING PRESIDENT GRIFFO: The

Senator yields.

SENATOR KRUEGER: Part D of this bill has also been intentionally omitted, and I believe that was related to counterterrorism. Could the sponsor explain what is removed from the Public Protection bill related to counterterrorism and whether we might see that in some other bill yet to go into print?

SENATOR YOUNG: Thank you, Mr. President. There is an agreement on Part D. And we also are getting some more information right as we speak.

SENATOR KRUEGER: Through you, Mr. President, so if I heard -- if the sponsor would continue to yield.

SENATOR YOUNG: Sure.

ACTING PRESIDENT GRIFFO: The sponsor will yield.

SENATOR KRUEGER: So unlike the previous omitted section, I'm hearing that there is some kind of agreement, but that's not in the Public Protection bill. Did I hear you right?

SENATOR YOUNG: Through you, Mr. President. This actually was the Governor's request. And you will be seeing information

about counterterrorism in the ELFA bill, the Education, Labor and Family Assistance bill. And that was something that the Governor requested to be transferred over to that portion of the State Budget, and it was endorsed by Ray Kelly.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you. Part H has also been intentionally omitted. I believe that was related to paid family leave. If the sponsor could let me know what the story of paid family leave is in this budget.

SENATOR YOUNG: Through you, Mr. President, Part H was omitted but you will be seeing that item handled in another budget bill.

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

SENATOR YOUNG: Of course.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you. Would we know what that budget bill would be?

SENATOR YOUNG: We are looking at the ELFA bill also for that.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So just to make sure I'm correct, because I'm standing here on the floor with all of us and not out on a computer, is there an ELFA bill in existence for us all to look at and see where these sections show up and what they actually say?

SENATOR YOUNG: I'm sorry, could you repeat that?

SENATOR KRUEGER: Certainly. Is there an ELFA bill on LRS or somewhere in existence in print where we might review the counterterrorism and paid family leave sections of the bill?

SENATOR YOUNG: Through you, Mr. President, those fine points are being put on

the budget right now as we speak.

SENATOR KRUEGER: On the bill, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Krueger on the bill.

SENATOR KRUEGER: Thank you.

So I think part of what you are hearing here tonight is a bit of a frustration that we have a bill we're being asked to vote on; objectively, there's not that many things any of us might have a problem with in the bill. The catch is most of the meat of the bill and of Public Protection has been omitted.

I went through only a small number of the omitted sections within this bill. So for those of us who are familiar with how we usually go through the process of evaluating the Public Protection and General Government bill within the State Budget, almost all of our questions about where's the meat and where are the sections, they're not here, Mr. President.

We're being asked to vote on language bills that have most of the language missing. We haven't dealt with any appropriation bills, so we sincerely can't have a conversation

about a hypothetical spending plan. We certainly haven't seen any of the revenue proposals that my colleague spoke about in her opening before, so we can't have a discussion about whether those are good, bad, real, not real, add up to the numbers handed to us.

Because we're sitting here at twenty-five to 6:00 on Thursday, and none of those bills exist -- although some people think they know what will be in them even when there are sections that actually should be in the three bills that are before us today.

So I'm not really sure where to go with the more questions, even though I have many questions, because unfortunately the answers are going to be that section was omitted, we don't have that yet, but we're pretty sure it will be somewhere else and we're pretty sure we can tell you some of what it will look like. That's not really how we're supposed to do budget bills.

I think -- I think it was said on this floor not too long ago that there's faith that there will be certain things. I like faith. There's all kinds of places for faith in our lives. But actually when you're voting on the

budget of the State of New York, which may hypothetically be $155.599 billion, you actually want to see the budget bills. You want to know where the numbers are coming from, how they're going to be spent, what are the changes in our statutes that will affect 19.5 million people.

So it's frustrating. It's very frustrating. You're hearing that from my colleagues and myself that -- I don't know, when we studied budgets in school, I actually studied government budgets in school, this wasn't really how it worked, and you actually got to see actual budget legislation to vote on that was a full package, with time to look at it and time to hold them up against each other.

And we're not doing that, Mr. President. And I don't think really any of us can justify it. But I don't have any more questions on this bill.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Krueger.

Senator Hoylman.

SENATOR HOYLMAN: Thank you, Mr. President. On the bill.

ACTING PRESIDENT GRIFFO: Senator Hoylman on the bill.

SENATOR HOYLMAN: I rise to express my frustration that we can't discuss the very sound ethics proposals that Governor Cuomo has proposed because that portion of the budget has been entirely eliminated. So it presents a quandary, I think, for us on this side of the aisle.

You know, I can't tell whether our friends in the other conference are sticking their head in the sand willingly --

SENATOR NOZZOLIO: Mr. President.

ACTING PRESIDENT GRIFFO: Senator Nozzolio, why do you rise?

SENATOR NOZZOLIO: Mr. President, will the speaker yield?

SENATOR HOYLMAN: Yes, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Hoylman, do you yield?

Senator Hoylman yields.

SENATOR NOZZOLIO: Could Senator Hoylman be so kind as to advise me and this body, in the Governor's proposal, where in the Public

Protection portion of the Governor's pro-offer were any of these subjects referenced?

SENATOR HOYLMAN: Through you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Hoylman.

SENATOR HOYLMAN: I was articulating my frustration, Mr. President, that because the Majority has eliminated, in its entirety -- eliminated in its entirety -- every ethic reform proposed by the Executive, therefore we have no opportunity to debate or discuss it.

SENATOR NOZZOLIO: Mr. President.

ACTING PRESIDENT GRIFFO: Senator Nozzolio.

SENATOR NOZZOLIO: Will the Senator continue to yield?

ACTING PRESIDENT GRIFFO: Senator Hoylman, do you yield?

SENATOR HOYLMAN: I yield, yes, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Hoylman, you haven't answered my question at all. Put the rhetoric aside and tell me specifically --

SENATOR GIANARIS: Mr. President --

ACTING PRESIDENT GRIFFO: Senator Gianaris, why do you rise?

SENATOR GIANARIS: Can we please have the questions directed through the chair.

ACTING PRESIDENT GRIFFO: Please have the questions directed through the chair, please.

SENATOR NOZZOLIO: Thank you, Senator Gianaris.

Mr. President, through you. I regret that Senator Hoylman has failed to answer my question. I regret that rather than the specifics of the question, which are where in the Governor's Public Protection portion of the budget that he pro-offered were any of the subjects that Mr. Hoylman references? Because, Mr. President, we are on the Public Protection portion of the State Budget. These subjects that Mr. Hoylman wishes to discuss are certainly relevant to discuss, but not present in the Governor's bill that was before us that we are now debating.

SENATOR HOYLMAN: Through you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Hoylman.

SENATOR HOYLMAN: I share my colleague's frustration, because the conference has eliminated in its entirety every ethics proposal. We can stand here and shadow box, but there is nothing to talk about. And that is a convenient way to avoid the subjects of ethics reform, and I would even argue it's a clever way, but it's not what the people of New York need in this moment of crisis in state government.

SENATOR NOZZOLIO: Mr. President, I again deeply regret that Senator Hoylman sidesteps, pivots, pushes around the subject that I've asked him directly about, and it's apparent that he obviously has no understanding of what Governor Cuomo's Public Protection portion of the budget did or the measure that's before us now for consideration.

With that frustration that he has, he's imparted on everyone else because of his own intransigence in answering the questions.

(Laughter.)

ACTING PRESIDENT GRIFFO: Senator Hoylman.

SENATOR HOYLMAN: Through you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Hoylman is on the bill.

SENATOR HOYLMAN: I'll say that -- I'll read every part that was actually up for discussion at the General Government table, which is the table relevant to the PPGG bill: Closing the so-called LLC loophole; establishing limits on outside income for members of the State Legislature; implementing various campaign finance reform proposals; a soft money housekeeping limit; disclosure of intermediaries; additional reporting in connection with that; lowering contribution limits; public financing of elections. The list goes on and on.

We should be extremely disappointed that we're not discussing in a fulsome manner the pluses and negatives of the Governor's proposals. I think that we, Mr. President, have taken this Watergate moment which our leader has referred to in the Democratic Conference, and we're turning it into a Waterloo moment, because the voters are going to remember, the voters are going to remember that we did nothing in this budget,

notwithstanding terrific proposals put forth by the Executive.

I'll be voting nay, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Hoylman.

Senator Rivera.

SENATOR RIVERA: Thank you, Mr. President. In my olden age I have actually gotten to --

ACTING PRESIDENT GRIFFO: Senator Rivera, are you on the bill?

SENATOR RIVERA: I'm on the bill.

ACTING PRESIDENT GRIFFO: Senator Rivera on the bill.

SENATOR RIVERA: Not necessarily when I was younger, but when I got a little older, I started to enjoy theater. I've actually gotten quite into it. And what I'm watching here right now is actually quite an entertaining play, if I may.

While earlier I would recall that Chairwoman Young went on and on about something that was not in this bill and was questioned about that by Senator Gianaris and Senator Gianaris was pooh-poohed, that no, you shouldn't

do than -- and then when Senator Hoylman took time to express the fact that there was in the General Government table a whole discussion from the Governor's proposal about ethics reform, which is something that we so need in this chamber and in the legislative body, then he was pooh-poohed by Senator Nozzolio about intransigence and what have you. So very good theater that we are watching here today.

But ultimately what this theater is, for those that might be watching and paying attention, is about the money that you give us, as government, to put into governmental things that we do -- and there are many, many things that we are not talking about today and we will not be talking about for a while because we have not seen any of them.

The bills that we have before us are actually plain old vanilla bills. They cover some basic things that are absolutely necessary. But the big items that we have been discussing or that we really need to discuss are not in any of these bills. And what many of my colleagues did already was express very clearly the fact that just one issue, when we're talking about ethics

reform or campaign finance reform, were not included at all in these pieces of legislation.

That is relevant, it is germane, it is appropriate to discuss because it is so important to the work that we do here. We need to have the trust of the people we govern. And unfortunately, whether my colleagues want to accept it or not, many folks don't trust us.

So I will be -- because this bill in particular, Mr. President, doesn't have anything particularly horrible in it -- it certainly has some exclusions and things that have been excised, as well as the other two bills that we're going to discuss, which means that we have plenty of time yet that -- we're not going to get to that April 1st deadline, Mr. President. We're going to go over that. It's going to happen, because there's so many things that we still have yet to discuss, the real big things that have not been on the agenda.

So I will say bravo to all the theatricality that's been going on in this chamber. I will vote in the affirmative on this piece of legislation. But I would ask everybody to at least accept the fact that the frustration

that we feel on this side is real. We have no idea what is going to be in some of these pieces of legislation. You all apparently do, but we don't.

And we take it very seriously, the responsibility that we have to our constituents, so we want to take some time to look things over. We hopefully will have that time in the future, Mr. President. As it is, just for this very vanilla piece of legislation, I'll be voting in the affirmative.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Rivera.

Is there any other Senator wishing to be heard?

Seeing none and hearing none, debate is closed, and the Secretary will ring the bell.

Read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT GRIFFO: Senator

Espaillat to explain his vote.

Can I have some order in the house, please.

SENATOR ESPAILLAT: Yes, Mr. President. Thank you.

I share concerns with this bill not having any ethics or campaign finance reform.

However, it changes from the original resolution proposed by this house, which called for an end to sanctuary cities, and I am supportive of that. It also provides a provision that allows service-disabled veterans to get more opportunities for their own businesses. And finally, it also reforms the World Trade Center volunteer form to ensure that additional state funds will be used to cover medical expenses denied by the federal Zadroga Act.

For those reasons, I will be voting in the affirmative.

ACTING PRESIDENT GRIFFO: Senator Espaillat to be recorded in the affirmative.

Announce the results.

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

We're going to make a correction to the last bill. The Secretary will reannounce the results.

THE SECRETARY: Ayes, 61. Nays, 1. Senator Hoylman recorded in the negative.

ACTING PRESIDENT GRIFFO: The bill is passed.

The Secretary will read.

THE SECRETARY: Senator Young moves to discharge, from the Committee on Finance, Assembly Bill Number 9007C and substitute it for the identical Senate Bill Number 6407C, Third Reading Calendar 515.

ACTING PRESIDENT GRIFFO: The substitution is so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 515, Assembly Budget Bill, Assembly Print 9007C, an act intentionally omitted.

ACTING PRESIDENT GRIFFO: Senator Rivera.

SENATOR RIVERA: Thank you, Mr. President. I wonder if the sponsor or perhaps Senator Hannon would yield for a few questions.

ACTING PRESIDENT GRIFFO: Can I ask the house again, please, to come to order. We have a number of people in the house today, two very important bills, and two members that wish to exchange. So I would please ask for order in the house.

Senator Rivera, you may continue. Senator Hannon, do you yield?

SENATOR HANNON: Yes.

ACTING PRESIDENT GRIFFO: Senator Hannon yields.

Senator Rivera.

SENATOR RIVERA: Thank you, Mr. President. I just have a few basic questions about what is and is not in this bill as it refers to the original budget proposal that the Governor put before us.

SENATOR HANNON: With the chair's permission, could I go into a little bit of an outline of the bill? If you don't mind.

SENATOR RIVERA: I don't mind. Through you, Mr. President.

ACTING PRESIDENT GRIFFO: We will allow the outline. Senator Rivera has agreed.

Senator Hannon, you may continue.

SENATOR HANNON: This is the Article VII bill in regard to health and aging, and there are several highlights of what's in the bill.

First of all, we have kept the traumatic brain injury waiver and making sure that it does not go into managed care for another year. We have preserved provider-prevail protections for medications, did not move beyond where we were before. We have rejected cuts to Early Intervention. We have kept spousal refusal in the state it was before because we thought changing it would be counterproductive. We have restored the cuts to the Excess Medical Malpractice Pool, because we feel that's an equitable solution for upstate health care. We have preserved the Naturally Occurring Retirement Communities and Neighborhood NORCs.

We were also able to restore a program for $195 million in capital grants, with 30 percent of that going to community providers. We've added a million dollars in the program for Doctors Across New York. There are very important funds added to OASAS for heroin prevention and treatment. We have added a

provision in regard to monies for making sure that New York tests all the rape kits. And we have restored funding for organ donation, eating disorders, and Lyme disease activities.

And that's just a broad outline of what we've done.

SENATOR RIVERA: Mr. President, through you, if the Senator would continue to yield.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR RIVERA: Thank you, Mr. President. A few things that I wanted to go into a little bit deeper.

First, related to the $195 million for capital transformation, if you could go a little bit into what the bill before us does as far as the process of how that money is going to be disbursed.

SENATOR HANNON: The process is a little complicated because the idea is to do a combination both of bonding and in grants for operations, so that it provides for both the DASNY and for existing grant procedures in the Department of Health. And to the reason that

once they look at the request and see whether it's capital or whether it's operating, they'll be able to best disburse the monies. And there is an exchange provision between the two. It would be for the benefit, and it would all be by State Finance Law.

SENATOR RIVERA: Through you, Mr. President, if the Senator would continue to yield.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR RIVERA: To just ask one specific question about that, ultimately the authority to disburse the money, to determine where it would go, would belong to the Budget Director, if I'm not mistaken, so it would be the second floor?

SENATOR HANNON: I would say a combination of the Budget Director and with the Health Commissioner.

SENATOR RIVERA: Through you, Mr. President, if the Senator would continue to yield.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR RIVERA: Thank you.

Two, and this actually should have been my first question, something that is not here and I want to make sure that we underline, the initial proposal by the Governor to shift costs on Medicaid growth rates to the City of New York, is it anywhere in this budget proposal?

SENATOR HANNON: It's not in this bill.

And I don't know if Senator Gianaris will allow me to refer to things that may not be before us yet, but it will be coming, with fair certainty, that the proposal to go back and not allow the state to pick up the monies for the increase in growth in Medicaid for the city, that should be reversed. It's a fairly complicated procedure. But I believe at the end of the day, we're not going to be taking that money from the city.

SENATOR RIVERA: Through you, Mr. President, if the Senator would continue to yield.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR RIVERA: So you're saying

that it might be -- at the end of the day, it's not going to be taken away from the city. But as far as how we switched it back from the original proposal, it is not on this bill, it will be on another one that we have yet to see?

SENATOR HANNON: It morphed from should we just reject it to it morphed into the Governor came up with something, somewhat at the last minute, which was confusing to a lot of people, that it became a transformation type of process that maybe other parts of the state would want to do it, although they already -- you know, there was a question as to whether they had the power to do it. So it's a process that's there for the rest of the state, it would be absolutely voluntary for the city.

It would also involve helping the city in regard to monies to pay for Medicaid but also monies that are needed -- what's known as using for HHC the process of intergovernmental transfers, one of the complicated parts of the Medicaid reimbursement process in the state and in federal law.

So at the end of the day, this would have to be worked out between the state and the

City of New York, and it would be, I think, a major net benefit to cash in the City of New York, helping HHC, which as we know has been financially stressed.

SENATOR RIVERA: Through you, Mr. President, if the Senator would yield for one more question.

SENATOR HANNON: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR RIVERA: Regarding Health Republic, there's obviously been a conversation that we've had --

SENATOR HANNON: Further, I'm reminded those actions will be all administrative. So they won't be in any bill that we will see, but frankly they've been -- there's been lots of discussions and lots of negotiations on it, so they're very real.

I'm sorry.

SENATOR RIVERA: So, Mr. President, through you, going back to the other question.

ACTING PRESIDENT GRIFFO: Senator Hannon yields.

SENATOR RIVERA: I thank the

Senator for clarifying that earlier point.

But lastly, on Health Republic, as it relates to any actions that we might take in this budget to make the providers that have already provided services that are how to make them whole. There have been many conversations about what we could potentially do, what we must do for these providers.

Is there anything in this budget bill or maybe in other budget bills that we haven't seen yet regarding Health Republic?

SENATOR HANNON: There's nothing in this budget bill about Health Republic. In other bills that have been discussed and negotiated, I believe there will be a provision -- now, we have not accepted at all the idea of going to a guarantee fund, because that was too dramatic at this point, even though it was first sponsored by Senator Valesky. Then I had my friend Senator Seward against it, so we had to come to a compromise.

The thought is, establish a fund that can be used for reimbursing claimants, but establish a fund that would become activated once the liquidation process, if it ever gets to be

commenced, once the liquidation process for Health Republic goes through the procedures of the Department of Financial Services. And the idea would be at some point have the budget, and obviously the administration, identify one of the settlement funds that the state has received by virtue of action of either DFS or the Attorney General, as a funding.

The thought being those are one-shot revenues, that hopefully this Health Republic event is a one-shot loss, so that we could match that and then hopefully down the road we would take a look at the whole approval process, rate-setting process of the insurance system and the health system, so we can better protect the people of this state.

SENATOR RIVERA: Through you, Mr. President, on the bill.

ACTING PRESIDENT GRIFFO: Senator Rivera on the bill.

SENATOR RIVERA: Thank you, Senator Hannon, for kind of breaking down what is on this bill.

As I stated earlier, most of these bills are somewhat vanilla, therefore a lot of

the big items that might be more controversial will be left to later. But a couple of things that I want to point out. First, the initial proposal to shift the costs of Medicaid growth to the City of New York, which would have been disastrous for the City of New York, particularly for HHC hospitals, I'm very thankful that this proposal before us does not have that in it.

As far as the transformation fund of the $195 million for capital improvements, I'm both thankful that it's there, but I am hopeful that the process is a little bit more transparent than the one that we just went through for the $1.2 billion that we allocated last year. There are many very deserving projects that unfortunately did not receive funding -- including projects certainly in my backyard and other parts of the state -- without which I'm not sure whether they can achieve the goals that we're trying to set for them as far as DSRIP and lowering hospitalization rates for Medicaid patients.

So I'm very thankful that that money is there, hoping to work with the second floor as well as with my colleagues to make sure that it

goes to the right places where it's needed.

And lastly, I'm thankful that we are having a conversation about Health Republic. We have to make sure -- I think that Senator Hannon nailed it when he says that we want to make sure that it is a one-time thing. Hopefully we will be able to have discussions about what exactly that means as far as making the people that have already provided services whole, and that we do not have to go down this road again.

But most of the things that are very controversial have been taken out of this piece of legislation. As it is, it is certainly acceptable. I will be voting in the affirmative.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Rivera.

Senator Hamilton.

SENATOR HAMILTON: Yes, Mr. Chair, would the sponsor of the bill please yield for some questions.

ACTING PRESIDENT GRIFFO: Senator Hannon, do you yield?

SENATOR HANNON: Yes, Mr. Chair.

SENATOR HAMILTON: Yes, Mr. Chair,

I'd like to ask the question of temporary operators and just get clarification on that.

SENATOR HANNON: Are you referring to the --

SENATOR HAMILTON: Under Mental Health, temporary operators? Under Mental Health, Part L.

SENATOR HANNON: The proposal that we had from the Governor?

SENATOR HAMILTON: Right. But can you just clarify what it actually -- how you define it, the three-way agreement, how it relates to the OPWDD and OMH, to appoint a temporary operator?

SENATOR HANNON: How did they relate?

SENATOR HAMILTON: Yeah. I just want an explanation what the program is.

SENATOR HANNON: I can do the same -- it's very close to what we've done and put in statute for all healthcare. There are times when these not-for-profits are having problems. The idea is that you need to continue the services, but the people who are doing the management are not sufficient to continue those

services, so that there is a need to have the department be able to step in and have somebody run it and make sure there's a continuity.

SENATOR HAMILTON: Yes, thank you.

Mr. Chair, would the sponsor yield to another question, please?

ACTING PRESIDENT GRIFFO: Senator Hannon, do you yield?

SENATOR HANNON: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR HAMILTON: I think the Senator is correct in that the proposal is great to address the serious financial situations nonprofits may be having. Right now, we have the highest homeless rate in New York City, over 60,000 people living in homeless shelters. A large component of that are people who have mental illness.

My question is, why wasn't the homeless shelters, people with domestic violence, and runaway youth included for the not-for-profits to be investigated for serious financial --

SENATOR HANNON: Philosophically,

we make too many silos, so we don't have really, directly under Mental Health the people who are suffering because they have other problems or they're homeless or they have a drug program. We haven't integrated this well enough, and we ought to. But we were handed this budget in this way. We still kept these separate. We still have to address all of that and how we're going to go about it.

You could also make a case that when the new federal waiver, called DSRIP, fully kicks in and we're trying to avoid admissions to hospitals, we'll also have an integration of services so that we won't have people suffering from overdose or mental illness and therefore becoming homeless and therefore addressing the healthcare system. There's a far greater need for integration.

We do have, in Health, we do a provision for supportive home services, a couple of hundred million. That's only gotten off the ground, I'm including a couple of years of appropriation there. So there is a whole need to address this. And we're still, as a government and as a society, trying to figure out how we're

going to do this appropriately.

SENATOR HAMILTON: I do agree with you on that point.

Would the sponsor yield to another question, Mr. Chair?

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR HAMILTON: The last question is once there is a three-way agreement, will the local legislature, the governing body, be notified of the appointment of an operator?

SENATOR HANNON: This was discussed. If the question is when the notification would be made, there was a question as to whether it would be done prior to the legislature or whether it would be subsequent. There are policy reasons not to do it prior to, from a bureaucrat standpoint.

But at the moment, it's going to be when the appointment is made, then the legislature will be notified.

SENATOR HAMILTON: Thank you. Just one more question. Would the sponsor yield to another question, please?

ACTING PRESIDENT GRIFFO: The

sponsor yields.

SENATOR HAMILTON: I think this is a great idea. But my last question is what happens if the not-for-profit does go into serious financial problems, what happens to the real estate that is owned by the not-for-profit if it's --

SENATOR HANNON: Well, that's really the reason for the temporary operator. If someone goes bankrupt or needs to be liquidated, then normal legal procedures start to use those as assets, and that gets to pay off creditors.

If you have a temporary operator, you keep the entity together, in a sense. You have the services continue to be delivered, you have a revenue stream that comes from Medicaid, and so you can theoretically, with better management, handle those bills. And what's the ultimate goal? People who are getting the services continue to get the services.

SENATOR HAMILTON: Great. No further questions.

I'd like to speak on the bill.

ACTING PRESIDENT GRIFFO: Senator Hamilton on the bill.

SENATOR HAMILTON: I think this is a great idea. What's been happening recently in certain communities, there's been a receiver put in place. And then rather than having corrective measures, the receiver is proceeding to the court for dissolution of these not-for-profits.

And what's happening now, not-for-profits who bought properties for $30,000, let's say 35 years ago, are now worth $2 million. And I just feel that this is a great idea, that we don't have receivers who are being paid $75,000 per month to make a determination that a not-for-profit is not doing well.

And I believe that they are targeting organizations in communities of color that are being gentrified, not because they're not doing well but because they want their real property assets.

So I think this is a great idea. But I also want to make sure that the local legislatures are notified prior to the operator being put in place to make sure that the corrective measures are done appropriately and certain communities are not targeted by members who used to work for OPWDD and now have left and

are using that information to target the not-for-profits that are on the fringe of not doing a great job but are doing a sufficient job.

Thank you very much, Mr. Chair.

ACTING PRESIDENT GRIFFO: Senator Stavisky.

SENATOR STAVISKY: Thank you, Mr. President. Would the sponsor yield?

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR STAVISKY: I have one question. I thank you for your explanation on the resolution of the financial difficulties experienced by Health Republic.

Do you anticipate all of the providers being reimbursed, or is it going to be the big larger groups? How do you see the small, the individuals receiving the reimbursement for services to Health Republic that they have already provided?

SENATOR HANNON: Well, I think we need to see a process that people can make the claims. Right now all we have are informal surveys by the different organization -- you know, home care or hospitals or the physicians.

They've surveyed their members: How much do you think you're out?

If we have a more formal process, be it through the liquidation or through this fund that we've set up, that people can make a formal claim, can do the proof of that formal claim, then you get somebody who's making the decisions as to how to make the awards based on what the priorities are, based on -- you know, patients are in this too.

So we really need to get the procedure going. Absent the procedure, no one can actually tell what's owed and what can be delivered.

SENATOR STAVISKY: Thank you. I just want to be sure that nobody is left behind.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Stavisky.

Senator Krueger.

SENATOR KRUEGER: Thank you, Mr. President. If the sponsor could please yield for some questions.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you.

Just going back to a section that -- there were some questions about the healthcare transformation package, which continues the previous year's commitments on Oneida County and Brooklyn but then creates a $200 million statewide program, is this exclusively for hospitals, or can this be for other community-based healthcare programs? Because during the budget hearings, they were the ones so desperate for money.

SENATOR HANNON: On your question what is the purpose of this, first of all, I think it's -- the 195 million? It's $195 million, technically, because $5 million is going to be used for mammogram vans. So it's 195.

And then it can be used for any healthcare providers. Though we have put in here -- we wanted more, but we put in that 30 percent of this would go to community -- $30 million, excuse me, would go to community healthcare providers. So we did a little priority there, but the rest of it could be any healthcare provider.

SENATOR KRUEGER: Through you,

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you. Can more than $30 million go to community healthcare providers? It's just a bottom, that $30 million has to go?

SENATOR HANNON: Yes. Yes, Senator.

SENATOR KRUEGER: Okay. Through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: What's the process of who will make the decisions on this? Is this an RFP through the Department of Health? How does this work?

SENATOR HANNON: I presume they're going to use the continued -- the way they have allocated money that we had in the $1.6 billion, whether it be for the first procedure we had or the second. It's going to be an award process, they'll score the awards and they'll try -- and

hopefully use great judgment.

I must admit that there's not enough money, because there's a lot of people who made applications and didn't get the awards, so there's going to be a lot of hopes.

And the preference is to people who made applications to the process before and did not get funded. And that's important because many of those people are participating in the federal waiver and feel that their applications are essential to them successfully participating in that waiver program.

SENATOR KRUEGER: So the sponsor actually guessed what my next question was going to be. Thank you for that answer.

If you -- excuse me. I have a question on another section of the bill, if the sponsor would continue to yield.

SENATOR HANNON: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you.

There was reference to a new proposal dealing with the heroin/opioid epidemic. And then I think in an earlier statement Senator

Young talked about new money for something. Can we clarify what there is for heroin/opioid abuse in this bill and how it might correlate with some money that might or might not be there in a future bill we have yet to see?

SENATOR HANNON: Basically you're talking about expanding what OASAS is doing in the new applications for people who have had overdoses, for people who are addicted and their families, trying to lead to greater expansion of rehabilitation clinics. So it is much of the natural expansion that needs to be done.

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So we should see some X amount of money for RFPs for a larger number of rehab facilities or a larger number of slots in existing rehab facilities?

SENATOR HANNON: I think, building on what the Governor proposed, adding $25 million to that, we get to the order of $160 million.

SENATOR KRUEGER: And through you,

Mr. President -- oh, I want to wait to make sure you get your numbers.

SENATOR HANNON: I'm fine.

SENATOR KRUEGER: Okay. Through you, Mr. President, so these also will be an RFP process through OASAS for new providers to apply?

SENATOR HANNON: I think there's a mixture of different award procedures. But it would be pursuant to what they would do in the ordinary course.

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Is there any geographic distribution of these new funds for this purpose?

SENATOR HANNON: Not at this moment. Not at this moment. But we have a very energized group of Senators who have been participating in the chair's hearings throughout the state, knowing there are problems throughout the state, and so they're all vigorous proponents of new initiatives from Niagara to Suffolk.

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: And just in comment, I think every county of the state is suffering from the growing problem, and I think that it is correct that there is no community that doesn't see the need for more support and help for people who are suffering from opioid addictions, heroin addictions, and the desperate need for more access to immediate healthcare and mental health care upon realization of the problem.

So I'm glad to see more money. I'm glad to see there will be opportunities for more providers to draw down on this money and hopefully expand the number of slots, because I'm not sure there's anything worse than knowing you have a problem, going in search of help, and not being able to find any. So I'm very supportive of expanding this.

I want to shift to some of the things that were removed from this bill relating

to drug pricing and evaluation of pharmaceutical pricing. If, through you, the sponsor would continue to yield.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So a number of sections were removed from this bill that involved the Governor's original proposals for some changes in the pricing and evaluation of pharmaceutical drugs. Can the sponsor both explain a little bit about what was lost and what remains?

SENATOR HANNON: I'm not so sure that the things that are intentionally omitted were losses, because they were more hopes. They tried to deal with, quote, blockbuster drugs that weren't identified, with no procedure, they tried to deal with specialty drugs that weren't identified and there was no procedure.

The thought was that -- and they were price controls. If anybody -- and I found out by asking various professionals in healthcare whether they had any background in price controls, because we last really had them in World War II, and no one did. And I remember

from my economic studies they led to huge bureaucracies and not necessarily efficiencies.

So the thought was we need to deal with overpricing in drugs. We had the fact of one of the manufacturers who became fairly infamous taking a $13.50 drug and escalating it to $750. We proposed a type of surcharge going after price gouging. The Executive came back with the proposal that's contained in this bill and deals with when the price of a generic drug has increased by more than 300 percent in any given year, allowing the administration to deal with that in regard to a surcharge on that drug manufacturer.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR HANNON: Yes.

SENATOR KRUEGER: So the proposal is specific to generic drugs only?

SENATOR HANNON: Yes.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to

yield.

SENATOR HANNON: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Can the sponsor help me understand under what scenario an existing drug which is generic, hence it has come after years of a patent on a parallel drug, under what scenario a generic drug would need to go up 300 percent in cost per year?

SENATOR HANNON: That's what we're trying to avoid. I don't know the legitimate scenario that there would be. But I do know it's happened, it's happened in several instances, and people have had to pay more.

Now, in regard to brand drugs, we know the federal government has a program that's operating in regard to this, so we were not going to step into that. And in the proposal that's in this budget, in regard to generic drugs, when and if -- and it's likely it's going to be a when -- the federal government deals with generic drugs also, that we would not cease to continue with this program -- we would not cease to continue the program.

SENATOR KRUEGER: I understand.

Through you, Mr. President, if the sponsor will continue to yield.

SENATOR HANNON: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: It's very helpful, the answers to the questions. I want to thank the sponsor.

So is this rebate -- if you go up on your drug by 300 percent, we're going to rebate back 295 percent of it? How much is the rebate?

SENATOR HANNON: I think it's negotiated with the manufacturer.

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: It's negotiated by the Executive, by the Department of Health, by whom?

SENATOR HANNON: Really the Department of Health, through their Drug Utilization Board.

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So if I was smart about this and I had a generic drug that I wanted to drive the prices up on, I'll just do a 299 percent increase every year?

SENATOR HANNON: I would presume that would be the case.

But I'm not so sure that you could be confident you could continue in the state's programs because we also have another look-see as to whether you can participate in Medicaid. We have a utilization board that you take a look at. We have the powers under the global spending cap that we can make adjustments in regard to drug prices. We have had all of the Medicaid managed care companies go with a pharmaceutical benefit manager who is pretty fierce.

So the idea is to try to make this as reasonable as possible and not have some drug company take advantage of our treasury.

SENATOR KRUEGER: Mr. President, on

the bill.

ACTING PRESIDENT GRIFFO: Senator Krueger on the bill.

SENATOR KRUEGER: I want to thank the sponsor for his answers to my questions and to my colleagues' questions, appreciate very much his knowledge base.

My last set of questions is actually out of my frustration that we have yet to figure out how to do more to control pharmaceutical drug pricing for our citizens. The concept, just again to repeat, these are generic drugs. Hence, they were name-brand drugs under patents for some period of time -- it could be 10, 20, even 30, 40 years. So they're not new drugs where R&D was involved in the costing of them, they're drugs that have been on the market and suddenly we're seeing skyrocketing increases in their costs -- again, over 300 percent a year. And the sponsor gave one example where I can't even calculate what the growth in that rate was.

There is no justification or excuse for these kinds of drugs to see these kinds of price increases. We removed from the budget bill a series of proposals that the sponsor may or may

not be right about that there wasn't a way for us to figure this out correctly. I'm not convinced we couldn't figure it out correctly.

Frankly, I hope we take another bite at that apple. It's very clear to me until the federal government and states start to become incredibly aggressive at challenging the pricing of pharmaceutical drugs, generic and name brand, until we hold the manufacturers accountable for justifying their expenses, the costs of their drugs, we're going to see a greater and greater share of America's personal budgets and our government budgets going to the cost of pharmaceuticals. And we are going to continue to see -- most disturbingly, perhaps -- low-income people, low-income seniors, making the decisions about whether they can afford their drugs or their food each month.

Most countries in the world have figured this out for themselves. We have not yet. I am not opposed to this proposal, I am just frustrated that we haven't figured out how to do more on behalf of our citizens.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank

you, Senator Krueger.

Is there any other Senator that wishes to be heard?

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

Senator DeFrancisco.

SENATOR DeFRANCISCO: While we're waiting for everyone to congregate, I just wanted to mention that for the Senators, there's food out there. And probably all of you have eaten already. But those that didn't, we're going to go at ease right after we take this vote until 7:15, 45 minutes. And if we all come back in time, we'll resume on the third bill. That way we give people the opportunity to continue this process in a humane manner.

(Pause.)

ACTING PRESIDENT GRIFFO: Senator DeFrancisco.

SENATOR DeFRANCISCO: I ask all the Senators to please take their seats so that we can determine if everyone's here and actually take the roll call vote.

ACTING PRESIDENT GRIFFO: The

Secretary will read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

Senator DeFrancisco.

SENATOR DeFRANCISCO: We will now stand at ease until 7:15.

ACTING PRESIDENT GRIFFO: The Senate will stand at ease until 7:15 promptly. Senate is at ease.

(Whereupon, the Senate stood at ease at 6:35 p.m.)

(Whereupon, the Senate reconvened at 7:29 p.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: I just want to make an announcement throughout this building and wherever else Senators might be. We tried to

do this in a logical way by giving people a little time to get something to eat, and we were supposed to be back at 7:15. There's a lot of us here, but there's also a lot of empty seats. So if you'd like to come back, it would be helpful, because the earlier we get done tonight -- rather than be here to some ungodly hour.

So please, pretty please --

(Laughter.)

SENATOR DeFRANCISCO: -- if anybody hears this message that's either a Senator or someone that knows where a Senator is, will you please send them down now. Thank you.

(Pause.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

SENATOR DeFRANCISCO: Yes, can we now call the next budget bill on the calendar, please.

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: Senator Young moves to discharge, from the Committee on Finance, Assembly Bill Number 9008C and substitute it for the identical Senate Bill 6408C, Third Reading

Calendar 516.

ACTING PRESIDENT GRIFFO: The substitution is so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 516, Assembly Budget Bill, Assembly Print 9008C, an act intentionally omitted.

SENATOR DeFRANCISCO: Is there a message of necessity at the desk?

ACTING PRESIDENT GRIFFO: There is a message of necessity from the Governor at the desk.

SENATOR DeFRANCISCO: I move to accept.

ACTING PRESIDENT GRIFFO: All in favor of accepting the message of necessity of the Governor at the desk signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted.

SENATOR DeFRANCISCO: Last section.

ACTING PRESIDENT GRIFFO: Senator Gianaris, why --

(Laughter.)

ACTING PRESIDENT GRIFFO: The gentleman from Queens.

SENATOR GIANARIS: Thank you.

Mr. President, I believe there is an amendment at the desk. I ask that the reading be waived and that Senator Hoylman may be heard on the amendment.

ACTING PRESIDENT GRIFFO: Senator Gianaris, upon review of the amendment, I rule that, in accordance with Rule 10, it is not germane to the bill before the house and therefore out of order.

SENATOR GIANARIS: I'd like to appeal the decision of the chair and ask that Senator Hoylman be heard on the appeal.

ACTING PRESIDENT GRIFFO: The appeal is so noted and Senator Hoylman is so called upon.

Can I have some order in the house, please.

SENATOR HOYLMAN: Thank you. Thank you, Mr. President.

Mr. President, my amendment to this legislation is germane because it does maintain

the same purpose and addresses the same area of law as the underlying bill.

My amendment would preserve existing resources for communities impacted by the closure of fossil fuel power plants as provided in Chapter 20 of the Laws of 2015.

Now, it further ensures that additional communities that host fossil fuel-powered electric generation plants are eligible to access state assistance when these facilities are retired and permanently shuttered.

So, Mr. President, we're trying to get communities to kick the habit of fossil fuels. And we need to do that. We need to provide them with funding to do so, so they're not hurt irreparably.

We've already done that. We did that in 2015. But we shouldn't do it this year by raiding the Regional Greenhouse Gas Initiative.

Now, I think most of our colleagues know what RGGI is. It's the nation's first cap-and-trade program. It's designed to cut carbon pollution from the power sector. Now, we know about carbon and carbon emissions. Climate

change, as many of us have said on this floor, is the greatest threat to our national security, to our economy, to our humanity. So we shouldn't be cutting the funds that will actually help us overcome climate change.

Over the last seven years, RGGI has helped participating states cut power plant carbon pollution by more 35 percent while adding public health savings by more than $10 billion. That's 30,000 job years of work, almost $40 million in energy bill savings, and $2.4 billion to the regional economy -- that's New York and the other seven states that are participating.

According to an independent analysis just this past July, New York can claim 4500 jobs created from RGGI. Now, current law protects these jobs while helping communities where fossil plants close permanently, as it should be. A $30 million raid of RGGI, though, would pull about 18 percent of RGGI's revenue, one-fifth of it, over the past year. And that raid, according to these calculations, would kill over 800 jobs.

NYSERDA has said that for every dollar we invest in clean energies, homeowners

save about 3 bucks. And if you count that multiplier effect, this raid on RGGI, this $30 million raid on RGGI, could cost about $90 million in energy cost savings for working families here in New York.

We should have solar and wind in these communities where power plants are shutting. But by actually raiding RGGI, it's a self-defeating prophecy.

RGGI shouldn't be used for the vestiges, Mr. President, of the fossil fuel addiction. That's what the General Fund -- that's what we determined that the General Fund should be used for. That's what we determined to do last year. We should stick with last year's plan. We should leave RGGI alone.

We've identified the right money to help these communities that have had power plants closing, to backfill those property tax losses. That's the right thing to do. That's the right money. We're just using -- respectfully, Mr. President -- the wrong source.

So I would ask my colleagues to join me in voting for this amendment. And nothing personal, Mr. President, against your ruling.

Thank you.

ACTING PRESIDENT GRIFFO: Thank you, Senator Hoylman.

Senator Hoylman has been heard on the appeal. The question is a procedural question before the house. All in favor of overriding the ruling of the chair signify by saying aye.

SENATOR GIANARIS: Show of hands, please.

ACTING PRESIDENT GRIFFO: A show of hands has been requested and so instructed.

Announce.

THE SECRETARY: Ayes, 25.

ACTING PRESIDENT GRIFFO: The ruling of the chair is sustained.

The bill is before the house.

Senator Dilan.

SENATOR DILAN: Yes, Mr. President. I would --

ACTING PRESIDENT GRIFFO: Senator Dilan, excuse me.

Can I have some order in the house, please. Thank you.

Senator Dilan.

SENATOR DILAN: I would ask the sponsor if she would yield for some questions.

ACTING PRESIDENT GRIFFO: A request has been made of the sponsor to yield for questions from Senator Dilan.

The Senator yields.

SENATOR DILAN: Thank you.

Mr. President, these are perhaps questions which I would have asked during the budget subcommittee hearings on the mothership. And I know that I sat at two meetings of the Transportation table where eventually we got a $5 million target which I thought at the time was really insignificant in the whole scope of the theme of the budget.

But I know we had these two hearings, and there was never closure to the subcommittees. I want to know what happened. Why didn't we have closure at the budget subcommittees? And what happened to all the money that was targeted at the various tables, and how was that allocated?

SENATOR YOUNG: Through you, Mr. President. It isn't part of this bill right now, but it will be taken up later. And it will

be $5 million for upstate transit.

SENATOR DILAN: Okay. I know that with your opening -- I'm sorry, Mr. President, would the --

ACTING PRESIDENT GRIFFO: Does the sponsor yield?

SENATOR DILAN: -- sponsor yield?

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: Again, can I have some order, please.

SENATOR DILAN: Mr. President, in the opening remarks of the sponsor, the Senator listed a number of targets for the Department of Transportation and its capital budget, I believe it was to the tune of 25 billion-plus dollars. So basically I want to know if she could reiterate those numbers, and was the DOT capital plan funded under this budget plan?

SENATOR YOUNG: Sure. Well, I'll give you, Senator, what I talked about in the beginning. That will be in a separate budget. Those figures will be in the capital budget when that comes before the house.

But what we're looking at is a $25.1 billion multiyear DOT capital plan. So it would be additional funds for road and bridges and non-MTA upstate and downstate transit, rail freight and aviation, which I know you're interested in all those subjects.

SENATOR DILAN: Does the Senator continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR DILAN: So what you're telling us is that when the appropriate bill comes before this chamber, we can have further discussion on this issue?

SENATOR YOUNG: Yes, of course.

SENATOR DILAN: Okay. And two more questions. Does the member continue to yield?

SENATOR YOUNG: Yes.

SENATOR DILAN: With respect to the MTA capital funding, I know that earlier this year or late last year there was an MOU by the Governor and the Mayor of the City of New York, and there was a commitment of $7.3 billion by the state. I would like to know where that funding

is, and how do we expect to fund the MTA capital plan?

SENATOR YOUNG: So through you, Mr. President, you'll notice in the sheet that you have on your desk there's Part A, Part B and Part C, and those are omitted right at the moment. Those actually will be included in the Education, Labor and Family Assistance part of the budget, and those will be dealing with MTA financing and reforms.

SENATOR DILAN: Mr. President, will the chair continue to yield?

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

SENATOR DILAN: Basically -- my final question -- so basically it appears that the MTA capital funding is basically an IOU; is that correct?

SENATOR YOUNG: Through you, Mr. President, Senator Dilan, just to answer his question, that will be addressed in the ELFA bill.

SENATOR DILAN: Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Dilan.

Senator Squadron.

SENATOR SQUADRON: Thank you very much. If the sponsor would yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: Thank you very much. And I thank my colleague Senator Dilan, the ranking member of the Transportation Committee, for his questions. And I do look forward to the bill where we can address these.

I do want to ask, though, Chairman Prendergast, the chair of the MTA, said just a week ago, reported in both Capital NY and Gothamist: "June 30th of this year, that's when we run out of money," the MTA runs out of money, "unless there's a capital plan approved with a funding source."

Is there anything between now and the time we see the new bill that we can tell the chair of the MTA and the millions of riders who depend on buses and subways to give them confidence they will not run out of money for

their capital plan before June 30th?

SENATOR YOUNG: Thank you, Mr. President.

The MTA needs have to be reviewed by the Capital Program Review Board, and those issues will be addressed prior to the deadline.

SENATOR SQUADRON: If the sponsor will continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: And a final question. Similarly, the chair and the CFO of the MTA have said that they're not going to be able to go out to the bond market to finance capital projects without additional revenues coming to the MTA. Is there anything that we can tell the leadership of the MTA, the bond market, and the millions of riders who depend on buses and subways every day -- and commuter rail -- throughout the downstate region to move our economy, about the assurance of a funding source to allow them to go to the bond market before June 30th?

SENATOR YOUNG: Thank you,

Mr. President.

For the MTA, those needs will be reflected by the MTA when the time is appropriate when they come to the state to get those funds that are necessary. And so we'll be looking forward to getting that information from the MTA.

SENATOR SQUADRON: If the sponsor will continue to yield, a follow-up question.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: I thought you said it was the last question.

SENATOR SQUADRON: It was, but that answer had a lot in it -- which I appreciate. So just a follow-up to the information in that question.

To clarify, the MTA will only -- is the sponsor saying the MTA will only get that funding when the MTA comes back to the Legislature, or has the MTA sufficiently come to the Legislature that it's now kind of on us and we'll see it in a future bill, as the sponsor said minutes ago? Just clarity.

SENATOR YOUNG: Thank you, Mr. President. Those needs will be addressed in

upcoming budgets as they become apparent, based on information from the MTA.

SENATOR SQUADRON: Thank you. On the bill.

ACTING PRESIDENT GRIFFO: Senator Squadron on the bill.

SENATOR SQUADRON: I appreciate the sponsor being clear with Senator Dilan, and again now, that these issues will be addressed in this budget.

To anyone still negotiating the budget in any rooms in this building, I would strongly urge, if you're listening, please go beyond the IOU that Senator Dilan referenced. Please find real funding for the MTA's capital program, for the road and bridge capital program, real dollars. Both are critical, critical, critical pieces of our economy, of lifestyles in every corner of this state.

And I look forward to that bill coming out in the next hours or days, and discussing the MTA capital plan at that point.

But again, to any negotiators out there, find the money. Let's not do an IOU. I don't take the subway with an IOU, I do it with a

MetroCard. Don't fund the capital plan with an IOU.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Hoylman.

SENATOR HOYLMAN: Thank you, Mr. President. On the bill.

ACTING PRESIDENT GRIFFO: Senator Hoylman on the bill.

SENATOR HOYLMAN: I just wanted to express my disappointment, Mr. President, that once again, due to the actions of this chamber, we're delaying the implementation of the Diesel Emissions Reduction Act. You know, that is a law that was passed with broad bipartisan support, from our friends on the other side of the aisle as well as ours, 10 years ago. The goal is to reduce airborne fine particulate matter that's linked to asthma, scientifically proven in so many of our communities to cause asthma in young people.

I mentioned the other day that I was visited by a mother who told me that her daughter had been to the hospital 21 times, 21 times since January for asthma-related illness.

It's also related to heart attacks and lung cancer. We should have done this six years ago. And every month, it seems, we get more evidence as to why we should do it. Just yesterday a report was issued by a hospital in my district, NYU Langone School of Medicine, that found that premature births linked to exposure to air pollution cost the U.S. more than $4 billion a year in medical care and lost economic opportunity.

Air pollution including the fine particulate matter that is caused by inefficient diesel engines, the ones we're talking about in DERA, can result in toxic buildup, according to this report, in the blood of women, causing immune system distress that weakens the placenta and shortens the amount of time that babies can actually stay in the womb. That's pretty serious stuff.

So I hope that when we consider this bill tonight, we'll understand that we've been in fact very shortsighted in understanding the health risks that are caused by diesel and fully grappling -- fully grappling, Mr. President -- with the impact that we're unleashing on our

fellow citizens by not implementing a law that we passed a decade ago.

Thank you.

ACTING PRESIDENT GRIFFO: Senator Sanders.

SENATOR SANDERS: Thank you, Mr. President. On the bill.

ACTING PRESIDENT GRIFFO: Senator Sanders on the bill.

SENATOR SANDERS: I'm concerned about some of the MWBE language that's in the bill. It causes me great concern.

Now, we've all established that of course MWBE is the law of the land, and as a law it should supersede whatever understandings that we have. And we are all trying get to the Governor's goal of 30 percent, and I fear that this bill, the way it is written, may undercut that. And here's how I believe that it will do so.

We're not taking into account what design/build means in terms of the MWBE requirements, nor are we looking at what is called "best value" and even the labor project agreements. When you start putting all of these

things in, you're undercutting the Crosson decision. The Crosson decision, of course, is what allows you to have an MWBE program. The Crosson decision, of course, was written so specific that you can't just put things in. Because if you do, you're making sure that the -- that you won't have a program.

So when you're speaking of LaGuardia redevelopment and all of these other redevelopment projects, from my point of view you'll never get to your 30 percent or anyplace close to it if you're tacking on more and more of these other worthy goals. And when you start coming in with other language, language that says MWBE participation is still required to the extent practicable, you're contradicting the decision. If you're saying that you have a decision, MWBE, and then you're saying, Well, we'll only do it where we believe it is -- where we believe that we can make it work. Instead of obeying the law of the land, you're contradicting the thing.

So I'm urging my colleagues to look at this part. And perhaps as we get further into finding out what is this budget that we're really

doing, what is this, we can further define and carve some of these things that will handicap the program out.

So just some concerns that I'm hoping that my colleagues will take into account as we go through this process.

Thank you very much, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Panepinto.

SENATOR PANEPINTO: Yes, Mr. President. I have some questions for the sponsor on this bill.

ACTING PRESIDENT GRIFFO: Does the sponsor yield?

SENATOR YOUNG: Sure.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PANEPINTO: Mr. President, I'd like to know from the sponsor, it seems to me by reading the language on this bill that we have changed our procedure for allowing municipalities to access money from the closure of power plants. And I want to know if I'm in fact reading it correctly.

SENATOR YOUNG: Through you,

Mr. President. So I believe that Senator Panepinto was asking for $30 million power plant mitigation fund that was established by the Senate last year in an amount of $19 million. It's been changed this to add more funds to it so that it would total $30 million.

And included in that there is language that would change the requirements for those funds to be distributed.

SENATOR PANEPINTO: Mr. Speaker, may I ask another question?

ACTING PRESIDENT GRIFFO: Sure.

Will the sponsor yield? The sponsor yields.

SENATOR PANEPINTO: So the change in the language that is -- if there's an reduction in the tax revenue that is paid to a municipality, if it drops down 20 percent, the municipality or school district can then access these transition funds. Is that what the legislation does now?

SENATOR YOUNG: So through you, Mr. President, just to clarify. The language basically is based on the impacts -- previously it was based on the impact of the total taxes.

Now it's based on the loss of the payment in lieu of taxes that exists in many communities. For example, I know you have the Huntley plant in your community in Tonawanda; I have the NRG plant -- both same company -- in Dunkirk in my district. So basically this would help deal with the loss of the PILOT funding, to help the school, to help the county, and also to help the Town of Tonawanda or the City of Dunkirk.

SENATOR PANEPINTO: Mr. Speaker, would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PANEPINTO: So by way of example, in the Town of Tonawanda, the Huntley power plant pays over $6 million to the school district and municipality. If they had a reduction of 20 percent of that money, they would then have access to these funds, according to the new language.

SENATOR YOUNG: So through you, Mr. President, I'm not clear where the Huntley plant is as far as closure goes. It's my understanding it's in the process of being

closed. Or it's closed already, but --

SENATOR PANEPINTO: It's closed already, as of March 1st.

SENATOR YOUNG: And I'm not sure what NRG did as far as the PILOT payment went. But according to the language, it says "the closing of such facility has caused a reduction in the real property tax collections of payments in lieu of taxes of at least 20 percent owed by such electric generating facility."

SENATOR PANEPINTO: Mr. President, will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PANEPINTO: So my example is that Huntley paid $6 million in their PILOT payments already this year. They're going to attempt to recoup that money. If they recoup 70 percent of that, would the Town of Tonawanda then be eligible for these payments?

SENATOR YOUNG: Yes. Through you, Mr. President. So basically the way the program works is that if there's a tax loss that's significant because the PILOT has been reduced,

then that loss will have -- will be able to recoup, from this state mitigation fund, 80 percent of the lost revenues.

SENATOR PANEPINTO: Mr. President, will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PANEPINTO: According to the language here in the bill, it would be 80 percent of the lost tax revenue in the first year. What would the Years 2 through 5 -- what amount could they recoup in those years?

SENATOR YOUNG: I believe that it's -- the maximum is for five years, just to give communities time to be able to transition. And I believe that, you know, you could probably secure -- and it's a year-to-year basis, let me make that clear. So this body, the Governor and the Assembly would have to agree in the next budget to have such funds available.

But the language says that communities could qualify that are impacted for up to five years.

SENATOR PANEPINTO: Mr. President,

would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PANEPINTO: I understand that, Mr. President, that they can continue to apply for up to five years. The language says 80 percent in the first year. Would that 80 percent continue in Years 2 through 5?

SENATOR YOUNG: Through you, Mr. President, I think that probably would be determined in this coming year's -- the next year's budget, the exact specifics.

SENATOR PANEPINTO: On the bill, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Panepinto on the bill.

SENATOR PANEPINTO: I want to thank Senator Young and Senator Ranzenhofer and our friends in the Assembly for, you know, working on this very important bill. I mean, having money available for just transition for communities that lose coal or oil power plants is critically important around the state.

We have five coal plants, we have

two closing in Western New York, probably three more in the upcoming years. The Governor has committed to closing them all by 2020. These communities cannot exist if we don't prepare them for a transition off of their addiction to their power plants.

So I want to commend my colleagues on the other side, thank the Governor and thank our colleagues in the Assembly for coming up with a solution which will help the City of Dunkirk, the Town of Tonawanda, and other municipalities around the state.

Thank you, Mr. President. I'm voting in the affirmative.

ACTING PRESIDENT GRIFFO: Thank you, Senator Panepinto.

Senator Dilan.

SENATOR DILAN: Yes. I have one further question of the sponsor, and I'd like to know if she would yield.

ACTING PRESIDENT GRIFFO: Senator Young, do you yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR DILAN: Yes, Mr. President, my question is I recall during the budget hearings initially when we first started, we questioned the commissioner of DOT with respect to some transparency issues, especially when it came to DOT's project list. And at that time the commissioner promised that we would have a project list before we voted on the capital plan. I want to know if we have received that project list.

SENATOR YOUNG: So through you, Mr. President, there is an MOU that will be put together. And when that MOU is signed, that list will be released.

SENATOR DILAN: So we can expect to see a project list upon approval of this budget, or before it?

SENATOR YOUNG: So through you, Mr. President, this is a parity issue. So at the same time that list is released for the MOU, the same actions will be taken on behalf of the MTA so that you have those projects outlined very clearly also.

SENATOR DILAN: On the bill.

ACTING PRESIDENT GRIFFO: Senator

Dilan on the bill.

SENATOR DILAN: Yeah, I'd just like to make the point that with respect to transparency, the MTA has always had a project list. And they submitted that to us. And upon its original submission to us, it was immediately vetoed by the DOT commissioner. So as far as I'm concerned, there has been transparency on the part of the MTA, and I hope that the commissioner of DOT keeps the promise it made to the Finance Committee.

So I will be voting in the affirmative on this bill. Thank you.

ACTING PRESIDENT GRIFFO: Thank you, Senator Dilan.

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

We welcome the distinguished Speaker of the Assembly to the house. Speaker Heastie, welcome to the Senate.

(Applause.)

ACTING PRESIDENT GRIFFO: Read the last section.

THE SECRETARY: Section 3. This

act shall take effect immediately.

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

Senator DeFrancisco.

SENATOR DeFRANCISCO: We are now simply waiting for direction at this point in time. And hopefully we will have it soon so everybody can know what we're going to be doing. Hopefully, it will be just a few minutes more.

So if we can stand at ease in place in case -- in place.

ACTING PRESIDENT GRIFFO: Very good terminology. The Senate will stand at ease in place.

(Whereupon, the Senate stood at ease at 8:06 p.m.)

(Whereupon, the Senate reconvened at 8:09 p.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, I have just been informed that there will be a Finance Committee meeting at 9:15 this evening. The bill is being printed, the next bill is being printed. So that's basically where we are.

So we are at ease until after the Finance Committee.

ACTING PRESIDENT GRIFFO: There will be a Finance Committee meeting in Room 332, Finance Committee meeting in Room 332 at 9:15. Once again, all members of the Senate Finance Committee are to report at 9:15 to Room 332.

The Senate will come into session following the meeting of the Finance Committee. Until such time, the Senate will stand at ease.

Senator Gianaris.

{Gaveling.} Can I have some order, please.

Senator Gianaris, I'm banging that so you can have attention now.

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

There will be an immediate Democratic conference in the Democratic Conference Room.

ACTING PRESIDENT GRIFFO: There will be an immediate meeting of the Democrat Conference in the Democrat Conference Room, an immediate meeting of the Democrat Conference in the Democrat Conference Room on the third floor.

The Senate is at ease.

(Whereupon, the Senate stood at ease at 8:10 p.m.)

(Whereupon, the Senate reconvened at 11:18 p.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, you have on the desks Senate Supplemental Calendar Number 29B. I would request that you do the noncontroversial reading.

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

SENATOR DeFRANCISCO: I move that you accept it.

ACTING PRESIDENT GRIFFO: First we'll accept the Finance Committee report, with your approval.

SENATOR DeFRANCISCO: I definitely

approve.

ACTING PRESIDENT GRIFFO: The Secretary will read the Finance Committee report.

THE SECRETARY: Senator Young, from the Committee on Finance, reports the following bill:

Senate Print 6409C, Senate Budget Bill, an act to amend the Real Property Tax Law.

All bills reported direct to third reading.

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

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

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

There is a message at the desk, Senator DeFrancisco.

SENATOR DeFRANCISCO: I move to accept.

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

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted, and the bill is before the house.

SENATOR GIANARIS: Lay it aside, please.

ACTING PRESIDENT GRIFFO: Can we read it first, Senator Gianaris?

SENATOR GIANARIS: {Inaudible.}

ACTING PRESIDENT GRIFFO: The Secretary will read.

SENATOR DeFRANCISCO: The noncontroversial reading, please.

THE SECRETARY: Calendar Number 517, Senate Budget Bill, Senate Print 6409C, an act to amend the Real Property Tax Law.

SENATOR GIANARIS: Lay it aside.

ACTING PRESIDENT GRIFFO: The bill is laid aside.

The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 517, Senate Budget Bill, Senate Print 6409C, an

act to amend the Real Property Tax Law.

ACTING PRESIDENT GRIFFO: Senator Krueger.

SENATOR KRUEGER: Thank you, Mr. President. If through you the sponsor would yield, please.

ACTING PRESIDENT GRIFFO: Will the sponsor yield?

SENATOR YOUNG: Yes. If we could just have a moment, please.

SENATOR KRUEGER: Certainly.

(Pause.)

SENATOR YOUNG: Mr. President, we're ready to proceed.

ACTING PRESIDENT GRIFFO: Senator Krueger.

SENATOR KRUEGER: Thank you. Through you, Mr. President, if the sponsor will yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you.

This is our first appropriations bill; is that correct?

SENATOR YOUNG: Mr. President, through you, this is the revenue bill in the State Budget.

SENATOR KRUEGER: Through you, Mr. President, I want to reference the 2007 Budget Reform Law, which clarified that "The Legislature shall enact a budget for the upcoming fiscal year that is determined is balanced in the General Fund. Before voting on bills submitted by the Governor and related legislation as amended in accordance with Article 7 of the Constitution, each house shall place on the desk of its members a report relating to each such bill and preceding final action on all such bills and legislation. Members shall be so provided with a comprehensive cumulative report relating to all such bills and legislation. The reports prepared for each house shall include, for the General Fund, a summary of the proposed legislative revisions to the Executive Budget for the ensuing fiscal year, shall separately identify and present all legislative additions, reestimates, other revisions that increase or decrease disbursements, and separately identify and present all legislative reestimates and other

revisions that increase or decrease available resources" -- which of course would include the revenue bill.

"Such reports shall, where practicable, display and separately identify and present all legislative additions, reestimates, and other revisions that increase or decrease state funds and All Funds spending, including an estimate of the impact of the proposed revisions on local governments and the state workforce."

Do we have that available to us, Mr. President?

SENATOR YOUNG: Through you, Mr. President, I said to Senator Krueger earlier in the evening that Senator DeFrancisco said one of the first things she would ask would be about the revenue plan or the fiscal plan. And you do have that on your desk. It looks like this (showing). Would you like to go through it?

SENATOR KRUEGER: Through you, Mr. President, Senator Young is correct, I have the three-page fiscal plan. But we don't have the said report that is supposed to be prepared.

I have the sample from last year, at least sections of it, for the -- this is the

section from last year matching the revenue bill. I'm happy to hand it to Senator Young (handing). That is the report that I am looking for.

SENATOR YOUNG: So through you, Mr. President, are you saying that you're looking for a fact sheet, Senator Krueger? Because that's what this is.

SENATOR KRUEGER: Through you, Mr. President, last year it was called a fact sheet to match the revenue bill. And there was one for each bill we were doing. So I am perfectly happy to have it called a fact sheet as opposed to the more explicit language in the 2007 law. I don't mind that it's called a fact sheet or not a fact sheet.

SENATOR YOUNG: That's a similar listing of the different parts of the bill. The different part -- it goes Part A all the way through Part H. Well, actually beyond that. To the very end of the bill.

SENATOR KRUEGER: Through you, Mr. President, I appreciate this is a list of the lines of what each part is, but it is not showing what is different from the Governor's proposed budget, what we have added, what we have

subtracted, what we have changed, reestimates of the cost from the original Governor's proposed bill. It's not the same as what I just shared with the chair, from last year.

SENATOR YOUNG: So we can go through the fiscal plan, if you'd like, that's on your desk.

SENATOR KRUEGER: Mr. President, I'm happy to go through the fiscal plan, but that's not the question before the house. It's where is the legally required report on the revenue bill, Section -- excuse me, Section 54 of the Legislative Law.

SENATOR YOUNG: So through you, Mr. President, if you look at page 2 of the handout sheet that you were given, on the fiscal year 2017 projected spending, if you look on page 2, there's Executive to Enacted Budget Reconciliation, in millions of dollars. Is that what you're looking for?

SENATOR KRUEGER: No. Can you give me back that fact sheet for a minute that I just handed you? I should have had multiple copies, I apologize, Mr. President. Through you.

If everyone had a copy of last

year's fact sheet, it would, for example, show "Part A, the Legislature modifies the Executive proposal to achieve the following savings in this fiscal year," and then it lays out the detailed language of what was denied from the Governor's original proposal in Part A, then what the Legislature included. Then it goes to Part B, again.

SENATOR YOUNG: So through you, Mr. President, again, this is the report on the amended Executive Budget, all state agencies and operations. And we'll bring you a copy of that right away.

SENATOR KRUEGER: Actually, we need one for every member, under the law.

SENATOR YOUNG: Okay, we'll bring that. We'll be able to do that, no problem.

SENATOR KRUEGER: Okay. I'll just wait for that, thank you.

ACTING PRESIDENT GRIFFO: Senator Latimer.

SENATOR LATIMER: Thank you, Mr. President.

Would the Senator yield for some questions?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Thank you, Senator.

I want to ask some very specific questions, Senator, from Part A. It's on page 4 of the bill. And it relates to this new provision for the STAR program and how it is to be administered. I believe that the Senate one-house rejected the original Executive language, but I gather it has been reinstated in some modified fashion. Senator, can you explain what the reinstatement provisions are?

SENATOR YOUNG: Through you, Mr. President, this is indeed to do with the STAR program. And it's a STAR to a personal income tax credit, and people who buy a new home will receive an income tax credit.

SENATOR LATIMER: Would the Senator continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Senator, can you

describe what the existing system that's been changed to this is? I read it as a dramatic change, but I'd appreciate your analysis of it as part of the presentation of this before us tonight.

SENATOR YOUNG: So through you, Mr. President, if you currently have the STAR program, there is no change. It's only for new homeowners.

SENATOR LATIMER: Would the Senator continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Thank you. Through the President. As I read the language on page 4 and I go down to about -- approximately in the 40s, line in the 40s, my reading of this is it says that the applicant -- one of the applicants must have held title to the property on the taxable status on the date of the assessment roll, and in the case -- as it goes on to say -- that there is a change in the applicant, then that would change the program from the current procedure, which is a reduction

in your school taxes prior to you getting a school bill, to this tax credit.

And if that is the case, then I would interpret it to be not just new entrants, but any situation where a home is taken over by an inherited situation, where a parent has a home and a child inherits it, or if a person is on the STAR program and changes homes, moves to a different house. It appears to be not just a new entrant to the program, but any change in the ownership of a particular unit.

Now, Senator, what's your assessment of that interpretation? Is that accurate, or do you think that's perhaps inaccurate?

SENATOR YOUNG: So, Mr. President, through you. Senator, you're correct in that if there's a change in title in a home, then it does change over to a personal income tax credit.

SENATOR LATIMER: Thank you. Will the Senator continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: I think, then, it looks like it's a much broader changeover for a

larger number of people than perhaps we would have thought if it was just somebody who was entering the program for the first time.

Now, there is a change in the system whereby you will apply for a tax credit in the following year. Now, am I correct in understanding that that would create a cash-flow issue? Because where you would have gotten the reduction of your school taxes, say, in 2016, you now have to get the financial benefit by applying in 2017 as a tax credit, and therefore you could well have a cash-flow difference between when you got the benefit previously and when you get the benefit now under this program? Is that a correct understanding of this?

SENATOR YOUNG: Mr. President, through you, no, that will not be an issue. And it's because there's an advance tax credit that's involved. So the check would be cut to the homeowner before the taxes were due.

SENATOR LATIMER: Through the President, will the Senator continue to yield?

SENATOR YOUNG: Yes.

SENATOR LATIMER: Is there any provision made in here that differentiates an

enhanced STAR owner, who is a person of more limited income and a senior citizen, 65 or older, with a more limited income, that would protect them in way, shape or form from these cash concerns?

SENATOR YOUNG: So through you, Mr. President, for Enhanced STAR it will be the traditional requirements, but with the new system if there's a change in title.

SENATOR LATIMER: Thank you, Senator. Will the Senator continue to yield, through the President?

SENATOR YOUNG: Yes.

SENATOR LATIMER: Thank you, Senator.

There is a general statement that says that provisions will be made for special cases, such as cooperative apartments or properties that are located in two districts. Can you describe what the mechanism is for provisions and what that may mean in a concrete way? I'm not sure I know what "property located in two districts" means. There are obviously cooperative apartments that operate with the benefit in a completely different way than the

private homeowner would be.

So the question is, what specifies those provisions for those special cases?

SENATOR YOUNG: Mr. President, through you. Basically it's a mechanism -- and it's a differential between two districts. So you would get an average between the two amounts for your credit.

SENATOR LATIMER: And through the President again, will the Senator yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Help me understand, Senator, when we say two districts, what are we talking about? Is this a piece of land that somehow crosses two school district borders, or is there some other mechanism by which we describe two districts?

SENATOR YOUNG: Mr. President, through you. Yes, Senator, you're correct that it would be, for example, a property that crosses between two separate school districts.

SENATOR LATIMER: And the final question in this area, through the President,

Senator, would you continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: The details in this legislation have to have some meat fleshed out. Where do we reside the authority to interpret and to lay out the specifics? Obviously, people who benefit from this program will have specific questions. And how will that be structured through this legislation?

SENATOR YOUNG: Mr. President, through you. Any issues with interpretation would be handled through the New York State Department of Taxation and Finance, just as the system exists right now.

SENATOR LATIMER: And, Mr. President, if the Senator would continue to yield, I just have one additional question on a different part of this legislation.

SENATOR YOUNG: Certainly.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Thank you, Senator. I would direct your attention to Part

BB, which begins on page 50, and over the next couple of pages it relates to an enhanced financing of the Equine Health and Safety Program at racetracks. And in this language it identifies there will be an increase in the VLT contribution to the Equine Health and Safety from 1 percent to 1.6 percent. It highlights that there's a total dollar amount of $2.4 million, of which this enhanced purse is a million dollars.

With that million dollars being redirected from the VLTs to the Equine Health and Safety, what if anything compensates the way that million dollars will be used for its other existing entities that the VLTs fund, which would be payments to host communities, education, whatever else those other expenses are?

SENATOR YOUNG: So through you, Mr. President, actually this 1 to 1.6 percent does not affect education dollars at all. And as a matter of fact, the extra collection of $700,000 would go to the state for equine testing, and that comes from the handle.

SENATOR LATIMER: May I just follow up, Mr. President? Senator, if you'd continue to yield.

If it doesn't affect education, though, there is still some reallocation of money. If a million dollars is going from the VLTs to the Equine Health and Safety, that's a million dollars that's not being used in some other fashion. Does the legislation specify how that million dollars is made up for whatever other entities are to receive funding under the present VLT formulas of compensation?

SENATOR YOUNG: The funds would come from the betting pool.

SENATOR LATIMER: Senator, Mr. President, thank you very much for your time.

SENATOR YOUNG: Thank you, Senator.

ACTING PRESIDENT GRIFFO: Thank you, Senator Latimer. Thank you, Senator Young.

Senator Krueger, we'll return to you now. I know you were waiting for the distribution of papers throughout the chamber.

SENATOR KRUEGER: Well, I was. And I guess I still am. Am I still waiting for the distribution of papers? They're coming?

Because I have another line of questioning I could continue with pending that. How do you want to do this?

(Discussion off the record.)

SENATOR KRUEGER: Through you, Mr. President, in discussion with the chair, we are still waiting for the 63 copies of said required report to be made and delivered to each Senator.

But I do have another line of questioning. So through you, Mr. President, if the sponsor will yield.

SENATOR YOUNG: Of course.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you. And this line of questioning all relates to the gambling sections of the revenue bill. So I don't know whether Senator Young wants to be the answerer of the questions or someone else.

SENATOR YOUNG: So if you would just give us a moment.

SENATOR KRUEGER: Certainly.

(Pause.)

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The

sponsor yields.

SENATOR KRUEGER: Thank you. There is a new Part SS in the revenue bill before us which relates to Nassau OTB VLT license transfer. And as I read the bill -- and it's a fairly complicated set of changes -- this would involve an arrangement where the County of Nassau and its OTB would be transferring their right to have a VLT facility to Aqueduct Racetrack and Racino in Queens; is that correct?

SENATOR YOUNG: Through you, Mr. President. Yes.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Could the sponsor explain to me the actual financial arrangement that this would result in -- what is happening, who is getting what money?

SENATOR YOUNG: Through you, Mr. President, basically this is per a separate agreement, approval given by the Gaming

Commission. And as of right now, that agreement has not been established.

SENATOR KRUEGER: So through you, Mr. President, if the sponsor could continue to yield.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

SENATOR KRUEGER: So while this is language in the revenue bill we're being asked to pass tonight and it transfers machines from Nassau County OTB which don't yet exist at a facility that doesn't yet exist to Aqueduct Racetrack in Queens and a facility run by Genting that does exist, there's no detail about what the arrangement is.

There is a news story that there is some kind of memorandum of understanding. Can the sponsor explain what that memorandum of understanding is or would need to be between whom?

SENATOR YOUNG: So through you, Mr. President. Currently there are no machines in Nassau County, but there's a statutory authority to have those machines in Nassau. And

so this gives that authority to transfer the machines.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you. I agree; that's how I read the bill as well. But my question is, what is going to be transferred under what financial arrangement? Is there X amount of money that will be paid to the Nassau OTB because they will no longer have the right to create a VLT site, they will have, so to speak, under this bill sold their statutory rights to these machines to a company called Genting in Queens?

SENATOR YOUNG: So through you, Mr. President, in most cases it's the same application as if they were posted in Nassau. So whatever Nassau would pay to the state, it would be the same for these machines.

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

yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Okay, so let's hypothetically make me Nassau OTB, let's make Senator Young Genting at Aqueduct. Is that okay?

SENATOR YOUNG: Sure.

SENATOR KRUEGER: Let's make my counsel the State of New York in this story. I am, through this bill, statutorily giving up my right to have the facility and the machines, and through this bill Senator Genting has that right handed to her. Does this bill actually transfer the authority in statute from Nassau OTB to Senator Young?

SENATOR YOUNG: Through you, Mr. President. Actually, it transfers to the authority pursuant to an agreement by the Gaming Commission, as I previously stated.

SENATOR KRUEGER: Sorry, it transfers to -- it transfers from OTB Nassau to whom? You said "the authority." What's the authority?

SENATOR YOUNG: So through you,

Mr. President, what I mean by "authority" is whoever is operating the VLT facility at Aqueduct. And again, it's pursuant to an agreement through the Gaming Commission.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you.

Who establishes how much the facility at Aqueduct has to pay to Nassau OTB, and under what formula is that? Is that set in this bill?

SENATOR YOUNG: So through you, Mr. President, that's established by the two parties.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So in this bill

we're saying these two parties can make a deal but the deal is not laid out, but it has to be approved by the Gaming Commission?

SENATOR YOUNG: Correct.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you.

How long must this contract be for, or what happens at the time that the contract ends? Is there no statutory authority for these machines at all, or does it revert back to Nassau OTB?

SENATOR YOUNG: So through you, Mr. President, there's cases where they could revert back, but there's no sunset included in this provision.

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

SENATOR YOUNG: Yes.

SENATOR KRUEGER: So this kind of

arrangement has happened before, because there are cases. Can you give me the examples of where else this happens or has happened?

SENATOR YOUNG: So through you, Mr. President, actually this is like a regular contract. So there could be situations where it would be allowed for Nassau to revoke the authority. So, for example, nonpayment of taxes, those types of situations, where it actually is a breach of the contract.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to yield.

SENATOR YOUNG: Yes --

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: -- through you. And actually, I guess if you look at the paragraph, I think that the information is pretty clear in it.

SENATOR KRUEGER: You're more awake than I am. Which paragraph?

SENATOR YOUNG: Lots of coffee.

SENATOR KRUEGER: Want to reference the paragraph for me?

SENATOR YOUNG: It's page 78. If you look at -- starting on line 23. There's quite a bit of detail in that provision.

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

SENATOR YOUNG: Yes.

SENATOR KRUEGER: Thank you.

So this paragraph does lay out that Aqueduct Racetrack should be making -- going into some kind of contractual agreement with Nassau OTB. Is it just a private contract between these two, or is it actually the Gaming Commission who actually has to sign off on what this contract says?

SENATOR YOUNG: Through you, Mr. President, the language says that they can enter into an agreement, but they must in order for the authority to transfer to Aqueduct.

SENATOR KRUEGER: In order for the authority to transfer to Aqueduct they must -- I don't think I understood the end of the sentence.

SENATOR YOUNG: Enter into this agreement.

SENATOR KRUEGER: Does the State

Gaming Commission have to approve this contract for them to go forward?

SENATOR YOUNG: Yes. As I previously stated several times, the Gaming Commission would have to approve that.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Even though the contract does not exist yet and hence has not been reviewed by the Gaming Commission, is there an estimated value of the thousand machines going to Aqueduct and an expectation of some specific amount of income by Nassau OTB?

SENATOR YOUNG: So through you, Mr. President. Actually, when you talk about anticipated money, when all of the 1,000 machines go into effect, it's estimated that it would be about $25 million going to Nassau County.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: I should actually add -- Senator Bonacic, could I borrow that? I want to give you some more clarification.

So for example, in the first year, for 400 machines, it would be $9 million. And then with the 1,000 machines, as I stated, it would actually eventually go to $25 million. And 65 percent of the net winnings would go to the State of New York, by the way.

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

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you.

So 65 percent goes to New York State, which then we assume 35 percent remains with Genting. Out of which they would pay Nassau County OTB?

SENATOR YOUNG: You know, Senator, there's somebody in the house that has a lot more specific information about this, and I would like

to yield to my colleague Senator Martins.

SENATOR KRUEGER: I'm happy to transfer my questions to Senator Jack Martins.

ACTING PRESIDENT GRIFFO: Without objection, the chair will recognize Senator Martins.

SENATOR MARTINS: Thank you, Senator. I'm happy to answer my questions you have.

SENATOR KRUEGER: Thank you very much, Senator.

So my last question was 65 percent of the revenue from these ultimately 1,000 machines is supposed to go to the state, meaning 35 percent goes to Genting, out of which -- out of that 35 percent they then pay a percentage to Nassau County or a set fee to Nassau OTB?

SENATOR MARTINS: The arrangement between Nassau OTB and Genting has been discussed. Obviously there are terms that they have agreed to. They are to memorialize that in an agreement that has yet to be formed. But the particulars are that they will receive $9 million the first year, $9 million the second year,

$25 million the third year, and thereafter adjusted for a cost-of-living adjustment.

The 9 million and 9 million are tied to the use of 400 machines. And when they're able to phase in the full use of the 1,000 machines, it ramps up to $25 million.

So to answer your question, yes, Genting will be paying the 9 million, the 9 million and the 25 million from what they expect to be their net proceeds given the figures that they have calculated as to what their expectation is for revenue from these machines as they are capable of doing. So based on their own revenue estimates, they have calculated that. Again, it's an agreement that has yet to be memorialized and subject to Gaming Commission approval.

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

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: Thank you. I appreciate the answers.

Genting currently has 5,545 VLTs at Aqueduct. And we're talking about moving in an additional 1,000 through this arrangement. My understanding is, though, that it's different kinds of machines. Can you explain how these thousand machines will be different than the 5400 currently at Aqueduct?

SENATOR MARTINS: I understand that they have authority to have up to that many machines. They actually have less than that. I think they actually have 5,000 machines. And therefore they have flexibility to be able to incorporate a number of machines immediately and then phase in the others over a period of time.

And certainly the machines are similar, they are in keeping with the machines that they have there, and obviously -- not to substitute our understanding of those machines for those of the parties, either Genting or Nassau OTB -- suffice it to say that they are of a type that is easily incorporated into their business model, and they're willing to accept them and to enter into this agreement.

And frankly, just to clarify, what we are being asked to approve here today is

merely the authority for Nassau County OTB to be able to enter into an agreement with Aqueduct for this purpose, on terms that they will -- that they have negotiated but they will memorialize in a further writing, which will again be on the terms that I've previously discussed.

Thank you, Mr. President.

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

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: Thank you.

So to be a little more technical about the question I just asked, so it's 5,000 now but they have the right to add another 545 regardless of the Nassau deal.

But the 1,000 that they would be allowed to add through this specific contract would be allowed to be a different kind of machine with different kinds of gaming and, I've been led to believe, a higher revenue projection than the kinds of machines that currently are approved through statute at every other site in

New York State. Is that correct?

SENATOR MARTINS: Mr. President, through you. Frankly, I think the machines may actually be very similar to the machines that they have there.

But your point, Senator, is well-made. The revenue and the taxes that will be paid on these machines will be different. They will be consistent with the taxes that would be expected to be paid through a facility should Nassau OTB have opened a facility within Nassau County. Genting will be responsible for paying pursuant to that same tax structure for the purposes of those machines once they are incorporated into their facility at Aqueduct.

SENATOR KRUEGER: Through you, Mr. President, if the sponsor will continue to yield.

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: Just to clarify, if Nassau OTB had kept their statutory right to open a facility in Nassau County -- and they're not, and I don't have actually have a problem

with that -- would they have been able to use the newer, slicker, fancier machines? Or would they have been required, under the existing statute, to use the same kinds of machines that all the other racinos in New York State have?

SENATOR MARTINS: Mr. President, through you. I don't know about any newer, slicker, shinier type of machines. But, Senator, they would use whatever machines are authorized pursuant to the enabling statute that we passed a few years ago. And those same machines and whatever qualifications there are for those newer, sleeker machines would equally apply to Aqueduct.

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

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: I do have multiple reasons for being curious about newer kinds of machines. And if I had the right terminology of how the newer machines were different from the older machines, I would use

it. But alas, I am actually not a gambler.

My concerns are on two levels here. One, this state has gone through a series of different timelines and constitutional amendments to allow or not allow certain kinds of gambling. So I am curious whether these new machines constitute actually a new type of gambling activity.

And, one, is there any reason for us to be concerned about it being more gambling addictive? And, two, is there a reason for us to believe that it will dramatically increase the revenue generated by those 1,000 machines for Genting, and should that be factored in in any way to the decisions we make about our other racinos in New York State?

Are we somehow giving them a business advantage within this contract deal where they can not only get the Nassau County machines moved to their site, but they can get the bigger, better, make-more-money, perhaps-make-you-more-addicted-type machines?

SENATOR MARTINS: Mr. President, through you. And to my colleague, my apologies. I didn't mean to infer that there was any

difference. I also do not -- am not familiar with the terminology.

And so let me just say that my understanding is that these machines are of the same type of machines that are currently at Aqueduct. Although they may be a newer version of that machine, they do not change significantly, certainly, the types of machines that are there. They're not an evolution in the direction that I think you're inferring to a different type of gaming that we have not authorized here in the Legislature.

So if Nassau OTB was permitted, which they were -- if they had chosen to open a facility in Nassau County, they would be using these very same machines. And what this would do is allow Nassau OTB to, instead of opening that facility in Nassau County, in essence take those very same machines that they otherwise would, using the very same tax structure that they would have in Nassau County, and to do so by proxy in Aqueduct, and as a result negotiate a return that would compensate the county for this asset that this Legislature authorized them to have just a few years ago.

So it is merely a shifting of that same facility, those same machines on those same conditions that would have been in Nassau County, frankly a few miles to the west, where they be located at Aqueduct. There would be no change in revenue or expectations of revenue to the state, because it would have the same revenue structure and tax structure, and it would be limited to the same number of machines except -- for the ease of both Nassau County OTB and Aqueduct -- they would have the ability to essentially partner, in a loose term, with Aqueduct, whereby they get to use those similar type of machines and Nassau OTB receives the benefit.

And since Nassau OTB is a public benefit corporation, I will remind everyone that that benefit inures to the benefit of Nassau County and its taxpayers.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Through you, Mr. President, if the sponsor would continue to yield.

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: Thank you.

Another section of this bill, and I guess -- I don't think it's part of the contract arrangement, it just establishes in statute that while the current capital award program is a certain formula for all of the racinos in New York State, this bill language would allow to be extended to Aqueduct a total of -- excuse me -- 1 percent of the total revenue after payout of prizes, with an increase of up to 4 percent.

So it allows them to take a greater share of the revenue and apply it to capital construction for themselves, which I think then would decrease payment to the state, because they're using it for their own capital purposes. And it's a different formula and deal than we have at the other racino racetracks in New York.

Could you clarify that situation for me?

SENATOR MARTINS: Yes.

Mr. President, through you, I am not familiar with what the arrangements are for these other racinos in New York State. But that is true, there is a provision in here that would change and allow for a percentage for Genting to use for

capital improvements -- at their discretion, obviously, and under the direction of the state -- for capital improvements at Aqueduct, yes.

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

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: Thank you.

So he is confirming that yes, this is a deal that does allow them a greater amount of their winnings to go towards investment in their own business. Which, by the way, means less money for education, because they're not sending as much money to the state, they're using it for their capital infrastructure.

This also, as I read the bill, would allow an exemption from the current law that when other casino racinos -- I'm always confused because I thought we called them racinos, but then I see the signs and they say "Casino." So I don't know legally what the difference is right now.

But under our current law, if a facility is going to use a share of their winnings for their own capital purposes instead of sending it to us for education, they have to match one-to-one. They have to put in a dollar to take a dollar from what otherwise would be tax revenue to the state.

Under this deal, my understanding is they don't have to match it; is that correct? There doesn't have to be a one-to-one match, they get to take a significantly higher percentage of the purse for capital construction for themselves, and they do not have to do a match for that money.

Am I reading the bill correctly?

SENATOR MARTINS: Mr. President, through you, that is what the bill says.

And to clarify for my colleague, I think racino is what we call them and casinos is what others may call them.

SENATOR KRUEGER: So, Mr. President, if the sponsor will yield.

SENATOR MARTINS: Yes, of course.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So he agrees that's what the bill says. Why would we give this facility a better financial deal for their own profit margins than we give all the other facilities under statute and in existence in the state, whether we call them casinos or racinos?

SENATOR MARTINS: Mr. President, I apologize. I was distracted, so I didn't hear your question. If you would kindly repeat it, I would be happy to answer, thank you.

ACTING PRESIDENT GRIFFO: Can you repeat it, Senator Krueger?

SENATOR KRUEGER: Certainly.

So the sponsor in his last answer agreed that my analysis was right, that's what the bill says. The question is, why would we give this facility a better deal than all the other facilities in New York State, because they could take a significantly larger percentage of the profits, not send them to us for education, reinvest them in their own facility and not have to provide the one-to-one match? Why are we letting them have this deal?

SENATOR MARTINS: Mr. President, through you. Well, if you're asking me how I'm

going to vote, Senator, I will be supporting this bill. Each one of us will have to make that decision for themselves.

For me, the idea that Aqueduct will be investing in capital there and potentially creating jobs and expanding their operation is something that I'm willing to support. But certainly the "why" is frankly the reason that we actually end up voting on these bills, you know, throughout the year. And I will leave it to the discretion of each and every one of my colleagues to determine that "why" for themselves. I'm pretty clear on why I think it's a good idea.

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

SENATOR MARTINS: Of course.

SENATOR KRUEGER: Thank you.

I guess an editorial comment, and then I'll ask my next question. I suppose the "why" might be because maybe the Liz Krueger Casino/Racino thinks she ought to get the same deal as the Aqueduct Genting Casino/Racino and is sitting out there wondering how come they're getting a better deal than I got? That might be

one of the whys.

But because Genting will, we assume, be trying to build an additional 1,000 machines -- I guess they don't build them, they truck them in. They may need to expand their facilities to fit them; I'm not sure how crowded it is now, haven't been there. But there are concerns about whether or not they can do this until a new environmental review or a SEQRA review takes place.

Can the sponsor confirm for me that this proposal is subject to SEQRA prior to there being any kind of contract that can be approved by the Gaming Commission?

SENATOR MARTINS: Mr. President, through you, there is an agreement -- again, that has yet to be memorialized between Nassau OTB and Genting, operating Resorts World Casino at Aqueduct -- or Racino, excuse me, since it is at a racing facility.

The terms of that, as was discussed earlier, has these numbers being phased in over a number of years. That limitation has to do with a limitation on the number of machines that were imposed as a result of what I understand to be

limitations tied to a traffic study.

And so it will be Genting who will be pursuing that review, and that expanded review will allow them to use the balance of those machines that we had discussed earlier, but their commitment, pursuant to the agreement, is fixed. And so it's not subject to the SEQRA review, it is frankly up to Genting, pursuant to the agreement that has yet to be memorialized, to make application and to seek the expansion. But it is not subject to a SEQRA review. So it is a condition obviously on that end, but not subject to this agreement.

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

SENATOR MARTINS: As I understand it.

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

SENATOR MARTINS: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR KRUEGER: So just jumping back, there's this deal that allows them to keep

more of the winnings for capital construction, and then there's also a section that has a minimum capital investment of $300 million to trigger the higher capital investment award. So I have to assume, since they've been thinking about this so much, that spending $300 million or more, they plan on building something else. At least one of the newspaper articles I read referenced the possibility of a hotel.

Is it your understanding that, moving forward, this would all require Genting and Aqueduct to follow New York City zoning regulations?

SENATOR MARTINS: Mr. President, through you. Senator, I am loath to give you an opinion on something that frankly has very little to do with what is before this house right now. Certainly I would suggest that if there's any clarity needed, you may want to reach out to Genting and their representatives and ask them for that kind of clarity.

I would just remind my colleague and the rest of the house that all this bill does is authorize Nassau OTB to take a resource that they currently have in statute and allow them to enter

into an agreement with Genting for use at Aqueduct -- same machines, same tax structure, merely a half dozen miles to the west -- and in doing so, be able to recoup revenue to the benefit of Nassau OTB and ultimately to the benefit of Nassau County and its taxpayers.

So again, we can sit here, Mr. President, and we can discuss possible scenarios as to how Genting will be using its capital, we can sit here and discuss possible scenarios on what their business plan is. But I would ask that, you know, we not go down that road because, simply, I don't have the facts to be able to answer my colleague's questions on hypotheticals when this bill doesn't entertain any of those details.

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

ACTING PRESIDENT GRIFFO: Senator Krueger on the bill.

SENATOR KRUEGER: Oh. But before I do that, I just want to double-check, because we still have the open question of the reports being made available.

ACTING PRESIDENT GRIFFO: They're

on the desks.

SENATOR KRUEGER: Oh, as I've been talking, they've been distributed. Thank you.

So I -- one, I will be on the bill. Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Krueger on the bill.

SENATOR KRUEGER: I want to bring to my colleagues' attention that now you have received the report on the amended Executive Budget laying out -- with less detail than in perspective years, but we took a look and we think it does meet the requirements, thank you very much -- the changes from the original Executive Budget to --

ACTING PRESIDENT GRIFFO: Senator Díaz, why do you rise?

SENATOR DIAZ: Just to announce that the budget is late.

(Laughter.)

ACTING PRESIDENT GRIFFO: Senator Krueger, you may continue.

SENATOR KRUEGER: I've been very busy chatting on the floor. Did we miss all the other bills that are available to be voted on? I

think not, Senator Díaz.

But on this bill, this report is on everyone's desks. I am assuming we will receive on every other bill coming forward to us till whenever we finish the budget -- clearly, after midnight of Thursday.

Going back to the actual revenue bill, I have to say -- and I often have voted no on revenue bills on the floor of this house because of things that I liked and disliked in the bills and what was there and what wasn't there.

There are things I wish were in here, there are things I'm delighted with that aren't here this year. I'm concerned that we didn't address how we're going to meet our outyear revenue gaps from passing a middle-income tax cut -- which I do not object to at all, I want to make clear, but in the past we have tied that to revenue enhancements through high-end tax supplements. We have a high-end tax supplement that sunsets next year; I very much wish we were doing these two together, both a continuation or even further progressivity in our overall income tax package, at the time we were establishing a

lowering of taxes for middle-income New Yorkers. I think it's a mistake that we're not doing that. But that is not a reason for me to vote against this bill.

I am concerned about the gambling sections. I appreciate very much both sponsors' attempts to answer the questions. And I keep trying to say to myself, I'm really not anti-gambling, I just don't ever seem to like any of the gambling bills that come before me in the New York State Senate. And I have to say I have the same reaction tonight. I know that the horse is out of the barn on gambling in New York State, everywhere in every possible way.

I also know that when I read about what happens in states when they become more and more dependent on gambling, as we are, you immediately see entities coming to Albany or whatever state capital to try to get better deals for themselves, to increase their profit margins, allow them to get bigger and stronger, and decrease the amount of revenue that actually comes back to the state for education or other purposes.

I thought that would be what

happened when we passed the casino referendum. The casinos aren't open yet, but I'm right, it's already happening, it's already changing.

So assuming that this becomes law -- and I understand why Nassau wants this deal. If I was Nassau County, I would want this deal. You get the revenue but you don't have to have any of the negatives that come from having a large gambling facility. If I lived in Queens, I might have to ask the question: How has this gambling facility already affected me, and what will be the impact on my communities if it's even bigger, with more people gambling, and it has a hotel and who knows what else? Because now they can continue to build, build, build and simply let the state pay for it through lower revenues handed over to the state.

So I worry about that. I also, while I'm not likely to open the Liz Krueger Casino, I take a look and I say, I don't know why somebody else gets a better deal than other casinos or racinos in the rest of the state. And I assume they'll come to Albany and want the same deal, and we may give them the deal, because we'll say, Well, we're not sure why we gave this

group the deal, but we should certainly keep it even and change it for you, which will lower our revenue even further in future years and, perhaps yet again, take us down a further road of not really being able to explain why we've made all these changes in our gambling law but realizing we did.

So for the record, at 12:15 tonight, I will vote yes on this bill, wanting to go on record that if I could have voted no on the gambling sections, I would have voted no on the gambling sections. I have great concern about the pattern and path our state is taking. But overall, I cannot justify a no vote for myself on the revenue bill tonight, Mr. President.

I vote yes. Thank you very much.

ACTING PRESIDENT GRIFFO: Thank you, Senator Krueger.

Perhaps at the Krueger Casino we'd be able to host an MMA event.

(Laughter.)

ACTING PRESIDENT GRIFFO: Senator Squadron.

SENATOR SQUADRON: Thank you, Mr. President. If the sponsor would yield for

just a moment, briefly.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: Just sort of a check-in on where we are in the budget process here, I believe -- through you, Mr. President -- that this is the fourth Article VII bill of the evening of the budget. Is that correct?

SENATOR YOUNG: Through you, Mr. President, this is the revenue bill.

SENATOR SQUADRON: If the sponsor would continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: And I believe, as the revenue bill, it is the fourth Article VII bill that the house has considered and that there is one more Article VII bill that I've heard is moving forward, the so-called ELFA bill; is that correct?

SENATOR YOUNG: Yes. Through you, Mr. President. And for those watching, the ELFA bill is Education, Labor and Family Assistance.

SENATOR SQUADRON: Thank you. I'm sure many folks are watching without an arcane knowledge of the Senate at this point in the morning.

If the sponsor would continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR SQUADRON: Thank you.

I know the Governor introduced two other Article VIIs as part of the budget. Should we expect those as well?

SENATOR YOUNG: So through you, Mr. President, I'm not sure which Article VIIs you're referring to. Maybe you could tell me.

SENATOR SQUADRON: Oh, I will. The ethics reform bill and the pension reform concurrent resolution.

SENATOR YOUNG: So through you, Mr. President, we have one more Article VII to handle, and that's the ELFA bill.

SENATOR SQUADRON: Thank you.

On the bill, Mr. President.

ACTING PRESIDENT GRIFFO: Senator

Squadron on the bill.

SENATOR SQUADRON: I know from prior conversation tonight that I'll have no luck speaking about the critical ethics reform needed in this state and discussing it in a bill that it does not appear in. And I know now definitively that it will not be appearing over the course of this budget.

I do want to point out again, as I said earlier this evening, these are outstanding issues, critical issues, issues that should by all rights be related to our passage of the budget. There's very positive policy that I hope we will move forward shortly, some concerns, some new information, some stuff that wasn't even in any of the one-houses.

But one thing does not exist in this budget and is not being introduced in this house or allowed a vote, and that is ethics reform, a way to increase New Yorkers' faith in this government. That's an enormous mistake. This is the fourth of five Article VIIs. I can only hope that that ELFA bill, in addition to Education, Labor and Family Assistance, has something for public integrity, has something to give the

public confidence in what's happening here in Albany. Because as the sponsor points out, we have not seen it yet, and there does not seem to be any interest in introducing the Governor's reform Article VII bill.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Squadron.

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

I'm going to request that members remain in their seats for procedural purposes following the vote.

The Secretary will read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT GRIFFO: Senator Boyle to explain his vote.

SENATOR BOYLE: To explain my vote.

I just want to commend the sponsor

for this legislation and point out a provision I'm particularly proud of. A few years ago former State Senator Greg Ball and I on worked on legislation pertaining to wholesale fuel, and the provision in here now requires wholesalers of motor fuel to register with the Department of Taxation. They're going to have to report every gallon they sell in certain areas of the state.

It is literally going to save the state tens of millions of dollars during its implementation, $9.5 million per year in state revenues which was being evaded criminally throughout downstate New York. It's a great provision that's going to allow us to use needed tax revenue for other important purposes.

I vote aye.

ACTING PRESIDENT GRIFFO: Senator Boyle to be recorded in the affirmative.

Senator Latimer to explain his vote.

SENATOR LATIMER: Thank you, Mr. President.

I'm pleased to pleased to support this bill. There are a number of things in here that are very good. I particularly want to compliment whoever wants to claim credit for

being the sponsor of the middle-class tax cut that reduces taxes over a period of time for those who need that tax benefit.

But I do want to highlight I do not support -- although it's all part of a package -- the changes that are being made to the STAR program. The Senate's one-house and the Assembly's one-house both rejected Executive language that would create this STAR program. I gather in the negotiations it was insisted that it be back in. But this changes the program. I believe it creates a cash-flow problem. I do not see a differentiation for those who are on Enhanced STAR that are people of need. And I could see a senior family that might downsize their home and then all of a sudden find that they're no longer under the old program but under the new program.

So I would hope that the Senate and the Assembly would monitor how this program is going to be administered and that we would make a strong effort to make sure that the rules and regs that come out of Taxation & Finance are sensitive to the needs of the people whom this program benefits.

Absent that objection, I vote in the affirmative.

ACTING PRESIDENT GRIFFO: Senator Latimer to be recorded in the affirmative.

Announce the results.

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

Senator DeFrancisco, that completes the vote. And I will entertain a motion in coordination with Rule 6-2.

SENATOR DeFRANCISCO: I would like to move, pursuant to that rule, that we go on to the next day's business.

ACTING PRESIDENT GRIFFO: On motion, in accordance with Rule 6, Section 2, the question before the house on hours of session, all in favor of continuing signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(Response of "Nay.")

(Laughter.)

ACTING PRESIDENT GRIFFO: We will continue.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Would you call on Senator Serrano.

ACTING PRESIDENT GRIFFO: Senator Serrano.

SENATOR SERRANO: Thank you, Mr. President. There will be an immediate meeting of the Senate Democratic Conference in Room 315.

ACTING PRESIDENT GRIFFO: There will be an immediate meeting of the Senate Democrat Conference in Room 315.

SENATOR DeFRANCISCO: And the Senate will stand at ease.

ACTING PRESIDENT GRIFFO: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 12:28 a.m.)

ACTING PRESIDENT BOYLE: Mr. Floor Leader.

SENATOR DeFRANCISCO: Mr. President, there will be an immediate meeting of the Finance Committee in Room 322 -- 332. I forgot the room.

ACTING PRESIDENT BOYLE: There will be an immediate meeting of the Finance Committee

in Room 332.

SENATOR DeFRANCISCO: I can't understand why I forgot it.

ACTING PRESIDENT BOYLE: You've only been there a couple of times.

(Whereupon, the Senate continued to stand at ease and reconvened at 2:01 a.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, I understand there's a report of the Finance Committee at the desk.

ACTING PRESIDENT GRIFFO: There is a report of the Finance Committee, and the Secretary will read.

THE SECRETARY: Senator Young, from the Committee on Finance, reports the following bills:

Senate Print 6404D, Senate Budget Bill, an act making appropriations for the support of government: CAPITAL PROJECTS BUDGET;

Senate 6400D, Senate Budget Bill, an act making appropriations for the support of government: STATE OPERATIONS BUDGET.

Both bills reported direct to third reading.

SENATOR DeFRANCISCO: Move to accept the report of the Finance Committee.

ACTING PRESIDENT GRIFFO: On motion, all in favor of accepting the Committee on Finance report signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The Committee on Finance report is accepted and before the house.

SENATOR DeFRANCISCO: Could you now do the noncontroversial reading of Calendar Number 29C.

ACTING PRESIDENT GRIFFO: There is a message of necessity before the desk, Senator DeFrancisco. Let him read first, and then we'll accept the message.

Go ahead, Secretary.

THE SECRETARY: Calendar Number 518, Senate Budget Bill, Senate Print 6404D, an act making appropriations for the support of government: CAPITAL PROJECTS BUDGET.

SENATOR DeFRANCISCO: Is there a message of necessity on Calendar 518 at the desk?

ACTING PRESIDENT GRIFFO: That message does exist at the desk.

SENATOR DeFRANCISCO: Move to accept that existing message.

ACTING PRESIDENT GRIFFO: All in favor of accepting the Governor's message of necessity signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message of necessity is accepted, and the bill is before the house.

SENATOR GIANARIS: Lay it aside.

ACTING PRESIDENT GRIFFO: The bill is laid aside.

THE SECRETARY: Calendar Number 519, Senate Budget Bill, Senate 6400D, an act making appropriations for the support of government: STATE OPERATIONS BUDGET.

ACTING PRESIDENT GRIFFO: The bill has been laid aside.

The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 518, Senate Budget Bill, Senate Print 6404D, an act making appropriations for the support of government: CAPITAL PROJECTS BUDGET.

ACTING PRESIDENT GRIFFO: Senator Stavisky.

SENATOR STAVISKY: Thank you. May I ask the sponsor to answer just a couple of questions?

SENATOR YOUNG: Of course.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR STAVISKY: Is there any capital money in here for either the State University of New York or the City University of New York?

SENATOR YOUNG: Yes.

I'm sorry, I misspoke, it's not in the capital bill but it's going to be pursuant to a chapter amendment later on.

ACTING PRESIDENT GRIFFO: Excuse me, Senator Young. Can we have some order in the house, please. I know that Senator Stavisky is having a little difficulty hearing you.

SENATOR STAVISKY: No, I'm not.

(Laughter.)

SENATOR YOUNG: Everybody is a little tired, right?

ACTING PRESIDENT GRIFFO: I saw you lean over.

SENATOR STAVISKY: No, Mr. President, I was looking for the capital money in this budget, because I couldn't find it.

SENATOR YOUNG: Well, the reason why is that there isn't any, but it will be in a chapter amendment later on.

SENATOR STAVISKY: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR STAVISKY: What will be in the chapter amendment? Can you give us a timetable and describe the amounts that are going to be there and a description of both SUNY and CUNY capital money?

SENATOR YOUNG: So to clarify, Senator -- through you, Mr. President -- it will be tonight, but it will be in the Aid to

Localities portion of the budget.

SENATOR STAVISKY: Thank you. Will the sponsor yield for another question?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR STAVISKY: Would that include critical maintenance funding, or is that a separate issue?

SENATOR YOUNG: Yes, critical maintenance funding would be part of that.

SENATOR STAVISKY: Thank you, Mr. President.

SENATOR YOUNG: Thank you.

ACTING PRESIDENT GRIFFO: Thank you, Senator Stavisky.

Senator Hamilton.

SENATOR HAMILTON: Yes, Mr. President, I'd like to ask the sponsor of the bill a question, please.

ACTING PRESIDENT GRIFFO: Will the sponsor yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields, Senator Hamilton.

SENATOR HAMILTON: Yes. As you know, Senator, Kings County is the largest county in New York State, consisting of 2.5 million people. And we have many fruit and vegetable deserts in our great County of Kings. I just want to know how much money is being allocated -- I know there's $5 million going for the State Fair. And how much money is going to be allocated to help -- additional funding to bring fruits and vegetables into Kings County, Brooklyn?

SENATOR YOUNG: Senator, do you mean a capital allocation or on the capital portion of the budget?

SENATOR HAMILTON: Both. Both.

SENATOR YOUNG: Through you, Mr. President --

ACTING PRESIDENT GRIFFO: Can I have some order in the house, please.

SENATOR YOUNG: This is actually statewide, it's not just specifically for Kings County. But there is a $500,000 line item and it's a carve-out, it's a appropriation for initiatives to allow grocery stores to provide healthy foods and revitalize downtowns. And it's

a two-for-one match.

SENATOR HAMILTON: Through you, Mr. President, may the sponsor yield to another question, please?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR HAMILTON: Yes, Senator. As I mentioned before, Kings County is the largest county in New York State, 2.5 million people. I notice here for Mental Hygiene and Mental Health there's been an allocation of money, $200 million. How much of that is being allocated towards the largest county in New York State, Kings County?

SENATOR YOUNG: Senator, it's a little noisy in here. Could you please repeat the question?

SENATOR HAMILTON: Can we get a little order in here, please, Mr. President?

ACTING PRESIDENT GRIFFO: (Gaveling.) Senator Hamilton, please repeat the question for Senator Young.

SENATOR HAMILTON: Yes. Senator Young, it mentions here that there's an increase

in spending for mental health in the budget. As I mentioned before, Kings County is the largest county in New York State, 2.5 million people. How much of that budget is being allocated to the County of Kings?

SENATOR YOUNG: So through you, Mr. President, that's a decision that the Office of Mental Health will make based on need, going forward.

SENATOR HAMILTON: I'm sorry, Senator?

ACTING PRESIDENT GRIFFO: Can you repeat that, Senator Young?

SENATOR YOUNG: Yes. Do you want me to repeat the answer?

SENATOR HAMILTON: Yes, please, I was --

SENATOR YOUNG: Yes, I'm sorry.

SENATOR HAMILTON: I'm sorry.

SENATOR YOUNG: So that's a decision that the Office of Mental Health will make, going forward, based on need.

SENATOR HAMILTON: Thank you. May the sponsor yield to another question, Mr. President?

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

SENATOR HAMILTON: Mental Health is something that I'm the ranker on, and there's an issue that is something that's dear to my heart, and it's alarming, is the suicide rate. Right now the third leading cause of death for children six to 11 years old is suicide. The second leading cause of death in this state --

SENATOR YOUNG: Senator, I just want to clarify -- not to interrupt, but we are on the capital portion of the budget. So you may be looking, I think, at a different portion of the budget.

SENATOR HAMILTON: I'm going to go forward as far as having a space for youth.

If suicide is the third highest rate for our youth six to 11, and the second highest rate for our youth 12 through 35, are there any capital projects to build facilities to address the high rate of suicide in this state and particularly in Kings County?

SENATOR YOUNG: Senator, I just want to clarify. Are you talking about building

new psychiatric centers? Or what are you speaking of?

SENATOR HAMILTON: I'm just saying we have a crisis of suicide in this state. Are there any types of funding for capital projects in Kings County, the largest county in the State of New York, to address the issue of suicide and suicide prevention?

SENATOR YOUNG: Mr. President, I don't believe that there's any allocation specific to Kings County in the budget that is to build facilities related to preventing suicide.

SENATOR HAMILTON: May the sponsor please yield to another question, please?

ACTING PRESIDENT GRIFFO: The sponsor will yield.

SENATOR HAMILTON: For the capital projects for alcoholism and substance abuse, there's been $10 million that's been allocated. Do you know how much of that is going to Kings County, the largest county in the State of New York, 2.5 million people?

SENATOR YOUNG: So through you, Mr. President. First of all, I do want to clarify. There is $200 million in capital

funding that will go towards hospitals and health facilities that potentially could be utilized for some kind of facility that is focused on suicide prevention.

And also, such a project could be eligible under the Mental Hygiene funding that's available. So there may be some things there.

Specifically for Kings County, I do not believe that there is a specific allocation. However, those other resources would be available -- local health entities, for example, could apply for funding through the appropriate agency and try to access those funds if they had a good project.

SENATOR HAMILTON: Thank you.

Mr. President, may the sponsor yield to another question, please?

ACTING PRESIDENT GRIFFO: Senator Young, do you continue to yield?

SENATOR YOUNG: Sure.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR HAMILTON: Thank you, Senator.

As you know, New York City is going

through a homeless crisis. We have approximately 60,000 people in the City of New York who are homeless. Many of those are women and children who are homeless. Under Housing, can you please let me now how much money has been allocated to the largest county in the State of New York of 2.5 million people, Kings County, for housing?

SENATOR YOUNG: So, Mr. President, there's actually $2.1 billion in capital funding through Housing. And that will be negotiated through a memorandum of understanding.

SENATOR HAMILTON: Memorandum of understanding.

SENATOR YOUNG: For programs statewide. So, for example, if there were a project in your district that you were trying to spearhead, or some other group, you may want to, you know, let the Governor's office know about it, write a letter to the Governor, for example, just to let the Governor's office know that it's important to the people in your district and important to you.

SENATOR HAMILTON: Yes, Senator. Thank you for that response.

Through the Speaker, can the sponsor

please yield to another question, please?

ACTING PRESIDENT GRIFFO: Does the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR HAMILTON: Yes, thank you, Senator Young.

The MOU for the housing development, as you know, it's unfortunate that we have hardly any vacant land in New York City. So out of the $1.9 billion being allocated, how are we going to build -- what's the MOU for, and where would the new construction be allocated at in the largest county in the State of New York, Brooklyn, of 2.5 million people.

SENATOR YOUNG: Through you, Mr. President, as I said, the $2.1 billion that is available through Housing for capital construction projects actually would be available statewide. So if there's a list of projects that could be funded, those would be potentially included under the MOU.

SENATOR HAMILTON: Mr. Speaker, may the sponsor please yield to another question,

please?

ACTING PRESIDENT GRIFFO: Senator Young, do you yield to an additional question?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

May I ask again, before the members continue to engage in conversation, there are a number of conversations that are taking place here in the chamber. I would ask staff and members to please take those conversations outside the chamber so we can allow the two members to exchange in discussion and debate.

Senator Hamilton, you may continue.

SENATOR HAMILTON: Thank you, Senator, for answering my questions. You've been very forthcoming, and I appreciate that.

Senator, who would the MOU be between as far as the housing development in the County of Kings? Because I would like to be a part of that. So who would be the parties involved in the MOU for construction of housing in the largest county in New York State, the County of Kings, with 2.5 million people?

SENATOR YOUNG: So through you,

Mr. President, all three entities -- both houses, the Governor -- would be involved in the negotiation.

SENATOR HAMILTON: The Governor and who else?

SENATOR YOUNG: The two houses.

SENATOR HAMILTON: Two houses. Okay, thank you. I'm sorry about that.

Mr. President, would the speaker yield to another question, please?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR HAMILTON: Thank you, Senator Young.

I represent beautiful Brownsville. It has the highest density of NYCHA housing in the state. It has the highest murder rate in the state. It's the pipeline to economic development in upstate New York. We have many schools where the kids are -- only 8 percent and sometimes 2.1 percent are reading at grade level. I'd like to know -- NYCHA housing is dilapidating in that area. I think it's being done purposely. And so I'd like to know, within the area of Brownsville,

which is approximately 60,000 people, how much money has been allocated to preserve or maintain the infrastructure of NYCHA housing?

SENATOR YOUNG: So through you, Mr. President, that would also be subject to an MOU.

SENATOR HAMILTON: Thank you to the sponsor.

Mr. President, I'd like to speak on the bill.

ACTING PRESIDENT GRIFFO: Senator Hamilton on the bill.

SENATOR HAMILTON: I come from the Borough of Kings, which I'm proud of, which is the largest county in New York State, representing 2.5 million people. There are many things in here that I don't agree with. I find it hard that within the last half-hour I have been given 677 pages to read, which I think is an insurmountable task for me to read this amount of literature within a half-hour.

So with due diligence, I cannot vote on a bill that I have not read. It's hard for me, even if I were to read it, to comprehend it at 2 o'clock in the morning. So, Mr. President,

due to the fact of this untimely hour, due to the fact that I received this bill of 677 pages within the last -- within a half an hour, I cannot read this; if I were to read it, I wouldn't comprehend it at this time, and I would need more than a couple of days, if not a week, to fully comprehend and digest what's actually being presented towards me tonight.

So I'm not saying that this is a good bill or a bad bill, but it's a bill that I have not read. And I do not want to be negligent to my constituents, 350,000 people, and vote on something that I have not read and vote on something that was given to me at literally 1:30 in the morning.

So I have to vote no on this. Thank you.

ACTING PRESIDENT GRIFFO: Senator Espaillat.

SENATOR ESPAILLAT: Thank you, Mr. President. On the bill.

ACTING PRESIDENT GRIFFO: Senator Espaillat on the bill.

SENATOR ESPAILLAT: Thank you, Mr. President.

As you know, for some years we have been discussing the housing crunch, the housing crisis affecting the City and the State of New York. In fact, that is a crisis that has been ripping neighborhoods apart. And right at the center of it is the cost of rent and affordability.

We have also been very critical that the settlements that have taken place between the Attorney General's office, the New York State Attorney General's office, and the banking and financial institutions of Wall Street that engaged in risky business resulting in a financial collapse, a close financial collapse of our economy, that the settlement money that we have gotten for several years has gone elsewhere, outside of the epicenter of the housing crisis, primarily to some of the counties outside of New York City.

But we are happy to see that in this budget, $600 million of that settlement money is coming towards the Division of Housing and Community Renewal for the purpose of affordable housing. And so we are hopeful that that $1.9 billion will result in the creation and the

construction of affordable housing, and that when the MOU is reached between the Director of the Budget and the three leaders, that in fact through that agreement we may be able to get some funding for NYCHA.

As you know, last year we allocated $100 million for the first time in over a decade to the NYCHA network of complexes that are facing a $17 billion deficit and are facing critical challenges, infrastructure and capital project challenges, throughout the City of New York.

So we're hopeful that when that MOU is reached, that NYCHA is given the ability to access some of this capital funding to the tune perhaps of $100 million for the next five years.

I am also pleased to see that in the original Senate resolution there was a $2.5 million allocation that has been traditionally included for the Hudson River Park Trust that I represent, along with Senator Hoylman, and that in fact this was zeroed out in the resolution. But we're happy to see that this budget includes it, and it was restored.

For those reasons, Mr. President, I will be voting in the affirmative.

ACTING PRESIDENT GRIFFO: Thank you, Senator Espaillat.

Senator Dilan.

SENATOR DILAN: Mr. President, would the sponsor yield for some questions?

ACTING PRESIDENT GRIFFO: Senator Young, do you yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR DILAN: Yes, Senator, these are just follow-ups to the questions I had previously asked.

So first, with respect to DOT funding capital, can you give us an overview of what funds are in there for the capital budget DOT? And also, has the commissioner provided us the project list as promised?

SENATOR YOUNG: So through you, Mr. President, under the Department of Transportation, for the fiscal year 2016 through 2021, the amount would be $27.1 billion. So how that breaks down is there was $20.1 billion committed as of fiscal year 2017 in the Executive Budget; 1 billion over the next four years, the

breakdown to be determined; $4 billion in the sixth year by fiscal year 2021; $2 billion for the Thruway Stabilization Program, which includes the Tappan Zee Bridge and core capital program.

SENATOR DILAN: And has the project list been provided by the commissioner?

ACTING PRESIDENT GRIFFO: Senator Young.

SENATOR YOUNG: So through you, Mr. President, when the MTA, the Metropolitan Transportation Authority, has the CPRB approval, that's when the list will be out.

SENATOR DILAN: Mr. President, would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR DILAN: I was referring to the DOT capital projects list.

SENATOR YOUNG: They're linked together, Senator.

ASSEMBLYMAN DILAN: They're linked together?

SENATOR YOUNG: That's what I'm saying, yes.

SENATOR DILAN: Because it is my understanding that MTA has already submitted their project list, which was rejected.

SENATOR YOUNG: Yes.

SENATOR DILAN: Okay. Would the sponsor yield for further questions?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR DILAN: In the Senate one-house bill, which both conferences supported additional funding for CHIPS, was that additional funding, is that in this budget? And also is there funding for PAVE NY and BRIDGE NY?

SENATOR YOUNG: So through you, Mr. President, under the CHIPS program, which we know is very popular across the state, there's $438 million that's available. And then on top of that, through the PAVE program, there would be an additional $400 million.

SENATOR DILAN: So there is funding for PAVE NY and BRIDGE NY in this budget?

SENATOR YOUNG: I'm sorry?

SENATOR DILAN: Is there actual funding for PAVE NY and BRIDGE NY in this budget?

SENATOR YOUNG: Yes, Senator, it's included within the appropriation, Mr. President.

SENATOR DILAN: I didn't see any language. That's why I'm asking that question.

Mr. President, a further question?

ACTING PRESIDENT GRIFFO: Senator Young, do you continue to yield?

SENATOR YOUNG: Yes.

SENATOR DILAN: With respect to the MTA capital funding, I see language where we are getting $2.9 billion and there's some language in here which states "Regarding the commitment of the State of New York to fund, over a multiyear period, $7.3 billion of capital costs related to such program, funds appropriated herein shall be available in the event that the state elects to meet its commitment through direct payments."

Can you explain that language? And who makes the determination?

SENATOR YOUNG: So through you, Mr. President, the state has committed $7.3 billion to the MTA, and out of that amount, $2.9 billion is appropriated.

SENATOR DILAN: Mr. President, the question also is who makes the determination if

the commitment is kept? I'll read that again. It says: "Funds appropriated herein shall be made available in the event that the state elects to meet its commitment through direct payments."

And I need an explanation as to that, and who makes the determination if the state elects.

SENATOR YOUNG: So through you, Mr. President, it would be the Executive and the Division of Budget.

SENATOR DILAN: Would the sponsor yield for further questions?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR DILAN: So this $2.9 billion, is it real money in the budget or is it something that's put into the budget so the MTA can leverage funding on its own?

SENATOR YOUNG: So through you, Mr. President, it's the commitment that the state plans to make to the MTA.

SENATOR DILAN: One further question.

ACTING PRESIDENT GRIFFO: Senator

Young, do you yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR DILAN: The final question is I would like to know if there is actual funding in this budget for the Second Avenue subway.

SENATOR YOUNG: So through you, Mr. President. Yes, Senator, there's a commitment through the five-year capital plan.

SENATOR DILAN: Is there a dollar amount?

SENATOR YOUNG: So through you, Mr. President, there's $1.5 billion total, and $535 million that was already in the proposed plan.

SENATOR DILAN: On the bill.

ACTING PRESIDENT GRIFFO: Senator Dilan on the bill.

SENATOR DILAN: Yes, I would just like to thank the sponsor for her responses, and I will be voting in favor of the bill.

ACTING PRESIDENT GRIFFO: Thank you, Senator Dilan.

Senator Krueger.

SENATOR KRUEGER: Can we all do a little gym exercise? I think we need to get our blood sugar going, our energy up. Will the sponsor please yield, Mr. President?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: Thank you. Wasn't there some show years ago that they would like take a break and they'd all do some kind of -- no, I'm making it up?

SENATOR YOUNG: Calisthenics?

SENATOR KRUEGER: I think so. Jack LaLanne, maybe it was.

ACTING PRESIDENT GRIFFO: Senator Krueger, are you going to lead us in calisthenics?

SENATOR KRUEGER: If I remember the routine. But no, I'm probably going to ask one of our younger members perhaps who was in the military to lead us. Wouldn't that be a good idea? Senator Croci, do you want to lead us?

(Laughter.)

ACTING PRESIDENT GRIFFO: Senator

Young, do you yield to a question from Senator Krueger?

SENATOR YOUNG: Regarding the budget, yes. Not about calisthenics.

(Laughter.)

SENATOR KRUEGER: Okay, fine. We'll go back to the budget. It's 2:30 in the morning. We really could be doing something else, but fine.

So the capital budget, the capital bill, adds up to how much money in this bill in total?

SENATOR YOUNG: You know what, Senator, we'll have to check on that amount because -- and we can get it to you, I believe, later tonight.

SENATOR KRUEGER: Okay. Well, I think if we look at the financial plan which you have pointed out that you gave us tonight, I think it adds up to about 11.16 billion enacted, looking at your charts from earlier this evening.

SENATOR YOUNG: Okay.

SENATOR KRUEGER: Okay? So my question was, is all of that capital within this budget bill, so would that be approximately the

right number?

SENATOR YOUNG: So through you, Mr. President, those funds that you're referencing are the capital projects that are cash in the plan.

SENATOR KRUEGER: Did you want to give me more of an answer? I was giving you time.

SENATOR YOUNG: No, no. No.

SENATOR KRUEGER: No? Okay. So you believe that this 11.166 billion -- some of which is cash, is that what you're saying?

SENATOR YOUNG: Through you, Mr. President, it's all cash. It's cash financial.

SENATOR KRUEGER: So that's the cash -- excuse me, Mr. President, through you. So the $11.166 billion is the cash for capital.

SENATOR YOUNG: Right.

SENATOR KRUEGER: Thank you. And then we see that the change between the -- through you, Mr. President, if the sponsor would continue to yield.

ACTING PRESIDENT GRIFFO: The sponsor will yield. And I'll be a little

flexible here.

SENATOR KRUEGER: Thank you.

So we see that the changes from the Executive's original proposed budget to the bills we are getting here tonight -- I can find about $4 billion in new money that was added through negotiations, including over a billion more for the economic development UDC budget, going from $1.1 billion to over $2 billion; additional monies for the MTA, as my colleague was discussing, of approximately $2.9 billion; a billion dollars for the Javits Center. Where are we getting that money from? Because that's new additional capital that came in between the Governor's original proposed budget and what we are looking for tonight.

We know that we -- we say we're staying within the 2 percent cap, so where did we find that money and what did we cut out instead?

SENATOR YOUNG: So through you, Mr. President, the capital actually falls outside the 2 percent cap.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: So when we look at the 2 percent cap, that doesn't include any capital money?

SENATOR YOUNG: You're correct, Senator. No, it does not.

SENATOR KRUEGER: Thank you. That's actually very helpful, thank you.

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

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR KRUEGER: One of the items in this bill is a billion dollars for expansion of the Javits Center. Who decided that we ought to spend a billion dollars on the Javits Center? What process did that go through?

SENATOR YOUNG: So through you, Mr. President, the Governor had a proposal and the Legislature decided to accept the Governor's proposal.

SENATOR KRUEGER: Through you,

Mr. President, if the sponsor will continue to yield.

SENATOR YOUNG: Yes.

SENATOR KRUEGER: Thank you.

So it was a Governor's proposal. Do we know, since it is located in the City of New York, does the City of New York support the billion-dollar expansion of the Javits Center?

SENATOR YOUNG: Senator -- through you, Mr. President -- I haven't talked to the mayor recently about such subjects. But if it were me and I were the mayor, I would support a billion-dollar investment in my community for sure.

SENATOR KRUEGER: On the bill, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Krueger on the bill.

SENATOR KRUEGER: I want to thank the sponsor for her answers.

Capital money is a critical component of what the state ought to be spending its money on. As we have heard from some of my colleagues already, I'm very concerned about what we're deciding to spend money on and not spend

money on in this capital budget.

I am not confident that there is adequate funding for the five-year plans for the MTA or upstate transportation package. I worry that we say we'll have the money, but we're actually not really putting it in, other than the first two years of five, and now we're calling them sort of six-year plans. It worries me immensely.

We're not adequately putting our money into affordable housing, where we heard about $10 billion and $20 billion proposals for housing and homelessness during the State of the State, but we're not seeing anywhere near a down payment on those commitments through capital in this budget.

I suppose it's a reasonable question whether it is a better use of money to spend a billion dollars on a convention center that I think we've just finished rebuilding, I think to the tune of more than half a billion, and now we might have to undo that and spend another billion to change it, and there's still not evidence that the City of New York or even any cities need larger convention centers. But I sure know what

we could do with a billion dollars for housing or mass transit in the City of New York, as long as we seem to have an extra billion to spend.

It's frustrating, as one of my colleagues already said, to get a bill that's over 600 pages long, to have I guess perhaps from 1 a.m. till 2:30 a.m. to try to evaluate it and what's in it, to realize that a billion here, a billion there, we'll figure it out later, is the way we do our budgets in the State of New York.

It's -- you know, I haven't voted no on any of the budget bills this year. It's a little disturbing to me, given me. I don't think I can vote for this bill. I don't think this is the right way to spend capital money to put the state into further debt. I believe that capital infrastructure is exactly what we should be investing in, but I'm not sure we're divvying up our money correctly here. And I certainly don't think that we have evaluated the options correctly.

So I'll be voting no on this bill, Mr. President. Thank you.

ACTING PRESIDENT GRIFFO: Thank you, Senator Krueger.

Senator Sanders.

SENATOR SANDERS: Thank you, Mr. President. On the bill.

ACTING PRESIDENT GRIFFO: Senator Sanders on the bill.

SENATOR SANDERS: Back to the housing portion of this bill, I'm happy that $1.9 billion has been recouped, of course, from banks due to predatory lending and other shady mortgage practices, and many of these have gone into different settlement funds. I'm also happy that $600 million from one settlement fund is going to the DHCR to start addressing some of the problems that have been caused and the city is plagued with -- the city and the state, for that matter.

But I must point out that none of this money has been targeted and returned to the people who were impoverished due to this mortgage -- theft is the best way to say it. None of these people have been made whole from these monies. This money is being distributed citywide for housing, yet we're not even targeting the communities that the money was generated from. The theft occurred and was

concentrated in certain communities. The monies should be targeted on those particular communities.

I am glad that we're dealing with some of the problems citywide and statewide, but I again urge folks that if theft occurs in a certain area, then we should target that area to make it whole. So I'm going to work with DHCR to see what we can do to create programs to target the areas that were impoverished.

I want to thank the staff of the Senate Democrats for, in such a short period of time, putting a lot of information into something that people can understand. I really want to thank them for getting to the gist of all of these things.

And there are real problems with this budget, let us be clear, but I believe that the good in the budget so far outweighs the bad. So I will be voting in the affirmative on this particular part, as I'm going to work with the different agencies to see what we can do to make the communities whole that were impoverished thanks to the theft and plunder by the banking industry.

Thank you very much, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Sanders.

Senator Hoylman.

SENATOR HOYLMAN: Thank you, Mr. President. Would the sponsor yield for a couple of questions?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR HOYLMAN: Thank you. Through you, Mr. President. Under the New York Works economic development fund, I understand the Executive proposal is modified by an increase from $99 million to $199 million. Could the sponsor explain why the increase of $100 million and what that's dedicated toward?

SENATOR YOUNG: So through you, Mr. President, basically that money was put in there because it was needed to pay back what the Solar City project had borrowed, the one in Buffalo.

SENATOR HOYLMAN: So would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR HOYLMAN: So this is the Solar City project in Buffalo, and that money is $100 million dedicated toward that project exclusively?

SENATOR YOUNG: Yes. So you may have read news reports recently where there was a little funding flow glitch, and so they borrowed the $100 million from this pot of money. And so now this restores that money back to that line.

SENATOR HOYLMAN: Would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

SENATOR HOYLMAN: Thank you, Mr. President. Through you, is any of this money, the 199 million, so-called discretionary funds that, as I understand, either house has had in recent years for members? We don't call them member items any longer, but we do understand that some members have access to this kind of money.

SENATOR YOUNG: Through you, Mr. President. Actually these decisions are made by the Executive, Empire State Development Corporation, and it's all controlled by the executive.

SENATOR HOYLMAN: Thank you, Mr. President. Thanks to the sponsor for her answers.

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

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

Read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: In relation to Calendar 518, those recorded in the negative are Senators Hamilton, Krueger and Rivera.

Ayes, 59. Nays, 3.

ACTING PRESIDENT GRIFFO: The bill is passed.

Senator DeFrancisco.

SENATOR DeFRANCISCO: On the next bill, Calendar 519, do we have a message of necessity?

ACTING PRESIDENT GRIFFO: There is no message before the desk.

Can I have some order in the house, please.

SENATOR DeFRANCISCO: So we'll wait here at 10 minutes of 3:00 until we get a message so we can continue the business of the state.

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

(Whereupon, the Senate stood at ease at 2:50 a.m.)

(Whereupon, the Senate reconvened at 4:20 a.m.)

ACTING PRESIDENT GRIFFO: Senator DeFrancisco.

SENATOR DeFRANCISCO: It's my understanding, since we don't have a message of necessity but we want to be productive here in this chamber, that all three leaders have indicated they would consent to at least debating the next bill, 519, and then, once the debate is over, hold for the message, so that we can use

the time productively.

If that's in fact the case, can we start the debate on this bill now. Senator Rivera has consented --

ACTING PRESIDENT GRIFFO: Without objection, we shall so move, and the Secretary will read.

THE SECRETARY: Calendar Number 519, Senate Budget Bill, Senate Print 6400D, an act making appropriations for the support of government: STATE OPERATIONS BUDGET.

SENATOR GIANARIS: Lay it aside.

ACTING PRESIDENT GRIFFO: The bill is laid aside.

The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 519, Senate Budget Bill, Senate Print 6400D, an act making appropriations for the support of government: STATE OPERATIONS BUDGET.

ACTING PRESIDENT GRIFFO: Senator Stavisky.

SENATOR STAVISKY: Thank you, Mr. President. Will the sponsor yield?

SENATOR YOUNG: Yes, Mr. President.

ACTING PRESIDENT GRIFFO: The sponsor yields.

Can we have some quiet in the chamber, please. Senator Stavisky, you may proceed.

SENATOR STAVISKY: The City University of New York, can you tell me whether the faculty there has a contract?

SENATOR YOUNG: Thank you, Senator Stavisky. Actually, I don't believe that they do have a contract.

SENATOR STAVISKY: Will the Senator continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

But I'd ask again for some quiet in the chamber so the members can hear the exchange.

SENATOR STAVISKY: In fact, the faculty at the City University of New York has not had a contract since 2010. And one of the issues involved in that is the cost of the contract.

Can you tell me what happened to the $240 million that had originally been proposed by

the Executive in his budget proposal?

SENATOR YOUNG: Why don't we let Senator LaValle answer these questions.

ACTING PRESIDENT GRIFFO: Without objection, I will ask Senator LaValle. Senator LaValle.

SENATOR LaVALLE: I'm ready, Senator Stavisky.

ACTING PRESIDENT GRIFFO: Senator Stavisky, you may pose your question.

SENATOR STAVISKY: Continuing with the previous question, I had asked about the $240 million that had been set aside for the contract.

SENATOR LaVALLE: That was in the Governor's Executive Budget to us, $240 million for a collective bargaining agreement. And yes, the union there has not had a contract for multiple years.

SENATOR STAVISKY: And in fact -- if the Senator would continue to yield.

SENATOR LaVALLE: Yes.

SENATOR STAVISKY: In fact, there are multiple unions, it's not just one union. None of them have a contract.

Do you believe that it's going to be a little more difficult, perhaps, for a contract where the budget has not set aside the amount to satisfy the agreement?

SENATOR LaVALLE: Senator, as you know, the deliberations regarding City University have been somewhat different. I mean, we had $240 million that was in the Governor's budget, as you know, and then we had other issues that we discussed in our conference committee dealing with $485 million. So there are a number of confluences that have been going on at the same time. So it's been a little different than many of the discussions in the budget.

But it started on a very good footing, as I have said a couple of times, with the $240 million being in the Executive Budget.

SENATOR STAVISKY: Would the Senator continue to yield?

SENATOR LaVALLE: Sure.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR STAVISKY: On another subject, both the SUNY 2020 and the CUNY programs, they each provided for tuition

increases, the so-called rational tuition policy. Can you tell us in the budget what happened to that funding?

SENATOR LaVALLE: The Governor had put in tuition increases, and both houses of the Legislature did not accept the increases in the rational tuition. Both houses rejected, for both SUNY and CUNY, any increases in tuition.

At the same time we did, in the last 48 hours -- in the last 48 hours came with up with some money, 12 million for CUNY and 18 million for SUNY, to offset any disturbance on any of the campuses in terms of faculty, and kind of smooth the pathway there.

SENATOR STAVISKY: Can you clarify the situation at SUNY, the amount of money that was involved and how the loss is going to be covered, the loss in revenue is going to be covered?

SENATOR LaVALLE: I think I indicated we did the same thing we did with CUNY, taking the performance money -- it was 18 million for SUNY, 12 million for CUNY. We allowed for SUNY, the University Centers, to increase out-of-state tuition by up to 10 percent.

SENATOR STAVISKY: If the Senator will continue to yield.

SENATOR LaVALLE: Yes, Senator.

SENATOR STAVISKY: What is the estimated loss of revenue with the lack of a tuition increase, the total?

SENATOR LaVALLE: The increase for SUNY was worth about $89 million, and for CUNY I think it was $52 million.

SENATOR STAVISKY: If the Senator would continue to yield.

SENATOR LaVALLE: Yes, ma'am.

SENATOR STAVISKY: How is SUNY going to make up the difference between the 12 million and the 80 million, the loss of revenue and the lack of replacement of the lost revenue?

SENATOR LaVALLE: I don't understand the question. Because the money that we restored was 18 million.

SENATOR STAVISKY: Let me rephrase the question. There was a loss in revenue of $80 million, what the tuition brought in at SUNY. And the replacement is, I think, 12 million.

SENATOR LaVALLE: I'm sorry, I do

understand the question.

One of the reasons that the Legislature rejected the tuition increases was because there was a $300 per year for five years increase. So that's $1500 that the students paid. The general belief was that in this year, that because of the $1500 that was coming in to support the system, that for this year in particular there would be -- that the campuses could work their way through by not having a tuition increase in both SUNY and CUNY.

SENATOR STAVISKY: Thank you. If the Senator would continue to yield.

SENATOR LaVALLE: Yes.

SENATOR STAVISKY: I don't disagree with that, I must say.

But on a totally different issue, is there any additional monies that are coming into SUNY or CUNY in other budgets?

SENATOR LaVALLE: Well, as I had indicated in the case of SUNY, the colleges had out-of-state tuition. And again in this budget there will be, for the University Centers, it would allow them another 10 percent, up to a 10 percent increase.

The other sources of revenue traditionally in the past have been student fees. So we have tuition, student fees for in-state students, the tuition increase for out-of-state tuition. And of course one of the important sources of additional money is through research grants that the campuses generate. I'm not sure I know of any other sources.

SENATOR STAVISKY: That's not -- let me rephrase my question.

We have yet to pass the ELFA budget and the Aid to Localities budget. Are there any funds in either of those budgets for SUNY and CUNY?

SENATOR LaVALLE: That's where the 18 and the 12 million will be, in the ELFA -- okay. So the Aid to Localities will have capital monies which we added to the budget. So I don't know what other sources of revenue are coming in. We talked about the 18 and the 12, additional capital monies that we added to the Governor's budget, Executive Budget.

SENATOR STAVISKY: Thank you.

On the bill very briefly, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Stavisky on the bill briefly.

SENATOR STAVISKY: It's very difficult to -- not having the Aid to Localities budget and the ELFA budget in front of us, to anticipate what additional monies will accrue to SUNY and CUNY.

I think this is a terrible hit, particularly on CUNY. And the fact that the $240 million has been withdrawn causes me to vote in the negative on this bill.

Thank you, Mr. President.

Thank you, Senator LaValle.

ACTING PRESIDENT GRIFFO: Thank you, Senator Stavisky.

Senator Espaillat.

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

I am happy to see that this bill proposes a tuition freeze and that in fact it increases funding for important programs, in fact that I participated in when I was in college, such as the SEEK program, College Discovery, ATTAIN, which is an important program to many of us that provides technology labs, SUNY labs.

It's an important program, and it has $2 million. In addition to, of course, as I said earlier, the tuition freeze and the fact that the over $400 million proposed to be cut from the senior colleges also was included in the budget.

So although there are some minor concerns, you know, this provides some relief for students in the form of a tuition freeze, and particularly for disadvantaged students in the form of increases in some of these Opportunity Programs.

In regards to housing, although there is no direct funding again for the Tenant Protection Unit through the Division of Housing and Community Renewal, as it has been a long-standing effort from this house's majority to deny a specified and direct line of funding for this unit -- in fact, there is ongoing litigation to prohibit that -- a unit that provides relief and help to tenants, it has recouped thousands of rent-stabilized units that have been illegally taken off the rolls, and is continuing to do a good job.

Although we're still not getting a direct line, I'm happy to see there is a

$2 million increase for the division. And I hope that in their wisdom they can find the funding to continue to have the TPU, the Tenant Protection Unit, working again this coming year.

For those reasons, Mr. President, I will be voting in favor of this particular bill.

ACTING PRESIDENT GRIFFO: Thank you, Senator Espaillat.

Senator Hamilton.

SENATOR HAMILTON: Yes, Mr. President, I rise to address the bill.

ACTING PRESIDENT GRIFFO: Senator Hamilton on the bill.

SENATOR HAMILTON: I tried to read as much as possible of the bill that I got at 2 o'clock. It's actually 700 pages. It's a lengthy document. As you're well aware, I was not able to compete reading this document within the time that was allocated to me, which is two hours.

I would think that any lawyer in a law firm or anybody else that actually tried to read this would not sign off on it to their client, nor would I sign off on it to my constituents, because procedurally there's no due

process in me reading this and actually knowing for myself whether or not this will benefit or not benefit the constituents in my community.

I just want to say I'm not against the bill, I'm not for the bill, I just haven't read the bill. And I will not vote on a bill that I have not read. It would be negligent of me to do so. So therefore, due to the fact that I've gotten this bill at 2 o'clock in the morning and it's now 2:30 in the morning, with over 700 pages -- 4:30. What did I say, 2:30? I'm delirious now, it's so late.

SENATOR SANDERS: From reading too much.

ACTING PRESIDENT GRIFFO: Senator Hamilton, it's 2:30 Mountain Time.

SENATOR HAMILTON: Mountain Time, thank you. Mountain Time.

So due to the fact that I have not had time to read it and the hour that it was given to me, at 2 o'clock, and now it's 4:30, I cannot with good conscience vote on this bill. So I vote in the negative.

ACTING PRESIDENT GRIFFO: Thank you, Senator Hamilton.

Senator Breslin.

SENATOR BRESLIN: Thank you, Mr. President. On the bill, please.

ACTING PRESIDENT GRIFFO: Senator Breslin on the bill.

SENATOR BRESLIN: Thank you, Mr. President.

Very briefly, I'm up to talk about Albany. And Albany has been faced with a fiscal crisis in part caused by state buildings. Over 30 percent of the buildings in the City of Albany are state buildings, and they tend to be isolated, sometimes covered. And the buildings don't generate the kinds of revenue to the city itself, but obviously the services provided to that 30 percent are significant.

In addition to that 30 percent, there's another 30 percent of government buildings, which bring it up to 60 percent of exempt properties.

The Governor realized that and understood that; members of the Assembly, in particular John McDonald and Pat Fahy, understood that. And we looked to resolve it by way of a payment in lieu of taxes. And accordingly, in

this budget, $12.5 million was provided in terms of spin-up money, which as you know is already allocated money, and it isn't money directly out of our pot right now.

But the significance to Albany is profound. It puts them in a position to recover, to prosper, and to look for long-term ways to overcome that 60 percent exempt properties. And I know that the citizens of Albany, when they wake up on this very beautiful Friday morning and realize what has happened, will be very happy and be off to a very good start.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Thank you, Senator Breslin.

Is there any other Senator that wishes to be heard?

Senator Young.

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

I just want to clarify, based on some of the comments, I want to stress that the TPU, the Tenant Protection Unit, is not included in the State Budget. Thank you.

ACTING PRESIDENT GRIFFO: Thank

you, Senator Young.

Is there any other Senator that wishes to be heard?

Seeing none, hearing none, debate is closed and the Secretary will ring the bell.

SENATOR DeFRANCISCO: Mr. President. Mr. President. You can ring the bell, but we can't vote. So if we'd just lay the bill aside temporarily until we get a message.

ACTING PRESIDENT GRIFFO: Senator DeFrancisco, we will do as you have instructed. But what we were looking to do is potentially consider this as a high bill, to allow you to continue to move on. But we will ask and seek counsel's advice on that.

SENATOR DeFRANCISCO: Say that again? You want to consider it a what bill?

(Laughter.)

ACTING PRESIDENT GRIFFO: As we would in any other -- as we would in any other case, we can go -- proceed to begin the roll without taking the actual roll and consider the bill to be high, and then lay it aside. That could be voted on. And that would allow you, if you chose, to call the next meeting of the

Finance Committee.

SENATOR DeFRANCISCO: I don't see the point of that, because it's not going to save any time. Let's just lay it aside.

ACTING PRESIDENT GRIFFO: You're the floor leader. We will do whatever you request.

SENATOR DeFRANCISCO: Yes, we'll just stand at ease.

It's my understanding that Senator Gianaris has something to mention here.

ACTING PRESIDENT GRIFFO: Senator Gianaris.

SENATOR GIANARIS: Thank you, Mr. President. There will be an immediate Democratic conference in the conference room while we await the message.

ACTING PRESIDENT GRIFFO: There will be an immediate meeting of the Democrat Conference in the Democrat Conference Room.

The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 4:42 a.m.)

(Whereupon, the Senate reconvened at 5:51 a.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, Mr. President, there will be an immediate meeting of the Finance Committee, where two bills will be taken up: Judiciary and Legislative and the ELFA bill.

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

SENATOR DeFRANCISCO: And immediate would be good --

ACTING PRESIDENT GRIFFO: Immediate meeting of the Finance Committee.

SENATOR DeFRANCISCO: -- if everybody follows that, so we can move things along.

ACTING PRESIDENT GRIFFO: All members of the Finance Committee, please report to Room 332.

The Senate stands at ease.

(Whereupon, the Senate stood at ease at 5:52 a.m.)

(Whereupon, the Senate reconvened at

6:03 a.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, I understand there's a report of the Finance Committee at the desk.

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

The Secretary will read.

THE SECRETARY: Senator Young, from the Committee on Finance, reports the following bills:

Senate Print 6401A, Senate Budget Bill, an act making appropriations for the support of government: LEGISLATURE AND JUDICIARY BUDGET;

Senate 6406C, Senate Budget Bill, an act to amend the Education Law.

Both bills reported direct to third reading.

SENATOR DeFRANCISCO: It's my understanding that there are messages of necessity for both.

First of all, you know what I should

do, why don't I move to accept the Finance Committee report.

(Laughter.)

ACTING PRESIDENT GRIFFO: Thank you. Thank you.

There's a motion on the floor to accept the Committee on Finance report as read. All in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The Finance Committee report is accepted and before the house.

The Secretary will read.

THE SECRETARY: Calendar Number 520, Senate Budget Bill, Senate Print 6401A, an act making appropriations for the support of government: LEGISLATURE AND JUDICIARY BUDGET.

ACTING PRESIDENT GRIFFO: Senator DeFrancisco.

SENATOR DeFRANCISCO: Is there a message of necessity at the desk?

ACTING PRESIDENT GRIFFO: There is a message from the Governor at the desk.

SENATOR DeFRANCISCO: Move to accept.

ACTING PRESIDENT GRIFFO: All in favor of accepting the message of necessity of the Governor at the desk signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted.

The Secretary will read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

THE SECRETARY: Calendar Number.

SENATOR DeFRANCISCO: Could we now go to 522. That bill also, I understand, has a message of necessity at the desk.

ACTING PRESIDENT GRIFFO: The

Secretary will read.

THE SECRETARY: Calendar Number 522, Senate Budget Bill, Senate Print 6406C, an act to amend the Education Law.

ACTING PRESIDENT GRIFFO: There is a message of necessity at the desk. There is a motion to accept the message of necessity from the Governor. All in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted.

Read the last section.

SENATOR GIANARIS: Lay it aside, please.

ACTING PRESIDENT GRIFFO: The bill is laid aside.

The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 522, Senate Budget Bill, Senate Print 6406C, an act to amend the Education Law.

ACTING PRESIDENT GRIFFO: Senator

Latimer.

SENATOR LATIMER: Thank you, Mr. President. Good morning, Happy April Fools Day.

I have a few questions if the Senator will yield.

SENATOR YOUNG: Yes, Mr. President.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Thank you, Senator.

Senator, can you give us, in the education area, what the total amount of Foundation Aid is in this budget before us?

SENATOR YOUNG: Through you, Mr. President, the total amount of Foundation Aid is $1,176,135,000.

SENATOR LATIMER: May I ask, would the Senator yield and just repeat that number again so I have it accurately?

ACTING PRESIDENT GRIFFO: Senator, can you repeat the number?

SENATOR YOUNG: Yes. The Foundation Aid figure is --

(Pause.)

SENATOR LATIMER: Mr. President, if I may clarify, the question is specifically Foundation Aid, not the total amount. I just want to be sure that I've clearly asked that it is the Foundation Aid portion that I'm interested in knowing.

SENATOR YOUNG: So just to clarify, Mr. President, the actual total is $16,482,951,037.

SENATOR LATIMER: And if the Senator would continue to yield, through the President.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Senator, what increase is that over the Foundation Aid that was in the Executive's budget that was presented to us back in January?

SENATOR YOUNG: Yes, Mr. President. It's $360 million over the Governor's proposal.

SENATOR LATIMER: Thank you, Senator.

Mr. President, if the Senator would continue to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Would you identify what the total amount of money in this budget is for the purposes of community schools?

SENATOR YOUNG: Through you, Mr. President, there's $100 million set aside under the Foundation Aid and an additional $75 million in the community schools line.

SENATOR LATIMER: Thank you, Senator.

If the Senator will continue to yield, through the President.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: Thank you.

My understanding of the Executive Budget that we saw was there was a standalone allocation of $100 million for community schools. And if I understand the Senator's response correctly, that there's $75 million as a separate set-aside, $25 million less, and the remaining $100 million is actually coming out of that

$360 million of additional Foundation Aid.

Is that a correct understanding of what is in this three-way agreement?

SENATOR YOUNG: Through you, Mr. President, we gave the same amount that the Governor had in his proposal for community schools, but we just did a set-aside in Foundation Aid.

SENATOR LATIMER: If the Senator will continue to yield. The same amount drawn from a set-aside is not the same as a standalone amount.

So I want to repeat again, my understanding is that $100 million that is set aside out of an additional $360 million is not the same as a separate $100 million direct allocation. I want to make sure that is a clear understanding of what's been agreed upon.

SENATOR YOUNG: Through you, Mr. President, the original Executive proposal was so widely drawn that it could be used for operating aid. And what we were able to do is set it aside so that it could be used for community schools or operating aid.

SENATOR LATIMER: If the Senator

will continue to yield, Mr. President.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR LATIMER: I'm sorry, forgive me. Senator, what is the amount of money in this budget that has been identified for Special Acts schools? Any combination of 4201s and 853s and so forth.

SENATOR YOUNG: Through you, Mr. President. Actually, the budget adds $2.3 million for 4201 schools. There's no increase in Special Acts schools. And there's $903,000 that was added for the New York State Schools for the Deaf.

SENATOR LATIMER: Thank you, Senator.

Would the Senator continue to yield, through the chair? Through the President, I'm sorry.

SENATOR YOUNG: Yes.

SENATOR LATIMER: Can we identify what is in this budget that relates to the proposal that was in the Assembly one-house to delink the APPR approved plans from school aid?

The legislation that we passed requires APPR approved plans to be in place by September of this year or forfeiting school aid, which is a significant hit and is part of what we're seeing in our runs and in our additional aid.

What does this budget say about the delinkage issue?

SENATOR YOUNG: Through you, Mr. President, that is not included in this portion of the State Budget.

SENATOR LATIMER: Will the Senator yield, through the President?

SENATOR YOUNG: Yes.

SENATOR LATIMER: Thank you.

Do we anticipate, in the remaining sections of the budget that we are to see, that this issue will be addressed? Or is the fact that it is not in this section of the budget the final word on the matter for this budget?

SENATOR YOUNG: Through you, Mr. President, we're not addressing it in the budget at all.

SENATOR LATIMER: Thank you.

Would the Senator continue to yield?

SENATOR YOUNG: Yes.

SENATOR LATIMER: Would the Senator outline what the provisions -- with as much dollar specificity as you can -- of what this budget does to increase charter school funding?

SENATOR YOUNG: Through you, Mr. President. For charter schools there's an increase of $54.8 million in grants in aid. There's $430 per pupil as well as what's allowed in current law, which is supplemental tuition of $500 per pupil.

SENATOR LATIMER: Thank you, Senator.

Will the Senator continue to yield, through the President?

SENATOR YOUNG: Yes.

SENATOR LATIMER: Thank you, Senator.

So just to summarize sort of the major areas, as I understand it, we have increased Foundation Aid by $360 million over the Executive's budget but $100 million of that is a set-aside to deal with community schools. We have added $2.3 million for Special Acts schools, a lesser amount for the Schools for the Deaf, and not changing -- pardon me, for 4201s,

$2.3 million, nothing on Special Acts schools, and we have added, for charity schools, $54.8 million.

Is that a correct summary of how this budget has expanded over the Executive's?

SENATOR YOUNG: It's close, but I do want to clarify just one or two points.

First of all, you said that $100 million under Foundation Aid was strictly for community schools. Actually, that aid, as I stated before, is flexible. And that's at the request of the education community, who wanted to have fewer restrictions on the funding, so that it can be used in the way that's most appropriate for the needs at hand.

And the second part is GEA. And the GEA was -- so through you, Mr. President, the GEA, as we've talked about, has been eliminated, at $189 million over the Governor's proposal.

SENATOR LATIMER: And if the Senator would continue to yield, through the President.

SENATOR YOUNG: Yes.

SENATOR LATIMER: My understanding of the GEA restoration, which I fully support, is

that the Governor proposed a $189 million restoration, and this budget adds $244 million, to make a full restoration in this fiscal document. Is that a correct understanding?

SENATOR YOUNG: That's correct.

SENATOR LATIMER: Okay, very good.

Final question, and I appreciate the Senator's forbearance, the proposed education tax credit, does this budget finance that or is it silent on that proposal?

SENATOR YOUNG: Through you, Mr. President, it's not included in the budget.

SENATOR LATIMER: Thank you, Madam Senator. Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Espaillat.

SENATOR ESPAILLAT: Thank you, Mr. President.

This is an important budget as it addresses many important issues, including one that addresses income inequality in New York State. President Franklin D. Roosevelt instituted for the first time the minimum wage right in the middle of the greatest -- the worst depression that we've had in this nation. And he

did so not just to put extra dollars in people's pockets, but to also stimulate the economy and to give folks the ability to purchase, for the most part, emergency items in grocery stores, supermarkets, et cetera.

And so here we are, we're not facing that kind of a depression in our nation -- in fact, the job growth has been tremendous in the last eight years and the economy is doing better. But there is a serious income inequality. And raising the minimum wage, it's an important way to try to address that. And this budget allows for New York City to eventually reach $15 an hour and for some other areas in the state to reach $12.50 with an index.

It further includes the minimum wage for farmworkers. And you may know that farmworkers are the only job category in this state that does not receive all the benefits that other workers receive, including overtime pay, a day of rest, the right to organize and collectively bargain, and workers' compensation.

But this time around, although handsome benefits were given to the agricultural industry, we were more sensitive than ever before

as a house, and we have included and have not carved out those that bring food to our table, and have allowed them also to have a piece of the pie by getting the minimum wage.

So these are important provisions of this budget. Paid family leave is another great provision. And of course increased education funding, particularly for community schools, those schools that are shown to have great needs and challenges academically. There's also infrastructure spending that is very important.

So this is a good budget. It has its holes and challenges, but for the most part -- I've been here two decades -- this is one of the best budgets that I've seen. And for that reason, Mr. President, I will be voting in the affirmative.

ACTING PRESIDENT GRIFFO: Senator Stavisky.

SENATOR STAVISKY: Will the Senator yield for one question?

ACTING PRESIDENT GRIFFO: Does the Senator yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The

Senator yields.

SENATOR STAVISKY: During the debate on the capital budget, you spoke about -- I asked about the capital money for CUNY and SUNY, and I think you said it was in the ELFA budget.

SENATOR YOUNG: Senator, Aid to Localities is what I said.

SENATOR STAVISKY: Thank you very much.

SENATOR YOUNG: Thank you.

ACTING PRESIDENT GRIFFO: Senator Díaz.

SENATOR DÍAZ: Good morning, Mr. President.

ACTING PRESIDENT GRIFFO: Buenos dias.

SENATOR DÍAZ: On the bill.

ACTING PRESIDENT GRIFFO: Senator Díaz on the bill.

SENATOR DÍAZ: But before I say anything, Mr. President, I would like to express my appreciation to all the beautiful staff that since yesterday morning has been around, waiting -- married women, mothers, husbands. And

they've been around working, without sleeping. So I would like to express my appreciation to all of them.

On the other hand, Mr. President, in the City of New York we have a problem, a problem with shelters, homeless shelters. See, the shelters, the landlords in the city, they charge sometimes $3,000 per apartment. It's a business. It's a big-racket business in the City of New York. But the landlords -- and then the organizations that run the shelters depends on the landlords for them to fix the problem. Sometimes the elevators are broken, the walls are falling apart. And then they blame the organization for problems that are supposed to be corrected by the landlords.

There was a rumor that the beloved Governor of the State of New York, Andrew Cuomo, decided to embarrass, to embarrass the mayor of the City of New York, the Honorable Bill de Blasio. The Governor Andrew Cuomo decided that he's going to take over, a coup, like the one we give here in 2009. The coup sought to embarrass the mayor, he decided to take over and put some organization to run the shelters when they found

something wrong.

But the city, the City of New York will pay the money, will pay for everything. But the Governor will get the power to send his people to run the shelters that the City of New York is paying for. I have no problem with the Governor taking the whole shelters. I have no problem with that. But the state should pay for it, not the City of New York.

But nonetheless, nonetheless, they told me, no, it's been rejected, nothing happens, that will not happen.

So yesterday morning, Mr. President, ladies and gentlemen, I was called to the second floor. And I was so happy that this black guy from Puerto Rico, with kinky hair and broken English, was called to the second floor. I have not been in the second floor since Pataki. Pataki used to be my friend, and Governor Pataki, I used to go to the second floor.

But I never -- after Pataki, Mr. President and ladies and gentlemen, I never been in the second floor because I refuse to be part of the game. I refuse to be part of the lies. I refuse to be part of the hypocrisy.

So I never went to the second floor with Spitzer, with Paterson. And in the last seven years, with this guy, with Governor Cuomo, I have not been to the second floor. I refused.

But yesterday, I was invited, I said let me go to the second floor. And I was received by a guy by the name Josh. Josh took me to a room to sit down with Mr. Alphonso David. And the two of them told me, Mr. David told me, Senator, don't worry. What you're worried about, the takeover is not going, it's not happening. We are not taking over. It's not going to be in the budget.

Mr. President and ladies and gentlemen, I looked to the eyes of Mr. David, a black guy like me, and I asked him, "Mr. David, are you assuring me that this is not going -- because they say that you're trying to stick this in another way in another part of the budget." "No, it wouldn't happen, we don't need to do that. It won't happen."

"Are you sure? Mr. David, look at my face, look at my face and tell me that that would not happen." "It will not happen."

"Mr. David, you want to shake my

hand and tell me that that will not happen?" He said, "I'm shaking your hand, looking in your eye, and it will not happen."

I left the second floor, a black guy in victory, happy because I was talking with gentlemen, with men of honor, with men of good reputation. So I left. Suddenly my conference talks about and presented me with a budget where the takeover is in it.

Then I say, I'm 73 years old. I'm an old man. So, Mr. David, are you lying to an old man? So, Mr. David, are you lying to a Senator? So, Mr. David, are you lying to a minister? Because, Mr. President and ladies and gentlemen, this game of lying -- he -- he could -- he -- they are used to it. They have called Senator Rivera, they have called Senator Peralta, Senator Espaillat, and they have promised, year after year, they have promised them: We're going to do the DREAM Act, we're going to do the DREAM Act. And then they lied to them.

But because I'm a minister and because I'm an old man and a black guy, I said to me, they are -- they're going to be right with

me.

They lied to me. They looked in my face, Mr. Alphonso David looked in my face and lied to me.

I asked of my son -- I always tell my son -- my son is the Bronx borough president -- I told my son, When you shake hands with somebody, you better die because you don't break that. You shake hands, you keep your word, because that's all you have.

And this is all we have. You give me your word -- I give you my word that I'm going to support you, I'm going to do something for you, I will die but I will keep my word.

And now, ladies and gentlemen, I'm going to vote for this. And you know why I'm voting for this? Because of the minimum wage. And because of the family paid leave. But because they stick it there, they stick it there -- smart people. So they stuck it in there. How I could vote no?

So then people want to say, Oh, you vote no on the minimum wage. Oh, you're against the family because you won't -- see, so I cannot, I cannot vote no. I have to vote yes.

But they lied to me. The Governor's office lied to me. Mr. David and Mr. Josh, they lied to me. And I want all of you to know they lied to me. And I'm going to write a "What You Should Know," I'm going to put in "What You Should Know" that they lied to me, they lied to me, they lied to me. Lying is a sin, especially when you look at people's eyes. You look at people, you give me your hand.

Don't invite me to the second floor. I don't need to be on the second floor. I don't ask for much. I don't have to go to the second floor. I never been to the second floor -- Pataki was good to me. The rest have been bad. But that's okay.

Mr. David, whoever you are and wherever you are, God hates ugly. You lied to me, in my face. God bless you.

Thank you, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Peralta -- Senator Sanders first, I'm sorry.

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

SENATOR SANDERS: I would have yielded gladly.

(Laughter.)

SENATOR SANDERS: I would not lie, Mr. President, if I paid homage to the staff of both sides of this aisle. Both staffs have done an amazing job in trying to get a lot of information.

And this reminds me of one of those military training exercises where you had to stay awake for several days to see what you were made of. And I know this, I know that the staff on both sides have really done an admirable job. And they've had to stay awake the longest, putting this information together, so I wanted to pay homage to that.

I also want to encourage us to find another way. Perhaps if we could get this information sooner to each other, we don't have to pull incredible marathons as we are doing. I'm sure that if we were more awake and aware, we could find even better ways to serve the people of this great state.

This bill itself -- on the bill, of course, this great bill --

ACTING PRESIDENT GRIFFO: Senator Sanders is on the bill.

SENATOR SANDERS: -- has a lot of positive things in here and some challenging things. We still haven't figured out what we really want to do with mayoral control. That's going to be the issue of the day. Family paid leave, of course, we have to do something there.

I want to say something good about minimum wage. On one hand, I would have preferred to go straight to $15 an hour, and let's see what we can do to help the people of this great state. However, I understand that there may be mitigating circumstances in different places. So I can understand those things, but I think that we need to move and move fast on it because people are hurting in terms of their wages, and we need to deal with that.

Because of that, I'm going to -- it's not everything that I would like, but I am going to vote for this bill.

Thank you, Mr. President. And that you should know.

ACTING PRESIDENT GRIFFO: Senator Peralta.

SENATOR PERALTA: Thank you, Mr. President. I really want to thank you for

allowing Senator Sanders to go before me.

But would the sponsor yield for some questions?

SENATOR YOUNG: That's me.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR YOUNG: Yes.

SENATOR PERALTA: Thank you.

Could the sponsor please indicate where within the ELFA Article VII bill, this bill that we're discussing, the DREAM Act is contained?

SENATOR YOUNG: It's not in the bill.

SENATOR PERALTA: I'm sure the sponsor -- through you, Mr. President, would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: I'm sure the sponsor is aware that the Governor allocated $27 million in the original Executive Budget proposal for the purposes of enacting the New York State DREAM Act.

SENATOR YOUNG: Through you, Mr. President. As I pointed out, it's not in the final agreement.

SENATOR PERALTA: Mr. President, will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: So my question was that I'm sure that the sponsor is aware of that the executive included $27 million in the budget. Is she aware of that?

SENATOR YOUNG: Yes.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: Can the sponsor indicate why the DREAM Act has been removed from this final budget agreement?

SENATOR YOUNG: Through you, Mr. President, as I stated previously, and I'll state it again, it was not agreed upon in the final budget.

SENATOR PERALTA: If the sponsor continues to yield.

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: So if the sponsor is aware that the Governor included $27 million in the budget, or the attempted budget agreement, and the Assembly also included $27 million, that leaves, then, the Senate Republicans disagreeing on the DREAM Act.

SENATOR YOUNG: Through you, Mr. President, as I indicated previously, and I've said several times now, it was not agreed upon in the final budget.

SENATOR PERALTA: Now, will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: Now, there was a proposal that the sponsor's conference pushed forward to increase the top eligibility from $80,000 to $100,000 per household in this final budget. Did it make it in?

SENATOR YOUNG: Through you, Mr. President, no, it did not.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: Is the maximum amount of TAP award modified upward as part of this final budget agreement?

SENATOR YOUNG: Through you, Mr. President, no, there's no change.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: So the TAP award stays the same, the income eligibility stays the same -- from $80,000 to $100,000 -- and yet there was two sides of the three or out of the four -- actually, three sides of the four -- that wanted $27 million for a DREAM Act to be part of the final budget.

SENATOR YOUNG: So through you,

Mr. President, I just want to clarify what the Senator is saying.

There is no increase in eligibility, and there is no $80,000 to $100,000 included in the budget. As you know, in our one-house we advocated for increasing TAP, but unfortunately that was not included in the final agreement.

SENATOR PERALTA: Would the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: Would the sponsor say that we are a country where we punish our children for the actions of their parents?

SENATOR YOUNG: Through you, Mr. President, we are considering the bill right here in front of us. And I would like to talk about budgetary items that are actually included in the bill.

SENATOR PERALTA: Mr. President, I think I'm getting to a point, and I just want to ask the question.

SENATOR YOUNG: So through you, Mr. President, the Senator is very, you know,

able to make his point. I'm going to address the budgetary items that are included before us.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: So if the Governor agreed to $27 million, if the Assembly agreed to $27 million, if IDC agreed to $27 million, why does the sponsor feel that the DREAM Act is not necessary?

SENATOR YOUNG: Through you, Mr. President, I've stated several times now that it was not agreed upon in the final budget.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: The sponsor is aware that the Tuition Assistance Program is an entitlement program; correct?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO:

SENATOR PERALTA: Meaning that every -- will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: Meaning that everyone, including the undocumented, would have to meet current residency and income eligibility requirements.

SENATOR YOUNG: Yes.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: So if everyone has to meet these requirements, whether it's residency and income eligibility, which means that everyone would have to file a tax return using a Social Security number or an ITN number, why wouldn't the DREAM Act be included?

SENATOR YOUNG: Through you, Mr. President, they also -- recipients also have to meet the federal requirements of citizenship in order to qualify.

SENATOR PERALTA: Will the sponsor continue to yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The sponsor yields.

SENATOR PERALTA: So is the sponsor aware that New York State has in-state tuition that includes undocumented children?

SENATOR YOUNG: Yes.

SENATOR PERALTA: Is the sponsor aware -- will the sponsor continue to yield?

ACTING PRESIDENT GRIFFO: Senator Díaz, why do you rise?

SENATOR DÍAZ: Mr. President, I hear my colleague Senator Peralta questioning why it is that the DREAM Act is not there. And he says that the Independent Democratic Conference and the -- the same way I want to tell my colleagues that the same way, Mr. President, that the Governor put the takeover in the budget, he could have put also the DREAM Act.

So I want -- I want my colleague to stop blaming that side for the DREAM Act. Because the same way, the same way that the Governor put the takeover in the budget, he could

have put also the DREAM Act.

So please let's stop this game, and let's stop the blaming game, because the Governor is the only one that could have done this, and he's the only one that has to be blamed.

ACTING PRESIDENT GRIFFO: Senator Peralta, you have the floor.

SENATOR PERALTA: Thank you.

ACTING PRESIDENT GRIFFO: Are you on the bill or --

SENATOR PERALTA: Well, after that, on the bill, Mr. President.

(Laughter.)

ACTING PRESIDENT GRIFFO: All right. Senator Peralta on the bill.

SENATOR PERALTA: Wow. I can't stress enough that there are some things in this budget that I can describe that are very positive. In fact, this could be termed as the Year of the Worker, and in many respects it's true. I am very happy that New York will have a place or maintain its place as a progressive leader, as a state that takes gigantic steps forward on the issues of minimum wage and by establishing a real paid family leave program.

New York City will reach a $15 minimum wage by 2018, Long Island and Westchester by 2022. And upstate New York will also see a gradual raise to a $15 minimum wage after reaching a wage of $12.50 by 2021. This spells real relief for millions of low-wage-earning New Yorkers.

In terms of paid family leave, I'm proud to see that this Legislature is finally passing a program that myself and advocates have fought so tirelessly to make a reality for years. Much like the minimum wage proposal, a true 12-week period of paid leave, a two-thirds of an employee's earnings, means a real chance for all New Yorkers to attend to the health concerns facing their families.

As proud as I am of some of these initiatives, I would be remiss if I did not point out that an extremely important piece is missing from this overall ELFA piece. Another year, another budget, and again we're failing to act on passing the DREAM Act. As much as we're making progress on the labor front, the majority has decided to again engage in its intolerant behavior, year after year, preventing us from

making the DREAM Act a reality.

I've been over the facts before, and I'll go over them again. The Tuition Assistance Program is an entitlement program, meaning that everyone, including the undocumented, will have to meet the current residency and eligibility requirements. Meaning that everyone would have to file a tax return, either using a Social Security number or an ITN number to qualify. For those who don't know, an ITN is used by the undocumented to file taxes. That's what's needed to be eligible.

So as long as a household income is under $80,000 a year and they met all other requirements of the standard, then and only then would they qualify to receive TAP.

It's also a fact that college graduates would contribute over $16,000 more in taxes than if they didn't receive a degree, which means that the state's investment would pay for itself, and then some, since the maximum investment of any one individual would only be about $20,000 for every four years of higher education.

It's also a fact that the majority

is wrong when it says that funding TAP for undocumented New Yorkers would take money away from those who are currently eligible. This just isn't true. The eligibility criteria are the eligibility criteria, period.

What's more, the Governor originally proposed an allocation of $27 million to fund the DREAM Act as part of this year's Executive Budget. And if you have all sides minus one side agreeing, I know that there's no complete agreement, but there's one side that's not agreeing.

The majority has found more than $27 million to put towards a series of appropriations, some of which are questionable. But that's okay, just as long as the $27 million doesn't mean TAP and it's for those New Yorkers.

Ladies and gentlemen, New York State and the Dreamers have really lost out this morning. At about 6:45 in the morning, we're debating this bill and this is in front of us and, again another year has passed, and the Dreamers will continue to dream. But it's okay, because one day that dream will become a reality whether the current majority likes it or not.

What we have done here again this morning is to say that the American dream is not for you, even though some of these children are the best of the best. Some of these children have come here by no fault of their own. Their parents brought them here. They didn't decide to come here. They went to school. They excelled in school. You have top institutions recruiting them. But yet they cannot go to school because they cannot afford it. And yet we're telling them again the answer is no. That's okay, because we're not in the majority. I understand that.

But we cannot continue to do this to these people, to these kids who worked hard, played by the rules, filed their taxes through an ITN number, and all they want to do is live the American dream by having a quality higher education. And yet again, we've turned them down.

I'm very disappointed, although there's so many positive things in this budget, as my colleague Senator Díaz has pointed out. I am not voting against increasing the minimum wage. I'm not voting against paid family leave.

But I do want it on record that these kids, these Dreamers, want a future, want to make a difference. And the only thing standing in their way is that they can't afford to go to college. They can't afford it. And the only thing stopping them this morning, at 6:45 in the morning, is one side not wanting to agree.

Mr. President, I'll be voting in the affirmative on this, and I just want it duly noted.

ACTING PRESIDENT GRIFFO: Senator Rivera.

SENATOR RIVERA: Thank you, Mr. President.

It is about 6:50 a.m. Good morning to everyone. I'll be very brief. There are many things in this budget, in this particular bill we're debating right now, or that we're speaking on right now, that are very positive and certainly will have a great positive impact across the State of New York and to my constituency. But I must take a second -- excuse me -- even with my losing voice, I must take a second, even with my losing voice, to point out that this is not the way that democracy should

work.

We represent, on this side of the aisle, almost half the state as far as population. We did not get to see any of the details of this until about two hours ago. And when we looked at it -- and certainly we would have done some things differently, but ultimately we decided -- well, we would each make our decision individually, but I certainly decided that it is a positive thing for my constituency and I'll be voting in the affirmative.

But this is not the way that we should do business here. It is almost 7:00 a.m. Many of us have been here sick. Many of our staff, as I said -- and I certainly applaud them -- many of them have not slept for days. This is not the way to do business here. We should not see something just a couple of hours before that is going to impact the state in such a very serious manner.

So I will just reiterate that I would ask my colleagues and certainly other folks that are responsible for putting all this together -- I was saying to see some people if you don't give me a menu and don't allow me to

order, then don't put a baloney sandwich in front of me and call it steak.

This was a steak sandwich -- maybe not a filet mignon -- so I'll be voting in the affirmative. But it should not work like this.

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

ACTING PRESIDENT GRIFFO: Senator Panepinto.

SENATOR PANEPINTO: I'm rising to speak on the bill.

ACTING PRESIDENT GRIFFO: Senator Panepinto on the bill.

SENATOR PANEPINTO: I'm also fighting a cold. I attended my first Fight for 15 rally in May of 2014. It was in front of the McDonald's on Niagara Street, on the west side of Buffalo. And, you know, I saw a bunch of people that I hadn't seen in a while. And it was a new movement at that time a couple of years ago. And, you know, activists from around the country have put the Fight for 15 on the agenda. And in that rally I connected with people who I hadn't seen and we talked about what this meant.

And when I ran for office, I ran on

raising the minimum wage, on increasing education spending, on paid family leave. And I'm the prime sponsor of the minimum wage in the Senate. And last year I stood out here in the hallway with Senator Comrie and Senator Hamilton and we talked about, you know, cosponsoring that legislation and passing it.

So, you know, I'm proud to stand here today to vote on this bill at 7 o'clock in the morning that New York State is going to be the first state in the country which is going to raise its wage in New York City to $15 an hour. And it's really about battling the income inequality which is the greatest scourge that faces our society. You know, if you don't raise people up and give them an education and give them a fair wage, you can't expect them to do better.

So I'm proud that, you know, we're doing this. I wish we'd been able to read the legislation, spend a little more time with it. But it's a historic day. It's a historic day where this body and this state will lead the way in this country in the Fight for 15. And I can look back to that rally that I attended less than

two years ago, and we as a state are taking a step forward.

So I'm proud to vote in the affirmative for this bill. Thank you.

ACTING PRESIDENT GRIFFO: Senator Hamilton.

SENATOR HAMILTON: Yes, Mr. President. May the sponsor please yield to a question?

ACTING PRESIDENT GRIFFO: Senator Young, do you yield?

SENATOR YOUNG: Yes.

ACTING PRESIDENT GRIFFO: The Senator yields.

SENATOR HAMILTON: Senator Young, I just want to say you've been gracious this evening. I know it's been a long night. And I thank you for answering so many questions. I don't know, I think you've been on the floor for maybe 10 hours now, and hopefully it will be over soon and we can all go home. Thank you very much.

To the bill, Mr. President.

SENATOR YOUNG: Oh, can I sit down?

SENATOR HAMILTON: Yeah, you can

sit down.

(Laughter.)

SENATOR HAMILTON: That's my question.

ACTING PRESIDENT GRIFFO: Senator Hamilton on the bill.

SENATOR HAMILTON: On the bill.

I just want to say thank you to the staff of the Senate Dems. Louie and Shontell, within the short period of time of four hours, they had to digest this voluminous stack of papers that was given to them for our conference.

I know Senator Sanders said that hopefully one day we will get this information ahead of time, not on the day that we have to vote on a $158 billion budget. I don't know what type of democracy we have in this state when we have to vote on a $158 billion budget given this stack of information and legislation, which is not all of it, and vote on it with a clear conscience.

So Senator Sanders said he hopes that one day it will work out that way -- but this was done on purpose. It was done on purpose to make sure that bills that might be adversely

affecting the majority of the people in this state will happen, that we won't have the time to scrutinize and actually look at and make sure that justice prevails for everyone in the State of New York and not just for some.

So in this bill, the staff has brought to my attention several items that I think need to be addressed. And it's the increase to education; I'm happy that's happening now. I wish that we would have had the DREAM Act. Because the last I checked, everybody in this room comes from immigrants. No one's family was originally here in this country.

So for all of a sudden to say that a certain group of people now cannot be educated, when this country was based on taking immigrants to this country, is a shift that I don't understand. But we'll be dealing with it.

In my district we have one of the lowest reading scores in the State of New York. Hopefully we'll spend more time on educating our young youth and not sending them to prison. But right now New York State is the fifth state in the country as far as the highest incarceration rate.

I sat here for two years, and I hear all the time, rather than having resources to keep our kids out of jail, we keep increasing penalties, increasing penalties, increasing penalties on children that are poor and not given an opportunity to raise themselves up and to live the American dream in the State of New York.

The Paid Family Leave Act, it's a great thing. Because many of the people who will benefit are young mothers who are working, raising their children on their own, single mothers. And no mother should have to choose between taking her child to the hospital or going to work. It's hard enough trying to raise a family on your own as a single parent. So I'm in favor of the Paid Family Leave Act.

The minimum wage, as Senator Panepinto said, the Three Musketeers -- myself, Leroy Comrie and Marc Panepinto -- stood by ourselves in the forefront fighting for minimum wage. Just think about it. At $9 an hour, if you work 40 hours a week, you only bring home $360. That's only $1440 per month. Right now in Brooklyn, New York, a one-bedroom apartment is $1500 a month. So what we're seeing is an

explosion of homelessness within the borough, within the state. We had the 421-a, we had the most construction going on ever, but still the homeless rate rises.

So now with the minimum wage at $15 an hour, a person can work 40 hours a week and bring home $2040 a month, where people could try to live a decent lifestyle, where parents don't have to worry about where the next meal is coming from, and people can have truly affordable housing.

We still haven't addressed the issue of affordable housing in this state for many of our residents in the state. I know Senator Klein is trying to work on the Mitchell-Lama program to have more affordable housing for residents throughout the state. But right now we still haven't defined what's affordable in the State of New York. What's affordable to some is not affordable to many.

As I said last year, this state was incorporated in 1788 but it took 60 years to 1848 where the great women of the State of New York got together in Seneca Falls and said women should have the right to vote. And they kept

fighting until 1920, until women got the right to vote.

Here we have a conference where we have a woman at the helm of our conference, and we still, after 229 years in the State Legislature, have not had a woman in charge of the Assembly or in the Senate. And so even though we're at the door to having our first woman at the table with the three people, she's still being denied her true place at the table.

So hopefully one day the 8 million people that we represent will have a voice and we will not have to vote on a budget of $158 billion on information that was given to us four hours before the vote. It's unconscionable. This is not the democratic way. No one should have to go through this voluminous amount of material and have to vote on it. That's why I have not voted on any of the bills today, because I didn't have the time to go through it thoroughly.

But I would not vote on this bill, but I feel that to the women who are suffering, who are working every day, living in shelters, I owe it to them. I owe it to them to say that you're worth something, you work hard every day,

and your children should live the American dream.

So on this, Mr. President, I vote for the young women to have meaningful jobs, I vote for the Family Leave Act, to make sure that woman don't have to choose between the hospital and going to work and their child being sick.

And I just want to say one more time thank you to our staff, who have taken time away from their families for days at a time to be here to make sure that we do the best that we can do with the information that was given to us on purpose within a short amount of time.

And I want to thank also our leader of the Democratic Conference, Andrea Stewart-Cousins, for standing up for us, for fighting for us, even though she's been kept out of the room even though we represent 8 million people.

So, Mr. President, even though I didn't read the whole bill, based on these items that I've discussed, I will vote yes.

ACTING PRESIDENT GRIFFO: Senator Comrie.

SENATOR COMRIE: Thank you, Mr. President. On the bill.

I just wanted to take an opportunity to thank all of the staff from both sides for everything that they've done to get to this point in the morning, where it's after 7 o'clock in the morning. This is not my first time being up all night to try to get something done, but I can tell you it's been one of my most frustrating situations trying to make sure that things were done democratically.

I think that the process, as has been said by my colleagues, requires a lot of improvement and lot more transparency to ensure that we don't have to get to this point. There is a lot of opportunities for public discourse, there's a lot of opportunity for hearings and full discussion on these matters so that we're not having to pore through hundreds of pages in a couple of hours.

There are many things that are positive about this budget, and I will be voting yes. But I just have to bring up some issues that I've spoken about before that I think is a major problem. Before I do that, I do want to congratulate Senator Young for spending hours trying to answer the questions. I want to also

acknowledge Senator Martins for making sure that the VLTs for Nassau County were moved to Resorts. I think that's a major positive aspect that will ensure that there's no second casino opened up in the Elmont area, which is adjacent my district and impacts my district directly.

While there are some parts of this budget that are very good, there are some parts that haven't been settled that truly trouble me. The issues of mental health in the community and the ability of the state to address it, I think there's a major opportunity that was missed. We have more people in the community that are going out and harming people in the streets. We have people that are put in inadequate facilities and now private homes that are impacting communities, especially such as mine, that has a high rate of vacant homes where undisciplined providers are bringing in mental health people because they're closing the major agencies and providers in this state that have been caring for long-term mental health people, people that need help and people that need assistance.

And it's becoming a real crisis in the city and throughout the state, where we have

people that are mentally ill wandering the streets because they're not being taken care of adequately. Closing Bernard Fineson in my district and closing other long-term mental health facilities are causing this issue, and we need to as a state address it and start to turn that tide so that we're not putting the mentally ill in places where they're not being adequately taken care of.

I want to speak to also -- my colleagues spoke to the DREAM Act. You know, my parents, and as other members said, we are all immigrants to this country. No one that is here I know, so far that I've met, has been a person that was not an immigrant to this country. And we understand the need to make sure that their children get a better opportunity for education. Not passing the DREAM Act again is something that we should be able to do as a state, and it's an embarrassment that that hasn't happened.

While this budget has been better than most, as our members have said, it's still a problem in many areas. The issues that -- the $240 million that was taken out of the CUNY budget, the monies that we're taking out of the

education budget, the monies -- that we still haven't addressed an increase in the Summer Youth Employment Program, where we have more kids wandering the street and looking for an opportunity, I think is a major failure in state government, especially when we're looking to lock up people for every mistake they have, with higher penalties -- as opposed to creating a pathway to jobs and a pathway to self-esteem by at least doubling the Summer Youth Employment Program.

I think that's a major loss and something that we really have to work hard to get more people to understand around this state, that when you give a child a positive start, you can make sure that that child can have a positive life and not be out in the street doing more opiates and over drugs because they're bored and they don't have something positive to do. Not increasing the Summer Youth Employment statewide is only going to create more young people out here doing things that they should not be doing because they're not in a program that will help them and give them an opportunity to move up in the world.

That being said, the process that has gotten us here today I think needs to be improved. As a former City Councilmember, we had hearings on a difficult issue no matter what the issue was, and we had eight- and nine-hour hearings to make sure that all sides were heard. And we also made sure that there was an opportunity for all sides to participate.

And the fact that that does not happen here is a constant frustration to me, because I know that people here are at a better level of discussion and ability, and not to make sure that there's transparency just frustrates me in a body that I know could be democratic and has been collegial, but yet still we have these issues where there's not proper discussion.

And we come here today where we're trying to vote on a 158-plus-billion-dollar budget, but with minimal discussion to be had on it. I think that we can do better. I think we all need to work on figuring out a way to make that happen. I know that it requires long meetings and a lot of talking and a lot of listening, but the body needs to steer discussions towards substantive solutions on

having those long hard discussions to make these things happen.

So I'm here today to say that I want to congratulate all of those who put positive things in the budget. I think that there's a lot of things that we can be working towards to do better, and I'm going to be voting aye on this budget, Mr. President.

Thank you very much.

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

Senator DeFrancisco to close.

SENATOR DeFRANCISCO: I wasn't planning on speaking, but I think it's important to make a point.

Many speakers thus far have mentioned many of the deficiencies in the bill -- things that aren't in there that they would like to have in there, and things that are in there that they don't like, but on balance it's something they should vote for. I just want to make it very clear that the minority members of this house are in that position, and I want you to know that the majority members of this house are in the exact position.

For example, one of the things that many of us want, and many people who have come to Albany want, was a tax credit for private or parochial schools in order to provide that additional education option and to make it affordable, especially since that's much cheaper than trying to make more public schools to take care of those kids. So many of us are very, very disappointed about that.

Many of us hate -- not dislike, hate -- other things that are in the budget that we believe very strongly are going to hurt the economy.

But we're all in the same dilemma. We're all in the same space here, that there's a bill that has so many things in it and may be omitting many, many things, that we've all got to weigh whether the good outweighs the bad. Because we don't have the choice of voting on each individual item the way the bill was presented to all of us.

So I guess the main point I want to make is that that concern by the minority is not an exclusive minority concern. It definitely is a concern of the majority as well.

So I guess the point is that everybody has to look at this bill and weigh the good with the bad and decide what is the best thing to do, based upon the bill as it exists, and fight the fight another day for those things that maybe we can't control in view of the fact that it's part of one big bill.

So that's what I wanted to present to everyone. And everyone's got to vote based upon the good versus the bad and some very ugly.

ACTING PRESIDENT GRIFFO: Seeing and hearing no other Senator that wishes to be heard, debate is closed.

The Secretary will ring the bell.

SENATOR FLANAGAN: Mr. President.

ACTING PRESIDENT GRIFFO: Senator Flanagan.

SENATOR FLANAGAN: The Senate's going to stand at ease. There will be an immediate Republican conference.

ACTING PRESIDENT GRIFFO: The Senate will stand at ease.

There's an immediate meeting of the Republican Conference. The Senate stands at ease.

(Whereupon, the Senate stood at ease at 7:12 a.m.)

(Whereupon, the Senate reconvened at 8:39 a.m.)

ACTING PRESIDENT GRIFFO: The Senate will come to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Would you please lay the bill aside that we finished debate on.

ACTING PRESIDENT GRIFFO: The bill that debate was closed on will be laid aside.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, we're just checking to make sure that the last bill we have to deal with in Finance is in the room, and the papers are there, because that's what -- I'm going to ask for a meeting of the Finance Committee as soon as we know that they're set.

ACTING PRESIDENT GRIFFO: Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, it's my understanding, and correct me if I'm wrong, that the leaders in this chamber would be agreeable to starting the Finance Committee meeting using a

PDF file as opposed to the papers, and have a Finance Committee meeting without the stacks of documents. Because we have them electronically, and everyone's had a chance to review them.

ACTING PRESIDENT GRIFFO: I believe those accommodations can be made.

SENATE LEADERS: Agreed.

SENATOR DeFRANCISCO: Is that correct? That's correct. They said that's correct.

That being the case, I request an immediate meeting of the Finance Committee in Room 332.

ACTING PRESIDENT GRIFFO: There is an immediate meeting of the Finance Committee in Room 332.

SENATOR DeFRANCISCO: Thank you.

ACTING PRESIDENT GRIFFO: An immediate meeting of the Finance Committee in Room 332. All members please report to Room 332.

The Senate will stand temporarily at ease.

(Whereupon, the Senate stood at ease at 8:42 a.m.)

(Whereupon, the Senate reconvened at

8:56 a.m.)

ACTING PRESIDENT GRIFFO: The Senate will return to order.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Previously we debated Calendar Number 519, and we now -- is it true that we have a message of necessity at the desk?

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

We need to sub first, and then we can accept the message.

SENATOR DeFRANCISCO: Well, then why don't you do it?

(Laughter.)

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: Senator Young moves to discharge, from the Committee on Finance, Assembly Bill Number 9000D and substitute it for the identical Senate Bill 6400D, Third Reading Calendar 519.

Calendar Number 519, Assembly Budget Bill, Assembly Print 9000D, an act making appropriations for the support of government:

STATE OPERATIONS BUDGET.

ACTING PRESIDENT GRIFFO: The substitution is so ordered.

There is a message of necessity before the desk. All in favor of accepting the message of necessity signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted.

And with unanimous consent, the bill is before the house for a vote, without objection.

The Secretary will read.

SENATOR DeFRANCISCO: Unanimous consent that it's on a noncontroversial calendar, so that everybody will be recorded.

ACTING PRESIDENT GRIFFO: Correct.

Read the title again.

THE SECRETARY: Calendar Number 519, Assembly Budget Bill, Assembly Print 9000D, an act making appropriations for the support of government: STATE OPERATIONS BUDGET.

ACTING PRESIDENT GRIFFO: Read the

last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Do we have a report from the Finance Committee?

ACTING PRESIDENT GRIFFO: There is a Committee of Finance report before the desk.

The Secretary will read.

THE SECRETARY: Senator Young, from the Committee on Finance, reports the following bills:

Senate Print 6403D, Senate Budget Bill, an act making appropriations;

And Senate 7159, Senate Budget Bill, an act to amend the Public Health Law.

All bills reported direct to third reading.

ACTING PRESIDENT GRIFFO: I'll

entertain a motion to accept.

SENATOR DeFRANCISCO: Yes, I will move to accept.

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

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

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

Senator DeFrancisco.

SENATOR DeFRANCISCO: Would you call the first bill on controversial.

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: Calendar Number 521, Senate Budget Bill, Senate Print 6403D, an act making appropriations: AID TO LOCALITIES BUDGET.

SENATOR DeFRANCISCO: Is there a message of necessity at the desk?

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

SENATOR DeFRANCISCO: I would move

to accept the message of necessity.

ACTING PRESIDENT GRIFFO: A motion has been made. All in favor of accepting the message of necessity of the Governor please signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted, and the bill is before the house.

Read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

SENATOR DeFRANCISCO: I now request that you read the other bill that was just reported out of Finance.

ACTING PRESIDENT GRIFFO: Senator DeFrancisco, we have to pause momentarily because

the Journal Clerk is preparing the jacket.

(Pause.)

SENATOR DeFRANCISCO: Anybody have any good jokes?

(Laughter.)

SENATOR DeFRANCISCO: Mr. President, can I be recognized?

ACTING PRESIDENT GRIFFO: Senator DeFrancisco, you may.

SENATOR DeFRANCISCO: The oldest member of the Senate is here, he's 88 years old. He looks fresher than anybody.

(Standing ovation for Senator Larkin.)

ACTING PRESIDENT GRIFFO: Very young at heart.

Jackets are required in the chamber, as you know, Senator DeFrancisco, so we're close.

(Pause.)

ACTING PRESIDENT GRIFFO: Senator DeFrancisco -- may I have some order (gaveling).

Senator DeFrancisco, we do have the jacket here on Calendar Number 523, Bill 7159, for all of you. It's Calendar Number 523, Senate 7159.

SENATOR DeFRANCISCO: And this is the chapter amendment that was just reported out of Finance; correct?

ACTING PRESIDENT GRIFFO: Correct. It is before the house.

SENATOR DeFRANCISCO: And do you have a message of necessity?

ACTING PRESIDENT GRIFFO: The Secretary will read first.

SENATOR DeFRANCISCO: Okay.

THE SECRETARY: Calendar Number 523, Senate Budget Bill, Senate Print 7159, an act to amend the Public Health Law.

SENATOR DeFRANCISCO: Do you have a message of necessity?

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

SENATOR DeFRANCISCO: Move to accept.

ACTING PRESIDENT GRIFFO: All in favor of accepting the Governor's message of necessity indicate by saying aye.

(Response of "Aye.")

ACTING PRESIDENT GRIFFO: Opposed?

(No response.)

ACTING PRESIDENT GRIFFO: The message is accepted. The bill is before the house.

The Secretary will read the last section.

THE SECRETARY: Section 2. This act shall take effect on the same date as Part K of a chapter of the Laws of 2016.

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

ACTING PRESIDENT GRIFFO: The bill is passed.

SENATOR DeFRANCISCO: I believe we have one last bill that we debated, which is the ELFA --

ACTING PRESIDENT GRIFFO: Calendar 522.

SENATOR DeFRANCISCO: Calendar 522. One moment. One moment, please.

(Pause.)

ACTING PRESIDENT GRIFFO: Senator DeFrancisco.

SENATOR DeFRANCISCO: Please call

the roll.

ACTING PRESIDENT GRIFFO: The Secretary will read.

THE SECRETARY: Calendar Number 522, Senate Budget Bill, Senate Print 6406C, an act to amend the Education Law.

ACTING PRESIDENT GRIFFO: Senator DeFrancisco.

SENATOR DeFRANCISCO: Yes, just for the record, we have an agreement among the leaders that we're going to leave the roll call open, because I think there's a couple of people that are not presently here -- rather than waiting for them -- but will be here today, very soon. Okay.

ACTING PRESIDENT GRIFFO: We also have a couple of explanations of votes.

SENATOR DeFRANCISCO: We're going to revisit that. We will wait for them unless there's another announcement.

ACTING PRESIDENT GRIFFO: We do have a number of members who want to explain votes. If we could just call it and begin the explanation and take some time, if that would be acceptable to everyone.

SENATOR DeFRANCISCO: That would be an excellent idea. Not only acceptable, but an excellent idea.

ACTING PRESIDENT GRIFFO: Read the last section.

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

ACTING PRESIDENT GRIFFO: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT GRIFFO: Senator Addabbo to explain his vote.

SENATOR ADDABBO: Thank you, Mr. President. It would be my pleasure to kill some time.

(Laughter.)

SENATOR ADDABBO: Thank you, Mr. President.

I want to thank my leader, Senator Stewart-Cousins, Majority Leader Senator Flanagan, Independent Democratic Conference Leader Jeff Klein, all the staff, and the Governor, for their efforts on paid family leave.

Whenever I advocated for paid family leave or spoke about it, I always spoke about it

in terms of not if, but when for our state. There was such momentum for this issue, both nationally and in our state, that you could not help but think about it's not a question of if, but a question of when. And frankly, I would wish the "when" was closer than 2018 -- but nevertheless, we are taking a great step in the right direction.

I also want to thank the advocates statewide. Because of them, there was that momentum in our state. And because of them, soon employees will be able to take a maximum of 12 weeks to watch over a child or to watch an ill one, a loved one, or to take preparations for military leave, all without financial burdens, financial hardships, or to lose their job. So truly, paid family leave has us balance the home front and the work front.

Businesses too will benefit from paid family leave. They will retain a very loyal and productive employee and have no financial burden on the businesses.

So with the enactment of paid family leave, all our workers throughout the state, all our businesses will get to experience the

benefits of paid family leave, a benefit that has been experienced by businesses and workers in other states -- in California and Rhode Island and New Jersey. So today New York joins those states and takes a greater step toward paid family leave.

Mr. President, I'll be voting in the affirmative. Thank you very much.

ACTING PRESIDENT GRIFFO: Senator Addabbo to be recorded in the affirmative.

Senator Díaz to explain his vote.

SENATOR DÍAZ: Thank you, Mr. President.

This morning at 6 a.m. I spoke about this bill and also I congratulated all the staff that has spent the whole night here, doing their job -- husbands, wives, mothers. So I congratulate all of them.

And this morning, at 6 a.m. this morning, I told you, Mr. President, about an incident that I was called to the second floor. And I told you that I had not been in the second floor since Governor Pataki. Governor Pataki used to invite me to the second floor. But since Pataki left, I have never been in the second

floor -- not with Spitzer, not with Paterson, and not in these seven years with Governor Andrew Cuomo.

But yesterday I was invited to the second floor. And I went to the second floor because they were trying to explain me about a takeover of the city -- the city homeless shelters. And I met there a guy by the name Josh, and then he took me to Mr. -- what was his name? Who? Alphonso David.

So I met with them, and Mr. Alphonso David, Mr. Alphonso David promised me and told me that the takeover of the New York City homeless shelters would not be included. Because someone told me that they were trying to stick it in in another bill so nobody noticed. So he's going, no, it will not happen, it will not be there, Mr. President.

So I asked him to look at my face and to tell me straight to my face that the bill would not be included. He looked at my face, he shook my hand, and he told me it would not be included.

Surprise, surprise. The bill is included -- the thing is included in this bill,

the takeover. And they put it in a way that -- they include it with a bill that includes the minimum wage and the family leave. And of course I cannot vote no against the minimum wage. I cannot vote no against the family leave. But -- I'm voting yes, Mr. President, but ladies and gentlemen, I want all of you to know that I was called to the second floor and Mr. -- what was it?

SENATOR PERALTA: Alphonso David.

(Laughter.)

SENATOR DIAZ: -- Alphonso David, he lied to me. He lied to me straight to my face. See, sometimes they -- every year they come, Gustavo Rivera, Peralta, they call Moya, Assemblyman Moya, and -- and --

SENATOR ESPAILLAT: Espaillat.

SENATOR DIAZ: -- Espaillat, because they have been fighting for the -- they have been fighting for many years, they have been fighting for the -- for the DREAM Act. So every year they have been promised that the DREAM Act will be included, and they lied to them. And they -- I never thought they were going to lie to me. I'm an old man, 73 years old, a minister, a

pastor. So I said, No, they -- they -- I don't believe that.

But, Mr. Chairman and ladies and gentlemen, the second floor lied to me straight to my face. And God hates ugly. That's not good, Mr. David. You shouldn't do that. When you shake somebody's hand, you have to comply with what you said. Otherwise, never shake people's hands.

So I'm voting yes, with regret -- not for the minimum wage, but because the takeover of the New York City homeless shelters is there, and now the City of New York will be paying, putting the money, and the Governor could take over and send his people to run the shelter while the city is the one to pay.

This is because of the fight that the Governor and the city's Mayor are having, and this is to embarrass, to embarrass City Mayor Bill de Blasio.

And this I have to say because the ones in the middle, the ones suffering, are the needy, the poor, the needy, and the homeless.

Oh, you want me to be quiet? And you told me that we could kill time.

ACTING PRESIDENT GRIFFO: We gave you a lot of time, Senator Díaz. So if you can conclude, thank you.

SENATOR DÍAZ: Thank you, Mr. President. Mr. President, thank you very much. Your father is a nice guy. He love me. Tell him that I love him.

ACTING PRESIDENT GRIFFO: Thank you.

SENATOR DÍAZ: And remember, the second floor lied to me. Thank you very much.

ACTING PRESIDENT GRIFFO: Senator Díaz to be recorded in the affirmative.

Senator Savino to explain her vote.

SENATOR SAVINO: Thank you, Mr. President.

I will try and do this in the two minutes that is allotted for explaining our vote.

It has been said many times tonight that this is an historic budget that has a lot of really good things for a lot of really good people. And it's not often that we get to make profound change in the lives of New Yorkers, and we actually are doing that tonight.

I do want to say one thing about a

particular issue that I have been advocating for since I first got elected. Senator Addabbo briefly touched on it. And those of you who have served with me for the past 11 years know that on an issue, when I think it's important, I can be somewhat relentless. Say it ain't so, as Senator Parker said.

But even I sometimes fall short. I have been advocating for paid family leave in one way, shape or form since I first got elected. I have carried a bill in one way, shape or form for almost every year I have been here. But even I, as persuasive as I can be, have never been able to move the bill.

And that bill is a reality tonight because someone else took the bill from me and decided to make it his own. And that person is Senator Jeff Klein. He took it, and he said "I'm going to make it happen." And we are here tonight passing paid family leave because he took the issue from me, he was able to convince the Governor it was the right thing to do, he was able to make you all understand it was the right thing to do, and tonight we are passing paid family leave. And we are going to have the best

paid family leave in the country, and that is because of the advocacy of Senator Jeff Klein.

Thank you.

ACTING PRESIDENT GRIFFO: Senator Savino to be recorded in the affirmative.

Senator Golden to explain his vote.

SENATOR GOLDEN: Thank you, Mr. President. I too will be brief.

This is a good bill for education, economic development, and obviously we did the minimum wage. There are different timelines across the State of New York. On the timeline in the City of New York, it's two and a half years. And then of course we have the -- going into the fourth year, we have -- with businesses with 10 or under, we'll have an extension, and there will be an economic study for that group.

But there's no economic study for that group that's in the two-and-a-half-year period. So we as a legislative body have to keep an eye on the City of New York, we have to see the economic impact on the employment factor as well as the businesses themselves as we move forward, to make sure that we as a legislative body did the right thing for those businesses and

for the people in the City of New York.

I vote aye, Mr. President.

ACTING PRESIDENT GRIFFO: Senator Golden to be recorded in the affirmative.

Senator Stewart-Cousins.

SENATOR STEWART-COUSINS: Thank you, Mr. President. To explain my vote.

First, obviously, I want to thank the staff who's worked so hard to, you know, get us to this point. As well as my conference, who, you know, under great duress, have stayed the course.

I'm not supposed to make a speech because I'm explaining my vote, but I do want to thank the legislative leaders. Thank you, Senator Flanagan, for the cooperation that we've had during this, and Senator Klein -- and congratulations to you on this momentous occasion.

I want to give a shout out to the Assembly Speaker as well, who was extremely helpful in this process.

And a special congratulations to you, Senator Addabbo, who also was just so relentless in terms of making sure that paid

family leave was a part of our everyday thought pattern. And when we advocate, we advocated for paid family leave, for minimum wage -- I won't tell the story because we all know it, certainly in this conference, of how since we began this paid family leave and certainly the minimum wage march, we knew that we could lift millions out of poverty if we just stayed focused.

There's not a lot of things that are worth working 12 hours straight from, you know, early in the morning and then doing these bills from 8:00 in the evening till 8:00 in the morning. But what happened today, with paid family leave, with raising the minimum wage, I would say is worth it.

This is a historic budget. We've talked about the ups, we've talked about the downs. But the reality is that when we create this kind of history for so many people whose lives will be significantly changed, it is a good day even if it's a very, very long day.

So again, congratulations. I vote aye.

ACTING PRESIDENT GRIFFO: Senator Stewart-Cousins to be recorded in the

affirmative.

Senator Klein.

SENATOR KLEIN: Thank you, Mr. President.

I also want to thank my colleagues in the Democratic Conference, the Republican Conference, of course the Independent Democratic Conference. We've advocated for paid family leave for a long time. And I think today all of us in the State Senate can be very, very proud that we finally got it accomplished.

I think we sent a very important message, because no one should have to choose between what their heart tells them to do and what their bank account allows them to do. Bonding with a newborn is a sacred time. Taking care of an elderly loved one or a sick child is our duty as a family member. And unfortunately, the workers in New York State did not have that opportunity until today. And this is something that is extremely important.

And I think it goes without saying that we were able to craft a bill that I think shows that will not be a burden on business, a small amount of money is coming out of the

employee's paycheck, going into a fund. We also have a measure to make sure that we actually make sure the fund is fiscally solvent so we're not putting any burden or promising people something we can't afford.

So I think, all in all, while other states were able to accomplish six weeks of paid family leave, we start at eight weeks, we go to 10 weeks, and then we move on to 12 weeks.

So we can be very, very proud that New York State, the Empire State, finally accomplished I believe the best paid family leave program in the nation.

I also want to say my thank yous. And I think, you know, we hear a lot about, you know, politics now and we hear a lot about what's going on throughout the nation and New York State. And we always ask ourselves questions, I think it's both sides of the aisle -- Republicans will ask the questions as well as Democrats: Why are people so angry? Why are they upset? Well, I think the reason why they're upset is because they hear the same thing from both of us: We're going to lower your taxes, we're going to raise your wages, we're going to make life better for

you.

Well, you want to know something? I think we sent a very important message. Because I think New York working families have empty pockets and they're sick and tired of hearing empty promises. And I think what we showed today was we can take a balanced approach to governing. We can have the largest middle-class tax cut in our state's history. We can do paid family leave. We can take a very positive, balanced regional approach to raising the minimum wage.

And I think that's what governing is all about. And I think all of us can go back to our districts in our own way and explain what we've accomplished.

But I really want to say a very special thank you also to Senator Cousins. But most of all I want to say a very special thank you to the Majority Leader, John Flanagan.

I've had the opportunity to spend a lot of time with John over the last month. A lot of negotiation, a lot of talk. But you know something? He never forgot what his role is. Not only as spokesman for the members of the Republican Conference, but also spokesperson for

each and every one of us. And I think the balancing act that he did, and his tenacity in making sure that we have a budget that is really right for all New Yorkers, is something we all should be proud of. And I want to thank John because I value him as a colleague, but most of all a friend.

I also want to say thank you to the staff. This is a grueling process. I don't know why they do it each and every year. It seems to get worse and worse, running around on very little sleep. Some people have been up 48 hours; I know my staff is straight. And I want to thank them.

I want to thank my chief of staff, John Emrick; my policy director, Dana Carotenuto; my counsel, Shelley Andrews; my director of finance, Francesc Marti; my deputy director of finance, Sarah Bangs; and my finance counsel, Greg Pratt.

I also want to say a very special thank you to the members who I think always keep their eye on the ball as well, the members of the IDC: Senators Savino, Avella, Carlucci and Valesky. Each one of them can be very proud

because they all were able to get a very important portion of this budget, which is not only right for their constituents but right for the State of New York.

I also want to say a very special thank you to the staff, the Republican Majority staff. I've also had the opportunity to spend a lot of time with a very smart, tenacious young woman named Beth Garvey. And I think the success of this budget in making sure it all came together, especially on paid family leave, with Dana and Beth, there was no way we weren't going to get it done.

I thank you, Beth, and I thank you each and every one of you. And I hope you enjoy the brief time off we'll have without each other.

Thank you. I vote yes.

ACTING PRESIDENT GRIFFO: Senator Klein to be recorded in the affirmative.

Senator Flanagan.

SENATOR FLANAGAN: Thank you, Mr. President.

And I'm not sure -- I was listening to Diane talk about what a good evening, good morning -- I feel like Speaker Heastie; I'm not

even sure what day of the week it is.

(Laughter.)

SENATOR FLANAGAN: I just know that, you know, we're at some point in that 24-hour cycle.

And I have a number of things to say that I would like to do quickly, concisely, so everyone can get on the road and get home safe.

To our President, to our presiding Senator up there, Senator Griffo, awesome, always doing a great job, and the entire staff up at the desk.

Down here on the floor, Lisa is excellent. She is a model of diplomacy, extraordinarily capable attorney, does excellent work with and on behalf of our conference.

To our new chair of the Finance Committee who spent more time on her feet than I think anyone can -- well, DeFran used to spend a lot of time on his feet. But Senator Young did a fantastic job in terms of the budget. And kudos go out to Mike Paoli, the entire Senate Finance staff.

And I'm just looking at this thing, kind of -- Shawn MacKinnon -- everyone in this

room, this is one of my favorite things in the budget, absolute favorites, next year we never have to talk about GEA again. It's gone. It's gone.

(Applause.)

SENATOR FLANAGAN: I'm sure we'll find plenty of other things to talk about. But we did some really good work.

So Senator Young. John DeFrancisco has been an excellent floor leader, helpful in so many different ways, both internally, externally.

And, you know, we go back and forth with our colleagues. To Senator Stewart-Cousins, she and I have developed a very nice working relationship, a good one. And yet I felt badly that we didn't have the proper time to do some of the things we needed to and give everybody a little bit of a break. So thank you very much for your patience.

Certainly Senator Gianaris does excellent work on behalf of the Senate Democratic Conference. And the good news is that pretty much all the time, he and DeFran get along. We were all a little worried about that, but it seems to be working out pretty well.

(Laughter.)

SENATOR FLANAGAN: And to all the members of the IDC, Jeff was absolutely right about a number of things. When I think about paid family leave, he's actually the person that I think about the most in terms of his advocacy long before it was in vogue.

And yes, we have developed a close working relationship, which is helpful and beneficial to the people, I think, of the State of New York.

So in terms of what we have accomplished, we set out with certain goals, many of which have been met. And yet I know we have more work to be done.

And before -- I don't want to make a grievous error. I want to thank our entire staff. Some of them are propped up against the walls just so they can stay awake. But our entire staff in every component, and certainly our counsel's office.

And this is my first real budget as the leader, and I know it worked out well because Beth Garvey has been unbelievable. So talented, so smart, so knowledgeable. Knows when to push

forward, pull back. And that inures, I think, to the benefit of everybody here and people across the State of New York.

(Applause.)

SENATOR FLANAGAN: I don't think she's slept in four days.

But in terms of what we did accomplish, you know, we stayed within the spending cap. That's very important, akin to the property tax cap. That saves taxpayers, while we're still making strong investments. Record increase in aid to education, elimination of the GEA, almost record growth in Foundation Aid, equitability and fair distribution across the entire State of New York.

Things like $300 million in the Environmental Protection Fund -- more clean water, clean air projects, hundreds of millions of dollars that heretofore were not part of the mix. All good environmental stuff, all quality-of-life stuff that are important to people throughout the entire state.

Senator LaValle. An ardent proponent of college affordability, as are all of our colleagues, both sides of the aisle. But he

has been an unrelenting champion for higher ed. That's why you see, you know, a billion dollars in the TAP program and things like that.

Taxes. And I'm going to go to paid family leave. That's a big win, it's real, it's palpable, and that's going to make a difference in people's lives.

Transportation parity. Senator Robach, we got transportation parity done because it was very important to the members of our conference. I think that's an excellent, excellent economic development tool, and it is going to be very, very beneficial to the driving public, it's going to be good for creating jobs as well. And frankly, it is long overdue.

And we got a tax cut. We talked about taxes. As part of the package that we put together today, there is a billion-dollar middle-class tax cut, which I think is extraordinarily important.

So I'm going to leave with this focus. I think we took care of working men and women across the state. I think we focused on real working people and tried to find ways to help them. Now we have other work that we need

to do. All of us are going to take a brief respite, and we're going to come back and there's going to be a lot of other legislative priorities. So I know there are things that we have to pay attention to.

But I really want to express my gratitude to everyone. It is still a privilege to serve as an elected official in the New York State Senate. We should never forget that. We should be proud of the work that we do, stand up for what's important, and take credit for a lot of the good things that we do. And we're able to do that because we work with very, very good people.

So please, everybody, travel safely, have an excellent weekend, and thank you all for your terrific efforts.

(Applause.)

ACTING PRESIDENT GRIFFO: Senator Flanagan to be recorded in the affirmative.

Announce the results.

SENATOR FLANAGAN: I vote in the affirmative.

THE SECRETARY: Ayes, 61. Nays, 1. Senator Felder recorded in the negative.

ACTING PRESIDENT GRIFFO: The bill is passed.

Senator DeFrancisco.

SENATOR DeFRANCISCO: Is there any further business at the desk?

ACTING PRESIDENT GRIFFO: There is no further business before the desk.

SENATOR DeFRANCISCO: There being no further business, I move we adjourn until Monday, April 4th, at 3:00 p.m., intervening days being legislative days.

ACTING PRESIDENT GRIFFO: The Senate will stand adjourned until Monday, April 4th, at 3:00 p.m., intervening days being legislative days.

The Senate stands adjourned.

(Whereupon, at 9:38 a.m., the Senate adjourned.)