NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

March 15, 2021

3:37 p.m.

REGULAR SESSION

SENATOR SHELLEY B. MAYER, Acting President

ALEJANDRA N. PAULINO, ESQ., Secretary

P R O C E E D I N G S

ACTING PRESIDENT MAYER: The Senate will come to order.

I ask everyone present to please rise and recite the Pledge of Allegiance.

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

ACTING PRESIDENT MAYER: In the absence of clergy, let us bow our heads in a moment of silent reflection or prayer.

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

ACTING PRESIDENT MAYER: Reading of the Journal.

THE SECRETARY: In Senate, Sunday, March 14, 2021, the Senate met pursuant to adjournment. The Journal of Saturday, March 13, 2021, was read and approved. On motion, Senate adjourned.

ACTING PRESIDENT MAYER: Without objection, the Journal stands approved as read.

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Gianaris.

SENATOR GIANARIS: Madam President, on behalf of yourself, I wish to call up Senate Print 572, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT MAYER: The Secretary will read.

THE SECRETARY: Calendar Number 42, Senate Print 572, by Senator Mayer, an act to amend the Education Law.

SENATOR GIANARIS: I move to reconsider the vote by which this bill was passed.

ACTING PRESIDENT MAYER: The Secretary will call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 61.

ACTING PRESIDENT MAYER: The bill is restored to its place on the Third Reading Calendar.

SENATOR GIANARIS: I offer the

following amendments.

ACTING PRESIDENT MAYER: The amendments are received.

SENATOR GIANARIS: Madam President, there is a privileged resolution at the desk, Senate Resolution 504, by Leader Stewart-Cousins. Please take that up and read its title only.

ACTING PRESIDENT MAYER: The Secretary will read.

THE SECRETARY: Senate Resolution 504, by Senator Stewart-Cousins, in response to the 2021-2022 Executive Budget submission (Legislative Bills S.2500-A, S.2501, S.2502, S.2503, S.2504-A, S.2505-A, S.2506-A, S.2507-A S.2508-A, S.2509-A), to be adopted as legislation expressing the position of the New York State Senate relating to the 2021-2022 New York State Budget.

ACTING PRESIDENT MAYER: Senator Gianaris.

SENATOR GIANARIS: Madam President, for the debate on this resolution, our Finance chair, Senator Krueger, will be responding for the Majority.

We are ready for the debate.

ACTING PRESIDENT MAYER: Senator O'Mara.

SENATOR O'MARA: Thank you, Madam President. Good afternoon.

Good afternoon, Chairwoman Krueger. I look forward to discussing the Senate one-house budget resolution that we have before us today.

Madam President, will the sponsor -- or will Senator Krueger yield for some questions.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: I will be honored to yield, yes.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR O'MARA: Senator, what is the total in spending of this overall budget that's being proposed here by the Senate Majority?

SENATOR KRUEGER: The total is 209.984 billion.

SENATOR O'MARA: 209.98 billion?

SENATOR KRUEGER: 209 billion, 984 million.

SENATOR O'MARA: If the Senator

will continue to yield.

SENATOR KRUEGER: Certainly.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes, I would, Madam President.

SENATOR O'MARA: What was the total of last year's enacted budget?

SENATOR KRUEGER: Through you, just a clarification. Last year versus the current year?

SENATOR O'MARA: Well, no, the current -- I'm sorry. The current year, yes.

SENATOR KRUEGER: Okay, thank you.

194 billion, 330 million.

SENATOR O'MARA: Through you, Madam President, will the sponsor yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes, I do, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR O'MARA: So, Senator, this increases spending year over year from this

current year to next year by, from my calculations, $15 billion, 650 million?

SENATOR KRUEGER: Approximately right. I'll give it to you. Yes, sir.

SENATOR O'MARA: Through you, Madam President, if the speaker -- if the Senator will yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes, Madam Chair.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR O'MARA: How much of this $15.6 billion increase is made up of federal funds that are coming through the recent stimulus package enacted?

SENATOR KRUEGER: I believe that the correct answer to that question is 3 billion that we've already received in federal stimulus, 3 billion more that we're going to get in federal stimulus, plus 1.6 billion -- 1.5 for enhanced FMAP. So that would total 7.5 million, approximately.

SENATOR O'MARA: Billion, yes.

SENATOR KRUEGER: Billion, thank

you.

SENATOR O'MARA: Through you, Madam President, if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, will you continue to yield? And make sure you speak into the mic.

SENATOR KRUEGER: Thank you. Yes, Madam President.

ACTING PRESIDENT MAYER: Thank you. Senator Krueger yields.

SENATOR O'MARA: Senator, it's certainly commonly perceived by New Yorkers out there that through the most recent federal stimulus package New York is expecting to get -- $12.6 billion?

SENATOR KRUEGER: In restricted aid, yes.

SENATOR O'MARA: And those are unrestricted. How much of that --

ACTING PRESIDENT MAYER: Excuse me --

SENATOR O'MARA: Through you, Madam President, if the sponsor will yield, continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: Thank you.

SENATOR O'MARA: How much of that 12.6 billion in unrestricted funds coming in this most recent stimulus package is being incorporated into this budget resolution?

SENATOR KRUEGER: Six billion.

SENATOR O'MARA: So that will -- through you, Madam President.

ACTING PRESIDENT MAYER: Does Senator Krueger continue to yield?

SENATOR KRUEGER: Certainly.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR O'MARA: So that will then leave 6.6 billion to go towards the following year's fiscal year budget?

SENATOR KRUEGER: Yes.

SENATOR O'MARA: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do.

SENATOR O'MARA: And it's my understanding from the federal stimulus money that both those two years, totaling 12.6 billion, has to be spent by a certain date, I believe it's September of 2023?

SENATOR KRUEGER: There may be a couple of different dates for the different purposed money. So I want to say mostly.

But I also want to just have some staff person double-check my answer for you. If you want to continue --

SENATOR O'MARA: Yes.

SENATOR KRUEGER: -- and if we get an answer to confirm for you.

SENATOR O'MARA: Sounds good.

Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger --

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: She continues to yield, Senator O'Mara.

SENATOR O'MARA: In the terms of the state operating funds portion of the budget, what is the dollar amount and percentage increase

in just state operating funds from this current year into this proposed budget for next fiscal year?

SENATOR KRUEGER: So the question -- I'm sorry, through you, Madam President, just to clarify. The state operating funds for the current fiscal year? And then you asked for how it goes through to the next year? I didn't quite understand that.

SENATOR O'MARA: Just to clarify. The -- what's the increase in state operating funds from this year to the next year?

SENATOR KRUEGER: Approximately 15 billion more between next year and this year.

SENATOR O'MARA: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes, of course.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR O'MARA: What percentage increase is that in state operating funds from this current year into next year?

SENATOR KRUEGER: 15.3 percent.

SENATOR O'MARA: Thank you.

Madam President, if the sponsor -- or if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: She yields.

SENATOR O'MARA: Senator, can you tell me or all of us what the CPI has been over this most recent 12 months?

SENATOR KRUEGER: We're projecting 2.2 for the upcoming fiscal year.

SENATOR O'MARA: Through you, Madam President, just to clarify.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: That's an estimate of an increase in the CPI of 2.2 percent?

SENATOR KRUEGER: That is what I'm reading, yes, sir.

SENATOR O'MARA: Okay. Through

you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Given that CPI is going to be 2.2 percent anticipated, how can this Senate Majority justify a 15.3 percent increase in state funds spending?

SENATOR KRUEGER: I really appreciate that question, thank you.

Madam President, we can justify that because we are making investments in desperately needed programs and services for the people of New York, coming out of a pandemic, coming out of an economic crisis and, to be honest, coming out of too many years of austerity budgets where we've seen a cut -- almost death by a million cuts to critical programs and services.

So we are talking about an increase in the state budget significantly more than in past years. We have both expenditures and a revenue plan to do so. Not all of it requires new revenue. Rather, about half of it is avails

and other alternative uses for money.

But we're talking about -- sorry -- a real investment in our public schools statewide, who have been crying out for help, particularly the high-needs schools in poor areas, urban, rural and suburb. We're talking about a commitment to Foundation Aid, which every one of our school districts articulates desperate need for. We're talking about fully funding 4-year-old pre-K.

We're talking about an investment in construction for our libraries, and expansion of those services. We're talking about fair funding adjustments for schools that come to us every year, Madam President -- the 853 schools, the 4201 schools, the 4410 schools that have suffered from serious funding declines related to the COVID pandemic.

We're talking about middle-class tax relief, even at a time when we have had money troubles, but we feel it is critical that we address the high taxes of our middle-class New Yorkers.

We are talking about -- sorry, just have to turn the page, excuse me -- a real

investment in keeping our New Yorkers healthy. We all know how many people we've lost, but we also learned a lot during this pandemic about the lack of access to good, quality healthcare in so many corners of the State of New York.

So we're investing more in our public health structure and in making sure that our underfunded safety net hospitals get some of the funds that they desperately need.

And we realize that we're going to see many problems when we all take off these masks and leave our houses, in issues of drug dependence, mental health issues. And so we're putting real money behind those programs and the things that we know they need.

We're also addressing safety in our nursing homes. There's not one of us who serves in the Legislature, Democrat or Republican, who doesn't know the suffering that goes on and has been going on in nursing homes during this pandemic. And truthfully, most of us knew there was a real problem there before also. So we're making real investments in the care facilities and nursing homes and home care services for our most vulnerable elderly and disabled people.

We're also trying to make sure that we have fairness for all New Yorkers in the way that we distribute our resources. We want to make sure we keep New Yorkers in their homes, so we're investing in New York State housing authorities. And we're investing money in making sure that people can pay their rent, both commercial and residential, and that people who may have not totally lost their businesses but had to close or be forced to close for many, many months of this last year, get the money they need to kick-start themselves back into the economy, back into business.

We're also making a real investment in our colleges by addressing the TAP gap issue, which has been getting worse and worse every year in SUNY and CUNY, by increasing the maximum of TAP by a thousand dollars per student. We're expanding our investment in our community colleges in Bundy Aid. We're continuing to make investments in our mass transit, which took such a hit over the last year. It's quite horrifying, actually, statewide the new needs that we have for mass transit.

And we're working to invest in

bringing our economy back to life with things, you know, as -- what I might say as small as $100 million for the New York State Council for the Arts, to help the arts and nonprofit cultural institutions rebuild themselves, to small business grants, to commercial rent relief. The list just goes on and on and on.

Investments in our environment. We want to authorize the $3 billion Clean Water, Green Jobs, Green New York Bond Act. That's not part of the budget, because it would be a bond act. We talked about it last year, we supported it last year. It never happened. We want to go forward this year and make sure we get those bonded monies to complement all the really critical environmental stewardship proposals that we have within this budget and freestanding as legislation.

I could go on; there's 49 pages. But I think that was the general idea.

SENATOR O'MARA: That's a -- that's a -- Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Of course. Thank you.

SENATOR O'MARA: There's no doubt that that is an impressive list, and you could go on for quite some time with all of the increased spending for these programs.

However, we have for pay for this. And we have to continue to pay for this as we go forward. And while in honor of St. Patrick's Day I have my shamrock tie on today, I don't think the pot of gold at the end of the rainbow will come anywhere close to covering this $15.6 billion increase in spending. And with the litany of items that you've laid out, I guess I should have worn my Christmas tie instead for this. But I appreciate your outlining generally what's there.

Now, for all those programs that you've talked about and in this $15.68 billion increase from year to year, how much of that 15-plus-billion-dollar increase is going towards one-time COVID-related expenses as opposed to recurring annual spending?

SENATOR KRUEGER: One moment.

Approximately half.

SENATOR O'MARA: Through you, Madam President, if the Senator will yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Certainly.

SENATOR O'MARA: So then roughly 7.8 billion will be recurring year to year after this. And some of that will certainly be made up with the second year of federal stimulus money coming. After that year, there will be no more stimulus money -- at least it's planned at this point.

What does the state do when we get to this fiscal cliff in two years and we've had all this additional spending? Because one thing in my tenure in Albany is it's very easy to start a program and increase funding, and it's very difficult to pull back on spending. What is the state and our local governments to do when this stimulus money runs out over the next two years?

SENATOR KRUEGER: So thank you.

We are trying to ensure, in the way that we have laid out our one-house proposal, that the stimulus monies, the one-time monies from the federal government are being used in

ways that are needed now but are not anticipated to be new ongoing costs in the outyears.

And then we are investing in asking New Yorkers who are able to pay a higher rate of taxation to help us meet our needs on an ongoing basis through new tax revenues.

So I should be clear. This package proposes tax reductions for people in the State of New York who earn less than a million dollars a year. We have a circuit breaker to help people who are what's called house rich but money poor, who are desperately trying to make sure they can pay their property taxes, so a circuit breaker to help them.

We are not denying the continuation of the middle-class tax break -- which the Governor does end in his budget -- but we are making good on that commitment to continue that program.

And then we are asking New Yorkers who can actually afford to pay a higher rate of taxes to contribute more through the tax system in a variety of ways, and that will be ongoing year in, year out.

So we are asking wealthy individuals

who make more than a million dollars a year to go, Okay, we need an increase in taxes to help our state. We're asking businesses who I believe earn $5 million and more to make an increase in their corporate contributions.

And so we are very confident that the proposal we have put together provides us the ongoing revenue for continuing programs while using the money from the federal government as a stimulus to get us back on our feet, without an expectation that we can count on that.

I believe that answers the questions.

SENATOR O'MARA: Through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: She yields.

SENATOR O'MARA: So taking out the stimulus funds of 6 billion against the 15.68 billion spending increase that this budget resolution creates -- and in years going forward

you're talking about increasing taxes to cover that from the cliff that will undoubtedly be created in two years from this.

Now, what is the total of the whole tax package you've got here, on increasing taxes on individuals and businesses in New York State? Because my understanding on the middle-class tax cut that you talked about, that's valued in total at about $400 million.

SENATOR KRUEGER: Sounds right.

SENATOR O'MARA: But what is the total of increases in taxes to other non-middle-class payers?

I have it somewhere in the range of 6.2, 6.3 billion dollars. Is that in your ballpark?

SENATOR KRUEGER: Yes. You're faster at my chart than I am. Thank you. Approximately $6.2 billion.

SENATOR O'MARA: Through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Of course.

SENATOR O'MARA: Now I know that, Senator, your side of the aisle does not share the concerns that our side of the aisle has with New Yorkers departing as their basic costs of taxation increase upon them.

However, the -- as I read it, the increase in income tax to high earners -- and that is individuals making more than a million dollars -- you're increasing their income tax rate from 8.82 percent to 9.85 percent, which is an 11.7 percent increase in the taxes they're paying to the State of New York.

Do you consider an 11.7 percent increase to be significant? And do you consider it to be justified?

SENATOR KRUEGER: I do think it is justified. I think that the research over decades of tax changes in PIT show that people actually don't make a decision about where to live or where to set up a business based on marginal changes in their PIT.

So I think for a person making over a million dollars a year or a couple making over $2 million a year, because that's the base, with an increase from 9 -- what is the number? A

change from 8.82 to 9.85 -- that most people will take a look at what that means for them in their taxes and say, Well, the feds dropped my taxes significantly, so I'm actually ahead of the game. I'm doing very well -- because most people who are making a million for a single or over 2 million for a couple actually do believe they're doing quite well.

Many of them made their money here in New York. Ironically, many of them came to New York to be successful and make their money here. They weren't even New Yorkers to start with. They come from all over the world to come here and become our entrepreneurs and our new millionaires.

And so I'm not too worried that people will look at this change in their PIT and say, I'm leaving New York. I think New Yorkers understand, whether they are well-to-do or not so well-to-do, that we're actually in this together and this great state of ours only remains a great state if we have the infrastructure we need, if we have the educational system to get them the workers they want in their businesses. If we have the infrastructure of mass transit and roads

that get workers to and from the jobs that they want to fill. If we have investments that make sure we have our great arts and culture back. And we have clean water and we have clean air. I think that's what people care about more than a marginal difference in their PIT, particularly when they're wealthy.

SENATOR O'MARA: Through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: I have really grave concerns on the departing of particularly the wealthy from New York State.

And don't get me get me wrong, these high earners do not hail from the 58th Senate District that I represent in the Finger Lakes and Southern Tier region. So I'm not kowtowing to constituents that I need to get reelected by having concerns over increasing their taxes and

having them leave the state with their wealth and the revenues that they generate for the rest of us in New York.

You mentioned in your remarks prior referencing the death by a thousand cuts or a thousand slices. The Chinese term for that is lingchi. And I reference that often in my concerns over the impact that we could have and we continue to have on the financial industry in New York State, which you know and we all know is so vitally important to our economy and significantly important to our overall state revenues here in New York.

And we have seen some businesses from the financial industry relocate to other lower-taxed states -- Florida, Tennessee, Texas. And if we continue to see that, then we continue to kill the golden goose in New York State.

Do you have any concerns on your side of the aisle what the potential catastrophic impact to our overall State Budget would be if we see -- if we make that final slice and they decide to leave, what do we do then? Because once it starts, we're not going to be able to turn it back.

SENATOR KRUEGER: Through you, Madam President. I so appreciate my colleague's questions, and I appreciate him talking about what matters and doesn't matter in his district.

So let me talk about my district. My district is the 28th Senate District, in Manhattan. My district is the wealthiest district in the State of New York. I'm not worried, either on behalf of myself, that I don't get elected again, nor am I worried that I won't still be the district with the wealthiest people in New York if I make this tax increase that will impact some of them.

And I know people who say they're leaving for Florida or have even left for Florida, and I know people in Florida who are saying how much they miss New York and can't wait to come back here as soon as the masks come off and the disease is done, because they remember having left what it is that they loved about New York.

And I also know that many of them who actually left New York and might not come back, they're still making their money off their businesses in New York, so they'll still pay

taxes in New York of a certain kind. Maybe not PIT, but they'll pay their other taxes off of their business in New York.

And there is something about New York, and there always has been, particularly in my city, where people come to New York City to build their wealth, they come to New York City to innovate in their field, in creating new fields.

So even as we've seen some businesses -- the financial industry has been losing workers in finance now for a couple of decades. We see new growth in other kinds of companies. We worried that New York City wouldn't be a tech center. It's a tech center. We worried that New York would miss out on other new models of economics that were coming forward. We diversified.

We've gone through bad times. I lived through 9/11 on Manhattan Island. People left then, they weren't going to come back. They did. People are even saying the real estate market is bouncing back again already, and they're building giant new business towers in my district in Midtown.

So no, actually, I'm not that

worried. And the truth is they want to come here, they want to stay here, they want to do their business here if we're the great State of New York. The cuts that I'm talking about are the cuts we've been making that make it less likely that we do have all those great attractions that make people want to come here and build their businesses here and raise their families here.

So I'm not worried about anything we're proposing. I worry that if we don't take steps to turn around the way we run our government and the services and the education and the infrastructure, that those are the things that kill the golden goose, not some marginal tax-rate increases, Madam President.

SENATOR O'MARA: Thank you, Senator Krueger.

Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Senator, we spoke about the initial personal income tax rate increase for those making over a million dollars. But there's two other brackets of increases that are in this proposal, if I'm not mistaken, that would raise the income tax from 8.82 percent to 10.85 percent on taxpayers making over 5 million dollars. This would be a 23 percent increase in their personal income tax burden just to the State of New York.

And again, another bracket raising it for those making over 25 million -- who certainly I have even less sympathy for, but would hate to see them leave given how many of us regular Joe average taxpayers it will take to make up the loss of each and every one of these single high earners that may depart the state. But increasing their tax to 11.85 percent from 8.82 percent is a 34 percent increase, nearly 34.5 percent increase of their personal tax liability.

Senator, over 10 years ago, after the census, New York has lost population compared to the rest of the country, and we've lost congressional seats as a result of that. As of

last year's census that's being completed, we stand to lose another congressional seat -- or maybe two -- because of population loss.

Do you not think there's any relation to this population loss because of the high tax burdens and cost of living in New York State?

SENATOR KRUEGER: Through you, Madam President. If you raise someone's taxes 3 percent, you've still just raised their taxes 3 percent, not the -- take a look and it's at 23 percent.

Now, it is true we do go up for people who make more than 5 million a year, for people who make 10 million, 50 million. There's not that many of them. I don't really want to lose them, but I don't think we do.

Because what we should understand about people who actually bring in over $5 million a year in taxable wage income, that's just a little piece of their annual income. The wealthier you are, the less likely you are to derive your wealth from your paycheck. Your wealth comes in all kinds of ways.

But nobody really thinks they need

that much cash, so they don't choose to take their profits in however they're making their money as income. So it's a sort of unusual niche in its own right to take that much money in income. And so some of those people might focus on 3 percent more than anything else in their lives. With all due respect, I hope not, because that's sort of sad. You've got all that money and all that opportunity and you're staring at your accountant's chart and saying, They took my PIT up 3 percent? Okay.

But you know what, here's the price we're all paying if we don't do this. The growth in inequality among -- in the tax system of New York State. The growth in 1 percent of New Yorkers having 30, 40, 50 percent of the total resources of the rest of the state. That's bad for everyone. I would argue it's also bad for the people at the top.

And I've got millionaires in my district who are telling me: Yes, Liz, you should raise our taxes, there's something wrong out there. It's not going the way we want it to, it's not the place we wanted to live.

And I hear them. And I'm just as

concerned that we are doing what's right for other wealthy people who are saying, Please raise my taxes, this is such an inequitable city and state to live in at this time.

And I also recognize that improving the progressiveness of all of our taxes encourages us year by year to recognize what we need to do to be the great state and the great city we want to raise our children in or our grandchildren to be able to stay in. They won't be able to stay here if they don't have opportunity, if they can't afford to live in the community that their parents lived in, if as they get older they can't afford their property taxes in the community that they grew up in, perhaps raised their children in, who now want to raise their children in those same communities.

We need to make sure we've got school systems that are available to those children and grandchildren. We've got to make sure there's a reason people want to stay in the State of New York for generations. And it's not marginal tax rates. It never was. And I don't believe there's anything in this package that will change that.

Through -- oh, sorry, your turn.

SENATOR O'MARA: You have a question for me, Senator?

SENATOR KRUEGER: I think I have.

SENATOR O'MARA: Madam President, if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Senator Krueger, New York is known for having the most progressive tax system in the country. And by "progressive," that's commonly understood that the wealthy are paying higher percentages of their income -- as opposed to those in lower income brackets -- than in other states.

So we are the most progressive. And this income tax rate increase proposal that we've been talking about, according to our calculations, is going to generate an additional $4.3 billion.

SENATOR KRUEGER: That sounds right.

SENATOR O'MARA: Through you, Madam President, if the sponsor will yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Senator, I would submit that likely, as you say, there's not all that many New Yorkers amount-wise, number-of-people-wise, in these tax brackets, that we're not talking about a whole lot of people. But if we're not talking about a whole lot of people, and we're talking about spreading $4.3 billion across them, that sounds like a fairly significant impact to us.

I want to move on to the next.

SENATOR KRUEGER: Through you, Madam President, I'll just point out --

SENATOR O'MARA: Okay. We.

SENATOR KRUEGER: -- we make $110,000 a year here in this Legislature, I believe, so those amounts of money could seem like a lot of money to us.

But again, we're just talking about

a 2 percent increase or a 3 percent increase on people who make radically more than what we make here in the Senate.

So it's sort of apples and apples, if you look at it from the perspective of how much they're earning versus what you're earning.

SENATOR O'MARA: Well, a 3 percent increase on $100,000 is $3,000 --

ACTING PRESIDENT MAYER: Senator O'Mara, are you asking --

SENATOR O'MARA: Through you, Madam President, if the speaker -- through you, Madam President, if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I would.

ACTING PRESIDENT MAYER: She yields.

SENATOR O'MARA: For those of us making $100,000 a year, that 3 percent would be $3,000. If you're --

SENATOR KRUEGER: And so it's good we're not increasing his taxes, because it's not a million or more.

SENATOR O'MARA: Well, I agree. But if -- if -- when you ramp that up to a million, that increases it by how much, that 3 percent?

SENATOR KRUEGER: Three percent on a million dollars is 30,000.

SENATOR O'MARA: A $30,000 increase. To the lowest-level bracket of the increases that we're doing.

SENATOR KRUEGER: It's 1 percent at that level, not 3 percent. So it would be 10,000.

SENATOR O'MARA: One percent, 10,000. So we get up to 3 percent with those over 25. The --

ACTING PRESIDENT MAYER: Senator O'Mara, are you --

SENATOR O'MARA: Through you, Madam President, if the sponsor -- would the Senator --

ACTING PRESIDENT MAYER: Thank you. Thank you. Senator Krueger --

SENATOR KRUEGER: Yes, I'm sorry, I'm happy to respond.

ACTING PRESIDENT MAYER: She

continues to yield.

SENATOR O'MARA: Correct. And most of that $4.3 billion increase, given the way New York's business sectors are made up, I think most of those are probably within the financial industry of New York City, making that kind of money.

SENATOR KRUEGER: I actually don't know, Madam President, what the jobs of people in different income brackets are, I'm sorry.

SENATOR O'MARA: The next tax proposal -- through you, Madam President, I hadn't finished my question before she interrupted me. So will the Senator continue to yield.

SENATOR KRUEGER: Of course.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: You have, Senator, in your proposal a surcharge on capital gains that would generate another $700 million -- presumably, again, from those same wealthy individuals who we cherish so much here in New York. Is that correct?

SENATOR KRUEGER: So it is a

1 percent surcharge on capital gains income of taxpayers with incomes over 1 million as a single filer or 2 million as a couple, correct.

SENATOR O'MARA: Through you, Madam President, if the Senator would yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes, I would.

ACTING PRESIDENT MAYER: Yes, the Senator yields.

SENATOR O'MARA: Do you have an estimate of what the per-taxpayer impact of that $700 million capital gains increase would be?

SENATOR KRUEGER: No, because you would have to know -- excuse me. Through you, Madam President. I would need to know any individual's capital gains in the year that they were filing their taxes on. So they would know, because you have to file with the federal government where there is capital gains, and you pay a much lower rate on capital gains than other income. And then it would be a 1 percent addition for the State of New York.

So I don't think we would know until we try. And then we can look up how much we drew

down.

SENATOR O'MARA: Through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Wouldn't it make more sense to do some analysis beforehand about what the impact is going to be to individuals before throwing this dart out there and then finding out later what the impact is?

SENATOR KRUEGER: The logic is that people who pay lower rates of capital gains from the federal government -- and they've seen a savings recently in changes in federal law -- they just pay a lower rate. So you pay a lower rate on long-term capital gains at the federal level.

So increasing your state taxes by just 1 percent on that income, which is already paying a lower level of taxation, is a reasonable approach to supplementing the revenue that we

received at the state level.

SENATOR O'MARA: Thank you, Senator. Madam President --

SENATOR KRUEGER: I do want to point out the Senator is correct, it is also only on high-income people. Because there are pensioners who get capital gains when they're retiring and selling off stock. This doesn't apply unless your income is, again, above 1 million or above 2 million for a couple.

SENATOR O'MARA: Thank you, Senator.

Through you, Madam President, if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: The next category of tax increases in the Senate Majority's proposal, estimated to generate another $1 billion from state taxpayers, is an 18 percent surcharge on corporate franchise taxpayers. Now -- oh, that's the Assembly Bill. Never mind.

(Laughter.)

SENATOR O'MARA: That's not in our bill.

SENATOR KRUEGER: Tomorrow's debate.

SENATOR O'MARA: That's the debate next -- in a couple of weeks.

We are -- or not we, the Senate Majority -- if I can continue my question, since I was off-base there, Madam President.

SENATOR KRUEGER: Of course.

ACTING PRESIDENT MAYER: The Senator continues to yield.

SENATOR O'MARA: The Senate Majority's proposal, according to my notes here, increases corporate franchise taxes for a total of $964 million, so pretty close to that billion that the Assembly had in theirs. Am I reading that correctly?

SENATOR KRUEGER: That's correct.

SENATOR O'MARA: Who pays -- or through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR O'MARA: Can you explain to us who pays this corporate franchise tax?

SENATOR KRUEGER: Corporations.

SENATOR O'MARA: Is it any size? Is there any category that isn't paying this increase?

SENATOR KRUEGER: Over $5 million in gross -- (pause). In business income, I just want to get that part right.

ACTING PRESIDENT MAYER: Senator Krueger, can you speak into the microphone?

SENATOR KRUEGER: I'm so sorry. The new tax for corporations would apply to corporations who have corporate business income of over $5 million a year.

SENATOR O'MARA: Thank you, Senator.

Through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: And your Senate Majority proposal increases filing fees for LLCs, limited liability companies, and LLPs, limited liability partnerships, to generate another $113 million in taxes. Now I assume, since those are new filings, that tax is on every one of these new filers regardless of the size of their business.

SENATOR KRUEGER: So we hold harmless LLCs with less than a million in gross income. And it's actually not new, it's just some kind of increase in the fee structure.

SENATOR O'MARA: Through you, Madam President, if the sponsor -- the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: The way it's been explained to me is these are filing fees for LLCs and LLPs. Are these for new formations, or are

these annual renewals to determine who --

SENATOR KRUEGER: Annual renewals.

SENATOR O'MARA: Okay. So if somebody is starting up, this doesn't apply to them.

SENATOR KRUEGER: If they're starting up, they wouldn't have -- I don't think they'd have revenue of over a million dollars. Because in theory you'd need to file the LLC before you start doing business. Right?

SENATOR O'MARA: I would agree.

SENATOR KRUEGER: We both agree.

SENATOR O'MARA: Through you, Madam President, if the sponsor -- if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Senator, since the personal income tax rate increases are estimated to be bringing in $4.3 billion and the middle-class tax cut is supposed to be worth just $400 million, how come the Senate Majority is not

proposing a larger cut for middle-class taxpayers out of that expected growth of $4.15 billion?

SENATOR KRUEGER: Well, we do include a circuit breaker as well, which is basically a middle-class property tax cut. And I believe that has an estimated value of 400 million as well.

And I think it would be a little challenging to explain to people that you were raising the taxes of, that you were doing so to reduce the taxes of others. So I completely can justify these two tax reductions for the middle class, but I think we all need to ask hard and long how much we would tax people just to give somebody else a tax cut.

I personally find it easier to explain raising someone's taxes to pay for the infrastructure and public health and education needs of the State of New York than I would explaining I'm just going to keep raising taxes to give somebody else a tax cut. Maybe that's just me, Madam President.

SENATOR O'MARA: Thank you, Senator.

Through you, Madam President, if the

Senator would continue to yield.

ACTING PRESIDENT MAYER:

Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Happily.

ACTING PRESIDENT MAYER:

Senator Krueger yields.

SENATOR O'MARA: I, Senator, agree with you on the need for infrastructure improvements across the board, all sizes of government, rural, suburban, urban. And you talked about the infrastructure and you talked about the significant impacts to mass transit in New York City.

It's been reported that capital improvement projects for the MTA average about seven times the cost of these improvements -- of the global average, the global average of these types of projects worldwide. So New York City's MTA, seven times as expensive.

What is in this one-house budget proposal that the Senate Majority has put forth that will rein in that excessive spending, way over and above what we should be spending and the value we're getting for every tax dollar we're spending on that?

SENATOR KRUEGER: We do put in money for the MTA. We've put in money for the upstate mass transit systems as well. And of course the MTA covers 12 counties -- Long Island, the Hudson Valley, Westchester.

But you're right, we all have concerns that the MTA is exceptionally expensive compared to other mass transit systems. And I believe there's -- not in budget per se that much, but we have done a number of pieces of legislation that work to hold the MTA more accountable for the money they are spending.

So let me just read. We restore 568 million in Executive cuts for statewide mass transportation operating assistance and provide an additional 385 million over last year's levels. We provide 150 million for additional funds for the Consolidated Local Streets and Highway Improvement Program and 100 million for the Urban Road Revitalization Program. We provide an additional 175 million to support critical infrastructure improvements in the DOT capital plan, and another 100 million for Extreme Winter Recovery.

And I also -- just because you

absolutely were right when you talked about the problems to our local governments, I believe that we also reject the Governor's cuts to AIM funding for our localities and give them back the sales tax intercept money that we actually passed in a previous year. So that their internet sales tax collections somehow got intercepted, and sort of -- maybe if you worked really hard at it -- became their AIM money, but at the end of the day it was just more cuts to our localities.

So we put that money back because we do recognize our local governments everywhere throughout the State of New York need that money at the local level, for transportation projects and for so many other things.

And this gentleman is going to tell me what else we are doing to rein in the excessive costs in the MTA. We'll give him another minute, or I can just tell you other great things in our one-house budget while we're waiting.

(Laughter; pause.)

SENATOR KRUEGER: So I thank you, because we need to do more. But we're not going to do it in the budget. But I'm going to commit

to you that you and I are going to work with our transportation staff and committees and see what more we can do to hold the MTA accountable through more transparency, more information that is made available to us and the public so we can ask those hard questions and watch and try to direct far more carefully the money that they are getting from the federal government, which is the bulk of the money towards the MTA at this point in time -- I believe it's a total of $8 billion.

They've gotten approval for 4 billion now, and in the new 2 billion pa -- 2 trillion -- let's say that -- the new $2 trillion federal package, I believe they get another 4 billion.

But I think that we all have to come up with more bells and whistles to make sure that we are watching much more carefully. I completely agree with you.

SENATOR O'MARA: Thank you, Senator.

Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Certainly.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: I appreciate that sentiment, Senator Krueger. I wish there was some language on it in this budget resolution to require that.

You know, I stand in front of my colleague, Senator Lanza, who has for years pushed legislation requiring an independent audit of the MTA, which is still not being done.

And the fact that we're spending on the MTA, and who knows what other programs, seven times the global average, we could be getting so much more bang for our buck if we had stronger oversight on the spending of their programs. Perhaps we could get seven times as many projects completed for the same amount of money if we reined in oversight and kept a thumb on how they're spending.

Because it's easy for us to stand here and talk about billions of dollars and hundreds of millions of dollars, and it all sounds good, going to great causes. But if we're just wasting it at seven times the global rate,

it seems to me a very inefficient way to meet the needs of New Yorkers.

SENATOR KRUEGER: So again, thank you. Thank you for bringing up Senator Lanza's efforts to get a forensic audit and accounting and transparency.

Because I'm now reminded, we passed that last year, Senator Lanza, and we passed language requiring a transformation of how the MTA is operated and managed and the staffing.

I don't think we've gotten the data yet of anything, but in theory we have done these mandates and we can try to push to get the information sooner than later, because I have no idea what the timetables are, and look at what we find in relationship to monies that go to them.

So thank you.

SENATOR O'MARA: Thank you, Senator.

Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER: Senator, do you continue to yield?

SENATOR KRUEGER: I shall, thank you.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: Senator, I'm told I'm running out of time so we have time for other members to speak. But you brought up in our last back-and-forth on the CHIPS funding and Urban Road Revitalization, Extreme Winter Recovery funding -- all with significant increases. Which I've been a champion of for years, and think this is fantastic.

But, you know, the $150 million additional in CHIPS funding, bringing it to a total of $588 million -- that, to me, is one of the fairest programs we have in New York State on a distribution basis because it goes exactly to and for road mileage in every municipality, to help them with their local roads and bridges.

But I don't understand why you're adding this $100 million Urban Road Revitalization Program which would be separate and apart from CHIPS and therefore not distributed through the CHIPS formula. It would benefit only urban areas. And there's no definition in the resolution of what the criteria of the "urban setting" is and how that money

would be distributed.

SENATOR KRUEGER: All right, Tom -- Senator. So I've learned that, you know, you are correct, we did put the increase in in CHIPS, and we're very happy about that. And we also put in another hundred million in the Extreme Winter Recovery, which I'm advised pretty much goes down the same path as CHIPS, to the same places, geographically distributed.

But that there was a need, yet unmet, for the urban areas of New York -- not including New York City, so this is not New York City money. But in the other cities throughout New York, that there are some real infrastructure needs in their areas that somehow for some reason don't get included in CHIPS. Perhaps because they're cities; I'm not sure.

So we're working to try to make sure we can get some money to these outside-of-New York City cities to complete their or help address their urban roadway problems.

SENATOR O'MARA: Through you, Madam President, if the Senator will continue to yield.

ACTING PRESIDENT MAYER:

Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Of course. Yes, I do, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR O'MARA: It's been my understanding that CHIPS funding and Extreme Winter Recovery funding over the years has in itself flowed through New York City on the formula. It's not just for upstate or Long Island or Lower Hudson Valley roads, it's the whole state, based on road miles.

So you're taking an additional 100 million that I would argue should go into the regular CHIPS to increase that from year to year for everybody -- and not just call out urban areas, because we all need safe roads and bridges.

And I would like more information, if you could follow up with me, certainly if this survives getting to the final budget, just what the criteria is of an urban area that would partake in this funding and how it would be distributed.

SENATOR KRUEGER: Again, I don't

know how it will be distributed today, other than that I know it's not coming to New York City. But it is also true that urban roadways are more densely congested and used, and they may have unique infrastructure costs that you might not see on a rural road.

I wish I had a better answer for you. And I will send somebody to come talk to you about it when we're not in a two-hour window on the floor, because it's a legitimate set of questions and we have come to the extent of my knowledge.

SENATOR O'MARA: Thank you, Senator. Madam --

SENATOR KRUEGER: My knowledge on that specific issue. I still have a little other information.

SENATOR O'MARA: I'm well aware of that, Senator Krueger.

(Laughter.)

SENATOR O'MARA: Through you, Madam President, if I could just speak on the resolution for a moment.

ACTING PRESIDENT MAYER: Senator O'Mara on the resolution.

SENATOR O'MARA: This resolution, increasing spending by over $15 billion at a time when we're struggling from COVID, our economy is trying to rebound, things are still not reopened -- and moving towards significant spending increases, much of which will be recurring in future years when federal stimulus money is not available to us -- I believe is very shortsighted.

I believe New York State has received an unconscionable windfall from the federal government of $12.6 billion just for the state, let alone the other billions of dollars that are going to local governments across the state, that these spending increases are unwise, unnecessary and risky. At the same time we're trying to rebuild our economy, we're increasing taxes in this proposal by over $6 billion. That, to me, is unconscionable in this time of economic strife, with many businesses struggling just to keep their lights on.

And I will just close with a quote in reference to, you know, the Governor indicating that we were $15 billion in a hole. We have never seen a real true accounting of what

that $15 billion shortfall is, nor did the federal government. Yet the federal government is giving the state 12.6 billion.

The revenue forecasts and receipts -- revenue receipts have been coming in ahead, well ahead of pace of what was anticipated. And they're forecast to have over $2 billion increased revenue coming in that was not anticipated through regular revenue collections. That closes that $15 billion without the need to raise over $6 billion in taxes, and certainly not increasing spending by over $15 billion.

I fail to see any rationale for increasing taxes on businesses that are struggling and increasing taxes on individuals that may well flee the state, taking substantial revenue with them.

It was tweeted by Senator Schumer's spokesperson after the COVID relief package of $2 trillion was announced that thanks to Senator Schumer, "New York State's budget deficit for this year is zero, nada, niete, zilch." That was on March 8th.

So the deficit is closed, very

easily. Yet this Majority wants to dig a further hole going forward, that we will surely reach a fiscal cliff in two years that will lead to even graver consequences than we have today.

Thank you, Senator Krueger. And thank you, Madam President.

ACTING PRESIDENT MAYER: Thank you, Senator O'Mara.

Senator Serino.

SENATOR SERINO: Hello, Madam President. Nice to see you.

ACTING PRESIDENT MAYER: Nice to see you too.

SENATOR SERINO: And would Senator -- through you, Madam President, would Senator Krueger yield to some questions for me?

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Of course I do, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR SERINO: Great, thanks. Nice to see you, Senator Krueger.

SENATOR KRUEGER: Good to see you,

Senator Serino.

SENATOR SERINO: You know, from my first year here, I've been talking about ticks.

So while I'm glad to see that your proposal at least restores the meager $69,400 for Lyme and tick-borne disease work at the Department of Health, your one-house in the past has specifically lined out $1 million to combat the spread of Lyme and tick-borne diseases. Ultimately, that figure was reduced to $250,000 in the final State Budget in both of the last two years.

But this year I do not see any other funding specifically lined out for Lyme and tick-borne diseases here in this resolution.

So does this one-house budget proposal include specific money for research, education or prevention initiatives for Lyme and tick-borne diseases?

SENATOR KRUEGER: One second while I confer with staff, Senator Serino.

SENATOR SERINO: Thank you.

SENATOR KRUEGER: I am being advised that we did restore the $250,000.

SENATOR SERINO: It is restored?

SENATOR KRUEGER: Yes.

SENATOR SERINO: As a line item?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: Senator Serino --

SENATOR SERINO: Oh, I'm sorry. Through you, Madam President.

Thank you. I was going to ask you if you could commit to more than the $250,000 this year, in light of how we keep on having more increases of Lyme and tick-borne disease, so -- I just urge you to make it a priority. As you can imagine, we hear from so many people.

SENATOR KRUEGER: I can't commit to anything -- oh, through you, Madam President.

ACTING PRESIDENT MAYER: Thank you.

SENATOR KRUEGER: So sorry.

I can't commit to anything beyond what we've put in today in the one-house, but we're going to be continuing to negotiate the budget with the Assembly and the Governor. And on a personal note, I agree this is a serious issue. You have been an incredible spokeswoman on behalf of it. And I am hoping that there may be an ability to be of assistance.

SENATOR SERINO: Thank you, Senator Krueger.

Through you, Madam President, would the Senator continue to yield?

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I do. Thank you, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR SERINO: This resolution states that nursing home reforms are not included in the one-house budget proposal because a package has already passed in this house. However, many of the bills in that package were one-house bills with no sponsors in the Assembly.

So while I don't believe that these issues should be negotiated behind closed doors as part of the budget process, the Governor has said publicly that he will not sign a budget that doesn't include his reform plan. And I'm wondering how you plan to resolve the issues between the two houses and the Executive when it comes to these proposed reforms.

SENATOR KRUEGER: So through you --

I'm sorry, through you, Madam President. I just want to -- so the good news, Senator Serino, is apparently of the bills that we passed in nursing home reform, the Assembly has already passed five or six of them. And we are hoping that we will get them in agreement with us for the remaining five or six, because we passed quite a large package. So we're moving on those.

The other good news is there is $200 million more for nursing homes within this one-house budget.

SENATOR SERINO: And through you, Madam President. I would just hope that, you know --

ACTING PRESIDENT MAYER: Will the Senator yield? Senator Serino --

SENATOR KRUEGER: I will yield.

SENATOR SERINO: Oh, I'm sorry, would you continue -- I actually just have -- well --

ACTING PRESIDENT MAYER: I understand. But --

SENATOR SERINO: Okay. Through you, Madam President, would the Senator continue to yield.

ACTING PRESIDENT MAYER:

Senator Krueger, will you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR SERINO: I would also hope that their investigations that go forward are going to play a critical role in what needs to happen here with any nursing home reforms. So, you know, before anything gets done, I do believe that that needs to happen as well, to have a real plan.

SENATOR KRUEGER: Both sides of the aisle completely agree on that. We need to get down to understanding what's going wrong in these facilities and what we need to do to make sure that nothing like this ever happens again.

SENATOR SERINO: Thank you.

Through you, Madam President, would the Senator continue to yield.

ACTING PRESIDENT MAYER:

Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields, Senator.

SENATOR SERINO: And you mentioned about 200 million, Senator. The proposal contains 200 million to increase nurse staffing levels for nursing homes and acute care facilities.

It's great to have this funding, but if there aren't qualified candidates ready to be hired, you still have a problem. So does this budget propose any solutions for the nursing shortages that the state currently faces?

SENATOR KRUEGER: We restored money for workforce retention that the Governor had cut out of the budget. No, that's not by definition for nursing, but it would certainly include nursing. And it's worth us all working together to make sure that that's a possibility.

I think that the nursing shortages are also regionally different, so we also need to understand how we help with nursing where there is shortages and, say, home care workers where it's home care workers and something else somewhere else.

So I agree that we do -- I recognize that there's a nursing shortage in certain areas of the state that we need to focus on.

SENATOR SERINO: And I --
ACTING PRESIDENT MAYER:
Senator Serino.
SENATOR SERINO: Oh, through you, Madam President, will the Senator will continue to yield.
ACTING PRESIDENT MAYER:
Senator Krueger, do you continue to yield?
SENATOR KRUEGER: I do.
ACTING PRESIDENT MAYER: The Senator yields.
SENATOR SERINO: So I would hope that the funding would be flexible and that it could be used to support training and retention programs. And anything that needs to be spelled out that it says that -- like you said about, you know, specifically for nursing.
You know, because I think that if we continue to have a nursing shortage, it doesn't matter if we throw money at the problem if there really are no qualified nurses. And I think we saw that during COVID. And I had a bill last year too that would utilize displaced hospitality workers. And in there, some of that language you might even be able to use as part of this, it

might be helpful.

SENATOR KRUEGER: Through you, Madam President. So the way we've written the language, it is very flexible. And my staff have assured me that when they go to the table to negotiate three-way, they will take this as advice on what we should be doing. So thank you.

SENATOR SERINO: Through you, Madam President, will the Senator continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, ma'am.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR SERINO: One of the major concerns that we heard about at last year's nursing home hearings was a lack of access to and support for the long-term-care ombudsman program, which advocates for nursing home residents and families.

I had proposed at least $5 million to bolster that program. The Assembly's resolution lines out $1 million for it. Do you know if there's any specific funding to enhance

this critical program in the Senate's resolution?

SENATOR KRUEGER: So we did -- through you, Madam President. We did pass a bill recently to expand the program, but there is not lined-out money in the budget to expand it at this time. And so you're proposing $5 million. I will continue to be your advocate, Senator Serino.

SENATOR SERINO: Thank you.

Through you, Madam President --

ACTING PRESIDENT MAYER: Will the Senator continue to yield? Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: Senator Krueger yields.

SENATOR SERINO: Thank you, Senator Krueger. And as we know, it has to be lined out, you know. Because otherwise, unfortunately, other things take a priority. So I appreciate that.

Would the Senator -- through you, Madam President, would the Senator continue to yield for a last question.

ACTING PRESIDENT MAYER:

Senator Krueger, do you yield?

SENATOR KRUEGER: I do yield.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR SERINO: And then this is something that I've talked about for years too. Facilities caring for low-income individuals that are paid through SSI have only had one rate increase in more than 20 years, which has resulted in closures of these facilities across the state.

In the past, the State Senate has championed legislation to phase in an increase to the SSI rate which would help support some of our most vulnerable neighbors. Do you know if this resolution contains any funding to increase this rate?

SENATOR KRUEGER: I'm sorry, Madam President, through you, can I just get clarification? This is the personal need allowance within SSI --

SENATOR SERINO: In SSI, yes, it's like $32 --

SENATOR KRUEGER: -- for people who are living in a group or a facility, right?

SENATOR SERINO: Yes.

SENATOR KRUEGER: I just want to make sure I understood the question correctly.

I don't believe there's anything in our one-house budget, but I believe we have legislation that's moving that supports this.

And without offending you, are you really not a liberal Democrat from New York City? Because you and I seem to be so in-tune on many of the issues we're discussing today.

SENATOR SERINO: Do you know, there are so many -- oh, sorry. Through you, Madam President.

(Laughter.)

ACTING PRESIDENT MAYER: Senator Krueger, do you wish to continue to yield?

SENATOR KRUEGER: I'm sorry. No, I will -- I took her time, Madam President. I will yield back to the Senator.

SENATOR SERINO: Thank you, Senator Krueger. You know, there's so many things that don't have an R or a D attached to them, right? You know, I think there's more that we agree upon than disagree.

But I think, you know, with the assisted living home facilities, I know that -- you know, our ultimate goal, we would love to have people living in their own homes, but for so many people that's not an option. And seeing so many of these facilities have to close, you know, I think this increase in funding is so important.

And, you know, to have quality of care, in whatever way that might be, for these individuals is very important to me, I know personally, and I appreciate whatever can be done.

So I'm good. Thank you, Senator Krueger, for answering all of my questions. Thank you, Madam President.

ACTING PRESIDENT MAYER: Thank you, Senator Serino.

Senator Helming.

SENATOR HELMING: Thank you, Madam President.

I rise today to ask --

ACTING PRESIDENT MAYER: Excuse me, Senator Helming. Are you asking questions or are you going to speak on the bill?

SENATOR KRUEGER: I'm just

wondering whether to sit or not. Are you asking questions?

ACTING PRESIDENT MAYER: Are you asking questions, Senator Helming?

SENATOR HELMING: Yes. I was just about to say that.

ACTING PRESIDENT MAYER: Okay. I got ahead of you.

SENATOR HELMING: I'll start over.

ACTING PRESIDENT MAYER: Okay.

SENATOR HELMING: Madam President, if the Finance chair is agreeable, I'd like to ask a few questions as the ranking member of the Housing Committee.

ACTING PRESIDENT MAYER: Thank you. Senator Krueger, do you yield?

SENATOR KRUEGER: I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Thank you. Through you, Madam President.

Senator Krueger, I have to say that it's wonderful to see you in person. I've seen you in many hearings and also even on television recently, but it's great to see you in person.

SENATOR KRUEGER: Thank you.

SENATOR HELMING: I want to thank you and Senator O'Mara as well for the many, many hours that you spent listening to the testimony and hosting the hearings. Thank you for that.

SENATOR KRUEGER: Thank you.

SENATOR HELMING: So as I said, I had a couple of questions, primarily on housing matters.

The 2019 Housing and Tenant Protection Act created a temporary commission, known as the New York State Temporary Commission on Housing Security and Tenant Protection. This commission was directed by the Legislature to study the impacts of statewide housing to provide recommendations back to the Legislature.

And Senator Krueger, I'm wondering, has this commission weighed in on any of the recommendations that are in this budget proposal?

SENATOR KRUEGER: No, it has not.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, of course I

do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Is there a reason why the commission was not asked to review the proposals and offer their feedback?

SENATOR KRUEGER: Thank you. Through you, Madam President. As I think we're familiar, there's a whole process for seating a commission that involves recommendations and confirmations through the Governor. And that has not happened yet, so the commission has not started its work.

SENATOR HELMING: Thank you.

Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields for additional questions.

SENATOR HELMING: Senator Krueger, within the budget reso, there is an item -- the title is Housing Our Neighbors With Dignity Act -- and my understanding is that this is basically to repurpose commercial space for

housing. The reso includes language to incentivize the conversion of commercial buildings, including hotels, into affordable housing. Would you say that that's an accurate description?

SENATOR KRUEGER: Yes. I think it may be unique to New York City. I don't think it's a statewide program, I think it's a New York City program.

SENATOR HELMING: Through you, Madam President, if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: How much money is designated for this program?

SENATOR KRUEGER: Through you, Madam President, $259 million.

SENATOR HELMING: Through you, Madam President, if the Senator would continue to yield.

SENATOR KRUEGER: I'm sorry, I

misspoke, 250. Two hundred fifty million.

ACTING PRESIDENT MAYER: Senator Krueger --

SENATOR KRUEGER: And yes, I will be happy to yield.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Senator Krueger, so I'd like to share with you that I think this sounds like a very interesting program. I've spoken to a number of advocates who are in favor of this. Even in my district, upstate New York, I've met with a hotel owner who he heard about this program, is so excited. He has a hotel that is empty right now. It's in a beautiful location. We have a definite need to help house homeless people.

But I'm just disappointed to hear that this $250 million will be used primarily for the Manhattan area. And I'm wondering, are there any proposals that would assist in changing underutilized commercial properties, including hotels, into affordable housing outside of the Manhattan area?

SENATOR KRUEGER: So this specific

proposal was a replacement for a different proposal by the Executive that we rejected, and that was for New York City only. So I think this sort of became New York City only because it was replacing a New York City only.

But we all agree there's no reason why there isn't a possibility of using housing dollars in the state budget for a model like this if some other area wanted it.

So, you know, there are a variety of different models of funding for housing that exist in the current state budget, and we are trying to add to it this year. So I actually think that if you have someone who's really interested in this, we should get this budget done and then all go together to DHCR and say, Hey, there's a great idea right here.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, will you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Senator Krueger,

I appreciate your willingness to look at this. But the time is now. People homeless throughout the state, they need help now. I don't know if there are other programs in the budget to help address this, but so do the small business owners. It's not only business owners in Manhattan that are struggling, it's throughout the state.

And I appreciate, like I said, your willingness to look at this after the budget, but my question is will you look now during the negotiations? Will you make this a priority now to open up that program to small businesses owners throughout the State of New York?

SENATOR KRUEGER: One second.

So it's Senator Gianaris's bill that became the proposal in our one-house, which is why I was oddly turning to him to chat about it. It seemed logical. And he is open to having that discussion.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Thank you both. I appreciate that. It's very important, like I said, to people throughout the state.

I want to turn now to the COVID-19 Emergency Rental Assistance Program. The one-house resolution provides for the creation of this Emergency Rental Assistance Program, and it appears to me that the program is funded by a sweep of all of the federal dollars that are allocated for rent and utility assistance.

Senator Krueger, how much federal funding is expected to be directed to this program?

SENATOR KRUEGER: So our understanding is that the locals have their own shares, that we're not sweeping, we're just taking the money from the two different federal streams and saying, Okay, these go to these programs, which to some degree mandated how they're used by the federal money. So we don't believe we are sweeping.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER:
Senator Krueger, do you continue to yield?
SENATOR HELMING: So,
Senator Krueger, last spring the state received $100 million in federal funding. I've talked about this funding numerous times on this floor, in committee, et cetera. Less than half of that money was delivered to the tenants and landlords who so desperately need it.
In December the state received another $1.3 billion. And we've all seen it, we've all agreed to it that New York State has had difficulty getting the federal dollars out the door. It's like turned into this bureaucratic nightmare, right? And the restrictions have been so tight to gain access to the funding that basically no one has qualified. Which, you know what, now as I'm talking about this, you know what I'm thinking about? It sounds very similar to the rollout of the COVID vaccine. The requirements were so strict with the hospitals that vaccines got wasted instead of going into the arms of people.
But back to this funding, does the resolution -- in order for us to get this money

out to the people who need it so much, does the reso include clear and succinct language to ensure this federal money gets into the hands of small landlords in a timely manner?

SENATOR KRUEGER: Okay. So it is true that there was a hundred million dollars of unrestricted federal money that we got the Governor to agree to put into a pilot program, really to show that we could get it out quickly to people who needed it.

And yes, you are right, on their first round they only spent about half of 100 million.

They did a second round. Do we know how much they finally got out.

SENATOR HELMING: No. No, it's still --

SENATOR KRUEGER: It's still in review process.

So in our one-house bill we are carefully following the language of a bill proposed by Senator Kavanagh where it lines out what is supposed to happen. And it's pretty strictly matching what the federal law says we can do with it.

So we're hoping that we can move things more quickly than we had in the past and it would go through OTDA instead of DHCR.

I don't know your experience in your counties. My experience in my city is OTDA is the agency -- or HRA, the local social services district -- is the agency that has the relationship with the landlords and the third-party vendor payment structure set up. And so I'm pretty optimistic that that will work fairly efficient.

Obviously every county has its own model for how they've been doing things, so I can't speak for whether that would work exactly right. But the feds are pretty strict about who's eligible and how, with the new money. So we have to fit into their boxes.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: So just a comment

on that last statement. Other -- many other states in this nation were able to move that money out. It's unique to new York that so much was stalled.

I'm met with landlord associations from around the state. Typically these are the smaller organizations, organizations like SPOONY, the Small Property Owners of New York; Finger Lakes Landlord Association; and Under One Roof Coalition. They want to be supportive, more supportive of some of these bills --

SENATOR KRUEGER: So --

SENATOR HELMING: I didn't ask the question yet.

SENATOR KRUEGER: I know, but that's -- I'm sorry. Please.

SENATOR HELMING: These associations and their members provide an invaluable service. They provide safe and secure housing that is so, so desperately needed. And as a state I believe it's part of our responsibility to protect these business owners and the housing that they provide for people who need it.

When I hear from these groups, their

primary concern is they don't feel like they're involved in the decision making. They don't really have an opportunity to contribute information that helps shape these decisions that are made.

Specifically, as part of the Rental Assistance Program, there's a requirement that landlords must cooperate in order to get paid. But I think everyone here, we must keep in mind that there are many landlords who have tried to work with tenants during the pandemic but have still lost significant income due to unpaid rent.

And to add insult to injury, if you will, these landlords continue to do their best to work with the tenants, who are not always cooperative. These tenants have refused to apply for the previous round of assistance and/or they've moved out or abandoned rental units, leaving the landlords with thousands of dollars in unpaid rent and utilities.

Senator Krueger, my question is, does the one-house bill ensure that all tenants in arrears or facing eviction for nonpayment or who have left the landlord unpaid are required to cooperate with the landlord in order to file an

application?

SENATOR KRUEGER: My understanding is up to 120 percent of AMI, they do. They do have to cooperate. And under the new federal monies, the landlords can apply for the money even if the tenant is not cooperating.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Senator Krueger, I would be interested in having that section of the reso pointed out to me where it says that. And later is fine.

But maybe you could answer me, what happens if a landlord accepts the rental payment under this new program. What consequences are there to the landlord?

SENATOR KRUEGER: If you accept the arrears money, you cannot evict for a year. So that is what the landlord is exchanging for getting the federal money. And it's 15 months

maximum in back-rent arrears that they can receive.

And the section of the -- the bill number that matches the one-house budget is S2742C.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: So just to clarify, if a landlord participates in this program, is there a one-year freeze on the rent and utility? Is the landlord -- you know, they can't increase any rent, they can't increase any utilities for a year?

SENATOR KRUEGER: They can't increase their rent. It doesn't apply to utilities.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR HELMING: Senator Krueger, I just --

ACTING PRESIDENT MAYER: So one moment. Excuse me, Senator Helming.

Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, of course.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: I believe that is a change from Senator Kavanagh's bill, because I remember specifically asking this question and reviewing it in committee. It's my understanding the bill froze both the rent and the utilities. But we can clarify that later.

SENATOR KRUEGER: I don't know how to answer that one. I think this needs to be a conversation with Senator Kavanagh at the moment because -- I used to be on the Housing Committee with you all, but I'm no longer on the Housing Committee, so I wasn't at the committee meeting.

But Nic can also follow up with you afterwards on anything that she might be aware of that did or didn't happen in the

Housing Committee.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Senator Krueger, this budget reso allows the Governor to unilaterally close correctional facilities within 180 days notification. Does the budget reso provide any additional resources for post-incarceration housing?

SENATOR KRUEGER: We extended the notice to six months. And no, it doesn't say anything about post-incarceration housing.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Are there any

provisions in the budget reso for the reuse of closed facilities, maybe for housing, rehab, et cetera?

SENATOR KRUEGER: There are provisions that allow local governments to repurpose the buildings.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Is there anything in this budget resolution that would formally end the practice of double-bunking?

SENATOR KRUEGER: So I think the answer is no. Unless your next question is about HALT, and then there are some issues. (Inaudible.)

SENATOR HELMING: (Overtalking.) Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I'm sorry, yes, I

do continue to yield.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Senator Krueger, I think you would agree with me that there's a growing shortage of housing for those with mental illnesses and for those with developmental disabilities who also experience behavioral issues.

Just this past Saturday I was with a number of my colleagues from both sides of the aisle from this chamber, and we heard from two more mothers, Amy and Michelle, about their personal experiences involving their children and the dramatic lack of available beds and housing.

In my opinion it's critical that New York State make a firm commitment to providing adequate housing and services, yet it seems to me the reso offered by the Majority is very vague. What I read simply urges OMH to reconsider the closure of any inpatient beds.

I've heard from experts in the field, caregivers and families, and they've all demonstrated that we need more beds, not less. Does this budget restore and add children and

adult in-patient mental health beds?

SENATOR KRUEGER: So I have asked different staff to come in to help, because I thought we were changing topics. So now I'm on hold, Madam President, pending other staff.

But just to clarify, when you talked about people leaving prison -- that was not this question, that was the previous question. This question applies more to families with children who need residential placement, am I correct?

ACTING PRESIDENT MAYER: Senator Helming, do you want to ask an another question?

SENATOR HELMING: Madam President, I was waiting for you to ask me if I yield to a question from Senator Krueger.

SENATOR KRUEGER: Oh, she's right.

Will you yield to a question, Senator Helming?

SENATOR HELMING: I want to make sure to follow the rules.

ACTING PRESIDENT MAYER: Understood, Senator Helming.

Senator Krueger, do you yield for --

SENATOR KRUEGER: No, I'm asking if

Senator Helming will yield to me.

ACTING PRESIDENT MAYER: Oh, yes, okay. Senator Helming, do you yield for a question?

SENATOR HELMING: Yes.

SENATOR KRUEGER: Thank you.

So if I could ask you to clarify. In your last question, which I haven't answered, is it about people leaving prisons who may have mental health and other issues? Or did you shift to families with children, so more of an OCFS mental health category of question?

SENATOR HELMING: Shift.

SENATOR KRUEGER: Shift. Thank you.

SENATOR HELMING: You're welcome.

SENATOR KRUEGER: Thank you, Madam President.

ACTING PRESIDENT MAYER: Senator, just to be clear, for clarification, you did not need to ask the presiding officer, you can just ask directly on a clarification during debate.

SENATOR KRUEGER: We're all improving our knowledge of parliamentary procedure today. Thank you.

And I'm still waiting for other staff to come in so that I can give Senator Helming a reasonable answer to her perfectly good question.

SENATOR GIANARIS: Madam President.

ACTING PRESIDENT MAYER: Senator Gianaris.

SENATOR GIANARIS: Why don't we stand at ease for a moment while the relevant staff arrive at this point.

ACTING PRESIDENT MAYER: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 5:17 p.m.)

(Whereupon, the Senate reconvened at 5:19 p.m.)

ACTING PRESIDENT MAYER: The Senate will return to order.

Senator Krueger, you're responding to the question.

SENATOR KRUEGER: Thank you.

So the answer is we did not add money, but the Governor had added some additional money for beds for residential. We delayed or stopped the closing of four psychiatric OCFS

facilities for young people, so that we don't lose those beds and in fact there are -- there would be more beds available in those facilities because they all are under the count of how many children they can have participating.

SENATOR HELMING: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, will you yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR HELMING: Senator Krueger, thank you for that response.

I have a number of additional questions, but I've been given the hook.

(Laughter.)

SENATOR HELMING: It's my understanding that we're only allowed a certain amount of time, which I'd like to go on the record as saying is tremendously disappointing. We are talking about spending billions of dollars here, and the fact that we have a limited time to ask questions -- so with that, Madam President, I will thank you. Senator Krueger, thank you for

responding.

And I will be back to explain my vote. Thank you.

ACTING PRESIDENT MAYER: Thank you, Senator Helming.

SENATOR KRUEGER: Thank you. I think we should blame Senator O'Mara, personally, don't you?

(Laughter.)

SENATOR HELMING: Just the process.

ACTING PRESIDENT MAYER: Senator Tedisco.

SENATOR TEDISCO: Thank you, Madam President. I'd like to ask the Senator to yield for some questions.

ACTING PRESIDENT MAYER: Senator Krueger, will you yield?

ACTING PRESIDENT MAYER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: Thank you, Senator. Through my position as ranking member on the Education Committee -- and as a previous educator, I've had a little experience in the

classroom -- I'd like to have my remarks relate to the education part of our budget.

I've found my job not only challenging, but extremely rewarding. And probably like you and the rest of my colleagues in this room, anytime we've talked to our constituents or done surveys or asked them about our educational system, they're always very supportive because they realize that our students and our kids are our future, but a big part of that future and their success is a great education. So that's why this part of the budget every year I think is so important.

I'm going to want to ask you a little bit about the funding, the Foundation funding and the general funding and the programs themselves. With limited time -- I guess they've given me 10 minutes. I guess they're New York minutes. And at first I want to ask you about something you were talking about beforehand with Senator O'Mara. And you were talking about population and keeping people in New York State.

And I just want to ask you -- the first question is -- you may not know this; somebody may know this -- in 1973, do you know

how many Congresspeople we had in New York State? Because we have property taxes and they're paid by the constituents in our population, and we get our strength from the number of congressional people we send out there, and our Senators, who fight for us.

Do you have an idea of what -- the number of congressional members we had from New York State in 1973?

SENATOR KRUEGER: Okay, I can't look at these two much younger people and expect them to know. And I'm even thinking, Madam President, I wasn't following Congress carefully enough in 1973.

May I ask Senator Tedisco to let me know, because I know he knows.

ACTING PRESIDENT MAYER: Senator Tedisco.

SENATOR TEDISCO: Absolutely. So we had 39 members.

Would the Senator yield for another question?

ACTING PRESIDENT MAYER: Senator Krueger, will you yield for a question?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: You certainly know how many Congresspeople we have now.

SENATOR KRUEGER: I don't even know my name today. Tell me how many we have now.

SENATOR TEDISCO: Okay. We have 27 now, I believe. But it's projected -- and I'm going to ask another question. It's projected that we'll lose one, possibly two with the census. So that would bring us down to 25. That would mean we lost 14 in population.

Now, there's got to be a reason why a state as large and as great as New York State, which was called the Empire State at one point -- and as these people move out, it's getting closer to The Empty State, if they continue to move like they're moving. And, you know, our slogan is "I Love NY." It's looking like "I Leave NY" now. Which is not a good sign.

Could you give me some idea of why you think we're down to this many congressional individuals? Because you were talking about keeping people in New York State and the best way to do it is expanding the taxes and more

spending. This is a record-breaking, over $200 million {sic} budget. Could you tell me what your feelings are about that?

SENATOR KRUEGER: So I believe that the regional migration patterns in this country for decades now have been away from the Northeast and the older cities towards the South and the Southwest. So I don't think it's unique to New York that there have been these migration patterns.

And it has been disproportionately from the areas we call upstate New York, and not from the City or immediate suburbs, because I don't believe we have seen the people leaving in the City and Nassau County and Suffolk or even Westchester. So it's pretty much been outmigration from Northern New York and Northwest New York and the Western Tier.

For some of the exact same reasons, as they've seen this pattern throughout the country in the older cities, if we don't have the jobs in the more modern economic models, then there aren't things for people to stay and do, so they go somewhere where there are jobs. If they don't have the infrastructure for the jobs to

want to be in their communities, there's a decrease in people.

It's interesting because we know we have some really great education, including in our colleges throughout the state. But you still have to make sure that you are matching what it is that the business community is looking for. So I think a lot of migration patterns correlate to changes in the economy. That would be my general answer.

SENATOR TEDISCO: Would the gentle Senator yield for another question.

ACTING PRESIDENT MAYER: Senator Krueger, will you yield?

SENATOR KRUEGER: I will. I'm not sure any of this is in the budget, but I'm going to give it my damnedest. Thank you, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: Would you be surprised, Senator, to know that we were number one in outmigration the last three years, of all the states in this nation, and we lost 1.4 million over the last decade? And when you

talked about the Northeast states migrating, do you know that 16 percent of that population last year went to New Jersey from New York State, moved to New Jersey?

When you said we don't have the economy or the jobs, doesn't that mean we need an agenda change in New York State to keep people here? Because the people who are leaving are the people who can afford to leave. Who's going to be left to pay for a $208 billion budget when the people who can afford to leave, leave? The middle class and lower-income. How are we going to take care of the education costs I'm going to be talking about here today, the infrastructure, healthcare, our nursing homes and our hospitals?

If those who leave are the ones who can afford to leave -- because you have to pack up, you have to get a moving van -- and when 16 percent are going to New Jersey, doesn't that say we have to have a little bit of a change in direction on how we tax and how we spend? Are you saying we have to tax more and spend more to keep people here?

SENATOR KRUEGER: So the 16 percent who went to New Jersey primarily went from the

New York City area because the housing costs were less in New Jersey and they could commute. But the tax costs really weren't less in New Jersey, and we're pretty much neck and neck with them on taxes.

I guess I will ask you -- through you, Madam President, may I ask the Senator a question?

ACTING PRESIDENT MAYER: Senator Tedisco, Senator Krueger has a question.

SENATOR TEDISCO: Sure.

SENATOR KRUEGER: Thank you.

So you were here and you were listening. We're proposing meeting our needs for our communities by taxing higher-income people. Assuming you don't disagree we want more money for education, we want better healthcare, we want better infrastructure, how would you suggest we pay for them?

SENATOR TEDISCO: Well, I'd start with something like $450 million for Hollywood moguls who make millions and billions of dollars and come to this state, spend a week, put a couple of people to work, and then leave and walk out of the state.

And then I'd look at these Regional Economic Development areas, which the Comptroller says they promise us jobs, we give them billions of dollars, they don't create the jobs, and they walk out of the State of New York.

So I think our priorities are a little mixed up, and we need a little bit of a redirection on how we spend our revenue to keep people in New York State.

I'd like to ask the Senator to yield once again.

ACTING PRESIDENT MAYER: Senator Krueger, will you yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT MAYER: The Senator will yield.

SENATOR TEDISCO: I want to ask you about Foundation Aid. In 2018 I was sitting in this room and I was happy as a bird because I was in the Majority. But outside in the hallways we heard a lot of noise -- it was rallying, it was protesting, and those were about full funding for Foundation Aid.

I want to ask you, in comparison to the Governor's proposal, in this proposal in

terms of Foundation Aid -- first of all, I presume -- I'll ask you it anyway. Do you support full funding for Foundation Aid? And is there full funding following the formula for Foundation Aid in this particular one-house, but how does the funding differ between the Governor and what you've put in for Foundation Aid?

SENATOR KRUEGER: So we go up 1.37 billion in Foundation Aid from where the Governor was in his proposed Executive Budget. And we propose a three-year full phase-in to get to where we need to be in Foundation Aid.

SENATOR TEDISCO: Thank you.

Would the good Senator yield for another question?

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Of course.

SENATOR TEDISCO: So that begs this question for the Majority who said they want to fund full Foundation Aid. In 2019, this Majority proposed 1.2 billion. Do you know what you voted for at the end of that budget, the final budget, in Foundation Aid? $618 million. That's less than half than what you proposed. You voted for

that budget.

Last year there was no one-house budget. The Governor flattened out -- no funding increase. You voted for that for Foundation Aid.

How does a Majority that says they want full funding for Foundation Aid, a very necessary -- and you talked about it being necessary -- come to a conclusion when they debate and then negotiate, that they get half of what they've said they want in their individual budget that you're -- similar to today, 1.37.

If you follow history, it will be less than half of that. Do you think you can really get 1.37, a 7.4 percent increase?

SENATOR KRUEGER: So you certainly know, from your years in the majority and the minority in these two houses -- because you served in the Assembly before -- that the concept of one-house budgets are ultimately aspirational. We all ask for things we hope to get; we all lick our wounds at the end of the process because we don't get everything we were trying for.

SENATOR TEDISCO: Sure.

SENATOR KRUEGER: But in fact the answer to your question of how do we think we can

get there is by making the investments in getting new revenues into the state that will continue year after year to make sure that we have the money for education.

My dear friend Senator O'Mara said he was outraged the federal government gave us $12 billion and he was outraged we were asking for more revenue from wealthy New Yorkers. Well, I'm outraged that he thinks that way. How do we pay for the services we need, the investments we need -- the future -- if we don't have the money to do so?

So saying we're upset that we finally get some money from Washington -- who, by the way, we are still year after year after year the state that sends more money to Washington than we get back by billions of dollars. So finally, it takes a pandemic world crisis and half a million people dying so that we finally get some of that money back from Washington? I'm not outraged about that. I don't think it's going to come very often, which is why we are doing what we are doing, trying to plan for the years after that with a tax base that actually adds up to the kinds of programs and services you

want for your district, I want for my district.

SENATOR TEDISCO: Would the Senator yield for a question.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: And I liked the way you talked about it -- my district, your district, fairness and parity. I do believe you believe in fairness and parity in our educational aid and how it's distributed across the state.

I would ask you this. How do you square that fairness and parity -- and I look through the aid categories, I see there's a $12 million investment in special target aid to Yonkers. I have high-need districts in Schenectady, in Gloversville, in Johnstown -- high-need, low-wealth districts. How do you square that away with parity and fairness following the formula, Senator?

SENATOR KRUEGER: My understanding is that we are restoring a cut that was made and has resulted in a gap for both Yonkers and

Rochester. Is that correct? Oh, sorry, I'm reading the text instead of the numbers. So the 12 million is for Yonkers, you're correct.

And Yonkers is a disproportionately poor city that has been suffering from underfunding in education now for a very long time.

SENATOR TEDISCO: Would the gentlewoman yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: I will, Madam Chair from Yonkers.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: I can tell you Schenectady, Gloversville, Johnstown have been suffering from underfunding for years, Senator.

But let me ask you this. Special schools in New York State, what does this budget do for special schools?

SENATOR KRUEGER: There's a 6.6 percent increase commensurate with the increase for other public schools.

SENATOR TEDISCO: Would the Senator

yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR TEDISCO: That wasn't in the Governor's budget, that's an addition you put in?

SENATOR KRUEGER: Yes, that's correct.

SENATOR TEDISCO: I'm going to go quickly now because I know other people want to speak, so I'll just ask quickly. Albert Shanker grant programs for gold standard teachers and a lot of other programs for teachers, you put those back into the budget.

SENATOR KRUEGER: They have been restored.

SENATOR TEDISCO: I think that's a great thing. I commend you for that. I like that very much.

ACTING PRESIDENT MAYER: Senator Tedisco, are you asking Senator Krueger to continue to yield?

SENATOR TEDISCO: Yes, would you yield?

SENATOR KRUEGER: Yes, I will.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

The Senator yields.

SENATOR TEDISCO: The teacher tenure thing. Because of the pandemic last year, they weren't able to get the two-year evaluation. Is there anything in here for the APPR evaluations to help out with teacher tenure?

SENATOR KRUEGER: No, there is nothing in the one-house budget. But Senator Mayer just introduced a bill to address this problem.

SENATOR TEDISCO: Congratulations.

SENATOR KRUEGER: So perhaps when she's not on the podium running the Senate floor, you can chat with her about her bill.

SENATOR TEDISCO: I will do it.

Would the Senator yield.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: Preschool availability across, you put some money in there

that the Governor didn't have for preschool ed?

SENATOR KRUEGER: We put full funding for preschool into the budget.

SENATOR TEDISCO: Fantastic. Summer enrichment programs --

ACTING PRESIDENT MAYER: Excuse me, Senator Tedisco, are you asking --

SENATOR TEDISCO: Yes, would she yield again.

ACTING PRESIDENT MAYER: -- the Senator to yield?

SENATOR KRUEGER: Yes.

SENATOR TEDISCO: Summer enrichment programs, how does that differ from the Executive Budget?

SENATOR KRUEGER: Nothing here. But the 12 billion in federal money for schools can be used for that purpose.

SENATOR TEDISCO: Anything -- would she yield again?

ACTING PRESIDENT MAYER: Senator Krueger, will you yield?

SENATOR KRUEGER: Yes.

And when I just said million, I meant billion, so excuse me.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR TEDISCO: We know how important broadband has become. You've heard me say on the floor several times about my district, we need homing pigeons or smoke signals to get communications. Does this budget do anything for broadband or web infrastructure?

SENATOR KRUEGER: It requires the internet providers to put aside money in a fund that will go to help ensure that every household with children has broadband access.

SENATOR TEDISCO: Thank you.

On the resolution.

ACTING PRESIDENT MAYER: Senator Tedisco on the resolution.

SENATOR TEDISCO: Senator Krueger, thank you so much for your dedication towards answering all these questions. It's -- it must be overbearing, a tremendous challenge. You do a great job with it, and we appreciate it very much.

I'm just hopeful that when we get to the end of the day, holistically this budget does what's right for our constituents, we continue to

attract people to New York State, keep them in New York State, and we spend their money wisely and we provide the product that they wish to have, and the product will provide enhanced scores and graduation rates because in there is parity and fairness across the board for all our municipalities and our school districts.

And once again, thank you for your consideration. You're quite a dynamo, Senator.

SENATOR KRUEGER: Thank you so much, Senator.

ACTING PRESIDENT MAYER: Thank you, Senator Tedisco.

Senator Palumbo.

SENATOR PALUMBO: Thank you, Madam President. Will the chairwoman yield for quick questions.

ACTING PRESIDENT MAYER: Senator Krueger, will you yield for a question?

SENATOR KRUEGER: I'll do my best, Madam President.

ACTING PRESIDENT MAYER: The Senator will yield.

SENATOR PALUMBO: Thank you, Senator. And I'll give a little preface to it,

but it should only be maybe one or two questions on the public protection piece.

In Part O the Executive Budget created a gun clearinghouse which indicated -- and I'll read you the sentence while you get acclimated: "Whenever a state or local enforcement agency seizes or recovers a gun that was unlawfully possessed, recovered from a crime scene or is reasonably believed to have been used in or associated with the commission of a crime, or is otherwise recovered by such agency as an abandoned or discarded gun, such agency shall report such seized or recovered gun to the criminal gun clearinghouse as soon as practicable." And this clearinghouse would require that information to be shared with federal agencies, ATF, DCJS and the local agency, to track where that gun came from.

Now, when I get to the one-house resolution, on page 10, Part O, the Senate rejects the proposal to strengthen information-sharing between local police, DCJS and federal databases.

So Senator Krueger, my question is that that information-sharing of course could

result in solving many serious crimes that have to do with an illegal handgun. Could you please tell me why this Majority, in the one-house budget, rejects the sharing of gun information between those agencies, please.

SENATOR KRUEGER: One moment.

Through you, Madam President. Oh, hello, Madam President. You changed on me. New Madam President.

So it's my understanding that we pretty much rejected any policy proposal with no money or budget attachment to it because we wanted to deal with the issues separately as legislation that goes through this floor.

So it was really a broader policy decision than that question. It was we're not letting the Governor do legislation through the budget.

SENATOR PALUMBO: Will the sponsor yield for one more question, then, please. Or the chairwoman.

ACTING PRESIDENT PERSAUD: Senator Krueger, will you yield?

SENATOR KRUEGER: Certainly.

ACTING PRESIDENT PERSAUD: Senator

Krueger yields.

SENATOR PALUMBO: Thank you. And I appreciate that, Chairwoman.

And in that regard, though, we have the DAs Association, when we speak of the discovery reform that was passed last year, they were looking for $100 million. This budget only has $40 million appropriated for those funds. So do you intend with that comment you just made to at least fully fund -- since that's already been implemented, would you provide the DAs Association with that $100 million that they're requesting so they can properly implement the discovery system that's already been signed into law last year?

SENATOR KRUEGER: So through you, Madam President, so that was our -- this would be our second round of funding. We gave them 40 million; we're giving them another 40 million. So there's still 20 million unresolved, under that math. And never say never, but it's really not 40 million, it's 80 million.

SENATOR PALUMBO: Very good. Thank you. And thank you again, Madam President. And I hope that gets corrected in the ultimate

budget.

That's all I have. Thank you, ma'am.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Rath on the resolution.

SENATOR RATH: Thank you, Madam President. Will the Senator yield for some questions.

ACTING PRESIDENT PERSAUD: Senator Krueger, will you yield?

SENATOR KRUEGER: I will.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR RATH: Thank you very much.

On January 11th this Senate passed broad and sweeping changes to the Election Law. On that day I shared many of my concerns about the cost and the administrative burden with my colleagues.

In the Aid to Localities bill, Senate Bill 2503B, there is $4 million in new funds dedicated to local Boards of Elections to address reforms passed by this body. Can the Senator please elaborate on how this total of

$4 million was calculated?

SENATOR KRUEGER: As soon as I get my expert staff here.

Can you restate the question? Staff will hear it, and the right staff will come in.

SENATOR RATH: Yes. I will say it extra loud.

In the Aid to Localities bill, Senate Bill 2503B, there is $4 million in new funds dedicated to local Boards of Elections to address the elections reforms passed by this body. Can the Senator elaborate on how this total was calculated?

SENATOR KRUEGER: I'm getting half of the answer. You didn't think it was that complicated a question, did you?

SENATOR RATH: It seemed like a good one to me.

SENATOR KRUEGER: My understanding is that it will be laid out as pursuant to the populations so they'll take the 4 million and it will be distributed based on the populations of the different counties.

As to how we got to the number 4 million, maybe the right person is showing up.

We estimated, based on the requests for additional sites by the counties, and concluded that 4 million sounded like the right amount. But we would only know if we get it out there to them, get through an election or two, and see whether they're still crying out for more.

SENATOR RATH: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, will you yield?

SENATOR KRUEGER: Certainly.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR RATH: You foresaw my question in part, at least, which is will there be parity in the disbursal of these funds between urban and rural counties.

SENATOR KRUEGER: There will be parity based on population. So, I mean, you assume that urban will have larger numbers of sites, but they maybe just have bigger sites, not more of them, I don't know. So they're just going to take the population and be fair across the board.

The sites are tied to the population of each county, so it actually is logical.

SENATOR RATH: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR RATH: Pivoting to local governments, in Part KK of the Public Protection and General Government bill, Senate Bill 2505B, there is a measure to restrict assistance to municipalities where video lottery gaming facilities are located.

Can the Senator please explain why only certain municipalities are eligible for this money.

SENATOR KRUEGER: So we restored nearly a hundred million in Aid to Localities, between the AIM fixes and the giving them back their sales tax revenues. And there was a sense that there was just not a lot of VLT money to take away and give to more localities.

SENATOR RATH: Through you,

Madam President.

ACTING PRESIDENT MAYER:

Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR RATH: Could the Senator please elaborate on why counties like Genesee County and Saratoga County were excluded?

SENATOR KRUEGER: Through you, Madam President. It's my understanding that in the past, the Governor did approve money for those counties, and he did not include it this time. And we felt that we did not have the ability to take more of the money and move it around.

SENATOR RATH: Through you, Madam President.

ACTING PRESIDENT MAYER:

Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR RATH: I find it quite interesting that Genesee and Saratoga Counties

were excluded, as well as Sullivan County, while others were included. So this is a question that the Assembly has addressed. And are you aware that the Assembly fully restored all VLT money for all host counties and municipalities?

SENATOR KRUEGER: So speaking for myself, no, this is new information. I suspect staff might know that. So you know that they did go that route.

So yes, you're right. So let's hope the Assembly wins that fight.

SENATOR RATH: Through you, Madam President.

ACTING PRESIDENT MAYER: Senator Krueger, do you continue to yield?

SENATOR KRUEGER: Yes, certainly.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR RATH: Thank you.

I would certainly hope that the Senate follows the lead of the Assembly and we all share in that advocacy.

Thank you.

SENATOR KRUEGER: Thank you.

ACTING PRESIDENT MAYER: Are there

any other Senators wishing to be heard?

Seeing and hearing none, debate is closed.

Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT MAYER: Senator Stec to explain his vote.

SENATOR STEC: Thank you, Madam President. I rise to explain my vote.

These are difficult times. We've had a lot of challenges in the last year, certainly, that would justify a lot of unusual challenges, a lot of difficult choices and a lot of unusual activity in our own Senate finances.

However, the Senate's one-house budget bill is $15 billion above last year's budget. The Governor's proposal was only $2 billion higher than last year's budget. In two years -- the Senate one-house bill proposed in front of us today is $210 billion. That's 21 percent higher than what the actual budget was two years ago.

The Senate Finance chair a few minutes ago said that the one-house bill is aspirational. Well, this is very real money;

$210 billion is an awful lot of money. I have a lot of businesses that are aspiring to survive COVID and aspiring to survive the business climate in New York State. I have a lot of constituents back home that are aspiring to pay their taxes and to put their kids through school and to pay their mortgages.

This budget is irresponsibly high. And there's the old adage, don't let a crisis go to waste. We've got two crises -- we've got a Governor embroiled in two scandals and we have the COVID pandemic. It seems to me that on the backs of these two crises, we have put forward an awful lot of aspirations that are going to be costing my constituents and our children an awful lot of money for generations to come.

I will be opposed to this one-house bill. Thank you.

ACTING PRESIDENT MAYER: Senator Stec to be recorded in the negative.

Senator Hinchey to explain her vote.

SENATOR HINCHEY: Thank you, Madam President.

This has been one of the most difficult years our state has ever faced. It's

forced us to look directly at the cracks in our system and laid bare the systematic inequalities that have been buried just so shallowly under the surface of our everyday lives.

It's created a moment where we have to take a hard look at ourselves to identify our values and, as the Empire State, determine what kind of leader New York should be.

I ran for State Senate on the premise that we need more upstate voices at the table, fighting for our communities at the moments that matter most. And I'm proud to say that I'm delivering on that promise. Today's budget is the best budget for upstate New Yorkers that we've ever seen. There are real substantive gains that even just last year were unimaginable.

For example, for the first time ever the Catskills Park has its own funding line item in the EPF stewardship fund, unlocking the ability for infrastructure investment, research and stewardship. It's the kind of investment our region has been asking for for over 20 years.

We're helping our upstate communities with the first-ever commitment to real property tax relief, helping local

governments fund the essential services residents depend on, investing greatly in rural housing and healthcare access, growing green jobs, and pushing for education parity with fully funded universal full-day pre-K for our upstate children.

We're strengthening upstate infrastructure by protecting our local roads and bridges through increased CHIPS funding and Extreme Winter Recovery funds, closing the broadband gap once and for all by getting the accurate household-level mapping data and adding additional clean water funding so that our aging infrastructure gets the attention it deserves.

And we're committing to our agriculture sector by bolstering the overall ag budget and protecting farmland, funding new research and development initiatives, and creating a new line item dedicated to supporting small farms.

This one-house budget proposal is a win for upstate New Yorkers and one we can build off of for years to come. And for that reason, I vote aye.

ACTING PRESIDENT MAYER: Senator

Hinchey to be recorded in the affirmative.

Senator Borrello to explain his vote.

SENATOR BORRELLO: I'm in the wrong chair, excuse me.

Thank you, Madam President.

You know, as New Yorkers I think we can all say that we are desperate to move on from this pandemic. The economic devastation, the cost in lives in New York State has been very heavy. But if we want to move ahead, we're going to have to ensure that our economy can recover and thrive.

That's why I was relieved to hear that our federal government was going to provide a very generous $12.6 billion in federal aid, as well as an additional 10 billion for schools, colleges, childcare and other budget items.

I thought that would mean we'd no longer need a tax increase right now, which would hurt New Yorkers at an incredibly sensitive and difficult time.

But then we saw this budget, with $6.3 billion in new taxes, a record amount of spending, $210 billion, $15 billion more than the

Executive Budget proposal.

What's that going to mean for New Yorkers? And I understand there's this philosophy that it's only a small number of people and they can pay a little bit more. But that's really not the reality.

The companies that are leaving New York State, the people that are leaving in record numbers -- more so than any other state -- those are the jobs that are leaving. Those are the families that are leaving. They're not just the wealthiest 1 percenters. These are people in my district, the people that -- like at Siemens Energy, 400 jobs, because they're closing, because New York is no longer a state that Siemens can do business in. These are not billionaires or multimillionaires. These are working-class folks trying to feed their families that can no longer do that.

So these taxes that we're going to increase, they're going to affect all of those folks, not just the wealthiest 1 percent.

We should be taking steps to reverse the trend of increasing taxes and regulations. And if there's one thing this pandemic has taught

us, it's that no one needs to be any one particular place. We can choose to pretty much be anywhere, working virtually, remotely, learning remotely. So we have to give people reasons to remain here in New York -- the highest-taxed state in the nation and now one of the least safe states in the nation. Those are not reasons for people to remain in New York. They're certainly not reasons to move to New York.

So we can talk about the last election and how many votes we received, but the reality is people are voting with their feet and they're voting to leave New York State in record numbers.

Now, there are some great things in this budget that I am happy and proud to support. But unfortunately, the way the system works here in Albany is it's one big bundle, and we have to vote up or down. So while I am happy about some of the infrastructure funds that have been restored, the help for our farmers that desperately need it, and some other things that I think will be good, ultimately, with the largest tax increase in history, the largest spending

amount ever in the history of New York State, I have to reluctantly vote no.

Thank you.

ACTING PRESIDENT MAYER: Senator Borrello to be recorded in the negative.

Senator Gianaris to explain his vote.

SENATOR GIANARIS: Thank you, Madam President.

I want to explain why the vote I'm taking today is one I'm very excited about. There are many things in this resolution that I and many of my colleagues have been fighting for for a long time, and a lot of which responds very directly to some of the pain of the last year that people have felt. So I just want to take a moment to go through some of the key elements, some of which may have been lost in the context of some bigger issues.

But one that I have been pursuing for some time is a removal of the Opportunity Zone tax break in New York, an abused program that was intended to help distressed communities but in fact has been manipulated to pump money to developers who are developing overdeveloped areas

already and, from what I gather, has been used to support developments that were going to be happening whether this tax break existed or not, because they were already underway.

It is a horrible waste of money. It will save us over $60 million this year. So that repeal is an important one for me.

But I want to also talk about some of the things that are in here that will help people in need who have suffered over the last year, that many of us have spoken about. Rent relief for New Yorkers who have suffered greatly during the pandemic, lost their jobs or had massive economic loss and have been in arrears. And we're doing it in a way where the rent is going to get paid, the smaller landlords will get their money so they can continue to pay their mortgages and their bills, and it's a success story for all involved.

Helping our small businesses -- a billion dollars for small business aid, $500 million in the form of grants and $500 million in the form also of rent relief for those commercial tenants who have had a very, very rough time over the last year. We've

already lost too many of them, and this will help us save those that remain.

A great amount of assistance for people who have not been eligible for all the federal money that's been flowing through the country. People that have been delivering our food and doing our laundry and helping us continue to live our lives during a very, very difficult time. When others had the privilege of being sheltered at home, they were people who were helping our communities continue to function. This resolution will provide support for them.

And then a couple of things that the Governor tried to do in his proposal that we are rolling back. Among others, we are restoring money that was proposed to be raided from the MTA. What a horrible, horrible idea at a time when the subways and buses need more support, not less. How are we supposed to get people back to work if the subways and buses aren't working to get them back to work? How are people supposed to get to their doctor's appointments if there's no way to get around or if it's not functioning the way it's supposed to? We would restore that

money.

And I want to say a word about Local Law 97 in New York City, which is a nation-leading effort to combat climate change. Years of effort advocates, City Councilpeople in the city put into this to get done, and I want to give a special recognition to my own Councilman, Costa Constantinides, who chairs the Environmental Committee in New York City in the Council. They established a law that is a national model, and it was proposed in the Executive Budget to overrule that by sneaking a provision in there that would obviate what the city had done. And this resolution would roll that back as well.

So there's so many things, I could go on further. But I know I'm only explaining my vote, so I only have so much time. But I am proud to cast a vote in the affirmative on this resolution. It is a great piece of work, and this Majority is very proud of it.

Thank you, Madam President.

ACTING PRESIDENT MAYER: Thank you. Senator Gianaris to be recorded in the affirmative.

Senator Jordan to explain her vote.

SENATOR JORDAN: Thank you, Madam President. I rise to explain my vote.

There are many things in this overly progressive budget that cause me to vote no. But I will call attention to a major failing of this one-house Senate budget, a video lottery terminal -- also known as VLT -- host aid not being restored for the City of Saratoga Springs and Saratoga County as was requested back in January.

The exclusion of this funding for my district, as well as my colleague Senator Rath's district, appears to have been driven by partisan politics, seeing that the VLT aid to host cities with Democrat Senators are receiving this aid.

This all must be rectified. Back on January 25th I raised this issue to the Majority with my colleague Senator Jim Tedisco, Assemblywoman Carrie Woerner, and Assemblywoman Mary Beth Walsh. We made a bipartisan push seeking full restoration of the $3.1 million in host aid for Saratoga County and the City of Saratoga Springs.

While just over $3 million pales in

comparison overall to the State Budget's 193 billion All Funds spending, this VLT funding is nonetheless extremely important for the City of Saratoga Springs and Saratoga County. Saratoga Springs has been especially hit hard by the COVID-19 pandemic. Saratoga Race Course was not allowed to have fans in attendance during last year's meet, and that lack of fans caused serious impacts on the city's economy as countless small businesses, restaurants, hotels that depend on a strong racing season and tourism were negatively impacted. You can see it in our downtown.

VLT host aid was created to support assumed local service needs and costs associated with hosting VLT facilities, especially public safety costs and other significant expenses incurred by local governments, like the City of Saratoga Springs and Saratoga County.

A loss of this funding would devastate local finances and result in a reduction or elimination of essential local services. Saratoga Springs is led by a Democratic mayor, and the city made a bipartisan request back in early January for a restoration of this critical VLT funding.

This issue is too important to fail prey to petty partisan politics. Without this aid, I will have to vote no.

ACTING PRESIDENT MAYER: Senator Jordan to be recorded in the negative.

Senator Brouk to explain her vote.

SENATOR BROUK: Good afternoon, Madam President. I'd like to speak on, just for a bit, the impact of this budget on our state and on my district, the 55th District near Rochester, New York.

Within this resolution are some incredible wins for the Rochester region. So I want to thank my colleagues and Senate leadership for recognizing the moment we're in and rejecting the austerity mindset of the Executive Budget, which failed to meaningfully support New Yorkers in need.

I told my community that I would bring their voices and their needs to the table. And today, with this resolution, I'm proud to claim that the Senate has delivered more to our district than has been delivered in many, many years.

As a proud public school graduate,

I'm thrilled that we successfully delivered significant investment to our local schools, especially to Rochester City School District, which faced a dire future after years of underfunding.

We have successfully advocated for increases in Foundation Aid, which school districts across the state so desperately needed. This is the investment our state needs and is the only way forward to secure a bright future.

This budget will have long-lasting, positive impacts on our communities. The Executive Budget included an amendment that would take away local control of the Erie Canal. The canal is an important community asset for recreation and economic development. Local residents and elected officials urged me to fight against this takeover, and I'm proud that the Senate has rejected this amendment.

The one-house budget also makes a key investment in Rochester's Police Accountability Board, which has been fighting to end the cycle of police violence that has plagued our community.

The $1 million allocated to fund the

Police Accountability Board's vital work is an important first step in ensuring that Rochester residents never again have to wake up to the news that our police has killed someone in crisis instead of supporting them, or that our police have pepper-sprayed a mother while she holds her 3-year-old child, or that our police have handcuffed and pepper-sprayed a 9-year-old girl while she calls out for her father.

Today I'm glad that my neighbors are getting some good news instead. The New York State Senate is making an investment in their futures.

There are enormous unprecedented wins that will have a lasting impact on the residents of the 55th District and across the state. The Senate is taking strong steps in the right direction to ensure that the health, housing and educational needs of New Yorkers are met. But there remains an urgent need to invest in working-class and middle-class New Yorkers beyond just this year.

I urge my colleagues to continue pushing for sustained investment in our communities. The New York State Legislature must

think bigger, and we must include mechanisms for sustainable revenue to set our state up for success.

I look forward to continuing this important work with my colleagues and will be voting aye on this resolution.

ACTING PRESIDENT MAYER: Senator Brouk to be recorded in the affirmative.

Senator Martucci to explain his vote.

SENATOR MARTUCCI: Thank you, Madam President.

I'm disappointed. I'm disappointed because I hoped to be able to come here and support this one-house budget resolution. I'm disappointed because there are good things in this resolution, things that I proudly support.

These include keeping Goshen Secure open, increased school aid, money for our local roads, help for our small businesses and, at long last, fair pay for our home-care workers. These are all great things.

The problem is that even in light of the state's recent windfall of cash -- $12.7 billion from the federal government,

$10 billion for education, billions more for local governments -- this resolution proposes over $6 billion of new taxes, one of the largest increases in our state's history.

These new taxes hit everyone, not just the rich, as has been advertised. When you add fees to broadband, charge utilities and insurance companies more and increase the costs to businesses, you're hitting middle-class New Yorkers. Corporations and utilities will not just eat this increase; they'll pass this cost on to consumers, and these consumers are my constituents.

Our economy has suffered enough this year. Our state has suffered from high taxes for decades. Last year -- or this year, rather, we have more than enough money, all provided by the federal government to meet our budget needs without asking New Yorkers to pay one dime more.

It's not time for new taxes, new taxes are not necessary, and I'll be voting in the negative.

Thank you, Madam President.

ACTING PRESIDENT MAYER: Senator Martucci to be recorded in the negative.

Senator Brisport to explain his vote.

SENATOR BRISPORT: Thank you, Madam President. And I'd like to start by thanking you for recognizing me to speak.

I'd like to thank my colleagues for their extraordinary work and diligence in drafting this budget. And I'd like to thank central staff for their work to cross every T and dot every I. And I'd like to specifically thank our leader for bringing together a conference of 43 very different individuals.

Colleagues, New York has the single highest income inequality of any state in our nation. After we pass this budget, we will remain number-one most unequal. And while we may disagree on who to tax, what to tax, and how much, it is an objective fact that in societies with high inequality, the wealthy wield disproportionate influence on the political process.

In New York our Governor has wielded enormous power to normalize the idea that the wealthy should be our greatest concern. I saw that idea echoed over the past few weeks with

questions like, How will the wealthy feel about this budget? Will the wealthy feel piled upon? Will the wealthy continue to stay here, or will they leave? Will the wealthy call us to yell at us? Will the wealthy stop voting for us?

Do we ask how the unhoused will feel about this budget, the uninsured? Do we center the concerns of the unemployed, the incarcerated or the undocumented? No. Because in a society as unequal as ours, the marginalized do not wield political power. The wealthy do.

I don't blame anyone here for the way this discussion has played out. Centering the wealthy has become the culture of Albany, a culture propagated by a Governor who is loyal to no one but his billionaire donors. He has pushed austerity rather than equity, and it has become the norm here to ask how will the wealthy react?

I'm voting aye today. And as we move forward into negotiations with the Governor, I'm asking that we don't let him center the New Yorkers who have gotten billions of dollars richer during this pandemic. We must remember the vast majority of New Yorkers who are still struggling during this pandemic. We must treat

our one-house budget as a floor, not as a ceiling. We must declare this to be the bare minimum we will accept for our communities. And we must push for even more.

This body has the opportunity to usher in a new day for our state. We must rise to that occasion.

Thank you.

ACTING PRESIDENT MAYER: Thank you.

Senator Brisport to be recorded in the affirmative.

Senator Helming to explain her vote.

SENATOR HELMING: Thank you, Madam President.

In so many areas I find that this budget has misguided priorities and it falls really short, especially for everyday New Yorkers living in upstate.

Adding a new internet tax? Guess what, it's not going to help us deliver expanded broadband service.

Individuals and families looking for housing services for loved ones with developmental disabilities, mental illnesses or behavioral concerns won't find help in this

budget. The needs of so many physically challenged people who are enrolled in the state's Consumer Directed Personal Attendant Program -- a lifeline, a lifeline that keeps them out of nursing homes and keeps them in their own homes, living as independently as possible -- they're not going to find help in this budget.

If this budget stands as presented today, our veterans are going to be shortchanged. The Warrior Salute program that provides housing and counseling for homeless veterans and veterans experiencing trauma? Cut again.

And no funding once again for a Veterans Memorial Cemetery. This in a state that likes to call itself progressive. New York State is one of only four states without a state-operated facility. Sampson Veterans Memorial Cemetery was constructed with the intent to become a state facility. Let's get it done.

We've heard talk surrounding the budget about creating a new crime related to domestic violence, and yet the budget fails to deliver on a $300,000 grant to construct a home for women and children to protect them from domestic violence. By the way, I have to comment

that that shelter was to be built in Seneca County, Seneca Falls, the birthplace of the women's rights movement. There are only six counties in this state that don't have shelters. This shelter that was proposed and approved was going to serve three of those. Again, the budget doesn't deliver.

Our volunteer firefighters and rural EMS providers will not find support in this budget.

Madam President, I could go on, but the bottom line is this budget will be the final nail in the coffin for so many small local businesses. It's going to send even more individuals and families packing their bags and fleeing the state.

This budget proposes one of the largest tax increases in the history of our state.

In my opinion, this budget resolution is yet another attack on the middle class. It's another attack on job creators, and it's going to crush anyone aspiring to achieve the American dream.

For these reasons and others, I am

voting no on the budget resolution before us.

Thank you.

ACTING PRESIDENT MAYER:

Senator Helming to be recorded in the negative.

Senator Reichlin-Melnick to explain his vote.

SENATOR REICHLIN-MELNICK: Thank you, Madam President.

When I ran for office last year, I talked a lot -- and my constituents and the voters responded -- about making New York a state that works for everyone, not just the wealthy and the well-connected. This budget would go a long way towards making that goal a reality.

It's a historic investment in our state, in our public education systems, in our healthcare systems, our roads, our mass transit, in services for seniors, services for veterans, assistance to our local governments and, importantly, property tax relief for middle-class families in the 38th District and around New York State.

This budget restores over $1.3 billion and adds that to the Foundation Aid formula that funds our local schools. In the

38th Senate District, which I represent, $37 million coming into schools. It increases Foundation Aid by requiring a minimum of 60 percent due under the formula, and that would bring over 85 million into schools in the 38th District in Rockland and Westchester.

We are restoring the income tax cuts that the Governor proposed to delay: $394 million in income tax relief for the middle class in this state. And property tax relief, creating a new $400 million circuit breaker for property taxpayers paying over 6 percent of their income towards their property taxes.

This will benefit thousands of residents in my district and tens of thousands and millions of residents throughout New York State. It's investments like these that show why we are making New York a better place for people to live, work and do business.

We have to support this budget. I am proud to support it. Thank you.

ACTING PRESIDENT PERSAUD: Senator Reichlin-Melnick in the affirmative.

Senator Biaggi to explain her vote.

SENATOR BIAGGI: Thank you,

Madam President. I rise today in support of the proposed one-house budget.

The greatest crisis that New York State faces right now is mass destitution. The Bronx, in the district that I currently represent, has the highest unemployment rate in the state, at 15 percent. Families currently are facing severe food insecurity and many, many, many fear losing their homes. Members of our immigrant communities have not seen a dime in government relief.

The need is massive, and equity and justice must be our guiding principles. The one-house budget resolution takes meaningful steps to meet the moment we are in and to provide assistance to our most vulnerable communities. The changes that are proposed to the personal income tax, the capital gains tax, and the corporate franchise tax in particular will generate significant revenue to fund education, rent and mortgage relief, small business relief and so much more.

Notably, the Senate proposal increases education funding to $5.7 billion, including a $1.37 billion increase in

Foundation Aid, and commits to fully phasing in Foundation Aid over the next three years.

The funding acknowledges the challenges our public schools endured over the last year and the resources that they desperately need and are waiting for. Additionally, the one-house budget funds the Excluded Workers Fund with $2.1 billion to help those who faced unemployment during the pandemic but who have been ineligible for unemployment assistance.

And while this is a step in the right direction, we must fully fund our excluded workers for $3.5 billion.

The resolution also invests $200 million in housing vouchers, invests millions in supplemental rent aid, and it restores all the cuts to Medicaid, which is incredibly significant to me because, representing the Bronx, which has been the epicenter of COVID-19 not only for the state but for the country, it is a place that cannot afford to have any more cuts made to its medical system.

The resolution also proposes many commonsense updates to outdated tax codes, and these slight adjustments will be the adjustments

that we will be able to make to ask the very wealthiest amongst us to play their role and to provide aid and resources to working families across the state, as one New York.

There is a lot more that we can do, and this is a moment for us and for New York State to be able to rebuild our future in a way that works not only for the few, but for the many. I am very committed to supporting our communities and taking care of all New Yorkers, and I am looking forward, looking forward to making transformational and creative and sustainable revenue raisers and changes that leave nothing on the table.

I believe the proposed one-house budget leads us in this direction, and I look forward to the end of our budget negotiations.

Thank you very much, Madam President. I vote aye.

ACTING PRESIDENT PERSAUD: Senator Biaggi to be recorded in the affirmative.

Senator Liu to explain his vote.

SENATOR LIU: Thank you, Madam President.

I am going to vote yes on the budget

resolution before the Senate today. This resolution puts forth a correct path into the future for New York. We're getting through a very, very difficult crisis and period, but nonetheless we have to lay the foundation for our future.

And part of laying that foundation is fulfilling a promise -- in fact, a mandate that we should have -- that the State of New York should have fulfilled over a dozen years ago. And that is to provide the resources, the funding so that all of the schoolchildren in New York State could get a sound, basic education. That concept of Foundation Aid to our public schools has never been fully fulfilled.

Today, in this budget resolution, we finally put our state on a firm path towards fulfilling that entire mandate, by phasing in the entire $4 billion per year that is still owed over the next three years. The plan will provide the funding in order to fully phase this, as we promised.

In addition to the Foundation Aid for our public schools, we're not forgetting higher education, which is just as important as K

or pre-K to 12 education. Our SUNY system, our CUNY system, our public institutions of learning, they have been starved for too long. Their reliance on student tuition has continued to increase over the last couple of decades. We must start to reverse this. And this budget provides the greatest increase to our public universities that we have seen in a very long time.

We are asking some New Yorkers to pay more, no doubt. These New Yorkers, though, make over a million dollars a year. Or, if it's a couple, make over $2 million a year. These tax increases will affect less than 1 percent of the taxpayers of our great state.

And in many cases, as has been recently documented, they are more than willing and understand the need for this. Many of these high-income earners have not been adversely affected by COVID, unlike many of our front-line workers who make far less than that threshold.

And along the way, we're also providing some relief for middle-class and even upper-middle-class taxpayers in the form of some property tax relief, property tax being far more

regressive than income tax.

So, Madam President, I'm proud to vote yes on our Senate budget resolution, and I look forward to holding the line and keeping this intact as we approach the deadline for the final budget on April 1st.

Thank you.

ACTING PRESIDENT PERSAUD: Senator Liu to be recorded in the affirmative.

Senator Mayer to explain her vote.

SENATOR MAYER: Thank you, Madam President.

Today we stand and push forward, particularly in the area of education, as my colleagues have said. We have put a stake in the ground that we are committed to fully fund Foundation Aid and, beginning this year, will finish the three-year project to ensure that every district gets what they deserve and what they are owed under the law and under the Constitution.

I'm so pleased that we are adding substantial money for schools throughout the state -- urban, rural and suburban. Every district has suffered through COVID. Children,

parents, communities, schools have faced this crisis head-on and have had incredibly difficult times. We need to help them through.

And through this budget, we are using state money to do what the state is obliged to do. And we are using federal money to supplement, not supplant, the state's obligation to these children and to our districts.

I'm very, very proud that we've made such a clear commitment to every child, regardless of zip code, to every district, regardless of whether it is represented by a Democrat or a Republican. Our commitment is to the children of this state, and this one-house resolution really makes our commitment so clear.

I want to also say that the broadband access in this bill, based on a bill that I sponsored to ensure that every child has free access to broadband while they have remote learning, is an important step to a statewide solution to a statewide problem. We no longer can have piecemeal approaches to dealing with a problem that affects every single district. We must have a solution that every child in every community gets access to broadband while we

require learning at home.

So I couldn't be more pleased that this one-house resolution sets us in the direction of making clear not only our aspirations, as our chair said, but also our commitment to the children, to the districts, to the parents of New York. We are going to fight for you, we are going to deliver for you, and today we are voting for you.

I vote aye.

ACTING PRESIDENT PERSAUD: Senator Mayer to be recorded in the affirmative.

Senator Harckham to explain his vote.

SENATOR HARCKHAM: Thank you, Madam President.

First I want to thank our Majority Leader, Senator Andrea Stewart-Cousins, for leading such a collaborative process where we end up in a space creating a budget that, as Senator Mayer just mentioned, addresses the people all over this state -- upstate, downstate, urban, rural, suburban.

I want to thank Senator Krueger for her work as chair of the Finance Committee as

we sorted through all the numbers, and certainly Senator Mayer for her work leading the education table and the excellent result that we have before us today on education.

This is a bill that invests in the people of New York State, and it invests in the people of the Hudson Valley. And it starts with restoring the cuts to the Dwyer program. The Joseph P. Dwyer program is a veterans peer-to-peer program based around suicide prevention, but also helps with depression, the opioid crisis, homelessness. This is a vital program in our district. I'm proud to say that we've restored it.

To our small businesses who have been hurt so hard by this pandemic, more than $500 million in grant money and -- one of my bills -- a $100 million grant fund directed toward businesses that we've asked to stay closed during the pandemic to keep all of us healthy. Another $500 million in commercial rent relief for small businesses, who have fallen behind. Just as we're helping our tenants with their arrears, we need to help our small businesses with their arrears.

And while we're asking the wealthiest New Yorkers to pay more of their fair share, we're holding the line and keeping this year's round of middle-class tax cuts in the budget. That was vital.

And for the first time, a property tax circuit breaker, something that's been talked about for years and years in Albany. For the first time, we've got it in, a $450 million saving for property taxpayers right there.

And lower interest rates for homeowners who are in arrears on their tax payments, gone from the usurious 18 percent down to a much more manageable 7.5.

And as we've just heard from Senator Liu and Senator Mayer, record investments in education, including universal pre-K for the first time throughout New York State.

These are investments that we need to help with economy rebound and to create the educated workforce we need to attract world-class companies to come back to New York as we grow in the future.

So I'm very proud of this resolution and proud to vote aye. Thank you,

Madam President.

ACTING PRESIDENT PERSAUD: Senator Harckham to be recorded in the affirmative.

Senator Lanza to explain his vote.

SENATOR LANZA: Thank you, Madam President. Madam President, to explain my vote.

First I want to thank Senator Krueger, Senator O'Mara for their exchange. I think it was extremely informative, and I really respect and am grateful for the hard work that they both put into this budget.

You know, as was pointed out, there's a lot here that is good for the State of New York. I particularly support the investment in education. I don't think you can ever go wrong investing in education, and I think the spending there makes a lot of sense. I agree with Senator Liu.

I wish there was a little more money, Madam President, for the developmental disability population in New York. I don't think that we ever meet our obligation and responsibility with respect to that very vulnerable population.

But Madam President, I want to explain the reasons why I can't support this resolution.

You know, for a year the people of the State of New York were told about this budget hole, this deficit, and how severe and how dire the circumstances were here in New York. And we all wondered what was going to happen. I don't think anybody really imagined that the solution to that tremendous budget deficit was to spend billions and billions and billions of dollars more. But here we are, and that's what this budget does.

You know, there was a conversation on the floor here -- what it would mean, why are people leaving New York, why aren't we attracting people and businesses in the way that we used to. We can have long conversations about that. But the fact of the matter, Madam President, is you have to look within. The fact of the matter is that New Yorkers are leaving, by the millions.

You know, if it were a business, if you had a bakery and people decided not to shop at your bakery but rather to go across the state to another bakery, any good business, any entity

that wanted to survive would look into the reasons why that's happening.

I would propose to you, Madam President, that the reason is budgets like this.

You know, Senator Krueger pointed out that there are people that are willing to spend more. And I would agree with that, that this is only a 3 percent increase on the upper earners in the State of New York. But you know the old adage, Madam President, the straw that broke the camel's back. These are folks that are already paying most of the way here in New York. And I would agree that people would spend more. But people want something in return.

And the fact of the matter is -- I say this with great sadness -- we're not getting more here in New York. We're getting less. You know, crime is on the rise. I look at my beloved City of New York; it's dirtier than ever, we have more homelessness in New York. Things don't seem to be going in the right direction in spite of the increased spending year over year.

I heard talk about austerity budgets. Madam President, I must have missed

them. And I've been here a number of years, even when Republicans were in the Majority here in this chamber. You know, I don't ever remember there being an austerity budget. Every single year we spend more and more and more and more, and things do not seem to be getting better.

You know, this pitting one group of New Yorkers against another to say, Hey, we're going to raise taxes by billions of dollars here, but don't worry, you're not going to pay it. That's the game that's always played. People are fooled into believing don't worry, we're not coming for you. It's for someone else.

I reject that. We have got to stop pitting each other against each other. You know, people said, Some people are leaving. And I know people say, Good riddance. You know, it's not my friend that's leaving. I don't like you because you make a lot of money. Or: It's not me that's leaving, it's not my family member that's leaving.

I don't want anybody to leave, Madam President. You know, we want to keep the job creators and the job seekers. It's a marriage. We need each other. And I promise

you, people make choices. You say they're not going to leave; what happens when you're wrong?

People -- if you can buy a house for a million dollars or a house for $100,000, and the house for $100,000 offers more -- people say people aren't leaving. I live in the southernmost point of New York State, Madam President, Staten Island. It's like the last stop. And people are flying through.

And they report back from places around the country. And you know what they say? They say: We pay less, and we get more. It's not a good formula for the future of New York.

There's talk that only 1 percent are going to pay. That's nonsense. We're all going to pay. If you increase the tax on the business owner who makes the bread, the person who buys the loaf of bread is going to have to pay more.

And that's what this budget does. And that's why I can't support it. And I know there's a lot of good work here and there are a lot of good aspects to this budget. But increasing billions of dollars at this moment is the absolute worst thing we could be doing.

Madam President, unfortunately I'm

going to be voting in the negative.

ACTING PRESIDENT PERSAUD: Senator Lanza to be recorded in the negative.

Senator Krueger to explain her vote.

SENATOR KRUEGER: Thank you, Madam President, to explain my vote.

So people might think she already spent three hours on the floor here explaining her vote. You know, I was listening to everyone, and I was thinking about the big picture. So this is my 19th year in the New York State Senate, and I come into this chamber and I am always taken by the beauty of it and the history of this building and the history of this state.

And what is it about New York? It's about great leaders who think boldly about the future and are willing to say it's not working, we got off-kilter somewhere, we have to reboot, using 21st-century language.

And I've been waiting for a reboot, I think, all 19 years that I've been here, and we've had some great successes just in the last couple of years. But I listen to my colleagues from the other side of the aisle saying why we can't do this. But then they list out all the

programs and services that their communities need and how frustrated they are that they can't get them taken care of.

And I understand that because I think everyone here has that feeling about the community they represent. But when they're asked to imagine that you would have an adequately funded state budget so that you could cover the costs of these services and programs, and not be which part of the baby are we saving, which part of the baby are we not saving this year.

If you imagine that we could actually have a state that made the true level of investment in its own people, in its own infrastructure, in its own future, you can see a different state for everybody.

And some people have talked so articulately about the injustice of the inequity of income in the state. And it's more real here than anywhere, and this whole country is being asked to confront that question. And I hope Washington does soon. But we're here in New York, and we need to take responsibility for our future and our people.

And I have no question -- people

keep saying, You just can't keep taxing people. Well, that's true. And some people's proposals went so much farther than what we've done today, and we didn't do that. But when I hear my colleagues say the taxes are going to fall on everyone, don't forget, I think, ah, every person in American politics is taught never raise a tax, it will be the undoing of you.

It's not true. It's never actually been true. But if you're underfunding the fundamentals of your society, first off, you're paying a lot more for all the problems that are created when you underfund what needs to be funded, so don't have the illusion you're saving money by not investing.

And second, you're supposed to lead because you asked people to vote for you and you asked people to give you the power to make really tough decisions like what our tax rates are going to be and what the laws are and how long we might have to go to jail for.

And I'm telling you that this state, if it's going to have the great future that it used to talk about having in the past, has to wake up and think it through differently.

So I know people are scared about calling for a significant raise in taxes. But again, it's on the wealthiest New Yorkers. And it's not a punishment, it's a cry for help: You've done great, you're doing great, we need your help because we want everybody to do well. And if you invest in us, we're going to be there and be the state you want us to be, and that's why you're going to stay.

And for all the many people who know history better than me and have typed into me now that when Senator Tedisco earlier said they're all fleeing New York, they're pointing out actually we had a million more people today than we did in 1970. So they didn't all flee. We have a growing population. There's other reasons that other states have more Congresspeople.

So they didn't flee. And we do not want them to flee. And we have more millionaires now than ever before also, and billionaires, actually. And what we're asking of them is not so unreasonable and is not going to mean that my district is emptied the day we vote for this bill in real -- because today's a one-house budget bill. And I hope that more of them will come out

and speak and say, You know, Liz, you're right.

I mean, I'll tell you one constituent said to me: You expect me to complain if you raise my taxes? I live in the greatest city of the world in the greatest country of the world, and I'm rich. I have no right to complain. And I was like, Hmm, I wish all my constituents were like that.

But that's really what we're saying. You know, some of you are doing fabulously even in a pandemic economic-crash period. But we all need a little help being pulled up. And when you pull us all up, it's better for everyone.

So I proudly vote yes, Madam President. Thank you.

ACTING PRESIDENT PERSAUD: Senator Krueger to be recorded in the affirmative.

Leader Stewart-Cousins to explain her vote.

SENATOR STEWART-COUSINS: Thank you so much, Ms. President.

And I just want to thank our incredible Finance chair, Senator Liz Krueger, especially for, you know, what you've done with

leading the long but important budget hearings, and of course what happened today. Thank you, Senator Krueger, for always being that voice that, you know, speaks the truth.

And I also want to thank my deputy leader, Mike Gianaris, for managing today's discussion and debate. And of course to the Presidents who also managed today's proceedings.

I want thank my counsel and Finance staff and the staff on the other side for the hard work that we do, especially during this time. It does not go unnoticed.

And I want to give a special shout-out to my chief of staff, Shontell Smith, as well as our Finance Secretary, Dave Friedfel, Communications Director Mike Murphy, and Director of External Affairs Loren Amor, for all the hard work.

And of course I want to thank the amazing members of this Democratic Majority Conference who put so much effort during this budget process -- often up late, on weekends, and everyone's input that helped us shape these priorities.

I'm grateful to be in this chamber

today to speak on our one-house budget resolution and talk about some of the things that we're advancing here.

Last year there were no budget resolutions as we confronted what would become the early moments of the COVID-19 pandemic. There has been so much taken by this virus since that time. Over 48,000 New Yorkers have lost their lives, with countless loved ones left behind. New Yorkers have lost their livelihoods, businesses that they built from the ground up unable to survive. Students have had precious moments to learn, grow and thrive -- have lost so much in this school year.

The toll this past year has had on front-line essential workers and their families is immeasurable, and our debt to them frankly is unpayable.

But because of who we are as people and the resiliency of so many, we're standing here today with greater knowledge, hope and opportunity.

I think we all understand that this pandemic exposed so many inequities and deficiencies that existed long before it ravaged

our nation and our state. This budget resolution is a step towards addressing those inequities. We're laying out a path that will lead New York State through this pandemic and beyond.

The proposals in this resolution put forth fairness, fiscal responsibility, and smart investments to ensure economic stability and the delivery of services so many of our neighbors depend on. This resolution is also a testament to our commitment to establishing fiscal equity and investing in our state's long-term success.

As we take this first important step in this challenging budget process, I want to recognize that we are truly fortunate that the new Democratic Congress delivered on President Biden's promise to provide critical funding through the American Rescue Plan that will help the economy, families, schools and small businesses across New York State.

So thank you, President Biden and Senate Majority Leader Chuck Schumer, Speaker Nancy Pelosi, and those from the New York State Congressional delegation who showed moral leadership in supporting this needed recovery.

I've been clear in stating that

while federal support has been desperately needed, we as a state must also take bold action to equitably raise the needed revenue to address our challenges from before, during, and after this pandemic. That's why we're asking New Yorkers who make over a million dollars annually to help our state.

Our proposals also ensure that wealthy corporations, many who have seen their profits only increase during this pandemic, pay a fairer share in taxes.

Let me be clear. Despite what our colleagues across the aisle may mischaracterize, if you are a New Yorker who does not make millions and billions of dollars, this does not impact you.

And what this new revenue will do is help fund crucial services such as public education, infrastructure, assistance for small businesses, and tax relief for middle-class New Yorkers. In fact, this resolution provides relief for working- and middle-class taxpayers, creating a personal income tax credit to reduce the net cost of property taxes for overburdened middle-class homeowners that will reduce property

taxes by approximately $400 million annually.

And this resolution strongly rejects any delay in the implementation of the ongoing middle-class tax cut for one year, which will save taxpayers 394 million this year.

As we work to rebuild our economy, we must support small businesses who have suffered throughout this pandemic. That's why we're calling for investing over $1 billion in New York's small businesses: $500 million for small businesses assistance grants, $500 million for commercial rent relief. That's 500 million for small businesses assistance grants and 500 million for commercial rent relief.

Women and Black and Brown New Yorkers have faced disproportionate hardship during this pandemic and must not be left behind. That's why we're proposing adding an additional $1.3 billion for the Minority and Women Owned Business Development and Lending Program.

It's been proven that the arts are an economic driver from Broadway and the bright lights of New York City to theaters and cultural institutions on Main Streets in communities across New York State. That's why, as we reopen

our economy, our resolution proposes investing an additional $100 million in New York State Council on the Arts grants for nonprofit cultural organizations.

In 2019 we passed the strongest housing and tenant protections in the history of New York State. However, the pandemic has further exposed how close people are from having a roof over their head to being homeless. Too often the difference is just one single paycheck.

This budget resolution includes an unprecedented $750 million for the New York City Housing Authority, $200 million for public housing authorities across the New York State, adding $200 million for homeowner assistance, creating the Housing Access Voucher Program to provide a cash subsidy to eligible low-income individuals and families that are homeless or facing imminent loss of housing, and providing $400 million for additional rental assistance in addition to the available federal funds.

With federal funding we propose the creation of a COVID-19 Emergency Rental Assistance Program to provide rent arrears vouchers to landlords on behalf of tenants

experiencing financial hardship due directly or indirectly to the COVID-19 pandemic.

New York students and educators have navigated tough times, adapting to remote learning and safely reopening our schools. The Senate Majority is moving forward with a transformational increase in state and federal resources, ensuring that students receive a high-quality education and teachers can ensure no one is left behind and that they are adequately supported.

This includes providing a total school aid increase of $5.7 billion, including a $1.37 billion Foundation Aid increase, and $3.85 billion in federal Coronavirus Response and Relief Supplemental Appropriations Act -- called CRRSAA -- funding.

We are proposing $3.5 billion more school aid than the Executive's proposal, and utilizing federal aid to supplement, not supplant, the state's education funding. State-funded school aid would increase to a total of $29.5 billion.

A commitment to a three-year phase-in in Foundation Aid to ensure that all

districts receive full Foundation Aid by the 2023-'24 school year, and including $500 million to fully fund 4-year-old full-day pre-K statewide.

We continue to make New York State a national leader in environment and conservation efforts and put forth historic action to authorize $3 billion for the Environmental Bond Act of 2021, Clean Water, Green Jobs, Green New York, to fund environmental improvements that preserve, enhance and restore New York's natural resources and reduce the impact of climate change.

The pandemic highlighted gaps in our healthcare system, and the Senate Majority is committed to ensuring that New Yorkers receive quality and affordable healthcare. Which is why this resolution opposes cuts to Medicaid and critical health services, restoring $180.5 million in Medicaid cuts to hospitals, $74 million in long-term care, $60 million to mainstream managed care, and millions more to various other Medicaid-supported programs.

Additionally, we propose $624 million to increase the minimum wage for the

lowest-paid home healthcare workers, who have not seen raises in years and have kept working through the pandemic, on the front lines, at great personal risk.

Our proposal also includes $40 million in hazard pay for front-line workers in SUNY hospitals.

So many hardworking people in New York have faced economic hardships and challenges in employment opportunities during this pandemic. That's why we're proposing a new Excluded Worker Fund to provide unemployment benefits to workers who lost their jobs during COVID-19 but were ineligible for unemployment insurance.

This pandemic has highlighted the importance of the services nonprofits across the state provide, which is why we added $50 million for various nonprofit health, human services, labor and veterans organizations.

The Senate Majority understands that our partners in local governments are also facing many challenges as a result of this pandemic, and they deserve adequate funding and support. To support them, our resolution includes restoring

$39 million of aid and incentives for the AIM funding, and adding $59 million of AIM funding to fund the repeal of the county share of AIM payments.

Along with local governments, we have shared responsibility to having infrastructure worthy of the 21st century. That's why we're investing $568 million to restore statewide mass transportation operating assistance cuts and to provide $385 million in additional statewide mass transportation operating assistance. And $150 million to be added to the base amount for the CHIPS program, the Consolidated Local Street and Highway Improvement Program.

So New York has a robust and expansive agricultural industry, and it's crucial to our economy. And so we must support our farmers. And that's why we propose restoring $7.3 million for statewide agricultural programs.

In this resolution we continue our commitment to improving New York's justice system and making communities more safe. That includes a new investment of $100 million for the Jails and Prisons Assistance Program to fund

alternative therapeutic and rehabilitative programs related to segregated confinement and medication assisted treatment reforms.

We further commit $6 million in new funding for upstate civil or criminal legal services, including legal services for survivors of domestic violence, and veterans, and dedicate at least $10 million from the Victims of Crime Act funding to establish a statewide hospital and community-based gun violence prevention program.

And as part of our continued efforts to empower voters and prevent their disenfranchisement, we fund the Independent Redistricting Commission with $4 million and another $4 million to reimburse local Boards of Election for the expansion of early voting initiatives.

In closing, many of you have heard me speak of tearing down barriers and creating opportunities. This pandemic has certainly called upon us to do so, and I know that we are up for the challenge that this process will bring us. This virus, as I said earlier, has exposed so many inequities and so many deficiencies. We must look for ways to not only recover but also

build back our great state even stronger.

In the coming weeks the Senate Majority will continue to work with our partners in government to pass a timely, balanced and ethical budget that will continue to lead us forward and create brighter days ahead.

Madam President, I vote aye.

ACTING PRESIDENT PERSAUD: Leader Stewart-Cousins to be recorded in the affirmative.

Announce the results.

THE SECRETARY: In relation to Senate Resolution 504, those Senators voting in the negative are Senators Akshar, Borrello, Boyle, Gallivan, Griffo, Helming, Jordan, Lanza, Martucci, Mattera, Oberacker, O'Mara, Ortt, Palumbo, Rath, Ritchie, Serino, Stec, Tedisco and Weik.

Ayes, 43. Nays, 20.

ACTING PRESIDENT PERSAUD: The resolution is adopted.

Senator Liu.

SENATOR LIU: Is there any further business at the desk?

ACTING PRESIDENT PERSAUD: There is

no further business at the desk.

SENATOR LIU: I move to adjourn until Tuesday, March 16th, at 3:00 p.m.

ACTING PRESIDENT PERSAUD: On motion, the Senate stands adjourned until Tuesday, March 16th, at 3:00 p.m.

(Whereupon, at 6:55 p.m., the Senate adjourned.)