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NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

April 19, 2024

1:37 p.m.

REGULAR SESSION

SENATOR JEREMY A. COONEY, Acting President

ALEJANDRA N. PAULINO, ESQ., Secretary

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

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

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

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

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

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

13 ACTING PRESIDENT COONEY: Reading
14 of the Journal.

15 THE SECRETARY: In Senate,
16 Thursday, April 18, 2024, the Senate met pursuant
17 to adjournment. The Journal of Wednesday,
18 April 17, 2024, was read and approved. On
19 motion, the Senate adjourned.

20 ACTING PRESIDENT COONEY: Without
21 objection, the Journal stands approved as read.

22 Presentation of petitions.

23 Messages from the Assembly.

24 Messages from the Governor.

25 Reports of standing committees.

1 Reports of select committees.

2 Communications and reports from
3 state officers.

4 Motions and resolutions.

5 Senator Gianaris.

6 SENATOR GIANARIS: Good afternoon,
7 Mr. President.

8 On behalf of Senator
9 Scarcella-Spanton, on page 43 I offer the
10 following amendments to Calendar 811,
11 Senate Print 5442, and ask that said bill retain
12 its place on Third Reading Calendar.

13 ACTING PRESIDENT COONEY: The
14 amendments are received, and the bill will retain
15 its place on the Third Reading Calendar.

16 Senator Gianaris.

17 SENATOR GIANARIS: There will be an
18 immediate meeting of the Finance Committee in
19 Room 332.

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

23 SENATOR GIANARIS: The Senate
24 stands at ease.

25 ACTING PRESIDENT COONEY: The

1 Senate stands at ease.

2 (Whereupon, the Senate stood at ease
3 at 1:38 p.m.)

4 (Whereupon, the Senate reconvened at
5 1:53 p.m.)

6 ACTING PRESIDENT COONEY: The
7 Senate will return to order.

8 Senator Gianaris.

9 SENATOR GIANARIS: Mr. President,
10 there's a report of the Finance Committee at the
11 desk. Can we take that up, please.

12 ACTING PRESIDENT COONEY: The
13 Secretary will read.

14 THE SECRETARY: Senator Krueger,
15 from the Committee on Finance, reports the
16 following bill:

17 Senate Print 8307C, Senate Budget
18 Bill, an act to amend Part H of Chapter 59 of the
19 Laws of 2011.

20 The bill reports direct to third
21 reading.

22 SENATOR GIANARIS: Move to accept
23 the report of the Finance Committee.

24 ACTING PRESIDENT COONEY: All those
25 in favor of accepting the report of the

1 Finance Committee signify by saying aye.

2 (Response of "Aye.")

3 ACTING PRESIDENT COONEY: Opposed,
4 nay.

5 (No response.)

6 ACTING PRESIDENT COONEY: The
7 report of the Finance Committee is accepted.

8 Senator Gianaris.

9 SENATOR GIANARIS: Please take up
10 the supplemental calendar.

11 ACTING PRESIDENT COONEY: The
12 Secretary will read.

13 THE SECRETARY: Calendar Number
14 845, Senate Print 8307C, Budget Bill, an act to
15 amend Part H of Chapter 59 of the Laws of 2011.

16 SENATOR GIANARIS: Is there a
17 message of necessity at the desk?

18 ACTING PRESIDENT COONEY: There is
19 a message of necessity at the desk.

20 SENATOR GIANARIS: Move to accept
21 the message of necessity.

22 ACTING PRESIDENT COONEY: All those
23 in favor of accepting the message please signify
24 by saying aye.

25 (Response of "Aye.")

1 ACTING PRESIDENT COONEY: Opposed,
2 nay.

3 (Response of "Nay.")

4 ACTING PRESIDENT COONEY: The
5 message is accepted. The bill is before the
6 house.

7 SENATOR LANZA: Lay it aside.

8 ACTING PRESIDENT COONEY: Lay it
9 aside.

10 Senator Gianaris, that completes the
11 reading of the supplemental calendar.

12 SENATOR GIANARIS: Please take up
13 the controversial calendar.

14 ACTING PRESIDENT COONEY: The
15 Secretary will ring the bell.

16 The Secretary will read.

17 THE SECRETARY: Calendar Number
18 845, Senate Print 8307C, Senate Budget Bill, an
19 act to amend Part H of Chapter 59 of the Laws of
20 2011.

21 ACTING PRESIDENT COONEY: Senator
22 O'Mara, why do you rise?

23 SENATOR O'MARA: Yes,
24 Mr. President, would Senator Krueger yield for a
25 few questions.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR O'MARA: General budget
4 questions. We'll get to Senator Rivera I think
5 shortly. Thank you.

6 ACTING PRESIDENT COONEY:
7 Senator Krueger, will you yield?

8 SENATOR KRUEGER: I will.

9 Are we talking like numbers?

10 SENATOR O'MARA: Just roughly. And
11 process, where we are.

12 SENATOR KRUEGER: Okay, so I just
13 need one person.

14 SENATOR O'MARA: Sure.

15 SENATOR KRUEGER: Okay.

16 Well, let's start, and if I get
17 anything we need a staff person for -- oh, here's
18 some staff people. I don't know if they're the
19 right ones, but we'll give it a whirl. They're
20 wonderful people; I bet they know everything.
21 Okay.

22 ACTING PRESIDENT COONEY: Senator
23 Krueger yields.

24 SENATOR KRUEGER: I do.

25 SENATOR O'MARA: Thank you,

1 Mr. President.

2 Thank you, Senator Krueger. Good
3 afternoon.

4 Can you outline for us where we are
5 in the budget process now? Yesterday we were six
6 bills short of a budget. My reading of it now is
7 that we're still four bills short of a complete
8 budget that are in print right now. Is that
9 correct?

10 SENATOR KRUEGER: Yes. Unless any
11 other -- (off the record).

12 So that is correct. We are still
13 awaiting four more bills to go into print.

14 SENATOR O'MARA: Through you,
15 Mr. President, if the Senator will continue to
16 yield.

17 ACTING PRESIDENT COONEY: Does the
18 sponsor yield?

19 SENATOR KRUEGER: Yes.

20 ACTING PRESIDENT COONEY: The
21 sponsor yields.

22 SENATOR O'MARA: Senator, do you
23 know, this bill before us now, the Health and
24 Mental Hygiene bill part of the budget, when was
25 that made available to the public online?

1 SENATOR KRUEGER: This morning.

2 SENATOR O'MARA: Do you know what
3 time, roughly?

4 SENATOR KRUEGER: They'll look for
5 you. As we know, we continue to have serious
6 problems trying to get the bills completed
7 because of the hacking situation to the
8 legislative computer systems that do this work.

9 8:17 a.m.

10 SENATOR O'MARA: 8:17 this morning?

11 SENATOR KRUEGER: Yes, sir.

12 SENATOR O'MARA: Through you,
13 Mr. President, if the Senator will continue to
14 yield.

15 ACTING PRESIDENT COONEY: Will the
16 sponsor yield?

17 SENATOR KRUEGER: Yes.

18 ACTING PRESIDENT COONEY: The
19 sponsor yields.

20 SENATOR O'MARA: So we're now at
21 1:55 in the afternoon, so it hasn't been long
22 since we have had the bill -- more importantly,
23 that the public and the taxpayers of New York
24 have had the bill to look and provide feedback to
25 us.

1 Yet here we are on the floor
2 debating the bill that covers health and mental
3 hygiene, with the Medicaid portion of state
4 spending, which I believe is the second-largest
5 spending portion we have, second only to
6 education funding. And we're here to debate this
7 on less than six hours' notice.

8 SENATOR KRUEGER: That's factually
9 correct.

10 SENATOR O'MARA: Through you --

11 SENATOR KRUEGER: I would point out
12 we're a bit damned if we do, damned if we don't.
13 Because when we don't bring bills to the floor,
14 it's pointed out that we're getting later and
15 later in the number of days we have not completed
16 the state budget. When we do get bills to the
17 floor, we've failed to provide adequate time.

18 I guess I would just -- if I might
19 ask my colleague -- may I ask you a question?

20 SENATOR O'MARA: Absolutely.

21 SENATOR KRUEGER: Do you want more
22 time to conference this before we do this on the
23 floor?

24 UNIDENTIFIED SENATOR: No.

25 SENATOR O'MARA: Through you,

1 Mr. President. We have conferenced it. I guess
2 my point is that the general public and taxpayers
3 of New York haven't had time to review it. They
4 haven't had time to discuss it. They haven't had
5 time to give us feedback. The hospitals
6 throughout our state and all healthcare providers
7 in the state, and mental health care providers,
8 haven't had a chance to give us any feedback.

9 So you always ask, Senator -- or you
10 always say that it's better to have a good budget
11 than an on-time budget. But I think it's also
12 extremely important in the process that the
13 public have the ability to weigh in on these
14 issues. And less than eight hours -- less than
15 six hours of notice is, in my opinion,
16 inappropriate on this.

17 Through you, Mr. President, if the
18 Senator will continue to yield.

19 ACTING PRESIDENT COONEY: Will the
20 sponsor yield?

21 SENATOR KRUEGER: Yes.

22 ACTING PRESIDENT COONEY: The
23 Senator yields.

24 SENATOR O'MARA: Is there any
25 appropriation bill in print right now other than

1 the debt service bill that we already did?

2 SENATOR KRUEGER: The capital bill,
3 which hopefully will be the next bill we debate
4 on the floor, because it is in print, is an
5 appropriation bill.

6 SENATOR O'MARA: And through you,
7 Mr. President, if the Senator would continue to
8 yield.

9 ACTING PRESIDENT COONEY: Does the
10 sponsor yield?

11 SENATOR KRUEGER: Yes.

12 ACTING PRESIDENT COONEY: The
13 Senator yields.

14 SENATOR O'MARA: And when did that
15 capital appropriations bill get online for us and
16 the public to review?

17 SENATOR KRUEGER: Also sometime
18 this morning. We'll try to get you the exact
19 time and minute.

20 SENATOR O'MARA: Okay. Through
21 you, Mr. President, if the Senator will continue
22 to yield.

23 ACTING PRESIDENT COONEY: Does the
24 sponsor yield?

25 SENATOR KRUEGER: Yes.

1 ACTING PRESIDENT COONEY: The
2 sponsor yields.

3 SENATOR O'MARA: We've discussed
4 that really one of the most important timing
5 issues of this budget -- and we've done extenders
6 to keep state operations going, which is
7 important for New Yorkers. But really the most
8 important part of passing the budget is the
9 education portion of the budget, so our local
10 school districts know how much they're going to
11 get in state aid, because they have to finalize
12 their budgets by April 23rd, four days from now,
13 and have the ballots for the school budget votes
14 printed by April 26th.

15 So, Senator, why aren't we doing the
16 education bill first and foremost?

17 SENATOR KRUEGER: Because the ELFA
18 bill, which includes the education, is apparently
19 the one the Governor is holding till we get every
20 single I dotted and T crossed. So I think
21 there's an expectation ELFA's likely to be the
22 last bill, or close to the last bill.

23 But truthfully, because of exactly
24 your point about the timeliness of needing this
25 information, we fully hope we can get through all

1 the bills today. And you will have school runs
2 prior to ELFA coming to the floor.

3 SENATOR O'MARA: Through you,
4 Mr. President, if the Senator would continue to
5 yield.

6 ACTING PRESIDENT COONEY: Does the
7 sponsor yield?

8 SENATOR KRUEGER: Yes.

9 ACTING PRESIDENT COONEY: The
10 Senator yields.

11 SENATOR O'MARA: I understand just
12 recently that we've received at least a draft of
13 a financial plan?

14 SENATOR KRUEGER: I believe you
15 have, yes.

16 SENATOR O'MARA: Is that the final
17 plan, or is it subject to revision?

18 SENATOR KRUEGER: It's final as of
19 now. I suppose until all the bills are in print,
20 it's a fair question whether there might be some
21 slight modifications. But sincerely, we believe
22 that is final.

23 SENATOR O'MARA: So through you,
24 Mr. President, if the Senator will continue to
25 yield.

1 ACTING PRESIDENT COONEY: Does the
2 sponsor yield?

3 SENATOR KRUEGER: Yes.

4 ACTING PRESIDENT COONEY: The
5 sponsor yields.

6 SENATOR O'MARA: What is the
7 overall spending based on that financial plan
8 that I haven't even seen yet?

9 SENATOR KRUEGER: So you got a
10 draft but you personally didn't get a draft?

11 SENATOR O'MARA: I'm just told that
12 we got it. I don't -- I guess it's on his phone,
13 but I haven't had the opportunity to read it.

14 SENATOR KRUEGER: Okay.

15 (Discussion off the record.)

16 SENATOR KRUEGER: So, I'm sorry,
17 ask the question again?

18 SENATOR O'MARA: What is the
19 overall spending in this budget?

20 SENATOR KRUEGER: 131.674 million
21 state operating fund disbursements.

22 SENATOR O'MARA: Through you,
23 Mr. President, if the sponsor will continue to
24 yield.

25 ACTING PRESIDENT COONEY: Will the

1 sponsor yield?

2 SENATOR KRUEGER: Yes, of course.

3 ACTING PRESIDENT COONEY: The
4 Senator yields.

5 SENATOR O'MARA: What is the
6 All Funds total spending in this plan?

7 SENATOR KRUEGER: 235.358 billion.

8 SENATOR O'MARA: Through you,
9 Mr. President, if the Senator will continue to
10 yield.

11 SENATOR KRUEGER: Yes.

12 ACTING PRESIDENT COONEY: Does the
13 sponsor yield?

14 The sponsor yields.

15 SENATOR KRUEGER: Yes.

16 SENATOR O'MARA: How much more
17 above last year's budget is that?

18 SENATOR KRUEGER: 1.6 percent,
19 approximately \$4 billion.

20 SENATOR O'MARA: Thank you,
21 Mr. President. I think that's all I have.

22 Thank you, Senator Krueger.

23 SENATOR KRUEGER: Thank you.

24 ACTING PRESIDENT COONEY: Senator
25 Helming, why do you rise?

1 SENATOR HELMING: Thank you,
2 Mr. President. If the sponsor will yield to
3 questions on Part HH.

4 ACTING PRESIDENT COONEY: Senator
5 Rivera will be answering this section.

6 SENATOR RIVERA: I do yield.

7 ACTING PRESIDENT COONEY: The
8 sponsor yields.

9 SENATOR HELMING: Thank you,
10 Senator Rivera.

11 I just have to say that on the CDPAP
12 program, you and I have had many conversations
13 and I think we are on the same page. So it's
14 interesting to be asking you these questions,
15 like what the hell happened? Right? What
16 happened? How did the Legislature go from
17 completely rejecting the Governor's CDPAP
18 proposal in their one-house budget to what we
19 have before us?

20 And my question to start with is,
21 how many fiscal intermediates are currently
22 operating in New York State?

23 SENATOR RIVERA: Through you,
24 Mr. President. So first things first. It is
25 true that, as Senator Helming said, we've had

1 many conversations on this issue. The fact is,
2 Mr. President, that there's been many of my
3 colleagues who have had conversations on this
4 issue, and the reality is that many of us have
5 been having conversations on this since the
6 Governor proposed what I believe -- and many of
7 us believe -- was an unreasonable cut, series of
8 cuts and changes to the CDPAP program, the
9 Consumer Directed Personal Assistance Program, a
10 program that the State of New York created, it
11 was a pioneer in, and that helps thousands of
12 New Yorkers across the state be able to take care
13 of their everyday needs.

14 But as Senator Helming said, during
15 the Governor's initial budget proposal there were
16 all sorts of cuts that were rejected in our
17 one-house. And the fact is that as we are here
18 19 days or 18 days late on a budget,
19 Mr. President, part of that delay was the fact
20 that the leader, who I have to give all sorts of
21 credit to, continued to hold the line to try to
22 get what I will describe, Mr. President, as harm
23 reduction.

24 This is not a day where I'm going to
25 stand up here like I've done in years past a few

1 of the years that I've been here -- not many, but
2 a few of the years that I've been here, including
3 some of the years that have been with this
4 Governor, I have stood on the floor and said that
5 we have a good health budget before us. I'm not
6 going to make that argument today.

7 Today what I will say is that we got
8 the least crappy deal, Mr. President. And as it
9 relates to -- so to start off, as it relates to
10 the Community Directed Personal Assistance
11 Program, the -- as far as the total number of
12 fiscal intermediaries at this moment, too many.
13 That is there is an agreement on that. I don't
14 know the exact number. But the reality is -- the
15 reality is that there are -- the way that the
16 program has been structured so far required
17 changes and required tweaks.

18 This is something that we all agreed
19 on. And we have been talking about this for the
20 last couple of years, about how we could actually
21 change the program for the better.

22 But Mr. President, the changes that
23 the Governor insisted on, and unfortunately our
24 colleagues in the Assembly kind of did as well,
25 is that we go all the way from -- instead of

1 changing the system a little bit, to actually
2 going all the way to a single fiscal intermediary
3 in the entire state. So although I'm sure that
4 the -- that Senator Helming will have many
5 follow-up questions, to answer her question
6 directly, after I set that stage, too many fiscal
7 intermediaries, Mr. President.

8 SENATOR HELMING: Thank you,
9 Mr. President. If the sponsor will continue to
10 yield.

11 ACTING PRESIDENT COONEY: Does the
12 sponsor yield?

13 SENATOR RIVERA: I will.

14 ACTING PRESIDENT COONEY: The
15 sponsor yields.

16 SENATOR HELMING: Senator Rivera, I
17 have to say I have always appreciated how you're
18 just candid and just say it like it -- the way it
19 is.

20 So my notes say that we have
21 approximately 600 to 700 fiscal intermediaries
22 currently operating in our state. Do you happen
23 to know how many of those fiscal
24 intermediaries -- how many New Yorkers those
25 fiscal intermediaries employ across the state,

1 not including the personal assistants?

2 SENATOR RIVERA: Through you,
3 Mr. President, I cannot -- I don't have a number,
4 but probably quite a bit.

5 SENATOR HELMING: Through you,
6 Mr. President, if the sponsor will continue to
7 yield.

8 ACTING PRESIDENT COONEY: Does the
9 sponsor yield?

10 SENATOR RIVERA: I will.

11 ACTING PRESIDENT COONEY: The
12 sponsor yields.

13 SENATOR HELMING: That number is
14 approximately 10,000 people.

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

17 ACTING PRESIDENT COONEY: Will the
18 sponsor yield?

19 SENATOR RIVERA: I do,
20 Mr. President.

21 ACTING PRESIDENT COONEY: The
22 sponsor yields.

23 SENATOR HELMING: Any idea how many
24 people are enrolled in the CDPAP program?

25 SENATOR RIVERA: Through you,

1 Mr. President, between 280,000 and 300,000
2 New Yorkers.

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

6 ACTING PRESIDENT COONEY: Will the
7 sponsor yield?

8 SENATOR RIVERA: I will.

9 ACTING PRESIDENT COONEY: The
10 sponsor yields.

11 SENATOR HELMING: Senator Rivera,
12 what is going to happen with all of those
13 employees, all of those jobs, the fiscal
14 intermediaries, everyone else, after April 2025?

15 SENATOR RIVERA: Through you,
16 Mr. President. The reference that
17 Senator Helming is making is to the date during
18 which, so to speak, the switch will turn on.

19 But I should be clear it is not a
20 switch like a light, but it is a switch like --
21 where you have a machine that kind of like has a
22 conveyor belt, a conveyor belt of sorts. Which
23 means that there will be a period of a year, so
24 12 months from April 1st of 2025, if this goes
25 into effect, there will be a year where the

1 transition will occur.

2 And to answer the Senator's question
3 as far as what will happen, we don't know
4 exactly. The goal of certainly what we did --
5 what our staff and certainly our leader did over
6 the last couple of weeks as we again, I'll say
7 again, Mr. President, held the line and did as
8 much as we could to make this the less crappy
9 version of what the Governor gave us -- we
10 ultimately came up with a guarantee, so to speak,
11 of subcontractors to the Independent Living
12 Centers that are incredibly important around our
13 state.

14 Mr. President, I'm sure that you
15 have some in your neck of the woods, as do I.
16 They not only employ folks who are disabled
17 themselves, but are doing work every single day
18 to make sure that many vulnerable New Yorkers are
19 able to lead happy, healthy and productive lives.
20 And we wanted to make sure -- and many of them,
21 not all of them, are actually fiscal
22 intermediaries at this point. So we wanted to
23 make sure that they continued to have that
24 position.

25 We also, in the recognition that

1 there is some geographic limitations -- or I
2 should say there needs to be some -- fiscal
3 intermediaries should correspond also to
4 geographies around the state, we are also
5 creating -- we're also guaranteeing four more
6 fiscal intermediaries that are region-focused.

7 So that will mean a total of
8 15 subcontractors. Thank you. Not -- I saw the
9 eye. He was -- staff was going to correct me
10 immediately. It was like, no, there will be
11 subcontractors. Yes, indeed, thank you for that,
12 for not speaking but telling me with your mind.

13 So there will be a total -- this is
14 based on the language that we were able to
15 secure -- 15 subcontractors to that single fiscal
16 intermediary. And it is our hope, and we will be
17 paying very close attention to this so that that
18 transition is the least -- I'm just going to --
19 this is going to be the least crappy version.
20 I'm just going to stick to that. This -- that's
21 what we're trying to do, to have that transition
22 of a year be the least crappy one we can -- we
23 can muster.

24 SENATOR HELMING: Thank you.

25 Through you, Mr. President, if the

1 sponsor will continue to yield.

2 ACTING PRESIDENT COONEY: Will the
3 sponsor yield?

4 SENATOR RIVERA: I will.

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR HELMING: It sounds pretty
8 crappy to me --

9 (Laughter.)

10 SENATOR HELMING: -- adding more
11 levels of government bureaucracy, creating a
12 single FI, creating regional, taking away the
13 ability of local businesses to serve local
14 people. It seems pretty bad to me.

15 We've heard that -- well, first of
16 all, what's the Legislature's intent behind
17 transitioning to a single statewide FI? You had
18 mentioned -- is it to get rid of -- because you
19 think there are too many FIs operating in the
20 state?

21 SENATOR RIVERA: Through you,
22 Mr. President. So it is -- Senator Helming
23 described it as pretty crappy. I would describe
24 it as ugly crappy.

25 But the transition here, the hope

1 is, according to the Governor's insistence and
2 her team's insistence, that this will save us
3 money and that it will result in some
4 administrative benefits. That is the argument
5 that they have been making.

6 One second, Mr. President.

7 (Pause.)

8 SENATOR RIVERA: Through you,
9 Mr. President. For further clarification, yes,
10 as I said, some -- according to the Governor and
11 her team's insistence, not only will this save us
12 a lot of money, but will also make it more
13 administratively -- more simple.

14 And I would -- and I would tell you,
15 Mr. President, as we've -- as I stated at the
16 beginning, there's many of us who absolutely
17 believe that we need to reform the way that the
18 system is currently organized so that we can have
19 not some bad actors taking advantage of the
20 current setting, but what many of us thought was
21 a better angle here is to make sure that both
22 for -- whether we're talking about cultural
23 competence, whether we're talking about
24 geographic competence, for lack of a better term,
25 or having -- having less of them was certainly

1 the goal.

2 But the Governor's insistence was
3 that we go all the way to one. So through you,
4 Mr. President, to save money and for
5 administrative benefits.

6 SENATOR HELMING: Through you,
7 Mr. President, if the sponsor will yield.

8 ACTING PRESIDENT COONEY: Will the
9 sponsor yield?

10 SENATOR RIVERA: Yes, sir.

11 ACTING PRESIDENT COONEY: The
12 sponsor yields.

13 SENATOR HELMING: I never thought
14 I'd hear those words come out of your mouth.
15 Like that's the exact opposite of what you
16 usually say. To save money, to save money on
17 250,000 to 300,000 people who are chronically
18 ill, seniors, who dependent upon these services
19 to survive, to live as independently as possible.

20 To me, budgets are about priorities,
21 and I think this should have been a top priority.

22 But you talk about improving the
23 situation. Let's go there for a minute. We've
24 heard that moving to a single state contractor
25 will prevent fraud and abuse in the program. Can

1 you elaborate on this?

2 SENATOR RIVERA: Through you,
3 Mr. President. Just like where -- as
4 Senator Helming stated at the very beginning, we
5 are on the same page. This is not where I wanted
6 to end up. I would rather not be here,
7 Mr. President, talking about this version. But
8 this is the absolutely best that we could get.

9 The insistence is that this is going
10 to both save money and be more administratively,
11 you know, efficient. For the sake of the
12 patients who are served by this, as well as the
13 assistants or the employees, right, the folks who
14 are the workers who actually serve these
15 patients, I would hope so.

16 But again, it's -- the -- this is
17 not an argument that I'm making. The argument
18 that I'm making is that I would have rejected the
19 changes -- rejected the proposal, as was in our
20 one-house, Mr. President -- we reject the
21 Governor's proposal and would have a conversation
22 about how to make it more a system that kind of
23 has less FIs across the state, certainly, but not
24 all the way going to one.

25 SENATOR HELMING: Through you,

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

3 ACTING PRESIDENT COONEY: Will the
4 sponsor yield?

5 SENATOR RIVERA: Yup.

6 ACTING PRESIDENT COONEY: The
7 sponsor yields.

8 SENATOR HELMING: So there have
9 been other states that have gone to this model,
10 including Massachusetts and Pennsylvania. In
11 those states, what they've said -- what they've
12 witnessed is that caregivers have gone weeks or
13 months without pay and left thousands of
14 individuals with disabilities and chronic
15 illnesses without services.

16 So what guardrails are in this
17 language that when we go to this model we're not
18 going to experience those same problems?

19 (Pause.)

20 SENATOR RIVERA: So through you,
21 Mr. President. The goal here would be -- and
22 again, just -- I can't underline this enough.
23 This is not the version I wanted to actually get
24 to the last -- to -- that we would get to
25 actually vote on. But it is the one that we've

1 got to deal with, so it is what it is.

2 The goal here, we would have -- we
3 will certainly have oversight. The argument that
4 is made by the Governor's office is that making
5 this transition would make it easier to -- again,
6 this is the administrative efficiency, so that
7 basically we would be looking at one spigot, so
8 to speak.

9 And I can tell you that during --
10 that whenever this actually goes into effect --
11 in this case, if everything continues between now
12 and next year as it is, it would be April 1st of
13 2025 -- that there's many of us who are going to
14 be paying very close attention to it. There will
15 likely be some conversations that we have between
16 now and then to make sure that this can be a less
17 painful transition.

18 But I'm -- you know, I'm just not
19 fully convinced by the arguments that were made
20 to us by the Governor's office and their team.
21 But ultimately this is what we had to agree upon.
22 We tried to get the best -- once more, the least
23 crappy version of this.

24 SENATOR HELMING: Through you,
25 Mr. President, if the sponsor will continue to

1 yield.

2 ACTING PRESIDENT COONEY: Will the
3 sponsor yield?

4 SENATOR RIVERA: Yes.

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR HELMING: My first comment
8 is we don't have to agree to it. We can vote no
9 today on this.

10 And my second -- my question is,
11 Senator Rivera, have you heard of a company
12 called DocGo?

13 SENATOR RIVERA: Yes,
14 Mr. President. Through you, Mr. President, I
15 sure have.

16 SENATOR HELMING: Mr. President, if
17 the sponsor will continue to yield.

18 ACTING PRESIDENT COONEY: Will the
19 sponsor yield?

20 SENATOR RIVERA: Yes.

21 ACTING PRESIDENT COONEY: The
22 sponsor yields.

23 SENATOR HELMING: They were hired
24 as a single firm to manage the influx of
25 migrants, illegal immigrants and others in

1 New York City. How did that go?

2 SENATOR RIVERA: Mr. President,
3 obviously this was not something that was managed
4 at the state level or that I had anything to do
5 with. But the news is pretty clear on this.
6 This was a single-source contract -- according to
7 the news, it was a single-source contract that
8 completely bungled the entire thing. It was
9 probably handed to them because you had -- you
10 know, they had friends in right places. And it
11 didn't work out well. To the point where it was
12 taken away from them, I believe.

13 SENATOR HELMING: Mr. President, if
14 the sponsor will continue to yield.

15 ACTING PRESIDENT COONEY: Does the
16 sponsor yield?

17 SENATOR RIVERA: Yup.

18 ACTING PRESIDENT COONEY: The
19 sponsor yields.

20 SENATOR HELMING: So we should be
21 learning from all of these experiences.

22 So again, when I asked the question
23 about what guardrails we had in place, there
24 really wasn't an answer. It's that we have hope
25 that it will work out.

1 Let me ask you, does the bill
2 require that the Comptroller's office review the
3 contract before it is let go?

4 SENATOR RIVERA: Through you,
5 Mr. President, it does not. I would have loved
6 to have that in there, but we could not get
7 agreement on that point.

8 SENATOR HELMING: Through you,
9 Mr. President, if the sponsor will continue to
10 yield.

11 ACTING PRESIDENT COONEY: Does the
12 sponsor yield?

13 SENATOR RIVERA: Yes.

14 ACTING PRESIDENT COONEY: The
15 sponsor yields.

16 SENATOR HELMING: It's my
17 understanding in the DocGo, at least the
18 comptroller reviewed the contract and recommended
19 don't go with the company. But we don't even
20 have that protection for these 250,000 to 300,000
21 people who rely on this service.

22 Is there any movement to adding that
23 protection into the language?

24 SENATOR RIVERA: Through you,
25 Mr. President. We have the language that -- we

1 have -- the language that we have before us is
2 the language that we have before us.

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

6 ACTING PRESIDENT COONEY: Will the
7 sponsor yield?

8 SENATOR RIVERA: Yup.

9 ACTING PRESIDENT COONEY: The
10 sponsor yields.

11 SENATOR HELMING: Senator Rivera,
12 there have been obviously media reports on this
13 whole situation. To your knowledge, is there a
14 particular entity that the department is
15 interested in hiring?

16 SENATOR RIVERA: Through you,
17 Mr. President. I know that there was -- one of
18 the companies whose name has been bandied about,
19 if you will, is PPPL, is it? I've never heard of
20 them myself. And I believe that there's three or
21 four other companies that might potentially be in
22 consideration for it.

23 SENATOR HELMING: Through you,
24 Mr. President, if the sponsor will continue to
25 yield.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR RIVERA: Yes.

4 ACTING PRESIDENT COONEY: The
5 sponsor yields.

6 SENATOR HELMING: Senator Rivera,
7 are the requirements, the qualifications of
8 the -- for the single FI, are they in your
9 opinion so narrow that it's almost like they're
10 written for a specific company? And -- and is
11 that company required to have statewide
12 experience? Which in New York State, since we've
13 never had this, we wouldn't necessarily have
14 someone in the state who has that experience.

15 (Pause.)

16 SENATOR RIVERA: Through you,
17 Mr. President. This is what my dad used to do
18 with the glasses, so you're going to have to --
19 I'm old. You're going to have to deal with this.

20 The criteria -- this is -- I'm
21 quoting from the bill language, it's page 62.
22 This is 8307C, for those following at home,
23 page 62, line 37. The criteria for selection of
24 the statewide fiscal intermediary, which shall
25 include at a minimum that the eligible contractor

1 is capable of performing statewide competency
2 specific to the population of consumers and those
3 of the available workforce, has experience
4 serving individuals with disabilities, and as of
5 April 1, 2024, is providing services as a fiscal
6 intermediary on a statewide basis with at least
7 one other state.

8 That is -- that is the -- what is
9 currently on the bill.

10 SENATOR HELMING: Thank you.

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

13 ACTING PRESIDENT COONEY: Will the
14 sponsor yield?

15 SENATOR RIVERA: Yes.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR HELMING: So
19 Senator Rivera, are there any prohibitions on the
20 single FI making political contributions to state
21 elected officials?

22 SENATOR RIVERA: Through you,
23 Mr. President, no.

24 SENATOR HELMING: Through you,
25 Mr. President, if the sponsor will continue to

1 yield.

2 ACTING PRESIDENT COONEY: Will the
3 sponsor yield?

4 SENATOR RIVERA: Yes.

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR HELMING: Senator Rivera,
8 have there been any impact studies conducted to
9 assess the economic effects of reducing the
10 number of fiscal intermediaries on local
11 economies?

12 SENATOR RIVERA: Through you,
13 Mr. President, not that I'm aware of.

14 SENATOR HELMING: Okay. Through
15 you, Mr. President, last question on this
16 subject.

17 ACTING PRESIDENT COONEY: Will the
18 sponsor yield?

19 SENATOR RIVERA: Although I doubt
20 that very much, Mr. President, I will indeed
21 yield.

22 SENATOR HELMING: Me. From me.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR RIVERA: See, you weren't

1 specific.

2 Yes, I yield.

3 SENATOR HELMING: Thank you.

4 Senator Rivera, how frequently will
5 the contract with the single statewide FI be
6 reviewed and potentially renegotiated or put out
7 to bid?

8 SENATOR RIVERA: Mr. President,
9 through you, there is nothing in the current
10 language that sets parameters on that issue.

11 SENATOR HELMING: Through you,
12 Mr. President, one more question.

13 (Laughter.)

14 ACTING PRESIDENT COONEY: Does the
15 sponsor yield?

16 SENATOR RIVERA: Through you,
17 Mr. President, I knew it. I knew it, and I said
18 it.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR HELMING: Senator Rivera,
22 is that a red flag for you?

23 (Laughter.)

24 SENATOR RIVERA: Through you,
25 Mr. President. There's like a -- there's just --

1 there's just a parade of flags, Madam, red and
2 yellow and white and every other color you can
3 imagine. And not in a nice little rainbow
4 arrangement. I have issues with this entire
5 thing.

6 This is the best that we could get.
7 And, you know, it's -- I am incredibly thankful
8 for both our staff and the leader that we managed
9 to hold the line for as long as we did. There
10 are parts here that we were able to get taken out
11 that were in the original budget proposal, I
12 should say, specifically related to wage parity.
13 That's something that was in the original
14 proposal, to cut wages for workers that are
15 helping these consumers. And we were able to get
16 that back.

17 But as you've pointed out, there are
18 many ways in which this is not a good proposal.
19 But -- yeah.

20 SENATOR HELMING: Through you,
21 Mr. President, quickly on the bill.

22 ACTING PRESIDENT COONEY: Senator
23 Helming on the bill.

24 SENATOR HELMING: So the CDPAP
25 program is incredibly important, as we just

1 heard, providing services to chronically ill and
2 physically challenged New Yorkers, about --
3 almost 300,000 of them.

4 This program proposes changes that
5 are not only unnecessary -- and we heard, that
6 aren't even supported by some members of the
7 Majority, yet for some reason they have been
8 accepted and incorporated into this budget.

9 Not only does it pose potential
10 risks to these vulnerable New Yorkers, but it
11 also potentially jeopardizes thousands and
12 thousands of jobs in every single community
13 across the State of New York.

14 Mr. President, if the sponsor will
15 continue to -- or if the sponsor will yield for a
16 few questions on Part Q.

17 ACTING PRESIDENT COONEY: Does the
18 sponsor yield?

19 SENATOR RIVERA: Here I am again,
20 Mr. President. I do indeed.

21 See? I knew there was going to be
22 more questions.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR HELMING: Senator Rivera,

1 Part Q includes scope of practice for certain
2 professions.

3 Again, I think we've had these
4 conversations that across our state there is a
5 critical shortage of primary care providers. So
6 many of our constituents have problems finding
7 medical assistance when they need it, whether
8 it's because there's a shortage of professionals
9 or, you know, just such limited access.

10 I have FQHCs who are telling me that
11 they've cut back workers, they've cut back on
12 their hours because of worker shortages, funding
13 cuts. Nursing homes who reach out on a regular
14 basis to tell me about their shortages, trying to
15 get workforce, trying to hire qualified people.

16 I had an FQHC who provides dental
17 services provide me with some statistics. They
18 have almost 8,000 people, low-income people, on
19 waiting lists for dental -- routine dental
20 services. That started when we had the COVID
21 pandemic and we mandated that the dentists give
22 vaccines. They saw a decline in the number of
23 dentists who were available. And the backup has
24 just continued to grow.

25 So the Governor, in her budget, has

1 proposed a few things that I think would help
2 alleviate some of these issues, provide some
3 relief to our constituents, including in the
4 Governor's budget she had included language that
5 would authorize dental hygienists to handle these
6 additional procedures to get some of this backlog
7 relieved. And the Majority has rejected that in
8 its entirety -- not modified it, but rejected it
9 in its entirety.

10 What are we doing to get these folks
11 the services that they so desperately need?

12 SENATOR RIVERA: Through you,
13 Mr. President. There's certainly a lot that me
14 and my colleagues in the conference -- the
15 Majority Conference and myself are trying to do
16 on this issue as it relates to workforce
17 shortages and to how to address it across the
18 state.

19 As a matter of fact, Mr. President,
20 I'm sure you remember I was in Rochester just
21 last year talking to many stakeholders in your
22 neck of the woods about this issue. And
23 certainly it is one that is important to me.

24 As it relates to the budget, this
25 particular part, we were just not able to get an

1 agreement on, particularly with our folks in the
2 Assembly. And as it is, if there is a table of
3 three and two of them are saying we've got to go,
4 and we're saying we've got to hold, eventually
5 things come out. So that was intentionally
6 omitted.

7 SENATOR HELMING: Through you,
8 Mr. President, if the sponsor will continue to
9 yield.

10 ACTING PRESIDENT COONEY: Will the
11 sponsor yield?

12 SENATOR RIVERA: Yes.

13 ACTING PRESIDENT COONEY: The
14 sponsor yields.

15 SENATOR HELMING: So continuing
16 along those same lines, the Governor had included
17 language in her budget proposal that would allow,
18 in residential healthcare facilities, certified
19 nurse's aides could become certified medication
20 aides able to administer routine medications to
21 residents under the supervision of a registered
22 nurse.

23 Why was that completely removed?
24 Why not propose a modification that would allow
25 us to meet the needs of the people in our

1 communities?

2 SENATOR RIVERA: Through you,
3 Mr. President. Funny -- funny enough, I have --
4 there's a bill that I am working on, I believe
5 there's a bill that you're working on. And
6 there's a bill that we are working on together
7 exactly on this issue.

8 We couldn't get a final version of
9 something as it relates to -- as it relates to
10 this in the budget. So there's a piece of
11 legislation that we're going to seek outside of
12 the budget before the session is done.

13 SENATOR HELMING: Through you,
14 Mr. President, if the sponsor will continue to
15 yield.

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield?

18 SENATOR RIVERA: Yes.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR HELMING: Senator Rivera,
22 just going back to the dental care for a moment,
23 I think it's really important that I ask the
24 question: Are you aware that there is a
25 significant struggle trying to find providers to

1 care for people with developmental disabilities?

2 SENATOR RIVERA: Through you,
3 Mr. President, yes, I am.

4 SENATOR HELMING: Thank you.
5 Through you, Mr. President, if the
6 sponsor will continue to yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR RIVERA: Yes.

10 ACTING PRESIDENT COONEY: The
11 sponsor yields.

12 SENATOR HELMING: Senator Rivera,
13 is there anything in this budget -- so I hear and
14 you probably do too -- many of us probably do --
15 hear from parents, especially of adult children
16 who have dual diagnoses, mental health issues,
17 maybe behavioral health, and developmental
18 disabilities. And I hear all the time that they
19 continue to fall through the cracks. They're
20 winding up either in jail cells or they're
21 winding up in hospitals where they don't belong,
22 they're not getting the treatment that they need.

23 In this budget, what -- what is in
24 here to help address -- to close those cracks, to
25 help address making sure that people with dual

1 diagnoses have access to the care and the
2 services that they need?

3 SENATOR RIVERA: Through you,
4 Mr. President. If I can ask the Senator to
5 elaborate a little bit more. Like what -- what
6 is -- what specifically is she referring to as
7 far as what you think should have been in there?

8 SENATOR HELMING: Through you,
9 Mr. President. Happy to answer that question.

10 SENATOR RIVERA: Oh, yes, I should
11 have --

12 ACTING PRESIDENT COONEY: That's
13 okay. Senator Helming yields to answer the
14 question.

15 SENATOR HELMING: What should
16 happen is that we need to figure out a way so
17 that parents and people who need services don't
18 feel like they're getting different answers from
19 OMH and OPWDD. We need to open up more beds. We
20 need to provide more providers. These are all
21 things that we've discussed many times.

22 And what I'm looking for is, is that
23 a priority that the Majority felt was necessary
24 to include in the budget? And if there is
25 anything to address these folks who are falling

1 through the cracks, where is it in the budget?

2 SENATOR RIVERA: I would say
3 first -- Mr. President, through you -- there
4 are -- there was a lot of -- there were a lot of
5 things -- this is -- I'm going to repeat myself a
6 little bit only because it certainly needs to be
7 repeated that this is the best version that we
8 could get on a whole host of things.

9 And although I might not necessarily
10 be able to recall at this point -- although I'm
11 sure the staff will and they'll tell me in a
12 second -- about things specifically related to
13 that subcategory of person in the State of
14 New York, I can certainly tell you that I have
15 serious concerns about proposals the Governor
16 made that will impact vulnerable populations
17 across the state. And I have made -- I made the
18 case throughout the entire budget process, from
19 the moment that it was announced, to all the
20 hearings, to the one-house, you know,
21 conversations that I've had both publicly and
22 privately for the whole year since the Governor
23 proposed her budget, whether it's for the CDPAP
24 program -- we already spoke about that -- whether
25 it's cuts to the Health Home Program, whether

1 it's the cuts to Medicaid generally, et cetera,
2 et cetera, et cetera.

3 So I'm going to check in with these
4 folks in a second because there might have been
5 something specifically related to the subcategory
6 of folks that you are talking about. But for me,
7 the whole concern -- my concern is the entirety
8 of the proposal that the Governor initially made
9 was going in the completely wrong direction and
10 making unreasonable changes to programs that are
11 going to impact vulnerable people across the
12 state.

13 And we made the best attempt that we
14 could to kind of straighten it out a little bit.
15 But let me figure out something specifically
16 here.

17 (Pause.)

18 SENATOR HELMING: Through you,
19 Mr. President. If the sponsor would like to get
20 back to me, happy to do that.

21 SENATOR RIVERA: I will do just
22 that. Thank you.

23 SENATOR HELMING: Mr. President, I
24 would just quickly like to wrap up and thank
25 Senator Rivera for his time and his responses.

1 Thank you.

2 ACTING PRESIDENT COONEY: Thank
3 you, Senator Helming.

4 Senator Borrello, why do you rise?

5 SENATOR BORRELLO: Mr. President,
6 I'm looking for -- to continue on Part HH, if the
7 sponsor would yield.

8 ACTING PRESIDENT COONEY: Does the
9 sponsor yield to Senator Borrello?

10 SENATOR RIVERA: Through you,
11 Mr. President, on Part Hhhh (exhaling).

12 ACTING PRESIDENT COONEY: The
13 sponsor yields.

14 SENATOR BORRELLO: Through you,
15 Mr. President. Let me start off by saying we --
16 I appreciate your candor on this whole situation.
17 And I know that, you know, you're -- it's your
18 job to carry the water at this moment. But there
19 are some questions that I would appreciate some
20 further candor on.

21 Let me start off by asking, are you
22 familiar with the Non-Emergency Medical
23 Transportation, NEMT program? And you'll know
24 why I'm going down this path.

25 SENATOR RIVERA: Through you,

1 Mr. President, are you asking if I'm familiar?

2 SENATOR BORRELLO: Yeah, are you
3 familiar with that program.

4 SENATOR RIVERA: Through you,
5 Mr. President, yes, I am.

6 SENATOR BORRELLO: Mr. President,
7 will the sponsor continue to yield.

8 ACTING PRESIDENT COONEY: Will the
9 sponsor yield?

10 SENATOR RIVERA: Yes.

11 ACTING PRESIDENT COONEY: The
12 sponsor yields.

13 SENATOR BORRELLO: So if you're
14 familiar with that program, you'll know that it's
15 been a disaster. I was in county government when
16 it switched in 2014 from counties being able to
17 dispatch those non-emergency rides for Medicaid
18 patients to doctor's appointments to the broker
19 system that was developed by our former governor,
20 Andrew Cuomo.

21 As far back as 2020, under the
22 MRT II, it was identified that this was a
23 multi-million-dollar annual waste of money. They
24 went from a decentralized process where counties
25 dispatched the best way possible to get those

1 folks to their non-emergency medical
2 appointments, to a centralized broker system in
3 New York State which then cost us millions and
4 millions of dollars and lots of waste, fraud and
5 abuse -- not my words, the words of the State
6 Comptroller.

7 Why do you think -- or why does
8 someone, not necessarily you, think that going to
9 this single-broker system is going to be any
10 different than that disaster?

11 (Pause.)

12 SENATOR RIVERA: Through you,
13 Mr. President. (Shrugging shoulders; sighing.)
14 I'm not sure -- I've got to say some extra words,
15 because I'm not sure that that (sighing) can be
16 transcribed. But I -- I don't -- I don't know,
17 bro.

18 (Laughter.)

19 SENATOR BORRELLO: Mr. President,
20 will the sponsor continue to yield.

21 ACTING PRESIDENT COONEY: Will the
22 sponsor yield?

23 SENATOR RIVERA: Yes.

24 ACTING PRESIDENT COONEY: The
25 sponsor yields.

1 SENATOR BORRELLO: So that brings
2 me to my next question. So one of the things
3 that brought about the exposure of the waste,
4 fraud and abuse of this single-broker system by a
5 well-known Cuomo donor in the NEMT was the fact
6 that the Comptroller reviewed the -- and audited
7 the program and found it was wasting hundreds of
8 millions of dollars a year.

9 However, according to what we have
10 read, you specifically took out the Comptroller
11 review of this contract. Why would you do that?

12 SENATOR RIVERA: Through you,
13 Mr. President. It was not my idea.

14 (Laughter.)

15 SENATOR RIVERA: I can give you --
16 I can give you a few guesses -- although you'll
17 probably get them all right -- as to where this
18 idea came from.

19 The notion, as was espoused, if you
20 will, by the Governor and her team, was very
21 similar to what was stated before as it relates
22 to CDPAP. There is a savings of money, and
23 administrative efficiencies would be achieved,
24 et cetera, et cetera.

25 SENATOR BORRELLO: Mr. President,

1 will the sponsor continue to yield.

2 ACTING PRESIDENT COONEY: Will the
3 sponsor yield?

4 SENATOR RIVERA: Sure.

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR BORRELLO: Okay, so I'm
8 going to glean from that that someone in the
9 Governor's office thought it was a good idea for
10 the State Comptroller to not have oversight over
11 this -- this single broker who's going to now
12 handle the entire CDPAP program.

13 But there's another troubling part
14 to this, and that is where it says
15 "notwithstanding State Finance Law," which
16 essentially means that in choosing this
17 particular single broker, this single supplier,
18 you don't have to follow the state procurement
19 laws. That's also removed in this agreement.

20 Why would we do that?

21 SENATOR RIVERA: Through you,
22 Mr. President. You know, this is the moment that
23 if I was in court, I'd be like "I'd like that
24 read back into the record." Because I basically
25 would answer exactly the same way as I did in the

1 prior one, by starting with the fact that it
2 wasn't my (unspoken expletive) idea. And that I
3 don't think it's a good idea. But it is the best
4 that we could -- that we could actually get.

5 SENATOR BORRELLO: Mr. President,
6 will the sponsor continue to yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR RIVERA: Yep.

10 SENATOR BORRELLO: So maybe by
11 process of elimination, if it wasn't the chairman
12 of the Senate Health Committee's idea, was it the
13 chair in the Assembly's idea to remove these two
14 very critical components of this process?

15 SENATOR RIVERA: Through you,
16 Mr. President. The first thing I will point
17 out -- and this is like, we're all having fun
18 here -- maybe. Maybe. Well, I'm not really, but
19 whatever. There is -- it is -- it should be
20 pointed out that there is still -- because we're
21 talking about state dollars, the Comptroller
22 still can do auditing after the fact.

23 However, you are correct, that in
24 the choosing of the contractor, that is not --
25 that was kind of excised.

1 And as far as where it came from, it
2 came from the Governor's office. Like there was
3 the -- the notion that doing it, that we have to
4 do it quickly. And I'm all in -- I'm --
5 certainly -- you know, I certainly would be --
6 would have my ears open for somebody saying,
7 like, we can get something done more effectively,
8 more efficiently. You know, I'm open to having
9 that conversation. I would not -- if there was a
10 way to have oversight throughout the entire
11 process, I would prefer it.

12 But I will say that there is -- I
13 will just, again, underline that because we're
14 talking about state dollars, the audit can happen
15 afterwards. So there's that.

16 But you are correct in what you're
17 suggesting, that having it throughout the entire
18 process, including in the choosing of it, would
19 be a preferable outcome.

20 SENATOR BORRELLO: Mr. President,
21 will the sponsor continue to yield?

22 ACTING PRESIDENT COONEY: Will the
23 sponsor yield?

24 SENATOR RIVERA: Yes.

25 ACTING PRESIDENT COONEY: The

1 sponsor yields.

2 SENATOR BORRELLO: So in the
3 case -- going back to the Non-Emergency Medicaid
4 Transportation, there was indeed an audit done.
5 It was done going on four years ago now. Are you
6 aware of any modifications to the Non-Emergency
7 Medicaid Transportation Program since that audit
8 and those recommendations from the Comptroller
9 and also from the MRT II?

10 SENATOR RIVERA: Through you,
11 Mr. President, if the -- if Senator Borrello
12 could clarify the -- what audit, specifically
13 what audit he is in reference to, what year's
14 audit is he referring to?

15 ACTING PRESIDENT COONEY: Senator
16 Borrello, can you clarify?

17 SENATOR BORRELLO: Through you,
18 Mr. President. A 2020 audit. Also the MRT II
19 recommendations. So both, I believe, 2020.

20 (Pause.)

21 SENATOR RIVERA: Through you,
22 Mr. President. It was precisely -- the change to
23 the single broker actually happened because of
24 the -- because of MRT II. So the -- so the
25 change from the two-manager system that existed

1 prior to the one broker actually happened because
2 of MRT II.

3 SENATOR BORRELLO: Mr. President,
4 will the sponsor continue to yield.

5 ACTING PRESIDENT COONEY: Will the
6 sponsor yield?

7 SENATOR RIVERA: Yes.

8 ACTING PRESIDENT COONEY: The
9 sponsor yields.

10 SENATOR BORRELLO: So let me just
11 clarify. That's actually not correct, and I'll
12 tell you why.

13 So what happened was we went from
14 the county-controlled system in 2014 to the
15 broker system. Then in 2020, what the brokers
16 figured out quickly was that the longer the ride
17 was, the more money they made. So they kept --
18 they would dispatch like a taxi driver from the
19 city of Buffalo to come down to my district, 50,
20 60, 70 miles away, to pick up somebody to bring
21 them back to Buffalo to have a non-emergency
22 doctor's appointment, and then back and forth.
23 And in some cases a taxi driver's making \$300 or
24 \$400 per trip for moving one person.

25 So MRT II suggested that we needed

1 to more of a -- from a fee-for-service to a more
2 essentially patient-centered model, which would
3 have reduced that cost. Which has yet to happen.

4 So I bring this up because you said
5 it's okay, we can audit it afterwards. We
6 audited this through the Comptroller's office and
7 as a recommendation from the MRT II. Four years
8 later, they still have not made those recommended
9 changes from both the MRT II and from the
10 Comptroller.

11 So the long way around to this is
12 why do we think that will be any better here? We
13 could be years and years and years down the road
14 wasting money even after an audit because of the
15 fact that we're not allowing some preemptive --
16 some preemptive I guess due diligence with the
17 Comptroller, and also with following the proper
18 procedures of the state procurement process.

19 (Pause.)

20 SENATOR RIVERA: So through you,
21 Mr. President. What I will tell you is that
22 although I might have a slight disagreement as
23 far as the -- I might have a slight disagreement
24 as far as how -- what you're describing at the
25 level of the driver obviously is correct, and I'm

1 not -- you've heard this yourself. What I was
2 describing was something more at the state level
3 as far as how the money flowed.

4 But that disagreement or that
5 misunderstanding does not erase the fact that I
6 am in agreement with you that we should have --
7 everywhere that state dollars are being used, we
8 should be able to have oversight. And
9 particularly if we're talking about the -- in the
10 case of the Comptroller, whose level of expertise
11 is to make sure that money is being spent wisely,
12 that having them throughout the entire process.

13 And lastly, I would say that having
14 them involved to have a role in a process that
15 might potentially mean billions of dollars of
16 Medicaid, so both state and federal dollars
17 flowing to a particular entity, having the
18 Comptroller involved at that point, I am fully in
19 agreement with you.

20 But again, I will say that that was
21 not my idea.

22 SENATOR BORRELLO: Mr. President,
23 will the sponsor continue to yield.

24 ACTING PRESIDENT COONEY: Does the
25 sponsor yield?

1 SENATOR RIVERA: Yes.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR BORRELLO: Senator Helming
5 brought up the DocGo situation. I understand
6 that was not a state issue. However, we had
7 another company that the Governor paid hundreds
8 of millions of dollars to for COVID tests -- to a
9 company that actually never had sold a single
10 COVID test before the Governor gave them that
11 large contract.

12 Is there anything in here that would
13 ensure that there is actually a company out there
14 with experience that can -- qualified and
15 competently -- do the job without having to
16 follow state procurement laws and without
17 oversight of the Comptroller's office?

18 SENATOR RIVERA: So through you,
19 Mr. President. I read some language into the
20 record a little bit earlier. Now, while I might
21 certainly agree that we could have had even more
22 further specific -- one second. (Pause.)

23 Once again -- through you,
24 Mr. President -- I will say that there is
25 language that was -- through negotiations we

1 ultimately came up with language specifically. I
2 will read again from page 62, for those following
3 at home: (Reading) The criteria for the
4 selection of the statewide fiscal intermediary
5 which shall include, at a minimum, that the
6 eligible contractor is capable of performing
7 statewide fiscal intermediary services with
8 demonstrated cultural and language competencies
9 specific to the population of consumers and those
10 of the available workforce, has experience
11 serving individuals with disabilities, and as of
12 April 1, 2024 -- so 18 days ago -- is providing
13 services as a fiscal intermediary on a statewide
14 basis with at least one other state.

15 So there is some criteria that
16 addresses the question that you asked -- that he
17 asked earlier. Through you, Mr. President.

18 SENATOR BORRELLO: Mr. President,
19 will the sponsor continue to yield.

20 ACTING PRESIDENT COONEY: Does the
21 sponsor yield?

22 SENATOR RIVERA: Yes.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR BORRELLO: So based on

1 that, you could have someone that operates a call
2 center with people that are capable of speaking
3 multiple languages in that call center, and
4 perhaps right now they provide, you know,
5 services like, you know, trying to find a place
6 to get a COVID vaccine. Or -- that would be --
7 wouldn't that meet that minimum standard?

8 SENATOR RIVERA: Through you,
9 Mr. President. Although I'm not the one who will
10 be making the -- who would be determining that
11 ultimately, since I'm not the department of --
12 I'm not the Commissioner of Health, I believe
13 that what we've described there actually would
14 exclude the situation that the Senator just
15 described.

16 SENATOR BORRELLO: Okay.

17 Mr. President, on the bill.

18 ACTING PRESIDENT COONEY: Senator
19 Borrello on the bill.

20 SENATOR BORRELLO: Senator Rivera,
21 thank you. I realize that you were, you know,
22 doing your best in what was a crappy situation,
23 as you described it.

24 So, you know, this is really an
25 interesting situation. We're claiming that there

1 is -- and there has been evidence of some fraud
2 in this current program. Likely not the entire
3 program, but in certain -- certain elements of
4 it. So what we're going to do now is we're going
5 to basically just wipe away this whole program
6 and pick one vendor. Okay. You could perhaps
7 make an argument for that, although I've made the
8 argument that that was a complete, utter disaster
9 under Andrew Cuomo's pay-to-play NEMT program.

10 So what are we going to do to
11 prevent that same fraudulent disaster from
12 happening again? Well, we should have some
13 guardrails in place, the first and foremost, a
14 review by our Comptroller for the process of
15 picking a vendor.

16 Secondly, just like every local
17 government, just like every agency, just like
18 anyone else that buys a box of pens, follow the
19 state procurement process.

20 But yet for a multi-billion-dollar
21 contract, we're going to say, Nope, we don't have
22 to follow that process. We don't have to follow
23 the state procurement guidelines for the choosing
24 of this very big vendor for New York State.

25 We are setting ourselves up for the

1 same fraudulent disaster with this particular
2 situation. And in the meantime, what are we also
3 going to do? We're going to wipe away all the
4 legitimate folks, all the small contractors
5 across this state that are faithfully and
6 honestly delivering the services for some of the
7 most vulnerable people in New York State. We're
8 going to wipe them out because of a few bad
9 actors.

10 This is not the right way to do
11 this. Particularly because it's very, very clear
12 that the choice has been made. There's a vendor
13 out there right now that's already been chosen
14 behind closed doors, and they have tailored this
15 particular part of the budget to ensure that they
16 are the only ones that will qualify.

17 I am not Nostradamus, but I can tell
18 you that I am predicting that right now. This
19 really does stink. And voting for this today is
20 voting for taking one bad situation and replacing
21 it with a far worse situation. The cure is worse
22 than the disease.

23 So I'll be voting no on this one.

24 With that, Mr. President, if I could
25 move on to Part R.

1 ACTING PRESIDENT COONEY: Are you
2 looking to debate Senator Rivera?

3 SENATOR BORRELLO: Yes, if I could,
4 please.

5 ACTING PRESIDENT COONEY: Senator
6 Rivera, will you yield?

7 SENATOR BORRELLO: Is that you?

8 SENATOR RIVERA: Part --

9 SENATOR BORRELLO: Interstate
10 compact authorizations for physicians and nurses.
11 Is that you?

12 SENATOR RIVERA: Yes,
13 Mr. President.

14 ACTING PRESIDENT COONEY:
15 Senator Rivera yields.

16 SENATOR BORRELLO: Through you,
17 Mr. President. This seemed like a very good
18 idea. We have had issues -- and I'm sure your
19 office has dealt with it too. Anytime anyone
20 wants to get licensed for anything in New York
21 State, I don't care if it's to cut hair or to cut
22 people open, there is a backlog of being able to
23 get someone licensed in New York State. Problem.

24 This would have been a good
25 solution. We should say that we are going to

1 allow physicians and nurses, which are
2 desperately needed here, to enter into a
3 multistate compact.

4 But the Legislature has chosen to
5 take that out of this budget. Can you please
6 explain why?

7 SENATOR RIVERA: Through you,
8 Mr. President. It was another one of those
9 things that we could not get agreement on and
10 ultimately was pulled out of the final
11 agreed-upon language.

12 SENATOR BORRELLO: Mr. President,
13 will the sponsor continue to yield.

14 ACTING PRESIDENT COONEY: Will the
15 sponsor yield?

16 SENATOR RIVERA: Yes.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR BORRELLO: So I'm -- as you
20 were nodding your head before, I'm sure you, like
21 me, have had many situations with licensing,
22 right? So you're saying that this was, again, a
23 Governor's choice to remove this licensing?

24 SENATOR RIVERA: Through you,
25 Mr. President, not necessarily. I think there

1 was like -- the fact is that there were parts of
2 it that might have been -- you know, the -- there
3 might have been parts of this -- parts of this
4 part -- interparts, if you will -- which we had
5 some soft disagreement on. Others, strong
6 disagreement.

7 But basically, since we're talking
8 about something that is -- as you will hear over
9 and over again, not only in this bill but in many
10 others, there are some things which we felt it
11 necessary to pull outside of the budget process
12 and deal with outside of the budget process. And
13 this was one of them.

14 SENATOR BORRELLO: Mr. President,
15 if the sponsor will continue to yield.

16 ACTING PRESIDENT COONEY: Does the
17 sponsor yield?

18 SENATOR RIVERA: Yes.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR BORRELLO: So you're saying
22 that there is perhaps a solution that will be
23 dealt with outside the budget to address this
24 issue with licensing?

25 SENATOR RIVERA: Through you,

1 Mr. President. What I will tell you is that
2 there is -- the issue of workforce shortages and
3 workforce challenges, as I stated earlier, is
4 something that is very present. It's certainly
5 present to me. I've been trying to, you know --
6 I mentioned earlier how I traveled not only to
7 Senator Cooney's backyard, but Senator Webb's
8 backyard. I've gone up to Buffalo, all over the
9 place, on issues of the workforce challenges that
10 exist around the state. So I'm certainly aware
11 of them. And I'm certainly aware of some of the
12 things that might help to ease that.

13 And so as part of those
14 conversations, this certainly would be -- will be
15 part of that. And I'm hoping that if we ever get
16 done with the friggin' budget, that we can
17 actually have a conversation throughout the rest
18 of the session that would partly help us deal
19 with this issue.

20 SENATOR BORRELLO: Mr. President,
21 one more question, if the sponsor will continue
22 to yield.

23 ACTING PRESIDENT COONEY: Will the
24 sponsor yield?

25 SENATOR RIVERA: I will state for

1 the record once again that I do not believe that
2 it will be the last question from
3 Senator Borrello. But I will indeed yield.

4 (Laughter.)

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR BORRELLO: Follow-ups
8 notwithstanding --

9 (Laughter.)

10 SENATOR BORRELLO: I guess what I'm
11 trying to understand, this is a pretty simple
12 solution. There are two interstate compacts that
13 we could join that would automatically,
14 essentially easily, move critically needed
15 healthcare professionals from, say, the State of
16 Pennsylvania to the State of New York. Why would
17 we say no to that? I mean, you're saying that
18 we're going to handle that somewhere outside the
19 budget, but I didn't hear you say we're going to
20 join these compacts outside the budget. Because
21 this is a simple -- this is low-hanging fruit,
22 right? I mean --

23 SENATOR RIVERA: Through you,
24 Mr. President. I agreed with my colleague on a
25 lot of different things. This one I will not

1 agree on that it's low-hanging fruit.

2 SENATOR BORRELLO: Okay. Okay.

3 SENATOR RIVERA: It is not simple.

4 It is actually quite complicated. Meaning
5 there's a lot of resistance from a lot of
6 different angles, from folks who would be
7 impacted by the changes that this -- that would
8 happen. And from the -- there's concerns about
9 standards in other states might not be as high as
10 ours, et cetera.

11 So it is not a simple thing. It is
12 a little bit more complicated. It is -- I will
13 agree, as I stated earlier, that we have to look
14 at every potential solution or every potential
15 angle to ease the workforce shortages that we
16 have across the healthcare field in every -- you
17 know, across the healthcare sector, whether it's
18 doctors, nurses, physician assistants, you know,
19 you name it.

20 And this is certainly one of the
21 things that should be explored, but it is not a
22 low-hanging fruit. So having a conversation
23 outside of the budget makes more sense.

24 SENATOR BORRELLO: Mr. President,
25 on the bill.

1 ACTING PRESIDENT COONEY: Ah.
2 Senator Borrello on the bill, finished with his
3 questions.

4 SENATOR BORRELLO: Thank you again,
5 Senator Rivera.

6 I think it is low-hanging fruit. I
7 have to disagree with my colleague on the other
8 side of the aisle because of several reasons.

9 Recently we had a situation where we
10 had a surgeon from Pennsylvania that wanted to
11 move to Olean, New York, a rural area that
12 desperately needs surgeons. It took 18 months to
13 get him licensed in New York State. And every
14 time there wasn't a T crossed or an I dotted, the
15 Licensing Department said, oh, we've got to kick
16 it back and start over again. Eighteen months
17 for someone that had nearly two decades of
18 performing surgery in the State of Pennsylvania.

19 Now, we're talking the State of
20 Pennsylvania, we're not talking about some
21 Third World country here. I don't see what the
22 big difference would be that it would take that
23 long. But what makes it more hypocritical is
24 that our Governor and the previous Governor have
25 leaned on hospital organizations, healthcare

1 organizations from the State of Pennsylvania to
2 essentially keep hospitals in Western New York
3 afloat. UPMC and others, Allegany Healthcare
4 Systems, somehow their care -- which, by the way,
5 people from New York State end up getting
6 transferred to out-of-state hospitals to have
7 surgeries performed and other tertiary services.
8 That's okay when it helps the Governor save
9 money. But when we want to bring a healthcare
10 professional from Pennsylvania to perform that
11 same surgery in New York State -- whoa, whoa,
12 whoa, we've got to wait and see.

13 It's ridiculous. This is the height
14 of bureaucracy. And it's bureaucracy at the
15 expense of healthcare, a critically needed
16 healthcare. If someone wants to move to rural
17 Western New York -- hell, if anybody wants to
18 move to New York for any reason at all and
19 provide services, we should be embracing that,
20 and as quickly as possible. And not joining
21 these consortiums for licensing is a step in the
22 wrong direction.

23 It's another reason why I'll be
24 voting no on this.

25 Thank you, Mr. President.

1 ACTING PRESIDENT COONEY: Thank
2 you, Senator Borrello.

3 Senator Stec, why do you rise?

4 SENATOR STEC: If Senator Rivera
5 would yield for a few questions, please.

6 ACTING PRESIDENT COONEY: Senator
7 Rivera, will you yield?

8 SENATOR RIVERA: Yes,
9 Mr. President. What part?

10 SENATOR STEC: We're going to talk
11 a little bit about nursing homes, Medicaid
12 reimbursement rates.

13 ACTING PRESIDENT COONEY: Senator
14 Rivera yields.

15 SENATOR RIVERA: Yes.

16 SENATOR STEC: Thank you very much,
17 Mr. President.

18 Senator Rivera, would you agree with
19 the statement that nursing homes are an important
20 component of the overall healthcare system of any
21 society that -- you know, that there's a
22 relationship between how well they function and
23 how well they're staffed, with hospitals and
24 other levels of care, and that if nursing homes
25 are struggling, then that has an impact not only

1 on the patients and their families but the
2 financial health of the rest of the system, puts
3 pressure on hospitals and other portions of that?
4 Would you generally agree that nursing homes are
5 a piece of a larger puzzle?

6 SENATOR RIVERA: Through you,
7 Mr. President, I will certainly agree that
8 nursing homes are an important piece of the --
9 generally speaking, they're an important piece of
10 the healthcare delivery system in the state, or
11 any state, and certainly an important piece of
12 taking care of our most vulnerable New Yorkers.

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

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield?

18 SENATOR RIVERA: Yes.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR STEC: Thank you.

22 In this budget has anything been
23 done for Medicaid rebasing? I believe the last
24 time that Medicaid rebasing occurred was 2007.
25 Is that true? And is Medicaid rebasing getting

1 done in this budget?

2 SENATOR RIVERA: Through you,
3 Mr. President, if the Senator could be specific.
4 You're -- are you specifically -- you're
5 referring across the board or you're just
6 referring to a specific type of provider?

7 SENATOR STEC: Long-term care.
8 Sorry.

9 SENATOR RIVERA: So through you,
10 Mr. President, there is no -- we did not achieve
11 a rebasing in this particular budget.

12 But nursing homes in particular will
13 have an increased aggregate amount of
14 \$285 million in Medicaid rates. It's not
15 necessarily -- they're not structured as we've
16 done before as percentages, but it's as a -- kind
17 of a lump sum.

18 And I will say that -- just so
19 that -- because there might be other questions,
20 right, that we did -- we were able to achieve
21 increases for hospitals of 525 million. This is
22 as far as Medicaid rates for hospitals. And then
23 for assisted living programs or ALPs we were able
24 to achieve an increase of about 15 million.

25 I should make clear that even though

1 we certainly -- this is not the way we would have
2 liked it. And as I said earlier, it wasn't my
3 idea. The raises that we were able to achieve
4 were not across the board. So that means that
5 FQHCs, hospice, home care or private practices
6 who take Medicaid were not included in Medicaid
7 raises this year.

8 SENATOR STEC: Thank you.

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

11 ACTING PRESIDENT COONEY: Does the
12 sponsor yield?

13 SENATOR RIVERA: Yes.

14 ACTING PRESIDENT COONEY: The
15 sponsor yields.

16 SENATOR STEC: All right, thank
17 you. You brought up the \$285 million that will
18 be going towards Medicaid reimbursement. I know
19 that, generally speaking, the number that nursing
20 homes have been asking for over the last several
21 years is much higher than that. I believe that
22 there's an \$810 million gap between Medicaid
23 rates and costs, and that their ask
24 collectively -- at least some of the larger
25 groups that I talked to -- is about \$510 million.

1 So a good bit more, about 230 million more than
2 the 285 million that's in this budget.

3 So you didn't mention percentages.
4 I know that the last time that Medicaid rates
5 were increased was 2008, except for last year.
6 We did about a 6.5 percent increase last year.
7 They were asking for 16 percent this year. Do
8 you know -- my math is that that 285 million
9 represents about another 6.5 percent, far short
10 of the 16 percent that they were asking for. Is
11 that -- is that accurate?

12 (Pause.)

13 SENATOR RIVERA: So through you,
14 Mr. President. Although the math -- I'm going to
15 trust that you did the math. I'm not a math guy.
16 I've got the math folks over here.

17 What I will tell you is that one of
18 the reasons we did it as a lump sum, as opposed
19 to a percentage, is because it opens up other
20 ways to potentially get federal dollars in
21 different ways. So as opposed to doing it by
22 percentage, it was as a lump sum.

23 But the -- but again, we're talking
24 about a lot less than what is necessary. I have
25 been very clear, both publicly and privately, on

1 this floor, in meetings and anyone that will put
2 a camera on my face -- I have talked about how
3 any Medicaid provider around the state,
4 regardless of what kind of services they provide,
5 loses money every time somebody walks in the
6 door. And yet they serve the folks who have the
7 most need, whether it's a rural hospital in
8 upstate New York or whether it's the most urban
9 of hospitals right in the center of the Bronx.

10 So I've always believed that we need
11 to invest by raising Medicaid rates across the
12 board, mostly so that we can -- so that these
13 institutions can provide some stability for
14 themselves, as opposed to having to come to the
15 state, as they do all the time, on their hands
16 and knees, begging for rescue because they're
17 about to fall apart or run out of money. I've
18 never thought that that was a smart thing to do.

19 And again, this is the best that we
20 could get. We actually did get some increases,
21 but not as much as we would like. Or what is
22 necessary, I should say.

23 SENATOR STEC: Mr. President, if
24 the sponsor would continue to yield.

25 ACTING PRESIDENT COONEY: Does the

1 sponsor yield?

2 SENATOR RIVERA: Yes.

3 ACTING PRESIDENT COONEY: The
4 sponsor yields.

5 SENATOR STEC: Thank you, Senator.

6 So I'll shift a little bit now to
7 the Vital Access Provider insurance program. As
8 you're familiar, it's for financially distressed
9 hospitals and nursing homes. I want to focus on
10 the nursing home piece.

11 Each of the last two years the
12 budget contained \$100 million of VAP funding for
13 nursing homes, and this budget cuts that to
14 \$25 million. We've had, in the last few years,
15 over a dozen nursing homes upstate close, so
16 there's no shortage of distressed nursing homes.
17 And certainly not keeping up with the Medicaid
18 reimbursement rates, that's not helping get --
19 make that list any shorter.

20 Can you tell us why the budget was
21 cut from 100 million for nursing homes VAP to
22 25 million for nursing homes?

23 (Pause.)

24 SENATOR RIVERA: So through you,
25 Mr. President. What -- the argument that the

1 Governor's office made, which on its face is
2 accurate, that we provided \$100 million and only
3 \$25 million of it was actually, you know,
4 accessed. And part of -- so their argument was,
5 well, since only 25 was used, then that means
6 that only 25 is necessary.

7 I disagree. There are issues of
8 eligibility to that fund that had to be worked
9 out. That made some nursing homes that otherwise
10 would have been eligible, ineligible. So -- but
11 again, the argument on the face of it was since
12 there was -- only \$25 million of the 100 million
13 was accessed, that it means that that's all that
14 was necessary. We had disagreements, but that is
15 ultimately what made it to the final agreed-upon
16 language.

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

19 ACTING PRESIDENT COONEY: Senator
20 Stec on the bill.

21 SENATOR STEC: If I could just --
22 my thoughts on the answer to Senator Rivera's
23 last question of mine -- and I appreciate the
24 Senator's time. The argument from the Governor
25 or anyone saying, well, only \$25 million went out

1 the door, so that's the reason to cut this, is
2 because only twenty -- the question is how many
3 has been applied for.

4 Everyone in this room gets calls
5 from businesses about liquor licenses. And how
6 many people get a call for a liquor license?
7 Well, it's a six-month backlog. For a liquor
8 license? This isn't rocket science. This isn't
9 brain surgery. It's a liquor license. But yet
10 it takes six, nine months.

11 So the argument shouldn't be, Well,
12 we put less of an investment in because it's not
13 going out the door -- when you control the
14 spigot, how fast it goes out the door. The
15 demand is much higher than \$25 million.

16 Another great example would be the
17 Office of Cannabis Management. They've processed
18 200 applications; they got 7,000 applications.
19 That's a backlog. That tells me not that there's
20 only demand for 200, it tells me that they're not
21 getting the job done.

22 So this is another example. This is
23 a great way to make your own news. We will
24 control how fast the money goes out, and then we
25 can say, well, they don't need \$100 million

1 because the last two years we were only able to
2 get \$20 million out.

3 I reject that logic. I'm sure
4 Senator Rivera -- I don't want to put words in
5 your mouth, but I know how you feel on a lot of
6 these issues and I know that you're frustrated
7 with where this has gone.

8 More than a dozen nursing homes have
9 closed in the last few years. Fourteen thousand
10 beds remain vacant -- 14,000 beds that are
11 existing, the buildings are there, the beds are
12 there, they don't have the staff. We've mandated
13 staffing ratios. They can't hire the staff. Why
14 can't they hire the staff? Because they don't
15 have the money to hire the staff. Because when
16 we raised minimum wage to \$20 an hour and
17 somebody's looking for a job and they could pick
18 between \$20 an hour at Walmart or \$20 at a
19 fast-food restaurant or \$20 cleaning up after
20 grandma and grandpa in the nursing home, cleaning
21 their bed -- supply and demand. The marketplace
22 will take over and you won't be able to hire
23 people.

24 And we control their ability to
25 raise revenue because we are denying them --

1 these are Medicaid people. And if you haven't
2 raised Medicaid reimbursement rates since 2008
3 and we haven't done a rebasing since 2007 -- they
4 are running their books on expenses of 2024, with
5 record inflation. But the reimbursement that we
6 control is from 20 years ago. Of course we're
7 setting our nursing homes up for failure.

8 They've asked for \$510 million.
9 This budget gives them \$285 million.
10 That's another \$230 million. Where could we come
11 up with \$230 million to take care of New Yorkers
12 that have been here their whole lives, raised
13 their families, followed the rules, paid their
14 taxes, and now they're at the end of their life
15 and they're in a nursing home, and our way to say
16 thanks to them -- a lot of them veterans, a lot
17 of first responders -- our way to say thank you
18 to them is to say, We don't have a bed for you?

19 I could tell you where we can get --
20 we could take 10 percent of \$2.4 billion that's
21 going to New York's illegal immigrant problem,
22 and you put that in our nursing homes and we take
23 care of thousands and thousands of New Yorkers
24 that deserve better than this budget gives them.

25 I'll be voting no.

1 ACTING PRESIDENT COONEY: Thank
2 you, Senator Stec.

3 Senator Ashby, why do you rise?

4 SENATOR ASHBY: Thank you,
5 Mr. President.

6 Will Senator Rivera yield?

7 ACTING PRESIDENT COONEY: Will
8 Senator Rivera yield?

9 SENATOR RIVERA: Part? What part?

10 ACTING PRESIDENT COONEY: Could you
11 clarify, Senator Ashby, what part?

12 SENATOR ASHBY: Part II.

13 ACTING PRESIDENT COONEY: Part II.

14 SENATOR ASHBY: India, India.

15 ACTING PRESIDENT COONEY: Senator
16 Rivera yields.

17 SENATOR ASHBY: You good?

18 SENATOR RIVERA: Yup.

19 SENATOR ASHBY: So we're talking
20 about the managed care organizations tax here.
21 It's my understanding that this is going to
22 require a federal waiver. Is that true?

23 SENATOR RIVERA: Through you,
24 Mr. President, that is correct.

25 SENATOR ASHBY: Do you

1 anticipate -- through you, Mr. President, will
2 the sponsor yield?

3 ACTING PRESIDENT COONEY: Does the
4 sponsor yield?

5 SENATOR RIVERA: Yes.

6 ACTING PRESIDENT COONEY: The
7 sponsor yields.

8 SENATOR ASHBY: Do you anticipate
9 that this waiver will be approved?

10 SENATOR RIVERA: Through you,
11 Mr. President. Yes, we do.

12 SENATOR ASHBY: Mr. President, will
13 the sponsor yield.

14 ACTING PRESIDENT COONEY: Will the
15 sponsor yield?

16 SENATOR RIVERA: Yes.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR ASHBY: Have we seen this
20 in other states?

21 SENATOR RIVERA: Through you,
22 Mr. President. Yes, we have.

23 SENATOR ASHBY: Through you,
24 Mr. President, will the sponsor yield?

25 ACTING PRESIDENT COONEY: Does the

1 sponsor yield?

2 SENATOR RIVERA: Yes.

3 ACTING PRESIDENT COONEY: The
4 sponsor yields.

5 SENATOR ASHBY: It's my
6 understanding that California and Illinois have a
7 similar program in place. Do you know how this
8 affected rates in California?

9 (Pause.)

10 SENATOR RIVERA: Through you,
11 Mr. President. First of all, there are actually
12 17 states that have a version of this. So it's
13 not just those two states, it's 17.

14 And according to the data that we've
15 seen, the impact on rates has been minimal.

16 I will just say for the record that
17 what we're talking about is something that -- it
18 would be a tax on managed care organizations that
19 then would be -- we would get a federal match
20 for, and then we'd be able to take that money and
21 invest it right back into the Medicaid system.

22 So although it is unlikely that
23 we'll be able to do it for long, Mr. President,
24 since the federal government has made it clear
25 that they are likely going to change regulations

1 so that this will not be something that can be
2 accessed later, we feel pretty confident that is
3 something that we can do. And again, we're
4 talking about something that will not be a
5 long-term solution, Mr. President, as far as
6 investment in the Medicaid system, but it will
7 allow us at least some money to be able to plug
8 back -- to plug some of the holes that we've been
9 talking about the entire afternoon.

10 SENATOR ASHBY: Will the sponsor
11 yield?

12 ACTING PRESIDENT COONEY: Will the
13 sponsor yield?

14 SENATOR RIVERA: Yes.

15 ACTING PRESIDENT COONEY: The
16 sponsor yields.

17 SENATOR ASHBY: So it's my
18 understanding that it changed rates in California
19 to \$182.50 per member per month. I see that as
20 significant. Do you not?

21 SENATOR RIVERA: Through you,
22 Mr. President, I am unaware of what the -- what
23 Senator -- what Senator Ashby is quoting. If you
24 could actually refer me to it, because that is
25 not the information that I am aware of.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR RIVERA: Yes.

4 ACTING PRESIDENT COONEY: The
5 sponsor yields.

6 SENATOR ASHBY: What figure do you
7 have?

8 SENATOR RIVERA: One second.

9 (Pause.)

10 SENATOR RIVERA: Through you,
11 Mr. President. First of all, this -- what we
12 will be approving today is something that sets
13 the framework. The details of it will need to be
14 worked out, obviously, with the federal
15 government and the -- and as well as the Medicaid
16 program here in the State of New York.

17 But the biggest chunk of -- as far
18 as rates, the biggest chunk of this program will
19 be something that -- related to Medicaid rates.
20 The commercial part of it is a very, very small
21 piece of the entire pie as far as where the taxes
22 will go. And because this is there for Medicaid
23 patients, the rates are not going to be felt
24 there.

25 What we are going to do is we're

1 actually going to take that money, again, get
2 federal matching dollars for it, and then
3 reinvest it into the system. So overall the
4 impact will be -- will be very small on the
5 commercial side. Because again, we're not --
6 most of what we're doing is over here on the
7 Medicaid system -- on the Medicaid part of it,
8 not on the commercial side.

9 SENATOR ASHBY: Thank you,
10 Senator Rivera.

11 On the bill, Mr. President.

12 ACTING PRESIDENT COONEY: Senator
13 Ashby on the bill.

14 SENATOR ASHBY: So from previous
15 speakers, you know, we've heard about how the
16 cost of Medicaid has inflated and we've talked
17 about rebasing and we've talked about rate
18 raising. And here we're talking about another
19 way to fund Medicaid outside of the norm.

20 We've done this before. We saw it
21 with the Healthcare Transformation fund with
22 Governor Cuomo. We do this with HCRA taxes. And
23 now we're trying to do it again with a formula
24 that -- with a system that's going to be separate
25 from the Medicaid formula, that is going to be

1 separate from the cap.

2 It's not a good way to do things.
3 If we would go back and simply rebase and give
4 that more consideration than I think it's
5 deserving in this budget, certainly, we wouldn't
6 be running into these problems.

7 And this is bipartisan. I know
8 Senator Rivera is in agreement with me on this.
9 And I know that it's a big step. But we're going
10 to continue to try and plug these holes and put a
11 Band-Aid on a gaping gunshot wound the more and
12 more that we try and solve these problems this
13 way.

14 I'll be voting no. Thank you.

15 ACTING PRESIDENT COONEY: Thank
16 you, Senator Ashby.

17 Senator Murray, why do you rise?

18 SENATOR MURRAY: Thank you,
19 Mr. President. Would the sponsor yield to
20 discuss Part U, the opioids and overdose
21 prevention section.

22 ACTING PRESIDENT COONEY: Senator
23 Rivera, will you yield?

24 SENATOR RIVERA: Part "UUUU"?
25 Yes, I will.

1 ACTING PRESIDENT COONEY: Senator
2 Rivera yields.

3 SENATOR MURRAY: Thank you.
4 Through you, Mr. President. Could
5 you tell me what is in Part U of this budget that
6 is dealing with the opioid and overdose
7 prevention?

8 SENATOR RIVERA: Through you,
9 Mr. President. This is the part of the -- if the
10 Senator is referring to the part of the
11 Governor's proposal that was Part U, that was
12 intentionally omitted and is not included in the
13 language that we have before us.

14 SENATOR MURRAY: Thank you.
15 Mr. President, on the bill.

16 ACTING PRESIDENT COONEY: Senator
17 Murray on the bill.

18 SENATOR MURRAY: And that's the
19 problem. That is the only section I could find
20 in this whole bill that even deals with what I
21 think we would all agree is a growing problem,
22 perhaps even an epidemic, and that is the opioid
23 and overdose problem. It is growing worse and
24 worse.

25 There was language in the bill, as

1 the sponsor mentioned, in the Governor's bill,
2 that did several things. One in particular
3 addressed xylazine, which again is a growing
4 problem. In fact, xylazine -- which, by the way,
5 is a horse tranquilizer. It is not fit for human
6 beings -- is also known as tranq on the streets.
7 But it's been labeled an emerging threat by the
8 White House's Office of National Drug Policy.
9 This threat continues to increase as more and
10 more illegal opioids and synthetic opioids seized
11 by law enforcement contain xylazine.

12 The district attorney from
13 Suffolk County was up here earlier this year. We
14 did a press conference on this issue and the
15 opioid epidemic, and in particular fentanyl. He
16 had mentioned -- and I believe the number was
17 200 people lost their lives last year in
18 Suffolk County alone from fentanyl, and in
19 15 percent of those they found xylazine in there.

20 Now, the reason I bring this up is
21 the Governor recognized that and put language in
22 her budget bill directly addressing it,
23 classifying xylazine as a controlled substance.
24 Now, while she put it as a Schedule III -- we'd
25 prefer a Schedule I -- at least it was there. It

1 was something, it was steps forward.

2 By the way, if you don't know what
3 xylazine does to the human body, go ahead and
4 Google it. Google "xylazine effects on humans."
5 I will warn you, don't do it if you're eating
6 lunch. It's not pretty. Your skin, necrosis
7 kicks in. Your skin literally dies. Turns
8 black, starts bleeding. It is horrific.

9 It is killing people, and yet we've
10 decided we're going to take it out of the budget.
11 And then how are we addressing the opioid
12 epidemic? We're not. Which is exactly how I'm
13 voting on this portion of the bill: I'm not.
14 I'm voting no.

15 Thank you, Mr. President.

16 ACTING PRESIDENT COONEY: Thank
17 you, Senator Murray.

18 Senator Rolison, why do you rise?

19 SENATOR ROLISON: Mr. President,
20 through you, would the sponsor yield for
21 questions in reference to Part V?

22 ACTING PRESIDENT COONEY: Senator
23 Rivera, will you yield?

24 SENATOR RIVERA: Mr. President, I
25 would do no justice to this part, as much as my

1 colleague would. So I will defer to
2 Senator Mayer.

3 ACTING PRESIDENT COONEY: Senator
4 Mayer, do you yield?

5 SENATOR MAYER: Thank you very
6 much. Yes, I'm happy to yield.

7 ACTING PRESIDENT COONEY: Senator
8 Mayer yields.

9 SENATOR ROLISON: Through you,
10 Mr. President. Senator Mayer, in the Governor's
11 original proposal there was a proposal to
12 modernize the EMS system in the state and also to
13 declare it an essential service. And we know
14 that the EMS system in the state is in crisis.
15 There are issues related to response, response
16 times. Now that many communities -- two
17 communities at least in my district, the 39th,
18 the City of Newburgh and the City of Poughkeepsie
19 are now paying close to \$1 million and \$700,000
20 for the City of Poughkeepsie for EMS services
21 that prior were not budgeted. They didn't have
22 to be, because they weren't being charged.

23 Are we going to see -- and we have
24 other bills to do -- EMS addressed that you're
25 aware of in any other budget bills to come before

1 us?

2 SENATOR MAYER: The Governor's EMS
3 proposal was not included in the final budget.
4 Although the Senate one-house, as I think you're
5 aware, had the bill that I sponsor with
6 Assemblyman Otis, which is very much a consensus
7 approach that benefits all districts in the state
8 to deal with the true crisis -- you're right,
9 Senator Rolison -- in EMS, and ensuring that we
10 declare that these people who do this work are
11 deemed essential providers.

12 SENATOR ROLISON: Mr. President,
13 through you, will the sponsor continue to yield?

14 ACTING PRESIDENT COONEY: Will the
15 Senator yield?

16 SENATOR MAYER: Yes.

17 ACTING PRESIDENT COONEY: The
18 Senator yields.

19 SENATOR ROLISON: So, Senator, it's
20 your expectation outside of the budget that we
21 will as a body, and hopefully with the Assembly,
22 be able to deal with this crisis this year?

23 SENATOR MAYER: I'm very hopeful.
24 We moved the bill through committee last week
25 here in the Senate, and I thank all my colleagues

1 for that. We've passed it last year. It's been
2 improved. I'm very confident that we can get it
3 passed in the Senate, and I've spoken with my
4 Assembly colleagues. We need the bill to pass
5 this year, Senator Rolison.

6 SENATOR ROLISON: Through you,
7 Mr. President. I concur with that, Senator.
8 Thank you for that and look forward to helping
9 support that and get that through. Thank you.

10 Thank you, Mr. President.

11 ACTING PRESIDENT COONEY: Thank
12 you, Senator Rolison.

13 Senator Weber, why do you rise?

14 SENATOR WEBER: Thank you,
15 Mr. President. Will the sponsor responsible for
16 Part FF yield for some questions?

17 ACTING PRESIDENT COONEY: Senator
18 Rivera, will you take this?

19 Senator Krueger.

20 (Off the record.)

21 SENATOR RIVERA: I believe this
22 would be Senator Krueger.

23 ACTING PRESIDENT COONEY: Senator
24 Krueger, do you yield?

25 SENATOR KRUEGER: I do. I thought

1 I was getting the day off. But I'm happy to
2 yield.

3 ACTING PRESIDENT COONEY: Senator
4 Krueger yields.

5 SENATOR WEBER: Thank you,
6 Senator Krueger.

7 Senator Krueger, I know in the
8 Governor's Executive Budget she called for a
9 cost-of-living increase of 1.5 percent. Is that
10 right?

11 SENATOR KRUEGER: I'm looking for
12 staff to come find me. Hello.

13 Yes.

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

17 ACTING PRESIDENT COONEY: Will the
18 Senator yield?

19 The Senator yields.

20 SENATOR WEBER: Thank you. And I
21 know with a lot of discussions that we've all had
22 collectively with our constituents and direct
23 service providers, the one-house Senate budget
24 called for a 3.2 percent cost-of-living increase.
25 Is that correct?

1 SENATOR KRUEGER: In the one-house,
2 yes, sir.

3 SENATOR WEBER: Thank you.

4 And Mr. President, will the sponsor
5 continue to yield?

6 SENATOR KRUEGER: Yes.

7 ACTING PRESIDENT COONEY: The
8 sponsor yields.

9 SENATOR WEBER: So where did we
10 land in this final version for the cost-of-living
11 increase?

12 SENATOR KRUEGER: So the adopted
13 budget that we've agreed to provides a
14 1.5 percent human service cost-of-living
15 adjustment and a 2.8 -- excuse me, by providing a
16 2.84 percent COLA, which includes a 1.7 percent
17 target salary increase specifically, and then the
18 remaining amount can be used by the organization
19 for additional COLA beyond that or for other
20 organizational needs.

21 SENATOR WEBER: Thank you.

22 Mr. President, would the sponsor
23 continue to yield?

24 ACTING PRESIDENT COONEY: Will the
25 sponsor yield?

1 SENATOR KRUEGER: Yes.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR WEBER: So the 1.7 percent
5 wage enhancement is included in the 2.84 percent
6 cost of living --

7 SENATOR KRUEGER: That would
8 specifically go to direct service worker COLA
9 increases.

10 SENATOR WEBER: Great.

11 Mr. President, would the sponsor
12 continue to yield?

13 ACTING PRESIDENT COONEY: Does the
14 sponsor yield?

15 SENATOR KRUEGER: Absolutely.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR WEBER: I know it talks
19 about the 1.7 percent wage enhancement that
20 applies to certain job titles. Do you know what
21 those are?

22 SENATOR KRUEGER: They're
23 specifically for direct-care clinical and
24 non-executive administrative staff.

25 SENATOR WEBER: Great.

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

3 ACTING PRESIDENT COONEY: Will the
4 sponsor yield?

5 SENATOR KRUEGER: Yes.

6 ACTING PRESIDENT COONEY: The
7 sponsor yields.

8 SENATOR WEBER: In various studies
9 that I've come across, and in conversations with
10 direct service providers, the average wage for a
11 provider -- for an employee is about \$16.07 an
12 hour, roughly. And, you know, a lot of us had
13 signed on to and supported Senator Mannion's
14 \$4,000 wage enhancement, which came to
15 approximately \$2.19 an hour, to try and get those
16 workers up to some sort of wage parity.

17 My calculations, based on this
18 1.7 percent, would equate to about 27, 28 cents
19 an hour versus around \$2.19, which is a number
20 that I think most of the direct-service providers
21 thought was at least a good number to land on as
22 a good starting point. Does that sound right?

23 SENATOR KRUEGER: We think you're
24 right on those numbers. We're not sure.

25 The dilemma we found was we were

1 supporting exactly what you're supporting, was
2 that that was going to cost about \$150 million
3 more than we could get the Governor to agree to
4 in the budget.

5 SENATOR WEBER: And Mr. President,
6 would the sponsor continue to yield?

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR KRUEGER: Yes.

10 ACTING PRESIDENT COONEY: The
11 sponsor yields.

12 SENATOR WEBER: I'm sure you're
13 aware, Senator Krueger, that most of these direct
14 service providers are struggling. I think we've
15 had some conversations earlier today related to
16 the amount of turnover that they're having.
17 They're having a hard time not only retaining
18 staff but adding to staff, based on that low wage
19 when compared to other industries that are paying
20 a lot more for a lot-less-complicated-type work.

21 You know, these direct service
22 providers are doing yeoman's work every day in
23 taking care of our most vulnerable, and really
24 having to do very laborious work. And the wages
25 that they're receiving right now are precluding a

1 lot of them from being able to stay in the
2 industry that they want to stay in. So do you
3 think that the 1.7 percent wage enhancement is
4 satisfactory?

5 SENATOR KRUEGER: No, I do not. We
6 wanted more. We got some -- we got an increase
7 last year. And again, we were calling for a
8 larger increase this year.

9 If the -- my colleague would allow
10 me to ask him a question?

11 SENATOR WEBER: Sure.

12 SENATOR KRUEGER: Thank you.

13 Would you have supported our
14 proposal to increase taxes on high-income
15 corporations and highest-income New Yorkers to
16 pay for something like this?

17 SENATOR WEBER: I'm not in favor of
18 any tax increases at this moment, based on the
19 economic environment that we're in.

20 SENATOR KRUEGER: Through you,
21 Mr. President, if you would answer one more
22 question.

23 SENATOR WEBER: Sure.

24 ACTING PRESIDENT COONEY: Senator
25 Weber, will you yield?

1 SENATOR WEBER: Sure.

2 ACTING PRESIDENT COONEY: The
3 Senator yields.

4 SENATOR KRUEGER: So our dilemma
5 was we couldn't come up with the revenue to pay
6 for this. How would you have suggested we pay
7 for it?

8 SENATOR WEBER: Would the sponsor
9 continue to yield, Mr. President?

10 SENATOR KRUEGER: So you don't want
11 to answer that.

12 SENATOR WEBER: I will. Would you
13 consider cutting the \$2.4 billion to the illegal
14 migrants to pay for this?

15 SENATOR KRUEGER: Cutting
16 2.4 billion from where? I'm sorry.

17 SENATOR WEBER: Out of the budget
18 for -- to support the migrant crisis to pay for
19 this?

20 SENATOR KRUEGER: No. I think that
21 would just add to the crisis we're already
22 facing.

23 If we had no resources or services
24 for migrants, we would have them sleeping in our
25 streets without food or water or healthcare.

1 Their children wouldn't be going to school. We
2 would have a much worse situation if we were to
3 cut off all funding for migrants in New York
4 State. That wouldn't be my option.

5 SENATOR WEBER: Thank you,
6 Senator Krueger.

7 Mr. President, on the bill.

8 ACTING PRESIDENT COONEY: Senator
9 Weber on the bill.

10 SENATOR WEBER: You know,
11 budgets are about priorities, they're about wants
12 and needs. And I think what we're seeing in this
13 budget, especially in this section of the budget,
14 is frankly a slap in the face to the great direct
15 service providers that do great work for us every
16 day.

17 You know, we all attended rallies,
18 whether it's here in the Capitol, whether it's
19 back home in our districts, calling for the
20 3.2 percent COLA increase, calling for the
21 \$4,000 wage enhancement, standing with those
22 direct service providers, who do great work.

23 And the amounts that we put in this
24 budget are unsatisfactory, knowing that we're
25 putting \$2.4 billion on top of the \$1.9 billion

1 towards the migrant crisis, putting monies into
2 other areas of this budget that shouldn't be and
3 aren't the priorities of everyday New Yorkers
4 right now.

5 So for that reason I will be voting
6 no on this bill, and I will encourage all my
7 colleagues to do. We need to do better.

8 Thank you.

9 ACTING PRESIDENT COONEY: Thank
10 you, Senator Weber.

11 Senator Rhoads, why do you rise?

12 SENATOR RHOADS: Thank you,
13 Mr. President. Will the sponsor yield to a few
14 questions with regard to Part S, the Safety Net
15 Hospital Transformation Program?

16 ACTING PRESIDENT COONEY: That will
17 be Senator Rivera, Part S. Do you yield?

18 SENATOR RIVERA: Part Sssss
19 (hissing). Yesss.

20 ACTING PRESIDENT COONEY: Senator
21 Rivera yields.

22 SENATOR RHOADS: Thank you,
23 Senator Rivera.

24 The Safety Net Hospital
25 Transformation Program, it's my understanding

1 that this is a new program, is it not?

2 SENATOR RIVERA: Through you,
3 Mr. President. Yes, it is.

4 SENATOR RHOADS: And will the
5 sponsor continue to yield.

6 ACTING PRESIDENT COONEY: Will the
7 sponsor yield?

8 SENATOR RIVERA: I will.

9 ACTING PRESIDENT COONEY: The
10 sponsor yields.

11 SENATOR RHOADS: Is -- the purpose
12 of the Safety Net Hospital Transformation Program
13 is to get additional dollars into the hands of
14 safety-net hospitals that provide critical
15 services to populations throughout our entire
16 state regardless of their ability to pay. Is
17 that the purpose?

18 SENATOR RIVERA: Through you,
19 Mr. President. Although I feel a trick question
20 coming on, the answer is yes.

21 SENATOR RHOADS: Thank you,
22 Senator.

23 Will the sponsor yield to another
24 question.

25 ACTING PRESIDENT COONEY: Will the

1 sponsor yield?

2 SENATOR RIVERA: Yes.

3 ACTING PRESIDENT COONEY: The
4 sponsor yields.

5 SENATOR RHOADS: There are various
6 criteria that are listed in the program. How
7 were those criteria developed?

8 (Pause.)

9 SENATOR RIVERA: Through you,
10 Mr. President, just to seek clarification,
11 you're -- is the Senator requesting information
12 about what is in page 50 of the bill -- and I'm
13 not trying to be tricky, I just want to make sure
14 that I know what you're thinking about -- which
15 is the criteria -- the commissioner shall
16 enter -- Section 2. It's on page 50 of the bill,
17 line 18: "The commissioner shall enter the
18 agreement with the president of the Dormitory
19 Authority," da-da-da-da (reading). "Such funds
20 shall be awarded and distributed by the
21 department to safety net hospitals, or a partner
22 organization, in the form of grants. To qualify
23 as a safety net hospital for purposes of this
24 section, a hospital shall."

25 Everything that's in there?

1 ACTING PRESIDENT COONEY: Senator
2 Rhoads, will you clarify?

3 SENATOR RIVERA: That's it?

4 ACTING PRESIDENT COONEY: Yes?

5 SENATOR RHOADS: Yes, that's it.

6 ACTING PRESIDENT COONEY: Senator
7 Rivera.

8 SENATOR RIVERA: Yes. So the
9 answer -- the question was how was that
10 developed?

11 SENATOR RHOADS: Yes.

12 SENATOR RIVERA: Okay. Through
13 you, Mr. President. It was based on criteria for
14 institutions that would be eligible for what's
15 known as VAPAP, which is Vital Access Provider
16 funding.

17 SENATOR RHOADS: Thank you,
18 Senator.

19 Will the sponsor continue to yield?

20 ACTING PRESIDENT COONEY: Will the
21 sponsor yield?

22 SENATOR RIVERA: Yes.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR RHOADS: Would these --

1 were the relief funds designed to be for capital
2 expenses, for the development of new programs,
3 for operating expenses? What would the purpose
4 of the program be?

5 SENATOR RIVERA: Through you,
6 Mr. President, for both.

7 SENATOR RHOADS: All of the above?

8 SENATOR RIVERA: Through you,
9 Mr. President. If "all of the above" was capital
10 and operational, the answer is both of the above.

11 SENATOR RHOADS: And will the
12 sponsor continue to yield.

13 ACTING PRESIDENT COONEY: Will the
14 sponsor yield?

15 SENATOR RIVERA: Yes.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR RHOADS: It does indicate,
19 obviously, that it's subject to appropriation.
20 Do we know what the appropriation will be for the
21 Safety Net Hospital Transformation Program?

22 SENATOR RIVERA: Through you,
23 Mr. President, yes.

24 SENATOR RHOADS: Will the sponsor
25 continue to yield.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR RHOADS: What will the
4 appropriation be?

5 (Pause.)

6 SENATOR RIVERA: Through you,
7 Mr. President. Up to 300 in operational and up
8 to 500 in capital.

9 SENATOR RHOADS: Thank you,
10 Senator Rivera.

11 Will the sponsor continue to yield.

12 ACTING PRESIDENT COONEY: Will the
13 sponsor yield?

14 SENATOR RIVERA: Yes.

15 ACTING PRESIDENT COONEY: The
16 sponsor yields.

17 SENATOR RHOADS: And those funds
18 will be administered through -- the Department of
19 Health, through the commissioner's office, will
20 make a determination as to who receives those
21 grants?

22 SENATOR RIVERA: Mr. President,
23 through you, yes.

24 SENATOR RHOADS: And will the
25 sponsor continue to yield.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR RIVERA: Yes.

4 ACTING PRESIDENT COONEY: The
5 sponsor yields.

6 SENATOR RHOADS: Thank you.

7 Other than that the Safety Net
8 Hospital Transformation Program, will there be
9 anything else to assist safety net hospitals
10 specifically with operating expenses?

11 SENATOR RIVERA: Through you,
12 Mr. President, yes.

13 SENATOR RHOADS: And will the
14 sponsor continue to yield.

15 ACTING PRESIDENT COONEY: Will the
16 sponsor yield?

17 SENATOR RIVERA: Yes.

18 ACTING PRESIDENT COONEY: The
19 sponsor yields.

20 SENATOR RHOADS: What other avenues
21 are available?

22 (Pause.)

23 SENATOR RIVERA: Through you,
24 Mr. President. The avenues would be the same
25 ones that would always be available for this type

1 of institution.

2 SENATOR RHOADS: Will the sponsor
3 continue to yield.

4 ACTING PRESIDENT COONEY: Will the
5 sponsor yield?

6 SENATOR RIVERA: Yes.

7 ACTING PRESIDENT COONEY: The
8 Senator yields.

9 SENATOR RHOADS: Would one of those
10 be the Distressed Hospital Fund?

11 SENATOR RIVERA: Through you,
12 Mr. President, yes.

13 SENATOR RHOADS: Turning for a
14 moment -- will the sponsor continue to yield?

15 ACTING PRESIDENT COONEY: Will the
16 sponsor yield?

17 SENATOR RIVERA: Yes.

18 ACTING PRESIDENT COONEY: The
19 sponsor yields.

20 SENATOR RHOADS: Turning for a
21 moment to Part MM.

22 SENATOR RIVERA: Part Mmmm. You
23 know how to do it.

24 SENATOR GIANARIS: Mr. President.
25 Senator Myrie will be --

1 (Overtalk.)

2 SENATOR RIVERA: I will -- I

3 will --

4 (Overtalk.)

5 SENATOR GIANARIS: After Senator

6 Rivera gives his comments.

7 SENATOR RIVERA: I will. I do.

8 I've gotta have a thing.

9 And what I will say about this is
10 that I will absolutely let Senator Myrie take the
11 floor here. Because from the beginning,
12 Mr. President -- I just want to make sure this is
13 for the record -- he has spoken loudly and
14 clearly on behalf of his constituency, who is
15 going to be greatly impacted by whatever happens
16 at this institution.

17 And if it wasn't for his leadership
18 both on the ground, in here, and everywhere else,
19 we would not be talking -- what he's about to
20 say, he is absolutely in the front lines of
21 getting that done, and the leader actually took
22 it over the finish line. So I just wanted to say
23 that, Mr. President.

24 ACTING PRESIDENT COONEY: Thank
25 you, Senator Rivera.

1 Senator Myrie, do you yield?

2 SENATOR MYRIE: I do yield. And
3 thank you to our Health chair for that very
4 generous introduction.

5 SENATOR RHOADS: Thank you,
6 Senator Myrie.

7 We are familiar with the issues with
8 respect to SUNY Downstate. It is wonderful to
9 see that there is at least an appropriation or a
10 path for an appropriation to SUNY Downstate to
11 make sure that we save that critical safety-net
12 hospital.

13 Do you have any idea what the
14 appropriation is?

15 SENATOR MYRIE: Through you,
16 Mr. President. So there are two things that are
17 not I think directly reflected in this bill. But
18 the panel that we have set up to determine the
19 future of the institution is tasked with coming
20 up with a set of recommendations. There will be
21 an allotment of \$300 million to help implement
22 the capital needs for that recommendation or set
23 of recommendations.

24 And on the operational side, there
25 will at least be enough for the institution to

1 survive and thrive during that interim period.
2 That number was at 100 million, and I think
3 there's going to be some flexibility with SUNY,
4 SUNY Central, that is to ensure that whatever
5 additional operational costs that arise over that
6 year will be met.

7 SENATOR RHOADS: Thank you,
8 Senator Myrie.

9 Will Senator Myrie continue to
10 yield.

11 ACTING PRESIDENT COONEY: Senator,
12 will you yield?

13 SENATOR MYRIE: Yes.

14 ACTING PRESIDENT COONEY: The
15 Senator yields.

16 SENATOR RHOADS: And the concerns
17 with respect to SUNY Downstate, if -- it was on
18 the verge of a potential closure if it didn't
19 receive a lifeline from the state, is that
20 correct?

21 SENATOR MYRIE: Through you, if you
22 could just repeat the question.

23 SENATOR RHOADS: Sure. The
24 situation was that SUNY Downstate faced a
25 potential closure if it didn't receive some sort

1 of lifeline from the state.

2 SENATOR MYRIE: Through you,
3 Mr. President. I agree with the spirit of that
4 question. I just want to contextualize it. It
5 didn't happen in a vacuum. This was a closure
6 plan proposed by the Governor and proposed by the
7 chancellor. And this was a result -- in their
8 explanation of why this was put forward, it was a
9 result of years of disinvestment at SUNY
10 Downstate.

11 And because we fought and because
12 the community stood up, because our colleagues
13 stood up, we were able to push back on that and
14 now, I think, set this institution on a path for
15 something great in Central Brooklyn.

16 SENATOR RHOADS: Thank you,
17 Senator Myrie. Congratulations on doing that.

18 Will either Senator Myrie or
19 Senator Rivera -- I don't know which is
20 appropriate -- yield to a question.

21 ACTING PRESIDENT COONEY: Can you
22 clarify the part, Senator Rhoads?

23 SENATOR RHOADS: Actually it's
24 pretty much with regard to Part S again. So I
25 guess Senator Rivera.

1 Thank you, Senator Myrie.

2 ACTING PRESIDENT COONEY: Senator
3 Rivera, do you yield?

4 SENATOR RIVERA: Yes.

5 ACTING PRESIDENT COONEY: Senator
6 Rivera yields.

7 SENATOR RHOADS: Is there any money
8 in this budget for Nassau Health Care
9 Corporation, which operates Nassau University
10 Medical Center and the A. Holly Patterson
11 Extended Care Facility, both located in
12 Nassau County?

13 SENATOR RIVERA: Through you,
14 Mr. President. Not explicitly, no. That
15 potentially could receive some of the funding
16 that has been identified in the budget, but not
17 explicitly.

18 SENATOR RHOADS: If the sponsor
19 will continue to yield.

20 ACTING PRESIDENT COONEY: Will the
21 sponsor yield?

22 SENATOR RIVERA: Yes.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR RHOADS: That funding would

1 be the funding that's provided through Part S,
2 the Safety Net Hospital Transformation Program
3 and potentially the Distressed Hospital Fund?

4 SENATOR RIVERA: Through you,
5 Mr. President, yes.

6 As we stated earlier, there's
7 obviously criteria which is specified in the
8 section that I referred to earlier. And if they
9 fit that criteria -- and I just -- I think that
10 they do; I don't know for certain, but I'm pretty
11 sure they do -- then they would be eligible for
12 that funding.

13 SENATOR RHOADS: Thank you for your
14 indulgence, Senator Rivera.

15 I'm going to go on the bill.

16 ACTING PRESIDENT COONEY: Senator
17 Rhoads on the bill.

18 SENATOR RHOADS: I want to thank
19 both Senator Myrie and Senator Rivera for their
20 answers to those questions. And I again want to
21 congratulate Senator Myrie with respect to his
22 advocacy on behalf of SUNY Downstate.

23 A number of members of this chamber,
24 a number of the members of the other house have
25 brought to the attention of the Governor and have

1 brought to the attention of the leaders of both
2 houses an urgent financial situation that
3 Nassau Health Care Corporation, the operator of
4 Nassau County's only safety-net hospital,
5 Nassau University Medical Center, is facing.
6 That hospital will be running out of money
7 perhaps as early as late May or early June.

8 Back in February we had sent an
9 urgent request for funding in the budget because
10 over the course of the last six years,
11 Nassau University Medical Center has been
12 defunded by the state to the tune of about
13 \$350 million since 2017. That loss of funding,
14 including not receiving any funding from the
15 Distressed Hospital Fund, despite the
16 circumstances that this hospital finds itself in,
17 places that hospital in a difficult position and,
18 more importantly, places the 1.4 million
19 residents that rely upon that hospital -- places
20 their healthcare in jeopardy.

21 As I indicated, Nassau University
22 Medical Center is the only safety-net hospital in
23 Nassau County and one of only three Level 1
24 trauma centers on Long Island. NUMC is the only
25 facility that's equipped to handle natural and

1 manmade disasters and pandemics, with two active
2 helipads. That NUMC was designated as
3 Nassau County's overflow center during the
4 COVID-19 pandemic, shelter designation during
5 Superstorm Sandy, the triage center for 9/11 as
6 well as for area plane crashes, a Federally
7 Designated Ebola Center, and federally designated
8 as a direct treatment site for the President of
9 the United States and other dignitaries.

10 NUMC has Nassau County's only burn
11 center, only multichamber hyperbaric chamber,
12 which has been lifesaving for treatment of
13 cancer, treatment for burn victims -- which is
14 incredibly important to all of Nassau County's
15 volunteer firefighters -- autoimmune disease,
16 bacterial infections, gangrene, soft tissue
17 infections, and the list can go on.

18 This has been an urgent need that
19 has been expressed by members of both sides of
20 the aisle, that has been expressed to the
21 Governor by members of both houses. There are
22 3500 jobs that are at stake if this hospital is
23 permitted to close. And yet despite these
24 repeated requests, there is no money provided in
25 the budget for NUMC to be able to continue to

1 operate.

2 All that we have are promises that
3 grant funding may be available at a later date.
4 The simple reality is there may not be a later
5 date for Nassau University Medical Center. And
6 yet, despite the cries to the Governor, nothing
7 is being done.

8 And so while I am certainly happy
9 that a Safety Net Hospital Transformation Program
10 that is administered by the Commissioner of
11 Health is being made available to safety-net
12 hospitals, that is the same way that distressed
13 hospital funds are also being distributed --
14 distressed hospital funds that Nassau University
15 Medical Center is not receiving and hasn't
16 received now for an extended period of time.

17 And so I have grave concerns that
18 with this Safety Net Hospital Transformation
19 Program, Nassau University Medical Center will
20 continue to be shut out and 1.4 million
21 residents, including several from disadvantaged
22 communities in the surrounding area who rely upon
23 it for initial healthcare treatment, will
24 continue to be left out.

25 That hospital treats 83 percent of

1 its patients -- 83 percent are either on
2 Medicare, Medicaid, or have no insurance at all.
3 That is what funds are supposed to be provided to
4 the state to be able to help. They are treating
5 the most vulnerable population, regardless of
6 their ability to pay. That is why we need to
7 stand up not just for some safety-net hospitals,
8 but we need to stand up for all safety-net
9 hospitals. And we need to stand up for
10 Nassau University Medical Center. Yet the
11 administration continues to ignore us.

12 And so I want to thank both
13 Senator Rivera and Senator Myrie for their
14 responses to our questions. But I wanted to make
15 the point that we are leaving some out. And this
16 state and this Governor should not continue to
17 pick winners and losers. We should be continuing
18 to provide healthcare, provide access to
19 healthcare, provide safety-net hospitals for all
20 of our communities, not just some.

21 Thank you, Mr. President.

22 ACTING PRESIDENT COONEY: Thank
23 you, Senator Rhoads.

24 Senator Skoufis, why do you rise?

25 SENATOR SKOUFIS: Thank you very

1 much, Mr. President.

2 If Senator Rivera would yield for a
3 clarifying question on Part HH.

4 ACTING PRESIDENT COONEY: Senator
5 Rivera, do you yield?

6 SENATOR RIVERA: I will indeed.

7 ACTING PRESIDENT COONEY: Senator
8 Rivera yields.

9 SENATOR SKOUFIS: Thanks very much.

10 Through you, Mr. President. There's
11 been a lot of conversation, obviously, about the
12 CDPAP reforms and specifically the move to
13 one fiscal intermediary for the state. As part
14 of that reform, as you know and we all know,
15 there is a mandate that all 11 Independent
16 Living Centers around the state must be afforded
17 an opportunity to subcontract with that fiscal
18 intermediary.

19 So can you just please confirm that
20 indeed all 11, including Newburgh and Utica, will
21 be afforded that opportunity?

22 SENATOR RIVERA: Thank you.

23 Through you, Mr. President, the
24 answer to that question is absolutely. And I
25 would actually -- if I can track down the exact

1 language, it was a little -- it is in -- on
2 page 61, same bill, 8307C. And it is lines 39
3 onwards. It reads as follows, Mr. President.

4 The statewide fiscal intermediary
5 shall subcontract to facilitate the delivery of
6 fiscal intermediary services to an entity that is
7 a service center for independent living under
8 Section 1121 of the Education Law that has been
9 providing fiscal intermediary services since
10 January 1, 2024, or earlier.

11 We are pretty certain --
12 Mr. President, through you -- that that language
13 covers every single one of the Independent Living
14 Centers around the state. And I should underline
15 the fact that we made sure and our leader
16 certainly took it to the table -- we wanted to
17 make sure that every single one -- that if we are
18 going to go in this direction, which many of us
19 think is not the most effective or best one to
20 deliver care for those folks, that at least that
21 was the case, that they would be able to
22 subcontract. And so that language is in there.

23 SENATOR SKOUFIS: Thank you very
24 much. That's all. I appreciate your work on
25 this, Senator Rivera.

1 ACTING PRESIDENT COONEY: Thank
2 you, Senator Skoufis.

3 Senator Martins, why do you rise?

4 SENATOR MARTINS: Thank you,
5 Mr. President.

6 As much as I would love -- as much
7 as I would love to ask the chair of Health some
8 questions, I do see that my time is short. So
9 I'm going to go on the bill, and I'm going to
10 talk specifically about Part O.

11 ACTING PRESIDENT COONEY: Senator
12 Martins on the bill.

13 SENATOR MARTINS: And we've had the
14 opportunity in committee to have conversations
15 when the chair's bill was proposed before the
16 committee and we had this discussion.

17 The reality is this. Hospitals work
18 on very small margins. Now, we can say that
19 hospitals are hundreds of millions of dollars or
20 billion-dollar corporations, but the fact is they
21 work on tiny margins. All of us who have
22 hospitals in our district understand that. The
23 margins are usually one or two points. So you're
24 talking about 10 or 20 million dollars out of a
25 billion-dollar operation.

1 Yet we all think about hospitals as
2 being essential to our communities. Healthcare
3 systems, the ability to provide a place for us to
4 go in the event of an emergency. Whether they're
5 rural areas or suburban areas or urban areas, we
6 all need our hospitals.

7 And yet time and again -- and in
8 this particular bill, there's a provision here
9 that would prevent hospitals from actually being
10 able to collect money. Now, some people may say,
11 it's only about 10 or 20 million dollars per
12 year, which is a small piece of the overall. But
13 when you consider what their margins actually
14 are, what we're doing is we're undermining the
15 ability of a hospital to actually make ends meet.

16 And as we discussed a few moments
17 ago, not only with regard to Downstate and with
18 regard to the Nassau University Medical Center
19 and other safety-net hospitals, the margins are
20 small across the entire healthcare system. And
21 we don't want our healthy hospitals becoming
22 distressed hospitals and failing.

23 And so when we make decisions based
24 on virtue-signaling, deciding who has to pay and
25 who doesn't have to pay, the reality is this.

1 Unless we're making a commitment to pay those
2 hospitals for the shortfall in the revenue that
3 they're going to receive, we're going to create
4 distressed hospitals across the state.

5 Now, we can all agree we want
6 everyone to have access to healthcare. We want
7 everyone to have access to healthcare. But we
8 have to be careful and responsible at the time
9 when it comes to actually funding those hospitals
10 to make sure that they do continue to provide the
11 healthcare in our communities.

12 So passing a bill through a budget
13 that actually undermines the hospitals' ability
14 to actually make ends meet is counterproductive
15 to the healthcare of our entire state. And yet
16 here we are, no one's talking about how the
17 hospital's going to make up that difference. No
18 one's talking about how the hospital's going to
19 be made whole. No one's talking about whether or
20 not the difference in that 10 or 20 or 30 million
21 dollars will put the hospital underwater.

22 What we're talking about is actually
23 not allowing the hospital to go and collect the
24 monies for the services that they provide.

25 So having a discussion about

1 underfunding hospitals, placing them potentially
2 in a position of being at risk and distressed,
3 while all of us get up from time to time and talk
4 about how important our hospitals are to us,
5 seems a little bit out of sorts.

6 So before we rush head-on to vote
7 for a bill that is actually going to undermine
8 the stability of our healthcare system across
9 New York State, I urge my colleagues to think
10 twice about that. Remember how important your
11 hospitals are, and remember how important they're
12 going to be for your constituents today,
13 tomorrow, next year. And once they fail, they
14 shouldn't have to come back with their hat in
15 hand asking us to bail them out when they have
16 the ability to do that right now.

17 So I do have concerns,
18 Mr. President. I voiced the concerns in
19 committee. We've had these discussions with the
20 chair of the Health Committee, and we'll continue
21 to have those discussions.

22 But I have grave concerns about what
23 this does to our hospitals and our healthcare
24 system across New York State. I believe it
25 undermines the ability of our healthcare system

1 to continue to provide quality healthcare for our
2 communities. And therefore I'll be voting no.

3 Thank you.

4 ACTING PRESIDENT COONEY: Thank
5 you, Senator Martins.

6 Senator Mattera, why do you rise?

7 SENATOR MATTERA: Yes, on the bill,
8 please.

9 ACTING PRESIDENT COONEY: Senator
10 Mattera on the bill.

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

13 Here in New York we have an epidemic
14 with the opioid crisis. Drug addiction running
15 rampant. Fentanyl, xylazine, like Senator Murray
16 spoke on, and a lot more.

17 New Yorkers deserve better. This is
18 a \$237 billion budget, and this bill, health and
19 mental hygiene, does nothing to protect our
20 families in the State of New York. We talk about
21 it all the time, and still nothing. Why? Ask my
22 friends across the aisle: Why? Why wasn't this
23 fixed in this bill?

24 All we talk about is putting money
25 into drugs like cannabis. Huge, huge problem

1 that's a gateway to drugs. We all know it's
2 happening right now, that the black market is
3 running rampant. And you know what? There's
4 nothing we can do, because we talk about our
5 bail -- cashless bail laws that have been a total
6 disaster to all New York State's safety.

7 Listening to the debate today here.
8 I'm listening to Senator Rivera, and you know
9 what? He's sitting there -- you can see, he has
10 a heart and he's saying I don't like this bill at
11 all. And I'm hoping that Senator Rivera will be
12 voting no with all of us.

13 So, Mr. President, this bill again
14 does nothing to protect our families in New York
15 State, so I will be voting no. And hopefully my
16 colleagues and my colleagues across the aisle
17 will vote no also.

18 Thank you.

19 ACTING PRESIDENT COONEY: Thank
20 you, Senator Mattera.

21 Are there any other Senators wishing
22 to be heard?

23 Seeing and hearing none, debate is
24 now closed.

25 Senator Gianaris.

1 SENATOR GIANARIS: Mr. President,
2 now let's restore this bill to the
3 noncontroversial calendar, please.

4 ACTING PRESIDENT COONEY: We'll
5 restore the bill to the noncontroversial
6 calendar.

7 Read the last section.

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

10 ACTING PRESIDENT COONEY: Call the
11 roll.

12 (The Secretary called the roll.)

13 ACTING PRESIDENT COONEY: Senator
14 Brouk to explain her vote.

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

17 As we heard today, in this HMH
18 budget we are making long-overdue investments in
19 the health and wellness of New York families.
20 And there's a few things I especially want to
21 point out that I am proud we were able to get
22 over the finish line that will support so many
23 New Yorkers.

24 First is we continue our commitment
25 when it comes to maternal health and when it

1 comes to expanding doula care. Many of us are
2 aware that as of January 1st this year we now
3 have Medicaid reimbursement for doulas. But what
4 we have understood through this budget process is
5 that we need to do more to make sure that care
6 actually reaches the birthing people and the
7 women who need it as our maternal mortality
8 crisis continues to worsen in New York State.

9 And because of that, we have not
10 only started a grant program for community doula
11 expansion to make sure that doulas can enter to
12 get the Medicaid benefit and actually reach
13 people who need it, but we also have implemented
14 here a standing order which removes a barrier of
15 needing a physician referral to get the doula
16 care that many mothers need through this maternal
17 mortality crisis.

18 We've also included legislation that
19 takes on something we did during the pandemic of
20 creating continuous health insurance coverage for
21 any child zero to six years old who's under CHIP
22 or Medicaid. We saw that this saved thousands of
23 children from having to lose out on the
24 healthcare they needed, and now we have codified
25 that through this year's budget.

1 Nearly half of our children in
2 New York State are under one of these programs,
3 and now their parents don't have to worry that
4 the next time their toddler comes home sick from
5 daycare they won't be able to go to the doctor.

6 As chair of mental health I'm also
7 very proud of the work that this body has done to
8 once again, for the fourth consecutive year,
9 bring a cost of living adjustment to all of our
10 hardworking professionals throughout the mental
11 health sector.

12 For those reasons and so many more,
13 I am grateful to this body for this budget, and I
14 proudly vote aye.

15 ACTING PRESIDENT COONEY: Senator
16 Brouk to be recorded in the affirmative.

17 Senator May to explain her vote.

18 SENATOR MAY: Thank you,
19 Mr. President.

20 I am voting aye on this bill because
21 I know how hard the Majority Leader, my
22 colleagues, and our amazing Senate staff worked
23 to make it as positive as possible.

24 I am glad we are supporting
25 SUNY Downstate. I am delighted we are supporting

1 maternal health and children's health. And I
2 know we worked hard to minimize the damage to the
3 CDPAP program, but let me voice my protest to the
4 changes in that program on behalf of two heroes
5 in my community.

6 Last year on this floor we honored
7 the life of Sally Johnston, who started Consumer
8 Directed Person Services of Onondaga County, the
9 forerunner of CDPAP of New York State. Her
10 brilliant idea was to allow family members and
11 friends to be compensated for the full-time job
12 of caring for a disabled loved one, thus creating
13 employment, creating independence and autonomy
14 for those in need of assistance, and keeping
15 people out of expensive and often undesirable
16 nursing care.

17 I also want to honor Jay Subedi, a
18 Nepali refugee in Syracuse who started True Care
19 Connections, a fiscal intermediary that employs
20 refugees from dozens of countries to provide
21 culturally competent home care to the many, many
22 refugee families in Central and Western New York.

23 I will keep fighting to make sure
24 that people in need of daily assistance will have
25 access to the kinds of services they deserve, and

1 to preserve critical employment opportunities for
2 the extremely diverse array of people currently
3 employed under CDPAP.

4 With a heavy heart, I vote aye.

5 ACTING PRESIDENT COONEY: Senator
6 May to be recorded in the affirmative.

7 Senator Myrie to explain his vote.

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

10 In 2020, during the
11 once-in-a-century pandemic, SUNY Downstate was
12 designated a COVID-only hospital. And in the
13 heart of my district, we had to walk past
14 refrigerators with dead people in them. We heard
15 the sirens nonstop. We had healthcare
16 professionals that died on the floor in
17 Downstate. It was a dark, dark, dark time.

18 So it came as a shock to our
19 community when in January of this year the
20 Governor and the Chancellor proposed to close
21 SUNY Downstate after they had done everything
22 humanly possible to keep us alive.

23 So it is with great pride and great
24 joy that I stand here today, because we showed up
25 for Downstate in its darkest hour. We refused to

1 let this institution close.

2 And I must give thanks to the chair
3 of our Health Committee, the chair of our
4 Higher Education Committee, the chair of our
5 Finance Committee, all of my colleagues who
6 showed up. To the staff, with particular
7 gratitude to Jonathan Lang; to my staff. But
8 most importantly, to the community, who came
9 together, who coalesced and said, We demand
10 respect. We demand dignity. Give us a process
11 by which not to just keep the institution alive,
12 but to help the institution thrive.

13 So what we're doing today, in
14 creating a community advisory board, brings
15 together some of the same people that stood up
16 for Downstate in its darkest hour: Labor,
17 clergy, community leaders, and, yes, our
18 Department of Health and the Chancellor's office
19 and the Governor's office.

20 So I proudly, proudly vote aye
21 today, because Downstate is not just a Brooklyn
22 institution, it's not just a city institution,
23 but it is a New York institution.

24 Thank you, Mr. President.

25 ACTING PRESIDENT COONEY: Senator

1 Myrie to be recorded in the affirmative.

2 Senator Helming to explain her vote.

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

5 We've heard it said many times today
6 that budgets are all about priorities. And while
7 today I want to say congratulations to Senator
8 Myrie and everyone else who was instrumental in
9 keeping SUNY Downstate going, what I don't see is
10 that same fight for our upstate hospitals and
11 nursing homes.

12 I don't see anything in this budget
13 that is going to help them, lift them out of the
14 darkness that they face.

15 I don't see anything in this budget
16 that really addresses the opioid crisis, nothing
17 included on xylazine.

18 Direct support professionals who
19 care for some of our most vulnerable New Yorkers,
20 instead of getting the \$2 per hour increase,
21 they're going to get about 28 cents per hour.

22 The Consumer Directed Personal
23 Assistance Program has been gutted. There are no
24 guardrails in place to protect the more than
25 250,000 chronically ill New Yorkers who rely on

1 this program to survive every single day. And
2 the hundreds of locally owned businesses and the
3 thousands of people they employ are about to lose
4 their jobs.

5 EMS takes another hit today.
6 Language designating EMS workers as essential
7 workers has been bounced out of the budget just
8 like yesterday \$3 million was bounced out of the
9 budget, diverted from the Emergency Services Loan
10 Fund.

11 This budget does not improve access
12 to behavioral and mental health services for
13 children, for people with special needs, or for
14 adults.

15 There are so many reasons why this
16 budget should be a negative vote for everyone in
17 this chamber.

18 Mr. President, I am voting no on
19 this.

20 ACTING PRESIDENT COONEY: Senator
21 Helming to be recorded in the negative.

22 Senator Borrello to explain his
23 vote.

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

1 We have seen the stressors of our
2 healthcare system and the impact that it's had
3 across this state. I wish I had good news for
4 people in my district like Senator Myrie has for
5 his district, but I don't.

6 We have seen the dismantling of our
7 healthcare system, and this budget isn't going to
8 help. We're continuing to really not focus on
9 the critical needs of all New Yorkers for
10 healthcare. And it seems almost purposeful, as
11 if we're dismantling the healthcare system here
12 in New York State, making it look dysfunctional.

13 What we're really doing is we're
14 tying an anchor around the neck of every
15 healthcare provider, every hospital in New York
16 State, watching them sink, and then saying it's
17 their own fault -- after New York State was the
18 one who put the anchor around that neck of those
19 hospitals.

20 We have had money, federal --
21 largely federal money since 2016 to build a new
22 Brooks Hospital in my district. The Governor,
23 the Department of Health have not released that
24 money. But yet we're continuing to subsidize
25 those losses with taxpayer dollars, once again

1 making it look like they can't do their job, when
2 the reality is the Department of Health cannot do
3 their job in being able to properly support good,
4 efficient healthcare in New York State.

5 So many things wrong in this budget.
6 Even in our debate here we heard about the fact
7 that this is really not something we wanted, but
8 it was the best we could get.

9 Well, it's not good enough for us.
10 It's not good enough for the people of New York,
11 and I'll be voting no.

12 Thank you.

13 ACTING PRESIDENT COONEY: Senator
14 Borrello to be recorded in the negative.

15 Senator Mayer to explain her vote.

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

18 I am going to be voting aye on this
19 budget because many of the elements in it that we
20 fought so hard, as my colleague Senator Rivera
21 said, to get to be as best as we could for the
22 people that all of us represent.

23 An increase in rates for hospitals
24 and nursing homes. COLAs. Emphasis on maternal
25 care. Continuous eligibility for children zero

1 to 6. And yes, the fight for SUNY downstate.

2 I am deeply disappointed that in our
3 transition to a single fiscal intermediary we run
4 the risk of confusion and lack of attention to
5 those most deserving of care.

6 And I am committed, like my
7 colleagues, to fighting for these individuals and
8 the people who provide this care as we move
9 forward.

10 Today I got an email from one of my
11 constituents. "While I'm very grateful for the
12 no's to wage cuts and elimination of DRs, I
13 remain scared by the -- yes, the forcing of one
14 fiscal intermediary. I've been having nightmares
15 of nursing homes these past few weeks. Please,
16 please, keep being steadfast supporters of CDPAPs
17 and New Yorkers with disabilities."

18 I feel I must vote yes, because this
19 is the best and we fought hard to get it. But we
20 are not satisfied. This is not enough. And we
21 remain committed to these individuals who live
22 and are part of the New York community as well as
23 those who provide their care.

24 I vote yes.

25 ACTING PRESIDENT COONEY: Senator

1 Mayer to be recorded in the affirmative.

2 Senator Chu to explain her vote.

3 SENATOR CHU: Thank you,
4 Mr. President, for allowing me to express my
5 concerns and hardship to support this specific
6 budget bill.

7 Part HH of this legislation lays out
8 extreme changes to CDPAP, the Consumer Directed
9 Personal Assistance Program. This is a program
10 aimed to helping an increasing number of families
11 across New York State. Through this current
12 program recipients can not only choose the loved
13 ones as their paid caregivers, but they can
14 choose someone they trust as a representative to
15 act on their behalf.

16 For recipients in my district, and
17 many immigrants and disability communities, this
18 program provides not only the ability to receive
19 care at home, and also from trusted family
20 members, friends, community members with service
21 provided by appropriate language and cultural
22 competency. I understand for the long run those
23 changes may seem beneficial to our healthcare
24 system. However, the lack of a transitional plan
25 in the short term is concerning and could lead to

1 extreme consequences, which may cause the
2 destruction of the needed medical services for
3 our constituents and their families.

4 I appreciate the state's wanting to
5 make this process easier. However, without a
6 concrete plan on how to protect recipients in the
7 short term, I'm unable to support this bill due
8 to the immediate harm it will cause to the
9 families in our communities. For those reasons,
10 I vote no.

11 Thank you, Mr. President.

12 ACTING PRESIDENT COONEY: Senator
13 Chu to be recorded in the negative.

14 Senator Canzoneri-Fitzpatrick to
15 explain her vote.

16 SENATOR CANZONERI-FITZPATRICK:
17 Thank you, Mr. President.

18 I too want to express some of my
19 concerns about the bill before us. The
20 elimination of exempting school psychologists to
21 practice in the Early Intervention area may seem
22 like a very small thing, but I've had so many
23 people tell me we have such a shortage in the
24 Early Intervention Program.

25 Very troubling is the fact that our

1 COLA increase is not what it should be,
2 considering the rate of inflation that we have
3 and the fact that it does not cover supervisory
4 staff. The people that are supervising and
5 managing the homes and the people that are taking
6 care of our most vulnerable, they don't get an
7 increase in this budget.

8 Very troubling is also the fact that
9 as Senator Rhoads mentioned, Nassau University
10 Medical Center is our only safety-net hospital in
11 Nassau County that services 1.4 million people.
12 And while I am happy that Senator Myrie pointed
13 out about our Downstate facility being saved, and
14 I think that was -- that's a good thing, we've
15 lost sight, though, that there are other
16 safety-net hospitals that desperately need that
17 support as well.

18 We are moments away from that
19 hospital closing its door because they won't be
20 able to meet their expenses next month, and this
21 budget does nothing to save them. And I think
22 that's extremely disappointing for the residents
23 of Nassau County.

24 We haven't seen our appropriations
25 bill yet, so I don't know where I would find the

1 money. But I do think that in \$237 billion I
2 would find the room to pay for these critical --
3 these workers that are taking care of our most
4 vulnerable. Because those are the people in our
5 community that deserve our support in this
6 chamber.

7 So for those reasons, Mr. President,
8 I'll be voting in the negative.

9 ACTING PRESIDENT COONEY: Senator
10 Canzoneri-Fitzpatrick to be recorded in the
11 negative.

12 Senator Fernandez to explain her
13 vote.

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

16 I'm your humble chair of the
17 Alcoholism and Substance Use Disorder Committee.
18 And upon first presentation of the Executive
19 Budget for this area, it was not something I was
20 excited to vote on anyways. The cut to
21 \$11.4 million of vocational training -- which
22 would help our residents stay sober and continue
23 their path to recovery, because we need to know
24 that it doesn't just stop once you're sober. We
25 need the support systems and the trainings

1 ongoing. That was a big problem.

2 But what we did in this budget is
3 that we fought. We fought harder than any other
4 chamber, and any other side of a chamber, to keep
5 at least \$3 million so people can still get that
6 support on their path to recovery.

7 As much as I want to be proud of
8 everything else, the Governor excluded and does
9 not want to make the Opioid Stewardship Fund
10 permanent, but did put a sunset on it. But I'm
11 glad that we still have that step.

12 I'm very grateful for the inclusion
13 of behavioral health parity initiatives in this
14 final budget because it will bring commercial
15 insurance rates up to the level of Medicaid rates
16 for behavioral health reimbursements and ensure
17 the fiscal stability of behavioral health service
18 providers amid the ongoing drug overdose crisis.
19 This initiative will provide a more sustainable
20 funding model for providers and will help to
21 alleviate the financial pressures these providers
22 face.

23 We did increase the COLA, even
24 though it wasn't as much as we always want. A
25 little bit really counts, and it really does

1 matter and it can make a difference. So I'm
2 grateful for that.

3 I'm grateful for what we've done in
4 maternal health. It's still a crisis as well,
5 and this budget acted upon it.

6 I'm very proud for the precedent
7 that we set in saving SUNY Downstate. And for
8 those that are upset that your hospitals in your
9 localities are struggling, here's an example that
10 we can work off of. And that is a huge success.

11 What I do want to address too, and
12 some have said how we didn't go far enough in
13 scheduling a lot of substances. It must be seen
14 and known and always looked back upon how the war
15 on drugs and continuing to schedule does not stop
16 the drugs from being on our streets.

17 In 2012 we did match the federal
18 scheduling of fentanyl when only 2 percent of
19 fentanyl was found in the drug supply on the
20 streets. And now, in 2024, it's 57 percent. So
21 scheduling doesn't do what we want it to do.

22 What we must do is continue to
23 invest in programs and proposals that we've put
24 forward like the drug checking machine, like
25 adding three-day buprenorphine to hospital

1 supplies and making the stewardship fund
2 permanent. So this only motivates me to continue
3 the work this session.

4 And I know this is not the end for
5 what we're going to do to help those
6 struggling --

7 ACTING PRESIDENT COONEY: Thank
8 you, Senator.

9 SENATOR FERNANDEZ: -- with the
10 overdose crisis.

11 I vote aye, and I thank everyone for
12 the successes in this budget bill.

13 Thank you.

14 ACTING PRESIDENT COONEY: Thank
15 you. Senator Fernandez to be recorded in the
16 affirmative.

17 Senator Cleare to explain her vote.

18 SENATOR CLEARE: Thank you,
19 Mr. President.

20 I have to agree with many of the
21 previous speakers that this bill leaves very much
22 to be desired.

23 But I am grateful and I want to
24 thank our Health Committee chair, Senator Rivera;
25 our Majority Leader, Andrea Stewart-Cousins; and

1 our conference for helping to advocate to provide
2 an effective Medicaid rate increase that can
3 leverage federal funds.

4 Our hospitals, our nursing homes,
5 assisted living programs, they need so much
6 more -- but we were able to fight to get
7 something. Next year we have to deliver rebasing
8 across the board as we work towards complete
9 Medicaid equity.

10 The Community Doula Expansion Grant
11 Program is certainly a positive and will help
12 many Black women and other New Yorkers have safer
13 and more successful birth outcomes.

14 Next year we have to fund the VAP
15 program and make sure that the pending
16 applications are swiftly dealt with.

17 I'm thankful for the COLAs that we
18 did that we were able to allocate, but we have to
19 deliver a far more realistic and generous COLA
20 for our workforce. Those who give so much to
21 care for others deserve to be able to be paid
22 enough to care of their own.

23 And lastly, while I was hoping for
24 more, I am committed to fighting for more next
25 year and every year after, and monitoring the

1 CDPAP transition very carefully, and work to
2 support program recipients throughout the state
3 so that no one loses care.

4 Mr. President, I vote aye.

5 ACTING PRESIDENT COONEY: Senator
6 Cleare to be recorded in the affirmative.

7 Senator Webb to explain her vote.

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

10 I want to also extend my profound
11 appreciation to the Senate Majority Leader, of
12 course our Senate Health Committee chair
13 Senator Rivera, all of my colleagues.

14 As the chair of the Women's Issues
15 Committee, I was pleased to see that this final
16 budget includes support for our continuing
17 efforts around expanding access to maternal and
18 reproductive healthcare resources here in our
19 state, whether it's through the Community Doula
20 Expansion Grant Program -- and thank you so much
21 to Senator Brouk for her continued advocacy on
22 this important program. Also to Senator Cleare
23 with regards to us now codifying our Reproductive
24 Freedom and Equity Grant Program, another big
25 addition with regards to healthcare for women,

1 birthing people across this state.

2 I also want to lift up -- again, in
3 my district and across the state, we know that
4 our nursing homes, assisted living facilities,
5 hospitals need more support. And so we are
6 making steps in that direction with this budget.
7 But as it has been stated, we can and will do
8 more.

9 Also, with respect to the COLA
10 increase, that is also an important step we need
11 to continue to forge in regards to supporting our
12 practitioners.

13 I also want to lift up a shared
14 concern. As one who also has Independent Living
15 Centers in their district that provide access to
16 the important CDPAP program, while we understand
17 the need to make changes, it is important that we
18 do so in ways that do not create harm, that
19 really help to support this particular program
20 and the services it provides to our most
21 vulnerable in the state.

22 And so I want to thank everyone who
23 was involved in that fight, including all the
24 advocates for raising awareness about the
25 importance of this program, along with their

1 families, and along with the provisions we were
2 able to put in.

3 I proudly vote aye. And thank you
4 so much, Mr. President.

5 ACTING PRESIDENT COONEY: Senator
6 Webb to be recorded in the affirmative.

7 Senator Mannion to explain his vote.

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

10 You know, this budget and this bill
11 has a lot of positives. We're going to
12 significantly support our nursing homes and our
13 hospitals, our assisted living facilities. We're
14 going to make improvements in maternal health and
15 mental health. We're going to support,
16 additionally, medical assistance for those six
17 and under. And we are going to expand the drug
18 rebate program to make things more affordable.

19 I want to advocate for Upstate
20 Medical Center. It is not just our largest
21 employer in Onondaga County. And it is not just
22 a safety-net hospital. It is the burn center for
23 30 counties in this state. It is a Level 1
24 trauma center. It has the only poison unit for
25 55 counties in this state.

1 I am proud to have advocated and
2 commend Senator Myrie on his advocacy to save
3 SUNY Downstate, which is absolutely an essential
4 part of that community. And I stand here in
5 2024, raising my voice to say we must support
6 Upstate Medical Center for its children's
7 hospital, its burn unit, its Level 1 trauma
8 center -- its safety-net hospital is all those
9 things.

10 Additionally I would like to comment
11 on the Consumer Directed Program in New York
12 State. This program is designed to keep people
13 in home and out of nursing homes and to increase
14 their level of independence. I have concerns
15 about reducing it to one FI. As was stated, we
16 want to make sure that we're closely connected to
17 people who might have communication barriers, be
18 it due to their age or their disability; language
19 barriers; and that the cultural competency is
20 there --

21 ACTING PRESIDENT COONEY: Thank
22 you, Senator.

23 SENATOR MANNION: -- that close
24 connection.

25 I must say this. Prior to the

1 establishment by Andrea Stewart-Cousins of the
2 Standing Committee on Disabilities, our
3 cost-of-living adjustments looked like and
4 sounded like this: Zero, zero, zero.

5 ACTING PRESIDENT COONEY: Senator
6 Mannion.

7 SENATOR MANNION: And we have
8 secured four cost-of-living adjustments in the
9 past few years. Some of that is dedicated
10 straight to our employees who are delivering
11 those services based on trust and relationships.

12 I will be voting aye.

13 Thank you, Mr. President.

14 ACTING PRESIDENT COONEY: Senator
15 Mannion to be recorded in the affirmative.

16 Senator Harckham to explain his
17 vote.

18 SENATOR HARCKHAM: Thank you very
19 much, Mr. President.

20 I'll be voting yes on this. But we
21 as a state, I think, need to change the way we do
22 business, in that we need to establish the true
23 cost of government services so we're not playing
24 this game of Ping-Pong every year, where one year
25 we have money and we can adequately fund

1 hospitals, and one year we don't, so we're
2 cutting so we fit under artificial caps that
3 we've created.

4 And so, you know, I share the
5 sentiments of Senator Mayer and Senator Rivera.
6 When we got this budget, this -- the cupboard was
7 bare. And Senator Rivera and the Majority Leader
8 and members worked hard to get what we did get in
9 this budget. And while it's not ideal, we worked
10 hard.

11 And I say to my colleagues on the
12 other side of the aisle, we share many of the
13 same concerns with our hospitals, our nursing
14 homes, with the FI program. But it has a cost.
15 And I ask you, where are you on revenue? You
16 know, in the same debate we're being chided for
17 excess spending, and then they're complaining in
18 the same debate that we're not spending billions
19 and billions more on the projects that they're
20 concerned about.

21 So I will wrap it up with this,
22 Mr. President, that we need to have a real
23 cost -- a conversation about cost of government
24 services, and I hope our colleagues will join us
25 in the discussion of revenue.

1 I'll be voting aye.

2 ACTING PRESIDENT COONEY: Senator
3 Harckham to be recorded in the affirmative.

4 Senator Weik to explain her vote.

5 SENATOR WEIK: Thank you,
6 Mr. President.

7 We've spoken in great detail about
8 this bill, and apparently a less crappy version
9 of the Governor's proposal is how we spell
10 success. At least we did this; at least we did
11 that -- I've heard that quite a few times. No
12 one's excited about this bill. A whole list of
13 vital services that our constituents asked us
14 for, not being addressed this in budget.

15 We've heard a whole lot of people
16 say that there was a lot we wanted to do but we
17 didn't get to do it and that we leave -- it
18 leaves much to be desired, but this is what we
19 agreed on for New Yorkers. I don't agree on it.
20 And if you don't even want to vote on it, why
21 would I?

22 This bill leaves a lot of bad news
23 for New Yorkers, and for that I vote in the
24 negative.

25 ACTING PRESIDENT COONEY: Senator

1 Weik to be recorded in the negative.

2 Senator Weber to explain his vote.

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

5 You know, my wife and I have a
6 saying, when it comes to the kids, that you get
7 what you get and you don't get upset. And while
8 that's good for desert and presents, it's not
9 good when it comes to the most vulnerable. And,
10 you know, it sickens me to see that we're
11 balancing this budget on the most vulnerable
12 people.

13 You know, we have \$2.4 billion in
14 this budget to support New York City and New York
15 State sanctuary policies, policies that Rockland
16 residents surely don't want -- but not enough
17 money for the 3.2 percent cost-of-living increase
18 for our direct service providers, and not \$4,000
19 wage enhancements for the direct care workers.

20 We surely don't have enough money in
21 this budget to help shore up the great safety-net
22 hospitals, like Nyack Hospital and Good Samaritan
23 Hospital in Rockland.

24 And to add insult to injury, we are
25 now essentially eliminating all of the great

1 individual FIs to replace them with a single
2 statewide FI. The current FI system can be fixed
3 to ensure that the disabled and elderly continue
4 to receive the care that they need while
5 necessary changes and needed changes are made to
6 improve the system.

7 In good conscience, I can't support
8 this bill. I'll be voting no.

9 ACTING PRESIDENT COONEY: Senator
10 Weber to be recorded in the negative.

11 Senator Martins to explain his vote.

12 SENATOR MARTINS: Thank you,
13 Mr. President.

14 It's often said that budgets are
15 about priorities and setting priorities. And,
16 you know, listen to the debate we had here today.
17 It was all this isn't what we wanted, this isn't
18 our choice, we didn't get what we wanted in this
19 budget.

20 Folks, we're here to advocate for
21 New York first, for New Yorkers first, for our
22 constituents. Not for somebody else. And so
23 when we're talking about money and how we spend
24 money, you know, New York has this unique
25 ability, certainly over the last six years or so,

1 to spend wildly, Mr. President, on things --
2 whether we like it, not like it, there's enough
3 money in this budget to pay for things that are
4 important to New Yorkers.

5 It shouldn't come at the expense of
6 our healthcare. It should not come at the
7 expense of those who are most vulnerable. It
8 should not come at the expense of the viability
9 of our healthcare systems. And there are no
10 excuses. The votes you take today say a lot
11 about where your priorities are.

12 Mr. President, I'll be voting no.

13 ACTING PRESIDENT COONEY: Senator
14 Martins to be recorded in the negative.

15 Senator Rhoads to explain his vote.

16 SENATOR RHOADS: Thank you,
17 Mr. President. I'll make it quick. And I
18 actually wasn't going to get up and speak again
19 until I heard some of the comments from my
20 colleagues.

21 You know, New York State does not
22 have a revenue problem. New York State has a
23 spending problem. The issue is where we are
24 putting our priorities. The fact that we are
25 spending \$2.4 billion on a self-created migrant

1 crisis, yet we can't find money to pay for NUMC,
2 or we can't find money to pay for a CDPAP
3 program. That's shameful.

4 The fact that we're spending
5 \$100 million on pot farms but we can't find money
6 to find -- to put into some essential programs is
7 not because we're not taxing enough. It's
8 because we're spending too much on the wrong
9 things.

10 And so the solution to this problem
11 is not looking for additional revenue. That
12 can't be the only answer. The solution to this
13 problem is being more disciplined about where we
14 spend our money, what we actually prioritize, and
15 spend it on the things that are truly important
16 that advance the interests of homeowners, that
17 advance the interests of residents, that advance
18 the interests of businesses, that advance the
19 interests that are important to the residents
20 that send us here.

21 That's our argument on this side of
22 the aisle. And unfortunately, this particular
23 bill, as the entire budget, doesn't do that. We
24 just spend more and more and more on the wrong
25 things.

1 So, Mr. President, I'll be voting no
2 on this particular budget, part of the budget.
3 And I thank you for your indulgence.

4 ACTING PRESIDENT COONEY: Senator
5 Rhoads to be recorded in the negative.

6 Senator Rivera to close.

7 SENATOR RIVERA: Thank you,
8 Mr. President.

9 I don't know if I've made myself
10 clear. Yeah, no -- to paraphrase our leader,
11 what we are going for, what she is going for when
12 she's trying to negotiate is to get to everybody
13 to be "happish," you know.

14 The reality is that negotiations
15 mean negotiations, and it means getting to a
16 compromise. And ultimately what it means is that
17 when it gets to -- at this point, remember,
18 folks, we're 18 days behind schedule, there's
19 certain things, when there's three folks around
20 the table and two folks are saying we're in
21 agreement, and you say it's terrible but we like
22 it. So there's only so long that we can go. And
23 ultimately that's what happened here.

24 When I look at this budget, I call
25 it harm reduction. And I'll get back to that,

1 because there's some issues I quickly want to
2 talk about as far as opioids are concerned.

3 A few clarifications, actually, for
4 Senator Canzoneri-Fitzpatrick. There's
5 actually -- the language is a little -- as it
6 relates to EIs, Early Intervention for school
7 psychologists, we actually rejected it for a
8 year. So it actually -- the language looks like
9 we accepted it; we actually pushed it back a
10 year, so it's actually -- because I agree with
11 you, we needed to make sure that was in there.
12 So I just wanted to clarify that that made it in
13 there and you are correct, that we needed to hold
14 the line on that. And hopefully we were -- and
15 thankfully we were able to do it.

16 On medical debt, I will say that
17 there's a lot of bills that I've carried over the
18 years on medical debt, and we certainly have had
19 conversations, Senator Martins and I, about it.
20 We -- the disagreement that I will have with the
21 Senator, and we will continue to have it, is
22 certainly I care about -- I deeply care about the
23 bottom line of particularly safety-net
24 institutions, and I'll get back to that in a
25 second.

1 What we're talking about here is
2 certainly the bottom line of individuals. The
3 bottom line -- I need one more minute, and I'm
4 going to wrap it up. The bottom line of
5 individuals, and we wanted to make sure that
6 those folks are protected from medical debt. So
7 that -- we will always disagree on that, and I'm
8 very happy with what we were able to achieve
9 here.

10 And lastly, as far as opiates are
11 concerned, criminalizing -- more criminalization
12 does not lead to people being better. There are
13 investments that the Governor is not making that
14 we have talked about constantly. And certainly
15 my colleague Senator Fernandez was on the money
16 about all the things that we need to do and that
17 we have been doing but we need to expand, and
18 unfortunately we didn't do enough in this budget.

19 But bottom line, I will -- I will be
20 voting in the affirmative, Mr. President. It is
21 a harm-reduction budget as far as I'm concerned.
22 There is much more to do. And I'm looking
23 forward to getting it done in the rest of the
24 session. So I'll vote in the affirmative.

25 Thank you.

1 ACTING PRESIDENT COONEY: Senator
2 Rivera to be recorded in the affirmative.

3 Announce the results.

4 THE SECRETARY: In relation to
5 Calendar 845, those Senators voting in the
6 negative are Senators Ashby, Borrello,
7 Canzoneri-Fitzpatrick, Chu, Griffo, Helming,
8 Lanza, Martins, Mattera, Murray, Oberacker,
9 O'Mara, Ortt, Palumbo, Rhoads, Rolison, Stec,
10 Tedisco, Weber and Weik.

11 Ayes, 40. Nays, 20.

12 ACTING PRESIDENT COONEY: The bill
13 is passed.

14 Senator Gianaris, that completes the
15 reading of the calendar.

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

18 Just so members have an idea of what
19 remains, there are -- that was one down, five
20 more budget bills to go tonight.

21 We're going to break now for party
22 conferences. There are three of those five bills
23 in print already. So after our conferences we
24 will come back to pass those three, and then
25 likely break for another set of conferences

1 before the final two bills.

2 But with that, can you call on
3 Senator Lanza for an announcement.

4 ACTING PRESIDENT COONEY: Senator
5 Lanza.

6 SENATOR LANZA: Thank you,
7 Senator Gianaris.

8 Mr. President, there will be an
9 immediate meeting of the Republican Conference in
10 Room 315.

11 SENATOR GIANARIS: And also an
12 immediate meeting of the Democrat Conference in
13 Room 332.

14 And the Senate will stand at ease.

15 ACTING PRESIDENT COONEY: The
16 Senate will stand at ease.

17 (Whereupon, the Senate stood at ease
18 at 4:33 p.m.)

19 (Whereupon, the Senate reconvened at
20 6:34 p.m.)

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

23 Senator Gianaris.

24 SENATOR GIANARIS: Good evening,
25 Mr. President.

1 We're going to call a meeting of the
2 Finance Committee in five minutes, because
3 they're just setting up the room. But members of
4 the Finance Committee, if they could mosey their
5 way over to Room 332 in five minutes, we will
6 have that committee meeting and then come back to
7 the floor to take up those bills.

8 ACTING PRESIDENT COONEY: There
9 will be a meeting of the Finance Committee in
10 Room 332 in five minutes.

11 Senator Gianaris.

12 SENATOR GIANARIS: We'll stand at
13 ease.

14 ACTING PRESIDENT COONEY: The
15 Senate will stand at ease.

16 (Whereupon, the Senate stood at ease
17 at 6:34 p.m.)

18 (Whereupon, the Senate reconvened at
19 6:50 p.m.)

20 ACTING PRESIDENT COONEY: The
21 Senate will return to order.

22 Senator Gianaris.

23 SENATOR GIANARIS: Mr. President,
24 there's a report of the Finance Committee at the
25 desk. Can we take that up, please.

1 ACTING PRESIDENT COONEY: The
2 Secretary will read.

3 THE SECRETARY: Senator Krueger,
4 from the Committee on Finance, reports the
5 following bills:

6 Senate Print 8304D, Senate Budget
7 Bill, an act making appropriations for the
8 support of government;

9 Senate Print 8303D, Senate Budget
10 Bill, an act making appropriations for the
11 support of government;

12 Senate Print 8301A, Senate Budget
13 Bill, an act making appropriations for the
14 support of government.

15 All bills report directly to third
16 reading.

17 SENATOR GIANARIS: Move to accept
18 the report of the Finance Committee.

19 ACTING PRESIDENT COONEY: All those
20 in favor of accepting the report of the
21 Finance Committee signify by saying aye.

22 (Response of "Aye.")

23 ACTING PRESIDENT COONEY: Opposed,
24 nay.

25 (No response.)

1 ACTING PRESIDENT COONEY: The
2 report of the Finance Committee is accepted.

3 Senator Gianaris.

4 SENATOR GIANARIS: Please take up
5 the supplemental calendar.

6 ACTING PRESIDENT COONEY: There's a
7 substitution at the desk.

8 The Secretary will read.

9 THE SECRETARY: Senator Krueger
10 moves to discharge, from the Committee on
11 Finance, Assembly Bill Number 8804D and
12 substitute it for the identical Senate Bill
13 Number 8304D, Third Reading Calendar 844.

14 ACTING PRESIDENT COONEY: The
15 substitution is so ordered.

16 The Secretary will read.

17 SENATOR GIANARIS: Is there a
18 message of necessity at the desk?

19 ACTING PRESIDENT COONEY: There is
20 a message of necessity at the desk, yes,
21 Senator Gianaris.

22 SENATOR GIANARIS: Move to accept
23 the message of necessity.

24 ACTING PRESIDENT COONEY: All those
25 in favor of accepting the message please signify

1 by saying aye.

2 (Response of "Aye.")

3 ACTING PRESIDENT COONEY: Opposed,
4 nay.

5 (Response of "Nay.")

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

9 SENATOR BORRELLO: Lay it aside.

10 ACTING PRESIDENT COONEY: Lay it
11 aside.

12 SENATOR GIANARIS: We didn't have
13 the reading.

14 ACTING PRESIDENT COONEY: The
15 Secretary will read.

16 THE SECRETARY: Calendar Number
17 844, Assembly Print Number 8804D, Assembly Budget
18 Bill, an act making appropriations for the
19 support of government.

20 SENATOR GIANARIS: Is there a
21 message of necessity at the desk?

22 ACTING PRESIDENT COONEY: The bill
23 is laid aside, Senator Gianaris. We just were a
24 little bit out of order there.

25 (Inaudible.)

1 ACTING PRESIDENT COONEY: That's
2 okay.

3 SENATOR GIANARIS: Very good, thank
4 you.

5 ACTING PRESIDENT COONEY: So
6 Senator Gianaris, that completes the reading of
7 the supplemental calendar.

8 Let's keep going.

9 THE SECRETARY: Calendar Number
10 846, Senate Print 8303D, Senate Budget Bill, an
11 act making appropriations for the support of
12 government.

13 SENATOR GIANARIS: Now I ask if
14 there's a message of necessity at the desk.

15 ACTING PRESIDENT COONEY: There is
16 a message of necessity at the desk.

17 SENATOR GIANARIS: Move to accept
18 the message of necessity.

19 ACTING PRESIDENT COONEY: All those
20 in favor of accepting the message, please signify
21 by saying aye.

22 (Response of "Aye.")

23 ACTING PRESIDENT COONEY: Opposed,
24 nay.

25 (Response of "Nay.")

1 ACTING PRESIDENT COONEY: The
2 message is accepted. The bill is before the
3 house.

4 SENATOR BORRELLO: Lay it aside.

5 ACTING PRESIDENT COONEY: Lay it
6 aside.

7 THE SECRETARY: Calendar Number
8 847, Senate Print 8301A, Senate Budget Bill, an
9 act making appropriations for the support of
10 government.

11 SENATOR GIANARIS: Is there a
12 message of necessity at the desk?

13 ACTING PRESIDENT COONEY: There is
14 a message of necessity at the desk.

15 SENATOR GIANARIS: I move to accept
16 the message of necessity.

17 ACTING PRESIDENT COONEY: All those
18 in favor of accepting the message please signify
19 by saying aye.

20 (Response of "Aye.")

21 ACTING PRESIDENT COONEY: Opposed,
22 nay.

23 (Response of "Nay.")

24 ACTING PRESIDENT COONEY: The
25 message is accepted. The bill is before the

1 house.

2 SENATOR BORRELLO: Lay it aside.

3 ACTING PRESIDENT COONEY: The bill
4 is laid aside.

5 Now, Senator Gianaris, we have
6 completed the supplemental calendar.

7 ACTING PRESIDENT COONEY: On to the
8 controversial calendar, please.

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

11 The Secretary will read.

12 THE SECRETARY: Calendar Number
13 844, Assembly Print 8804D, Assembly Budget Bill,
14 an act making appropriations for the support of
15 government.

16 ACTING PRESIDENT COONEY: Senator
17 O'Mara, why do you rise?

18 SENATOR O'MARA: Mr. President, if
19 Senator Krueger would yield for a few questions,
20 mostly generally on the financial plan.

21 ACTING PRESIDENT COONEY: Will the
22 sponsor yield?

23 SENATOR KRUEGER: Oh, yes, I do.
24 Yes.

25 ACTING PRESIDENT COONEY: The

1 Senator yields.

2 SENATOR O'MARA: Senator, first of
3 all, we have three more budget bills in front of
4 us now that we've received, I think, since we
5 last were in here a few hours ago. There still
6 remains two budget bills to print, is my
7 understanding, that aren't finalized yet, one
8 being State Operations and the other being
9 Education, Labor and Family Assistance. Is that
10 correct?

11 SENATOR KRUEGER: That is my
12 understanding also.

13 SENATOR O'MARA: And through you,
14 Mr. President, if the Senator will continue to
15 yield.

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield?

18 SENATOR KRUEGER: Yes.

19 ACTING PRESIDENT COONEY: The
20 Senator yields.

21 SENATOR O'MARA: So now we have --
22 I've just been provided -- last time we were here
23 I was just provided with a financial plan. Now
24 I've just been provided with a revised financial
25 plan. And that has changed from a few hours ago

1 to -- from -- it's an increase of about
2 1.1 billion from -- of the All Funds --
3 235.35 billion up to 236.54 billion.

4 Can you explain what that increase
5 is from?

6 SENATOR KRUEGER: The majority of
7 that \$800 million in federal Medicaid matching
8 funds, and that was just left off by accident
9 before.

10 SENATOR O'MARA: Okay. Through
11 you, Mr. President, if the Senator will continue
12 to yield.

13 ACTING PRESIDENT COONEY: Does the
14 sponsor yield?

15 SENATOR KRUEGER: Yes.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR O'MARA: It would make it a
19 little more comprehensible, I think at least for
20 me, if we had everything all together all at
21 once. Would you agree, Senator?

22 SENATOR KRUEGER: Absolutely.

23 ACTING PRESIDENT COONEY: Through
24 you, Mr. President, if the Senator will continue
25 to yield.

1 SENATOR KRUEGER: For the record,
2 Mr. President, I'm always hesitant; it's Albany.
3 We think this is really final.

4 ACTING PRESIDENT COONEY: So noted.

5 SENATOR O'MARA: Through you,
6 Mr. President, if the Senator will continue to
7 yield.

8 ACTING PRESIDENT COONEY: Will the
9 sponsor yield?

10 SENATOR KRUEGER: Of course.

11 ACTING PRESIDENT COONEY: The
12 Senator yields.

13 SENATOR O'MARA: Yet we still have
14 two bills that are not in final print. There are
15 still some unresolved issues, is that correct?

16 SENATOR KRUEGER: So I've not been
17 in the room with the Governor and her people
18 recently. But I have to believe that we still
19 have a few things hanging out there, or they
20 would be in print. So I think it's a good guess.

21 SENATOR O'MARA: Through you,
22 Mr. President, if the Senator would continue to
23 yield.

24 ACTING PRESIDENT COONEY: Will the
25 sponsor yield?

1 SENATOR KRUEGER: Of course.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR O'MARA: Can you enlighten
5 us on what those loose ends are at this late
6 hour?

7 SENATOR KRUEGER: No. I don't
8 think I actually know how many there are and what
9 they are.

10 SENATOR O'MARA: Through you,
11 Mr. President, if the Senator will continue to
12 yield.

13 ACTING PRESIDENT COONEY: Does the
14 sponsor yield?

15 SENATOR KRUEGER: Yes.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR O'MARA: Of great
19 contention throughout this entire budget process
20 has been the housing issues. Is that issue still
21 open?

22 SENATOR KRUEGER: No, I do not
23 believe housing is open.

24 SENATOR O'MARA: Okay. Through
25 you, Mr. President, if the Senator would continue

1 to yield.

2 ACTING PRESIDENT COONEY: Does the
3 sponsor yield?

4 SENATOR KRUEGER: Yes.

5 ACTING PRESIDENT COONEY: The
6 Senator yields.

7 SENATOR O'MARA: Can you tell us,
8 is this -- first of all, is this financial plan
9 we have before us, is it balanced? As it has to
10 be by law, so I'm assuming that it is. Can you
11 describe for us what the outyears deficit plan
12 is? Because I don't see that in the financial
13 plan here.

14 (Pause.)

15 SENATOR KRUEGER: So the Governor
16 did give us outyear estimates in her
17 Executive Budget, but of course this is a
18 negotiated change. We haven't added that much,
19 so conceivably the outyear estimates have not
20 changed either. But we don't have any data to
21 help us with that yet, because obviously one of
22 the things that has changed over the course of
23 this negotiation and when we first did an
24 Executive Budget and then we came up with a
25 revenue estimate is that revenues have been

1 higher than we thought they would.

2 I sincerely don't know whether the
3 Governor, if she was here with us, would say I
4 think revenues are going to continue to be higher
5 than we thought or not. I mean, we ended up
6 closing out the year with more revenue than we
7 believed. And so that gave us some of the money
8 that we are using now. And the revenues appear
9 to have continued to come in more strongly than
10 she estimated.

11 But I don't know that they have come
12 up with any outyear projections, different
13 outyear projections.

14 SENATOR O'MARA: Thank you,
15 Senator.

16 Through you, Mr. President, if the
17 Senator will continue to yield.

18 ACTING PRESIDENT COONEY: Will the
19 sponsor yield?

20 SENATOR KRUEGER: Yes.

21 ACTING PRESIDENT COONEY: The
22 Senator yields.

23 SENATOR O'MARA: A significant
24 issue for us on this side of the aisle has to do
25 with the unemployment insurance deficit, that

1 fund that's -- a balance that's owed to the
2 federal government.

3 Is there any funding in the budget
4 as it sits right now to pay down that balance to
5 the federal government?

6 SENATOR KRUEGER: Not here in the
7 budget. As we have discussed before, technically
8 the Unemployment Insurance Fund is not part of
9 the State Budget and is not state dollars. It is
10 an insurance model that is paid by employers and
11 employees. And then sometimes we do find
12 ourselves, in bad economic times, having to take
13 loans from the federal government that we have to
14 pay back. And I believe that is what the -- my
15 colleague is asking about.

16 To be honest, in our one-house
17 budget we had proposed an increase in corporate
18 income taxes on high-net companies and hoped to
19 use some of that money for the purpose my
20 colleague is asking about, to help contribute
21 state funds to solve this problem. But we lost
22 that fight in the budget negotiations.

23 SENATOR O'MARA: Through you,
24 Mr. President, if the Senator will continue to
25 yield.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR KRUEGER: Yes.

4 ACTING PRESIDENT COONEY: The
5 sponsor yields.

6 SENATOR O'MARA: So there's no
7 funding to pay that down at this point.

8 Has there been any request, to your
9 knowledge, requesting the federal government to
10 forgive part of that UI deficit?

11 SENATOR KRUEGER: We agree that
12 it's an excellent idea. It has to come from the
13 Governor, and we don't know whether the Governor
14 has made that ask.

15 SENATOR O'MARA: Mr. President, if
16 the sponsor would continue to yield.

17 ACTING PRESIDENT COONEY: Will the
18 sponsor yield?

19 SENATOR KRUEGER: Yes.

20 ACTING PRESIDENT COONEY: The
21 sponsor yields.

22 SENATOR O'MARA: All right, just a
23 couple of questions relative to the use of
24 reserve funds in this budget.

25 If you could tell us where,

1 according to the financial plan, we stand as a
2 state in reserve funds, and what if any portions
3 of those we're utilizing to balance this budget.

4 SENATOR KRUEGER: We're not using
5 any reserve funds in this budget. And our
6 projected reserves are exactly what the Governor
7 proposed in her Executive Budget. There's been
8 no change in that.

9 I can break it down for you.

10 SENATOR O'MARA: No, I -- through
11 you, Mr. President, if the sponsor would yield.

12 It was my understanding in the
13 Executive Budget that there was about a half a
14 billion dollars being used out of reserves to
15 balance the Executive's budget. And that's
16 remained unchanged.

17 SENATOR KRUEGER: In the
18 Executive Budget she was taking a half a billion
19 dollars for use in a future year, not this year.
20 So there is no reserve fund money being used in
21 the fiscal year we're discussing, '24-'25.

22 SENATOR O'MARA: Okay. Thank you,
23 Senator.

24 Mr. President, just to refresh me,
25 to get off the financial plan here, we are on the

1 capital portion of the budget, right?

2 ACTING PRESIDENT COONEY: That's
3 correct.

4 SENATOR O'MARA: Okay. I just have
5 a couple of questions about highway funding. I
6 don't know, Senator, if that's for you or for --

7 SENATOR KRUEGER: Yeah, I have --
8 I've got some numbers here, and they might --

9 ACTING PRESIDENT COONEY: Senator
10 Krueger, do you yield?

11 SENATOR KRUEGER: I am prepared to
12 answer.

13 ACTING PRESIDENT COONEY: Senator
14 Krueger yields.

15 SENATOR KRUEGER: We might have a
16 special guest on Transportation join us. But why
17 don't you start.

18 SENATOR O'MARA: Yes, thank you,
19 Mr. President. Thank you, Senator Krueger.

20 The Governor's Executive Budget
21 basically held flat -- actually, no, made
22 reductions to the CHIPS funding and the local
23 touring roads funding. There were increases in
24 the Senate one-house budget to restore those cuts
25 and to add, in fact, additional funds on both

1 CHIPS and local touring roads.

2 However, in this final budget --
3 this final budget, it appears that we were only
4 able to restore the Governor's cuts and there are
5 no increases to any of the upstate highway and
6 bridge programs. Is that correct?

7 SENATOR KRUEGER: Yes, that is
8 correct. We restored all the cuts the Governor
9 proposed. So we restored 60 million to CHIPS,
10 40 million to touring routes, 26 million for --
11 oh, those aren't roads, sorry. Those are other
12 things.

13 SENATOR O'MARA: Through you,
14 Mr. President, if the Senator will continue to
15 yield.

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield?

18 SENATOR KRUEGER: Yes.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR O'MARA: Where did we end
22 up with regards to the Extreme Winter Recovery
23 program, whether that was cut or whether that was
24 held flat as well?

25 SENATOR KRUEGER: Held flat, not

1 cut.

2 SENATOR O'MARA: Through you,
3 Mr. President, if the Senator will continue to
4 yield.

5 ACTING PRESIDENT COONEY: Will the
6 sponsor yield?

7 SENATOR KRUEGER: Yes.

8 ACTING PRESIDENT COONEY: The
9 sponsor yields.

10 SENATOR O'MARA: So we restored
11 60 million for CHIPS. The one-house budget had
12 100 million in it, so we didn't win on that. We
13 added 50 million to local touring roads, and that
14 was adding 50 million and we didn't win on that
15 in the final negotiations here. And in fact the
16 increases that this one-house budget had, I think
17 there were even greater increases in the
18 Assembly's one-house budget.

19 So with both houses adding some
20 money on those programs for local highways and
21 bridges, how is it that we just ended up flat?

22 SENATOR KRUEGER: Because our hopes
23 and aspirations were greater than the amount of
24 money we had to negotiate between the Governor
25 and our two houses.

1 So unfortunately, as we discussed
2 over and over again in the presentation on
3 healthcare funding, so many things we were hoping
4 to do we were not able to do. Even though some
5 things that people were begging for help with, we
6 were able to do. Unfortunately, in
7 transportation and roads, the best we could do
8 was to hold even, as opposed to see cuts.

9 SENATOR O'MARA: Thank you.

10 SENATOR KRUEGER: You're welcome.

11 SENATOR O'MARA: Although there's
12 no increase -- through you, Mr. President, if the
13 Senator will continue to yield.

14 ACTING PRESIDENT COONEY: Will the
15 sponsor yield?

16 SENATOR KRUEGER: Of course.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR O'MARA: While the
20 non-New York City highway, road and bridge
21 programs are held flat year to year, I see that
22 there's an increase of \$20 million for the
23 Metropolitan Transportation Authority and their
24 capital budget. So the MTA gets \$20 million and
25 the rest of the state gets zero?

1 SENATOR KRUEGER: Okay, the
2 \$20 million is for Hudson River Line resiliency.
3 And so technically it does affect the trains
4 going from New York City upstate, but there's
5 been serious flooding. And I think it matters
6 just as much for people living upstate whether or
7 not trains run successfully from upstate down to
8 New York City.

9 So I'm not sure I would define that
10 as a New York City project as much as a "make
11 sure we have rail lines that work between the
12 northern parts of the state and the bottom of the
13 state."

14 SENATOR O'MARA: Thank you,
15 Senator.

16 Mr. President, if the Senator will
17 continue to yield.

18 ACTING PRESIDENT COONEY: Does the
19 sponsor yield?

20 SENATOR KRUEGER: Yes.

21 ACTING PRESIDENT COONEY: The
22 sponsor yields.

23 SENATOR O'MARA: I would agree that
24 it is important to keep that rail line going
25 between New York and Albany. It's an important

1 transportation route. But so are all of our
2 local roads, bridges and culverts, yet we're
3 providing no additional relief to our local
4 governments to help on these road programs. So
5 that does not seem equitable to me.

6 One final question I think I have on
7 a different area of this budget in regards to the
8 environmental conservation salaries. In the
9 capital budget there's a line for \$10 million for
10 services, including personal services, fringe
11 benefits and other personal service costs of
12 \$10 million. Why is it we are paying salaries
13 and fringe benefits with capital debt?

14 (Pause.)

15 SENATOR KRUEGER: Okay. This was
16 confusing. But as I understand it, because I was
17 not aware of this -- thank you for asking the
18 question -- it's a dry appropriation as the MTA
19 is changing its financial computer tracking
20 system.

21 SENATOR O'MARA: DEC. We're on DEC
22 now. You said MTA. I just want to be clear.
23 We're still on DEC. Okay, yup.

24 SENATOR KRUEGER: I'm sorry, yes,
25 DEC. So sorry.

1 And that the assumption is it
2 probably won't be needed, it's just making sure
3 we have it if we need it. And then it's the
4 state sort of paying itself.

5 But unlikely that that money will
6 ever be needed. That is how it was explained to
7 me, and they're shaking their heads that I sort
8 of got it right.

9 SENATOR O'MARA: Okay. Well, I'm
10 shaking my head because I don't get it.

11 But I think that's all the questions
12 I have at this point, Senator. Thank you.

13 And thank you, Mr. President.

14 ACTING PRESIDENT COONEY: Thank
15 you, Senator O'Mara.

16 Senator Helming, why do you rise?

17 SENATOR HELMING: Thank you.
18 Mr. President, if the sponsor will yield for a
19 few questions on Housing and Community Renewal.

20 ACTING PRESIDENT COONEY: Does the
21 sponsor yield on Homes and Community Renewal?

22 SENATOR KRUEGER: Within the
23 capital budget, yes.

24 ACTING PRESIDENT COONEY: Within
25 the capital budget. The sponsor yields.

1 SENATOR HELMING: Thank you.

2 Senator Krueger, is there funding in
3 the capital projects bill for the New York City
4 Housing Authority?

5 SENATOR KRUEGER: Yes, there is.
6 There is \$140 million for the New York City
7 Housing Authority.

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

10 ACTING PRESIDENT COONEY: Will the
11 sponsor yield?

12 SENATOR KRUEGER: Yes, of course.

13 ACTING PRESIDENT COONEY: The
14 sponsor yields.

15 SENATOR HELMING: Senator Krueger,
16 how will that money be spent?

17 SENATOR KRUEGER: Did somebody else
18 say "Senator Krueger"?

19 SENATOR GIANARIS: Senator Kavanagh
20 would like to speak and answer that question.

21 SENATOR KRUEGER: Oh, I'm so sorry,
22 Senator Kavanagh. No, it's fair enough, it's
23 housing.

24 Please, would you mind if
25 Senator Kavanagh answers the questions?

1 ACTING PRESIDENT COONEY: Senator
2 Kavanagh, do you yield?

3 SENATOR KAVANAGH: I do.

4 ACTING PRESIDENT COONEY: Senator
5 Kavanagh yields on housing.

6 SENATOR HELMING: Thank you.

7 So, Senator Kavanagh, the question
8 on the floor is how will the \$140 million that's
9 been allocated in the capital projects bill to
10 the New York City Housing Authority be spent?

11 SENATOR KAVANAGH: It will be
12 spent -- first of all, thank you for the
13 question.

14 Through you, Mr. President, it will
15 be spent on capital improvements within the
16 Housing Authority. We know that the New York
17 City Housing Authority has a very broad housing
18 improvement plan. And I spoke with the --
19 exchanged calls today with the chair. They will
20 be presenting projects. As usual, they will be
21 approved by the state and funded. We know there
22 are numerous capital needs that need to be
23 addressed.

24 And I would note that there's -- in
25 addition to the \$140 million for the New York

1 City Housing Authority, there's also \$75 million
2 for other housing authorities all over the state.
3 And similarly, those housing authorities will
4 propose projects and they will be approved and
5 funded.

6 SENATOR HELMING: Mr. President, if
7 the sponsor will continue to yield.

8 ACTING PRESIDENT COONEY: Will the
9 sponsor yield?

10 SENATOR KAVANAGH: Yes,
11 Mr. President.

12 ACTING PRESIDENT COONEY: The
13 sponsor yields.

14 SENATOR HELMING: Senator Kavanagh,
15 I just want to make sure that I heard you clearly
16 and that I understand properly, that any of the
17 projects that NYCHA will complete are approved by
18 the State of New York?

19 SENATOR KAVANAGH: Yes. Through
20 you, Mr. President, the funding -- the -- this
21 is -- it will be done pursuant to a plan
22 presented by the Housing Authority and approved
23 by the state and then spent.

24 SENATOR HELMING: Through you,
25 Mr. President, if the sponsor will continue to

1 yield.

2 ACTING PRESIDENT COONEY: Does the
3 sponsor yield?

4 SENATOR KAVANAGH: Yes,
5 Mr. President.

6 ACTING PRESIDENT COONEY: The
7 sponsor yields.

8 SENATOR HELMING: Senator Kavanagh,
9 it's my understanding that NYCHA announced just
10 last July that they're in need of \$78.3 billion
11 to fully rehabilitate 161,400 aging apartments.
12 And, I mean, that's kind of consistent with what
13 we hear during some of our Housing Committee
14 meetings when NYCHA comes up.

15 But to me, it's outrageous when you
16 think about it. That comes out to \$485,000 per
17 unit, \$485,000 per unit. Which now I just
18 learned New York State is approving these
19 projects.

20 So my question is, Senator Kavanagh,
21 do you think it's worth spending almost a half a
22 million dollars per unit to renovate?

23 SENATOR KAVANAGH: Through you,
24 Mr. President, the New York City Housing
25 Authority houses about half a million people in

1 this state. It's about 1/40th of the entire
2 population of the state.

3 Because of years and years of
4 underinvestment at the federal, state and city
5 level, these buildings in many cases are in very
6 bad shape. People lack heat, they have problems
7 with the roofs and the basic envelope of the
8 building. And these are very difficult
9 conditions. There is no feasible approach to
10 this other than investing capital as necessary.

11 The figure that my colleague across
12 the aisle mentions is the entire unmet capital
13 need of the entire system. A more modest amount
14 of money -- although a very large amount of money
15 would be necessary to deal with the most serious
16 problems, what we're proposing here is a very
17 small investment toward a very large need.

18 I would note also that the Housing
19 Authority has taken creative approaches to their
20 capital needs, including converting projects
21 through the RAD program, which is a federal
22 program that's been in place for a number of
23 years, that allows them to convert the buildings
24 from Section 9 housing, which is the Public
25 Housing Law, to Section 8, which provides

1 substantially more funding per unit.

2 And just last year this house
3 approved the NYCHA Trust, the Public Housing
4 Trust in New York, which will allow additional
5 units to be converted to different funding
6 mechanisms.

7 But the simple fact is that New York
8 City Housing Authority and housing authorities in
9 all of our districts are short capital, they have
10 unmet capital needs, and this state is putting up
11 to \$250 million today, including in -- you know,
12 housing authorities in the districts of my
13 colleagues across the aisle, to ensure that
14 people have access to basic services and basic
15 decent conditions.

16 SENATOR HELMING: Thank you.

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

19 ACTING PRESIDENT COONEY: Will the
20 sponsor yield?

21 SENATOR KAVANAGH: Yes,
22 Mr. President.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR HELMING: First, I just

1 want to be very clear that I wasn't talking about
2 the entire NYCHA system. I was talking about
3 161,400 aging apartments, and it's costing almost
4 a half a million dollars per unit to renovate
5 those.

6 But my question is, Senator, are you
7 aware how much that New York State, the
8 taxpayers, have invested in NYCHA over the last
9 four years?

10 SENATOR KAVANAGH: Through you,
11 Mr. President, it's sort of a difficult
12 accounting for that. If you're talking about the
13 taxpayers of the State of New York as a state, as
14 opposed to the taxpayers as residents of New York
15 City or as residents of the federal system which
16 pays the bulk of NYCHA's costs, the State of
17 New York has invested very little directly in the
18 operating costs of the New York City Housing
19 Authority.

20 We did last year add \$391 million to
21 the budget to cover the Emergency Rental
22 Assistance Program, applicants of -- again, of
23 public housing authorities and Section 8
24 developments throughout the state. So that is
25 money some of which went to the New York City

1 Housing Authority just like it went to every
2 other housing authority.

3 But we do very little operating
4 costs. The overall -- in each year, in most of
5 recent years we've put a modest amount of capital
6 on the table. This year, as has been noted, it's
7 140 million for New York City and \$75 million for
8 the rest of the state. Which per capita is a
9 higher rate of funding for the rest of the state
10 than it is for New York City, because there are
11 only about 36,000 public housing units outside
12 New York City.

13 Last year we did 135 million in
14 capital. I would say over the last three years,
15 a rough estimate is something on the order of a
16 little more than a billion, maybe close to
17 2 billion of total capital spending in the, you
18 know, 18 or so years I've been here in the
19 Legislature.

20 SENATOR HELMING: Through you,
21 Mr. President, if the sponsor will continue to
22 yield.

23 ACTING PRESIDENT COONEY: Does the
24 sponsor yield?

25 SENATOR KAVANAGH: Yes,

1 Mr. President.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR HELMING: In the last four
5 years, the taxpayers of this state have invested
6 north of \$825 million in NYCHA -- not for
7 operating costs, for rehab work. Senator
8 Kavanagh, how are we protecting this investment
9 that's being made by our taxpayers?

10 Are there -- does NYCHA provide
11 reports? Is there anything more than -- you said
12 the state approves each of those projects, each
13 of these expenditures. Do they provide -- does
14 NYCHA provide us with reports? Is there any
15 due diligence that's done?

16 SENATOR KAVANAGH: Through you,
17 Mr. President. There are a number of layers of
18 oversight of the New York City Housing Authority.
19 The new York City Housing Authority is a federal
20 agency under extensive regulations put forth by
21 HUD. The U.S. Department of Housing and Urban
22 Development oversees the New York City Housing
23 Authority.

24 In addition, there is a special --
25 sorry, forgive me, a -- basically a

1 court-appointed special monitor appointed by a
2 federal judge who oversees the New York City
3 Housing Authority. There's also a separate kind
4 of ombudsperson who deals with lead and mold and
5 other concerns that often need to be abated with
6 capital programs.

7 The New York City Housing Authority
8 is also subject to oversight obviously by the
9 New York City Mayor's office, by the New York
10 City Office of Management and Budget, by the City
11 Council.

12 And in addition, this particular
13 money, which is a small fraction of the capital
14 money that the New York City Housing Authority
15 spends, is subject to DASNY and the Division of
16 the Budget reviewing the plans for spending this
17 money and approving them.

18 SENATOR HELMING: Thank you,
19 Mr. President. If the sponsor will continue to
20 yield.

21 ACTING PRESIDENT COONEY: Will the
22 sponsor yield?

23 SENATOR KAVANAGH: Happily,
24 Mr. President.

25 ACTING PRESIDENT COONEY: The

1 sponsor yields.

2 SENATOR HELMING: Senator Kavanagh,
3 are you aware of the -- it almost sounds like a
4 joke, except it's not. How much does it cost
5 NYCHA to replace a light bulb? \$708, in one
6 case. Have you heard about that, that NYCHA is
7 spending \$708, or has spent, on one light bulb?

8 SENATOR KAVANAGH: Through you,
9 Mr. President, I am not familiar with that
10 particular light bulb. And I find it hard to
11 believe that the Housing Authority spent \$708 to
12 replace a light bulb. And it does sound very
13 much like an old joke, which I will spare the
14 house from hearing today.

15 SENATOR HELMING: So through you,
16 Mr. President, if the sponsor will continue to
17 yield.

18 ACTING PRESIDENT COONEY: Will the
19 sponsor yield?

20 SENATOR KAVANAGH: Yes,
21 Mr. President.

22 ACTING PRESIDENT COONEY: The
23 sponsor yields.

24 SENATOR HELMING: So with,
25 Senator Kavanagh, the lengthy approval process,

1 the state being involved in approving
2 expenditures that use taxpayers' dollars, you're
3 not aware that the Housing Authority has
4 reportedly paid one vendor who submitted a total
5 bill of \$4,250 to replace six LED bulbs?

6 SENATOR KAVANAGH: Through you,
7 Mr. President, I -- this house has had hearings
8 overseeing the Housing Authority. I also
9 participated in those as an Assemblymember, a
10 member of the Housing Committee over there. It
11 is the case that the New York City Housing
12 Authority, like many public agencies, have had
13 concerns about cost overruns.

14 There was a recent arrest of many
15 Housing Authority employees who were basically on
16 the take, might be the common term, in various
17 low-level contracting exercises. It is the
18 largest single-day arrest of people for accepting
19 graft and bribes in recent memory.

20 It is the case that New York City
21 Housing Authority, as a giant agency, has had
22 some of those concerns. I'm not going to pretend
23 to be familiar with each of the individual
24 instances in which that may have occurred.

25 SENATOR HELMING: Through you,

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

3 ACTING PRESIDENT COONEY: Will the
4 sponsor yield?

5 SENATOR KAVANAGH: Happily,
6 Mr. President.

7 ACTING PRESIDENT COONEY: The
8 sponsor yields.

9 SENATOR HELMING: And,
10 Senator Kavanagh, I won't trouble you with
11 reading the long list like another vendor billing
12 \$4,985 to replace one door to a compactor room,
13 and yet another charging \$4,875 to put in
14 slip-resistant rubber treads on a stairway with
15 15 steps, a cost of \$325 per step.

16 What I will ask is, what are we
17 doing to make sure the investment paid for by the
18 citizens of this state, the taxpayers, are going
19 for real renovations?

20 When we were during the budget
21 negotiations, the New York State Comptroller
22 dropped his recent report, "New Yorkers In Need."
23 In that, he states that there are serious and
24 systemic deficiencies in NYCHA properties. Are
25 you aware of the Comptroller's statement?

1 SENATOR KAVANAGH: Through you,
2 Mr. President, I am aware. I read lots of
3 reports about NYCHA from the City Comptroller as
4 well as the State Comptroller. I'm not familiar
5 with the particular text of that statement, but I
6 would note that the two comptrollers are
7 additional levels of oversight over NYCHA.

8 I would also note just, you know,
9 many examples of, you know, incidents that may
10 have happened at NYCHA. What happens with this
11 money is that specific projects are identified,
12 they are reviewed by a state agency, they are
13 approved, and then NYCHA reports their progress
14 toward completion of those projects, and we track
15 whether they are in fact completed.

16 In general, this money has gone for
17 projects like replacing boilers and roofs and
18 other things that will make living in these
19 buildings tolerable in a way that it is sometimes
20 not without these kinds of projects. And again,
21 this is a very modest fraction of what is really
22 needed to be done. And again, across housing
23 that is housing 2.5 percent of the entire
24 population of the state.

25 I would also note that, you know,

1 the focus on NYCHA is important because NYCHA is
2 a very big entity that's housing a lot of people.
3 But there are many -- there are hundreds of
4 housing authorities across the state. Some of
5 them have similar difficulties meeting their
6 capital needs. And it has been part of our
7 effort here in New York in the Legislature to
8 make sure that we do our part to try to provide
9 for that.

10 And I think that, you know,
11 oversight over all of our entities that are
12 providing housing is an essential part of what we
13 do.

14 SENATOR HELMING: Mr. President, if
15 the sponsor will yield for one more question.

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield?

18 SENATOR KAVANAGH: Happily,
19 Mr. President.

20 ACTING PRESIDENT COONEY: The
21 sponsor yields.

22 SENATOR HELMING: Senator Kavanagh,
23 would you agree that we should ask for more
24 accountability on how funds are spent, how funds
25 are invested in NYCHA? Because as you stated,

1 it's so important that we make sure that these
2 taxpayer dollars are going to help people, to
3 renovate the apartments, to actually do
4 meaningful work.

5 SENATOR KAVANAGH: Through you,
6 Mr. President. I am not aware of any specific
7 concerns with accountability for any money that
8 we have allocated as capital grants to the
9 New York City Housing Authority in the 18 years
10 I've been a member of the Legislature.

11 I think we have adequate oversight
12 for that money, and I think we get good,
13 necessary improvements for the residents of
14 New York City as a result of that.

15 I do, on an ongoing basis, think we
16 need to pay attention to the quality of the work
17 that NYCHA does, to the integrity protection. I
18 am in regular contact with the leadership of
19 NYCHA, and I think that oversight is important.
20 But I don't -- I have not seen any evidence of
21 any particular concern with any of the state
22 capital dollars that we've put in. Because we
23 do, as has been mentioned, have numerous levels
24 of oversight over that money.

25 SENATOR HELMING: Through you,

1 Mr. President, if the sponsor will yield -- I
2 should not have said "the last time" -- for one
3 more question. This should be it.

4 ACTING PRESIDENT COONEY: Will the
5 sponsor yield?

6 SENATOR KAVANAGH: Happily.

7 ACTING PRESIDENT COONEY: The
8 sponsor yields.

9 SENATOR KAVANAGH: As many as my
10 colleague asks, I'm happy to yield.

11 SENATOR HELMING: So,
12 Senator Kavanagh, you just said that there have
13 been no concerns raised since you've been an
14 elected official. But I'm raising concerns now.
15 Concerns have been raised by the New York State
16 Comptroller. Concerns have been raised by
17 others.

18 So -- and you're saying there's no
19 issue with our taxpayer dollars, how they're
20 being spent. But how do you know for sure that
21 that's true? Where does the funding -- where
22 does NYCHA get its funding? It's either from the
23 city, the state or the feds.

24 So you're saying that maybe they
25 wasted the fed's money or the city's money but

1 not the state taxpayer dollars?

2 SENATOR KAVANAGH: Through you,
3 Mr. President. The money that we allocate from
4 the state capital budget is for very specific
5 projects that are identified to DASNY and to the
6 Legislature. And we review that work. I
7 represent many residents of NYCHA, many of whom
8 spend a great deal of time also encouraging
9 oversight of NYCHA.

10 We work very hard to oversee NYCHA.
11 It is a great difficulty that many of our
12 residents have living in NYCHA, because NYCHA
13 does not have adequate resources to do basic
14 maintenance because they do not have adequate
15 resources to do the capital improvements that are
16 necessary because this government and the federal
17 government and the city government neglected the
18 basic capital and operational needs of the
19 New York City Housing Authority for decades.

20 And as a result of that, people are
21 living in very poor conditions. Because that's
22 what happens when you fail to invest in
23 residential real estate over a long period. It
24 gets to a point where the problems are critical,
25 and they need to be addressed.

1 Please, Mr. President -- and anyone
2 else listening -- don't misunderstand me. I am
3 not suggesting that there are not serious issues
4 with the quality and the accountability of what
5 NYCHA does every day. A lot of it results from
6 the underfunding over many years. But it is our
7 obligation, in my view, to put capital money on
8 the table, to make sure it is invested properly,
9 and improve the quality of life of people living
10 in these developments.

11 For what it's worth, this house --
12 the one-house resolution that we did a month ago
13 proposed \$500 million of state capital for this
14 purpose. We are doing 140 million today by
15 agreement with the Assembly and the Governor, and
16 frankly I think it's a drop in the bucket. But I
17 do agree that it's important we spend that money
18 effectively. And I am committed to doing that,
19 and I will continue to involve my colleague,
20 who's the ranker on the Housing Committee, in
21 discussions with NYCHA about how this money gets
22 spent if she's interested.

23 SENATOR HELMING: I'd be very
24 interested. Mr. President, Senator Kavanagh,
25 thank you for your responses.

1 SENATOR KAVANAGH: Thank you.

2 ACTING PRESIDENT COONEY: Thank
3 you, Senator Helming.

4 Senator Martins, why do you rise?

5 SENATOR MARTINS: Thank you.

6 If Senator Kavanagh would just yield
7 for a few questions. We're going to stay on the
8 same topic, Senator.

9 ACTING PRESIDENT COONEY: Senator,
10 do you yield?

11 SENATOR KAVANAGH: Yes.

12 ACTING PRESIDENT COONEY: The
13 sponsor yields.

14 SENATOR MARTINS: Thank you.

15 So, Senator, through you -- well,
16 Senator, there are 177,000 or so units in NYCHA,
17 right?

18 SENATOR KAVANAGH: Through you,
19 Madam President, my colleague quoted a slightly
20 different number, I think, subtracting those that
21 are in the -- that are going through a different
22 program, the RAD program.

23 But that's rough -- that's the
24 rough -- that is the rough number of overall
25 units. Some of them are in various stages of

1 having their kind of management structure
2 switched to a different one. But yes.

3 SENATOR MARTINS: And I believe
4 Senator Helming asked you -- through you,
5 Mr. President, if the sponsor will continue to
6 yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR KAVANAGH: Yes.

10 ACTING PRESIDENT COONEY: The
11 sponsor yields.

12 SENATOR MARTINS: And I believe
13 Senator Helming did ask whether or not you were
14 aware that there were \$825 million allocated over
15 the last three years -- plus this year, if this
16 bill were to pass -- all for NYCHA improvements.

17 SENATOR KAVANAGH: Through you,
18 Mr. President, I don't believe that it is
19 \$825 million over the last three years.

20 But it's -- we've done \$1.2 billion
21 of state capital over the last five or six years.
22 I don't have the number -- last year the number
23 was 135 million. This year it's 140 million. I
24 think the year before that it was a bit less.

25 But we've done substantial amounts

1 of capital, though modest amounts relative to
2 either the state's housing capital budget -- the
3 bill that we're talking about now has a billion
4 dollars of new spending to support housing. This
5 is a significant fraction of our spending and a
6 significant fraction of NYCHA's spending, but
7 ultimately modest relative to the need.

8 SENATOR MARTINS: Mr. President,
9 through you, if the sponsor would continue to
10 yield.

11 ACTING PRESIDENT COONEY: Does the
12 sponsor yield?

13 SENATOR KAVANAGH: Yes,
14 Mr. President.

15 ACTING PRESIDENT COONEY: The
16 sponsor yields.

17 SENATOR MARTINS: So I only bring
18 it up in the context of the greater question that
19 we have in the state -- and we certainly have
20 discussed it here -- about affordability,
21 housing, and the need for affordable housing in
22 New York State. And certainly I would consider
23 NYCHA to be one of those components.

24 We've discussed stabilized housing,
25 rent control, market-rate housing, new housing,

1 421-a programs, 485x, which I'm sure we'll
2 discuss at some point over the next few hours.
3 But there are multiple programs and plans out
4 there; 177,000 or so of those units are
5 incorporated in NYCHA.

6 Can you tell me, or tell us -- the
7 people in those units do pay rent, don't they?

8 SENATOR KAVANAGH: Through you,
9 Mr. President, yes.

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

13 ACTING PRESIDENT COONEY: Will the
14 sponsor yield?

15 SENATOR KAVANAGH: Yes,
16 Mr. President.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR MARTINS: And so,
20 similar -- and I understand that these buildings
21 are of a similar vintage to those that were built
22 either in rent-controlled or rent-stabilized
23 housing where there are rents that are
24 stabilized, they're controlled, and they're
25 monitored over time.

1 And yet through those buildings that
2 are privately owned, although regulated by public
3 agencies and authorities, the landlord, the
4 private owner, is required to maintain those
5 buildings to a certain standard. And there are
6 restrictions in their ability to do so, but they
7 do so without the infusion of hundreds of
8 millions of dollars over a few years in terms of
9 capital improvements.

10 So I'm curious as to why the
11 taxpayers of New York State would be asked to
12 subsidize over \$800 million in the last four
13 years, if we include this year that we're
14 discussing now, to subsidize these housing units,
15 when frankly we don't see the same with regard to
16 other similarly stabilized rent-controlled,
17 rent-stabilized housing in New York City that are
18 privately owned. Why are we expected to pay for
19 that?

20 SENATOR KAVANAGH: Through you,
21 Mr. President. I'd make a few observations.

22 First of all, public housing
23 residents pay -- or the rent that NYCHA can
24 collect and all the public housing residents in
25 all of our districts can collect is restricted

1 such that no more than 30 percent of the income
2 of the tenant may go toward their contribution to
3 the rent. And in most cases that means the total
4 rent collected for that unit is that number.

5 I would note that while many people
6 who live in public housing have, you know, solid
7 jobs, the average income of residents of public
8 housing is substantially lower than that of
9 tenants in rent-stabilized housing. Although as
10 my colleague and I have had the opportunity to
11 discuss, rent-stabilized housing is also
12 primarily for people of pretty modest incomes.

13 But people at lower incomes live in
14 NYCHA on average, and therefore the rent that is
15 collected from that is much lower.

16 And I would also note that the State
17 of New York -- I'm sorry, the public is the owner
18 of these properties. We invest capital in many
19 capital assets that we own, and just as private
20 owners of property invest capital in property
21 they own. This is public property, and it seems
22 reasonable to ensure its upkeep by investments of
23 capital.

24 The federal government and the state
25 government also invest capital and operating

1 subsidies in these developments. That was the
2 basic model -- that's been the basic model for
3 many decades.

4 SENATOR MARTINS: Mr. President,
5 through you, if the sponsor will continue to
6 yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR KAVANAGH: Yes.

10 ACTING PRESIDENT COONEY: The
11 sponsor yields.

12 SENATOR MARTINS: So is it your
13 understanding that the limitations on rent that
14 are charged for these units are such that they
15 are -- it makes it untenable for that rent to
16 properly be able to cover the expense of
17 maintenance on those buildings, on those units,
18 and therefore that adds an additional expense to
19 the state in the form of the monies that we're
20 being asked to sign off on here today?

21 SENATOR KAVANAGH: Yes. Through
22 you, Mr. President. The New York City Housing
23 Authority and all of our housing authorities were
24 designed and have for many years been places
25 where people are housed, many of whom cannot,

1 through the income they earn, afford the cost
2 of -- the full cost of maintaining that housing.

3 And so we provide, mostly through
4 the federal government, substantial operating
5 subsidies for that housing on an ongoing basis,
6 for all of it on a per-unit basis. And we also
7 have provided capital subsidies from time to
8 time, although not nearly to the extent
9 necessary.

10 And private housing of course is
11 structured very differently. There is a profit
12 that the owners of that housing intend to make,
13 and they are motivated by that. And there are
14 very different structures.

15 I do think we'll have an opportunity
16 to discuss the rent regulation system in a bill
17 that will hopefully come up before, you know, the
18 wee hours of the morning in the ELFA bill.

19 But public housing has always
20 been -- the basic structure is that it gets
21 subsidized. And it is being subsidized in all of
22 our districts as a way of housing people who
23 might otherwise be homeless, who might otherwise
24 be unable to afford a decent place to live.

25 SENATOR MARTINS: Mr. President,

1 through you, if the sponsor would continue to
2 yield.

3 ACTING PRESIDENT COONEY: Will the
4 sponsor yield?

5 SENATOR KAVANAGH: Happily,
6 Mr. President.

7 ACTING PRESIDENT COONEY: The
8 sponsor yields.

9 SENATOR MARTINS: Just curious, are
10 you aware of the median household income for
11 residents of units in NYCHA housing?

12 SENATOR KAVANAGH: Through you,
13 Mr. President, I do not have that number at my
14 fingertips.

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

18 ACTING PRESIDENT COONEY: Will the
19 sponsor yield?

20 SENATOR KAVANAGH: Yes,
21 Mr. President.

22 ACTING PRESIDENT COONEY: The
23 Senator yields.

24 SENATOR MARTINS: How are -- are
25 you familiar with how rents are set? Other than

1 the formula that you and I are aware of for NYCHA
2 and the percentages and limitations on the
3 ability to collect rent. But how is it verified?

4 Are you aware -- I mean, you
5 mentioned that you're in touch with leadership at
6 NYCHA, you're familiar with the units and with
7 the need. Have you taken a look or to your
8 knowledge has there been a study of how the rents
9 are actually allocated, whether they are actually
10 collected, whether or not, if they're not
11 collected, what the procedure and process is with
12 regard to rent collection?

13 There have been obviously studies
14 and reports -- as I'm sure you're aware -- of,
15 you know, large percentages of residents in NYCHA
16 housing just not paying rent. And so I'm curious
17 as to whether or not you have any insights on
18 that yourself.

19 SENATOR KAVANAGH: Through you,
20 Mr. President. It's not -- you know, it's not
21 speculative. As I mentioned, the New York City
22 Housing Authority is a state-created entity but
23 it is subject to extensive federal statutes and
24 regulations administered by the U.S. Department
25 of Housing and Urban Development, which reviews

1 numerous reports on, you know, basically every
2 aspect of managing the housing, including the
3 collection of rent, collection rates, procedures
4 by which the rents are set.

5 There has actually been some change
6 in this pursuant to a federal law such that the
7 Housing Authority has been working to increase
8 the amount of rent they get from individual
9 tenants, in particular to deal with circumstances
10 where people's rents might be such that they
11 should be paying more and perhaps in some cases
12 may not even, you know, qualify for the rent that
13 they've been enjoying. So there's been
14 adjustments in that.

15 It is also the case that especially
16 during the COVID era and -- well, I'm not sure
17 the era is over yet. But during the COVID
18 pandemic and in subsequent years there have been
19 relatively high rates of noncollection in public
20 housing in New York State, including the New York
21 City Housing Authority and many other public
22 housing authorities.

23 That also happens to be going on in
24 other forms of affordable housing, like that run
25 -- the Section 8 developments that are run by

1 private and nonprofit entities around the state.
2 And I understand also in the case of for-profit
3 developers there are higher rates of nonpayment
4 of rent. Some of that is probably a result of
5 hardships caused by the COVID pandemic, but there
6 may well be something else going on there as
7 well.

8 SENATOR MARTINS: Thank you,
9 Mr. President. On the bill.

10 ACTING PRESIDENT COONEY: Senator
11 Martins on the bill.

12 SENATOR MARTINS: And I thank
13 Senator Kavanagh, as always, for your answers.

14 Mr. President, the one thing that
15 our residents demand overall is accountability.
16 Things have to make sense. And so when we have
17 programs where we're spending hundreds of
18 millions of dollars over the course of a few
19 years, it begs the question: Why hasn't
20 something been done sooner?

21 The need is there and I think, you
22 know, for most people who have visited NYCHA
23 facilities, they understand the need is there.
24 How did they get there? Why was that allowed to
25 happen? And why is there now a desperate need

1 for an infusion of cash when there is a system
2 that does not work, is insufficient to pay its
3 own bills, has not been sufficient, and there has
4 been no oversight or review sufficient to provide
5 accountability and so allow for people to live in
6 these facilities?

7 These are supposed to be those
8 affordable units we keep talking about for people
9 who are intent on living in the city and want to
10 live in safe, clean, proper housing. But over
11 the years, through neglect or otherwise, they
12 have not been maintained appropriately. And yet
13 here we are funneling money into a program
14 without there being a plan to actually address
15 the root issue -- accountability, spending, and
16 allowing for those units to be properly
17 maintained and properly repaired.

18 I haven't seen one. And certainly
19 I'm happy to work with my colleagues as we go
20 forward. But \$825 million going into a program
21 without there being a plan to allow for these
22 things to take place, on the hope and the dream
23 that somehow that's going to be used
24 appropriately is not accountable. Frankly, I've
25 seen too many examples through these budget bills

1 that we've discussed of the hope of something
2 happening, and yet no accountability tied to it.

3 So I have serious concerns about
4 funneling additional monies into a program
5 without there being some level of accountability.

6 And therefore -- again, I'm prepared
7 to work with my colleagues, but I'll just leave
8 it at that, Mr. President. Thank you.

9 ACTING PRESIDENT COONEY: Thank
10 you, Senator Martins.

11 Are there any other Senators wishing
12 to be heard?

13 Seeing and hearing none, debate is
14 closed.

15 Senator Gianaris.

16 SENATOR GIANARIS: Mr. President,
17 we'll be restoring this to the noncontroversial
18 calendar by agreement. Thank you.

19 ACTING PRESIDENT COONEY: The bill
20 is restored to the noncontroversial calendar.

21 Read the last section.

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

24 ACTING PRESIDENT COONEY: Call the
25 roll.

1 (The Secretary called the roll.)

2 ACTING PRESIDENT COONEY: Senator
3 Serrano to explain his vote.

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

6 This year marks the 100th
7 anniversary of our state parks system. And I'm
8 happy that this budget includes capital funding
9 to help build and maintain and restore so many of
10 our beautiful parks throughout the state.

11 Certainly connecting more people to
12 parks and to nature is a goal that we all care
13 deeply about. Parks and engaging in nature have
14 very proven physical and mental benefits for all
15 New Yorkers. And our state park system is truly
16 a gem, and I believe the best in the nation.

17 So I'm very happy that this budget,
18 this bill, contains additional capital funds to
19 help maintain and enhance our state parks,
20 something that is truly needed. And I'm so happy
21 to support that, and I vote aye.

22 Thank you, Madam President.

23 ACTING PRESIDENT PERSAUD: Senator
24 Serrano to be recorded in the affirmative.

25 Senator Cooney to explain his vote.

1 SENATOR COONEY: Thank you,
2 Madam President.

3 For years the late Congresswoman
4 Louise Slaughter fought diligently for a downtown
5 intermodal station, a facility that Rochesterians
6 could be proud of. That vision included a
7 state-of-the-art Amtrak station and long-distance
8 bus terminal, creating a truly intermodal
9 station.

10 Nearly 10 years ago we broke ground
11 on the new intermodal station, but unfortunately,
12 due to cost overruns, the long-distance bus
13 terminal was taken out of the project. Because
14 of that, a temporary bus terminal was set up
15 across the street that of course does not meet
16 the needs of passengers today.

17 Soon that will never happen again in
18 Rochester. As a former staffer to Congresswoman
19 Slaughter, today is an extra-special day because
20 I'm proud to say that this budget includes
21 \$18 million to make that long-distance bus
22 terminal a reality for our citizens.

23 This was the culmination of work
24 from a lot of people, including the leadership of
25 Andrea Stewart-Cousins. But I especially want to

1 thank United States Senate Majority Leader Chuck
2 Schumer, who helped secure the commitment from
3 Amtrak to operate this station, as well as to
4 commend Rochester for the work they did in
5 rallying the community support for this project.

6 Madam President, I vote aye, and I
7 am so pleased to say that we will finally make
8 Congresswoman Slaughter's dream a reality in
9 Rochester. Thank you.

10 ACTING PRESIDENT PERSAUD: Senator
11 Cooney to be recorded in the affirmative.

12 Senator Ryan to explain his vote.

13 SENATOR RYAN: Thank you,
14 Madam President.

15 Most of the time when you hear
16 people talk about the state's housing challenges,
17 they're talking about New York City. But as
18 everyone in this chamber knows, the shortage of
19 affordable housing, it's a problem in every part
20 of our state, from Albany to Rochester to Buffalo
21 and everywhere in between.

22 But there's something our housing
23 policies have not accounted for before, and that
24 is the problems facing our upstate cities. And
25 those problems are very different from the

1 problems of New York City. New York City's
2 challenges are based on a shortage of available
3 land. For decades -- maybe longer -- they've had
4 nowhere to build but up. And so most of the
5 state's housing programs were created to solve
6 that problem. If you have a building site, the
7 state will pay you to put as many units on that
8 site as possible. Makes sense if you're in
9 Brooklyn, but most of our programs apply that
10 one-size-fits-all approach to the entire state.

11 With this budget we're taking a big
12 step forward on that issue. We're creating
13 regional solutions for regional problems. We're
14 investing \$80 million in two new programs that
15 will add safe and affordable homes and rental
16 units throughout upstate New York.

17 The first \$40 million is going to
18 the Infill Housing Program. The program will
19 empower HCR to build one- and two-family homes in
20 Buffalo, Albany, Syracuse, Rochester and
21 Binghamton. These are cities that have thousands
22 and thousands of vacant lots. When Buffalo's
23 population started declining a few decades ago,
24 we experienced a housing surplus. Our response,
25 which was state-funded, was to demolish thousands

1 and thousands of homes over the last 20 years.

2 And boy, would we like those units back now.

3 The program will cover construction
4 costs for new houses on those lots, and it will
5 subsidize the sales of the new homes to low- and
6 moderate-income residents, people who live in
7 those neighborhoods.

8 The increased subsidy on those homes
9 will help another problem upstate cities face,
10 and that's a declining tax base. So infill isn't
11 just a housing solution, it's building
12 infrastructure to help create stability in these
13 cities' budgets for a long time. So we're
14 viewing this as a holistic program that will add
15 a lot of benefits.

16 The additional \$40 million will help
17 fund a new grant program to help upstate
18 landlords fix up vacant rental properties.

19 Now, the average landlord in Buffalo
20 and Binghamton, they're a lot different than the
21 average landlord in Manhattan. We're not talking
22 about billionaires with big portfolios and maybe
23 a skyscraper or two. We're talking about a
24 retired municipal worker who lives in a
25 two-family house, raised her kids in that double,

1 but now she's a widow who can't afford to fix the
2 furnace in the upstairs apartment, so it stays
3 vacant.

4 This is the first time we've ever
5 created a program for this type of landlord. But
6 the benefits really go to the tenants. The
7 program will bring thousands of rental units back
8 on the market, will help bring rental costs down.
9 In exchange, the landlords will keep the rents
10 affordable for 10 years.

11 And on top of those two programs,
12 we're putting \$10 million into an eviction
13 program for upstate New York.

14 We've been struggling for several
15 years to come up with a comprehensive statewide
16 policy for housing, and I believe with the
17 addition of these policies, we have reached a
18 comprehensive plan.

19 I'll make a special thanks to
20 Senator Kavanagh, chair of the Housing Committee,
21 for his help in getting this done. He came to
22 Buffalo in January. He saw our housing struggles
23 firsthand. And in the months since, he's been
24 involved in meetings with land banks and legal
25 services providers.

1 And of course I want to thank our
2 leader, Andrea Stewart-Cousins, for understanding
3 how important it is for us to pass housing
4 solutions for every part of the state.

5 I vote in the affirmative.

6 ACTING PRESIDENT COONEY: Senator
7 Ryan to be recorded in the affirmative.

8 Senator Kavanagh to explain his
9 vote.

10 SENATOR KAVANAGH: Thank you,
11 Mr. President.

12 We've heard much from me on this
13 bill already, but I just wanted to highlight.
14 You know, we face in New York a series of
15 intersecting crises on housing. It's a crisis of
16 homelessness, it's a crisis of evictions, it's a
17 crisis of unaffordability and inadequate housing
18 supply.

19 The Senate Majority, under the
20 leadership of Andrea Stewart-Cousins, and our
21 colleagues on the Housing Committee and other
22 committees as well put forth a truly broad
23 package of legislative and budgetary approaches
24 to this that really are an attempt to use all the
25 tools available to us.

1 So we've had -- we have proposals
2 that I think we'll be discussing later to protect
3 tenants with new rights and with legal services,
4 to protect homeowners through the Homeowner
5 Protection Program as well as deed theft
6 restrictions, and of course through tax breaks
7 that, contrary to some of the assertions by my
8 colleagues on the other side of the aisle today,
9 are a very common way that the public subsidizes
10 all kinds of housing. The current five-year plan
11 for housing in New York is a \$25 billion
12 expenditure in tax breaks as well as direct
13 subsidies.

14 So we have realized over a long
15 period that it is important to subsidize all
16 kinds of housing, including our public housing,
17 but also including housing run by private
18 organizations, and everything in between.

19 This capital bill that we are
20 putting forth today, although we have not
21 succeeded by all measures, is a very big step
22 forward. It represents a big investment in one
23 portion of our four-part approach here by
24 investing over a billion dollars to support new
25 housing construction and renovation, including

1 \$760 million in capital programs administered by
2 HCR, our housing agency, and an additional
3 \$250 million to prepare nonresidential state
4 property for construction of new housing through
5 a program called RUSH. And I will spare people
6 references to the Canadian rock band that I
7 listened to in the eighties.

8 Over half of that billion-dollar
9 investment is dedicated to the preserving and
10 improving conditions in housing we already have.
11 That includes \$250 million in capital
12 expenditures on public housing, as we've
13 discussed; \$80 million to support our
14 Mitchell-Lama housing; and \$40 million for the
15 exciting new program that Senator Ryan has
16 spearheaded and just discussed.

17 We're also making a new commitment
18 to state-funded development of new housing. We
19 put forth in our one-house resolution something
20 that we informally called Mitchell-Lama 2.0, to
21 create a new authority to build affordable
22 housing. Working with the Assembly and the
23 Governor's office, we're enacting today the
24 Housing for the Future program and allocating
25 \$150 million to get the program started, equally

1 split between rental units and new homeownership
2 opportunities.

3 We're also funding -- again, thanks
4 to Senator Ryan -- a new program to ensure that
5 we are filling in vacant lots in our cities to
6 make sure we have that housing and also that our
7 neighborhoods are more vibrant.

8 And we're recommitting to the Small
9 Rental Development Program -- again, an
10 initiative of Senator Hinchey -- to ensure that
11 small towns and villages have housing that is the
12 right scale for them.

13 Overall, as I said earlier, public
14 capital investment is not our sole tool, but it
15 is a major tool that is necessary if we're going
16 to get out of this housing crisis. And I'm very
17 proud of the work we're doing in this budget to
18 get that done.

19 Thank you. And with that, I vote
20 aye.

21 ACTING PRESIDENT COONEY: Senator
22 Kavanagh to be recorded in the affirmative.

23 Senator Oberacker to explain his
24 vote.

25 SENATOR OBERACKER: Thank you,

1 Mr. President.

2 You know, as a former town
3 supervisor who has put together municipal
4 budgets; as a former chair of Otsego County
5 Department of Public Works, I've put together
6 budgets; I was on the budget committee for
7 Otsego County.

8 I have to say that being the ranking
9 member on Transportation, I'm more than dismayed
10 at this budget. Yes, we've restored the funding
11 to our CHIPS, but restoring is going back. We're
12 looking at increased, of course, costs across the
13 line for all materials. Our highway supers have
14 not been able to go out and bid out stone and do
15 all the bidding process for the materials that
16 they need to resurface these roads, so they're
17 going to be behind.

18 And I must say the conditions of the
19 roads in the seven counties that I represent in
20 upstate New York do have some challenges. And if
21 there's a -- if there's an effort, if there's a
22 movement afoot or if there's a philosophy out
23 there that we're not going to fund the roads so
24 that the condition is terrible and maybe that
25 will stop the outward migration of people from

1 upstate New York, let me in on it. I guess I
2 could try to understand it, I would try to
3 talk -- out of it.

4 But at the end of the day, this
5 falls short. It does not meet expectation, as I
6 would say in my business. I will be voting in
7 the negative.

8 But on the positive side, what I'd
9 like to do is to extend a warm -- not welcome,
10 but a warm invite for any of my colleagues from
11 across the aisle who would want to travel with
12 one of the most dynamic upstate Senators and
13 travel my distance on those roads to get a
14 firsthand, a firsthand education on them. I will
15 be more than happy, more than happy to extend
16 that, and to Mr. President, to yourself as well,
17 the extension. Would love to have you travel
18 with me.

19 With that, unfortunately, I will be
20 voting in the negative in this case. Thank you.

21 ACTING PRESIDENT COONEY: Senator
22 Oberacker to be recorded in the negative.

23 Senator Webb to explain her vote.

24 SENATOR WEBB: Well, okay,
25 following up after Senator Oberacker from upstate

1 New York.

2 I want to thank you, Mr. President,
3 and of course Senate Majority Leader Andrea
4 Stewart-Cousins for her leadership on this aspect
5 of the budget as well, and of course all of my
6 colleagues.

7 So I also am in upstate New York. I
8 have some great things that are most certainly
9 reflected in this budget. I am pleased that the
10 final budget includes \$19.5 million for the
11 expansion of the New York State Veterinary
12 Diagnostic Laboratory and the Animal Health
13 Diagnostic Center at Cornell University. This
14 funding is critical to support the research and
15 testing that is performed at this institution;
16 that includes testing for things such as bird
17 flu.

18 This facility plays a crucial role
19 not only in safeguarding public health and
20 protecting animal welfare and mitigating the
21 economic impact of outbreaks on agriculture, but
22 also food security.

23 Also in this budget I was pleased to
24 see that although we need to do more, that we are
25 continuing to fulfill our commitment to the

1 environment. And I am proud that this budget
2 includes 400 million for the Environmental
3 Protection Fund and fully restores clean water
4 funding at \$500 million, a level to make sure we
5 can restore critical water infrastructure. And I
6 want to thank the entire Senate team that was
7 involved in that -- Malik, everyone.

8 And also in the area of
9 infrastructure. Now, me and Senator Oberacker do
10 have some overlap in our districts, and so of
11 course roads are an important piece. And so with
12 this budget we will actually see 34 million to
13 fix roads throughout the communities I represent,
14 along with other important infrastructure needs,
15 including funding for our libraries.

16 So again, I want to thank all of our
17 colleagues. I proudly vote aye.

18 Thank you.

19 ACTING PRESIDENT COONEY: Senator
20 Webb to be recorded in the affirmative.

21 Senator Krueger to close.

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

24 You know, we didn't get to go over
25 lots of things that are in this capital budget.

1 But I want to let everybody know we were able to
2 add \$2 billion for capital projects throughout
3 the agencies of this state. And that translates
4 into an enormous number of new jobs, because
5 capital money means jobs. And as you've heard,
6 these capital projects will be spread all over
7 the state.

8 Again, my colleague Senator Kavanagh
9 did an excellent job discussing really mostly
10 just one of the programs, public housing. But we
11 put \$585 million into housing capital.

12 We put 444 million into education
13 and higher ed capital, including more money for
14 SUNY hospitals, SUNY capital, CUNY capital, the
15 4201 schools, NYSCA, various diagnostic labs,
16 parks. We put \$250 million back in for the clean
17 water projects we need in this state. And we
18 put, despite the concerns about not enough,
19 \$164 million in capital for transportation.

20 I am incredibly pleased with how
21 this worked out, Mr. President, because without
22 us fighting for all of these things they would
23 have not been in the budget. They were not in
24 the Governor's Executive Budget.

25 And just because there was some

1 confusion, I think, over the discussion of how
2 much money we're being asked to invest in public
3 housing, for the record -- and the question was
4 asked, why is there no money, why doesn't there
5 seem to be enough money to keep public housing
6 going. Surely they pay rents. And the answer,
7 Senator Martins, is yes, they pay 30 percent.

8 So I looked up what the average rent
9 is in New York City public housing, and it's \$555
10 a month. But the average rent in rent-regulated
11 housing, which you were raising as an example, is
12 three times that. So if you're a private
13 landlord in a rent-regulated system, your average
14 rent is three times what public housing gets
15 per month.

16 And public housing is
17 disproportionately quite old in the City of
18 New York, because we haven't been building it in
19 decades and decades and decades. And in fact,
20 market rate is about \$2,000 a month average, and
21 we put more tax expenditure money through
22 421-a -- I believe we will do it in 485, which is
23 also going to be passed tonight. We put like a
24 million dollars into subsidized housing that
25 isn't even going to be affordable.

1 So these numbers might shock
2 everybody, but they are not inconsistent between
3 what we spend subsidizing new, often not
4 affordable housing and the amount of money we
5 need to help assure that we don't lose our
6 affordable public housing, as much trouble as it
7 may be. And we agree, it is, because it has been
8 underfunded and ignored for too many decades.

9 But I will just challenge my
10 colleagues to answer the question -- not
11 tonight -- if you don't want us to continue to
12 invest and help save public housing, in New York
13 City we've got 600,000 people there. Who wants
14 to take them home? I don't. I bet none of us
15 really want to take 600,000 people home. Plus we
16 have 100,000 already homeless who have been
17 priced out of housing in the City of New York.

18 So none of these models are perfect,
19 and we can have frustrations with all of them.
20 But I want to thank Andrea Stewart-Cousins and my
21 colleagues for getting us through particularly
22 this bill and this money in the capital budget
23 tonight. And I certainly urge everyone to vote
24 yes.

25 Thank you, Mr. President.

1 ACTING PRESIDENT COONEY: Senator
2 Krueger to be recorded in the affirmative.

3 Announce the results.

4 THE SECRETARY: In relation to
5 Calendar 844, those Senators voting in the
6 negative are Senators Borrello, Griffo, Helming,
7 Lanza, Oberacker, O'Mara, Ortt, Stec and Tedisco.

8 Ayes, 51. Nays, 9.

9 ACTING PRESIDENT COONEY: The bill
10 is passed.

11 Senator Gianaris.

12 SENATOR GIANARIS: Mr. President,
13 we're going to jump a little bit out of order.
14 Can we remove the lay-aside on Calendar 847 and
15 take that up as a noncontroversial bill.

16 ACTING PRESIDENT COONEY: The
17 Secretary will read.

18 THE SECRETARY: Calendar Number
19 847, Senate Print 8301A, Senate Budget Bill, an
20 act making appropriations for the support of
21 government.

22 ACTING PRESIDENT COONEY: Read the
23 last section.

24 THE SECRETARY: Section 5. This
25 act shall take effect immediately.

1 ACTING PRESIDENT COONEY: Call the
2 roll.

3 (The Secretary called the roll.)

4 ACTING PRESIDENT COONEY: Announce
5 the results.

6 THE SECRETARY: In relation to
7 Calendar 847, those Senators voting in the
8 negative are Senators Borrello, Griffo, Lanza,
9 Oberacker, O'Mara, Ortt and Stec.

10 Ayes, 53. Nays, 7.

11 ACTING PRESIDENT COONEY: The bill
12 is passed.

13 Senator Gianaris.

14 SENATOR GIANARIS: Thank you,
15 Mr. President. Now let's get back to the
16 controversial calendar and take up the remaining
17 bill on that calendar, Calendar 846.

18 ACTING PRESIDENT COONEY: The
19 Secretary will read.

20 THE SECRETARY: Calendar Number
21 846, Senate Print 8303D, Senate Budget Bill, an
22 act making appropriations for the support of
23 government.

24 ACTING PRESIDENT COONEY: Senator
25 Lanza, why do you rise?

1 SENATOR LANZA: Mr. President, I
2 believe there's an amendment at the desk. I
3 waive the reading of that amendment and ask that
4 you recognize Senator Weber.

5 ACTING PRESIDENT COONEY: Thank
6 you, Senator Lanza.

7 Upon review of the amendment, in
8 accordance with Rule 6, Section 4B, I rule it
9 nongermane and out of order at this time.

10 SENATOR LANZA: Mr. President,
11 accordingly, I appeal the ruling of the chair and
12 ask that Senator Weber be heard on that appeal.

13 ACTING PRESIDENT COONEY: The
14 appeal has been made and recognized, and
15 Senator Weber may be heard.

16 SENATOR WEBER: Thank you,
17 Mr. President. I rise to appeal the ruling of
18 the chair, as the proposed amendment is germane
19 to the bill at hand because it strikes an actual
20 lined-out item of the budget, the 2.4 billion for
21 migrants that has been allocated to our State
22 Budget for fiscal year '25. This amendment could
23 not be any more germane.

24 As we continue to pass the State
25 Budget, I become more and more concerned about

1 New York's fiscal trajectory. Exorbitant taxes,
2 and now the redirection of funds from essential
3 areas to accommodate New York City's and New York
4 State's sanctuary city and sanctuary state
5 status, are alarming trends that demand our
6 immediate attention and correction.

7 There are so many other worthy
8 things where this money should go to: Providing
9 more school aid to our school districts;
10 providing COLAs to our healthcare workers, and
11 other wages; providing property tax relief
12 checks; increasing the child tax credit;
13 supporting our stressed hospitals; and so on.

14 Until these are fully funded, we
15 should not be spending any more money, especially
16 this \$2.4 billion on New York City and New York
17 State sanctuary status funding.

18 For these reasons, Mr. President, I
19 strongly urge you to reconsider your ruling, as
20 this is very germane to the bill at hand right
21 now. Thank you.

22 ACTING PRESIDENT COONEY: Thank
23 you, Senator Weber.

24 I want to remind the house that the
25 vote is on the procedures of the house and the

1 ruling of the chair.

2 Those in favor of overruling the
3 chair, signify by saying aye.

4 (Response of "Aye.")

5 SENATOR LANZA: Show of hands.

6 ACTING PRESIDENT COONEY: A show of
7 hands has been requested and so ordered.

8 Announce the results.

9 THE SECRETARY: Ayes, 19.

10 ACTING PRESIDENT COONEY: The
11 ruling of the chair stands, and the bill-in-chief
12 is before the house.

13 Senator Murray, why do you rise?

14 SENATOR MURRAY: Mr. President,
15 would the sponsor yield for questions regarding
16 the issue of funding for the migrant issue.

17 ACTING PRESIDENT COONEY: Will the
18 sponsor yield?

19 SENATOR KRUEGER: Yes.

20 ACTING PRESIDENT COONEY: The
21 sponsor yields.

22 SENATOR MURRAY: Thank you very
23 much.

24 Senator, the amount I believe that's
25 in this particular budget is 2.4 billion for the

1 migrant issue, is that correct?

2 SENATOR KRUEGER: Correct.

3 SENATOR MURRAY: Would the Senator
4 continue to yield.

5 SENATOR KRUEGER: Yes.

6 ACTING PRESIDENT COONEY: Will the
7 sponsor yield?

8 The sponsor yields.

9 SENATOR MURRAY: Thank you.

10 And how much did the state spend
11 last year?

12 (Pause.)

13 SENATOR KRUEGER: 713 million.

14 SENATOR MURRAY: Would the sponsor
15 continue to yield.

16 ACTING PRESIDENT COONEY: Does the
17 sponsor yield?

18 SENATOR KRUEGER: Yes.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR MURRAY: And where did that
22 money come from? Was that federal money, or was
23 that state money?

24 SENATOR KRUEGER: I believe that's
25 the state share.

1 SENATOR MURRAY: State taxpayers.

2 SENATOR KRUEGER: Yes. There were
3 other federal funds made available, but that's
4 just the state share.

5 SENATOR MURRAY: Would the sponsor
6 continue to yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR KRUEGER: Yes.

10 ACTING PRESIDENT COONEY: The
11 sponsor yields.

12 SENATOR MURRAY: Is there anything
13 in this bill requiring New York City or New York
14 State to rescind their sanctuary city and/or
15 sanctuary state status?

16 SENATOR KRUEGER: No.

17 SENATOR MURRAY: Okay. Would the
18 sponsor continue to yield.

19 ACTING PRESIDENT COONEY: Will the
20 sponsor yield?

21 SENATOR KRUEGER: Yes.

22 ACTING PRESIDENT COONEY: The
23 sponsor yields.

24 SENATOR MURRAY: Thank you.

25 Now, does this money go towards -- I

1 understand there's a program in the city that
2 they give out either prepaid -- I don't know if
3 you'd call it credit cards, gift cards, debit
4 cards. But does this money go towards helping to
5 pay for those cards that are being given out to
6 the migrants?

7 SENATOR KRUEGER: I know that was
8 proposed, but I don't even think that program
9 exists at the moment.

10 But this funding is specifically
11 laid out to do the following:

12 1.1 billion for New York City
13 reimbursement for services and assistance,
14 including the shelter costs;

15 870 million for costs associated
16 with some exceptionally large facilities --
17 Randalls Island, Creedmoor Psychiatric Center,
18 and Floyd Bennett Field;

19 134 million for safety-net
20 assistance to eligible individuals;

21 10 million for asylum seeker
22 resettlement;

23 262 million to pay the
24 National Guard, who of course is helping;

25 177 million for healthcare expenses

1 and disease testing;

2 And 116 million for legal services,
3 case management and related purposes.

4 SENATOR MURRAY: Will the sponsor
5 continue to yield.

6 ACTING PRESIDENT COONEY: Will the
7 sponsor yield?

8 SENATOR KRUEGER: Yes.

9 ACTING PRESIDENT COONEY: The
10 sponsor yields.

11 SENATOR MURRAY: Thank you for that
12 detailed explanation, because it kind of went
13 towards the next question, which was: Does any
14 of the \$2.4 billion go to our school districts to
15 help offset the cost for the increased student
16 population?

17 Some of the families are bringing
18 with them children. They are then being
19 dispersed not just in the city but throughout the
20 state. Many school districts are getting many of
21 these children. Does any of that money go to
22 offset those costs?

23 SENATOR KRUEGER: No. Schools are
24 paid for through school aid funds.

25 And yes, there has been additional

1 school funding available to districts that have a
2 disproportionately large number of migrant
3 children. And that's been true for many years.
4 There have been cycles.

5 Just, you know, for the record, we
6 are a state of migrants. We've always been a
7 state of migrants. That's the whole history of
8 the state. So there might be a larger number at
9 the moment, but it's certainly not a new
10 phenomenon or a phenomenon that we can't be
11 prepared for in this state.

12 SENATOR MURRAY: Will the Senator
13 continue to yield.

14 ACTING PRESIDENT COONEY: Does the
15 sponsor yield?

16 SENATOR KRUEGER: Yes.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR MURRAY: And for the
20 record, I think we're a country of migrants.
21 But -- yes, we're a state of migrants. But
22 there's a legal and an illegal way to go about
23 it. And I think that some are not necessarily
24 following the legal route, which is causing some
25 of the problems that we're having now.

1 But in the language of the bill
2 where it lays out the funding, I noticed one
3 little section, and it says "to provide
4 short-term services." How long is "short term"?
5 Is there a definition for "short term"?

6 SENATOR KRUEGER: We don't think
7 there's a legal definition of a specific time
8 frame. The city has implemented a variety of
9 time frames for shelter services for migrants,
10 depending upon families or singles.

11 But I don't believe we have chosen
12 to define it any more clearly than just
13 "short term."

14 SENATOR MURRAY: Will the sponsor
15 continue to yield.

16 ACTING PRESIDENT COONEY: Will the
17 sponsor continue to yield?

18 SENATOR KRUEGER: I will.

19 I just want to make a correction --
20 not for myself, but my colleague referenced that
21 these aren't legal people. But actually they're
22 asylees. So we don't actually know whether they
23 have legal status until that process is
24 completed. So they're migrants, and they're
25 here, but they're not technically illegal, just

1 for the record.

2 Thank you, Mr. President.

3 ACTING PRESIDENT COONEY: The
4 sponsor yields.

5 SENATOR MURRAY: And for the
6 record, I didn't say illegal people. What I said
7 was there's a legal way to go about it and an
8 illegal way to go about it. Some are not going
9 about it the legal way. But we could have that
10 argument down the road or longer.

11 But as far as the short term -- back
12 to that -- is there any kind of a cutoff time
13 frame? Has anyone said, I'm sorry, you've used
14 up your allotted amount? Has the city cut anyone
15 off as far as funding?

16 SENATOR KRUEGER: So there's no,
17 again, definition in this bill. But the city has
18 done cutoffs for the length of time you can get
19 housing assistance.

20 And we certainly know that there are
21 people who have moved into the city and taken --
22 been able to use these services and then stopped
23 already or even have left already. So there's
24 a -- there there's a cyclic pattern, is that the
25 right word, Mr. President? I think it is. A

1 cyclic pattern.

2 So some people move through more
3 quickly, and some people move through more
4 slowly, yes.

5 SENATOR MURRAY: Thank you,
6 Senator.

7 On the bill, please.

8 ACTING PRESIDENT COONEY: Senator
9 Murray on the bill.

10 SENATOR MURRAY: Thank you,
11 Senator Krueger.

12 So the reason I've asked many of
13 these questions is because I hear it on a daily
14 basis. You know, I do find it ironic -- and let
15 me also back up for a second.

16 As far as the issue of the
17 gift cards or prepaid debit cards or whatever, I
18 do believe the program has been started. My
19 understanding is it is. And this funding goes to
20 offset programs such as that and others, as was
21 spelled out.

22 But I've had people, and they'll ask
23 me on a daily basis, constituents, you know,
24 what -- do we get something like this? Do we get
25 debit cards?

1 What about our homeless veterans? I
2 find it ironic that the very people that will
3 stand up and volunteer, the men and women who
4 will raise their hand and say I will put myself
5 in harm's way to protect the freedoms and the
6 rights that this nation has that makes us the
7 greatest nation in the world, that makes us the
8 destination where so many want to come -- they
9 don't get this help. They get turned away.

10 We have veterans that need help,
11 whether it's they're homeless, whether they're
12 hungry, whether they need training or psychiatric
13 help or any kind of help. They don't get this
14 kind of help.

15 You know, we -- last year in the
16 budget we had the Healthy Meals for All, Healthy
17 School Meals for All. And we came up \$90 million
18 short. So there are children today in New York
19 State that are still going hungry because we
20 couldn't come up with that \$90 million extra to
21 make sure every one of them was fed.

22 There was also our school district
23 funding. Many school districts wanted a
24 3 percent increase. That would have totaled
25 about \$280 million. We couldn't find that

1 funding this year, and that will come up a little
2 later. But we couldn't find that funding.

3 My good friend Senator Oberacker
4 brought up the CHIPS funding and the highway
5 superintendents. They were begging for an
6 increase. Just give us 100 million more. We
7 managed to get the 60 million back that the
8 Governor tried to take away, to get us to level
9 funding from last year. But they wanted
10 100 million more to fill the potholes, to fix the
11 roads, to fix our infrastructure. Couldn't come
12 up with it.

13 But we come up with \$2.4 billion.
14 You know, it's been said that budgeting is about
15 priorities. And there were others on the other
16 side of the aisle earlier today that said, you
17 know, you want to spend this and then you yell at
18 us for spending too much. No, it's not about
19 whether we're spending too much or too little or
20 too -- it's where we're spending it, how we're
21 spending it, where our priorities are.

22 We have too many people saying, What
23 about us? Where's our help? Senior citizens on
24 a fixed income trying to figure out, am I going
25 to get food or my medication or can I pay my

1 mortgage and my taxes to keep a roof over my
2 head? They're struggling, and they say: Where's
3 our help?

4 So it's about priorities. And I
5 think when it comes to this issue, this
6 \$2.4 billion, I think we've got that priority
7 wrong. And that's why I'll be voting no on this.

8 Thank you.

9 ACTING PRESIDENT COONEY: Thank
10 you, Senator Murray.

11 Senator Martins, why do you rise?

12 SENATOR MARTINS: Mr. President, if
13 the sponsor would yield for a couple of
14 questions.

15 ACTING PRESIDENT COONEY: Will the
16 sponsor yield?

17 SENATOR KRUEGER: Yes, sir.

18 ACTING PRESIDENT COONEY: The
19 sponsor yields.

20 SENATOR MARTINS: Senator, a couple
21 of moments ago you mentioned status of people
22 qualified to receive funding for the \$2.4 billion
23 that's been laid aside in the OTDA budget for
24 migrants. So I'm going to ask a couple of
25 questions about process.

1 What are the qualifications
2 entitling somebody to receive funding or portions
3 of those funds that are being allocated? What
4 qualifies someone here in New York to receive
5 portions of those funds?

6 SENATOR KRUEGER: If you are
7 homeless, you are eligible for homeless services.

8 If you have health problems, you're
9 eligible for health services. Emergency rooms
10 can't turn you down. I mean, ironically, if
11 people don't have access to health insurance, we
12 all pay a lot more, because they get sick and we
13 have public health crises.

14 Safety-net assistance is -- some
15 people may be eligible for. You're familiar with
16 the safety-net program. So some people may be
17 eligible for safety-net assistance.

18 Other benefits are -- you're not
19 eligible for SNAP benefits. Although I think
20 when Senator Murray was asking me about some kind
21 of credit card system, I think the intention was
22 to make some cash for food and other personal
23 care items available through a credit card system
24 as a -- or a debit card, I suppose, is a better
25 model, because it would be the easiest and

1 simplest to track. But I don't think it's gone
2 beyond the pilot level.

3 I'm not sure what other services
4 we're talking about here.

5 SENATOR MARTINS: Mr. President,
6 through you, if the sponsor would yield --

7 SENATOR KRUEGER: Oh, I'm sorry,
8 legal services to help -- I'm so sorry. Legal
9 services to help you file your paperwork.

10 Because of course we know that as
11 asylees, if they can get federal working
12 papers -- and the federal government, for
13 example, already said that we can shorten the
14 time frame for Venezuelans to be able to get
15 access to working papers. So we are assisting
16 with legal representation and assistance for
17 people to file their paperwork with the federal
18 government.

19 Because when you talk about
20 timelines, which I think was Senator Murray's
21 question, the faster we can get people into jobs,
22 the quicker we won't need to cover any costs for
23 them. Because that is the history of migrants in
24 New York. You come here, you find jobs, you
25 stabilize yourself, you become taxpayers.

1 ACTING PRESIDENT COONEY: Senator
2 Krueger, will you continue to yield?

3 SENATOR KRUEGER: Yes, of course.

4 ACTING PRESIDENT COONEY: Senator
5 Krueger yields.

6 SENATOR MARTINS: Thank you,
7 Mr. President.

8 Senator, I didn't ask that. And I
9 appreciate -- I appreciate -- I appreciate the
10 answer that you did give me, and we can address
11 that in a bit.

12 I was asking how do they qualify. I
13 mean, there are a lot of questions certainly for
14 people in this chamber, I am sure around New York
15 State. You know, do they come across the border,
16 come up to New York, show up and say I'm here,
17 I'm entitled to benefits? Do they fly into JFK,
18 La Guardia or Newark, come into New York City and
19 say, I'm here, I'm entitled to benefits? Do they
20 come across the northern border from Canada and
21 make their way down to New York City, I'm here,
22 I'm entitled to benefits? Is there a time frame
23 within which we require them to show that they've
24 been here? Can they be here five minutes and ask
25 for benefits? Do they have to be here for any

1 period of time? Do they have to show some level
2 of residency?

3 I'm asking for clarity because
4 \$2.4 billion, Senator, I'm sure you'd agree with
5 me, is a lot of money. And in the context of
6 \$2.4 billion and some of the expenses that we
7 have back home -- and I can list them for you,
8 but -- you know what, I will. Whether it's our
9 school districts that need funding, whether it's
10 schoolchildren in our schools that we were trying
11 to get funding for free lunches for them
12 throughout the state. You know, there are
13 priorities that we've set for ourselves when we
14 determine whether or not to spend \$2.4 billion.

15 So I'm going to ask, what does the
16 person who shows up here have to show to
17 establish residency and entitlement to get those
18 monies?

19 SENATOR KRUEGER: So the city has
20 an intake system, so they interview, they ask for
21 documentation, they cover questions, they do try
22 to find out do they have other family here, are
23 there other locations in the country they would
24 like to go to.

25 Many of these people, as you pointed

1 out, came from lots of different places. Some
2 came from other states where they might have been
3 for an extended period of time. Some come across
4 the southern border, some come across the
5 northern border. Some fly into our airports.
6 Some take buses provided for them by Southern
7 governors, much to our chagrin. And when they
8 come here, if they're applying for any kind of
9 benefits -- as has always been the case, it's not
10 a new phenomenon -- there's an intake system.

11 In the City of New York they've set
12 up a couple of different intake sites. The
13 biggest one is in my district a couple of blocks
14 from my office, at the old Roosevelt Hotel. It's
15 a very impressive process for intake and tracking
16 and trying to make sure does somebody seem to be
17 sick, do we need to address that, do they not
18 have medicines. Do they have children, do we
19 need to make sure that we're taking care of those
20 children, the children are going to school.

21 So there's a pretty thorough intake
22 system, including what is your status as far our
23 being able to help you get any of the paperwork
24 you might need, particularly working papers, so
25 that the possibility of your moving off into the

1 economy as quickly as possible happens.

2 So -- and then there are different
3 sites for different follow-up purposes.

4 SENATOR MARTINS: Thank you,
5 Mr. President. If the sponsor would continue to
6 yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield? Will the sponsor yield?

9 SENATOR KRUEGER: Of course I do.
10 I'm so sorry.

11 ACTING PRESIDENT COONEY: The
12 sponsor yields.

13 SENATOR KRUEGER: I'm listening
14 with one ear and -- yes, I happily answer. Yes.

15 SENATOR MARTINS: Thank you. Thank
16 you, Senator.

17 Again, just for clarity, is there a
18 time period that a person needs to be here in
19 order to qualify?

20 SENATOR KRUEGER: No, there is not.

21 SENATOR MARTINS: Through you,
22 Mr. President, if sponsor would continue to
23 yield.

24 ACTING PRESIDENT COONEY: Does the
25 sponsor yield?

1 SENATOR KRUEGER: Yes.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR MARTINS: It's my
5 understanding that many people who are coming to
6 New York and presenting themselves for benefits
7 don't have paperwork, do not have credentials,
8 they don't have necessarily a digital or a paper
9 background. And they're being perhaps
10 interviewed.

11 If somebody flies into New York,
12 lands at JFK, gets off the plane, goes into the
13 city, appears at one of these processing centers,
14 perhaps the one a couple of blocks away from your
15 own district office, and presents themselves for
16 benefits -- and they literally just landed and
17 the time it took for them there to get there, and
18 they showed up and said, I'm here, I want to say
19 stay here. I'd like to see what kind of benefits
20 I'm entitled to -- I want housing, I want help
21 with an education, I want all of the benefits
22 that the great State of New York, through the
23 City of New York, is providing.

24 Would they be entitled to those
25 benefits at that point?

1 SENATOR KRUEGER: I don't think I
2 agree with you that most people show up without
3 any paperwork.

4 SENATOR MARTINS: It's
5 hypothetical. I'm just putting an example out
6 there.

7 SENATOR KRUEGER: Oh, okay. Right.

8 So I think -- my understanding is
9 most people do have some type of documentation,
10 particularly if they were flying in, obviously,
11 because they couldn't get through the airport if
12 they didn't have a passport.

13 So yes, most people have some level
14 of paperwork. But I don't know what percentage.
15 But yes, as has been the law in New York State --
16 I'm trying to think. The right to housing and
17 shelter has been since the early '80s, I want to
18 say, were the lawsuits on that. So it's the same
19 system it's been, it's just more people right
20 now.

21 SENATOR MARTINS: Through you,
22 Mr. President, if the sponsor would continue to
23 yield.

24 ACTING PRESIDENT COONEY: Will the
25 sponsor yield?

1 SENATOR KRUEGER: Yes.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR MARTINS: Thank you,
5 Mr. President.

6 You know, I think I heard you say
7 that it's a New York State policy, the right to
8 housing is a state policy and not a city policy.
9 And as far as I'm aware, that right-to-housing
10 policy is one that is specific to New York City.
11 And therefore the state's obligation to fund
12 these programs over time, certainly over the last
13 couple of years, to the levels that they have,
14 I'm not aware of it being a state policy.
15 Perhaps you can clarify.

16 SENATOR KRUEGER: No, the original
17 housing lawsuits on the right to shelter were
18 actually based on the New York State
19 Constitution's obligation to care for the needy.
20 And it was a court case against the city and the
21 state. So actually the ruling was that it's --
22 the State of New York must provide services for
23 the homeless.

24 Somehow the state sort of got around
25 ever really getting itself into it. But the

1 court case was for both the state and the city,
2 and the basis of those cases were the
3 State Constitution.

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

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR KRUEGER: I'm sorry, I'm
10 getting clarification. New York City is the only
11 one who's codified in the case law, but that case
12 law was clearly based on the State Constitution,
13 of the state and city being sued.

14 SENATOR MARTINS: Thank you for
15 that --

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield for a question?

18 SENATOR KRUEGER: Of course.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR MARTINS: So again, my
22 question is one of qualifications and status
23 here, and I think we've covered that.

24 As part of this process, is there
25 any responsibility in that processing center to

1 check for backgrounds of those people who are
2 seeking assistance, not only in terms of term of
3 stay but also any prior history, criminal history
4 and the like? Since many if not most of them do
5 not have a history here in the United States, is
6 there an effort to try and get that information
7 as well?

8 SENATOR KRUEGER: When they apply
9 for asylum, that is a process that is gone
10 through by the federal asylum process.

11 SENATOR MARTINS: Thank you.

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

14 ACTING PRESIDENT COONEY: Will the
15 sponsor yield?

16 SENATOR KRUEGER: Yes.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR MARTINS: You know, I'm
20 glad you brought that up, because as I understand
21 it, the asylum process is a two-step process.
22 It's a process at the border, and then there's a
23 secondary process where you have to actually fill
24 out that paperwork.

25 And they are admitted based on the

1 initial process, which is rather quick, and then
2 there's a detailed questionnaire that has to be
3 filled out within a period of time so that they
4 actually can maintain the status that they're
5 temporarily given at the border and actually be
6 asylum seekers, as opposed to just being people
7 who are in this country illegally, using any
8 other term. Because if they don't complete the
9 asylum process when they use the asylum process
10 to get in, I think that's the proper term to use.

11 So what I will ask is if they do not
12 fill out the asylum process and they are not
13 here, is that a requirement in order for a person
14 to receive assistance through these processing
15 centers?

16 (Pause.)

17 SENATOR KRUEGER: We think you're
18 correct, that if they don't complete the full
19 paperwork at some point they can be defined as no
20 longer meeting the standards of being an
21 applicant for asylum. That is why we are helping
22 people to make sure they can get their paperwork
23 done so that they don't find themselves in that
24 situation.

25 But there surely are people who will

1 not be able to complete that in whatever the time
2 frames the federal government has set up are.

3 SENATOR MARTINS: Thank you,
4 Mr. President. And thank you, Senator Krueger.

5 Mr. President, on the bill.

6 ACTING PRESIDENT COONEY: Senator
7 Martins on the bill.

8 SENATOR MARTINS: So, you know,
9 that is correct. You know, there are literally
10 hundreds of thousands, millions of people who are
11 coming across the border or coming into this
12 country -- I won't identify borders, northern
13 border, southern border, any other means of
14 entry. Some from Central America, some from
15 South America, some from Asia, some from Africa,
16 some from the Caribbean. They're coming from all
17 over the world. And so, you know, it's important
18 that we understand what is happening and who's
19 presenting. And if there is a process by which
20 they are entering, that process also in the loop
21 has to be closed. I think it's important that it
22 is.

23 You know, I've heard many people say
24 that people who are presenting themselves here in
25 New York are here legally. The statistics I've

1 seen, or at least I've read, are that 90 percent
2 of those who do enter the country seeking asylum
3 do not complete that paperwork. Ninety percent.
4 The 10 percent that do and do fill out the
5 paperwork and do pursue asylum, roughly
6 40 percent of those actually get approved, and
7 the process is about six or seven years.

8 So at this point the taxpayers of
9 New York State are being asked to foot the bill
10 to the tune of billions of dollars every year,
11 that we're only accounting for that portion which
12 we're discussing here in this budget. We're not
13 discussing the amounts that are being spent by
14 local governments, by the city government, by the
15 federal government, but only by New York State
16 taxpayers. Because that's what we're here to
17 take care of. New York State residents, our
18 constituents, those people who voted for us or
19 didn't vote for us but sent us here.

20 So when we set priorities,
21 Mr. President, the \$2.4 billion, it comes at the
22 expense of so much more in our own communities.

23 Now, we're a generous state. We've
24 always been a generous state. We have very
25 generous safety-net programs. And I think you'd

1 be hard-pressed to find people in this room on
2 either side of the aisle who aren't supportive of
3 those safety-net programs when it comes to
4 prioritizing those in our communities that are
5 most vulnerable and most in need.

6 We can talk about seniors, we can
7 talk about those with special needs, we can talk
8 about disabled veterans, we can talk about our
9 commitment to making sure that we help those most
10 in need in our local communities. Without
11 necessarily inviting everyone to come in and
12 footing the bill at the expense of perhaps some
13 of those other programs that are priorities to
14 us.

15 You know, we can sit here and list
16 off, each one of us, what we would do with
17 \$2.4 billion. But the question I think is -- and
18 I heard it put this way -- we have the ability to
19 have the generous safety-net program or we have
20 the ability to have sanctuary state status and
21 invite the entire world to come in.

22 I think what we've seen here and
23 we're seeing in New York City is it's impossible
24 to have both. And so, again, budgets are about
25 priorities, deciding where are we going to put

1 those resources.

2 Now, I understand, we all understand
3 we are a nation of immigrants who came to this
4 country seeking a better life. And I will never
5 begrudge anyone the ability and the right to do
6 that under the circumstances that are set. But
7 we don't get to make rules and laws for
8 ourselves. We don't get to decide which laws and
9 which rules we will follow. We don't get to
10 prioritize that group or the other group or some
11 other group. We're here to prioritize our great
12 state.

13 And so this is a conundrum. Where
14 do you draw the line? Mr. President, that's
15 pretty easy for me. I draw that line where it
16 comes to supporting my communities in my district
17 and those people who are most in need in my
18 district. We meet with them every day. The
19 ability to actually put resources from this state
20 where they belong -- feed our kids in our
21 schools, provide resources for our veterans,
22 allow for our senior citizens to have the
23 necessary healthcare that they need as they age,
24 and we want them to age in place and stay in
25 place.

1 Those are my priorities. Support
2 our families, make sure we have the best
3 education system in this country. Put those
4 resources where they should be: Educate our
5 kids.

6 This is creating a rift in our
7 communities. This is creating a rift in our
8 state. We hear it back home. We all hear it in
9 our communities when they ask you, Why are we
10 spending X on New York City, on this policy that
11 they created, as opposed to making the priority
12 our local communities? Because there are needs
13 in each and every one of our communities.

14 So make no mistake, we're being
15 asked to make a decision when we vote for this
16 bill. Mr. President, I'm going to choose to
17 prioritize those things that are important to my
18 constituents. I'm voting no.

19 Thank you.

20 ACTING PRESIDENT COONEY: Thank
21 you, Senator Martins.

22 Senator Canzoneri-Fitzpatrick, why
23 do you rise?

24 SENATOR CANZONERI-FITZPATRICK:

25 Thank you, Mr. President. I was wondering if the

1 sponsor would yield for a few questions.

2 SENATOR KRUEGER: Yes, ma'am.

3 Happy to.

4 SENATOR CANZONERI-FITZPATRICK: And
5 thank you, Senator Krueger. You've been at this
6 for a while. I appreciate your patience.

7 SENATOR KRUEGER: No problem.

8 SENATOR CANZONERI-FITZPATRICK:
9 We've heard a number of discussions about
10 \$2.4 billion. But when I'm looking through some
11 of the sections of the Office of Temporary and
12 Disability Assistance, I'm seeing some of
13 categories that seem to be related to refugees --
14 \$2 million for, you know, enhanced services.
15 Another 5 million. Then there's another pot of
16 non-citizen assistance services and assistance to
17 noncitizens who have qualified before a certain
18 date, and that pot is 5 million. And then I see
19 25 million for the resettlement of migrants and
20 asylum seekers as well as 122 million for
21 Floyd Bennett Field. And that's all in addition
22 in to the \$2.4 billion.

23 So my math, if I add that all up, it
24 gets to 2.5 billion and change. And I'm
25 wondering if you could tell me if those

1 categories are also allocated to treating what we
2 were all referring to as the migrant crisis in
3 New York City.

4 (Pause.)

5 SENATOR KRUEGER: Okay, just
6 double-checking. So a number of those lines that
7 you're referencing are programs we've had for
8 different categories, including refugees, for
9 quite a few years. So that's not new specific to
10 the asylees per se.

11 The 122 million for Floyd Bennett
12 Field I believe also was from last year and was,
13 I think, mostly for capital improvements in
14 Floyd Bennett Field in a deal with the federal
15 government. So that also came out of last year's
16 money, not the 2.4 for this year.

17 SENATOR CANZONERI-FITZPATRICK:
18 Will the sponsor continue to yield.

19 ACTING PRESIDENT COONEY: Will the
20 sponsor yield?

21 SENATOR KRUEGER: Yes.

22 ACTING PRESIDENT COONEY: The
23 sponsor yields.

24 SENATOR CANZONERI-FITZPATRICK: So
25 Senator Krueger, are you saying that the

1 122 million for Floyd Bennett Field, that wasn't
2 spent? Or it was spent and this is more
3 improvements that we need to make?

4 SENATOR KRUEGER: So it was
5 intended to be in last year's budget, but it
6 didn't go -- it wasn't effective till last
7 September. So it's still in process. So you see
8 it showing up here, you know, because a lot of it
9 was capital and you never finish capital in
10 10 minutes.

11 SENATOR CANZONERI-FITZPATRICK:
12 Through you, Mr. President, will the sponsor
13 continue to yield.

14 ACTING PRESIDENT COONEY: Will the
15 sponsor yield?

16 SENATOR KRUEGER: Yes.

17 ACTING PRESIDENT COONEY: The
18 sponsor yields.

19 SENATOR CANZONERI-FITZPATRICK: So
20 what exactly is this 122 million at Floyd Bennett
21 Field going to be spent on?

22 SENATOR KRUEGER: So my
23 understanding is it was for infrastructure to
24 make it livable, because there was major flooding
25 problems so there was water issues. Then they

1 also had to put in facilities where people would
2 be staying -- tents, buildings, bathrooms, other
3 facilities.

4 So it's a whole infrastructure
5 project to make what was an old federal military
6 field turned into a place that could be
7 residences for a significant number of people.

8 SENATOR CANZONERI-FITZPATRICK:
9 Through you, Mr. President, if the sponsor will
10 continue to yield.

11 ACTING PRESIDENT COONEY: Will the
12 sponsor yield?

13 SENATOR KRUEGER: Yes.

14 ACTING PRESIDENT COONEY: The
15 sponsor yields.

16 SENATOR CANZONERI-FITZPATRICK:
17 Thank you for that answer, Senator Krueger.

18 So my overall question too with all
19 of this money is, is the Office of Temporary and
20 Disability Assistance administering the
21 distribution of this money? Like are -- was
22 there additional staff that was hired to
23 administer these programs? Are we subcontracting
24 out to other agencies? How are we managing this
25 money?

1 SENATOR KRUEGER: So most of the
2 money is actually reimbursement to the city when
3 they file their paperwork to us that we have
4 committed to reimburse them for. So it's not our
5 staff per se, other than paper trail between the
6 city and the state of who owes whom what, which
7 is standard for everything. Some of the money is
8 going, for example, for the National Guard, I
9 think goes through the office of -- what do we
10 call them now? DMNA, Division of Military and
11 Naval Affairs. Thank you. Sorry. They were
12 saying it, but I was having trouble mastering it.

13 So that's where the National Guard
14 money would go through. I think probably
15 healthcare funds would probably go through the
16 Department of Health. Also, down to the city, I
17 believe H+H, the city's Health and Hospitals
18 system, is taking if not total responsibility for
19 healthcare services, at least primary
20 responsibility for healthcare services.

21 So it moves through a variety of
22 different agencies.

23 SENATOR CANZONERI-FITZPATRICK:
24 Through you, Mr. President, will the sponsor
25 continue to yield.

1 ACTING PRESIDENT COONEY: Will the
2 sponsor yield?

3 SENATOR KRUEGER: Yes.

4 ACTING PRESIDENT COONEY: The
5 sponsor yields.

6 SENATOR CANZONERI-FITZPATRICK: So
7 Senator, I'm sure you're aware that there were
8 some issues with a company called DocGo through
9 the city that administered some of the funds, and
10 there was some problems there. So since this is
11 obviously a very large amount of money, I'm just
12 trying to make sure that we have safeguards in
13 place to ensure that the money is going where
14 it's supposed to go.

15 So what I'd like to know is, what
16 safeguards do we have in place to make sure that
17 this state-funded money is going to where we
18 think it should be going?

19 SENATOR KRUEGER: So the State
20 Comptroller has authority to review any contracts
21 to decide not to pay. And I agree, that DocGo
22 story was terrible, and nobody's contracting with
23 them anymore.

24 SENATOR CANZONERI-FITZPATRICK:
25 Through you, Mr. President, will the sponsor

1 continue to yield.

2 ACTING PRESIDENT COONEY: Will the
3 sponsor yield?

4 SENATOR KRUEGER: Yes.

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR CANZONERI-FITZPATRICK: So
8 reading some of the language as to how the money
9 is actually allocated for the 2.4 billion, I
10 think we've asked a few questions already about
11 what is short-term services, and I believe you
12 answered that question.

13 There is a description here, though,
14 that says that it could be aid to New York City
15 for case management and legal services. And I'd
16 like to know, is there any language in our budget
17 that would prevent this money for legal services
18 to, say, go for the legal services for migrants
19 with criminal records, for criminal defense, for
20 landlord-tenant issues if they happen to find
21 themselves being sued for being a squatter?

22 So are there restrictions on what we
23 can use this money for for legal services?

24 SENATOR KRUEGER: Our understanding
25 is this money is specifically to help them with

1 their legal status vis-a-vis being migrants and
2 needing to get through a paper system -- a
3 paper-trail system as asylees.

4 I think criminal defense would fall
5 under legal services for criminals -- you know,
6 indigent legal services.

7 You used another example. Sorry,
8 you said criminal -- housing. Housing, there's
9 not nearly enough housing lawyers. But if it was
10 an actual, you know, landlord/tenant case it
11 would end up likely in the Housing Court, where
12 we would learn that there's not nearly enough
13 lawyers to represent everybody.

14 I suppose if it's a squatter issue,
15 that's not really -- it's rarely a
16 landlord/tenant issue. It's actually a criminal
17 situation. So it goes through whatever paths as
18 anyone else who does or doesn't have legal status
19 and ends up in this country.

20 SENATOR CANZONERI-FITZPATRICK:
21 Through you, Mr. President, will the sponsor
22 continue to yield.

23 ACTING PRESIDENT COONEY: Will the
24 sponsor continue to yield?

25 SENATOR KRUEGER: Yes.

1 ACTING PRESIDENT COONEY: The
2 sponsor yields.

3 SENATOR CANZONERI-FITZPATRICK: So
4 forgive me, Senator, if this was asked already.
5 But I was also wondering about the process of
6 applying for asylum.

7 And is there anything in the budget
8 language that specifically says that if a person
9 does not get asylum and is not granted asylum
10 after a certain period of time, that they would
11 be restricted from continuing in this program?

12 SENATOR KRUEGER: No. I don't
13 think anybody's been here long enough for that
14 issue to even come up.

15 But of course if they are rejected
16 for legal status, the federal government can
17 start deportation proceedings or deport them.

18 SENATOR CANZONERI-FITZPATRICK:
19 Through you, Mr. President, will the sponsor
20 continue to yield.

21 ACTING PRESIDENT COONEY: Does the
22 sponsor continue to yield?

23 SENATOR KRUEGER: Yes.

24 ACTING PRESIDENT COONEY: The
25 sponsor yields.

1 SENATOR CANZONERI-FITZPATRICK: So
2 looking also at the language that's in the budget
3 for this particular category, it talks about that
4 we're funding programs to provide immunizations
5 for and communicable disease testing of such
6 individuals and families.

7 And I'm wondering -- I've heard from
8 a lot of my constituents that they are -- their
9 kids are in school with kids that are migrants
10 that have not necessarily been immunized the way
11 we all were as children. And I'm wondering if
12 this provision is funding for immunization of
13 children so that they're brought up to the same
14 standards that we have for our children that have
15 been here since birth. And is it also immunizing
16 adults that come in?

17 So if you could explain to me what
18 this piece of the budget is allocated for, you
19 know, I'd like to find out.

20 SENATOR KRUEGER: In New York City,
21 literally when you come into the Roosevelt entry
22 system -- I've toured it -- you're immediately
23 interviewed by a doctor or nurse. And they do
24 childhood school immunizations. You can't send
25 your child to school unless they've had all the

1 immunizations, and the same applies for these
2 children. And the adults are also reviewed and
3 offered and really encouraged to get all of their
4 vaccinations as well.

5 Again, some people come with full
6 paperwork and know exactly what they have been
7 vaccinated for or not. Some people don't. And
8 then the medical professionals advise them what
9 they think the right course is.

10 But yes, children cannot go to our
11 public schools without getting the full set of
12 immunizations, as your children would or anyone
13 else's children.

14 SENATOR CANZONERI-FITZPATRICK:
15 Through you, Mr. President, will the sponsor
16 continue to yield?

17 ACTING PRESIDENT COONEY: Will the
18 sponsor yield?

19 SENATOR KRUEGER: Yes.

20 ACTING PRESIDENT COONEY: The
21 sponsor yields.

22 SENATOR CANZONERI-FITZPATRICK:
23 Thank you for that explanation, Senator. I'm
24 happy to hear that that happens, because I don't
25 have young children that are dealing with that,

1 but I know a lot of my constituents have raised
2 that very issue.

3 And continuing on what's allocated
4 here, programs to assist in relocation and
5 resettlement of such migrant families and --
6 individuals and families. So my question is,
7 where are we relocating and resettling these
8 individuals? Are they being relocated out of the
9 state, out of New York City into different
10 boroughs? What is the program and what is this
11 funding allowed to be used for?

12 (Pause.)

13 SENATOR KRUEGER: Sorry, I'm
14 learning and I'm reading.

15 So some of these families are being
16 relocated throughout the State of New York in
17 multiple counties where arrangements have been
18 made and they are open to taking. We have
19 Albany County, Erie County, Monroe County,
20 Suffolk County, Westchester County on the list
21 I'm looking at. There may be more now.

22 And if the household also, through
23 interview and discussion, says that they actually
24 would want to relocate somewhere outside of the
25 New York State -- perhaps they have family in

1 North Carolina that has been found who said, Come
2 to North Carolina -- then the state will also --
3 sorry, the City of New York, using some of this
4 funding, will assist them to go to that location
5 somewhere else in the country.

6 I don't know what -- when this data
7 is from. Okay, as of February, 448 were
8 interested in being relocated and have not yet
9 been placed. But I believe that the city had
10 told me about 20 percent upon introduction and
11 review actually choose to go somewhere else.

12 So we're actually finding that we're
13 able to direct people and help them go to
14 somewhere else that will work better for them
15 than ending up in a shelter or a hotel situation
16 temporarily in New York City.

17 SENATOR CANZONERI-FITZPATRICK:
18 Through you, Mr. President, if the sponsor will
19 continue to yield.

20 ACTING PRESIDENT COONEY: Will the
21 sponsor yield?

22 SENATOR KRUEGER: Yes.

23 ACTING PRESIDENT COONEY: The
24 sponsor yields.

25 SENATOR CANZONERI-FITZPATRICK:

1 Reading again from the language of this
2 \$2.4 billion that we've been speaking of, the
3 last clause is quite broad, in my opinion. It
4 says "Notwithstanding any inconsistent provision
5 of law, the director of the budget is hereby
6 authorized to transfer any of the amount
7 appropriated herein to any general, special
8 revenue, capital projects, proprietary or
9 fiduciary funds, of any agency, department or
10 authority for purposes defined herein."

11 And as I stated, I believe that
12 language is fairly broad and it gives us a lot of
13 leeway. So my question is, how are we ensuring
14 that this money is being spent appropriately
15 according to the language that we've passed in
16 this body? And how do we ensure that the city is
17 doing what it should be doing related to these
18 individuals?

19 SENATOR KRUEGER: My understanding
20 is that section is relating to the state deciding
21 to distribute the money through its own agencies
22 for different purposes. And of course we do get
23 audits and we require documentation before we're
24 transferring it to the city or any other
25 locality, because some of these programs are in

1 other counties in the state as well.

2 So again, if it's Department of
3 Health down to H+H, that's why it would be moved
4 from General Fund through Department of Health to
5 the Health and Hospitals Corporation.

6 If it's for legal representation, I
7 forget where we usually direct legal service --
8 Department of State for legal contracts, OTDA
9 usually for shelter contracts and reimbursement
10 for that. As I mentioned before, the
11 National Guard, which is a significant amount of
12 this money, through the Department of Naval and
13 Military Affairs -- Military and Naval Affairs.
14 Whatever the order is there for that -- sorry --
15 the name of that agency. And yes, some through
16 OTDA.

17 So again, I think that's, you know,
18 sort of fancy budget language for we're
19 Department of Budget and we pass it around our
20 different agencies so they all can be contracted
21 out.

22 SENATOR CANZONERI-FITZPATRICK:
23 Mr. President, will the sponsor continue to
24 yield.

25 ACTING PRESIDENT COONEY: Will the

1 sponsor yield?

2 SENATOR KRUEGER: Yes.

3 ACTING PRESIDENT COONEY: The
4 sponsor yields.

5 SENATOR CANZONERI-FITZPATRICK: So
6 does that broad language prevent us from giving
7 any money, say, to a school district that had a
8 very large amount of migrants in their area and
9 increased their size and maybe had to put an
10 addition on their school, hire extra teachers?

11 Is there any ability for this budget
12 money to go to those schools if that was the
13 situation?

14 SENATOR KRUEGER: So when the
15 Executive laid out what the money was for, she
16 did not list that. But I think, as we're looking
17 at it, it could be interpreted as that if the
18 Executive decided that that was a need that
19 could -- some of this funding could be used for
20 that.

21 I just think it's more likely
22 everybody would look at education funding for
23 that purpose.

24 SENATOR CANZONERI-FITZPATRICK:
25 Mr. President, on the bill.

1 ACTING PRESIDENT COONEY: Senator
2 Canzoneri-Fitzpatrick on the bill.

3 SENATOR CANZONERI-FITZPATRICK:
4 Thank you, Senator Krueger, for answering my
5 questions.

6 I know we've been focused on this
7 issue because the numbers are quite extensive.
8 We've talked about 2.4 billion, but there's
9 actually extra money that we've discussed today
10 that really is going to a crisis that is focused
11 in New York City on the fact that we've allowed
12 illegal immigrants, illegal migrants to come into
13 this country and we have a crisis now because of
14 that.

15 I am the granddaughter of
16 immigrants, so I appreciate the fact that we are
17 a country of immigrants and that so many people
18 come to this country seeking a better life.

19 I do think that there's a reason to
20 be cautious about this, because the money is so
21 extensive. And I'm not comfortable that the
22 controls are present to ensure that the money is
23 spent in the proper way. We saw it with
24 DocGov -- DocGo, excuse me, that there were a lot
25 of problems. And I do feel that there are --

1 there's a need for us to keep a tighter control
2 on the money that we're allocating to this
3 problem.

4 Thank you, Mr. President.

5 ACTING PRESIDENT COONEY: Thank
6 you, Senator.

7 Senator Skoufis, why do you rise?

8 SENATOR SKOUFIS: Thank you very
9 much, Mr. President. On the bill.

10 ACTING PRESIDENT COONEY: Senator
11 Skoufis on the bill.

12 SENATOR SKOUFIS: There's an
13 oft-misconstrued phrase popularized by a
14 John F. Kennedy speech that highlights how the
15 Mandarin symbols for "crisis" are near identical
16 to the word for "opportunity." It turns out
17 actually it's not "opportunity" but "inflection"
18 is the true comparison.

19 But either way, I think both sides
20 of this aisle would agree, entering the 2024
21 session we did not have a shortage of crises to
22 deal with here in New York State. And with that,
23 we had a great opportunity and we were at a great
24 inflection point to deal with issues that --
25 quite frankly, many of which should have been

1 dealt with a long time ago.

2 An affordability crisis, a housing
3 crisis. Locally in Orange County we had a
4 devastating last summer post-session, in 2023,
5 flooding crisis that was national news. And we
6 had an opportunity this year to deal with many of
7 these crises, those just a few of them.

8 I'll start with the last one I
9 mentioned first. Back on July 9th of 2023 the
10 eastern wing of Orange County in particular was
11 the epicenter of a massive, massive storm that
12 was, as I said before, national news -- every
13 cable network, every major national newspaper.
14 There was one fatality. But the entire Village
15 of Highland Falls -- which hosts West Point, if
16 you don't know where that is -- was wiped out.
17 The town in which the village was in was
18 devastated -- the school district, a couple of
19 other towns and villages in the area, but that
20 was the epicenter.

21 And to give you a sense of the
22 scale, the magnitude of this storm, nine inches
23 of rain dropped in just several hours in these
24 communities. Nine inches of rain. Something I
25 had learned -- the next day, actually, on

1 July 10th, that's an interesting and I think
2 illuminating point, is that meteorologists can
3 effectively convert the volume of rain to snow
4 and vice versa. One inch of rain equates to
5 about 10 inches of snow. So when I say 9 inches
6 of rain fell in several hours, that's the
7 equivalent of 90 inches of snow falling in a few
8 hours. And as you can imagine, there was
9 widespread devastation in these communities.

10 The village that I mentioned before
11 of Highland Falls, this was just the local
12 expenses, not the state costs of repairing state
13 roads and other state damage that happened in the
14 community -- just the local expenses for a
15 village of 3,600 people -- totaled \$37 million.

16 The next day, on July 10th, the
17 Governor flew in. I was there, many others were
18 there, and we appreciated her presence. And she
19 saw firsthand the broken hearts, the broken
20 homes, the broken dreams, the broken livelihoods.
21 She hugged, she embraced weeping constituents who
22 had lost everything -- who, it turns out, we
23 would find out, some of whom would be displaced
24 in a motel a couple of towns up a way for five
25 months. We were -- we were relieved that our

1 Governor was there.

2 And she stood in the middle of
3 Main Street, which was unrecognizable, literally
4 could not see much of Main Street the next day
5 due to the mud, the damage, the wreckage. She
6 saw the sofas lined up on the curbsides, the
7 refrigerators, the mattresses, the boilers --
8 people's livelihoods. And we were glad she was
9 there.

10 She came back on July 18th, about a
11 week later, to announce a very small amount of
12 state funding that wound up helping very, very
13 few people. And she, among other things, said
14 that day -- I quote -- "We stand united in our
15 commitment to not just be there the day after,
16 when all the attention is on a community, and
17 then walk away." That was on July 18th.

18 And so you can imagine my surprise
19 and my anger that as both houses of this
20 Legislature during this budget negotiations
21 advanced flood relief, aid to these
22 municipalities that have to increase their tax
23 levy, their tax rate, property taxes, to pay for
24 the unreimbursed amount of damage not covered by
25 FEMA and other sources -- by double digits,

1 landing another blow on the people who just lost
2 their livelihoods, that one person in that room
3 said no and refused to offer a single dollar and
4 a single cent in this budget. And her name is
5 Kathy Hochul.

6 Let me turn to another issue. And
7 we're going to hear I'm sure a lot more about
8 housing in ELFA, of course. She issued, the
9 Governor issued a clarion call this year that we
10 have to address the housing crisis. And she's
11 right. I think no matter your posture on
12 housing, your objective, if you're fair-minded
13 about the situation, we would I think all agree
14 there is a crisis.

15 One would think, as we enter our
16 third attempt in two years to try and solve this
17 crisis, the Governor would have learned some
18 lessons from the first two attempts. And in
19 particular, one of the lessons that ought to have
20 been learned last year as she was met with a lot
21 of resistance in this chamber and the other
22 chamber -- both parties, by the way -- and in
23 many communities throughout the state, especially
24 the suburbs and the exurbs, which revolted over
25 some of her proposals, one would think that a

1 lesson to be learned from those experiences would
2 be I should probably talk to the people who at
3 least represent those communities in the Senate
4 and the Assembly who had issues, collaborate with
5 them, try and put together a package that made
6 sense for the state, for their districts, that
7 was palatable, that could pass. Never mind of
8 course the local stakeholders.

9 It was stunning to me, as the months
10 went on after session last year and there was
11 time to reflect on what had happened, those first
12 two attempts to address housing, that neither I
13 nor seemingly any colleague that I spoke with was
14 getting calls from the Governor's office,
15 meetings even with staff, her housing team. Not
16 a single conversation.

17 And so we got back at it this year.
18 And the Governor, who led these negotiations --
19 and look, we -- this is a controversial subject
20 matter. Even in our one-house, things that the
21 Senate Majority advanced, many of us didn't agree
22 with all of the items in that housing package.

23 At the end of the day, the Governor
24 leads these negotiations following this charge
25 that she issued us in her State of the State.

1 And here we have a housing package that will soon
2 be before us -- some of it was in the capital
3 budget bill. Most of it will be in ELFA, the
4 policy will be in ELFA -- that everybody hates.
5 And it's not one of those situations where, oh,
6 it's a good deal because no one's happy.
7 Sometimes that happens. This is not one of those
8 times where that has happened.

9 Everyone hates this because this
10 housing package doesn't address the issue that
11 she promised to address in January and last year.
12 She cannot go, the Governor cannot go anywhere in
13 this state with a straight face after this budget
14 is adopted and tell a single New Yorker that what
15 we are about to pass addresses even one-tenth of
16 the housing crisis. Rents will still be high.
17 Purchasing a home, costs will still be high.
18 Vacancy rates will still be near zero in many
19 communities.

20 I have, it's no secret, significant
21 problems with the good-cause eviction proposal
22 where -- look, we should look to, when we deal
23 with matters of the economy, I think it's natural
24 to, among other stakeholders, look to people who
25 study the economy, economists, in determining

1 what is good for the economy or not. And this is
2 one of those rare issues where economists of all
3 stripes, all backgrounds, all ideologies -- from
4 the left, Paul Krugman, to the right, the most
5 libertarian economists in the country -- all
6 agree that price controls on housing is
7 deleterious to actually bringing down costs of
8 housing.

9 The studies that I've seen that are
10 publicly available, study after study after
11 study, survey after survey of these economists, a
12 low single percentage of economists from across
13 the spectrum -- one is 2 percent, another I saw
14 was 4 percent of economists -- agree that price
15 controls make for good economics on housing.
16 Virtually none. But that's in this package.

17 Also in this package is a 421-a
18 successor. And look, the majority of this crunch
19 is in the five boroughs. Obviously I don't
20 represent the five boroughs. But what happens
21 there impacts the entire state in a lot of ways,
22 especially on housing.

23 We have a 421-a successor where the
24 Governor negotiated a remarkable thing. The
25 subsidy is more expensive to taxpayers than

1 421-a, and the housing that will be generated is
2 lower than 421-a. That is a remarkable
3 achievement, in the worst sense of the word.

4 We've adjusted IAIs that the people
5 who would, if they so chose to uptake, utilize
6 those IAI subsidies, all say this will do
7 nothing. You might as well have not touched the
8 \$15,000 subsidy. So every one of those thousands
9 of vacant apartments will remain vacant.

10 Meanwhile, we do not do a single
11 thing, thanks to the Governor's lack of
12 leadership on this issue, to address the actual
13 underlying problems with the housing supply and
14 housing affordability. We have the highest -- if
15 you're a homeowner, we have the highest property
16 taxes in the country. That is a deterrent to
17 people being able to afford to buy and live in a
18 home. We have the highest, single highest
19 closing costs in the country. Nothing is done in
20 that space.

21 Instead, we artificially put in
22 place a cap on what a rent increase can look like
23 from year to year. And anyone who's heard from
24 our small and large, quite frankly, landlords
25 will tell us that at the first opportunity

1 they'll be looking to get out of this business.

2 That's housing.

3 On affordability, one of the -- one
4 of the strongest undercurrents vis-a-vis
5 affordability in my area is the looming
6 congestion pricing that is due to take effect in
7 the spring, absent one of the I think five or six
8 lawsuits being successful.

9 And I've mentioned here before,
10 where I represent in Orange County, I understand
11 the -- at least on paper the intention behind
12 congestion pricing. Make it expensive to drive a
13 car into the business district of Manhattan, to
14 push people onto trains and the MTA's public
15 transit to get there. I understand that is the
16 theory.

17 Orange and Rockland counties, West
18 of Hudson, is literally -- we are the only arm of
19 the MTA system without a train into New York
20 City. That is a fact. We have a train to
21 Secaucus and Hoboken in New Jersey. And by the
22 way, even that train to Secaucus or Hoboken is
23 virtually nonexistent in my district. The most
24 heavily trafficked train station is the
25 Harriman Train Station in Orange County, just

1 down the road from Woodbury Common. And at one
2 point in the day, every single day, there is a
3 six hour and 33 minute gap between trains in the
4 afternoon. Six hours and 33 minutes.

5 I asked MTA board members, I've
6 asked the MTA -- short of driving to the city
7 during those six-plus hours at minimum -- never
8 mind the other times of the day where, again, no
9 train to the city, got to transfer, walk through
10 a junction, hope you catch the next train. Let's
11 at least just talk about that six and a half
12 hours or so. What are people supposed to do to
13 get to Manhattan if you live in Orange County,
14 other than drive?

15 And to a person, the look I get back
16 is as if I have 19 heads. There's no answer.
17 And shockingly, there's no sympathy.

18 So the Legislature during budget
19 negotiations advanced not one but two proposals
20 to provide for tolling relief for West of Hudson
21 and especially Orange County. The Assembly put
22 one on the table, the Senate put one on the
23 table. The Senate one was in our one-house.
24 It's not a secret.

25 And one person is to blame for there

1 being no toll relief coming to my constituency,
2 and that is Governor Kathy Hochul.

3 Every time someone from my area
4 drives into the city and is whacked for \$15 at
5 the George Washington Bridge, and then whacked
6 again \$15 to get into the business district, \$30,
7 plus \$20 round trip gas -- 50 bucks to drive to
8 New York City. Relief was possible if not for
9 Governor Hochul.

10 Every time someone drives over the
11 Tappan Zee Bridge -- and Orange County residents
12 are not afforded the same resident discount
13 program that Westchester and Rockland
14 residents are afforded -- Orange County residents
15 can blame one person: Governor Kathy Hochul.

16 Let's talk about UPK. We all serve
17 in this chamber, and we hope at the end of our
18 service, however long it is, that there are --
19 there are a number of meaningful transformative
20 issues that we were a part of achieving that
21 touch people's lives in a direct and very
22 personal way. And for me, one of those is
23 universal pre-K.

24 A brief history lesson for those of
25 you who weren't around in 2014. I was in the

1 Assembly. The origin story for UPK was the mayor
2 at that time had just gotten elected in 2013, in
3 November, in New York City. Bill de Blasio made
4 UPK a big issue, pushed state government to take
5 this up a couple of months after his November
6 victory. The Governor, as he did with a lot of
7 things with New York City, co-opted the issue,
8 proposed it himself. And at the end of
9 negotiations there was a deal struck between
10 the -- especially at the time -- New York
11 City-dominated Assembly Democratic Conference and
12 the non-New York City-dominated Senate Republican
13 Conference majority in 2014.

14 And the deal at the time was the
15 Assembly, they wanted UPK in New York City and
16 the Senate Republicans -- again, almost
17 exclusively not in New York City -- were not as
18 interested in UPK, which we can disagree with. I
19 certainly do. They wanted the property tax
20 checks that showed up in people's mailboxes for a
21 few years following 2014. That was the deal.
22 That's how UPK started in New York City. The
23 rest of the state, peanuts, virtually nothing for
24 our four-year-olds.

25 And so several years ago, four years

1 ago, myself and a number of colleagues, we
2 demanded that our four-year-olds, even though
3 we're in a different zip code than those in the
4 five boroughs, be afforded the same educational
5 opportunity. And we began on a four-year
6 phase-in to get to universal pre-K outside of
7 New York City.

8 This is Year 4. In Orange County
9 alone, 3,000 new slots have been created as a
10 result of what we've done. Transformative for
11 these families. One person said no at the
12 negotiating table this year to completing that
13 phase-in: Governor Kathy Hochul. She can come
14 to my district and explain to these parents that
15 don't win a lottery for one of these cherished
16 UPK slots and explain to them why they should
17 have to spend \$15,000 out of pocket to send their
18 kid, their four-year-old, to get a pre-K
19 education. She is responsible for that decision.

20 The alternative of which, by the
21 way, is that four-year-old does not get a pre-K
22 education.

23 Universal school meals have been
24 mentioned. Ninety million dollars to feed kids.
25 There's nothing less controversial than feeding

1 kids. We're spending \$700 million on a film tax
2 credit in this budget that was expanded last
3 year. We're spending \$500 million in this budget
4 on literally a laser for nanotech here in the
5 Capital Region.

6 The Governor has prioritized
7 building a laser over feeding our young children
8 so they can properly learn. That's a lot of
9 pancakes. It's a lot of tater tots. That's a
10 lot of sloppy joes, pizzas and hamburgers and
11 fruits and vegetables grown by farmers that get
12 sent to our schools. She picked the laser over
13 food.

14 We were told a few years ago when
15 the federal government passed their
16 infrastructure bill that DOT and the state would
17 have more money than they'd know what to do with
18 on infrastructure. The roads in my district in
19 the Hudson Valley -- and I suspect most parts of
20 the state -- have never been worse. Where is all
21 this money that was supposed to be coming down
22 from the sky to repave and rebuild and improve
23 our infrastructure?

24 And so we advanced \$100 million of
25 extra funding for Region 8. Historically

1 underfunded. Roads are deplorable. One person
2 is responsible for making sure the Hudson Valley
3 roads are not going to be repaved with that extra
4 money. That is Governor Kathy Hochul.

5 The last thing I want to mention
6 before I wrap up is this Governor prides herself
7 on at least publicly claiming to be transparent
8 and open, such a transparent administration. I,
9 as a sitting state legislator -- and I suspect
10 many of you have had similar experiences -- could
11 not just be given information I was requesting
12 from the Department of Labor. So I had to FOIL,
13 as a state legislator, information in emails from
14 the Department of Labor.

15 Two hundred and eighty-eight days
16 later I finally got a response, just a couple of
17 weeks ago. In case you're interested, the FOIL
18 stems from about this time last year, my office
19 and I had a series of conversations with DOL
20 following a Comptroller report that scrutinized
21 and criticized the Department of Labor's handling
22 of fraud during COVID, unemployment insurance
23 fraud.

24 And so as the chair of
25 Investigations in the Senate, we had the

1 conversation with DOL, a series of conversations,
2 and offline one of their senior staffers told my
3 office point-blank the reason why we did not have
4 the ID.me system set up that was able to actually
5 track the fraud and root out the fraud is because
6 Melissa DeRosa emailed us and didn't approve the
7 ID.me system moving forward.

8 And for months that system was
9 sitting on a back burner. Fraud was taking place
10 right here in New York State to the tune of
11 millions of dollars. And people who were not
12 committing fraud, needing benefits, were stuck
13 waiting months and months contacting our office
14 in the meantime, because so much bandwidth at DOL
15 was being spent manually rooting out this fraud.
16 Told us point-blank there were emails.

17 So I asked for the emails. Guess
18 what? Two hundred eighty-eight days later, after
19 waiting for so long, they didn't give me the
20 emails. So we're appealing now, and at the end
21 of that appeal, which they'll reject, we'll
22 either file an Article 78 or we'll subpoena for
23 them.

24 This is the most transparent
25 Governor who blocks measures in budget

1 negotiations single-handedly to try and shine a
2 little more light in state government. One
3 person.

4 I mention all of this because when
5 we see a final product, the people outside these
6 walls -- quite frankly, some of the people within
7 these walls -- don't know who stood for what in
8 that room. What was the Senate saying and
9 pushing for? What was the Assembly saying and
10 pushing for? What was the Governor saying and
11 pushing for? You just see what happened or
12 didn't happen at the end.

13 And that is an unfortunate
14 by-product of the opaque process by which we
15 operate in, in negotiating this budget.

16 So I say these things so that my
17 constituents, whether it's on flood relief --
18 which I am thankful to the Majority Leader and
19 Speaker Heastie for trying to find a solution to
20 that outside the budget -- to UPK, to housing, to
21 all these issues I mentioned, the people of
22 New York State deserve to know that there was one
23 person responsible for all of the things that I
24 just mentioned: Governor Kathy Hochul.

25 Thank you.

1 ACTING PRESIDENT COONEY: Senator
2 Borrello, why do you rise?

3 SENATOR BORRELLO: I forgot. Oh --
4 (Laughter.)

5 SENATOR BORRELLO: On the bill.

6 ACTING PRESIDENT COONEY: Senator
7 Borrello, are you on the bill?

8 SENATOR BORRELLO: Yes. On the
9 bill.

10 ACTING PRESIDENT COONEY: On the
11 bill.

12 SENATOR BORRELLO: So
13 Senator Skoufis brought up crises at the
14 beginning of his speech, and I think I missed
15 one. And that is the migrant crisis. So we hear
16 that term tossed about a lot, migrant crisis.

17 Now, when you're in one of the
18 border states, border communities along the
19 Mexican border, the crisis is everywhere. But
20 once you go beyond the southern border, where are
21 the migrant crises? Where is there a migrant
22 crisis? It is exclusively in sanctuary cities
23 and sanctuary states. That's where the migrant
24 crisis is beyond the southern border.

25 So when we talk about a migrant

1 crisis in New York State, it is a self-created
2 crisis. It is created by the fact that we have
3 thrown out the welcome mat and said come here
4 from anywhere in the world, and New York State
5 taxpayers, New York City taxpayers are going to
6 foot the bill indefinitely. That's the migrant
7 crisis. Now, what does that translate into?
8 Well, in this budget that translates into
9 \$2.4 billion, to go to New York City primarily,
10 for the self-created migrant crisis.

11 Now, when someone comes to you and
12 says, hey, lookit, I'm in a bad spot, I need some
13 money, you kinda want to know, what are you going
14 to change in your life to make sure that this
15 doesn't go on forever and ever and ever. Right?
16 Did we do that? No. And by the way, that's
17 because Governor Kathy Hochul has not taken out
18 her pen and with a stroke of her pen undone
19 New York State's sanctuary status, which was done
20 by executive order by our former governor, Andrew
21 Cuomo, in 2017.

22 So I guess that's why you can't
23 really criticize New York City for their
24 sanctuary policy when she hasn't taken the
25 30 seconds to undo our sanctuary policy.

1 What's going to be done with that
2 money? Well, we really don't know, honestly.
3 What happened last time was they tried to spread
4 that pain across the state by busing migrants
5 everywhere. And what happened? Well, let's see.
6 We had rapes and assaults in Erie County, Western
7 New York, where I'm from. Most recently we just
8 saw it in Westchester. Tony, high-dollar
9 Westchester just had an incident with a migrant
10 assaulting a police officer at a hotel.

11 There's no end in sight. Not my
12 words, the words of Mayor Eric Adams. There's no
13 end in sight. This will break New York City.

14 And what are we doing here today?
15 We're going to hand another \$2.4 billion for a
16 no-end-in-sight problem that nothing has changed
17 to help improve, not a single thing.

18 I heard earlier that we would love
19 to increase money for infrastructure like roads,
20 but we had to hold it flat. That's the best we
21 could do, hold it flat. Inflation is up. The
22 cost of paving a road has gone up dramatically in
23 the last year. We can't give them more money to
24 pave roads that the taxpayers of New York State
25 drive on, but we can give \$2.4 billion to

1 New York City for the self-created migrant
2 crisis. That's okay. No more money for roads,
3 can't be done.

4 What else? Senator Kavanagh: New
5 York City Housing Authority doesn't have the
6 money to actually upgrade the housing that
7 600,000 New York City residents live in. Don't
8 have the money for it to fix it. But we do have
9 \$2.4 billion to give to New York City's
10 self-created migrant crisis.

11 That's where we are with this,
12 folks. And where is it going to end? We gave
13 1.9 billion -- not to correct my colleague on the
14 other side of the aisle that said it was just
15 under \$800 million. It was actually \$1.9 billion
16 last year. 2.4 billion this year. And not a
17 single thing is going to change. No alterations
18 to the way we handle this process. We're going
19 to continue to throw out that welcome mat to
20 every corner of the globe and say, Come to
21 New York and we will take care of you
22 indefinitely. That's what's in this budget.

23 You can't expect a different result
24 when you haven't changed what you're doing.
25 That's the definition of insanity. Right? It's

1 insane that we are spending this much money
2 without asking for some kind of a modification in
3 what's being done. And what's going to happen is
4 it's going to come to a neighborhood near you.
5 That's the ultimate goal here. That's what
6 DocGo's goal was, to send people as far away as
7 possible in New York State and cover up what was
8 actually happening in those areas.

9 So folks, this has got to change,
10 and it starts by voting no on this budget.

11 Thank you, Mr. President.

12 ACTING PRESIDENT COONEY: Senator
13 Rhoads, why do you rise?

14 SENATOR RHOADS: Will the sponsor
15 yield to a few questions, Mr. President.

16 ACTING PRESIDENT COONEY: Will the
17 sponsor yield? Will the sponsor yield?

18 SENATOR KRUEGER: Of course.

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR RHOADS: Welcome back,
22 Senator Krueger.

23 Just a few follow-up questions. And
24 I know we've covered a lot of ground today.

25 I know that you indicated that we're

1 spending \$2.4 billion in this budget; about
2 \$780 million last year on the migrant crisis; an
3 additional billion dollars that we spent last
4 year providing free healthcare to migrants --

5 SENATOR KRUEGER: An additional
6 billion last year? I don't think so. I don't
7 think I said that, sir.

8 SENATOR RHOADS: Okay. There
9 was -- from my own recollection, there was a
10 billion dollars that was spent to provide free
11 healthcare. I debated Senator Rivera, so I know
12 that it existed.

13 SENATOR KRUEGER: So maybe that was
14 brought up. I don't know.

15 SENATOR RHOADS: So we've spent --
16 we've spent roughly \$4.1 billion, including what
17 we're spending here. And I don't know, by the
18 way, if there's another billion dollars anywhere
19 in this budget to supplement the healthcare that
20 we were providing. We'll see what comes out in
21 the rest of the budget plan. But we've spent
22 \$4.1 billion.

23 I know you've been asked some
24 questions regarding what oversight has been put
25 in place, and I know that you've indicated that

1 the State Budget Director ultimately is the one
2 who's responsible for doling out the money.

3 Have there been any efforts put in
4 place by the State Budget Director to determine
5 how that money is being spent within the City of
6 New York, that 1.9 billion that's gone to the
7 City of New York?

8 SENATOR KRUEGER: So again, we
9 gave a -- I gave a master list of what that
10 2.4 billion was for.

11 All of that money goes through a
12 normal process as any other state money going to
13 any locality. So there's contracts, there's
14 cross-checking. You have to submit bills for
15 reimbursement. So I don't think that any of this
16 2.4 billion that is going out through a variety
17 of different ways is actually being treated
18 differently than pretty much any other money that
19 moves from the state to a locality or through
20 contracts.

21 Again, we're paying the
22 National Guard; we can obviously track that.
23 We're paying based on submission of bills for
24 supportive services and shelter. We're paying
25 legal service contracts. We're paying through

1 the safety-net program, an existing program. So
2 I'm not sure anything's really different. It's
3 just some new categories of programs going
4 through our traditional agencies to existing
5 agencies.

6 SENATOR RHOADS: Thank you,
7 Senator.

8 If the sponsor will continue to
9 yield.

10 SENATOR KRUEGER: Yes.

11 ACTING PRESIDENT COONEY: Will the
12 sponsor yield?

13 The sponsor yields.

14 SENATOR RHOADS: Thank you,
15 Senator Krueger.

16 What I'm asking specifically is the
17 1.9 billion that's going to go to the City of
18 New York, just like the approximately 780 or so
19 million that went to the City of New York last
20 year. Who's actually accounting for the dollars
21 that are spent, the state taxpayer dollars that
22 are being spent by the city?

23 SENATOR KRUEGER: The State
24 Comptroller has the same oversight
25 responsibilities for any money that moves out of

1 the state bank account. It's no different than
2 any other thing -- any other items in our state
3 government or budget.

4 SENATOR RHOADS: Will the sponsor
5 yield to another question.

6 ACTING PRESIDENT COONEY: Will the
7 sponsor yield?

8 SENATOR KRUEGER: Yes.

9 ACTING PRESIDENT COONEY: The
10 sponsor yields.

11 SENATOR RHOADS: Because we've had
12 several conversations so far today -- one
13 conversation about NYCHA and the oversight of
14 NYCHA and the spending of NYCHA, where that money
15 goes, why we're spending so much money, why we're
16 getting such a poor product in exchange for the
17 money that we're spending.

18 We could have that conversation and
19 probably will have that conversation about the
20 MTA -- where that money is going, how that money
21 is being spent, whether it's being spent
22 correctly.

23 Do you know, in the case of the
24 money that the City of New York is spending on
25 the migrant crisis, do we know if the Comptroller

1 or any state agency has conducted any audits as
2 to where that money is going, how that money is
3 being spent, whether any of that money is being
4 wasted?

5 (Pause.)

6 SENATOR KRUEGER: So again, to
7 track how the money is being spent, you can go on
8 the State Comptroller's website where he has a
9 tracking system for exactly what monies have gone
10 out for what programs. If you're asking --
11 that's true whether it's for migrants or our
12 school system or our hospitals or our CHIPS
13 program.

14 If you're asking whether there is a
15 system in place for auditing and evaluating
16 whether the money in any government program is
17 being spent as best as possible, I suppose the
18 answer is yes, there's both a State Comptroller
19 and a City Comptroller when it comes to monies
20 being spent in New York City, whether they're
21 federal, state or city. There's a City
22 Comptroller process. There are actually federal
23 investigations that take place.

24 I will tell you I'm not sure that
25 we've ever created a program in the history of

1 people or government where there isn't some money
2 not spent as well as we'd hoped, where there
3 isn't some level of fraud, where there isn't some
4 way that we could have done it better.

5 I think we could probably all
6 agree -- and perhaps we should all work to
7 improve our systems of tracking and accounting
8 for things better. But I don't think it's
9 specific to this discussion for migrants, because
10 I don't think there's really any other -- nothing
11 different about these monies. They're just for
12 different purposes than some of our other
13 programs. Or they're for exactly the same
14 purposes as some of the other programs.

15 We provide public health to
16 low-income people. We have a Medicaid program
17 that serves I think it's 4 million New York State
18 residents for public health. We have a shelter
19 system that was filled with 100,000 people in
20 New York City before we even started counting
21 migrants.

22 So I'm not sure any of these
23 programs are really new. Nor do I think the way
24 we're handling the money flow to them is
25 particularly different.

1 SENATOR RHOADS: Will the sponsor
2 continue to yield.

3 ACTING PRESIDENT COONEY: Will the
4 sponsor yield?

5 SENATOR KRUEGER: Yes.

6 ACTING PRESIDENT COONEY: The
7 sponsor yields.

8 SENATOR RHOADS: Thank you,
9 Senator Krueger.

10 Am I correct, then, in my
11 understanding that we're unaware of any specific
12 actions that are being taken by any state
13 official, including the Comptroller, to review
14 the money that's going out to the City of
15 New York. We're simply writing a \$1.9 billion
16 check, sending it off and --

17 SENATOR KRUEGER: We're not writing
18 a \$1.9 billion check or a \$2.4 billion check.
19 They have to account for and get reimbursement on
20 each of those dollars individually, the way we do
21 every other dollar in the state budget. It's no
22 different.

23 Is the Comptroller doing an audit on
24 any of these programs? Maybe. We didn't ask him
25 here tonight. I guess we could try to find him

1 in the morning.

2 Is the City Comptroller? I know
3 that -- and we already discussed it with your
4 colleague. There was one contract with this
5 country called Doc -- Doc --

6 MULTIPLE SPEAKERS: DocGo.

7 SENATOR KRUEGER: Yup, thank you.

8 -- where clearly there was a
9 problem and there was an investigation. I think
10 that's ongoing. And there's no contract with
11 them anymore.

12 So the answer is I could name one.
13 But if you go on the Comptroller's site for the
14 city or the state, you can find endless audits
15 that they do on a regular basis.

16 SENATOR RHOADS: Well, if the
17 sponsor will continue to yield.

18 ACTING PRESIDENT COONEY: Will the
19 sponsor yield?

20 SENATOR KRUEGER: Sure.

21 ACTING PRESIDENT COONEY: The
22 sponsor yields.

23 SENATOR RHOADS: Let me ask, of the
24 \$4.3 billion that we are planning on spending --

25 SENATOR KRUEGER: Two-point-four

1 this year.

2 SENATOR RHOADS: Well, we're
3 talking about 2.4 billion in this budget --

4 SENATOR KRUEGER: Yup.

5 SENATOR RHOADS: -- 780 million
6 that was spent last year --

7 SENATOR KRUEGER: That's done.

8 SENATOR RHOADS: Right?

9 SENATOR KRUEGER: Yup.

10 SENATOR RHOADS: And a
11 billion dollars that we approved last year for
12 healthcare.

13 SENATOR KRUEGER: Again, I
14 apologize, I think I must have been out of the
15 room then, so I don't know whether that was under
16 some other category. I don't think -- I don't
17 think it was any line-item contracts for migrants
18 per se.

19 SENATOR RHOADS: Okay. We'll agree
20 to disagree that we somehow lost a billion
21 dollars.

22 SENATOR KRUEGER: Well, I wish
23 Gustavo was here, but he's not sitting here so I
24 can't speak for him.

25 SENATOR RHOADS: Understood.

1 Out of all the money that we've
2 spent, has any of that money been spent taking
3 any migrants who are here in the country
4 illegally and sending them back?

5 SENATOR KRUEGER: No. New York
6 State doesn't have the authority to do
7 deportation.

8 If they asked to go back, I think we
9 probably would pay for it. As I answered a
10 previous question, if we learn that they would
11 prefer to be in some other state in this country,
12 we're saying yes and making sure they get there.
13 And I suspect if they say no, I'd really like to
14 go back to my home country, I bet we're paying
15 for the ticket there also. In fact, I'm sure
16 I've heard that we are.

17 SENATOR RHOADS: Will the Senator
18 continue to yield.

19 ACTING PRESIDENT COONEY: Will the
20 Senator yield?

21 SENATOR KRUEGER: Sure.

22 ACTING PRESIDENT COONEY: The
23 Senator yields.

24 SENATOR RHOADS: Thank you.
25 The asylum application process, as

1 I'm sure you're aware, the asylum application
2 process has to be completed within a year.

3 SENATOR KRUEGER: In general, the
4 application, yes.

5 SENATOR RHOADS: We've had -- will
6 the sponsor continue to yield.

7 ACTING PRESIDENT COONEY: Will the
8 sponsor yield?

9 SENATOR KRUEGER: Yes.

10 ACTING PRESIDENT COONEY: The
11 sponsor yields.

12 SENATOR RHOADS: We have had --
13 since January of 2021, we have had approximately
14 9 million illegal border crossings into this
15 country. Do you know how many of these migrants
16 have wound up in the State of New York?

17 SENATOR KRUEGER: I don't know. I
18 know the statistics we have since April '22 is
19 that over 142,000 asylum seekers have been
20 processed and provided services by the City of
21 New York.

22 I'm assuming that there were
23 migrants who also came through other counties in
24 the State of New York. But I don't know if
25 anyone knows exactly where that 9 million number

1 comes from, and I think it would be impossible,
2 truly impossible for us to know what share, so to
3 speak, of people maybe were part of that
4 universe.

5 Because as we discussed, some
6 migrants are coming from the southern border,
7 some migrants are coming across the northern
8 border, some migrants are taking airplanes into
9 Kennedy Airport from lots of places in the world,
10 and some migrants were living in other states and
11 then came here. So I think it would be a very
12 hard research project.

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

15 ACTING PRESIDENT COONEY: Will the
16 sponsor yield?

17 SENATOR KRUEGER: Yes.

18 ACTING PRESIDENT COONEY: The
19 sponsor yields.

20 SENATOR RHOADS: Well,
21 Senator Krueger, whether it's \$4.1 billion,
22 \$2.4 billion, whatever the number we can agree on
23 that's being spent or has been spent of New York
24 State taxpayer dollars, has any of that money
25 been spent to institute any kind of legal action

1 against the federal government to reimburse
2 New York State for the taxpayer dollars that
3 we're spending because of a crisis that they have
4 created?

5 SENATOR KRUEGER: So has the State
6 of New York sued the federal government to try to
7 get more money from the federal government? Was
8 that the question?

9 SENATOR RHOADS: Well, yeah, it's
10 to try and get any money out of the federal
11 government. Because as I understand --

12 SENATOR KRUEGER: The federal
13 government has given some money for the migrant
14 situation. But not nearly enough, I would agree.

15 I don't know -- maybe because I just
16 don't do this for a living, I don't know how
17 successful anyone is when they try to sue the
18 federal government as a state to get more money
19 from them. It might be an interesting idea, but
20 I'm not sure exactly even which one of us would
21 have standing to bring a case like that against
22 the federal government.

23 I suspect they've lawsuit-proofed
24 themselves from states who are angry at them for
25 not giving enough money. Because I guess, pick a

1 date, all 50 states have been mad at the federal
2 government over something. So I'm just not sure
3 it's that easy to sue them for money. I'm not
4 opposed to it necessarily, I'm just not sure it
5 would be that successful.

6 SENATOR RHOADS: Will the sponsor
7 continue to yield.

8 ACTING PRESIDENT COONEY: Will the
9 sponsor yield?

10 SENATOR KRUEGER: Yes.

11 ACTING PRESIDENT COONEY: The
12 sponsor yields.

13 SENATOR RHOADS: Well, there are
14 plenty of states that have brought action against
15 the federal government. But our understanding
16 is, your understanding is that New York is not
17 one of them that has done that.

18 In fact, not only has New York not
19 attempted to recover money from the federal
20 government through a legal process -- when you
21 speak about Floyd Bennett Field, for example,
22 which is a federally owned property, there's
23 \$122 million in this budget in part to pay rent
24 to the federal government for use of Floyd
25 Bennett Field as a migrant shelter. So we're

1 actually paying the federal government for a
2 problem that they created.

3 SENATOR KRUEGER: So -- that was a
4 lot of pieces. So again, I don't know if there
5 are other states who are suing the federal
6 government to give them more money to help with
7 the migrant situation. You're saying there are.
8 So I would be very interested in exploring that.
9 Because of course migrants are going all over
10 this country, as they always have. So some
11 states are suing.

12 Some states are offering money for
13 them to come there. Did you know that? Many
14 states are excited about new migrants coming,
15 putting them to work developing and expanding
16 communities. There's several Midwestern states
17 with old Rust Belt cities that are offering
18 \$15,000 a household to come to them.

19 So there are different responses in
20 different parts of the country. But in fact our
21 state has had amazing success over decades of
22 incorporating new groups of migrants into parts
23 of the state where we didn't have enough people,
24 where they were looking for people to settle and
25 to take jobs, and have had a great deal of

1 success.

2 In fact, that's pretty much the
3 history of everyone in New York City. We pretty
4 much all came as migrants at some point in
5 history -- maybe our parents, maybe our
6 grandparents. But I think the statistics are
7 50 percent of the people in New York City are
8 directly related to a new American.

9 So we're talking about a subuniverse
10 of people coming right now, falling into
11 certainly categories. But in fact it's pretty
12 much the history of the entire state. And the
13 research actually shows that yes, it costs
14 government something when they first get here,
15 but they pretty quickly assimilate into our
16 society, become taxpayers, and actually help us
17 grow our economy and are win/wins for us.

18 I know nobody necessarily believes
19 that tonight. But if you look at the research on
20 the data, new Americans have actually expanded
21 New York's economy and made us probably the
22 greatest state in the world because we have
23 people from everywhere in the country -- excuse
24 me, everywhere in the world who want to be here,
25 who fight to be here, who sometimes cross borders

1 without paperwork to be here.

2 As I often explain, my grandparents
3 all came here, they got on boats from Eastern
4 Europe, they ended up in England getting on
5 boats, really hoping that the U.S. wouldn't turn
6 them down at Ellis Island. And they got in. A
7 lot of people got turned down.

8 That's pretty much the entire
9 history of this country, depending on what decade
10 and what part of the country they came to.

11 SENATOR RHOADS: Will the sponsor
12 continue to yield.

13 ACTING PRESIDENT COONEY: Will the
14 sponsor yield?

15 SENATOR KRUEGER: Yes.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR RHOADS: I would certainly
19 agree, Senator Krueger, that we are a nation of
20 immigrants. My great-grandparents came from
21 different countries as well, as I'm sure --
22 unless we have anyone of Native American descent
23 here tonight -- that most people have a similar
24 story, where at some point in their generational
25 line the decision was made to come to America,

1 apply for immigration status legally, and come
2 into the country legally.

3 But I'm not sure that we've seen the
4 volume of individuals that have come in as has
5 happened here, particularly in the City of
6 New York, as is evidenced by the fact that we
7 have people who are sleeping on the streets
8 because we have so many immigrants who have come
9 that there is not enough shelter to provide them.
10 Nor am I aware of any expense to the tune of
11 \$2.4 billion that we are spending in this budget,
12 \$750 million that we spent in last year's budget.

13 But let me ask this. So we know
14 that the asylum process, the application process,
15 has to be completed within a year. Otherwise,
16 they're in violation of our asylum status and no
17 longer have legal status.

18 What is New York State doing, if
19 anything, to exclude those individuals who are no
20 longer here in the state or in this country
21 legally based upon their failure to complete an
22 asylum application?

23 (Pause.)

24 SENATOR KRUEGER: So I'm not aware
25 of any law that says we do X if we know that they

1 haven't completed their application process. It
2 is one of the reasons we're working so hard to
3 make sure they do complete that paperwork within
4 that year, so that we don't end up in this
5 situation.

6 And again, as I said, we want to get
7 them their paperwork as fast as possible because
8 then they can get working papers and go off into
9 our economy and have the life story that your
10 great-grandparents hopefully had and my family
11 had when we got here. We all came here probably
12 dirt poor. We came here for reasons -- because
13 we couldn't stay where we were, perhaps we were
14 being killed, in some cases, not given religious
15 freedom, obviously; nowhere to go and take care
16 of ourselves or earn a living in our previous
17 country.

18 That's probably how we all did get
19 here, other than Native Americans -- oh, slaves
20 didn't have a great storyline, actually. They
21 didn't even get a choice in the matter.

22 And so we are trying to make sure
23 that we turn this into the best storyline
24 possible, which would be people who then become
25 incorporated into our society, into our

1 communities, into our economy, and perhaps as the
2 next generation of amazing ideas that move us
3 forward as previous generations of new Americans
4 have been.

5 SENATOR RHOADS: Thank you,
6 Senator Krueger.

7 Will the sponsor yield to a few
8 additional questions, this time with respect to
9 the MTA?

10 ACTING PRESIDENT COONEY: Does the
11 sponsor yield?

12 SENATOR KRUEGER: I'm sorry, what
13 was the change of topic?

14 ACTING PRESIDENT COONEY: MTA.

15 SENATOR RHOADS: MTA.

16 SENATOR KRUEGER: Oh, that's like
17 migrants, sure. Come on --

18 (Laughter.)

19 ACTING PRESIDENT COONEY: The
20 sponsor yields.

21 SENATOR KRUEGER: -- let's talk
22 about the MTA.

23 SENATOR RHOADS: My understanding
24 is that in this particular bill we are
25 spending -- I want to get the correct amount. We

1 are spending -- is it \$800 million? \$873 million
2 on the -- I have to look at the bill.

3 SENATOR KRUEGER: Eight hundred
4 seventy-three million contingency in case the
5 budget is late for next year.

6 So it's sort of a dry appropriation
7 as a just-in-case if next year we're late in
8 getting the budgets done on time.

9 SENATOR RHOADS: Will the sponsor
10 continue to yield.

11 ACTING PRESIDENT COONEY: Will the
12 sponsor yield?

13 SENATOR KRUEGER: Yes.

14 ACTING PRESIDENT COONEY: The
15 sponsor yields.

16 SENATOR RHOADS: It is my
17 understanding, therefore, that if next year's
18 budget is late, we will not see anything to the
19 MTA in any budget extender.

20 SENATOR KRUEGER: I'm so sorry, can
21 you say the last part of the sentence again? We
22 won't see --

23 SENATOR RHOADS: We won't see
24 anything regarding the MTA in a budget extender.

25 (Pause.)

1 SENATOR KRUEGER: They could be in
2 the budget extender, because we would have to
3 give them approval to use the appropriated money
4 that they would then need -- but we're hoping
5 they won't need. Because I don't know about you,
6 but I would really like an on-time budget next
7 year.

8 SENATOR RHOADS: We would all love
9 that --

10 SENATOR KRUEGER: Exactly.

11 SENATOR RHOADS: -- no question.

12 And will the sponsor continue to
13 yield.

14 ACTING PRESIDENT COONEY: Will the
15 sponsor yield?

16 SENATOR KRUEGER: Yes. Oh, I'm
17 sorry. Hi.

18 I have been joined by our
19 Authorities and Corporations chair, who loves to
20 answer questions about the MTA, correct? Senator
21 Comrie.

22 (Inaudible overtalk.)

23 SENATOR RHOADS: My good friend
24 Senator Comrie, she's put you right on the spot.

25 SENATOR COMRIE: I'm going to

1 relieve her because she's had a long day, so --
2 thank you.

3 SENATOR RHOADS: So my question,
4 Senator Comrie, is in addition to the
5 \$873 million, I believe there was another
6 \$88 million in the capital projects bill that was
7 also recently approved.

8 So in essence, in this year's
9 budget, subject to there being anything that we
10 haven't considered as of yet, we are planning on
11 funding the MTA to the tune of another 950 or
12 so -- 970, actually, \$970 million in these
13 appropriations. Correct?

14 SENATOR COMRIE: Correct.

15 SENATOR RHOADS: My question, if
16 Senator Comrie would be kind enough to yield --

17 ACTING PRESIDENT COONEY: Senator,
18 will you yield?

19 SENATOR COMRIE: Yes.

20 ACTING PRESIDENT COONEY: The
21 Senator yields.

22 SENATOR RHOADS: One of the things
23 that we've been calling for is an audit of the
24 MTA. Because every year we are throwing more and
25 more money at the MTA. Congestion pricing is

1 about to go into effect in June, where we'll be
2 spending another billion -- where taxpayers,
3 ratepayers, commuters, residents will be paying
4 another billion dollars into the MTA to try and
5 plug a hole in their capital budget which we're
6 also devoting taxpayer dollars to here.

7 Is there anything in any of these
8 bills that is requiring that there be an MTA
9 audit so that we know where the money is being
10 spent and why we have continuous and systemic
11 deficits in both their operating and their
12 capital expenses?

13 SENATOR COMRIE: Senator Rhoads,
14 thank you for your question.

15 We have been pushing for audits for
16 the MTA since we have taken -- since I've been
17 chair. We started an audit back four years ago,
18 I think was the first audit that we started.
19 We've been increasing the details of the audit
20 over the last three years.

21 In this budget we are asking the MTA
22 to make a transparent audit, and they have agreed
23 to do so.

24 So we're increasing -- as we look at
25 the audits, look at what kind of transparency is

1 there, what kind of issues that have been
2 missing -- I want to thank the budget team for
3 making sure that we're continuing to tighten up
4 the ability so that the audit can be transparent,
5 that the audit can make sure that they're showing
6 all of the money that they're spending. Because
7 we are keen on making sure that the MTA is an
8 agency that's responsible for all of the billions
9 of dollars that they're getting.

10 We have heard from constituents
11 about how the MTA has been spending their money.
12 We've heard from people about how they are not
13 getting their projects done on time. We've
14 understood that there has been some glitch
15 because of the pandemic, but we've been pushing
16 hard to make sure that they get back to making
17 sure that projects are done on time, the things
18 that they were supposed to do before they turned
19 on the congestion pricing spigot in terms of the
20 major projects that we've been asking for
21 improvements.

22 And we're confident, working
23 together, that we will make sure that the MTA
24 provides audits to make sure that there's a
25 better level of confidence and also

1 responsibility and acceptability throughout the
2 system so that we can see better responses,
3 better time, and hopefully save money.

4 One of my biggest pet peeves that I
5 bring up at every MTA meeting is the fact that
6 they do things at a higher rate than every other
7 transit agency in the world. That's been a
8 consistent theme of mine and this conference, to
9 try to control that and make sure that the MTA is
10 being more responsible with their money and not
11 deal with the issues of what they used to look
12 like, but what they can be and what they should
13 be to provide our riders.

14 SENATOR RHOADS: Thank you,
15 Senator Comrie.

16 Would you be kind enough to yield to
17 another question? Through you, Mr. President.

18 SENATOR COMRIE: Yes.

19 ACTING PRESIDENT COONEY: The
20 Senator yields?

21 The Senator yields.

22 SENATOR RHOADS: Thank you,
23 Senator Comrie.

24 I believe you indicated that there
25 was an audit of the MTA four years ago. Right?

1 SENATOR COMRIE: They audit
2 consistently every year. You can look at it
3 on -- what's that called? What do they call that
4 page? The dashboard. There's an MTA dashboard,
5 if you look on the MTA, they have a dashboard
6 where they provide how they've been spending
7 their money.

8 SENATOR RHOADS: Will the sponsor
9 continue to yield?

10 SENATOR COMRIE: Yes.

11 ACTING PRESIDENT COONEY: Will the
12 sponsor yield?

13 The sponsor yields.

14 SENATOR RHOADS: And is that
15 self-reporting by the MTA? Or is that an actual
16 audit by an outside agency?

17 SENATOR COMRIE: I believe there's
18 an outside agency that did one. And I'm just
19 double-checking. (Pause.)

20 The dashboard they report
21 themselves. The Comptroller does a regular
22 audit. And we had an outside audit done two
23 years ago. This audit that's being done now is
24 being done by MTA.

25 SENATOR RHOADS: Okay. Will the

1 sponsor continue to yield?

2 ACTING PRESIDENT COONEY: Will the
3 sponsor yield?

4 SENATOR COMRIE: Yes.

5 ACTING PRESIDENT COONEY: The
6 sponsor yields.

7 SENATOR RHOADS: Thank you,
8 Senator Comrie.

9 So there was an outside audit that
10 was done two years ago, in 2022?

11 SENATOR COMRIE: I believe 2022.

12 SENATOR RHOADS: Who actually did
13 that audit?

14 SENATOR COMRIE: Crowe Consulting.
15 Crowe Consulting.

16 SENATOR RHOADS: And will the
17 sponsor continue to yield.

18 ACTING PRESIDENT COONEY: Will the
19 sponsor yield?

20 SENATOR COMRIE: Yes.

21 ACTING PRESIDENT COONEY: The
22 sponsor yields.

23 SENATOR RHOADS: And were any
24 recommendations made as a result of the audit
25 that was conducted by that company?

1 SENATOR COMRIE: We can send that
2 to you. That's a good question.

3 But there was an audit. They did
4 make some recommendations. We looked at that
5 audit. We made additional recommendations for
6 the second audit. We also sent it to the
7 Comptroller. And we pushed the MTA to do more on
8 their dashboard.

9 SENATOR RHOADS: Will Senator
10 Comrie continue to yield.

11 ACTING PRESIDENT COONEY: Will the
12 sponsor yield?

13 SENATOR COMRIE: Yes.

14 ACTING PRESIDENT COONEY: The
15 sponsor yields.

16 SENATOR RHOADS: Through you,
17 Mr. President. With respect to those
18 recommendations, has there been any follow-up to
19 ensure that the MTA has actually undertaken those
20 recommendations and implemented those
21 recommendations?

22 SENATOR COMRIE: Yes. I can say
23 confidently that we've been pushing and looking
24 at the recommendations. We've been making it an
25 issue with the MTA. We've sent a letter more

1 than once to the MTA about recommendations.
2 They've added it to their internal audit process.

3 And we will continue, as I said
4 earlier, to push the MTA that those audits are
5 transparent enough that when you look at the
6 dashboard, you will be clearly able to understand
7 everything that they've been doing.

8 It's a persistent push from this
9 conference to make sure that the MTA is spending
10 their billions of dollars responsibly.

11 SENATOR RHOADS: And it's dangerous
12 to say this, but will the sponsor yield to a
13 final question on the MTA?

14 SENATOR COMRIE: You can keep
15 going, Senator.

16 ACTING PRESIDENT COONEY: The
17 sponsor yields.

18 SENATOR RHOADS: Thank you,
19 Senator Comrie.

20 With respect both to the audit that
21 was done four years ago, the audit that was done
22 by the outside agency, the audit that -- the
23 self-reporting audit, apparently, that's been
24 asked for this year from the MTA, as well as the
25 recommendations and the follow-up, could you tell

1 us and tell the public, is all of that
2 information available on the dashboard? Or where
3 would we be able to go to find it?

4 SENATOR COMRIE: I believe it's
5 available on the dashboard or on the MTA website.
6 So you can go to both.

7 We have been looking at it
8 consistently and making consistent requests to
9 improve the audit and the dashboard so that, as I
10 said before, the public can easily understand how
11 they're spending their money.

12 We also want to make sure that we're
13 pushing the MTA to be clear that they have to do
14 more to convince the public to take the trains,
15 to be able to have some faith that we're spending
16 public dollars responsibly. So that's something
17 that we've been pushing to do -- I'm sorry. It's
18 something that we've been pushing to do as a
19 conference, something that I've been personally
20 pushing to do.

21 It's an honor to be chair, working
22 with all my colleagues in government. We're
23 happy to take any ideas or questions so that we
24 can make sure that the MTA is being responsible,
25 that they can lower their costs of construction,

1 they can find a way to speed up their ability to
2 get projects done, to convince the public in
3 every way possible that they're doing a better
4 job. And also to motivate their workers. They
5 have some of the highest costs in the country, if
6 not the world. But we need to motivate their
7 workers. We've been trying to push to make sure
8 that there's additional opportunities to find
9 ways that the workers can lower costs as well.

10 So we're doing everything we can.
11 We're more than open to taking other suggestions.
12 We want to make sure that the MTA is an agency
13 that people can restore faith in.

14 SENATOR RHOADS: I'm going to be
15 true to my word to Senator Comrie. That is my
16 last question for you, Senator Comrie. I
17 appreciate your indulgence.

18 SENATOR COMRIE: I appreciate your
19 questions, Senator.

20 SENATOR RHOADS: I'd like,
21 Mr. President, to speak briefly on the bill.

22 ACTING PRESIDENT COONEY: Senator
23 Rhoads on the bill.

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

1 The -- today we've had a lot of
2 discussions about money being spent. And
3 Senator Comrie has, despite my having asked for
4 audits of the MTA several times here on the
5 floor, this is the first that I've become aware
6 that these audits are apparently an ongoing
7 process, and that all of the information is
8 available on the MTA website.

9 And I appreciate the Senator's
10 indulgence in providing me copies of that
11 information. And I also will undertake to go on
12 the website and try and find that information so
13 that I can respond to my constituents who are
14 asking about our continued support of the MTA and
15 asking about congestion pricing and why we
16 continue to spend more money without there
17 seeming to be any improvement in service or any
18 improvement in the economy of service.

19 I wanted to speak briefly -- I
20 understand very well what Senator Skoufis was
21 speaking about. And the initial thing that he
22 mentioned was about flooding that took place in
23 Orange County recently and the lack of a
24 response, really, from the Governor's office.

25 And, you know, as someone from

1 Long Island and particularly the South Shore of
2 Long Island, I can harken back to the end of
3 October, beginning of November of 2012 where we
4 dealt with Superstorm Sandy and the aftermath of
5 Superstorm Sandy. And my experience with the
6 State of New York, the Governor's Office of Storm
7 Recovery, was very similar to the response that
8 Senator Skoufis had today with the flooding that
9 he was dealing with in his district where we had
10 residents to this day who still haven't been made
11 whole. Those who are paying off loans that were
12 supposed to be grants initially when they were
13 awarded. People who spent their entire life
14 savings to get back into their homes. People who
15 simply had to leave because the process was so
16 complicated and so relatively few actually
17 received any benefit from the Governor's office
18 and from the state in response to a crisis that
19 was a natural disaster.

20 We are dealing here with a crisis,
21 though, in the migrant crisis that is
22 self-inflicted. And the one thing that I've
23 learned in the discussions that we've had today
24 is that the state will do anything to spend money
25 to protect those who have acted illegally, but

1 will do little to protect our own residents in
2 providing them the relief that they need. And we
3 see that.

4 Because as we're spending
5 \$2.4 billion in this budget on the migrant
6 crisis, \$750 million on the migrant crisis last
7 year, another billion to provide free healthcare
8 to migrants -- a total of \$4.1 billion -- we are
9 doing nothing to return those who are here
10 illegally. We are doing nothing to send back
11 those who don't have a legal status in the state
12 or in the country based upon the fact that they
13 haven't completed their application for asylum.
14 We are doing nothing to seek money from the
15 federal government, legally or otherwise, to
16 reimburse the taxpayers of the State of New York
17 for the money that we are spending housing,
18 clothing, feeding, providing for the healthcare,
19 education, for those who entered the country
20 illegally.

21 And we see the results of that.
22 We've seen the results of that today. I have to
23 tell the residents of my district that there is
24 no help for them from the state in the budget for
25 their own safety-net hospital that is on the

1 verge of closing because there wasn't money in
2 the budget for them.

3 We had to tell seniors today, and
4 those with developmental disabilities and those
5 with cognitive disabilities that they could not
6 have the same access to CDPAP that they had
7 previously because we needed to save \$500 million
8 someplace. And so now they can't have the
9 assistance that they were used to with the
10 process that they were used to from people that
11 they know and had the opportunity to select
12 themselves.

13 We continue to make choices -- and
14 we've said several times on this floor that it's
15 not an issue with respect to does the state take
16 in enough money. We don't have a revenue
17 problem. We have a spending problem. And we
18 have a spending problem because we continue to
19 spend money in the wrong places. We continue to
20 spend money in ways that don't advance the
21 interests of the State of New York, at the cost
22 of our own taxpayers.

23 And so as I look at the \$2.4 billion
24 that we're spending on the migrant crisis, with
25 very little effort to make any oversight; as we

1 look at the money that we're spending on the MTA
2 with continued questions about the operation of
3 that agency; when we look at what's going on in
4 our state with us continuing to coddle those who
5 break the law and who are contributing -- whether
6 we're talking about bail reform, whether we're
7 talking about the migrant crisis, whether we're
8 talking about any one of a variety of issues --
9 who are contributing to the pandemic of
10 lawlessness that we are seeing across our state.
11 We continue to do nothing to prevent that.

12 And we continue to do nothing to
13 stand up for New Yorkers. We provided a billion
14 dollars in funding last year to provide
15 healthcare to migrants, while 700,000
16 New Yorkers, taxpaying New Yorkers, do not have
17 health coverage of their own. Our priorities
18 here are out of skew.

19 And so that's why, with respect to
20 this portion of the budget, I will be voting
21 against it, and I encourage my colleagues to do
22 the same.

23 Thank you, Mr. President.

24 ACTING PRESIDENT COONEY: Thank
25 you, Senator Rhoads.

1 Senator Harckham, why do you rise?

2 SENATOR HARCKHAM: On the bill,
3 please, Mr. President.

4 ACTING PRESIDENT COONEY: Senator
5 Harckham on the bill.

6 SENATOR HARCKHAM: I just rise to
7 provide context to the discussion and remind
8 colleagues that immigration is a federal issue.
9 It's not a state issue. And I've been sitting
10 here hearing the word "illegal" time after time.
11 My personal belief? That human beings are never
12 illegal. But the point of fact is asylum seekers
13 are legal immigrants. They are legal immigrants.

14 Another point I'd like to correct is
15 this notion of lawlessness of the immigrant
16 community. Stanford University did a
17 decades-long study of crime statistics -- not
18 New York Post headlines, but crime statistics
19 from around the country -- and found that members
20 of the immigrant community are 50 percent less
21 likely than native-born Americans to commit
22 crimes.

23 And then getting back to this notion
24 of immigration as a federal issue, the reason
25 New York State is spending \$2.4 million in Aid to

1 Municipalities -- that's what this section of the
2 budget is -- is because the federal government
3 has failed to do its job. Particularly the House
4 majority has failed to do its job. They control
5 the purse strings, and the New York members of
6 the House could have aided New York City and our
7 cities with this crisis, and they chose not to.
8 And a bipartisan immigration deal to finally fix
9 our immigration system and provide border
10 security was not voted on, at the request of the
11 former president, because he said he wanted to
12 use it in the presidential campaign as a wedge
13 issue.

14 So I just stand here today to say
15 that we are cleaning up the mess of the federal
16 government. This is humanitarian assistance, as
17 we've heard -- food, clothing, medicine, the
18 basic necessities of human life. And it's really
19 time that we put this back on the backs of the
20 federal government and tell them to fix the
21 immigration system and to fund this crisis once
22 and for all.

23 ACTING PRESIDENT COONEY: Thank
24 you, Senator Harckham.

25 Senator Rolison, why do you rise?

1 SENATOR ROLISON: Mr. President, on
2 the bill.

3 ACTING PRESIDENT COONEY: Senator
4 Rolison on the bill.

5 SENATOR ROLISON: I want to thank
6 all of my colleagues on both sides of the aisle
7 for the discussion this evening on this bill and
8 others. Also, listening to these discussions,
9 there's a lot of -- I would say, in my
10 estimation -- unanswered questions surrounding
11 funding to New York City for the migrant crisis.

12 I remember when we had our budget
13 hearings earlier in the year there were questions
14 to then-Mayor Adams, how much money was spent at
15 that point in time. It was his budget director,
16 and it was not a lot of money spent at that time,
17 but money allocated.

18 Also during those discussions there
19 wasn't a lot of information on plans moving
20 forward on just what was going to happen and how
21 long this was going to take place. We talked
22 about \$713 million allocated last year,
23 \$2.4 billion requested this year and allocated to
24 the city.

25 And then my colleague Senator

1 Martins talking with Senator Krueger about
2 qualifications -- many things, to me, that just
3 seem to be unclear.

4 And then I have not heard and I
5 didn't hear it today and I haven't heard it
6 previously, on what is the plan moving forward.
7 What has New York City said to the State of
8 New York -- or what has the State of New York
9 said to New York City on what are we going to do,
10 how are we going to potentially shrink this aid
11 or at some point in time possibly eliminate it?

12 And so this evening I was on the
13 phone with one of the school superintendents from
14 the 39th District who is looking at his school
15 runs and looking at \$750,000 in aid not restored.
16 And to this particular school district, that is a
17 lot of money. This is a school district in high
18 need.

19 And I have not spoken to the other
20 school districts, but by looking at some of the
21 runs, they may be in similar circumstances.
22 Which certainly is troubling because those are
23 our children in our cities, in our communities.
24 And that when this type of money is being
25 expended, again, with a priority somewhat

1 displaced -- I would say for sure -- guardrails
2 not necessarily being in place the way that I
3 think they should be, and hopefully at some point
4 in time they will be, but I don't think they are
5 right now -- this is a challenge. This is a
6 challenge for the state. This is a challenge for
7 all of us. And I think it is just misguided in
8 that amount of money going from our local
9 districts to the City of New York at this
10 particular time in time.

11 And Mr. President, for that reason
12 and others, I'll be voting no on this bill.

13 ACTING PRESIDENT COONEY: Thank
14 you, Senator Rolison.

15 Senator Tedisco, why do you rise?

16 SENATOR TEDISCO: Will
17 Senator Krueger yield for a bit of a discussion?

18 You're a little hesitant, Senator.

19 ACTING PRESIDENT COONEY: Will the
20 sponsor yield?

21 SENATOR KRUEGER: Define
22 "discussion."

23 (Laughter.)

24 ACTING PRESIDENT COONEY: Will the
25 sponsor yield for questions?

1 SENATOR KRUEGER: I yield to
2 questions.

3 ACTING PRESIDENT COONEY: Okay, the
4 sponsor yields for questions.

5 SENATOR TEDISCO: Senator, first of
6 all, let me congratulate you for holding up so
7 well.

8 SENATOR KRUEGER: Thank you.

9 SENATOR TEDISCO: Does this lady
10 deserve a round of applause or not? I really
11 think you do.

12 (Applause.)

13 SENATOR TEDISCO: Thank you.

14 SENATOR KRUEGER: Appreciate it.

15 SENATOR TEDISCO: And I just want
16 to say I always enjoy speaking with you, because
17 we kind of see eye to eye, and that's a good
18 thing, at least, you know, on this level.

19 I don't want to take up a tremendous
20 amount of time, because I know it's late and
21 we've got to get to the last bill. But before I
22 ask you the question I want to ask you, and I ask
23 it in a heartfelt way, I just want to say like
24 most of the people in the room here, most of my
25 colleagues, I love New York State.

1 It's a beautiful state. It has a
2 bit of a problem with outmigration. There's an
3 exodus taking place, it looks like. And I think
4 we agree, we have to change some things with the
5 agenda. But I love it for the same reasons that
6 most of you love it. It is the land of
7 immigration. I have a little bit difference of
8 opinion about that subject, though, because I
9 know a lot of people say we're more the same than
10 we are different, and that's what we should
11 rejoice in.

12 Senator, I feel as though we're more
13 different than we are the same. And I really
14 rejoice in the different religions, the cultures,
15 the religions, the backgrounds and interests when
16 I discuss their lives with different people. And
17 I think the thing that binds us together as the
18 greatest nation in the world is actually
19 citizenship and the pride we have in it, being
20 citizens of the United States of America.

21 And I noticed you mentioned when you
22 were talking about the \$2.4 billion and how they
23 could -- you used the term "incorporate into
24 society" with some wonderful things. I haven't
25 heard you use the word "citizenship" yet or

1 "citizens" yet in relationship to these -- I
2 won't call them illegal -- migrants, asylum
3 people, individuals coming to be part of this
4 great mosaic. Haven't heard the word
5 "citizenship."

6 And this is the question I want to
7 ask you, and I do it in a heartfelt way. Do you
8 think there's anything redeeming about these
9 individuals having a pathway to citizenship and
10 becoming citizens, not only redeeming to them to
11 become citizens, but to the United States of
12 America? Do you feel that's a good thing,
13 something we should urge and support and try to
14 help move forward with?

15 SENATOR KRUEGER: Yes, I do.

16 And technically, getting asylee
17 status and going through the process is the
18 beginning of the path to citizenship. Because as
19 you know, there's many steps and many different
20 ways to become citizens of this great country.

21 We might agree or not agree, but I
22 personally believe our federal government should
23 do a better job at clarifying our immigration
24 policies, our citizenship policies. I believe
25 this country can absorb more people and actually

1 needs more people. And that's not even partisan.
2 There are Republicans all over this country that
3 say we need more people, we can't get our jobs
4 filled, we can't get our farms farmed. There's
5 all kinds of opportunities.

6 And -- so yes, I don't think the
7 word "citizenship" came up tonight because we
8 were talking about I believe a subpopulation of
9 asylees coming in right now.

10 You know, and I was doing a lot of
11 reading -- you know me. I love to read. So I
12 was doing a lot of reading about immigration law
13 and history, and I just kept listening to my
14 colleagues talking about being so disturbed about
15 all this, and even asking about having
16 deportation policies.

17 Do you know the only places in this
18 country where states ever set up deportation
19 policies? Massachusetts and New York, to throw
20 out the Irish, starting in the 1850s. Because
21 they were dirty, they shouldn't work, they should
22 go back to their home country -- where they were
23 starving -- and get out of here.

24 And it's well established and it's
25 historical and it's frankly mortifying. I'm not

1 of Irish-American heritage. I think quite a few
2 of us in this room are. Oh, Tim Kennedy.

3 (Laughter.)

4 SENATOR KRUEGER: I know for a fact
5 Tim Kennedy is from Irish-American heritage.

6 But we actually were so frightened
7 of large numbers of Irish coming from Ireland
8 because there was famine and starvation and
9 political chaos there, that they were coming
10 here. And they were poor, and they weren't
11 educated, and we thought that they were diseased.
12 And so we actually, New York and Massachusetts,
13 passed its own laws to deport them home.

14 And then of course we probably do
15 remember that the federal government made the
16 horrendous decision to try to lock out Asians a
17 little bit later because we thought there were
18 too many coming across to California, and we got
19 scared. And I feel like that's the story now.
20 That instead of talking about citizenship and the
21 possibilities for the next generations of people
22 in this country, we're afraid.

23 You know, I heard the reference to
24 crime. Is there some crime that is done by
25 migrants and immigrants? Yes. Is there some

1 crime done by people who have been here with
2 their families for hundreds of years? Yes.
3 Nobody wants crime. But there's no data that
4 shows that this universe of people we're talking
5 about now is more likely to commit crimes than
6 other new Americans. And there's lots of
7 evidence that this universe of people coming in
8 right now can become amazing successful
9 Americans, great citizens.

10 Why did they come here? It was
11 scary and dangerous at home. Pretty much the
12 same reason your grandparents might have come
13 here, my grandparents came here. We were
14 escaping pogroms, and then later a family who
15 stayed ended up escaping Nazis. So we were
16 coming here to save our lives. But we wanted a
17 better life for our children and our
18 grandchildren. And I think that's the story of
19 almost everyone who's come here, no matter where
20 they've come from.

21 And it's also amazing, if you look
22 specifically at New York, because we're so good
23 at this, how quickly people do get incorporated
24 into our broader society. Their children learn
25 English quickly, go to our schools, please, go to

1 our schools and get educated. They're more
2 successful than their parents, and then they take
3 on responsibility for them.

4 The City University system is filled
5 with first-generation Americans or immigrants.
6 Maybe they came here as young children. Maybe
7 they came here as teenagers. And they're rock
8 stars like just a few years later.

9 So yes, let's talk about
10 citizenship. Except you and I can't actually
11 change that in the New York Senate because we
12 both have to go to Congress. There are a few of
13 us apparently trying to go to Congress; maybe
14 they can fix it for us. But all we can do is try
15 to do the best we can. Not just for the people
16 coming here, but that's actually doing the best
17 we can for us also. Because it addresses the
18 concerns I'm hearing tonight -- what if they
19 aren't getting immunized, what if their kids
20 aren't going to school, what if they aren't going
21 to school? What if, what if, what if they commit
22 crimes? If we help them, all of those things
23 decrease and become positives pretty quickly.

24 So I hope you'll join us in
25 supporting this bill, because I think it's

1 critically important for us to have these kinds
2 of conversations.

3 SENATOR TEDISCO: Would the Senator
4 yield for another question?

5 ACTING PRESIDENT COONEY: Will the
6 Senator yield for a question?

7 SENATOR KRUEGER: Yes.

8 ACTING PRESIDENT COONEY: The
9 Senator yields.

10 SENATOR TEDISCO: So if there is
11 redeeming factors in this \$2.4 billion, are there
12 any policies or expenditures to advocate or
13 provide advocates to help them become citizens?
14 Because when you said it's -- only the federal
15 government can make that happen, no, we can make
16 it happen here if we provide them an avenue and
17 some assimilation into citizenship.

18 SENATOR KRUEGER: \$116 million is
19 for legal services and case management, to assist
20 them to complete their paperwork and start on
21 their path to citizenship, yes.

22 SENATOR TEDISCO: Would the
23 gentlewoman yield again for a question?

24 ACTING PRESIDENT COONEY: Does the
25 sponsor yield?

1 SENATOR KRUEGER: Yes.

2 ACTING PRESIDENT COONEY: The
3 sponsor yields.

4 SENATOR TEDISCO: Now, you
5 mentioned that we're very good at embracing and
6 keeping and helping those who need asylum. But
7 the last time I checked, Governor Hochul and the
8 Mayor have sanctioned -- when they say we're the
9 place to come and beat their chests, we're the
10 asylum community, not so much. Because they put
11 them on buses and sent them to upstate New York
12 near my district.

13 And for someone to say they're
14 asylum acceptors and then brag about it and then
15 have them come, it kind of resembles a type of
16 hypocrisy. And then the other day one of the
17 reports said Republicans are not saying good
18 things -- some of which you mentioned -- about
19 the immigrants. Well, it was the Mayor who said
20 they're destroying New York City, wasn't it? I
21 thought I heard him say that. It's being
22 destroyed by all these immigrants that are coming
23 here. Am I mistaken about that?

24 SENATOR KRUEGER: No, I think the
25 Mayor has been a little bit schizophrenic on the

1 positions he's taken.

2 So originally: Come on down. And
3 then: No, it's going to ruin the world. Then he
4 went to the border and handed out flyers saying
5 "Don't come to New York."

6 And yes, he has sent some migrants
7 on buses to upstate New York. I think he quickly
8 learned the mistake of doing that unless he had
9 actually called up that county or that town and
10 said, Let's make a deal. And some have said yes,
11 and that's working.

12 So I think it's been a growth curve.
13 But I certainly -- I'll get a call tomorrow that
14 I just said he was a little bit schizophrenic on
15 this. That's okay. Apparently it's freewheeling
16 in here tonight, whoever you're mad at.

17 But yes, he's been inconsistent with
18 his messaging. But also it's been mortifying --
19 and I hope you think so too -- that we have
20 governors in other states who are forcing people
21 on the buses and taking them to New York even
22 when they didn't ask to come here. Don't you
23 find that a little weird?

24 SENATOR TEDISCO: Well, I think --
25 can I answer that question?

1 SENATOR KRUEGER: I'm sorry, you're
2 right, I asked a question.

3 Through you, Mr. President, if I
4 could ask --

5 ACTING PRESIDENT COONEY: Will you
6 yield, Senator Tedisco?

7 SENATOR TEDISCO: Yes, I would.

8 ACTING PRESIDENT COONEY: Okay, he
9 yields.

10 SENATOR TEDISCO: So the irony is
11 when Texas sent them here, and everybody was
12 complaining, What's wrong with them, your mayor
13 did the same thing that he did, sent them to
14 upstate New York.

15 So, you know, they both may be a
16 little bit wrong. But what your mayor found out
17 is how it feels to be overridden by a whole group
18 of people that you're not ready to assimilate
19 into your community. And that's the problem.

20 And when we say we're -- the
21 problem's at the border, I agree with that a
22 hundred percent. But we don't exacerbate the --
23 we shouldn't exacerbate it by kicking the can
24 down the road, treating them like pawns on a
25 chessboard, and saying, well, I can't take care

1 of them here, once you said you were the
2 Sanctuary City, because the Capital Region could
3 say we have our own problems here, let's send
4 them to Syracuse. Then Syracuse would say, We
5 have too many homeless people here. Let's send
6 them to Rochester. Rochester could say, let's
7 send them to Buffalo. And it doesn't make sense.

8 So if -- somebody said we have to
9 have a plan. I think it was this fine gentleman
10 next to me. We do need a plan. And we don't
11 have a plan. The federal government doesn't have
12 a plan, and the State of New York doesn't have a
13 plan. And the plan of kicking the can down the
14 road is not working.

15 SENATOR KRUEGER: But we could have
16 a plan.

17 SENATOR TEDISCO: What is it?

18 SENATOR KRUEGER: You kept saying
19 it's New York City. But to be honest, it's
20 New York State, but New York City's been the only
21 one who's actually been willing to take on a huge
22 and giant responsibility for the number of people
23 coming there.

24 And so I do believe that it is
25 incumbent on the entire State of New York to play

1 a role here and to make sure people are
2 distributed throughout the state. And so I don't
3 think it's unreasonable when the City of New York
4 asks us for money, because they actually are the
5 ones, my city, who have all the people coming
6 there and mostly staying there for now until they
7 can spread out.

8 So I do think it's in the best
9 interests of the state to have a statewide plan.
10 It's the right thing to do for the State of
11 New York to be investing in this. And in fact,
12 if you don't like how the city is handling it,
13 let's sit down and come up with a statewide plan
14 for programs and services throughout New York,
15 because that is a better answer. I would love to
16 see us do that.

17 SENATOR TEDISCO: Thank you,
18 Senator.

19 Thank you, Mr. President.

20 ACTING PRESIDENT COONEY: Senator
21 Gianaris.

22 SENATOR GIANARIS: I just wanted to
23 remind Senator Stec -- I know he also is on the
24 list to debate the bill -- we have five minutes
25 left on this bill, and that's even considering

1 that a substantial amount of time was taken up by
2 one of our members.

3 ACTING PRESIDENT COONEY: Thank
4 you.

5 Senator Stec, why do you rise?

6 SENATOR STEC: I rise to close on
7 the bill.

8 (Laughter.)

9 ACTING PRESIDENT COONEY: Senator
10 Stec on the bill.

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

13 To be clear, the vast majority of
14 people in this migration crisis that our country
15 is facing are not legitimate asylum seekers.
16 They are here illegally. They are illegal
17 immigrants. Okay? So let's be honest with the
18 public about that.

19 Now, that said, \$2.4 billion is a
20 lot of money. To put it in a little perspective,
21 though, the state's budget, \$237 billion, more
22 than Texas and Florida combined. We've heard
23 that before. This bill is about Aid to
24 Localities. Let's talk about Aid to Localities.
25 \$2.4 billion. To give you an idea,

1 we all get advocates knocking on our door
2 throughout the budget process. Every year it's
3 the same ones. So the big chunks of money here
4 that we gnash teeth over year in and year out
5 that are annual parts of the budget: CHIPS,
6 local roads, \$600 million. The Environmental
7 Protection Fund, \$400 million. There's a billion
8 dollars right there. The increase to Foundation
9 Aid this year, \$1.3 billion. Those three things
10 alone are \$2.3 billion.

11 There's your \$2.4 billion to go to
12 immigration to New York City for a crisis that
13 they invited, they were warned about, they
14 ignored, they sought, and then they pretended
15 they were surprised when it hit and they tried to
16 walk it back. And then now we're trying to blame
17 the federal government and the House, the
18 one-third of the branches of government that's in
19 Republican control.

20 Nursing homes, \$285 million. We --
21 they wanted another \$200 million. We said no.
22 We put illegal immigrant funding ahead of our
23 elderly and our nursing homes. I've got a list
24 of places that are begging for money. Nursing
25 homes, firehouses, local roads, hospitals,

1 cell service, broadband service. This is about
2 priorities, and a \$2.4 billion price tag jumps
3 off the page at me.

4 And I just rattled off big chunks of
5 the budget that we fight with. And when we go
6 back home, we tell everyone, we're sticking up
7 for you. It adds up fast. But the EPF, CHIPS,
8 we're spending a lot more money on illegal
9 immigration than on EPF, CHIPS, and the increase
10 in Foundation Aid.

11 Those are upside-down priorities.
12 This is a bad budget. It's bad for New York.

13 ACTING PRESIDENT COONEY: Thank
14 you, Senator Stec.

15 Debate is now closed.

16 Senator Gianaris.

17 SENATOR GIANARIS: Mr. President,
18 we've agreed to restore this bill to the
19 noncontroversial calendar.

20 ACTING PRESIDENT COONEY: The bill
21 is restored to the noncontroversial calendar.

22 There is a substitution at the desk.

23 The Secretary will read.

24 THE SECRETARY: Senator Krueger
25 moves to discharge, from the Committee on

1 Finance, Assembly Bill Number 8803D and
2 substitute it for the identical Senate Bill
3 8303D, Third Reading Calendar 846.

4 ACTING PRESIDENT COONEY: The
5 substitution is so ordered.

6 The Secretary will read.

7 THE SECRETARY: Calendar Number
8 846, Assembly Print 8803D, Assembly Budget Bill,
9 an making appropriations for the support of
10 government.

11 ACTING PRESIDENT COONEY: Read the
12 last section.

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

15 ACTING PRESIDENT COONEY: Call the
16 roll.

17 (The Secretary called the roll.)

18 ACTING PRESIDENT COONEY: Senator
19 Brouk to explain her vote.

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

22 You know, I think throughout this
23 evening we've heard a lot of things we can be
24 proud of in this bill. But there are a couple of
25 things that I, as a representative of the City of

1 Rochester and Monroe County, would like to point
2 out.

3 The truth is with the passing of
4 this bill specifically, there will be an
5 undeniably positive impact on the City of
6 Rochester, a city that has been chronically
7 underfunded from the state. So much so that last
8 year my office released a report highlighting how
9 not only have we been underfunded, but you can
10 see a direct correlation between underfunding of
11 our city and increases in childhood poverty,
12 concentrated poverty, and even violence.

13 After over a decade of fighting and
14 trying to tell the story of how the City of
15 Rochester and our surrounding area needs greater
16 funding, we've finally been able to actually
17 achieve increased funding for our city. In this
18 bill not only will we be bringing \$25 million in
19 anti-poverty funding to help alleviate especially
20 our childhood poverty in the City of Rochester,
21 but we will also bring a much-needed increase in
22 AIM funding to the City of Rochester.

23 And quickly, the second thing that
24 will undeniably improve the lives of not just
25 Rochesterians but really folks all across

1 New York State, is that we continue to make
2 meaningful progress when it comes to transforming
3 our mental health crisis response system.

4 We've all heard the story of
5 Daniel Prude and his tragic death in the City of
6 Rochester. Last year we passed a task force to
7 study the implementation of Daniel's Law so that
8 we can transform mental health response in this
9 state. And this year we once again are making
10 unprecedented investments in making sure that we
11 treat these types of mental health crises and
12 substance use crises as the public health crises
13 that they are.

14 For those reasons and so many more,
15 I proudly vote aye. Thank you.

16 ACTING PRESIDENT COONEY: Senator
17 Brouk to be recorded in the affirmative.

18 Senator Mattera to explain his vote.

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

21 Just listening to everybody's
22 debates here today, it's been a very, very
23 interesting night. Everybody's tired, but this
24 is just so, so important.

25 Two-point-four billion dollars going

1 to the migrant -- illegal migrant crisis that our
2 Governor and our Mayor of New York City created.
3 I had a conversation with the Governor. I told
4 her straight to her face at Kings Park High
5 School, I said, Governor, there you are, going to
6 cut Foundation Aid money in this school
7 district -- which everybody got their numbers.
8 It's amazing that -- the numbers that were cut.
9 Foundation Aid went away, but guess what happens?
10 Our school districts got cut with monies,
11 \$2.4 billion. So our school aid money was cut to
12 go to \$2.4 billion.

13 Senator Krueger mentioned also
14 \$750 million last year. That number is not
15 correct. It's \$1.9 billion. So now, this year
16 and last year, that's \$4.3 billion that went to
17 this illegal migrant crisis, all the taxpayers'
18 monies.

19 All New Yorkers need to know what is
20 happening with this budget here today. And
21 everybody needs to know that that's our
22 hardworking money that we put into this state to
23 go to good things, not things for illegal
24 migrants that are coming here. It's not their
25 fault, because we have a Governor and we have a

1 Mayor of New York that is allowing this that's
2 blaming the federal government.

3 That is not the truth, everybody
4 here. It's not the federal government. I want
5 to know who's paying for the airline flight
6 tickets? Who's paying for the bus tickets?
7 Who's paying for the \$400 a night right now with
8 two hotels that are up here, a couple of hotels?
9 Four hundred dollars a night. A thousand dollars
10 a month credit cards.

11 It's amazing, I know a lot of --
12 ACTING PRESIDENT COONEY: Senator
13 Mattera, how do you vote?

14 SENATOR MATTERA: -- people with
15 food insecurities that right now they could use
16 that, New York State resident taxpayers.

17 ACTING PRESIDENT COONEY: Senator
18 Mattera, how do you vote?

19 SENATOR MATTERA: Do you realize
20 that we have a 4.5 percent unemployment rate?
21 That equates to 250,000 --

22 (Overtalk.)

23 SENATOR GIANARIS: Mr. President.
24 Mr. President.

25 (Overtalk.)

1 ACTING PRESIDENT COONEY: Senator
2 Gianaris.

3 (Overtalk.)

4 SENATOR GIANARIS: Senator Mattera,
5 we've been very generous -- excuse me,
6 Senator Mattera.

7 SENATOR MATTERA: Oh.

8 SENATOR GIANARIS: We've been very
9 generous with the time. We added time when one
10 of our members took a lot --

11 SENATOR MATTERA: All right. Thank
12 you so much, Mr. President.

13 SENATOR GIANARIS: If we don't want
14 to be here all night, which we might be anyway,
15 we've got to adhere to the rules of the Senate.

16 Thank you.

17 ACTING PRESIDENT COONEY: Senator
18 Mattera to be recorded in the negative.

19 Senator Helming to explain her vote.

20 SENATOR HELMING: Thank you,
21 Mr. President. I rise to explain why I'm voting
22 no on this budget bill.

23 Our school districts -- and I want
24 to say I appreciate the bipartisan support that
25 went into doing something much better for our

1 schools than what the Governor had originally
2 proposed.

3 But our school districts are not
4 receiving their fair share of Foundation Aid
5 funding again. And why? Because the Foundation
6 Aid formula is broken. It hasn't been adjusted
7 to account for inflation, so our schools are
8 actually going to see a decrease. And that
9 applies to almost 37 schools in my district. And
10 really the losers are our children, our future
11 leaders. They're being shortchanged.

12 On the spending proposed in this
13 bill, the 2.4 billion for migrants, I'd prefer
14 that those tax dollars -- and my constituents
15 prefer that they be directed to programs for our
16 veterans, our seniors, and teens who have been on
17 the waitlist forever for housing, counseling, and
18 medical services.

19 There were fingers pointed earlier
20 at who's to blame for the migrant crisis. I
21 blame President Biden. He's failing to take
22 action to secure our borders and keep our
23 citizens safe.

24 And there was a mention about a
25 Stanford University study. Well, I want to read

1 you one of the headlines very quickly from that
2 study, which I think maybe contradicts what was
3 said earlier. It says "Lawful and Mutually
4 Beneficial Migration Pathways Work." That's not
5 what we have in the United States of America or
6 the State of New York right now.

7 Mr. President, I vote no.

8 ACTING PRESIDENT COONEY: Senator
9 Helming to be recorded in the negative.

10 Senator Chu to explain her vote.

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

13 I rise to express my support and
14 appreciation for the vital investments for
15 education, the AAPI community, our libraries, and
16 critical funding for our 4201 schools.

17 To start, this budget provides a
18 continued \$30 million investment to our AAPI
19 communities. While our Asian New Yorkers still
20 experience extreme hate in all forms, it is time
21 to secure investments for our safety, housing,
22 healthcare and mental health needs.

23 I thank my colleagues who are
24 following through with their commitment to
25 support our AAPI community. But for those on the

1 other side who say they are with us but refuse to
2 take actions, I must say words of support can no
3 longer be enough. I would encourage everyone to
4 follow through on your vocal commitments to our
5 community and put them into real actions.

6 I'm thankful to see the increase in
7 funding for our libraries. While it is not
8 nearly enough to make our libraries whole, I'm
9 still disappointed in the funding that remains
10 flat for 18 years for library materials.

11 Increases in both state aid and
12 construction aid which we passed earlier this
13 evening will begin to provide libraries with the
14 resources they need to continue their work as the
15 access point for education and literacy for
16 New Yorkers at all ages. And I will continue
17 fighting for our libraries to ensure they are
18 properly funded.

19 Lastly, I'm glad to see the
20 investment in our 4201 schools, which addresses
21 many crucial and necessary needs for the
22 students, teachers and administrators. This
23 funding will assist in workforce retention,
24 development and infrastructure investments. The
25 teachers, counselors, therapists and all other

1 support staff at every school --

2 ACTING PRESIDENT COONEY: Senator

3 Chu, how do you vote?

4 SENATOR CHU: -- at every school
5 serve as leaders and mentors of students, and the
6 children deserve to be served with as
7 high-quality education as every --

8 (Overtalk.)

9 ACTING PRESIDENT COONEY: Senator

10 Chu, how do you vote?

11 SENATOR CHU: I vote yes, proudly.

12 Thank you, Mr. President.

13 ACTING PRESIDENT COONEY: Senator

14 Chu to be recorded in the affirmative.

15 Senator Weber to explain his vote.

16 SENATOR WEBER: Thank you,

17 Mr. President.

18 It's been a long evening. But, you
19 know, the common theme I think throughout a lot
20 of these budget bills have been disappointment by
21 both sides on a lot of the spending hopes that we
22 all wanted within these budget bills.

23 And you know, when I look at these
24 Foundation Aid -- the school-aid runs in this
25 book, I see a common theme. I see funding

1 increases in the city, Foundation Aid basically
2 in the main -- New York City and the other big
3 cities increasing. I see Westchester, Suffolk,
4 Nassau, Rockland, Sullivan, Ulster, Orange,
5 Dutchess with a lot of zeroes. A lot of school
6 districts getting zero funding. And that's
7 disappointing, because we need that Foundation
8 Aid for our schools' viabilities.

9 You know, we have crumbling
10 infrastructure. We have -- as we talked earlier,
11 we had nonprofits, direct service providers
12 seeing major cutbacks in what they expected to
13 get in COLA increases and in wage supplements.

14 There are a lot of things that we
15 need to be prioritizing better in this budget. I
16 think we've lost a great opportunity to do that
17 this year once again.

18 I'll be voting no on this budget
19 bill, and hopefully next year we get it right.

20 Thank you.

21 ACTING PRESIDENT COONEY: Senator
22 Weber to be recorded in the negative.

23 Senator May to explain her vote.

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

1 For the first time in 16 years,
2 municipalities all around this state outside of
3 New York City will be getting an increase in AIM
4 funding. This is something that every single
5 municipal leader that I talk to has asked for.
6 This is something they have been hoping for for
7 years and years.

8 We have had flat funding since 2012.
9 And it actually went down for four or five years
10 before that, so that it peaked in 2009. And now
11 we are raising AIM funding above -- higher than
12 it has ever been.

13 For my city of Syracuse, this is
14 absolutely critical because cities -- a lot of
15 our upstate cities find themselves in this
16 position where almost all their land is off the
17 tax rolls. We have three hospitals, five
18 universities, two interstate highways, city,
19 state, federal, county government buildings. We
20 have lots of not-for-profits, and it's impossible
21 to raise money through the property tax system.

22 So this AIM funding is absolutely
23 critical to keeping these cities running. And I
24 am very proud that we have finally broken this
25 terrible streak of flat funding for AIM and hope

1 that this is the beginning of fulfilling the
2 promise of increasing aid on an annual basis.

3 I vote aye.

4 ACTING PRESIDENT COONEY: Senator
5 May to be recorded in the affirmative.

6 Senator Weik to explain her vote.

7 SENATOR WEIK: Thank you,
8 Mr. President.

9 I am not going to give away
10 \$2.4 billion hard-earned taxpayer dollars to
11 illegal migrants when, for example, we have
12 schools that are just about to lay off hundreds
13 of teachers. Teachers, taxpayers, educators --
14 they're part of our community. Teachers' jobs --
15 it's an exchange, teachers' jobs for money for
16 illegal migrants.

17 That's not my priority. In fact, I
18 have a long list of things that I would rather
19 spend \$2.4 billion on if we're going to spend
20 that kind of money. Irresponsibly handing over
21 money to New York City for a self-made crisis
22 with no accountability is not on my list.

23 I say no, and I'll be voting in the
24 negative.

25 ACTING PRESIDENT COONEY: Senator

1 Weik to be recorded in the negative.

2 Announce the results.

3 THE SECRETARY: In relation to
4 Calendar 846, those Senators voting in the
5 negative are Senators Ashby, Borrello,
6 Canzoneri-Fitzpatrick, Griffo, Helming, Lanza,
7 Martins, Mattera, Murray, Oberacker, O'Mara,
8 Ortt, Palumbo, Rhoads, Rolison, Stec, Tedisco,
9 Weber and Weik.

10 Ayes, 41. Nays, 19.

11 ACTING PRESIDENT COONEY: The bill
12 is passed.

13 Senator Gianaris.

14 SENATOR GIANARIS: Please recognize
15 Senator Lanza for an announcement.

16 ACTING PRESIDENT COONEY: Senator
17 Lanza.

18 SENATOR LANZA: Thank you,
19 Senator Gianaris.

20 There will be an immediate meeting
21 of the Republican Conference in Room 315.

22 ACTING PRESIDENT COONEY: Senator
23 Gianaris.

24 SENATOR GIANARIS: And there will
25 also be an immediate meeting of the

1 Democratic Conference in Room 332.

2 The Senate will stand at ease.

3 ACTING PRESIDENT COONEY: The
4 Senate stands at ease.

5 (Whereupon, the Senate stood at ease
6 at 10:42 p.m.)

7 (Whereupon, the Senate reconvened at
8 11:36 p.m.)

9 ACTING PRESIDENT COONEY: The
10 Senate will come to order.

11 Senator Gianaris.

12 SENATOR GIANARIS: Hello,
13 Mr. President.

14 Pursuant to Rule 5, and without
15 objection, I move that the Senate stay in session
16 past the hour of midnight tonight.

17 ACTING PRESIDENT COONEY: Without
18 objection, in accordance with Senate Rule 5,
19 Section 2, the Senate will remain in session.

20 SENATOR GIANARIS: The Senate will
21 stand at ease.

22 ACTING PRESIDENT COONEY: The
23 Senate will stand at ease.

24 (Whereupon, the Senate stood at ease
25 at 11:37 p.m.)

1 (Whereupon, the Senate reconvened at
2 10:50 a.m.)

3 ACTING PRESIDENT PERSAUD: The
4 Senate will return to order.

5 Senator Gianaris.

6 SENATOR GIANARIS: Hello,
7 Madam President. Welcome back.

8 There will be an immediate meeting
9 of the Finance Committee in Room 332.

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

13 SENATOR GIANARIS: We'll go back at
14 ease for a short period of time.

15 ACTING PRESIDENT PERSAUD: The
16 Senate will stand at ease.

17 (Whereupon, the Senate stood at ease
18 at 10:51 a.m.)

19 (Whereupon, the Senate reconvened at
20 11:03 a.m.)

21 ACTING PRESIDENT PERSAUD: The
22 Senate will return to order.

23 Senator Gianaris.

24 SENATOR GIANARIS: Madam President,
25 I understand there are reports of the

1 Finance Committee at the desk.

2 Can we please take them up.

3 ACTING PRESIDENT PERSAUD: The
4 Secretary will read.

5 THE SECRETARY: Senator Krueger,
6 from the Committee on Finance, reports the
7 following bills:

8 Senate Print 8300D, Senate Budget
9 Bill, an act making appropriations for the
10 support of government;

11 Senate Print 8306C, Senate Budget
12 Bill, an act to amend the Education Law.

13 Both bills reported direct to third
14 reading.

15 SENATOR GIANARIS: Move to accept
16 the Finance Committee reports.

17 ACTING PRESIDENT PERSAUD: All
18 those in favor accepting the Finance Committee
19 reports signify by saying aye.

20 (Response of "Aye.")

21 ACTING PRESIDENT PERSAUD: Opposed,
22 nay.

23 (No response.)

24 ACTING PRESIDENT PERSAUD: The
25 reports of the Finance Committee are accepted.

1 Senator Gianaris.

2 SENATOR GIANARIS: Let's take up
3 the supplemental calendar, please.

4 ACTING PRESIDENT PERSAUD: The
5 Secretary will read.

6 THE SECRETARY: Calendar Number
7 849, Senate Print 8306C, Senate Budget Bill, an
8 act to amend the Education Law.

9 SENATOR GIANARIS: Is there a
10 message of necessity at the desk?

11 ACTING PRESIDENT PERSAUD: There is
12 a message at the desk.

13 SENATOR GIANARIS: Move to accept
14 the message of necessity.

15 ACTING PRESIDENT PERSAUD: All
16 those in favor of accepting the message please
17 signify by saying aye.

18 (Response of "Aye.")

19 ACTING PRESIDENT PERSAUD: Opposed,
20 nay.

21 (Response of "Nay.")

22 ACTING PRESIDENT PERSAUD: The
23 message is accepted, and the bill is before the
24 house.

25 SENATOR LANZA: Lay it aside.

1 ACTING PRESIDENT PERSAUD: Lay it
2 aside.

3 SENATOR GIANARIS: Madam President,
4 let's take up the controversial calendar.

5 ACTING PRESIDENT PERSAUD: The
6 Secretary will ring the bell.

7 The Secretary will read.

8 THE SECRETARY: Calendar Number
9 849, Senate Print 8306C, Senate Budget Bill, an
10 act to amend the Education Law.

11 ACTING PRESIDENT PERSAUD: Senator
12 Lanza, why do you rise?

13 SENATOR LANZA: Good morning,
14 Madam President.

15 ACTING PRESIDENT PERSAUD: Good
16 morning, Senator.

17 SENATOR LANZA: Madam President, I
18 believe there is an amendment at the desk. I
19 waive the reading of that amendment and ask that
20 you recognize Senator Rolison.

21 ACTING PRESIDENT PERSAUD: Thank
22 you, Senator Lanza.

23 Upon review of the amendment, in
24 accordance with Rule 6, Section 4B, I rule it
25 nongermane and out of order at this time.

1 SENATOR LANZA: Accordingly,
2 Madam President, I appeal the ruling of the chair
3 and ask that Senator Rolison be heard on that
4 appeal.

5 ACTING PRESIDENT PERSAUD: The
6 appeal has been made and recognized, and
7 Senator Rolison may be heard.

8 Senator Rolison.

9 SENATOR ROLISON: Good morning,
10 Madam President.

11 I rise to appeal the ruling of the
12 chair. The proposed amendment is germane to the
13 bill at hand because the amendment expands and
14 improves on many of the sections proposed in the
15 bill before us.

16 There are multiple sections in the
17 bill before us that contain proposals that
18 continue to erode and hurt the quality of life of
19 our state.

20 First, let's discuss housing. There
21 is next to nothing in this bill that will make a
22 real change in the communities many of us
23 represent. We need to incentivize homeownership,
24 improve access to affordable housing options in
25 our communities, and help protect homeowners

1 against squatters.

2 Our amendment would make the changes
3 necessary to assist our communities by providing
4 tax credits to first-time homebuyers to make the
5 American dream more affordable.

6 Home renovation tax exemptions to
7 provide property tax relief to homeowners who
8 invest in their property. This will incentivize
9 the revitalization of our existing housing stock,
10 bringing abandoned and dilapidated homes back to
11 life.

12 Also measures for homeowners to
13 effectively remove squatters. Means testing for
14 rent-regulated housing to ensure that affordable
15 housing units are occupied by those who actually
16 need them.

17 Additionally, Madam President, our
18 amendment focuses on those most important in the
19 state, our children. This amendment would
20 protect our students and educators, as the bill
21 before us takes a step back from what was
22 promised as far as funding for local school
23 districts, and will result in many layoffs.

24 Our amendment keeps the
25 Foundation Aid full funding, restoring a

1 3 percent minimum for all school districts and
2 restoring the current CPI growth factor law, as
3 was promised for all districts across the state.

4 We also aim to help our working
5 parents and children, our families, by including
6 a childcare program capital improvement tax
7 credit which will provide financial assistance to
8 childcare providers to enhance, expand and
9 improve access to quality childcare, covering the
10 costs of necessary improvements and upgrades. It
11 would ultimately increase access to quality
12 childcare that is affordable and reliable.

13 Lastly, Madam President, our
14 amendment would also prioritize hardworking
15 New York citizens over illegal migrants that the
16 Democrats continue to prioritize with services
17 and policies that jeopardize the quality of life
18 for New Yorkers.

19 Now, migrants coming to New York
20 City and the state are being provided prepaid
21 debit cards for food assistance, which in some
22 cases, Madam President, exceed the amounts
23 provided to families residing in the
24 United States legally by more than 30 percent.

25 For instance, the average family of

1 four receives \$973 per month through SNAP, while
2 migrant families of four are reportedly receiving
3 \$1,400 per month, as stated in a recent Newsweek
4 article.

5 The \$1400 amount also surpasses the
6 monthly compensation provided to military
7 veterans with a 50 percent disability rating, who
8 just receive \$1255 per month with a spouse and
9 child. Now, this is unfair to our veterans and
10 our citizens receiving SNAP benefits.

11 This amendment aims to ensure
12 fairness and equity in the distribution of public
13 funds by preventing migrants from receiving
14 higher monthly benefits from other eligible
15 populations such as the recipients of SNAP and
16 veterans' disability compensation.

17 Our veterans and citizens receiving
18 SNAP should not take a second seat to anyone who
19 just arrived. The well-being and financial
20 security of our own citizens who depend on these
21 vital assistance programs come first,
22 Madam President. And New Yorkers are deeply
23 dissatisfied with the direction of our state.
24 This amendment prioritizes their needs.

25 For these reasons, Madam President,

1 I strongly urge you to reconsider your ruling.

2 ACTING PRESIDENT PERSAUD: Thank
3 you, Senator.

4 I want to remind the house that the
5 vote is on the procedures of the house and the
6 ruling of the chair.

7 Those in favor of overruling the
8 chair, signify by saying aye.

9 (Response of "Aye.")

10 SENATOR LANZA: Show of hands.

11 ACTING PRESIDENT PERSAUD: A show
12 of hands has been requested and so ordered.

13 Announce the results.

14 THE SECRETARY: Ayes, 19.

15 ACTING PRESIDENT PERSAUD: The
16 ruling of the chair stands, and the bill-in-chief
17 is before the house.

18 Read the last section.

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

21 ACTING PRESIDENT PERSAUD: Call the
22 roll.

23 (The Secretary called the roll.)

24 ACTING PRESIDENT PERSAUD: Senator
25 Palumbo.

1 SENATOR PALUMBO: Thank you,
2 Madam President.

3 I wasn't sure if we laid it aside or
4 not yet. But I think we did.

5 I have a few questions, if I may,
6 about a couple of different sections. I'd like
7 to start with Section KK. Whomever is handling
8 that, I wonder if they would yield for a moment.

9 ACTING PRESIDENT PERSAUD: One
10 second. One second.

11 SENATOR KRUEGER: Can you repeat
12 the sections? Sorry.

13 ACTING PRESIDENT PERSAUD: Section
14 KK.

15 SENATOR KRUEGER: I'm sorry, I
16 thought our Housing chair was here, but I'll do
17 my best for you.

18 ACTING PRESIDENT PERSAUD: Senator,
19 do you yield?

20 SENATOR KRUEGER: Yes, I do.

21 ACTING PRESIDENT PERSAUD: The
22 Senator yields.

23 SENATOR PALUMBO: Terrific. Thank
24 you, Senator Krueger.

25 With respect to this section --

1 SENATOR KRUEGER: I'm so sorry to
2 interrupt, but look who just came in.

3 SENATOR PALUMBO: Ah. Surprise,
4 surprise.

5 SENATOR KRUEGER: So do you mind if
6 I hand it off to him?

7 SENATOR PALUMBO: Certainly not.
8 Thank you.

9 SENATOR KRUEGER: Thank you.
10 Senator Brian Kavanagh.

11 ACTING PRESIDENT PERSAUD: Senator
12 Kavanagh, do you yield?

13 SENATOR KAVANAGH: I suppose.
14 (Laughter.)

15 ACTING PRESIDENT PERSAUD: The
16 Senator yields.

17 SENATOR PALUMBO: Thank you,
18 Senator Kavanagh, and good morning.

19 With respect to Section KK, which
20 provides for developing of sites owned by state
21 municipalities, nonprofits, community land
22 trusts, this is something that was contemplated
23 in the Governor's Executive Budget with respect
24 to the Southampton SUNY campus. So I just would
25 like to clarify some of those areas, if we could.

1 That specifically, as far as the
2 state sites that are chosen or used, will we need
3 ground lease legislation for each of those sites?

4 For example, if we're going to put
5 housing on a State University campus or
6 state-owned piece of property, will we need to do
7 a separate ground lease -- which has, I think,
8 typically been the process -- or can they just
9 have another type of approval process outside the
10 scope of the Legislature?

11 SENATOR KAVANAGH: Through you,
12 Madam President. Just to note, this is --
13 Part KK is our New York Housing for the Future
14 Homeownership and Rental Housing Program. It is
15 what's been called sometimes informally
16 Mitchell-Lama 2.0, and it is our effort to create
17 a new entity within HCR that will produce new
18 housing, both rentals and homeowner
19 opportunities, throughout the state.

20 As my colleague notes, there is an
21 emphasis in this bill on using public land for
22 that purpose, although not -- this provision is
23 not exclusively for public land. And it is only
24 loosely related to the provision the Governor
25 proposed in the Executive Budget, which has not

1 made it into the adopted budget, wherein the
2 Governor specified three properties that might be
3 suitable for housing.

4 And there was legislation -- there
5 was statutory language in the Executive Budget
6 that was intended to authorize those to be used
7 for that purpose. And in testimony at our budget
8 hearing, the Commissioner of Housing indicated
9 that those particular sites were included in the
10 Executive Budget because the Executive believed
11 that they needed specific statutory authorization
12 to use those properties in that way.

13 And so absent that statutory
14 authorization, assuming that testimony was
15 correct, in order to proceed with those plans for
16 those properties, presumably some further
17 statutory authorization would be required.

18 SENATOR PALUMBO: Will you continue
19 to yield, please, Senator Kavanagh.

20 ACTING PRESIDENT PERSAUD: Does the
21 Senator yield?

22 SENATOR KAVANAGH: Yes,
23 Madam President.

24 ACTING PRESIDENT PERSAUD: The
25 Senator yields.

1 SENATOR PALUMBO: Thank you.

2 And just so it's crystal-clear, so
3 there would be subsequent legislation on ground
4 leases required, but ultimately that authority, I
5 guess, would come from the Legislature, even for
6 future projects?

7 SENATOR KAVANAGH: Again, through
8 you, Madam President, I'm relying on the
9 testimony of our Housing Commissioner, who tends
10 to be very knowledgeable and well-briefed on
11 these things. And the assertion at that hearing
12 was that the use of that land in that way would
13 require statutory authorization, and that
14 authorization is certainly not included in this
15 bill or in any other part of the budget that I'm
16 aware of.

17 SENATOR PALUMBO: Terrific. Thank
18 you. Would you continue to yield, please.

19 ACTING PRESIDENT PERSAUD: Does the
20 Senator yield?

21 SENATOR KAVANAGH: Yes,
22 Madam President.

23 ACTING PRESIDENT PERSAUD: The
24 Senator yields.

25 SENATOR PALUMBO: Thank you,

1 Senator.

2 Subdivision 3 of Section 1 addresses
3 the management of these co-op projects. Would a
4 private developer qualify with approval from DHCR
5 as a corporation for that purpose?

6 SENATOR KAVANAGH: Through you,
7 Madam President, if my colleague could repeat,
8 there's a lot of dense text in front of me.
9 Which portion of the bill? I just want to make
10 sure we're talking about the same thing.

11 SENATOR PALUMBO: I believe it was
12 subdivision 3 of Section 1. So 1, sub 3. With
13 respect to management. And I have the language
14 itself.

15 SENATOR KAVANAGH: Oh, you're
16 referring to subdivision 3 of Section 1290 of the
17 new Article 32, I believe, right? It's at the
18 bottom of page 124, line 53.

19 SENATOR PALUMBO: I believe so,
20 yes.

21 SENATOR KAVANAGH: Right.

22 Yeah, so this is intended to --
23 again, the general purpose of this provision is
24 to create new homeownership opportunities.

25 Obviously these projects would have

1 to be designated, designed, funded and built
2 before you would raise the question of how
3 they're going to be managed. But this is -- this
4 bill sets various parameters, and one of the
5 parameters is the provision my colleague refers
6 to regarding how they might be -- what the range
7 of options would be for managing these projects
8 once they are complete.

9 And if I understood the question
10 correctly, this process would be overseen by a
11 new division of HCR that would be created.

12 SENATOR PALUMBO: Would the Senator
13 continue to yield.

14 ACTING PRESIDENT PERSAUD: Does the
15 Senator yield?

16 SENATOR KAVANAGH: Yes,
17 Madam President.

18 ACTING PRESIDENT PERSAUD: The
19 Senator yields.

20 SENATOR PALUMBO: Thank you,
21 Senator.

22 And it's more of a specific
23 question, I guess, just to be clear, that if a
24 ground lease were provided, say, to a private
25 developer, and just say, Knock yourself out,

1 build these many units, build it on the
2 Southampton campus, although it would be
3 supervised by DHCR -- I just want to see, for the
4 purposes of legislative intent, that this -- even
5 though it's a private corporation, this
6 public-private partnership would be allowed and
7 that corporation would ultimately be appropriate
8 to manage the property.

9 So does that seem okay to you?

10 SENATOR KAVANAGH: Yes. Through
11 you, Madam President, the expectation would be
12 that these projects would be proposed and
13 designed and built, and they would be managed by
14 a corporate entity which could include a
15 not-for-profit corporation, for the purpose of
16 providing homeownership.

17 SENATOR PALUMBO: Thank you,
18 Senator.

19 Would you yield for one or two more
20 questions on this issue, please.

21 ACTING PRESIDENT PERSAUD: Does the
22 Senator yield?

23 SENATOR KAVANAGH: Yes,
24 Madam President.

25 ACTING PRESIDENT PERSAUD: The

1 Senator yields.

2 SENATOR PALUMBO: There's one other
3 section regarding any regulatory agreement that's
4 executed pursuant to this program, there will be
5 a requirement that the maintenance fees increase
6 by a minimum percentage annually and that such --
7 to keep it affordable, of course -- and that it
8 be in good repair.

9 So I think the question is -- and it
10 doesn't necessarily define those rates, the wage
11 rates or the fee schedule and the minimum annual
12 percentage increases. Can we have some insight
13 as to what would be acceptable under the program?

14 SENATOR KAVANAGH: Through you,
15 Madam President. These projects would presumably
16 be done in a manner that's common for publicly
17 subsidized housing projects, where there would be
18 a regulatory agreement that would specify terms.
19 The legislation is laying out more or less the
20 topics that would need to be addressed in a
21 regulatory agreement.

22 But the specific terms would
23 probably vary based on, you know, the size of the
24 project, the income to which the project is
25 targeted. This bill sets a maximum of

1 130 percent of the area median income, but there
2 could be projects that are -- that have more deep
3 affordability. And of course geographic
4 variability, type of housing, a number of other
5 things would go into that.

6 But presumably a nonprofit
7 corporation or a corporation developing one of
8 these projects would enter into an agreement with
9 HCR that would specify those terms and be
10 mutually acceptable to the owner of the project
11 and to the state.

12 SENATOR PALUMBO: Very good.

13 And just if you would yield for one
14 more question on that.

15 ACTING PRESIDENT PERSAUD: Does the
16 Senator yield?

17 SENATOR KAVANAGH: Yes,
18 Madam President.

19 ACTING PRESIDENT PERSAUD: The
20 Senator yields.

21 SENATOR PALUMBO: Thank you,
22 Senator.

23 And again, just so it's
24 crystal-clear, Housing and Community Renewal
25 would determine the rate, but it would ultimately

1 be something that's agreed through the agency,
2 agreed upon with the developer. Is that
3 accurate?

4 SENATOR KAVANAGH: Through you,
5 Madam President. Presumably HCR would make it
6 known that there are opportunities to develop
7 particular kinds of housing with particular
8 parameters.

9 And one or more entities that have
10 the capacity to develop that would propose, and
11 then presumably they would enter into an
12 agreement that was, you know, in an arm's length
13 transaction with the state agency. So there's
14 no -- presumably nobody would be forced to build
15 housing if they don't think the terms work for
16 them.

17 SENATOR PALUMBO: Very good. Thank
18 you, Senator.

19 Madam President, if I may move on to
20 Part HH, the good-cause section.

21 ACTING PRESIDENT PERSAUD: Senator
22 Salazar, do you yield?

23 SENATOR SALAZAR: Yes.

24 ACTING PRESIDENT PERSAUD: The
25 Senator yields.

1 SENATOR PALUMBO: Thank you,
2 Madam President.

3 And good morning, Senator Salazar,
4 how are you?

5 SENATOR SALAZAR: Good morning.

6 SENATOR PALUMBO: So I have a few
7 questions with respect -- kind of globally
8 regarding this type of legislation. Because this
9 act will take effect immediately, correct?

10 SENATOR SALAZAR: Correct.

11 SENATOR PALUMBO: Thank you.

12 Through you, Madam President, would
13 Senator Salazar continue to yield?

14 ACTING PRESIDENT PERSAUD: Senator,
15 do you yield?

16 SENATOR SALAZAR: Yes.

17 ACTING PRESIDENT PERSAUD: The
18 Senator yields.

19 SENATOR PALUMBO: Thank you,
20 Senator.

21 And with respect to constitutional
22 mandates -- and I'm sure you're familiar with
23 something called the contracts clause, where we
24 have it in the State Constitution as well as the
25 United States Constitution. And I'll just read a

1 little bit to just refresh our colleague's
2 recollection, that a law violates the contracts
3 clause when it operates as a substantial
4 impairment of a contractual relationship and it's
5 not, quote, drawn in an appropriate and
6 reasonable way to advance a significant and
7 legitimate public purpose.

8 So in light of the fact that this
9 act takes effect immediately -- and if I'm
10 someone who has a lease that was signed on
11 April 1, 2024, that extends for a year, this will
12 in effect, if signed and passed today, modify
13 that contract by legislation, which was
14 specifically prohibited not only by the New York
15 Constitution but by the United States
16 Constitution.

17 So can you try and reconcile that
18 for me on -- as to how this is even
19 constitutional to do this?

20 SENATOR SALAZAR: Through you,
21 Madam President. So I will note that this
22 legislation does not modify any contract. And we
23 know that this legislation is constitutionally
24 sound, despite the interpretation of my
25 colleague.

1 SENATOR PALUMBO: Would
2 Senator Salazar continue to yield.

3 ACTING PRESIDENT PERSAUD: Does the
4 Senator yield?

5 SENATOR SALAZAR: Yes.

6 ACTING PRESIDENT PERSAUD: The
7 Senator yields.

8 SENATOR PALUMBO: Thank you,
9 Senator.

10 And there was just recently a couple
11 of cases in the Southern District of New York
12 regarding contracts-clause interpretations. They
13 were New York City cases.

14 And the one that somewhat struck me,
15 that there was a local law in the city also known
16 as the Guarantee Law, which rendered permanently
17 unenforceable personal liability guarantees of
18 commercial leases arising during the COVID-19
19 pandemic. And the court held that it violated
20 the contracts clause. In so holding, the court
21 found that the Guarantee Law substantially
22 impaired existing contracts between the landlords
23 and tenants, and the means chosen to accomplish
24 the law's purpose was not reasonable and
25 necessary. And particularly, the court stressed

1 the permanent restriction of the landlord's
2 ability to enforce personal guarantees.

3 So in that regard, if I signed, for
4 example, that same lease that I just signed a
5 week or two ago, and it has agreed-upon
6 contractually negotiated increases in rent that
7 exceed the parameters in this current bill, are
8 they still enforceable? Meaning can the landlord
9 still collect rents that are in excess of the
10 parameters outlined within this bill?

11 So if it's a five-year plus a
12 five-year, an option for an additional five years
13 with a certain level of increases, that's
14 inconsistent with the caps provided for in this
15 budget bill.

16 (Pause.)

17 SENATOR SALAZAR: Through you,
18 Madam President, this is -- this legislation is
19 fundamentally different from the rent guarantee
20 legislation in New York City law which had
21 applied to commercial tenants. This legislation
22 exclusively applies to residential tenants.

23 But additionally, we know that this
24 legislation is constitutional, just as rent
25 control has been deemed constitutional for a

1 century.

2 SENATOR PALUMBO: Thank you.

3 Madam President, will the sponsor
4 continue to yield?

5 ACTING PRESIDENT PERSAUD: Does the
6 Senator yield?

7 SENATOR SALAZAR: Yes.

8 ACTING PRESIDENT PERSAUD: The
9 Senator yields.

10 SENATOR PALUMBO: And I do
11 appreciate that, Senator Salazar.

12 And that was -- although that did
13 apply to commercial leases and this will be
14 applying to residential leases, as far as that
15 contracts clause is concerned, that the
16 limitations for rent control, for example, were
17 prospective. Right? And now that this is
18 mandating an effective-immediately prohibition on
19 rent increases, for example, we could also
20 negotiate. And I did use a commercial lease --
21 or I didn't actually specify whether it was
22 commercial or residential.

23 But in that same example, if this
24 were a residential lease that was signed on
25 April 1st that had annual increases in excess of

1 the prohibitions here, that would be an illegal
2 lease and would ultimately be void, am I correct
3 in saying that? If this ultimately passes.

4 But right now, as of 11:25 on
5 today's date, those leases are valid. They will
6 be invalid in the event this is signed in the
7 next day. So would you clarify that for me,
8 please?

9 SENATOR SALAZAR: Through you,
10 Madam President. This legislation would not
11 invalidate someone's lease that is currently in
12 effect if they've agreed to pay a certain amount
13 in rent for a certain period of time. This
14 legislation would not interfere with their
15 existing lease in that way.

16 Additionally, I'll note that this
17 legislation does not technically prohibit a
18 landlord from increasing the rent or providing a
19 tenant with a lease that would increase the rent
20 even above the local rent standard that is noted
21 in the legislation.

22 Rather, it would give a tenant a
23 rebuttable presumption against eviction under
24 certain circumstances in court, and would
25 consider rent increases where this applies, in

1 residential dwellings where this applies, to be
2 unreasonable if higher than the local rent
3 standard. It would presume them unreasonable but
4 would permit a landlord to rebut that
5 presumption.

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

8 ACTING PRESIDENT PERSAUD: Does the
9 Senator yield?

10 SENATOR SALAZAR: Yes.

11 ACTING PRESIDENT PERSAUD: The
12 Senator yields.

13 SENATOR PALUMBO: Thank you,
14 Senator.

15 So just so I'm clear, then, if they
16 have -- and I believe it's 5 percent plus CPI, or
17 10 percent. Are those the restrictions that
18 we're talking about?

19 SENATOR SALAZAR: Through you,
20 Madam President, yes. Five percent plus CPI,
21 which is the definition of the inflation index in
22 this bill, or 10 percent, whichever is lower.
23 Which at the present moment, the inflation index
24 would be a little bit lower than 10 percent.

25 SENATOR PALUMBO: Will the sponsor

1 continue to yield.

2 ACTING PRESIDENT PERSAUD: Does the
3 Senator yield?

4 SENATOR SALAZAR: Yes.

5 ACTING PRESIDENT PERSAUD: The
6 Senator yields.

7 SENATOR PALUMBO: And just so I'm
8 clear -- because this is somewhat nuanced, the
9 legislation. So if I have a written lease --
10 just to complete that thought, if you don't
11 mind -- if I have a written lease for 11 percent
12 annual increases, which is in excess of the
13 standard here, you said it would be presumed to
14 be invalid.

15 If I fail to pay rent, what -- how
16 could the landlord rebut the presumption that the
17 11 percent, nice and clear, is in excess of
18 10 percent -- how can you rebut the presumption
19 that that is a fair amount of rent next year, in
20 2025, when it goes up by 11 percent?

21 SENATOR SALAZAR: Through you,
22 Madam President, there are certain reasons that a
23 landlord can cite that are actually explicitly
24 mentioned in this bill.

25 But the legislation does not prevent

1 a landlord from citing other reasons that they
2 could potentially cite, such as they have faced
3 property tax increases, their financial
4 circumstances have changed in any way that, you
5 know, they believe justifies a rent increase
6 above the local rent standard, say to 11 percent.

7 There is nothing in this legislation
8 that prevents a landlord from presenting that in
9 order to justify a rent increase if in fact,
10 let's say, the landlord currently has a tenant
11 with a valid lease and at the end of that lease
12 the landlord seeks to increase the rent by
13 11 percent or another amount above the local rent
14 standard.

15 SENATOR PALUMBO: Will the sponsor
16 continue to yield?

17 ACTING PRESIDENT PERSAUD: Does the
18 Senator yield?

19 SENATOR SALAZAR: Yes.

20 ACTING PRESIDENT PERSAUD: The
21 Senator yields.

22 SENATOR PALUMBO: Okay, thank you.

23 So that -- the justification, then,
24 for being in excess of the 10 percent would have
25 to be expenses that you've incurred. Does that

1 make sense? Just generally speaking, is that --
2 because I remember reading something like that.
3 Substantial repairs, if property taxes are
4 increased, then you can go over that 10 percent,
5 is that accurate?

6 SENATOR SALAZAR: Through you,
7 Madam President, those are absolutely valid
8 reasons or potentially valid reasons that a
9 landlord could cite in court to justify a rent
10 increase.

11 SENATOR PALUMBO: Thank you.
12 Will the sponsor continue to yield?

13 ACTING PRESIDENT PERSAUD: Does the
14 Senator yield?

15 SENATOR SALAZAR: Yes.

16 ACTING PRESIDENT PERSAUD: The
17 Senator yields.

18 SENATOR PALUMBO: Thank you,
19 Senator Salazar.

20 And so if, in my example, that
21 11 percent -- it's a brand-new building. There
22 are no other repairs needed. And next year it
23 goes up 11 percent purely for profit to the
24 landlord. Is that justifiable under this
25 legislation?

1 SENATOR SALAZAR: Through you,
2 Madam President. That rent increase -- and I'll
3 just note for units, properties where the
4 good-cause-eviction law applies, that rent
5 increase would be presumed unreasonable.

6 However, the landlord would be able
7 to present that in court, and it ultimately is at
8 the discretion of a judge to determine whether or
9 not they are justified in increasing the rent by
10 that amount.

11 SENATOR PALUMBO: Thank you.

12 Will the sponsor continue to yield?

13 ACTING PRESIDENT PERSAUD: Does the
14 Senator yield?

15 SENATOR SALAZAR: Yes.

16 ACTING PRESIDENT PERSAUD: The
17 Senator yields.

18 SENATOR PALUMBO: Thank you.

19 And do we have any sort of
20 clarification or a list of what a justifiable
21 increase in rent would be? Or is it fully left
22 to the discretion of the court to determine
23 whether or not it's reasonable? Do we have a
24 list of reasonable situations, by any chance?

25 SENATOR SALAZAR: Through you,

1 Madam President. While there are situations that
2 are explicitly mentioned in the legislation that
3 a landlord could cite, such as their property
4 taxes increasing, it is not by any means an
5 exhaustive list of reasons that a landlord could
6 potentially cite to justify what is otherwise a
7 presumed unreasonable rent increase.

8 SENATOR PALUMBO: Will the sponsor
9 continue to yield.

10 ACTING PRESIDENT PERSAUD: Will the
11 Senator yield?

12 SENATOR SALAZAR: Yes.

13 ACTING PRESIDENT PERSAUD: The
14 Senator yields.

15 SENATOR PALUMBO: Senator, would
16 these restrictions apply to rent-regulated units?

17 SENATOR SALAZAR: Through you,
18 Madam President, no.

19 SENATOR PALUMBO: Will the sponsor
20 continue to yield.

21 ACTING PRESIDENT PERSAUD: Will the
22 Senator yield?

23 SENATOR SALAZAR: Yes.

24 ACTING PRESIDENT PERSAUD: The
25 Senator yields.

1 SENATOR PALUMBO: Outside of
2 New York City, if a municipality opts into this
3 new good-cause, these terms, and ultimately
4 decides maybe a year or so later that it is not
5 working for them, can they opt out?

6 SENATOR SALAZAR: Through you,
7 Madam President. While that situation is not
8 explicitly addressed in this legislation, I will
9 note that there is a 10-year sunset for this
10 legislation. And so what a -- what we do know
11 for certain is that a municipality -- it would no
12 longer be in effect after the sunset. At least
13 not automatically.

14 SENATOR PALUMBO: Would the sponsor
15 continue to yield.

16 ACTING PRESIDENT PERSAUD: Does the
17 Senator yield?

18 SENATOR SALAZAR: Yes.

19 ACTING PRESIDENT PERSAUD: The
20 Senator yields.

21 SENATOR PALUMBO: So -- and I
22 believe this was -- paragraph C of Section 7
23 indicated that it would remain in force for those
24 10 years, or 2034. So if someone adopts it next
25 year, they won't able to repeal their opt-out

1 until the sunset in 2034, is that accurate?

2 SENATOR SALAZAR: Through you,
3 Madam President, the bill does not directly speak
4 to that situation.

5 SENATOR PALUMBO: Would the sponsor
6 continue to yield.

7 SENATOR SALAZAR: Yes.

8 ACTING PRESIDENT PERSAUD: The
9 Senator yields.

10 SENATOR PALUMBO: So in this
11 legislation -- for example, we do it all the time
12 here, when they're about to sunset, we renew them
13 for an additional period of time. If we extend
14 this in legislative session 2033 for another
15 10 years, would the municipality or agency still
16 be required to remain in this program?

17 SENATOR SALAZAR: Through you,
18 Madam President. I will also note that there is
19 nothing that prevents this body from taking
20 legislative action sooner than the 10 years if we
21 determine that localities need the law to be
22 changed in order to do what they see fit for
23 their locality.

24 SENATOR PALUMBO: Will the sponsor
25 continue to yield.

1 ACTING PRESIDENT PERSAUD: Does the
2 Senator yield?

3 SENATOR SALAZAR: Yes.

4 ACTING PRESIDENT PERSAUD: The
5 Senator yields.

6 SENATOR PALUMBO: Thank you.

7 And Senator, regarding -- just to
8 back up a little bit, I just thought of another
9 question regarding if a landlord fails to prove
10 that the rent increase of 11 percent is
11 reasonable. What's the sanction? Do they
12 forfeit the extra money? Can they still evict
13 the person? Please explain that to me.

14 SENATOR SALAZAR: Through you,
15 Madam President. This happens in an eviction
16 proceeding that is brought by the landlord. If
17 the rent increase that the landlord is demanding
18 is determined by the court to be unreasonable,
19 the tenant would then not owe that rent increase.
20 They would only owe what they have agreed to pay
21 to the landlord.

22 SENATOR PALUMBO: If the sponsor
23 will continue to yield.

24 ACTING PRESIDENT PERSAUD: Does the
25 Senator yield?

1 SENATOR SALAZAR: Yes.

2 ACTING PRESIDENT PERSAUD: The
3 Senator yields.

4 SENATOR PALUMBO: And so,
5 Senator -- in this situation, though, they have
6 agreed, by way of a written contract. So I guess
7 my question is, do they pay up to the cap, the
8 5 percent plus CPI or 10 percent, whichever is
9 less? Or do they just pay whatever they feel
10 like paying?

11 So when you say whatever they've
12 agreed to, they previously agreed to these
13 provisions of the lease. It was openly signed,
14 and in this example there was no duress or any
15 reason to void it. They said, This is great, I
16 love the place, I'll stay there for an 11 percent
17 annual increase.

18 SENATOR SALAZAR: Through you,
19 Madam President. I'll note that there is nothing
20 in this legislation that would prevent a tenant
21 from agreeing to a rent increase, even if it is
22 above the local rent standard. Maybe they don't
23 want to go to Housing Court. Maybe they just
24 don't want the hassle. Maybe they can afford it.
25 Maybe they just really love their landlord and

1 want to pay them more money. All of those things
2 are serious possibilities under this legislation.

3 However, if a -- if a rent increase
4 that is presumed unreasonable is then found to be
5 unreasonable, determined to be unreasonable by
6 the court in this situation, the tenant would
7 still be expected to pay an amount up to the --
8 the amount that is deemed reasonable, the local
9 rent standard in terms of a rent increase.

10 SENATOR PALUMBO: Will the sponsor
11 yield for another question or two.

12 ACTING PRESIDENT PERSAUD: Does the
13 Senator yield?

14 SENATOR SALAZAR: Yes.

15 ACTING PRESIDENT PERSAUD: The
16 Senator yields.

17 SENATOR PALUMBO: So that is a
18 rebuttable presumption I believe you
19 mentioned. So it would be presumed unreasonable
20 unless the landlord can overcome the presumption,
21 is that accurate?

22 SENATOR SALAZAR: Through you,
23 Madam President. In situations where this bill
24 applies, where the landlord is not exempt, yes,
25 that is accurate.

1 SENATOR PALUMBO: Thank you,
2 Senator Salazar.

3 On the bill, please,
4 Madam President.

5 ACTING PRESIDENT PERSAUD: Senator
6 Palumbo on the bill.

7 SENATOR PALUMBO: So we all agree
8 in New York State that there is a very
9 significant issue regarding housing. You may
10 recall last year we passed a housing bill that I
11 carried for the five eastern towns that created a
12 fund to help with affordable housing. It was
13 adopted by all the town boards, four out of the
14 five East End towns. It went to referendum, and
15 the residents passed it in East Hampton Town,
16 Southampton Town, on Shelter Island, and in the
17 town where I live, in Southold Town. Riverhead,
18 there were some adjustments made to a community
19 preservation fund that they weren't able to
20 handle yet. But this is -- it's widely
21 supported, and we get it.

22 And the concern with this
23 legislation -- and I'm speaking just to
24 good-cause. There are a number of other issues
25 that my colleagues will address -- this is going

1 to destroy the housing market outside of New York
2 City. The housing market, quite frankly, in
3 New York City has already been fixed for how many
4 years, and that housing market is not a good one.
5 It's unfortunately one of the worst in the
6 country.

7 So now that we're providing all of
8 these restrictions on just people agreeing -- so
9 Madam President, when someone agrees to occupy a
10 home that's not theirs, they enter a contract and
11 they agree to pay a certain amount for that home.
12 We are now, by legislation, I believe in direct
13 violation of our Constitution in New York and the
14 United States Constitution, by -- we're changing
15 the terms by legislation, which is strictly
16 prohibited.

17 So we're leaving this to an
18 arbitrary decision. It's presumed an
19 unreasonable increase if it's outside the
20 parameters of this bill, despite the fact that
21 everyone agreed to it.

22 This legislation takes effect
23 immediately. Many other states have imposed some
24 type of iteration of this type of good-cause in
25 some respects, and they always had maybe the

1 first year they have some commonsense additions
2 to it -- that it doesn't take effect immediately,
3 give the landlords some time to catch their
4 breath.

5 And what's even more concerning is
6 you may have, in some of these municipalities, a
7 brand-new mayor, someone who feels excited about
8 doing what they believe is the right thing for
9 their community. They opt in, and what happens?
10 What will happen is similar to what's happening
11 in New York State, in New York City today.

12 Because when 421-a expired, there
13 were just under 50 -- in 2022, which is the year
14 it expired, the 2022 applications to build
15 affordable units were just under 50,000 permit
16 applications in the five boroughs. Last year
17 there were under 10,000, a 78 percent reduction
18 in applications to build affordable units.

19 So what happens here? And this is
20 really the dynamic that I think it's -- it's
21 naive and it's contrary to what every economist
22 on the planet will tell you. That there's a give
23 and take when it comes to investing in real
24 estate. And the reason why other states are
25 seeing a boom in construction is because it's

1 cheaper to build. And it is because,
2 Madam President, they have an obligation to make
3 a couple of bucks. They're not charitable
4 organizations.

5 And so when you think about this,
6 the market has traditionally averaged around
7 10 percent over the last hundred years annually.
8 Why would one of these real estate investment
9 trusts, with hundreds of millions of dollars to
10 invest in the great State of New York, when they
11 see this type of legislation coming down and say,
12 Well, you're going to restrict my ability to
13 recoup improvements, you're going to restrict my
14 ability to actually create a beautiful place that
15 I invest into, that I put more money into, that I
16 keep looking nice, I have replaced the roof when
17 there's leaks -- why would they want to spend
18 that money here when they can go elsewhere and
19 make a better return?

20 So it's a very delicate balance that
21 we need to strike here. And this, unfortunately,
22 will be devastating, in my opinion, with -- if --
23 in the event it's implemented and in the event it
24 is found to be constitutional.

25 But quite frankly, this is a taking.

1 This is -- you are modifying the value of
2 someone's property by legislation. So forget
3 about even the contracts clause. We are now
4 devaluing all these other properties that are
5 otherwise firing on all pistons now, because in
6 the event a municipality chooses to opt in, then
7 just like that, with the stroke of a pen, they
8 can't opt out if it's not working for them,
9 they're stuck with it, and you've now got a huge
10 diminution of property values.

11 Because how do you evaluate
12 commercial property, even residential units,
13 multi-unit properties? What's the net operating
14 income? Here's our gross income. Here are our
15 operating expenses, property taxes, insurances,
16 maintenance, snow removal. And this little
17 window here is your NOI, your net operating
18 income.

19 So a good number is usually
20 10 percent. In some of these more exclusive
21 areas, maybe 6 percent. Now we're going to be
22 restricted to maybe even 5 or less.

23 And this is a bigger wrinkle, and
24 the last comment I'm going to make. This is what
25 you see in New York City, that when you have a

1 capped increase, what are you going to do as a
2 businessperson? If I have something go really
3 bad, particularly now outside of the city, and
4 you have a four-unit, five-unit mom-and-pop type
5 of place, if my boiler goes, I'm going to have to
6 come up with 10 grand. So every single year
7 you're going to beat the drum and you're going to
8 go to the maximum rent increase every time.

9 And that is what is continuing to
10 inflate the rent costs. So when you look at the
11 costs in New York City, everyone's like, oh my
12 God, the rent's too damn high. It is. Because
13 those people that have chosen to slug it out and
14 stay here, they have an operation to run that
15 needs to pay for stuff. Needs to pay for roof
16 repairs. It's expensive to own property.

17 So Madam President, I don't want to
18 belabor it too much, but this section of this
19 budget bill is horrendously unconstitutional,
20 unfortunately. And for those reasons -- and many
21 others -- I'll be voting no.

22 Thank you very much.

23 ACTING PRESIDENT PERSAUD: Thank
24 you, Senator.

25 Senator Lanza.

1 SENATOR LANZA: I rise,
2 Madam President, to see whether or not the good
3 Senator would yield to one or two questions.

4 ACTING PRESIDENT PERSAUD: Senator
5 Salazar, do you yield?

6 SENATOR SALAZAR: Yes.

7 ACTING PRESIDENT PERSAUD: The
8 Senator yields.

9 SENATOR LANZA: Thank you.

10 Through you, Madam President.
11 During the conversation or debate between
12 Senators Palumbo and Salazar concerning the
13 constitutionality of this legislation, I thought
14 I heard the sponsor say that it does not
15 invalidate leases.

16 And it is my understanding that
17 good-cause cannot exist without the invalidation
18 of lease agreements. What I mean by this is if a
19 landlord and a tenant agree upon a lease that has
20 a term of month to month or six-month or
21 one year, that at the end of that agreed-upon
22 lease either the tenant or the landlord can say
23 "We're parting ways."

24 Now, if what Senator Salazar said is
25 true, then there is no so-called good-cause

1 eviction. So my question is if in fact the
2 landlord and tenant enter an agreement that has a
3 term of one year, is that valid or not if this
4 becomes law?

5 SENATOR SALAZAR: Through you,
6 Madam President. Just as rent stabilization,
7 while it is a different mechanism and a different
8 kind of protection for tenants than good-cause
9 eviction -- just as rent stabilization does not
10 invalidate leases, the good-cause-eviction law
11 also does not invalidate a lease that a tenant
12 has right now with their landlord.

13 But it does give protections for the
14 tenant against unjust evictions and unreasonable
15 rent increases.

16 SENATOR LANZA: Would the sponsor
17 yield, Madam President?

18 ACTING PRESIDENT PERSAUD: Does the
19 Senator yield?

20 SENATOR SALAZAR: Yes.

21 ACTING PRESIDENT PERSAUD: The
22 Senator yields.

23 SENATOR LANZA: Through you,
24 Madam President.

25 If this law says that a lease

1 agreement between a landlord and a tenant for a
2 period of one year no longer means that the
3 landlord can opt, according to that agreement, to
4 evict the tenant, then this would invalidate
5 leases.

6 So I will just ask one more time,
7 and then I'll speak on the bill, whether or not
8 that is what this bill does.

9 SENATOR SALAZAR: Through you,
10 Madam President. This bill does not invalidate
11 an existing lease.

12 If at the end of that lease period
13 the landlord seeks to evict the tenant, just as
14 right now under existing law, eviction is a legal
15 proceeding. A landlord could bring a case for --
16 they could bring a case for nonpayment, which
17 I'll note is explicitly identified in this
18 legislation as good cause to evict, nonpayment of
19 rent that was -- that the tenant agreed to pay.

20 If a landlord brings a holdover
21 eviction, right, under existing law, eviction is
22 a legal proceeding. That is the only lawful way
23 to evict a tenant. But we wouldn't say that
24 going through an eviction proceeding under
25 current law invalidates someone's lease, just as

1 we would also -- we wouldn't say that rent
2 stabilization, because it gives tenants certain
3 rights to a lease renewal, that it invalidates
4 their existing lease.

5 This is also true for good-cause
6 eviction. It does not invalidate the lease
7 between a tenant and a landlord.

8 SENATOR LANZA: Madam President, on
9 the bill.

10 ACTING PRESIDENT PERSAUD: Senator
11 Lanza on the bill.

12 SENATOR LANZA: Thank you,
13 Senator Salazar.

14 Madam President, I hope that
15 Senator Salazar is correct. Because if she is,
16 there is no so-called good-cause eviction as has
17 been described by my colleagues across the aisle.

18 I think we have been -- when we
19 spoke, we talked across each other. What I am
20 speaking of, Madam President, is that when you
21 have an agreement between a landlord and a tenant
22 that says the lease agreement -- the lease, the
23 tenancy, by operation of that agreement ends
24 after whatever period has been agreed upon --
25 month to month, six-month, one year, five-year --

1 when that comes to an end, a landlord need
2 simply, under the current state of our property
3 rights and the law in the State of New York, need
4 simply notify the tenant: Hey, we had an
5 agreement for a year for you to live here in my
6 building, in my house. That year has lapsed.
7 The agreement says that we no longer have an
8 agreement for you to be here, and they part ways.

9 If this law changes that, then in
10 fact, beyond a reasonable doubt, good-cause
11 eviction, this law, invalidates leases that
12 presently exist between landlords and tenants.

13 In fact, what it says, if this
14 becomes law, the owner of a property, a home, can
15 never again in the State of New York enter into
16 an agreement with a tenant for anything less than
17 life. Only the tenant will have the option of
18 ever leaving that apartment or property. The
19 landlord, the owner of that property, has lost
20 forever in the State of New York the right to put
21 a term on that tenancy.

22 And that is why those of us on this
23 side of the aisle believe -- based on the way
24 this is written, not the way it has been just
25 described -- that it violates the constitutional

1 rights of property owners in the State of
2 New York.

3 Thank you, Madam President.

4 ACTING PRESIDENT PERSAUD: Thank
5 you, Senator Lanza.

6 Senator Helming.

7 SENATOR HELMING: Thank you,
8 Madam President. If the sponsor will yield for
9 some questions on Part KK.

10 ACTING PRESIDENT PERSAUD: Senator,
11 do you yield?

12 SENATOR KAVANAGH: Yes,
13 Madam President.

14 ACTING PRESIDENT PERSAUD: The
15 Senator yields.

16 SENATOR HELMING: Thank you,
17 Senator Kavanagh.

18 So Part KK is the New York Housing
19 for the Future program, and Senator Palumbo asked
20 some really great questions. In listening to the
21 exchange, I just had basically a couple of simple
22 follow-up questions.

23 Under this section, is it possible
24 that community land trusts could utilize
25 previously conserved lands for housing projects?

1 SENATOR KAVANAGH: Through you,
2 Madam President. I don't believe there's
3 anything in this legislation that would prevent
4 that.

5 SENATOR HELMING: Is there anything
6 in this language --

7 ACTING PRESIDENT PERSAUD: Are you
8 asking the Senator a question?

9 SENATOR HELMING: I'm sorry. If
10 the sponsor will continue to yield.

11 ACTING PRESIDENT PERSAUD: Does the
12 sponsor yield?

13 SENATOR KAVANAGH: Yes,
14 Madam President.

15 ACTING PRESIDENT PERSAUD: The
16 sponsor yields.

17 SENATOR HELMING: If a community
18 land trust decided to go ahead with a housing
19 project on lands that had been previously
20 conserved for environmental protection reasons,
21 et cetera, would the project be subject to local
22 zoning codes?

23 SENATOR KAVANAGH: Through you,
24 Madam President. I guess it might depend on the
25 particular circumstance. Like, for example,

1 whether the local zoning codes apply outside of
2 this legislation.

3 But there's nothing in this
4 legislation that alters the applicability of
5 local zoning codes.

6 SENATOR HELMING: Through you,
7 Madam President, if the sponsor will continue to
8 yield.

9 ACTING PRESIDENT PERSAUD: Senator,
10 do you yield?

11 SENATOR KAVANAGH: Yes,
12 Madam President.

13 ACTING PRESIDENT PERSAUD: The
14 Senator yields.

15 SENATOR HELMING: Senator Kavanagh,
16 maybe you could explain a little bit more. I
17 thought I heard during the debate earlier that
18 these projects are subject to an agreement
19 between the agency and the state. I didn't hear
20 that the municipality where the project will be
21 located had any oversight or any say.

22 So are you saying that these
23 projects would go through the normal local
24 permitting process?

25 SENATOR KAVANAGH: Through you,

1 Madam President, yes.

2 What this bill contemplates is a new
3 state program to develop affordable homeownership
4 opportunities and affordable rental housing. And
5 as is normally the case when the state is
6 funding, you know, one of the numerous projects
7 we fund through state capital funding, they are
8 overseen -- you know, the terms of the program
9 would apply to such things as the affordability
10 level, maybe the type of housing, maybe some
11 other terms that might be part of a regulatory
12 agreement.

13 But housing in this state is built
14 under a broader regulatory regime that involves
15 localities setting building codes, inspecting,
16 having land-use controls and other things.

17 And presumably the HCR might look to
18 see that -- before they enter into a contract,
19 they might look to see that the project is
20 permissible under local laws. But there's
21 nothing in this bill that would make a project
22 permissible under local law that would otherwise
23 be impermissible.

24 SENATOR HELMING: Through you,
25 Madam President, if the sponsor will continue to

1 yield.

2 ACTING PRESIDENT PERSAUD: Does the
3 Senator yield?

4 SENATOR KAVANAGH: Yes,
5 Madam President.

6 ACTING PRESIDENT PERSAUD: The
7 Senator yields.

8 SENATOR HELMING: Senator Kavanagh,
9 I'm going to preface this question by saying that
10 you and I walked out last night pretty much
11 together, it was almost 1 a.m. I didn't have the
12 bill because it wasn't ready yet, the full final
13 bill wasn't ready. So between being a little
14 sleepy right now and also not having sufficient
15 time to review the bill and the details of the
16 bill, I'm confused by your last answer.

17 Does the municipality -- will the
18 municipality have a seat at the table in deciding
19 if projects under this program will be allowed in
20 their community? Will they have the ultimate say
21 in whether or not a project should be permitted
22 in their community?

23 SENATOR KAVANAGH: Through you,
24 Madam President, yes, it's been a long week for
25 all of us -- a long month and a half, perhaps.

1 But this bill creates a new
2 mechanism for funding the development of housing
3 in the state. We have many programs that already
4 do that. There's nothing in this bill that would
5 say that localities would have the discretion to
6 sort of prevent somebody from sort of
7 participating in this program if they were -- if
8 a developer were proposing to build something
9 that is otherwise -- that is already permissible
10 in their locality.

11 Theoretically, I suppose they could
12 change their zoning or change their land-use
13 rules if they were concerned there was something
14 that was going to get built that would be not
15 acceptable locally.

16 But this bill is about creating
17 funding for certain kinds of projects, and
18 entering into agreements to build those projects.
19 So there's nothing in this bill that says HCR
20 would check with the locality whether they have
21 some, you know, general desire to have something
22 built under this particular program in a
23 particular way.

24 But localities, as we know, and as
25 we discussed quite a bit last year, have a very

1 strong ability to prevent housing and other
2 structures from being developed in their --
3 within their jurisdiction, and they exercise that
4 frequently. They particularly exercise that in
5 some parts of the metropolitan area in New York
6 where we have, you know, very little housing
7 built in some of our suburbs.

8 There's nothing in this bill that
9 alters any of those restrictions. So again, you
10 couldn't -- you presumably couldn't say "We don't
11 want this program" if somebody were trying to
12 build the exact same structure that would be
13 otherwise permissible if it were built by a
14 private entity or built under another program.

15 But there's nothing -- this bill
16 would not permit anything to be built that could
17 not otherwise be built. So localities would
18 retain substantial control over what gets built
19 within their jurisdiction.

20 SENATOR HELMING: Madam President,
21 if the sponsor will continue to yield.

22 ACTING PRESIDENT PERSAUD: Will the
23 Senator yield?

24 SENATOR KAVANAGH: Happily,
25 Madam President.

1 ACTING PRESIDENT PERSAUD: The
2 Senator yields.

3 SENATOR HELMING: So I was asking
4 specifically about community land trusts because
5 typically they work in collaboration with local
6 governments. It's a long, arduous process, often
7 very costly, time consuming, to preserve lands,
8 to conserve lands.

9 In my district, the Finger Lakes
10 area, it's incredibly important. I've worked
11 closely with our land trusts over decades to make
12 sure that we preserve and protect lands.

13 And now for the state to step in and
14 say, hey, HCR may come in and say, yeah, land
15 trust, maybe you have some legal problems, maybe
16 you have some other issues and you need to raise
17 some cash? It's okay to go ahead. We'll work
18 with you to build on these environmentally
19 sensitive lands.

20 But I want to just ask a question.
21 I have a note here that says that the units
22 created will be eligible for tax exemptions.
23 Again, it's the municipality who has to pick up
24 the cost and cover the cost of road maintenance,
25 of infrastructure costs, water and sewer

1 maintenance. What else? Emergency management
2 services, et cetera.

3 Will local governments have a say in
4 what their tax -- if there should be a tax
5 exemption and, if there should, what that amount
6 should be?

7 SENATOR KAVANAGH: Through you,
8 Madam President. First, in answer to the
9 implicit question in the first part of my
10 colleague's comments, if there are restrictions
11 on land that is placed on them by their
12 participation or ownership by a community land
13 trust, there's nothing in this bill that would
14 change that.

15 There's nothing in this bill that
16 would change any existing restriction on land in
17 the State of New York, whether it be through
18 local zoning or land-use rules, whether it be
19 through, you know, "forever wild" provisions of
20 the Constitution, or whether it be through, you
21 know, land banks or land trusts that have
22 specific rules about how their land may be used
23 or disposed of.

24 With respect to tax breaks, there's
25 also nothing in this bill that would require any

1 locality to provide any tax relief or tax benefit
2 to any property through this program.

3 The bill does make it clear that
4 there may be properties -- for example,
5 Housing Development Fund Corporation properties
6 and others -- that benefit from local tax breaks
7 through local laws. And those would not be
8 exempt from participation in this program.

9 But again, there's nothing in this
10 program that would require any locality to grant
11 any favorable tax treatment to any property.

12 SENATOR HELMING: Madam President,
13 if the sponsor will continue to yield, I'd like
14 to shift to Part JJ.

15 SENATOR KAVANAGH: Yes,
16 Madam President.

17 ACTING PRESIDENT PERSAUD: The
18 Senator yields.

19 SENATOR HELMING: Senator Kavanagh,
20 Part JJ establishes a new audit for 421-a
21 projects. Can you describe what that audit
22 entails? Not in detail, but maybe more why you
23 felt it was important to audit 421-a projects.

24 SENATOR KAVANAGH: Through you,
25 Madam President. This Part JJ does indeed

1 require a -- impose a new audit requirement on
2 the City Department of Housing Preservation and
3 Development. It applies, as my colleague noted,
4 both to the 421-a program, which has been in
5 existence for many years. It would also apply to
6 the 485-x program, which is -- forgive me, I
7 stand corrected.

8 A previous draft of this bill would
9 have applied this particular section to 485-x,
10 which we're going to discuss at some point today,
11 I believe, and is in the bill before us. But
12 this bill would apply to existing -- this
13 particular section would apply to the 421-a
14 project and any previous iterations of that going
15 back to any project that began receiving benefits
16 in 2014 and continues to receive such benefits.

17 So 421-a, as we know, is a program
18 that provides tax breaks in exchange for property
19 owners providing housing that is affordable at
20 certain levels. There's been some concern over
21 the course of many years that developers may be
22 receiving those very generous tax breaks, denying
23 the state -- the City of New York the revenue
24 from property taxes on those buildings, and
25 perhaps not complying with their obligation to

1 provide affordable housing.

2 So this would have the New York City
3 Department of Housing Preservation & Development
4 develop a program and audit those projects to
5 determine whether they're meeting those
6 obligations. They would get whatever information
7 is necessary from the developer, from the
8 Department of Finance in the city and from HCR,
9 and determine whether those projects are in
10 compliance with current law.

11 SENATOR HELMING: Through you,
12 Madam President, if the sponsor will continue to
13 yield.

14 ACTING PRESIDENT PERSAUD: Does the
15 Senator yield?

16 SENATOR KAVANAGH: Yes,
17 Madam President.

18 ACTING PRESIDENT PERSAUD: The
19 Senator yields.

20 SENATOR HELMING: So,
21 Senator Kavanagh, yesterday I raised a number of
22 questions around the funding that's being
23 directed to NYCHA. Not necessarily because I was
24 concerned about the amount of funding or even
25 funding going to the New York City Housing

1 Authority, but because of all of the reports
2 about wasteful spending, potential bribery. You
3 know, spending almost a half a million dollars to
4 rehab a single apartment unit.

5 Is there anything in this budget
6 that requires annual auditing of the NYCHA
7 program to make sure that the funding that
8 New York State taxpayers are providing to NYCHA
9 is used properly and to the benefit of the
10 residents?

11 SENATOR KAVANAGH: Through you,
12 Madam President. First of all, just to be clear,
13 we did have a lively conversation last night
14 about this.

15 The funding that the state provides
16 has generally not been used for the kinds of
17 renovations that my colleague is referring to.
18 We've often used that money to replace boilers
19 and roofs, rather than doing kind of individual
20 apartment repairs, and certainly not generally at
21 a cost of half a million dollars.

22 But -- and as noted, that particular
23 source of funding, which is a very small fraction
24 of the funding for the New York City Housing
25 Authority, is subject to a variety of oversight

1 provisions, including direct oversight by a state
2 agency, the DASNY, as well as the Division of
3 Budget.

4 And again, we've had lots of
5 experience with that. We've made capital grants
6 in the past, and we have gotten reports about the
7 effective spending of that money and the
8 completion of those projects.

9 I would just also note that as I
10 mentioned last night, the New York Housing
11 Authority is subject to oversight by the New York
12 City Mayor's office, by the Office of Management
13 and Budget, by the City Council, by the City
14 Comptroller, by the State Comptroller, by a
15 federally appointed special monitor that has
16 broad jurisdiction basically to inquire about
17 anything, by a special ombudsperson for mold and
18 lead issues, and by the U.S. Department of
19 Housing and Urban Development and various
20 inspectors general and other officials.

21 So there is a great deal of
22 oversight over money that is spent by the
23 New York City Housing Authority.

24 In this -- in the case of this bill,
25 we are adding a requirement that a particular

1 benefit that the public is supposed to be getting
2 by a tax expenditure -- affordability in these
3 buildings -- is actually audited for the first
4 time.

5 Because the information necessary to
6 determine whether private developers are
7 complying with that requirement is substantially
8 in the hands of private developers, we are adding
9 here an audit requirement that will get at the
10 question of whether the public is getting the
11 value that the public is paying for in this
12 particular program in buildings built under
13 421-a.

14 SENATOR HELMING: Thank you.

15 Madam President, if the sponsor will
16 continue to yield.

17 ACTING PRESIDENT PERSAUD: Does the
18 Senator yield?

19 SENATOR KAVANAGH: Happily,
20 Madam President.

21 ACTING PRESIDENT PERSAUD: The
22 Senator yields.

23 SENATOR HELMING: I think that was
24 a long response to a question that could have
25 been answered with one word: No.

1 And I will point out that the
2 funding that New York State is sending to NYCHA
3 is exactly being used for the type of projects
4 that are -- there's out-of-control spending,
5 there's wasteful spending, whether it's on those
6 apartment renovations, replacement of light
7 bulbs, whatever it is. That's where our money is
8 going, and it should be accounted for.

9 But my question is -- I'd like to go
10 to a general question on housing. Senator
11 Kavanagh, what is in this budget for affordable
12 housing preservation outside of New York City?

13 SENATOR KAVANAGH: Through you,
14 Madam President, if I may, just to the first part
15 of my colleague's comments. I will concede it
16 was a long answer because there was in fact a
17 great deal of oversight over the housing
18 authority. If I had chosen one word, the word
19 would have been "yes" and not "no." But we seem
20 to have a -- you know, a difference of opinion on
21 that.

22 There are numerous proposals --
23 numerous programs in this budget that are
24 intended to address the housing needs outside the
25 City of New York. We did discuss some of them

1 last night. Some of them are in the capital
2 budget. Some of them are also in the Aid to
3 Localities budget, each of which has already been
4 passed on this floor.

5 It was noted yesterday, for a few
6 examples, you know, there is a program for
7 renovation of existing apartments outside the
8 City of New York -- and the bill specifically
9 says outside the City of New York -- that are
10 rental apartments. There's a separate -- funded
11 at \$40 million in the budget, the bill we passed
12 last night.

13 There's an additional program funded
14 at \$40 million which is also a new program that
15 is intended to provide infill housing in upstate
16 cities, on vacant lots in upstate cities.

17 There is the Small Rental
18 Development Initiative, which is a program that
19 this house -- was created through the initiative
20 of this house and my colleague Michelle Hinchey,
21 in particular, that is intended to ensure that we
22 are building rental housing in small villages at
23 the scale that is appropriate in those places.

24 There is also the program we were
25 discussing previously, which is a new statewide

1 program that is intended to get the State of
2 New York in the business of producing affordable
3 housing appropriately throughout the state. That
4 is not in any way limited or even targeted to
5 New York City. And again, we are funding that --
6 we funded that in a bill passed last night at
7 \$150 million to begin.

8 There's also the RUSH program which
9 was proposed by the Governor, which is intended
10 to put a quarter-billion dollars available,
11 again, for development of housing on public
12 property, particularly state-funded housing. And
13 again, that is likely a program that would
14 primarily function outside the City of New York.

15 And there are numerous other
16 programs in our -- the State of New York's
17 five-year plan includes \$5.5 billion in addition
18 to the billion dollars that we are adding to the
19 budget today for development, and that is -- much
20 of that money is spent outside the City of
21 New York.

22 SENATOR HELMING: Thank you.

23 Madam President, if the sponsor will
24 continue to yield.

25 ACTING PRESIDENT PERSAUD: Senator

1 Kavanagh, do you yield?

2 SENATOR KAVANAGH: Yes,
3 Madam President.

4 ACTING PRESIDENT PERSAUD: The
5 Senator yields.

6 SENATOR HELMING: So I was looking
7 for information specifically on ELFA, the bill
8 before us.

9 But just a question on the infill
10 housing. During the budget hearings, when the
11 Senate one-house bill was on the floor before us,
12 I had asked specifically about our small cities
13 being included in the infill program -- City of
14 Canandaigua, City of Geneva and others.

15 Has the language been revised to
16 include our small cities? Or who is included,
17 who is eligible for the infill program?

18 SENATOR KAVANAGH: Through you,
19 Madam President. As was noted, the particular
20 provision we're speaking about now is not before
21 us now. It was passed by this house yesterday.

22 But the infill program is intended
23 for small cities throughout the state. And it's
24 our expectation that that money will be used to
25 create new housing in small cities.

1 I would also just add one other
2 example. As I mentioned, there are many existing
3 programs that fund housing throughout the state.
4 One new thing that I think is notable in this is
5 also additional subsidies to renovate property
6 that has been created through a federal
7 Department of Agriculture program in rural areas.
8 And there is a specific proposal that we passed
9 yesterday that will fund renovations of those
10 programs. And again, that is exclusively in
11 rural areas of the state.

12 SENATOR HELMING: Thank you,
13 Madam President. I appreciate Senator Kavanagh's
14 time in responding to my questions.

15 My next question is related to
16 Part HH, good-cause.

17 ACTING PRESIDENT PERSAUD: Senator
18 Salazar, do you yield?

19 SENATOR SALAZAR: Yes.

20 ACTING PRESIDENT PERSAUD: The
21 Senator yields.

22 SENATOR HELMING: Thank you,
23 Senator Salazar. Just a quick question.

24 Is there a primary residence
25 requirement for the tenant?

1 SENATOR SALAZAR: Through you,
2 Madam President. No, there is not.

3 SENATOR HELMING: Madam President,
4 if the sponsor will continue to yield.

5 ACTING PRESIDENT PERSAUD: Does the
6 Senator yield?

7 SENATOR SALAZAR: Yes.

8 ACTING PRESIDENT PERSAUD: The
9 Senator yields.

10 SENATOR HELMING: Do you see any
11 potential consequences with not requiring that it
12 be a -- that the language include primary
13 residency requirements?

14 SENATOR SALAZAR: Through you,
15 Madam President, I do not.

16 The tenants who this legislation
17 would apply to are tenants, people who -- it's
18 defined in the bill, but an individual who has an
19 agreement with the landlord and has paid rent to
20 the landlord, has a tenant-landlord relationship,
21 regardless of whether they also have a secondary
22 residence elsewhere.

23 SENATOR HELMING: Thank you.

24 Through you, Madam President, if the
25 sponsor will continue to yield.

1 ACTING PRESIDENT PERSAUD: Will the
2 Senator yield?

3 SENATOR SALAZAR: Yes.

4 ACTING PRESIDENT PERSAUD: The
5 Senator yields.

6 SENATOR HELMING: So are we going
7 to -- are we going to be giving non-New Yorkers
8 tenant protections, like snowbirds?

9 SENATOR SALAZAR: Through you,
10 Madam President. We are going to ensure that a
11 tenant has -- in situations where this
12 legislation applies, has basic protections from
13 unjust evictions and unreasonable rent increases
14 in the State of New York, if they are a tenant in
15 the State of New York.

16 SENATOR HELMING: Thank you.

17 Madam President, if the sponsor will
18 continue to yield.

19 ACTING PRESIDENT PERSAUD: Does the
20 Senator yield?

21 SENATOR SALAZAR: Yes.

22 ACTING PRESIDENT PERSAUD: The
23 Senator yields.

24 SENATOR HELMING: Senator Salazar,
25 I know there were questions and answers prior

1 about the opt-in portion of this proposal before
2 us. And it's my understanding that a village, a
3 town, or a city may opt in. Is that your
4 understanding as well?

5 SENATOR SALAZAR: Yes.

6 SENATOR HELMING: Through you,
7 Madam President, if the sponsor will continue to
8 yield.

9 ACTING PRESIDENT PERSAUD: Does the
10 Senator yield?

11 SENATOR SALAZAR: Yes.

12 ACTING PRESIDENT PERSAUD: The
13 Senator yields.

14 SENATOR HELMING: And I just want
15 to get some clarification, then. Say a village
16 decides to opt in, and the village is located
17 within a town, but the town doesn't opt in. And
18 the village sees that their landlords are saying,
19 Hey, I'm not dealing with all of these additional
20 requirements, I'm not dealing with stripping away
21 my property rights and transferring them to
22 tenants, I'm out of here. I'm going to sell to
23 out-of-state developers, to big conglomerates.

24 Is there any way for the village,
25 when they realize that they've made a mistake and

1 they're losing these local landlords, is there
2 any way for them to opt out before the sunset
3 deadline?

4 SENATOR SALAZAR: Through you,
5 Madam President. While there is the 10-year
6 sunset on this legislation, the legislation does
7 not directly create an opt-out mechanism if a
8 locality -- a village, for example -- has opted
9 in.

10 SENATOR HELMING: Through you,
11 Madam President, if the sponsor will continue to
12 yield.

13 ACTING PRESIDENT PERSAUD: Senator,
14 do you continue to yield?

15 SENATOR SALAZAR: Yes.

16 ACTING PRESIDENT PERSAUD: The
17 Senator yields.

18 SENATOR HELMING: What is the
19 process for a village, town or city to opt in?

20 SENATOR SALAZAR: Through you,
21 Madam President. Just as a village, town or city
22 would otherwise seek to change local law, they
23 would use the same mechanism that they otherwise
24 use to change local law.

25 SENATOR HELMING: Through you,

1 Madam President, if the sponsor will continue to
2 yield.

3 ACTING PRESIDENT PERSAUD: Does the
4 Senator yield?

5 SENATOR SALAZAR: Yes.

6 ACTING PRESIDENT PERSAUD: The
7 Senator yields.

8 SENATOR HELMING: So for a local
9 municipality that passes a local law to opt in,
10 it would seem to me, then, they would be able to
11 pass a local law to opt out. Is there anything
12 in this bill that would prevent them from doing
13 that?

14 SENATOR SALAZAR: Through you,
15 Madam President. The bill does not directly
16 speak to this. But, you know, we pass a lot of
17 laws in this state that don't expressly create a
18 mechanism for localities to opt out.

19 And in this regard, it is no
20 different. It's just that we do create a
21 mechanism for them to opt in.

22 SENATOR HELMING: Through you,
23 Madam President, if the sponsor will continue to
24 yield.

25 ACTING PRESIDENT PERSAUD: Does the

1 sponsor yield?

2 SENATOR SALAZAR: Yes.

3 ACTING PRESIDENT PERSAUD: The
4 Senator yields.

5 SENATOR HELMING: And I'm just
6 curious. Is there any requirement for a local
7 government that's considering opting in, before
8 they opt in to hold public hearings, to do maybe
9 a survey or an analysis to determine vacancy
10 rates or anything along those lines?

11 SENATOR SALAZAR: No. Through you,
12 Madam President, that is not required.

13 SENATOR HELMING: Thank you,
14 Madam President. Thank you, Senator Salazar, for
15 your answers.

16 Madam President, on the bill.

17 ACTING PRESIDENT PERSAUD: Senator
18 Helming on the bill.

19 SENATOR HELMING: I think we can
20 all agree that we have a problem with housing.
21 We don't have enough housing in the State of
22 New York, and we have a problem with
23 affordability. It's my belief, after listening
24 to debates, after reading the laws before us,
25 that it's unfortunate for New Yorkers, regardless

1 of whether they live in upstate or downstate,
2 with the enactment of good-cause, the housing
3 shortage and the cost of housing is going to get
4 worse.

5 Good-cause, I didn't hear or read or
6 see anything that shows me that good-cause will
7 incentivize new building. Good-cause is not
8 going to inspire property owners to create new
9 rental units in their local communities.

10 Good-cause here in this chamber is
11 being pushed by Majority members who support
12 socialized housing -- not private property
13 ownership, and not helping people to achieve the
14 American dream of owning their own home. Why
15 would a landlord continue to invest in a
16 community when good-cause basically strips away
17 their property rights and transfers them to a
18 tenant?

19 You know what else is going to
20 happen? When good-cause is enacted, New York
21 State is going to lose business opportunities.
22 We're going to lose jobs. That's just not me
23 saying that. The Majority is in receipt of
24 letters from chambers of commerce including the
25 Greater Rochester Chamber, Ithaca, Binghamton,

1 the Capital Region and so many more.

2 Collectively, these chambers
3 represent more than 12,000 businesses, and
4 they've put us on notice. They state that it is
5 reasonable to believe that virtually no builder
6 will build new rental housing, effectively
7 killing off any new housing starts and deepening
8 the housing crisis in our state.

9 And we all know without sufficient
10 housing for our working class, for our
11 middle class, that larger businesses will move
12 elsewhere. Companies will be disincentivized to
13 invest in our state. Why would they when they
14 can move to another state that has more stable
15 rules and requirements?

16 In St. Paul, Minnesota, after that
17 city enacted legislation similar to what's
18 proposed here, building permits dropped by
19 80 percent. Investors and builders, they stopped
20 development on housing projects, and that
21 resulted in related job losses. We don't want
22 that to happen here.

23 There's been study after study and
24 poll after poll that shows it's already tough
25 enough to do business in our state. We have some

1 of the highest property taxes in the nation. We
2 have so many pro-criminal policies that
3 discourage people. We have job-killing red tape.
4 And now we're stripping away the rights of
5 property owners.

6 How many more ways are we going to
7 discourage investment in the state? And again,
8 it's not only me just standing on the Senate
9 floor saying this. We all received -- actually,
10 it went to the Majority, a letter from the
11 Black Clergy for Economic Empowerment. In their
12 letter, which is very well written, they state:
13 "It is crucial for communities of color to have
14 opportunities for building generational wealth.
15 And owning rental properties and apartment
16 buildings play a key role in this process across
17 all five boroughs. Throughout our diverse state,
18 families from Black, brown, Chinese, Indian and
19 Hispanic backgrounds, including many new
20 Americans, are investing in property ownership.

21 "Good-cause eviction, particularly
22 permanent-lease rentals, would wreck the fragile
23 economics of these long-overdue ownership
24 opportunities."

25 They go on to say: "When it's our

1 turn to own something and build something, they
2 change the rules on us to protect their
3 privilege."

4 Madam President, we do not need, we
5 should not have the tenets of the good-cause that
6 are in this bill. I will be voting no on this
7 bill, and I urge my colleagues to do the same.

8 ACTING PRESIDENT PERSAUD: Thank
9 you, Senator Helming.

10 Senator Martins.

11 SENATOR MARTINS: Thank you,
12 Madam President. You know, the -- on the bill.

13 ACTING PRESIDENT PERSAUD: Senator
14 Martins on the bill.

15 SENATOR MARTINS: Madam President,
16 you know, the Chinese use two brush strokes to
17 write the word "crisis." One brush stroke stands
18 for "danger," and the other one stands for
19 "opportunity," although I think we heard recently
20 it may actually be "inflection."

21 You know, in a crisis we're told
22 that we're supposed to be aware of the danger but
23 also recognize the opportunity. Everyone has
24 talked for years about the housing crisis and the
25 need for affordability, yet here we are, asked to

1 consider a bill that provides absolutely no
2 affordable housing relief in the short term.

3 Actually, it provides very little
4 affordable housing relief altogether, because
5 it's going to be years before this housing goes
6 online. If they approve everything today, at
7 some point someone will buy a piece of property,
8 will take advantage of these programs, will get
9 their approvals, will stick a shovel in the
10 ground and will build it. And for those limited
11 number of units that they set aside for
12 affordability, they'll be made available for a
13 handful of people.

14 The reality is, Madam President, we
15 have the opportunity in this chamber to make real
16 change and make real affordable housing available
17 for people -- not 10 years from now, not in small
18 numbers, but in the hundreds of thousands in the
19 next 12 months. All we have to do is means-test
20 the housing that currently exists.

21 And I find it incredibly hard to
22 understand why the Majority in this house, the
23 other house, and why the Governor continue to
24 prioritize the wealthy, the affluent, and those
25 who are making significantly more and allowing

1 them to continue to occupy affordable units which
2 they no longer need when they can afford to pay
3 market-rate housing. Where they prioritize
4 people of wealth and allow them to continue to
5 live in affordable housing at the expense of
6 those who need it today.

7 In fact, 485-x, the program that is
8 being proposed, pegs affordability at 80 percent,
9 80 percent of area median income. In New York
10 City, that's \$80,000. Yet as everyone in this
11 chamber knows -- and if you chose to go and look
12 at New York City's Housing Survey, it actually
13 measures the affordability of housing in New York
14 City and the number of houses and the income of
15 people in those houses, you would find that over
16 300,000 units are occupied today, 300,000 units
17 of affordable housing are occupied today in
18 New York City by people earning more than
19 \$100,000. That's the area median income.

20 I won't even go to \$80,000 at
21 80 percent. At 100 percent of AMI, 300,000 units
22 can be made available when those leases expire
23 within the next 12 months so that people making
24 50, 60, \$70,000 a year have a place to actually
25 start.

1 And you know what? If they are
2 successful and if they do make more and if
3 they're making 100, 200 or \$300,000, they can
4 make way for someone who's making less so that
5 they have a start and a place where they can live
6 affordably.

7 Look at the chart. Take a peek.
8 Ask yourself why people making hundreds of
9 thousands of dollars a year in income are being
10 afforded rent-stabilized units, paying a fraction
11 of market rate, and why you -- you, by this vote,
12 are going to be prioritizing those people.
13 Wealthy, affluent people making hundreds of
14 thousands of dollars a year instead of those
15 young professionals, those firefighters, those
16 teachers, those essential workers that we have in
17 our communities who can't find a place to live
18 because they're occupied by people who shouldn't
19 be there.

20 You know, about a year ago there was
21 a New Yorker who made a statement, a guy by the
22 name of Al Sharpton. He was talking about things
23 in a different context, in the context of bail
24 reform and runaway crime in New York City, but he
25 said "so-called progressives." And he said

1 "Progressives for whom? Progressives for whom?"

2 So I'm going to steal that phrase
3 from the Reverend Al Sharpton, and I'm going to
4 use it myself. Progressives for whom today? Not
5 for schoolchildren. Not for teachers. You
6 decided to prioritize other things, and you're
7 not providing the money necessary to provide free
8 lunches for every kid, every child in a school.
9 Not for schoolteachers. Our school budget
10 doesn't provide enough in adequate funding where
11 I know people in school districts on Long Island,
12 alone everywhere else in this state, are laying
13 off teachers because of the uncertainty of this
14 budget and the failure to commit to providing
15 resources.

16 Not the middle-class commuters who
17 are asked to go off into New York City each and
18 every day while they watch other people jump over
19 turnstiles.

20 ACTING PRESIDENT MAYER:

21 Senator Krueger, why do you rise?

22 SENATOR KRUEGER: I was wondering
23 if my colleague would answer a question or two.

24 ACTING PRESIDENT MAYER: Senator
25 Martins?

1 SENATOR MARTINS: I will as soon as
2 I complete my statement.

3 SENATOR KRUEGER: Okay.

4 SENATOR MARTINS: I will.

5 Not for Tier 6 workers. Not for
6 Tier 6 workers when where's consensus on both
7 sides of the aisle to actually repealing and
8 doing some real reform on Tier 6. What have we
9 decided? We're only going to do that when we put
10 it off for 20 years so that we have a three-year
11 as opposed to a five-year lookback.

12 Not for our hardworking men and
13 women in the trades. When we had the
14 opportunity, Madam President, to do something
15 with regard to SUNY PLAs at \$3 million, what did
16 we come back with? A \$10 million plan that puts
17 so much of that work out of reach for their
18 actual work.

19 You know, we have opportunities
20 here, and it's a question of priorities. And we
21 all talk about priorities. But for property
22 owners -- property owners, people who put
23 together their lifesavings, buy something, take
24 out a mortgage and they're paying that
25 mortgage -- we're now telling them they can't

1 make decisions about their own property because
2 we are going to make that decision for them as a
3 state. We're going to reach in and take away
4 their ability to manage their own private
5 property. Forget the fact that it's
6 unconstitutional. It's wrong.

7 These are not the kinds of things
8 that we should be doing, and it does not help
9 anybody in this state. It's not our property.
10 So I don't understand the priority that has been
11 placed on hurting the middle class in this state.

12 And I haven't even mentioned,
13 Madam President, there isn't a single stitch of
14 middle-class tax cuts that help the average
15 person in this state just make ends meet.

16 So I have real concerns. I had
17 hoped to ask some questions. I know we have
18 limitations on time, so I'm going to be
19 respectful of my colleagues and allow for that.
20 But I'm disappointed.

21 And I'm hoping that as we go
22 forward, in this session and in future sessions,
23 perhaps we can work together in finding solutions
24 and not just penalizing people.

25 And with that, Madam President, I'm

1 happy to yield to my colleague.

2 SENATOR KRUEGER: Thank you.

3 Through you, Madam President.

4 You know, Senator Martins has
5 brought up this example a number of times this
6 year, that high-income people are living in
7 rent-regulated units. And when you look at the
8 statistics, he's not wrong. The majority of
9 people who live in rent-regulated units are in
10 fact low-income, but there is a universe of
11 higher-income people. And they are in buildings
12 that are called 421-a buildings. Because when
13 you take the tax exemptions to build your
14 building, you're required to have all the units
15 fall under rent regulation.

16 So if I'm understanding his proposal
17 correctly -- but I just wanted to make sure I
18 was -- his suggestion would be that for existing
19 421-a buildings with rent regulation, we should
20 set a maximum eligibility based on income and set
21 a -- I guess a maximum rent for those people.

22 So if the average rent in
23 rent-regulated housing in New York City -- I
24 think -- I looked it up yesterday. It was about
25 \$1500, on average. Are you suggesting, is your

1 proposal that we tell all the people who own
2 421-a buildings that you must evict -- which will
3 be a different discussion from someone else --
4 all of your higher-income tenants, lower the rent
5 and accept poor tenants?

6 Because I think that's a very
7 interesting proposal. I just wanted to make sure
8 that I was understanding you correctly.

9 SENATOR MARTINS: Thank you,
10 Madam President.

11 And thank you, Senator. I really
12 appreciate the question. Because no, that is not
13 what I'm saying whatsoever. I'm not even going
14 to 421-a. But we can.

15 I'm talking about traditional
16 rent-stabilized housing. You know, when we talk
17 about rent-stabilized housing, I think it's
18 important that we at least contextualize what
19 that means. Rent-stabilized housing in New York
20 City accounts for just about a million units in
21 New York City. Not 421-a. No, rent-stabilized
22 units. That's those units that are subject to
23 rent stabilization --

24 (Inaudible overtalk.)

25 SENATOR MARTINS: No, no, let me --

1 SENATOR KRUEGER: All
2 rent-regulated units you are describing --

3 SENATOR MARTINS: I'm just trying
4 to finish my answer, if I --

5 SENATOR KRUEGER: -- are 421-a.

6 SENATOR MARTINS: Can I finish my
7 answer?

8 SENATOR KRUEGER: Every unit since
9 1974 --

10 ACTING PRESIDENT MAYER: Senator
11 Krueger, let --

12 SENATOR KRUEGER: Sorry.

13 ACTING PRESIDENT MAYER: He is
14 finishing his answer.

15 SENATOR MARTINS: If it includes
16 421-a, it is not exclusive to 421-a. So if they
17 are included in this.

18 But there are 960,700 units of
19 rent-stabilized housing in New York City. Of
20 those, 30 percent of those units, over 300,000
21 units, are occupied by those making more than
22 \$100,000 a year. A hundred thousand dollars at a
23 time, Madam President, when this body is
24 proposing an 80 percent threshold.

25 So here -- here's what I'm

1 suggesting --

2 ACTING PRESIDENT MAYER: Senator
3 Martins, to be clear, you're now answering
4 Senator Krueger's question? Or are you speaking
5 on the bill?

6 SENATOR MARTINS: I am -- I am on
7 the bill, Madam President. I am on the bill if
8 the Senator is done with her question.

9 ACTING PRESIDENT MAYER: Senator
10 Krueger, are you done with your questions?

11 SENATOR KRUEGER: No, I have one
12 more question. Thank you.

13 Again, just to clarify, do you agree
14 with me that any building built since 1974 in
15 rent regulation is in fact a building where the
16 developer chose rent regulation because they were
17 getting tax exemptions in exchange, and hence
18 they fall under 421-a or one of the other
19 categories?

20 So all the buildings that are the
21 higher-income buildings are in fact in these
22 programs where we gave them tax exemptions, they
23 chose to go into rent regulation. Do you agree
24 on that?

25 SENATOR MARTINS: Madam President,

1 through you. There are over 300,000 units
2 currently occupied as rent-stabilized housing by
3 those making more than \$100,000 a year, whether
4 they were built under 421-a or whether they were
5 built prior to the enactment of 421-a.

6 And what I am suggesting, just to
7 clarify for the Senator, is that if this body
8 chose to allow for means-testing for those units,
9 then someone making less than \$80,000 a year, as
10 we are doing for 485-x, would be able to occupy
11 that unit because, yes, they qualified when they
12 went in and they actually occupied the unit. But
13 over time, they have had success, they now make
14 more than the average median income, and they are
15 not the people who were supposed to be occupying
16 those units because we specifically kept these
17 units affordable so that they'd be available for
18 another generation. And we're not doing that.

19 So if there are people who are
20 earning more than \$100,000 a year or \$125,000 or
21 \$150,000 a year -- and we can sit and figure out
22 where that line should be. But I think we can
23 all agree and should all agree that there should
24 not be people making hundreds of thousands of
25 dollars a year occupying those units that are

1 stabilized and should be there to provide
2 affordable housing.

3 The Governor said she wants
4 800,000 units of affordable housing within the
5 next 10 years. Well, here's 300,000. Why don't
6 we go do something about it, as opposed to just
7 paying lip service to it, Madam President?

8 With that, I'll be voting no.

9 SENATOR KRUEGER: On the bill.

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

12 SENATOR KRUEGER: Thank you.

13 Just quickly, just to clarify, I can
14 agree we would need to have the data before we
15 were to draft a piece of legislation. But if you
16 add up the units that are built under 421-a or
17 its predecessors -- all programs, for the record,
18 that I voted against every year that I've been
19 here in the Legislature because it wasn't going
20 to be building affordable housing for the exact
21 people we want to serve. It was instead
22 subsidizing higher-end, not affordable units
23 disproportionately.

24 And so we got this system because of
25 bad policy for 35, 40 years. And hence we do

1 have people with higher incomes who are
2 disproportionately using all of the apartments
3 that we've built. And it turns out that it is
4 close to 300,000 units, although we couldn't get
5 an exact number.

6 So I'm not necessarily opposing
7 Senator Martins' proposal. I think we would need
8 to carefully craft legislation. But again, I
9 just want everyone in this room to understand
10 that the outcome of said legislation would be to
11 tell all of the developers owning 421-a
12 buildings -- all of them -- you're going to get a
13 whole lot less rent now. A lot less rent than
14 you calculated when you went into this program.
15 And I think we should be honest that that would
16 be what we would be doing.

17 And I'm not sure that many of my
18 colleagues would think that was a great idea.

19 ACTING PRESIDENT MAYER: Senator
20 Martins.

21 SENATOR MARTINS: Yes, I'm asking
22 the Senator if she would yield.

23 SENATOR KRUEGER: Absolutely.

24 ACTING PRESIDENT MAYER: Senator
25 Krueger, do you yield?

1 SENATOR KRUEGER: Yes.

2 ACTING PRESIDENT MAYER: The
3 Senator yields.

4 SENATOR MARTINS: So, Senator, I'm
5 just trying to understand. No one discussed
6 anyone reducing rent or changing the rent. I
7 think what was discussed was asking those who can
8 now afford to pay market rate rent to vacate
9 apartments that were meant for -- to be
10 affordable and for those who qualified as -- and
11 we should qualify as means-tested -- and allow
12 someone who's making less money to get into an
13 affordable apartment at the same rent.

14 Would you agree that that would be a
15 better solution? That way, those who own those
16 buildings -- we're not asking anyone to reduce
17 rent. We're not asking anyone to increase rent.
18 We're just asking you to keep the rent exactly
19 where it is. But if you're making more, you
20 should leave and go pay for market-rate housing
21 so that those who are making less can afford a
22 place to live in New York City or anywhere else.

23 Does that make sense?

24 SENATOR KRUEGER: Through you,
25 Madam President. Based on the fact that we've

1 created many, many of these units at way above
2 market rate, even though they're defined as
3 rent-regulated, I think the math would still
4 require lowering the rent in order for
5 lower-income people to be able to participate.

6 But again, I agree with the Senator,
7 we would need to sit there with all the math and
8 calculate it. I just wanted to make clear the I
9 think misunderstanding in this house that these
10 units are rent-regulated from a point in history
11 prior to 1974 where our laws did take existing
12 housing and say, Now you're under a
13 rent-regulated system.

14 These buildings were all built with
15 an understanding and agreement with developers --
16 not one that I supported, but with an agreement
17 with developers that they were going to be able
18 to get, in most cases, either 80 or 90 percent
19 market rate or above market rate, and only, say,
20 10 to 20 percent technically affordable. And
21 even those definitions of affordable, not that
22 affordable.

23 So I just wanted to make sure we all
24 understood the universe that we were discussing.
25 And perhaps Senator Martins and I can work on a

1 bill after budget that would actually make sense,
2 to expand the universe in existing rent-regulated
3 buildings to become affordable.

4 Thank you.

5 SENATOR MARTINS: Madam President,
6 if the Senator would continue to yield.

7 ACTING PRESIDENT MAYER: Do you
8 continue to yield?

9 SENATOR KRUEGER: Yes.

10 ACTING PRESIDENT MAYER: The
11 Senator yields.

12 SENATOR MARTINS: So yes, I
13 understand that there is a set-aside for
14 affordability. But we're talking specifically,
15 Senator, are we not, about the -- only those
16 affordable units and only those that were --
17 originally required means-testing for occupancy.

18 And therefore, whatever the
19 developer has developed in terms of market-rate
20 housing, no, we're not talking about the
21 market-rate housing, we're talking specifically
22 about those that would qualify under rent
23 stabilization that were -- originally required
24 means-testing for someone to occupy. And they've
25 been there and, frankly, now earn more than that

1 initial means-tested amount, such that they
2 should make that unit available for someone else
3 who now would qualify under whatever parameter,
4 whether it's 80 percent or 100 percent of AMI and
5 free up hundreds of thousands of units.

6 Wouldn't that be a much better way
7 of addressing the affordability issue by actually
8 making units that are affordable available to
9 people who are earning less?

10 SENATOR KRUEGER: Through you,
11 Madam President. So either Senator Martins is
12 amending the earlier proposal or clarifying that
13 he only meant the subset of units that actually
14 were designed for low-income people, hence we're
15 not talking about 300,000 at all. Because
16 300,000 would be the entire universe of all the
17 units in the 421-a rent-regulated system.

18 And the, quote, unquote, original
19 affordable units -- which again, depending on
20 what year you were picking, was between
21 10 percent and as much as 20 percent of the units
22 in any specific building -- who were under
23 affordability standards, some percentage of them
24 might actually be people with higher incomes.
25 But that's a completely different universe and a

1 much, much smaller universe of people.

2 SENATOR MARTINS: Thank you,
3 Madam President. Thank you, Senator Krueger.

4 SENATOR KRUEGER: Thank you.

5 ACTING PRESIDENT MAYER: Senator
6 Canzoneri-Fitzpatrick, why do you rise?

7 SENATOR CANZONERI-FITZPATRICK:
8 Thank you, Madam President. I was wondering if
9 the sponsor would yield for a few questions
10 regarding Part II, the definition of squatters.

11 ACTING PRESIDENT MAYER: Senator
12 Kavanagh, do you yield?

13 SENATOR KAVANAGH: Yes,
14 Madam President.

15 ACTING PRESIDENT MAYER: The
16 Senator yields.

17 SENATOR CANZONERI-FITZPATRICK:
18 Thank you, Senator.

19 Reading the definition of squatters,
20 that there has been an amendment to Section 711
21 of the Real Property Actions and Proceedings Law,
22 there's a definition that says that a tenant does
23 not include a squatter. However, there is
24 reference to Section 713 of the Real Property
25 Actions and Proceedings Law that's basically the

1 summary proceeding.

2 So my question to you is under the
3 amendments in the current bill that we're voting
4 on, how does the change of definition of a tenant
5 allow for a homeowner to get a squatter out of
6 the property? Are they required to still go
7 through a summary proceeding as it is under
8 current law?

9 SENATOR KAVANAGH: Through you,
10 Madam President. The bill before us, Part II, is
11 a clarification of the rights of property owners
12 in New York State. There's been a lot of
13 misinformation, particularly in some of, you
14 know, some news sources. But this bill is
15 intended to clarify that a person who enters or
16 intrudes into someone's home without permission
17 is not entitled to possession of the apartment
18 and may be removed.

19 It does contemplate -- as we do with
20 most situations where there are disputes between
21 private citizens, it does generally contemplate a
22 proceeding to determine whether those -- you
23 know, who's correct on the facts. But it has
24 long been the case in New York that a squatter is
25 someone who does not have the right to be in an

1 apartment, who does not have a lease, who does
2 not have a preexisting tenant relationship, does
3 not have the right to occupy a unit. And this
4 bill is intended to clarify that and ensure that
5 that situation can be resolved promptly.

6 But yes, it may well involve a
7 summary proceeding before a court to determine --
8 to verify the facts and order the person removed.

9 SENATOR CANZONERI-FITZPATRICK:
10 Through you, Madam President, will the sponsor
11 continue to yield.

12 ACTING PRESIDENT MAYER: Will the
13 sponsor yield?

14 SENATOR KAVANAGH: Yes,
15 Madam President.

16 ACTING PRESIDENT MAYER: The
17 sponsor yields.

18 SENATOR CANZONERI-FITZPATRICK: So
19 if this definition doesn't allow for criminal
20 penalties or civil penalties and it still
21 requires a landlord to go through a summary
22 proceeding, how is this benefiting any landowner
23 currently by making this change?

24 Because as I understand it, you
25 still have to go through a summary proceeding,

1 you still have to hire a lawyer, you're still
2 going to go through two years of wait time in
3 landlord-tenant court. There's no provision in
4 here that says that the squatter now has to pay
5 rent or legal fees or anything to the landowner.

6 So what have we done in this bill to
7 protect any landowner? I don't see the benefit.
8 I love the purpose. I know we have a squatting
9 issue. I know we need to help landowners. But I
10 don't think we've done enough, and I'm hoping
11 you're going to tell me that there's something in
12 here I'm missing.

13 SENATOR KAVANAGH: Through you,
14 Madam President. This bill is intended to
15 clarify the law, and the law is that people who
16 do not have a -- they do not have a right to be
17 in these units, they are not tenants. If you are
18 a squatter, you are not a tenant. It defines a
19 squatter as someone who does not have -- who
20 intrudes upon the property.

21 There are circumstances where,
22 however, you know, law enforcement officers or
23 others might arrive at a property and it is clear
24 from the circumstance that somebody is an
25 intruder, a burglar or some other such thing.

1 And in those cases it will typically result in an
2 arrest.

3 There are other circumstances which
4 have been publicized where someone appears to be
5 occupying a residential unit, and in that
6 circumstance there's sometimes a necessity to
7 determine the facts of the situation. And the
8 way we determine facts when people's core
9 rights are at stake in New York and in America
10 generally is that we have judicial proceedings to
11 determine those facts and determine the legal
12 consequences.

13 There's nothing in this bill that
14 would insulate a squatter or an intruder or a
15 trespasser from the criminal penalties of
16 engaging in those actions. But this is about
17 determining whether someone has a legal right to
18 be in an apartment, and it is intended to
19 clarify, because there seems to have been some
20 confusion out there, you know, to some extent
21 created by some tabloids that people have rights
22 in New York that they do not indeed have under
23 current law.

24 SENATOR CANZONERI-FITZPATRICK:
25 Madam President, on the bill.

1 ACTING PRESIDENT MAYER: Senator
2 Canzoneri-Fitzpatrick on the bill.

3 SENATOR CANZONERI-FITZPATRICK:
4 Thank you, Senator Kavanagh.

5 I'm extremely disappointed that we
6 did not go far enough. I proposed a bill, I've
7 spoken to several Senators on the other side of
8 the aisle about my proposal because it would have
9 given a squatter a criminal charge of criminal
10 trespass, which would have allowed police
11 officers to go in and arrest them, to remove them
12 from the property, and not allow them to return
13 to the property.

14 Unfortunately this bill does
15 nothing -- as I stated, a squatter is not
16 required to pay legal fees, rent or any other
17 penalty to the landowner. So what have we done?
18 We've not done anything to help a landowner here.
19 And as we've said, there's been so much publicity
20 about squatters. ABC News has said that it takes
21 at least two years to evict a squatter. We've
22 done nothing to change that.

23 We've got situations in Hauppauge
24 where a family -- it took them three years to
25 evict a tenant. In Blue Point, a plumber was hit

1 over the head by a squatter and almost killed.
2 In Flushing, a homeowner was arrested for trying
3 to keep the squatters out and changing the locks
4 in her own home that she inherited from her
5 mother. In Douglaston a family with Down's
6 syndrome was unable to use the home they
7 purchased due to a squatter moving in. In
8 Manhattan, in the most egregious of situations, a
9 woman came home to squatters, was killed and
10 stuffed in a duffel bag for her child to find in
11 a closet.

12 Senator Mattera has gotten a letter
13 from a constituent who's 10 years old, begging
14 him to please change the laws because it's
15 affected his family. The father passed away, and
16 they could not get into their legal home.

17 This is a terrible problem. And we
18 have an opportunity here to fix this. And I'm
19 very disappointed that we did not go far enough
20 to help landowners and address a problem that we
21 all agree on both sides of the aisle is a
22 problem. I think this is a huge missed
23 opportunity.

24 Madam President, I'll be voting in
25 the negative.

1 ACTING PRESIDENT MAYER: Thank you,
2 Senator.

3 Senator Borrello, why do you rise?

4 SENATOR BORRELLO: Madam President,
5 if the sponsor would yield for Part FF,
6 specifically on the IAI increases.

7 ACTING PRESIDENT MAYER: Senator
8 Kavanagh, do you yield?

9 SENATOR KAVANAGH: Yes,
10 Madam President.

11 ACTING PRESIDENT MAYER: The
12 Senator yields.

13 SENATOR BORRELLO: So am I correct
14 that -- in understanding that the increases
15 provided in this act will allow an owner to
16 recapture up to \$50,000 in improvements to a
17 unit? Is that correct?

18 SENATOR KAVANAGH: Through you,
19 Madam President, yes. We are actually creating
20 two -- under current law, there is a maximum of
21 \$15,000 that is recoverable in an IAI
22 expenditure. With this bill we would be creating
23 effectively two tiers.

24 There's a \$30,000 tier that replaces
25 the current maximum recoverable expense of

1 \$15,000 in any 15-year period. We're leaving
2 most of the provisions of that intact but saying
3 that 30,000 may be spent and recoverable, rather
4 than 15, in multiple increments over the course
5 of 15 years.

6 We're creating a higher tier
7 permitting \$50,000 in recoverable expenses, but
8 that is intended to apply to limited situations
9 where additional improvements are needed in an
10 apartment beyond what can be accomplished with
11 \$30,000, to address substandard conditions. It's
12 our intent, provided in the statute, that HCR
13 will issue robust rules to ensure that IAIs are
14 not abused and that the only apartments that can
15 access the higher tier are those apartments that
16 need it, where \$30,000 is insufficient.

17 There are two circumstances in which
18 a 50,000 IAI would be available if the landlord
19 met the other -- you know, the other conditions,
20 and those are either that there has been a
21 tenancy that has ended that has had a duration of
22 25 years continuous tenancy, or there's a
23 provision for units that have been vacant
24 continuously since on or before April 1, 2022.
25 So for two years.

1 And in both of those circumstances,
2 if the landlord meets the standards that HCR will
3 promulgate, they would be permitted to expend
4 \$50,000 and recover it. In addition for the
5 \$50,000 IAIs, we're allowing a slightly higher
6 rate of recovery than for the traditional
7 \$30,000 IAIs.

8 And we are also, in this bill,
9 making IAIs permanent. Currently there is a
10 recoupment period and after that recoupment
11 period ends, the amount that the rent has gone up
12 as a result of the IAI declines back to the
13 original rent.

14 Under this bill, that amount will
15 now be permanently part of the rent going forward
16 beyond the recoupment period.

17 SENATOR BORRELLO: Thank you.

18 Will the sponsor continue to yield,
19 Madam President?

20 ACTING PRESIDENT MAYER: Will the
21 sponsor continue to yield?

22 SENATOR KAVANAGH: Yes,
23 Madam President.

24 ACTING PRESIDENT MAYER: The
25 sponsor yields.

1 SENATOR BORRELLO: Thank you for
2 that detail. A "yes" would have sufficed, but
3 thank you.

4 As a follow-up question, then, so is
5 that \$50,000 for each unit in a building, in a
6 multi-unit building?

7 SENATOR KAVANAGH: Through you,
8 Madam President, yes. The individual apartment
9 improvement provisions are about improvements to
10 a single unit.

11 SENATOR BORRELLO: Madam President,
12 will the sponsor continue to yield.

13 ACTING PRESIDENT MAYER: Does the
14 sponsor yield?

15 SENATOR KAVANAGH: Yes,
16 Madam President.

17 ACTING PRESIDENT MAYER: The
18 sponsor yields.

19 SENATOR BORRELLO: We all know that
20 the \$15,000 limit that's currently in place has
21 been a disaster. You know, we hear stories about
22 rent-regulated apartments being, you know,
23 horribly unmaintained because of that limit.

24 So 30,000 and then, if there's
25 special circumstances, \$50,000. Yet we just

1 heard yesterday that NYCHA is spending, on
2 average, \$400,000 per unit to upgrade their
3 units. What makes you think that \$50,000 would
4 even begin to be able to provide, you know,
5 proper licensed contractors, union contractors,
6 to actually perform an upgrade when NYCHA is
7 spending \$400,000 a unit versus, at most, 50?

8 SENATOR KAVANAGH: Through you,
9 Madam President. To take the beginning of my
10 colleague's statement/question, we do not indeed
11 know that the IAI provisions have been a
12 disaster. There are -- we are raising the
13 \$15,000 limit here partly to address inflation --
14 \$15,000 in 2019 dollars would be more than
15 \$18,000 today. And we are adding some additional
16 flexibility to permit additional improvements.

17 But there is very little evidence
18 that the IAI provisions of 2019 have had a
19 meaningful effect on the vast majority of
20 apartments. The \$50,000 provision is intended to
21 address circumstances where there may be a very
22 long tenancy or an unusual circumstance where
23 additional money is needed.

24 With respect to the amounts of
25 capital necessary to provide renovations in

1 public housing, there are a few very different
2 factors that might be at play there. First of
3 all, those are buildings that have been very
4 substantially underfunded, in many cases for
5 decades, partly because the U.S. Congress in its
6 wisdom decided over the course of many years to
7 determine how much funding was necessary to
8 support our public housing and then provide a
9 fraction of that money year in and year out over
10 the course of decades. So you're dealing with a
11 great deal of capital neglect over many years.

12 The rent-stabilized system of course
13 is a system that provides that all landlords have
14 a right to make a reasonable profit after making
15 necessary capital improvements to improve their
16 property.

17 And the other thing that's different
18 is that this IAI provision is only one of two
19 provisions that are in the law that permit
20 improvements to buildings that can be recoverable
21 in rent. The other is the major capital
22 improvement provision.

23 Most of the work that is done in the
24 New York City Housing Authority and other housing
25 authorities throughout the state is in the form

1 of major capital improvements to roofs and
2 boilers and other building-wide systems that are
3 very expensive.

4 There is a provision of the
5 rent-stabilization law that is not before us
6 today that provides for a means for
7 rent-stabilized landlords to recoup the cost of
8 those improvements. And again, that has also
9 been in place for many years.

10 SENATOR BORRELLO: Madam President,
11 will the sponsor continue to yield.

12 ACTING PRESIDENT PERSAUD: Does the
13 Senator yield?

14 SENATOR KAVANAGH: Yes,
15 Madam President.

16 ACTING PRESIDENT PERSAUD: The
17 sponsor yields.

18 SENATOR BORRELLO: Yes, thanks
19 again for that explanation.

20 You mentioned inflation. You know,
21 now with good-cause eviction being included in
22 this budget and the prospect of lifetime tenancy,
23 you have \$50,000 over the course of, say,
24 15 years, which is the time allotted, 14 -- 13,
25 14, 15 years to recoup that money back. Is there

1 an inflation-adjuster for that going through that
2 15-year period?

3 In other words, \$50,000 in the
4 future value of money in 13 or 14 years isn't
5 \$50,000. Do we have an inflation-adjuster in
6 there?

7 SENATOR KAVANAGH: Through you,
8 Madam President. I don't know if this was the
9 thrust of my colleague's comment, but just to
10 clarify.

11 Good-cause eviction will not affect
12 the housing we're talking about here,
13 rent-stabilized units. Rent-stabilized tenants
14 for many years have been entitled to a renewal
15 lease at a rent that is set by rent guidelines
16 boards and other provisions of law.

17 So good-cause eviction is not
18 relevant to this conversation, unless my
19 colleague was just trying to use it
20 metaphorically.

21 SENATOR BORRELLO: Well, still,
22 you're going to -- if I amortize this over, you
23 know, 12 or 13, 14 years, you know, that future
24 value of that \$50,000 over that period of time,
25 are we adjusting for that?

1 SENATOR KAVANAGH: So I was getting
2 to the second part of my colleague's
3 conversation.

4 What we're doing today is making a
5 very substantial increase in this amount that
6 greatly exceeds inflation since 2019, but there's
7 not a prospective inflation adjustment in the
8 bill before us today.

9 So, you know, perhaps some future
10 legislature will be considering the results of
11 inflation over years subsequent to today and
12 determine whether those numbers need to be
13 increased as a result.

14 SENATOR BORRELLO: Madam President,
15 will the sponsor continue to yield.

16 ACTING PRESIDENT PERSAUD: Will the
17 sponsor yield?

18 SENATOR KAVANAGH: Yes,
19 Madam President.

20 ACTING PRESIDENT PERSAUD: The
21 sponsor yields.

22 SENATOR BORRELLO: The thrust of my
23 question is this. You know, when someone invests
24 \$50,000, you know, this is often done by
25 borrowing money from a bank, often through a line

1 of credit. Those interest rates vary. Obviously
2 costs vary. But you've got this limit -- if you
3 put \$50,000 -- and, by the way, this is approved,
4 which that's another question -- that \$50,000 can
5 only be paid back over the course of I believe
6 just shy of 14 years. Because the limit is what,
7 \$324 is the amortized amount?

8 How can you possibly justify that?
9 I mean, that's like -- that \$50,000 investment,
10 by the way, will probably -- whatever
11 improvements were made over the course of
12 15 years will probably need to be made again
13 before that amortization is even up, that
14 recoupment is even up.

15 How can you justify such a small
16 dollars amount to recoup that amount of money?

17 SENATOR KAVANAGH: Through you,
18 Madam President. First of all, just to clarify,
19 the IAIs are limited to improvements to property
20 that are -- they're restricted to things that
21 have exceeded their usable life. So the sort of
22 duration of the benefit that -- the improvement
23 to the apartment that is done by an IAI will be
24 determined by the usable life of the appliances
25 or other improvements that are being made.

1 The IAI system has never been
2 about -- oh, sorry. Since 2019, the IAI system
3 has been about making reasonable improvements on
4 rent-regulated housing and getting a reasonable
5 return for that investment as part of the overall
6 obligation to maintain one's housing in good
7 condition.

8 Before 2019, in some provisions that
9 had been negotiated very aggressively by the
10 real estate industry, in some cases IAIs
11 generated a 23 percent return for every dollar
12 somebody put into an IAI. That was widely viewed
13 as an incentive for property owners to abuse the
14 system.

15 And indeed, abuse seemed quite
16 common. There was a study by HCR done in 2014
17 where they estimated about 40 percent of all IAIs
18 seemed to be, you know, fraudulent or otherwise,
19 you know, excessive, getting excessive rent
20 increases in exchange for the amount that they'd
21 invested. We had extensive conversations in 2019
22 with the Attorney General of the State of
23 New York that had investigated and prosecuted
24 people for abusing the old IAI system.

25 What the system that we put in place

1 in 2019 does is it creates a reasonable rate of
2 return in exchange for property owners investing
3 in their own buildings, making improvements, and
4 that allows them to make significant increases in
5 the rent to cover the reasonable cost of those
6 improvements.

7 SENATOR BORRELLO: Madam President,
8 on the bill.

9 ACTING PRESIDENT PERSAUD: Senator
10 Borrello on the bill.

11 SENATOR BORRELLO: Time is short,
12 so I'm just going to make my last few points on
13 this.

14 You know, we are telling someone who
15 owns a piece of property that with the permission
16 of the Office of Housing and Community Renewal --
17 we don't know how long that's going to take for
18 that approval. With their approval, their
19 permission, you can spend up to \$15,000 and it's
20 going to take you 15 years -- 14 years to recoup
21 that money. What that amounts to is a 14-year
22 interest-free loan to tenants, essentially,
23 because you're making those improvements for the
24 tenants.

25 Folks, this is not how it works. I

1 know that my colleagues are going to say they
2 have this picture of all these wealthy people,
3 sitting on a pile of cash and gold bars, that
4 just pull out cash to pay for things like that.
5 But that's not how it works. You have to borrow
6 money in most cases, often from a
7 variable-interest loan. And we're saying you're
8 going to borrow money to invest it in something
9 that you're going to be able to recoup that money
10 for 14 years, interest-free.

11 Now, you might say tough, this is
12 the rules we want to put in place. But the
13 reality is we have a housing crisis. And we are
14 now about to, again, tie another rope around
15 property owners and pull them down, pull them
16 back. No more. They will find other places to
17 invest that money.

18 Just to give you an idea, let's go
19 to \$30,000. If you invest \$30,000 at, you know,
20 a modest rate of return over the course of
21 12 years, roughly 5 percent return, that comes
22 out to \$54,595. So your choice is zero,
23 investing in things that actually deteriorate and
24 that you're probably going to have to replace
25 again, and likely before that 14-year period is

1 up, that 12-year period is up.

2 Where are you going to put your
3 money? You're not going to put your money in
4 housing. You're not going to put your money in
5 the property that you own. Because there's no
6 good return on it. And you're going to have the
7 same problem we have in New York City right now,
8 with places that are not properly maintained
9 because they can't afford to do it.

10 This is just an absolute disaster
11 that is going to drive away people from owning
12 property. And I think that's the goal. The goal
13 is we're going to get rid of private property
14 rights. We're going to get rid of people that
15 actually want to own a building and rent it out
16 to somebody else, maybe build a little, you know,
17 a little wealth for themselves and their family
18 and their future generations, and we're going to
19 say, No. Unless you can afford to own your own
20 home, you're going to live in some kind of
21 government-controlled housing.

22 That may or may not be the
23 intention, but that will be the end result. Once
24 again, driving New York State further and further
25 into being a Third World nation.

1 I'm voting no. Thank you.

2 ACTING PRESIDENT PERSAUD: Senator
3 Rhoads.

4 SENATOR RHOADS: Thank you,
5 Madam President. I'll yield to my colleagues and
6 I'll circle back if there's time at the end.

7 ACTING PRESIDENT PERSAUD: Okay.
8 Senator Murray.

9 SENATOR MURRAY: Thank you,
10 Madam President. I'd like to ask a few questions
11 under Part K. That would be the frequency-of-pay
12 violations.

13 ACTING PRESIDENT PERSAUD:
14 Senator Krueger?

15 SENATOR KRUEGER: I'm sorry. Is
16 Part K liquidated -- I'm so sorry, did you say K?

17 SENATOR MURRAY: K.

18 SENATOR KRUEGER: K. (Pause.)

19 Hi. I'm ready.

20 ACTING PRESIDENT PERSAUD: The
21 Senator yields.

22 SENATOR MURRAY: Would the sponsor
23 yield for a few questions?

24 ACTING PRESIDENT PERSAUD: Yes, she
25 yields.

1 SENATOR KRUEGER: Yes.

2 SENATOR MURRAY: Thank you.

3 So under this section we're dealing
4 with the frequency of pay of manual workers. Can
5 we start -- can you give us the definition, the
6 legal definition of manual worker that an
7 employer would use to qualify their employees?

8 SENATOR KRUEGER: Workers who spend
9 at least 25 percent of their time doing manual
10 labor. And that can be a whole host of different
11 kinds of manual labor.

12 SENATOR MURRAY: Will the sponsor
13 continue to yield.

14 ACTING PRESIDENT PERSAUD: Does the
15 Senator yield?

16 SENATOR KRUEGER: Yes.

17 ACTING PRESIDENT PERSAUD: The
18 sponsor yields.

19 SENATOR MURRAY: Do you know, is
20 there a list of particular jobs that qualify as
21 manual labor?

22 SENATOR KRUEGER: No.

23 SENATOR MURRAY: Would the sponsor
24 continue to yield.

25 ACTING PRESIDENT PERSAUD: Does the

1 sponsor yield?

2 SENATOR KRUEGER: Yes.

3 ACTING PRESIDENT PERSAUD: The
4 sponsor yields.

5 SENATOR MURRAY: So under this,
6 we're falling under Section 191 of Labor Law.
7 And I'm going to give you an example. And if you
8 could explain to me where the damages come from.

9 So you have a worker who's working
10 35 hours a week, getting a thousand dollars a
11 week. If they work two weeks, it's 70 hours,
12 \$2,000. Under this, if they called themselves a
13 manual worker and sued the employer, claiming
14 they weren't being paid properly, but the
15 employer paid biweekly \$2,000, where are the
16 damages? Where was the wage theft? What are
17 they losing?

18 SENATOR KRUEGER: So the
19 requirement remains they have to be paid weekly.
20 It's not a question of wage theft specifically.
21 And because there were so many questions and
22 confusions about all the rest of it, it was
23 omitted. So we're not changing this section of
24 law.

25 SENATOR MURRAY: Okay.

1 Madam President, on the bill.

2 ACTING PRESIDENT PERSAUD: Senator
3 Murray on the bill.

4 SENATOR MURRAY: Thank you,
5 Senator Krueger.

6 You're right, but the damages do
7 come into play. And wage theft does come into
8 play, because these companies are being sued for
9 not paying them properly, and the damages are
10 falling under Section 198 of Labor Law, which is
11 in fact wage theft. And in fact, it says that
12 the employer is subject to a private right of
13 action and liquidated damages equal to half of
14 all wages paid up to six years, which is the
15 statute of limitations, plus interest at
16 9 percent, plus attorney's fees.

17 So in the example I just gave, if
18 you have an employer -- for example, a Dairy
19 Queen -- happened to be owned by two sisters who
20 pitched in to become franchise owners -- in my
21 district, and their employee, a disgruntled
22 employee who was relieved from their job for
23 falling asleep on the job, but claimed that they
24 were a manual worker because they stood at the
25 cash register their entire shift. That, to them,

1 was manual work.

2 So they claim they were manual
3 workers. They're suing them. Under that
4 example, if they were making the thousand dollars
5 per week, under labor law this employer would be
6 responsible for, if my math is correct, up to
7 \$156,000 in damages, plus 9 percent, plus
8 attorney's fees.

9 If this employer had 10 employees --
10 just 10 -- we're talking, when you add all that
11 up, close to \$2 million. This is putting small
12 companies out of business.

13 I might add, by the way, that larger
14 companies can be exempt. If the commissioner
15 approves it, large companies of a thousand
16 employees or more are exempt from this.

17 So we want to look out for the
18 workers. Or do we? Because what we're doing
19 here is we're putting small companies out of
20 business with this. There are lawsuits being
21 filed left and right, frivolous or not, but left
22 or right, taking a shot, hoping for large
23 settlements. And these employers, some of them
24 very small companies, say I can't do it. They're
25 closing up shop. How does that help the

1 employees when they're put out of work by this?

2 What we need -- and I should have
3 asked this question too, but I also already know
4 the answer, so I'll say it. In this bill what we
5 need is we need the Commissioner of the
6 Department of Labor to clearly and definitively
7 define what a manual worker is. We've been
8 asking for that. It's not being done. Until
9 that happens, we'll have frivolous lawsuits like
10 this, we'll have small companies being put out of
11 business. And we just can't have that.

12 I have more to say, but I know we're
13 up against the clock, so I'll explain my vote,
14 and I'll cede the rest of my time to my
15 colleagues. Thank you.

16 ACTING PRESIDENT PERSAUD: Senator
17 Weik.

18 SENATOR WEIK: Thank you,
19 Madam President.

20 Good-cause eviction. Much like
21 Hotel California, you can opt in, but you can
22 never leave.

23 (Laughter.)

24 SENATOR WEIK: But let's play that
25 out for the next 10 years. It makes an area that

1 opts in less attractive to invest, and it hurts a
2 community instead of helps the community. And of
3 course if building is the goal, then we want
4 landlords to want to build. This squatters rule
5 does nothing to help that. And of course
6 accessory dwelling units, legalizing accessory
7 dwelling units is not a favorable move.

8 Moving on, PLAs for SUNY. Great.
9 What a great piece to have in this bill. I thank
10 Senator Mario Mattera for all his work for many
11 years to make sure something like this happens.

12 And yet we see no tools, nothing to
13 fix wage theft. And in my district, the
14 number-one complaint is wage theft. What can we
15 do, what are we doing? And yet we see no
16 additional tools being put into this budget to
17 help fix wage theft.

18 This bill authorizes taxpayer
19 dollars to pay for abortions. Taxpayer dollars.
20 I mean, if we're going to do that, if it's good
21 enough for veterans and for cancer organizations,
22 let's do a check-off box on your income tax
23 return and let people have a choice. I bet you
24 that money would get distributed in a timely
25 fashion.

1 Education. We fully funded
2 Foundation Aid, but there's no increase for
3 save-harmless. That means teachers lose jobs.
4 Teachers are losing jobs right now because of
5 this budget.

6 Free lunch for all? Not in this
7 bill. Still free lunch for some. Mission not
8 accomplished.

9 Tier 6. This bill reduces the final
10 average salary calculation from five years to
11 three years. Well, as ranker on Civil Service,
12 we held hearings in the fall to try to find
13 solutions for recruitment and retention. What
14 this bill did was make it really attractive to
15 retire. So that was counterproductive.

16 Fare enforcement. This bill
17 actually, if you read it through, actually
18 rewards people who jump the turnstiles. But toll
19 enforcement, if you're driving, actually
20 increases the fines. And yet we see more
21 financial loss, almost a billion dollars, from
22 fare evaders, and we see less from toll evaders.
23 Enforcement should reflect the level of offense,
24 and this bill just does not do it.

25 And for that, Madam President, I

1 vote in the negative.

2 ACTING PRESIDENT PERSAUD: Senator
3 Rhoads.

4 SENATOR RHOADS: Thank you,
5 Madam President.

6 You know, our good colleague, our
7 resident hero, Senator Walczyk, who normally sits
8 behind me but is serving overseas, drew a
9 wonderful example. He'd draw attention to the
10 state flag and to our state symbol, where you see
11 a crown. And that's the British crown. And
12 that's Lady Liberty kicking the British crown.
13 But through this bill and through good-cause
14 eviction and through what we've seen over the
15 course of the last several days, we are seeing
16 that crown being taken off the ground by the
17 State of New York and placed on the head of the
18 state -- not of the people, but on the head of
19 the state.

20 Socialism is private property but
21 complete government control. Private ownership,
22 but complete government control. And when you
23 look at what's happening with good-cause
24 eviction, when you look at what's happening in
25 this state with the Housing for the Future

1 program, where essentially you're saying to local
2 governments, The state has the ability through
3 this authority to take your property without your
4 consent and to use it for housing, regardless of
5 local zoning restrictions, regardless of local
6 control over the ability for local residents to
7 determine how they are going to structure their
8 own communities, structure their own
9 neighborhoods, and preserve the communities in
10 the manner in which they want to live.

11 When you look at good-cause eviction
12 and the idea that you can own a piece of property
13 but we're going to tell you who you can rent to,
14 we're going to tell you how much you can charge,
15 we're going to tell you how long the term is
16 going to be for, we can tell you under what
17 circumstances you're allowed to retake control of
18 your own property -- that is socialism. It may
19 be the latest incremental move towards socialism,
20 but that is the end result.

21 And so the question for this chamber
22 is, is that where we want this state to go?

23 We completely ignore the fact that
24 while we have a housing crisis, our solutions
25 aren't working. Our solutions for New York City

1 aren't working. You have lost 540,000 people,
2 residents, in the City of New York since COVID.
3 So since 2020, you have lost half a million
4 residents. But you still have a housing crisis.
5 You have fewer people, but you still have a
6 housing crisis.

7 And so the solution, to provide
8 incentives to build housing but then turn around
9 and smack everyone over the head, anyone who
10 would want to come in and invest in the City of
11 New York, over the head with a big stick --
12 that's what we've been doing all along. And it
13 isn't working. Except now, instead of just
14 taking this carrot-and-stick approach, you are
15 giving the carrot to the City of New York and
16 then you are taking the stick and beating the
17 rest of the state over the head with the stick.

18 This will exacerbate the issues that
19 we're having with respect to housing in every
20 other part of the state. And the sad reality is,
21 it will not fix the problem that you are having
22 in the City of New York, because of this simple
23 fact. That people who own property, people who
24 invest their time and their capital to build
25 housing, do not do it to build housing. They do

1 it to make a profit.

2 Businesses in the State of New
3 York -- and we see this all the time in things
4 that we pass. Businesses in the State of New
5 York do not exist to create jobs. They exist to
6 turn a profit. And the moment that we take the
7 housing, the moment that we take housing and make
8 it impossible for people to make money in the
9 State of New York in the business of housing, is
10 the moment that you won't have anyone developing
11 housing. And that's where you are right now.

12 ACTING PRESIDENT PERSAUD: Senator
13 Rhoads, sorry to interrupt, but your time is up.

14 SENATOR RHOADS: Thank you so much.

15 So this -- if I can just conclude,
16 so this is clearly a mistake. And this is the
17 latest step in a path that will not make New York
18 safer, that will not make New York more
19 affordable, but will continue the downward spiral
20 that is leading to 1.5 million people fleeing the
21 state -- not because they want to but because
22 they can't afford to stay.

23 Thank you, Madam President.

24 ACTING PRESIDENT PERSAUD: Thank
25 you, Senator Rhoads.

1 Are there any other Senators wishing
2 to be heard?

3 Seeing and hearing none, debate is
4 closed.

5 Read the last section.

6 Senator Gianaris.

7 SENATOR GIANARIS: Madam President,
8 we've agreed to restore this bill to the
9 noncontroversial calendar.

10 ACTING PRESIDENT PERSAUD: The bill
11 is restored to the noncontroversial calendar.

12 Read the last section.

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

15 ACTING PRESIDENT PERSAUD: Call the
16 roll.

17 (The Secretary called the roll.)

18 ACTING PRESIDENT PERSAUD: Senator
19 Gianaris to explain his vote.

20 SENATOR GIANARIS: Thank you,
21 Madam President.

22 Much of the debate around this bill
23 was centered on housing, but I did hear a couple
24 of mentions of the Tier 6 fix that we are
25 enacting. And so I did want to correct the

1 historical record by reading a public statement
2 from June 26, 2012, into the record. And this
3 was a post that was made at that time, and so I
4 quote from it.

5 It says: "This was once again a
6 year of progress on many fronts, with an overall
7 impact that cannot be missed -- state government
8 in New York is finally working again. Here is
9 just a few ways how.

10 "We tackled public employee pension
11 reform with a new Tier 6, which includes new
12 employee contribution rates, an increase in
13 retirement age, and other cost saving measures.
14 It will save taxpayers more than \$80 billion over
15 the next 30 years.

16 "These achievements make one thing
17 abundantly clear. Albany is working again. The
18 Senate -- this person said about the Republican
19 majority at the time -- is working hand in hand
20 with Governor Cuomo to get things done."

21 And of course that was from the desk
22 of Senator Jack M. Martins.

23 So as I listened to the comments,
24 spare us, please, the hypocritical criticism of
25 our efforts to unravel the horrible mistakes of

1 your previous majority. I would rather that you
2 just said thank you and went on your way.

3 Either way, we will continue to make
4 this state better for working people by
5 continuing to correct your errors.

6 I vote aye, Madam President.

7 ACTING PRESIDENT PERSAUD: Senator
8 Gianaris in the affirmative.

9 Senator Salazar to explain her vote.

10 SENATOR SALAZAR: Thank you,
11 Madam President.

12 I want to say I genuinely appreciate
13 the humor that Senator Weik brought when she
14 spoke on the bill regarding good-cause eviction
15 as Hotel California.

16 I just want to note that the State
17 of California has had their own good-cause
18 eviction law since 2019, and there's no evidence
19 that it has inhibited the housing market there.

20 I want to first thank our Majority
21 Leader, Andrea Stewart-Cousins, for her support
22 throughout this process, for her leadership that
23 has made it possible to create a historic
24 good-cause eviction law for the first time in
25 New York.

1 It was only 10 years ago that I
2 found myself in Housing Court without an
3 attorney, speaking for myself and my neighbors in
4 our efforts to just get our building's faceless
5 LLC landlord and management company to fulfill
6 their most basic obligations to us as their
7 tenants. It was a situation that far too many
8 New Yorkers are still forced to deal with.

9 We lived in an unregulated apartment
10 in Upper Manhattan at the time, where the
11 landlord had failed to adequately heat the
12 apartment in the winter, had refused to make
13 urgent repairs to make the apartment habitable,
14 allowed a severe rat infestation to persist,
15 affecting the entire building and imposing
16 serious health risks.

17 We went to Housing Court to address
18 these problems because the situation was
19 desperate. But I knew that even if we succeeded
20 in that immediate battle for basic repairs and
21 making the apartments safe to live in, we would
22 ultimately lose the war, solely because our
23 apartment was unregulated. Fighting to enforce
24 our legal rights to a safe and habitable home
25 ultimately meant we would not be allowed to stay

1 in our home. We saw the same fate, the same
2 constant fear that unregulated tenants across the
3 State of New York still face.

4 We have seen a lot of progress in
5 the fight for housing justice in the 10 years
6 since then. But until today, with the passage of
7 this bill, New Yorkers in unregulated housing
8 have universally lacked protections against
9 unjust evictions and unreasonably high rent
10 increases. And that lack of basic protections
11 against the violence of eviction has led to
12 immense, immeasurable human suffering.

13 It is precisely that lack of legal
14 protections for unregulated tenants that we are
15 just beginning to address through this
16 legislation today. This law marks the single
17 most substantial expansion of tenants' rights in
18 New York that we have seen in 50 years. Under
19 existing law, a landlord in the free market has
20 unlimited discretion to evict a tenant or
21 increase the rent by any amount at the end of the
22 tenant's lease term. The good-cause-eviction law
23 breaks from that status quo, one that is grounded
24 in antiquated ideologies that prioritize profits
25 over people.

1 Today we are taking this critical
2 step to promote the rights of New Yorkers to
3 stability in their homes and communities where
4 they live and work and raise their children.

5 I want to be to be very clear. I
6 believe that every single New Yorker, every
7 single family in our state deserves the strongest
8 legal rights to stay in their homes. This bill
9 alone, sadly, cannot achieve that. But I will
10 continue to fight until the laws in our state
11 finally do.

12 Thank you, Madam President. I vote
13 aye.

14 ACTING PRESIDENT PERSAUD: Senator
15 Salazar to be recorded in the affirmative.

16 Senator Hinchey to explain her vote.

17 SENATOR HINCHEY: Thank you,
18 Madam President.

19 We've heard a lot about housing and
20 outside New York City in this conversation today.
21 And as a Majority member representing outside of
22 New York City, I think it's incredibly important
23 to remind my colleagues that New York is a
24 home-rule state. One of the most important jobs
25 that we have as a State Legislature is to give

1 our municipalities the tools that they seek and
2 the tools that they need and the tools that they
3 ask for to be able to do what they know best for
4 the communities that they represent.

5 From across the state, including in
6 my region, communities like Albany, Newburgh,
7 Poughkeepsie, Kingston, Beacon, New Paltz,
8 Hudson, Rochester and Ithaca and many others have
9 asked us, they have asked the state for help in
10 regards to tenant protections. What we are doing
11 in this bill is giving the communities the
12 abilities that they have asked for. We are
13 giving them the ability to keep people in their
14 homes when they see the housing crisis come to
15 their back door.

16 And in SD 41, in the community that
17 I represent in the Hudson Valley, we have been
18 disproportionately impacted by the housing
19 crisis, being the number-one place people moved
20 to throughout the pandemic. And while I am
21 incredibly disappointed that short-term rentals
22 did not make it through -- specifically the
23 rental-term rental registry did not make it
24 through this broader housing conversation, and I
25 know that we've a lot more to do in working with

1 the Governor to get her there, to understand that
2 short-term rentals are part of the housing crisis
3 and that we have to address it, we are doing a
4 good number of things in this budget to actually
5 move the housing crisis in solving it forward.
6 And I'm incredibly proud of that.

7 On education, I'd be remiss if I did
8 not stand here and loudly thank Majority Leader
9 Andrea Stewart-Cousins and Education Chair
10 Senator Shelley Mayer and all of my colleagues
11 for their fight in restoring the cuts to
12 Foundation Aid that were proposed also by the
13 Governor. The Hudson Valley would have been the
14 number-one-impacted community in cuts to
15 Foundation Aid, with the three school districts
16 facing the highest cuts in my district alone.

17 We have restored that funding,
18 making sure that there are no cuts to school
19 funding this year, and put plans in place so that
20 we can actually really understand how to better
21 fund our schools in the future.

22 So thank you to my colleagues, thank
23 you to Majority Leader Stewart-Cousins, and on
24 this bill I vote aye.

25 Thank you, Madam President.

1 ACTING PRESIDENT PERSAUD: Senator
2 Hinchey to be recorded in the affirmative.

3 Senator Murray to explain his vote.

4 SENATOR MURRAY: Thank you,
5 Madam President.

6 To finish up on what I was saying
7 when I was speaking earlier regarding the wage
8 theft, I just want to make clear that these
9 companies that are paying biweekly instead of
10 weekly, the employees got every single penny they
11 earned. They didn't lose anything. So again, I
12 don't understand the suing for damages. There
13 were no damages. They got every penny.

14 If an employer happened to mistake
15 the law, should they pay a fine? Maybe, sure.
16 But these damages are putting businesses out. So
17 that can't happen.

18 I came into this wanting to vote for
19 this bill. I commend Senator Jackson on his
20 efforts with Tier 6. I was proud to work with
21 him and stand with him and push for this. And
22 this is a start. It is a start. It's a good
23 step in the right direction.

24 As far as the PLAs, Senator Mayer
25 and my good friend Senator Mattera, working hard

1 to push that. Not where we wanted to be, at
2 \$3 million, but it's a step in the right
3 direction.

4 But then I look at some of the
5 other -- the good-cause, the attack on
6 private-property ownership, the attack on the
7 small businesses that I just mentioned that are
8 just being encouraged.

9 Then we look at what this bill was
10 supposed to be about, and that's school funding.
11 And yes, the Foundation Aid restored it. Except
12 I have 10 school districts in my Senate district;
13 six of them got goose egg when it came to
14 Foundation Aid increases. Nothing. One school
15 district, my school district where I live,
16 South Country School District, year over year,
17 amount of change: \$7,414. Wow. Great job.

18 And then finally, and sticking with
19 Senator Gianaris's theme here, this is the truth.
20 And I know some can't handle the truth, but the
21 truth is --

22 (Laughter.)

23 SENATOR MURRAY: -- we should be
24 embarrassed. Ninety million dollars was all we
25 needed to make sure every child in this state was

1 fed in schools, and we couldn't fit it into a
2 \$237 billion budget? It's embarrassing.

3 I vote no.

4 ACTING PRESIDENT PERSAUD: Senator
5 Murray to be recorded in the negative.

6 Senator Rivera to explain his vote.

7 SENATOR RIVERA: Thank you,
8 Madam President.

9 As we stated yesterday, as was
10 stated yesterday, all budgets are negotiations
11 and all results of budgets are never perfect.
12 But to again paraphrase our leader, there are
13 things that should be pointed out when people are
14 "happish," and that's what we're trying to go
15 for.

16 But I do need to stand up for a
17 second and talk about, very quickly, about what
18 we did in the housing-related field. We had a
19 very lively discussion. The fact is that the
20 version that we passed is not the original
21 version of good-cause, to speak about that one
22 for a second. We should have protected every
23 tenant. But the fact is that this is a win for
24 many tenants. I'm actually thinking about a
25 friend of mine, Christina, who was kicked out of

1 her apartment for no other reason except the
2 landlord just wanted to flip the building over.
3 And the type of abuses that she had to deal with
4 in a non-rent-stabilized apartment would have not
5 been possible if this bill was in effect. So I'm
6 thinking of her today.

7 We need to make sure that as this
8 goes into -- it's implemented, that we hold
9 landlords accountable. Because there's many
10 landlords, and certainly some in my district,
11 that take the rents and don't maintain their
12 buildings. And we know that IAI's that we approve
13 today, as opposed to making actual improvements,
14 will be used sometimes to correct neglect that
15 should have been fixed before, Madam President.

16 And bottom line, it is not our
17 responsibility to make sure that landlords get
18 rich. It's our responsibility to address the
19 inequities that exist in our system and protect
20 affordability. I believe that we have done
21 something in this bill to achieve that. And
22 although it is certainly not the version that we
23 had originally, it is one that is going to
24 protect many tenants. And I certainly want to
25 thank both the leader and certainly the

1 Housing chair as well as the sponsor,
2 Senator Salazar, for all the fights to make sure
3 that we get it right.

4 So with that, I vote in the
5 affirmative. Thank you, Madam President.

6 ACTING PRESIDENT PERSAUD: Senator
7 Rivera to be recorded in the affirmative.

8 Senator Comrie to explain his vote.

9 SENATOR COMRIE: Thank you,
10 Madam President.

11 I rise to say an unhappy yes to this
12 part of the budget. I hope that we can -- well,
13 I know we will be addressing the issues on
14 housing again. I know that we will definitely be
15 dealing with those issues because they haven't
16 been dealt with successfully, in my opinion, and
17 in the opinion of many people once this gets
18 infused into the community.

19 But I'm rising because -- to vote an
20 unhappy yes because there are many other things
21 in ELFA that are important to our community, from
22 making sure that the MTA does more to do audits
23 to make sure that they're an agency that's
24 providing truth to the community, with better
25 opportunities and faster turnarounds, making sure

1 as they did with the Elmont Train Station that
2 Senator Martins and I fought to get from another
3 administration -- even though I'll take all the
4 credit in the community. But Senator Martins and
5 I fought to get that on my train station done,
6 which was done on time and on budget.

7 Making sure that we do more for
8 children. Making sure that we're working more in
9 mental health. Creating opportunities to have
10 better reproductive and maternal health
11 healthcare.

12 And knowing that none of us are
13 going away and none of these issues will be
14 ending, you know, I look forward to having
15 discussions with people that are actual people
16 that are doing things and not people that are
17 coming up with ideas and have never worked, have
18 never owned, have never had to deal with the
19 issues around housing.

20 So with that, I vote an unhappy aye.

21 Thank you.

22 ACTING PRESIDENT PERSAUD: Senator
23 Comrie to be recorded in the affirmative.

24 Senator Mayer to explain her vote.

25 SENATOR MAYER: Thank you,

1 Madam President. I rise to cast my vote in favor
2 of the bill.

3 This is by no means a perfect
4 budget. But this bill includes major victories
5 for our schools and our families, and represents
6 a commitment to expanding opportunities for all
7 New Yorkers. I hear the critics in this chamber
8 and beyond, but I choose to celebrate what we did
9 do, what we could win, what we fought for and had
10 to compromise. That's what voters expect of us.
11 That's what voters demand.

12 I'm proud to say we fought back
13 against the Governor's cuts to more than half of
14 the state's school districts. Under this budget,
15 every district will receive at least as much
16 money as they did last year. Is it enough?
17 Heck, no. We fought for much, much more. We
18 will continue to fight for much, much more. But
19 we got a real victory, and that should not be
20 minimized by anyone in this chamber.

21 We increase school aid by
22 1.3 billion over last year, 934 million more for
23 Foundation Aid, and increase school aid to our
24 school districts by half a billion more than the
25 Governor's proposal. We also came to a

1 compromise -- compromise, a word I would remind
2 my colleagues is necessary in negotiation -- with
3 the Governor to move forward on a study of
4 Foundation Aid, something that this Majority has
5 been fighting for for years. This study will put
6 us on the path to a new formula that ensures that
7 every school receives the right amount of support
8 it needs from the state. And that study must be
9 completed this year.

10 There are groundbreaking new
11 protections for rental tenants. And I want to
12 affirm my support for these protections for
13 rental tenants outside of New York City, many of
14 whom cannot afford to stay in our communities if
15 their rents continue to increase.

16 This budget in the education space
17 is a tribute to all of the stakeholders, who
18 fought hard and they will continue to fight for
19 increased funding, and to our leader for being
20 determined and persistent in getting the best we
21 could.

22 That's what our voters demand,
23 that's what we did. I proudly vote aye.

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

1 Senator Brisport to explain his
2 vote.

3 SENATOR BRISPORT: Thank you,
4 Madam President.

5 This budget is the product of a
6 Governor whose campaign was funded by the
7 real estate industry and the ultra-rich. That's
8 who put Governor Hochul into power, and that's
9 who she works for. This budget is a return on
10 their investment. It protects and grows their
11 profits at the expense of everyone else.

12 Governor Hochul is giving the
13 real estate industry huge tax breaks in this
14 budget and rolling back rent stabilization. She
15 is giving no consideration for unhoused people
16 because they aren't a good profit source for the
17 industry. She is gutting good-cause eviction to
18 leave as many tenants as possible unprotected
19 from price-gouging and baseless evictions. This
20 isn't a deal on housing. It's a handout to the
21 real estate industry.

22 But the betrayals of her budget
23 don't end there. At a time when New York State's
24 childcare workers are earning less than
25 96 percent of occupations in the state, and our

1 childcare sector is collapsing, this bill will
2 mean a pay cut for childcare workers. Governor
3 Hochul is betting that no one will notice this
4 cut in the chaos of the late budget. There is
5 perhaps no politician in America so loudly
6 claiming to care about childcare while
7 consistently negotiating to cut or reduce or
8 against childcare spending behind closed doors.

9 Governor Hochul has no interest in
10 actually doing what the public wants and needs --
11 not on housing, not on childcare, not even on
12 education. New Yorkers are overwhelmingly
13 against mayoral control of our schools and came
14 out in huge numbers to oppose it at public
15 forums. Yet the Governor chose to force through
16 a two-year extension of the policy as a political
17 favor to a mayor who serves the same ultra-rich
18 donors that she does.

19 When a politician is put into office
20 by the rich and the powerful, we cannot be
21 surprised when they do the bidding of the rich
22 and the powerful. We can, however, refuse to
23 accept it. I vote nay.

24 ACTING PRESIDENT PERSAUD: Senator
25 Brisport to be recorded in the negative.

1 Senator Oberacker to explain his
2 vote.

3 SENATOR OBERACKER: Thank you,
4 Madam President.

5 As I said last night, having worked
6 on budgets a lot in my career, both from a
7 municipal and also from a professional
8 standpoint, you know, budgets are nothing more
9 than a business plan. They're a road map. They
10 tell us where we are, they kind of tell us where
11 we're going, and hopefully where we want to end
12 up.

13 So let's look at where we are going.
14 We are going to increase this budget over last
15 year by \$8 billion, to a budget of \$237 billion
16 when this is passed. Where are we at this point
17 in this budget process? Well, right now we are
18 and will soon be also passing this budget to be
19 larger than the combined budgets of Texas and the
20 State of Florida.

21 Where are we going to end up in this
22 budget? Well, number one, we ended up initially
23 raiding the education side of the budgets here.
24 And I have 60, 60 school districts in my Senate
25 district -- to which we did get the funding back,

1 but it's at a zero. It's a net zero equation to
2 my district. What did we do? We also raided
3 roads with our CHIPS funding. Again, restoring
4 the levels back, but at a net zero increase. And
5 lastly, we took out something very passionate and
6 very important to me, is modernizing and also
7 getting EMS as an essential service.

8 You know, there was language in the
9 budget, it says -- and these are the words that
10 were in there -- elevate accessibility, equity,
11 quality and outcomes. This bill in this budget
12 does none of those things, except one: Outcomes.
13 And in my upstate district, the one word that
14 sums up the outcome is forgotten.

15 I will be voting in the negative,
16 Madam President.

17 ACTING PRESIDENT PERSAUD: Senator
18 Oberacker to be recorded in the negative.

19 Senator Weber to explain his vote.

20 SENATOR WEBER: Thank you,
21 Madam President.

22 You know, we waited all week, all
23 day yesterday, all night last night, and here we
24 are. You know, various provisions of this bill
25 are some of the biggest assaults on the suburbs

1 and private property owners here in New York
2 State that I've ever seen. The disastrous
3 good-cause eviction portion of this budget bill
4 is a watershed moment, I think, a bail-reform-
5 type moment where we will look back in a couple
6 of years and say, What the heck happened? And
7 who the heck voted for that?

8 You know, this bill is also a
9 setback for a large portion of school districts
10 in this state, including in my district, leaving
11 some districts in a position to have to lay off
12 employees and teachers. You know, some of my
13 colleagues call this bill the Big Ugly, and it's
14 sure lived up to its name. This bill has become
15 a dumping ground for bad bills and bad public
16 policy that can't stand on its own two legs.

17 This bill is, overall, bad and
18 negative for New York State and for the residents
19 of Rockland County. I vote no.

20 ACTING PRESIDENT PERSAUD: Senator
21 Weber to be recorded in the negative.

22 Senator May to explain her vote.

23 SENATOR MAY: Thank you,
24 Madam President.

25 I rise to thank Senator

1 Hoylman-Sigal and the leader and my colleagues
2 who are voting for the Local Journalism
3 Sustainability Act today. All of us have seen
4 local journalism vanish in our communities, and
5 with it the ability of citizens to participate
6 meaningfully in the important issues of their
7 communities. And I hope that this act will make
8 a difference.

9 I hope, for example, that
10 CNY Latino, which is the only Spanish-language
11 resource for a very wide swath of
12 Central New York, will be able to continue the
13 good work that it does in informing citizens
14 about what they need to know.

15 I also want to thank
16 Senator Kavanagh and Senator Salazar for their
17 important work putting the Senate in the
18 forefront of making sure that we are addressing
19 our housing crisis in this state.

20 As the chair of the Cities 2
21 Committee, we are seeing enormous rent increases
22 in our upstate cities. I know Binghamton had a
23 double-digit average increase last year.
24 Syracuse was second, at 8.6 percent. Our tenants
25 cannot support this year after year. And in

1 Syracuse, 10 percent of the children in our
2 public schools are homeless already. We cannot
3 be putting more people out of their homes.

4 So if we can build new housing, good
5 new housing for people to live in and make sure
6 that tenants have the protections they need, we
7 can start having more hope for the future of our
8 communities.

9 I vote aye. Thank you.

10 ACTING PRESIDENT PERSAUD: Senator
11 May to be recorded in the affirmative.

12 Senator Chu to explain her vote.

13 SENATOR CHU: Thank you,
14 Madam President. I rise today to express my
15 support on this specific budget bill.

16 First, I want to highlight the
17 historic investment to "Turn on the TAP" for our
18 high school seniors and current college students
19 by raising the eligibility income cap to 125,000,
20 meaning more of our middle-class and
21 working-class students will finally be able to
22 receive tuition assistance and no longer be left
23 out.

24 This budget also increased the
25 minimum TAP award to \$1,000. This is a critical

1 investment that will offset education costs while
2 also addressing rising inflation tuition costs
3 that students must bear up-front.

4 This program continues to provide
5 much-needed assistance to students and their
6 families. By passing this legislation, New York
7 will continue to break down the barriers and
8 invest in our young ones.

9 Second, I want to highlight the
10 initial investment and crucial change to Tier 6.
11 While there is a great amount of work to be done,
12 I'm happy to see that we started to shift toward
13 real reform to this plan. This is the beginning
14 of much-needed change to recruit and retain
15 quality employees that do so much to serve
16 New Yorkers across this state. Our teachers,
17 nurses, social workers and other public servants
18 across our various government agencies deserve
19 better.

20 For all the reasons above, I proudly
21 vote aye. Thank you.

22 ACTING PRESIDENT PERSAUD: Senator
23 Chu to be recorded in the affirmative.

24 Senator Martins to explain his vote.

25 SENATOR MARTINS: Thank you,

1 Madam President.

2 You know, Madam President, I am
3 acutely aware of where I stood 12 years ago and
4 where I stand today. And I'm acutely aware of
5 where Senator Gianaris stood 12 years ago and
6 where he stands today.

7 I've never considered myself or
8 associated myself with the progressive movement,
9 but here I stand, 12 years after having voted for
10 Tier 6, imploring, working on the repeal of
11 Tier 6, understanding the limitations that they
12 have caused, the harm it has caused to our public
13 employees, and the need for us to reform it.

14 So when questioned as to why I stand
15 now urging my colleagues to do more, not less,
16 when there's broad consensus in this chamber on
17 both sides of the aisle to do just that, the
18 question really isn't why am I in that position
19 right now, because I readily recognize that
20 that's where we should be, because our public
21 employees do deserve it. The real question is
22 why is Mike Gianaris not?

23 And so we can obviously revisit that
24 at some point. But I'll stand with our public
25 employees in urging changes to Tier 6. I will

1 stand with those who urge that we build and make
2 affordable housing accessible to those who
3 actually are means-tested for it, and stop
4 protecting people who have more than enough means
5 to be able to pay market-rate housing and yet
6 hide behind rent-stabilized housing for as long
7 as they have.

8 Madam President, I vote no.

9 ACTING PRESIDENT PERSAUD: Senator
10 Martins to be recorded in the negative.

11 Senator Rhoads to explain his vote.

12 SENATOR RHOADS: Thank you,
13 Madam President.

14 I had the opportunity to speak
15 during the bill, so many of my thoughts were
16 already shared. But I do want to take a moment
17 to thank both Senator Martins and to thank
18 Senator Murray for their work on Tier 6.

19 And I also want to thank
20 Senator Mattera for the outstanding advocacy that
21 he has had in finally achieving PLA agreements on
22 large-scale SUNY projects. That is something
23 that you've been working for for a number of
24 years.

25 You know, I respect the fact that

1 when you recognize that things aren't working,
2 that you actually move forward and try and do
3 your best to fix them. That's not what we're
4 doing in this chamber, however. That's not what
5 we're doing with the housing policy that we just
6 passed. It's not what we're doing with
7 good-cause eviction. It is certainly not what
8 we're doing with accessory dwelling units. And
9 it is not what we're doing with respect to the
10 Housing for the Future program. We are doubling
11 down on the same mistakes.

12 And I will close just with this
13 warning as an explanation for why I'm voting no.
14 For the longer that this chamber, both in housing
15 and in the context of the entire budget,
16 continues to act with a wanton disregard for the
17 free market, for the longer that this chamber
18 continues to act with a wanton disregard for
19 common sense, the future of New York State will
20 not be bright, it will be bleak.

21 We will stand here as a conference,
22 speaking for myself and not speaking for anyone
23 else -- though I'm sure we have many who agree --
24 we will fight that effort tooth and nail, and we
25 will fight to give New York a better, safer and

1 more free future.

2 With that being said,
3 Madam President, I proudly vote no.

4 ACTING PRESIDENT PERSAUD: Senator
5 Rhoads to be recorded in the negative.

6 Senator Borrello to explain his
7 vote.

8 SENATOR BORRELLO: Thank you,
9 Madam President.

10 There's an old saying that the road
11 to hell is paved with good intentions. And I say
12 good intentions because, you know, there are some
13 good things in this budget. But overall, it's
14 putting us in the express lane to hell.

15 And it's not just my opinion, it's
16 the opinion of most New Yorkers. Poll after poll
17 saying most New Yorkers believe the quality of
18 life is declining here.

19 So what are we doing? We're pushing
20 ourselves into this dystopian socialist future
21 here in New York State where you can own some
22 property, but you will control one aspect of that
23 property that you own. The government will tell
24 you what to do with it.

25 Well, folks, this is not 1984.

1 There are options. And the options are to leave
2 the state and invest your money elsewhere.

3 That's what's happening in New York.

4 And as we continue down this road
5 and bang the table saying the rich should pay a
6 little bit more, the rich -- well, they're
7 leaving. So who's going to be left to shoulder
8 that burden? The working-class folks. Because
9 the pain is going to have to spread to them, as
10 it is right now. People already think it's
11 unaffordable to live in this state. Basics --
12 food, fuel, sending your kids to school,
13 daycare -- all very expensive. None of that
14 addressed in this budget.

15 But yet we're going to tell people
16 that you, in order to have the privilege of
17 owning some property here in New York State, you
18 will do what the government tells you to do.
19 That is a recipe for disaster, and the highway to
20 hell. I'll be voting no.

21 Try to get that song out of your
22 head now.

23 (Laughter.)

24 ACTING PRESIDENT PERSAUD: Senator
25 Borrello to be recorded in the negative.

1 Senator Liu to explain his vote.

2 SENATOR LIU: Thank you,
3 Madam President.

4 What a budget season we've been
5 through. And I am happy that it's about to come
6 to a close. It's been a rough season, no
7 question. I am happy to have worked alongside
8 Education Chair Shelley Mayer and our
9 Majority Leader, Andrea Stewart-Cousins, to stave
10 off many of the education cuts that were
11 envisioned in the Executive Budget -- and also to
12 address last-minute concerns and surprises.
13 Namely, that of the Governor insisting upon
14 mayoral control of New York City public schools
15 at the 11th hour of the budget negotiations.

16 We did grant a two-year extension,
17 not a four-year extension, and along the way
18 insisted that the city do more to provide that
19 sound, basic education, such as requiring the
20 city to maintain its effort, the maintenance of
21 effort provisions that will forestall the City of
22 New York from reducing its funding for New York
23 City public schools -- which unfortunately it has
24 done the last couple of years -- to expand the
25 School Construction Capital Plan, which is

1 desperately needed in order to reduce class sizes
2 in New York City, and also to ensure a better
3 system of checks and balances by having the mayor
4 select the chairperson of the Panel for
5 Educational Policy, the school board for New York
6 City, from a short list submitted by the State
7 Senate, the State Assembly, and the Board of
8 Regents.

9 And I should also mention that this
10 was all done relatively last minute,
11 unfortunately, because I think the better process
12 would have been to consider New York City school
13 governance and mayoral control outside the
14 context of the State Budget, where we would have
15 had enough time and resources to consider the
16 very comprehensive report issued just last week
17 by the State Education Department, one that
18 analyzes 50 years of history of school governance
19 in New York City --

20 ACTING PRESIDENT PERSAUD: Senator
21 Liu.

22 SENATOR LIU: -- and one that would
23 inform us of the path forward.

24 ACTING PRESIDENT PERSAUD: How do
25 you vote?

1 SENATOR LIU: Madam President, I
2 vote yes on this budget.

3 ACTING PRESIDENT PERSAUD: Thank
4 you. Senator Liu to be recorded in the
5 affirmative.

6 Senator Jackson to explain his vote.

7 SENATOR JACKSON: Thank you,
8 Madam President. I rise after many days of tense
9 negotiations, as we are called to vote today on
10 the budget for our state.

11 I harbor significant concerns
12 regarding this budget, Madam President. It
13 overlooks the opportunity to tax the ultrawealthy
14 to finance proven social programs. It fails to
15 include the HEAT Act, despite the efforts of many
16 environmental advocates. Despite months of
17 hearings on mayoral control, it will be extended
18 without genuine measures for enhanced
19 accountability and increased parental
20 involvement -- a result of budgetary process
21 where the executive branch continues to wield
22 leverage. Instead of inclusive and deliberate
23 process over the coming months, the Executive
24 rushed to include this in the budget.

25 And I am disappointed that we are

1 not passing the strongest version of good-cause
2 eviction and have significantly raised the cap on
3 IAIs, leaving too many vulnerable New Yorkers
4 without strong tenant protections and threatening
5 their ability to continue to afford living in
6 New York State.

7 Nevertheless, there are glimpses of
8 great victory. As chair of the Civil Service and
9 Pensions Committee, I am immensely proud of the
10 collaborative efforts with labor to reform Tier
11 6, especially reducing the final average salary
12 calculation window from five years to three
13 years. This is an important step on the road to
14 pension equity and strengthening our public
15 workforce.

16 And I am also proud of our efforts
17 in providing SUNY Police with a heart presumption
18 benefit, extending by two years the overtime
19 exclusion for calculating employees'
20 contributions.

21 For the children of New York State,
22 I am pleased with the legislation increasing
23 Foundation Aid compared to the Executive's
24 proposal. Democrats and Republicans came
25 together to fight that. Additionally, I'm

1 pleased with the allocation of \$1 million for a
2 study of Foundation Aid. However, I strongly
3 believe that the stakeholders approach to leading
4 the study would be more effective and fruitful,
5 as outlined in my legislation.

6 As a New Paltz alum, I am delighted
7 to see an increase in TAP funding benefiting
8 students and increased funding --

9 ACTING PRESIDENT PERSAUD: Senator
10 Jackson, how do you vote?

11 SENATOR JACKSON: -- for SUNY and
12 -- Madam Chair -- Madam Chair and leaders, I say
13 I vote aye on the bill.

14 ACTING PRESIDENT PERSAUD: Thank
15 you. Senator Jackson to be recorded in the
16 affirmative.

17 Senator Myrie to explain his vote.

18 SENATOR MYRIE: Thank you,
19 Madam President.

20 I am voting in the affirmative on
21 this budget because New Yorkers expect us to
22 deliver even when we have differences and even
23 when we disagree. But I am particularly excited
24 for two policies in this budget, one being deed
25 theft. For Black and brown homeowners in Central

1 and East Brooklyn, in Southeast Queens, in
2 Harlem, in the South Bronx and the
3 Northeast Bronx, you will now have protection for
4 the first time against bad actors who have stolen
5 generational wealth from you for generations.

6 But I am also excited to vote for
7 after-school programming. For the first time in
8 the state's history, we have universal in our
9 statutes a path for after-school programming for
10 every New York student who wants it.

11 So I proudly vote in the affirmative
12 and urge my colleagues to do the same.

13 Thank you.

14 ACTING PRESIDENT PERSAUD: Senator
15 Myrie to be recorded in the affirmative.

16 Senator Harckham to explain his
17 vote.

18 SENATOR HARCKHAM: Thank you very
19 much, Madam President.

20 I want to thank the Majority Leader,
21 Andrea Stewart-Cousins, for bringing this bill to
22 the floor.

23 On the housing component, I want to
24 thank Senator Kavanagh and his team for the great
25 work. You know it's a good day when we're having

1 a housing discussion the rage is not about
2 accessory dwelling units.

3 (Laughter.)

4 SENATOR HARCKHAM: And that's
5 because we did the work. We worked with
6 stakeholders; it's now an opt-in. But as
7 Senator Hinchey mentioned, there are communities
8 that want these tools. And this is a valuable
9 tool to help keep seniors in their homes, our
10 first responders able to live in the communities
11 they serve, our young people and our workforce
12 living in those communities. Environmentally,
13 they're low density, low impact. That's a big
14 win for New York.

15 The other is we planted a flag on
16 commercial conversions outside of New York City.
17 The suburban office parks of yesteryear can be
18 the affordable housing of today and tomorrow. We
19 now have a tax credit program -- again, thanks to
20 the negotiations -- that will benefit our
21 suburban communities.

22 So for these and other reasons, I
23 vote aye.

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

1 Senator Canzoneri-Fitzpatrick to
2 explain her vote.

3 SENATOR CANZONERI-FITZPATRICK:
4 Thank you, Madam President. And thank you for
5 standing there for so long presiding over these
6 very robust debates.

7 There are a number of things in this
8 bill that I'd like to mention. Yes, we've talked
9 about school aid, Foundation Aid and how great it
10 is that we've restored it, and I applaud the
11 efforts to combat what was initially presented by
12 the Governor. But it's important for us to all
13 know that even in the school districts that are
14 at the same level that they were at last year,
15 they will still be laying off teachers. Teachers
16 are still losing their jobs.

17 We did not pay for free lunch for
18 all, and we were so close on that. And that's
19 something that we missed the target on.

20 Tier 6. There were multiple
21 requests -- and I applaud again my colleagues on
22 the other side of the aisle because we've all
23 acknowledged that Tier 6 needs fixing. Yet we
24 did nothing to retain the employees that we
25 currently have. We've encouraged retirement, but

1 we really need to attract and retain our new
2 employees.

3 I had a discussion earlier about
4 squatters. We've defined them, but we've given
5 landowners no teeth, no tools to remove squatters
6 that are illegally and inappropriately in someone
7 else's property.

8 And good-cause eviction. While some
9 are applauding it, I believe that this is --
10 we're forgetting the ability of people to enter
11 into an agreement on terms that they determine.
12 We are substituting our judgment for people that
13 have entered into a bargain with consideration on
14 both sides.

15 And I will always fight against this
16 chamber substituting its judgment for that of
17 local governments. It is not our job to tell
18 local governments what they think is best for
19 their communities.

20 For those reasons, Madam President,
21 I'll be voting in the negative.

22 ACTING PRESIDENT PERSAUD: Senator
23 Canzoneri-Fitzpatrick to be recorded in the
24 negative.

25 Senator Krueger to explain her vote.

1 SENATOR KRUEGER: Thank you very
2 much.

3 So I want to thank all my colleagues
4 for all the work we put into the budget this
5 year. None of us are super happy. We know that.
6 My colleagues across the aisle, and you've heard
7 from my colleagues here in the Democratic aisle,
8 each of us would have written a completely
9 different budget, no doubt, if we were allowed to
10 individually. But we're not.

11 But I do see that there's a
12 difference. On one side of the aisle I feel like
13 it's all dark and doomsday with no hope, and that
14 we're feeding into even worse storylines. And
15 yet I know we're not. And I know that it's not
16 that dark out there.

17 But I just want to just take a few
18 seconds to establish that in the Legislature,
19 when you speak on the floor of the Legislature
20 about the intent of the Legislature in a bill, it
21 actually can be used in court. So I want to make
22 clear that the sections of the housing bill that
23 require that you document what you're doing, that
24 there's audits, that there's fraud, that there
25 are actions that can be taken, will require HCR

1 to establish strict regulations.

2 And we're depending on them to do
3 that, including with the very, you know,
4 upsetting to people IAI two tiers. That if
5 you're going for the higher tier of the IAIs,
6 which would be \$50,000, it's not just whether or
7 not somebody's lived there for 25 years, but in
8 fact has to show that this work is needed and
9 that they need preapproval and they need to
10 document the amount of money being spent.

11 And since intent of the Legislature
12 when spoken on the floor means something, I just
13 want to highlight with all the great things in
14 this bill -- and there are great things in this
15 bill that we didn't even get to talk about -- the
16 fact that some of my colleagues wanted to point
17 out we had funding for abortion in this bill.

18 Thank God, in my opinion, we live in
19 a state, unlike 24 others, that still recognizes
20 the fundamental right of people to make their own
21 healthcare decisions and that we recognize the
22 right to legal abortion in this state. And so is
23 the state continuing its history of some funding
24 for it? Yes, it is.

25 I vote yes, Madam President. Thank

1 you.

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

4 Senator Stavisky to explain her
5 vote.

6 SENATOR STAVISKY: Thank you,
7 Madam President. And thank you to our leader,
8 Senator Stewart-Cousins, and the staff. I think
9 they did a remarkable job.

10 It's been said that the perfect is
11 the enemy of the good. There are things in the
12 budget that I am not pleased with. But there's
13 so much good in here, particularly in terms of
14 our college students.

15 It's been mentioned that the "Turn
16 on the TAP" program is very beneficial, not just
17 to our side of the aisle but to the entire state.
18 And it's been decades since we've had significant
19 changes in the TAP program. And to me, the most
20 significant one, of many, is the eligibility
21 income increase from \$80,000 a year to \$125,000 a
22 year. That is a -- to me, a dramatic shift.
23 It's going to encourage middle-class students to
24 stay in New York, to live here, to work here.

25 And, Madam President, I proudly vote

1 aye.

2 ACTING PRESIDENT PERSAUD: Senator
3 Stavisky to be recorded in the affirmative.

4 Senator Hoylman-Sigal to explain his
5 vote.

6 SENATOR HOYLMAN-SIGAL: Thank you,
7 Madam President.

8 I rise to thank Majority Leader
9 Stewart-Cousins, our deputy leader, the entire
10 staff that stands behind us and propels us
11 forward, in consideration of this budget, as well
12 as the Governor for lowering the temperature, for
13 the civil discussions that ensued over the last
14 several months around this budget.

15 I think if we compare this budget to
16 years previous, it may have taken a little
17 longer, but I think the outcome is far better.
18 And that's why I strongly support this budget,
19 including moving forward with efforts to return
20 home rule to New York City on what seemed to be
21 prosaic issues like speed limits. By passing
22 Sammy's Law, we finally allow New York City to
23 set its own speed limit.

24 I'm very proud of the fact that we
25 are providing a leg up for struggling local news

1 publications and broadcasters. They say that
2 democracy dies in darkness. If you just walk
3 down to the Legislative Correspondents
4 Association, you have noticed over the last few
5 years the fewer number of reporters covering our
6 work here. We need that spotlight on us, not for
7 ourselves, but for our constituents, so they can
8 vote appropriately and make the right decisions.

9 And I'll say also that when it comes
10 to housing, I am so pleased that this budget
11 includes those good-cause eviction protections
12 that we've been fighting for for years. Credit
13 to Senators Salazar and Kavanaugh for all of their
14 efforts.

15 I've had constituents who have been
16 forced to leave my district and New York City in
17 its entirety because of 50, 60, 70 percent rent
18 increases since COVID. These protections will
19 allow, hopefully, them to stay and thrive in
20 New York City.

21 I vote aye.

22 ACTING PRESIDENT PERSAUD: Senator
23 Hoylman-Sigal to be recorded in the affirmative.

24 Senator Thomas to explain his vote.

25 SENATOR THOMAS: Thank you,

1 Madam President.

2 This is my sixth budget and the last
3 one in this chamber. Every budget is different.
4 No budget is perfect. And this body, our entire
5 job is to move forward. That's what we do for
6 our constituents here in New York. Since 2019
7 when this majority took on this chamber, we've
8 always put people in New York first. We fully
9 funded our schools. We expanded pre-K on Long
10 Island. We made sure there's more funding for
11 our veterans out here in this state. We provided
12 more funding for our state parks. We provided
13 more funding for our water infrastructure. We
14 provided more funding for our State Police. We
15 provided more funding for our roads, more
16 protection for our tenants than ever before. I
17 can go on and on.

18 This majority has always, always,
19 always put people first, and that's why I vote
20 aye. Thank you.

21 ACTING PRESIDENT PERSAUD: Senator
22 Thomas to be recorded in the affirmative.

23 Senator Kavanagh to explain his vote
24 and to close.

25 SENATOR KAVANAGH: Thank you,

1 Madam President. It's a shame that we didn't get
2 a full reference to AC/DC a moment ago --

3 (Laughter.)

4 SENATOR KAVANAGH: -- on the
5 Roadway to Hell. I don't know.

6 But I do rise to just highlight a
7 few of the very positive things in this bill.

8 You know, we've talked in this
9 chamber about the intersecting crises that we
10 have to face of homelessness and evictions, of
11 inadequate housing supply and unaffordable
12 housing costs. These are difficult problems to
13 solve. I think it is telling that we had a
14 proposal today in the chamber that attempts to
15 solve these problems that was put forward by the
16 Minority, you know, in good faith, but that would
17 literally result in the eviction of hundreds of
18 thousands of people in New York City over the
19 course of the next year, because -- for the sin
20 of making over \$136,000 or \$155,000 a year.
21 These are different problems to solve. We have
22 tough choices to make.

23 I want to thank Senator Majority
24 Leader Andrea Stewart-Cousins, Senators Persaud
25 and Hoylman in their respective roles as chairs

1 of the Social Services and Judiciary committees,
2 and of course Senator Salazar for more than half
3 a decade of work on good-cause eviction.

4 We are following through on the
5 multiple approaches that we're taking to these
6 crises, and particularly with this bill.
7 Yesterday we passed a bill that addresses the
8 need for capital spending with a billion dollars
9 of new capital spending on new programs to
10 provide housing throughout the state. We are of
11 course protecting tenants, not just with this
12 bill but by funding attorneys, by increasing
13 rental assistance and strengthening our laws and
14 our enforcement of laws against discrimination in
15 our fair on housing laws. And of course
16 good-cause, which I'll get back to in just a
17 moment.

18 For homeowners we're providing the
19 Homeowner Protection Program. We have great new
20 laws on deed theft, thanks to Senator Myrie's
21 leadership. And again, the fair housing laws
22 that we're increasing funding and support for
23 enforcement of those.

24 And yes, many new incentives for the
25 private sector to produce affordable housing not

1 just in New York City, but across the state.
2 There's a problem called 421-p which hasn't been
3 discussed much today but will allow tax
4 incentives throughout the state for either
5 construction of new housing or conversion of
6 existing commercial buildings.

7 Those provisions, we've talked about
8 the affordability of those. Senator Ramos asked
9 me to mention a particular feature of those laws,
10 which is that they are designed to protect the
11 rights of the working people who work to
12 construct those buildings and to service them
13 after they're built, by applying strong labor
14 protections, including the provisions of Section
15 220 and 220B of the Labor Law.

16 And there is a provision somewhere
17 in the bill that suggests that they could include
18 in the definition of wages the provisions that
19 include payroll taxes but, only to the extent
20 permissible by law. And I want to make it clear
21 that that is basically not permissible by the
22 laws I just referenced.

23 So these will be strong labor
24 protections throughout the state on those cases.

25 Good-cause eviction has been the

1 subject of much conversation today. I will note
2 that there are numerous court cases that have
3 upheld the much stronger provisions of the rent
4 stabilization laws in recent years, including
5 CHIP vs. New York City, 74 Pinehurst vs. New York
6 State, G-Max vs. New York State, and BRI vs.
7 New York State, all of those decided in the last
8 year and a half by the Second Circuit, and the
9 Supreme Court has already denied cert on three of
10 them.

11 It is the case that states have the
12 ability to specify the terms under which people
13 can get evicted, and that is what we are doing
14 today.

15 Good-cause eviction has been the
16 subject of a lot of criticism from the property
17 owner perspective here in this chamber that's,
18 you know, been ably defended and responded to my
19 colleagues. I do want to note that this bill is
20 not a perfect specimen of statutory construction,
21 and we do have some concerns from some of our
22 friends in the tenant advocacy community that
23 there might be some gaps in this bill.

24 Particularly there's been concern
25 that the demolition -- the fact that people can

1 opt out of good -- can sort of be exempt from
2 good-cause because they're demolishing the
3 building or withdrawing it from the market or to
4 use the building for themselves or their family,
5 the so-called owner use exception.

6 And I just want to note that we've
7 put in very strong protections against those
8 being loopholes that can be abused. We are
9 requiring in this law something that's very rare
10 in statute, which is clear and convincing
11 evidence if a landlord intends to take advantage
12 of those experimentation exemptions. We've seen
13 in the past fraudulent attempts to evict tenant
14 using loopholes, especially in the rent
15 stabilization laws, and we've had lots of
16 litigation over the years to block those.

17 But we've learned from other
18 jurisdictions and from our own experience that if
19 you allow tenants to be evicted simply on the
20 landlord's word that they perhaps intend to
21 demolish the building or withdraw it from the
22 rental market, that that is a recipe for trouble.

23 So we've made it clear here that
24 demolition and withdrawing housing from the
25 market constitutes good-cause only if the

1 landlord has strong intention, demonstrated by
2 clear and convincing evidence, to use the
3 property for those purposes.

4 ACTING PRESIDENT PERSAUD: Senator
5 Kavanagh, your time is up.

6 SENATOR KAVANAGH: And I will wrap
7 up with just one more thought.

8 Which is, you know, again, there's
9 an exemption here for small landlords. There's a
10 lot of sympathy for small landlords. But we've
11 made it crystal-clear that landlords need to
12 disclose the full range of owners of the
13 building, and that that will be part of any
14 eviction proceeding where someone is claiming
15 that exemption. And we believe that will be an
16 adequate protection against larger landlords
17 trying to use that loophole.

18 Again, this is not perfect, but this
19 is a giant step forward in the completion of a
20 budget that is really addressing our multiple
21 housing crises at multiple levels, and I'm very
22 proud of the work we've done today and very proud
23 to vote aye.

24 ACTING PRESIDENT PERSAUD: Senator
25 Kavanagh to be recorded in the affirmative.

1 Announce the results.

2 THE SECRETARY: In relation to
3 Calendar 849, those Senators voting in the
4 negative are Senators Addabbo, Ashby, Borrello,
5 Brisport, Canzoneri-Fitzpatrick, Gonzalez,
6 Griffo, Helming, Lanza, Martins, Mattera, Murray,
7 Oberacker, O'Mara, Ortt, Palumbo, Rhoads,
8 Rolison, Scarcella-Spanton, Skoufis, Stec,
9 Tedisco, Weber and Weik.

10 Ayes, 36. Nays, 24.

11 ACTING PRESIDENT PERSAUD: The bill
12 is passed.

13 Senator Gianaris.

14 SENATOR GIANARIS: Can we now take
15 up Supplemental Calendar 45D, as in David.

16 ACTING PRESIDENT PERSAUD: The
17 Secretary will read.

18 THE SECRETARY: Calendar Number
19 848, Senate Print 8300D, Senate Budget Bill, an
20 act making appropriations for the support of
21 government.

22 ACTING PRESIDENT PERSAUD: Senator
23 Gianaris.

24 SENATOR GIANARIS: Is there a
25 message of necessity at the desk?

1 ACTING PRESIDENT PERSAUD: There is
2 a message of necessity at the desk.

3 SENATOR GIANARIS: Move to accept
4 the message of necessity.

5 ACTING PRESIDENT PERSAUD: All
6 those in favor of accepting the message signify
7 by saying aye.

8 (Response of "Aye.")

9 ACTING PRESIDENT PERSAUD: Opposed,
10 nay.

11 (Response of "Nay.")

12 ACTING PRESIDENT PERSAUD: The
13 message is accepted.

14 SENATOR LANZA: Lay it aside.

15 ACTING PRESIDENT PERSAUD: The bill
16 is laid aside.

17 Senator Gianaris.

18 SENATOR GIANARIS: Let's take up
19 that controversial calendar, please.

20 ACTING PRESIDENT PERSAUD: The
21 Secretary will ring the bell.

22 The Secretary will read.

23 THE SECRETARY: Calendar Number
24 848, Senate Print 8300D, Senate Budget Bill, an
25 act making appropriations for the support of

1 government.

2 ACTING PRESIDENT PERSAUD: Senator
3 Rhoads.

4 SENATOR RHOADS: Thank you,
5 Madam President. On the bill.

6 ACTING PRESIDENT PERSAUD: Senator
7 Rhoads on the bill.

8 SENATOR RHOADS: Thank you so much,
9 Madam President.

10 You know, I must say that in the
11 course of a \$237 billion budget, I am
12 disappointed that within the Department of
13 Environmental Conservation we could not find the
14 funds to take care of a growing issue and an
15 ongoing issue, certainly in my community and many
16 of our surrounding communities on the South Shore
17 of Long Island.

18 In 2020, the State Legislature
19 created the South Nassau Water Authority and the
20 North Shore Water Authority. Except for some
21 reason -- and I think it may have something to do
22 with who was in the control of the Town of North
23 Hempstead at that point in time -- for some
24 reason the North Shore Water Authority was funded
25 to the tune of \$2 million, but the South Nassau

1 Water Authority received nothing.

2 Now, there was a bill -- and by the
3 way, the purpose of these water authorities was
4 to investigate the possible takeover of an entity
5 called Liberty Water. Liberty Water, by the way,
6 is a private water utility, whereas most of the
7 rest of Long Island has public utilities that
8 actually handle water delivery and treatment to
9 individual residents.

10 As a result, Long Islanders in my
11 district, in Senator Canzoneri-Fitzpatrick's
12 district, in Senator Martins' district, pay
13 exorbitant rates for water, sometimes as much as
14 12 times what public utility ratepayers pay.

15 And the purpose of -- the authority
16 was created to investigate the possibility of
17 doing a takeover of that private utility, how
18 much it would cost to evaluate their systems, to
19 determine what they would have to pay, and
20 negotiate with the private utility to do a public
21 takeover and put that to the voters to make a
22 determination.

23 North Shore Water Authority was paid
24 \$2 million to do that study. The South Nassau
25 Water Authority was given nothing. There was a

1 bill in 2022 introduced by my predecessor which
2 passed this house, that was vetoed by the
3 Governor because it was outside of the budget, to
4 provide \$1 million in funding.

5 I'm disappointed that in spite of
6 requests both last year and this year to the
7 leaders in both houses as well as to the
8 Governor, that we could not find, in a
9 \$237 billion budget, \$1 million to treat the
10 South Nassau Water Authority the same as we did
11 the North Shore Water Authority and provide the
12 dollars necessary to complete the process so that
13 we can get water relief to residents across
14 Southern Nassau County.

15 I want to -- you know, I want to
16 express that disappointment but also -- I did.
17 So I wanted to express that disappointment, and
18 with that I'll yield the balance of my time.

19 Thank you.

20 ACTING PRESIDENT PERSAUD: Senator
21 Ashby on the bill.

22 SENATOR ASHBY: Yes,
23 Madam President, on the bill.

24 I want to thank my colleagues. I
25 plan on supporting this bill. And I'm not going

1 to quote our Colonel Jessep or Lieutenant Kaffee,
2 but I am going to talk about a more real-life
3 military and veteran situation specific to our
4 Department of Veterans Services.

5 There's been a minimal increase in
6 funding, yet no new programming, no new federal
7 assistance, and no consolidation of programming
8 into the department itself. No significant
9 changes at all. And yet we continue to see the
10 absence of the Staff Sergeant Alex Jimenez Family
11 Legacy Program.

12 And I don't know if anybody in here
13 realizes, but immigration is a very divisive
14 issue. But it doesn't always have to be.
15 Bipartisan legislation exists federally and
16 within our state.

17 Staff Sergeant Jimenez went missing
18 in action in 2007 in the Triangle of Death south
19 of Baghdad, and his remains were recovered in
20 2008. I was in Diyala Province when his remains
21 were recovered. I did not realize at that time
22 that his spouse was being actively deported. The
23 federal government stepped in, created a Parole
24 in Place program specifically for the
25 undocumented family members of servicemembers.

1 This program continues to exist.

2 Is this not worth leadership
3 support? Is it not worth a bipartisan demand for
4 leadership to act? I believe it is. And being
5 that it passed both houses of this Legislature
6 unanimously, more than once, I believe everyone
7 in this room thinks so too.

8 The Governor's veto message cites it
9 as duplicative. The fact is, it would be so
10 duplicative it would be the first-in-the-nation
11 program to provide these services.

12 It's an issue that is eroding public
13 trust and dividing us further. Leading, mending
14 these ways, must be our aim. And Staff Sergeant
15 Jimenez's profound example is the inspiration.
16 The future he gave his life for is better than
17 what we are delivering.

18 Thank you, Madam President.

19 ACTING PRESIDENT PERSAUD: Thank
20 you, Senator.

21 Senator Martins on the bill.

22 SENATOR MARTINS: Thank you,
23 Madam President. On the bill.

24 You know, since we are funding
25 government operations, I take the opportunity to

1 just raise an issue specifically to the
2 Department of Labor.

3 You know, as part of our discussions
4 each year when we sit and we hold budget
5 hearings, then we go back and we talk to our
6 constituents. One of the concerns that has come
7 up time and again -- not once, but several times
8 over several years -- is the ability of the
9 Department of Labor to enforce prevailing wage
10 requirements and certified payrolls required when
11 doing jobs that require union trades.

12 You know, we had conversations, we
13 had questions of the commissioner, who said that
14 yes, they are aware of it, but they don't
15 necessarily have the staff necessary to get that
16 done. Yet we hear from our building trades that
17 time and again those jobs that should be
18 prevailing wage, that should be -- require
19 certified payrolls are being done by people who
20 are paying their employees less than the required
21 wage and getting away with it.

22 And so I would want to make sure, as
23 a matter of record and producing a record, that
24 we have the ability to point back to the
25 necessity, the need for the Department of Labor

1 to actually place those resources where they
2 belong, and to support our building trades.

3 Because as recently as just last
4 week, I had discussions with building trades on
5 Long Island who are concerned about this, and we
6 will be meeting again as we go through the year,
7 in the hopes of meeting with the Department of
8 Labor, coordinating and seeing if we can't
9 bolster their efforts. Certainly there's enough
10 money in this budget for them to be able to
11 prioritize that, and I certainly hope that they
12 do.

13 On a separate note, Madam President,
14 with regard to the Department of Health, people
15 in this body may not remember it, we passed a
16 bill in -- I believe it was 2021. It was
17 sponsored by Senator Gaughran at the time, and it
18 passed both houses and it was signed into law by
19 the Governor, which required the Department of
20 Health to conduct a study with regard to airplane
21 noise and the impact that airplane noise has on
22 local communities.

23 As you know, Madam President, my
24 district, sitting on the North Shore of
25 Nassau County with John F. Kennedy Airport and La

1 Guardia Airport so close, happens to be under the
2 flight path of just so many planes. And the
3 impact to our communities -- and I know many of
4 my colleagues here in the chamber know all too
5 well what the impacts are of being close to those
6 airports.

7 It's real. It's not just a
8 nuisance. It's not just loud. There is
9 documented proof that there are health
10 consequences to our communities with the frequent
11 overflight and decibel levels of these planes,
12 and the impacts to air quality can't be ignored.

13 And so this chamber and the Assembly
14 and the Governor agreed by signing a bill into
15 law requiring that a study be conducted to
16 measure those so we can actually have forensic
17 evidence of what is happening and use that in our
18 discussions with the FAA and the Port Authority
19 with regard to how they route airplanes over our
20 communities.

21 Madam President, that report was due
22 back from the Department of Health on March 31,
23 2024 -- three weeks ago. There's no report. We
24 contacted them. We are working with the
25 Department of Health, who tell us that they're

1 working on an RFP now. It hasn't been issued
2 yet. Even though the report was due three weeks
3 ago, that they plan to have an RFP prepared and
4 ready, and then they'll eventually get it out and
5 they'll have a consultant that they'll hire once
6 they've done the proper vetting. And then
7 they'll go out and they'll conduct a study over a
8 period of time, and then eventually they'll get
9 back to us with those results.

10 But, Madam President, that wasn't a
11 suggestion. It wasn't an ask. It wasn't
12 something that they were asked to do. It was
13 something that this Legislature and the Governor
14 signed into law and required them to do.

15 And so here we are. I would be
16 remiss if I didn't ask and confirm that there is
17 proper and sufficient resources in the Department
18 of Health to conduct that study and prioritize
19 that study so that the residents of our
20 districts, of my district and others on
21 Long Island, both in Nassau, Suffolk, Queens,
22 Brooklyn -- over which we have endless flights
23 and noise and impacts to our communities, and
24 serious health impacts to our communities -- have
25 the ability to actually track it and hold people

1 accountable.

2 So I urge my colleagues to
3 coordinate, to work, to ask yourselves why the
4 Department of Health has failed to actually
5 provide the report that they were supposed to by
6 law have to us by March 31st, and how quickly
7 they will get around to actually doing what they
8 were required to do, as opposed to just saying
9 they'll get around to it when they get to it
10 because they're busy and they have other reports
11 they have to do.

12 I didn't realize that when this
13 chamber passes a bill and the Governor signs it
14 into law, that it is up to the agency to decide
15 whether or not to do it or not and whether or not
16 to prioritize it or not.

17 We will continue to ask. But I want
18 to make sure that there are resources available
19 in this budget, in state operations, to actually
20 prioritize the health and safety of the residents
21 of my district and others around me when it comes
22 to fighting the scourge of noise and air
23 pollution that comes from living under the flight
24 paths of just so many of these airplanes.

25 And lastly, Madam President, I just

1 want to make sure that since we are funding the
2 Division of Housing and Community Renewal, that
3 we make sure that there are funds there
4 sufficient to ensure that the division is
5 properly staffed to be able to address some of
6 the priorities that have been passed by this
7 chamber over the course of the last few hours,
8 that they do have the ability to prioritize those
9 things that are here and to do so appropriately.

10 You know, we talk a lot about
11 affordable housing, we talk a lot about building
12 housing in our communities, the next generation
13 of Mitchell-Lama and the like. But if we're
14 going to build those in our local communities,
15 it's essential that the Division of Housing and
16 Community Renewal have people on staff who
17 understand local zoning, who understand the need
18 to work collaboratively with our local
19 communities, who respect the fact that building
20 something in a community is not just something
21 that parachutes in, it has to actually be
22 properly evaluated pursuant to the State
23 Environmental Quality Review Act, and that the
24 local communities have to be part of that process
25 in determining whether or not those housing units

1 or the infrastructure or the impacts to the local
2 community, whether it's water or sewer or
3 otherwise, are properly addressed.

4 And so I just want to make sure that
5 as part of the funding that we're providing the
6 Division of Housing and Community Renewal, that
7 all of these things are prioritized when they
8 make sure that they hire personnel sufficiently
9 trained and with sufficient experience to
10 understand how to work with local communities
11 when it comes to local zoning needs.

12 So, Madam President, I'll be
13 supporting this bill because I think it's very
14 important that we continue to support our
15 government and allow them, in turn, to work with
16 our local governments or on the priorities that
17 are set by this house in terms of advancing
18 policy not on their terms, but on the terms that
19 are set by our state.

20 Thank you, Madam President.

21 ACTING PRESIDENT PERSAUD: Does any
22 other Senator wish to be heard?

23 Seeing and hearing none, debate is
24 closed.

25 Senator Gianaris.

1 SENATOR GIANARIS: Madam President,
2 let's restore this bill to the noncontroversial
3 calendar, by agreement with the Minority.

4 ACTING PRESIDENT PERSAUD: The bill
5 will be restored to the noncontroversial
6 calendar.

7 Read the last section.

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

10 ACTING PRESIDENT PERSAUD: Call the
11 roll.

12 (The Secretary called the roll.)

13 SENATOR GIANARIS: Madam President,
14 while the vote is being tabulated, we're also
15 going to stand at ease for a brief moment while
16 we get everyone onto the floor for final remarks
17 that need to be here.

18 ACTING PRESIDENT PERSAUD: The
19 Senate will stand at ease.

20 (Whereupon, the Senate stood at ease
21 at 2:32 p.m.)

22 (Whereupon, the Senate reconvened at
23 2:35 p.m.)

24 ACTING PRESIDENT PERSAUD: The
25 Senate will return to order.

1 SENATOR GIANARIS: The Senate will
2 now proceed with the vote for the bill that was
3 before the house.

4 ACTING PRESIDENT PERSAUD: Senator
5 Kennedy to explain his vote.

6 SENATOR KENNEDY: Thank you,
7 Madam President.

8 First of all, let me start by taking
9 this opportunity to say a few words today as we
10 pass this budget. This serves as my final budget
11 under all circumstances here in the Senate. This
12 is my 14th budget, state budget. And if you
13 could just indulge me for a moment, I want to say
14 just a few words about my time here in the
15 Senate, Madam President.

16 First and foremost, I have many
17 thank-yous to go around, starting by thanking God
18 for giving me the opportunity to stand here with
19 all of you. 'Tis only by the grace of God go I.

20 And this has been an emotional
21 journey for me for many years to get to this very
22 moment. And the thank-yous are boundless, quite
23 frankly. And it starts at home with my wife,
24 Katie, and our three beautiful children, Connor,
25 Eireann and Padraic, our baby angel Brigid, my

1 extended family, my parents, my in-laws, my
2 siblings, their significant others -- husbands,
3 wives, my nieces, nephews. Family. All right?
4 That define us, make us who we are.

5 And all of those that helped to form
6 and inform me in who I am as an individual and
7 how I think, how I live, how I vote. And those
8 characteristics, those -- the moral upbringing
9 that gave me and made me who I am.

10 I am forever grateful and forever
11 blessed, and I never take it for granted, all of
12 which I just articulated to you the boundless
13 blessings that made me who I am and why I'm here
14 today.

15 Which then leads me to my Senate
16 family, all of those that helped to get me here
17 over the years, starting back in 2010. It's been
18 my 14th year here, I campaigned to get here. So
19 many that helped to make my campaign for Senate
20 back in 2010 a success, and then those that have
21 served in my Senate staff office, including those
22 that work with me here today, my Senate staff,
23 that really makes my office the best office it
24 can possibly be, that I would put up against any
25 office in the entire nation. And I've been

1 blessed and honored to have the most incredible
2 staff serving with me over many, many years.

3 My colleagues that have helped to
4 make this experience here in this auspicious
5 chamber what it's been, a ride of a lifetime.
6 When I ran in 2010, I had thousands of signs that
7 said "Kennedy, Democrat, Change Albany." And I
8 believe we've done that. We've done that. All
9 of us have done that. No one individual on his
10 or her own, but us as a collective body have
11 changed Albany unquestionably, and changed it for
12 the better.

13 When we began, the government at
14 that time was considered the most dysfunctional
15 state government in the entire nation. We've
16 changed that. We have changed that.

17 I want to recognize those that
18 actually started here with me when I began,
19 starting with our colleagues here: Of course the
20 dean, Senator Breslin; Senator Parker;
21 Senator Krueger; Senator Serrano; Senator
22 Stavisky; Senator Rivera; Senator Addabbo, on
23 this side of the aisle. And in order to get
24 here, we needed leadership on the political side
25 of things, and steering the ship over many years

1 was Senator Mike Gianaris.

2 On the other side of the aisle, but
3 a handful: Senator Lanza, Senator Gallivan,
4 Senator Griffo, and Senator O'Mara.

5 Together we have redefined how this
6 chamber operates and functions and leads. And
7 I've been a part of this change under the
8 blessing to serve with the greatest of leaders
9 that I've ever served with and may ever serve
10 with, our Majority Leader, Andrea
11 Stewart-Cousins -- a historic figure in this
12 chamber and in this state, as we know. It's
13 worth repeating: First woman, first woman of
14 color in the history of New York State to serve
15 in that capacity of leadership, Democrat or
16 Republican, Senate or Assembly. It's been the
17 honor of a lifetime, and a privilege.

18 Those of you that have come since I
19 got here, I want you to know that I feel the same
20 about all of you as well. I consider you all my
21 friends, colleagues, individuals with the
22 greatest of esteem for the work that you do, for
23 the people that you represent, for the reason
24 that we're here, for the passion that you serve
25 that has defined this great state for the better.

1 We are all better off because of every single one
2 of you in this room.

3 And I thank you, each and every one
4 of you, for giving me the opportunity to serve
5 with you, to laugh with you, to cry with you, to
6 argue with you, to fight with you -- for the
7 people of this great state and this great nation.
8 Because what happens here in this state and in
9 this chamber we know informs the rest of the
10 nation and, quite frankly, the rest of the world
11 on how to lead. And I believe we've done that.
12 And I believe we've done that with dignity and
13 respect and civility and kindness and passion.
14 And I hope I've brought a little bit of all of
15 that to the table.

16 That's why in this moment, as I
17 stand here on April 20, 2024, and I say this is
18 my last budget because it's the end of this
19 budget cycle, as we take our last vote in this
20 moment, but it's the beginning of early voting in
21 the 26th Congressional District. Today is the
22 day.

23 So I suppose timing is everything.
24 And if I'm given the honor to serve my
25 constituents and our community in the

1 Buffalo-Niagara region in the United States
2 Congress, with the vote ending on April 30th,
3 this will be my last moment to address all of you
4 as a member of the New York State Senate -- if
5 I'm victorious in that campaign.

6 So I just want to say thank you.
7 Thank you to each and every one of you that have
8 worked with me, that have loved with me, and that
9 have cared with me about the great people of this
10 Empire State of New York. From a kid from the
11 neighborhood in South Buffalo, the Irish enclave
12 in the City of Buffalo which, for any of you
13 that's been paying attention is the capital of
14 Irish America --

15 (Laughter.)

16 SENATOR KENNEDY: We claim it.

17 (Laughter.)

18 SENATOR KENNEDY: Who came up with
19 very little means in a family that didn't have
20 much but each other, love, faith, love for
21 community, love for serving others, love for
22 giving back, and an individual raised in a
23 neighborhood who went on to St. Joseph's
24 Collegiate Institute, graduated 30 years ago in
25 1994. Minority Leader Rob Ortt's alma mater.

1 You might have seen him get in a picture with me
2 yesterday. I think we'll both admit it wasn't an
3 endorsement.

4 (Laughter.)

5 SENATOR KENNEDY: Twenty-five years
6 ago this year, graduated from D'Youville
7 University, named after St. Marguerite
8 d'Youville, the founder of the Grey Nuns.

9 As an occupational therapist, coming
10 from healthcare, people always said how does an
11 occupational therapist run for office, become a
12 public official, an elected official? At the end
13 of the day it's all about helping people. That's
14 what we're all here to do. And that's what we
15 all do.

16 And I've seen over the last 14 years
17 everyone in this chamber, and those that have
18 come before us, serve the people of this great
19 state, helped the people of this great state, and
20 do it very well.

21 Thank you for giving me this
22 opportunity. Thank you for your indulgence.
23 Thank you for your service. Thank you for your
24 friendship. As my career moves on, I look
25 forward to our continued work together, our

1 continued service, and our continued leadership
2 on behalf of this great state and this great
3 nation.

4 God bless each and every one of you
5 and your families. God bless the great State of
6 New York. And God bless the United States of
7 America.

8 Thank you, Madam President.

9 ACTING PRESIDENT PERSAUD: Thank
10 you, Senator Kennedy.

11 (Extended standing ovation.)

12 ACTING PRESIDENT PERSAUD: So,
13 Senator Kennedy, how do you vote?

14 (Laughter.)

15 SENATOR KENNEDY: I absolutely vote
16 aye.

17 (Laughter.)

18 ACTING PRESIDENT PERSAUD: Thank
19 you. Senator Kennedy to be recorded in the
20 affirmative.

21 Announce the results.

22 THE SECRETARY: In relation to
23 Calendar 848, those Senators voting in the
24 negative are Senators Borrello, Helming, Lanza,
25 Oberacker, O'Mara, Ortt, Stec and Tedisco.

1 Ayes, 52. Nays, 8.

2 ACTING PRESIDENT PERSAUD: The bill
3 is passed.

4 Senator Gianaris, that completes the
5 reading of the calendar.

6 SENATOR GIANARIS: Now,
7 Madam President, we're up to the concluding
8 remarks of the leaders.

9 Please recognize Senator Ortt.

10 ACTING PRESIDENT PERSAUD: Senator
11 Ortt for remarks.

12 SENATOR ORTT: Yes, thank you,
13 Madam President. The hour is late, even though
14 the hour is early.

15 (Laughter.)

16 SENATOR ORTT: But I want to
17 thank -- first of all, I want to thank all of my
18 colleagues in the Republican Conference for your
19 commitment to the people of New York, for your
20 work during this budget process. As I was
21 watching the floor debates, you know, you try to
22 think about what you're going to say or how to
23 capture our sentiment from this side of the
24 aisle. And it's really impossible to do a better
25 job than I think was done by our members.

1 And so I want to thank you all for
2 your comments, for your questions, for your
3 thoughtful voting and comments on this budget on
4 behalf of our constituents and the people of
5 New York.

6 I certainly want to thank Senator
7 O'Mara, our ranker on Finance; Senator Krueger's
8 dance partner for most of the budget out here.
9 He's gotten -- he's pretty nimble on his feet.
10 You know, you wouldn't know it, but he is, as you
11 all can see. But he, you know, like
12 Senator Krueger, he's in every budget hearing,
13 which starts in February. And then obviously
14 hours of debate, but also hours of debate prep
15 and really trying to have an understanding of a
16 237, in this case, billion-dollar budget, which
17 is not an easy task. And so I want to thank him.

18 I certainly want to thank our floor
19 leader, our deputy leader, Senator Lanza, who is
20 out here the entire time, essentially. Doesn't
21 really get a break. And certainly manages the
22 floor and I think does so in a very admirable
23 way.

24 And I want to thank you for your
25 friendship and your partnership.

1 I'd be remiss -- I want to thank
2 obviously members of the Majority. I want to
3 thank Senator Krueger, who takes the lion's share
4 of the questions from our members and answers
5 them I think in the most honest way that she can.
6 I know very often, from being on that side of the
7 aisle, you don't always fully know everything
8 that's in this because it's being put together at
9 the last minute. And I always think she's very
10 sort of up-front about that.

11 And so I thank you for your work on
12 this.

13 I certainly want to thank Senator
14 Gianaris, who's out here all the time as well,
15 with Senator Lanza, as I often say. And I do
16 think they manage this whole thing as best as you
17 could expect two people in this situation to do
18 that.

19 So I want to thank my partner, my
20 colleague across the aisle, Senate Majority
21 Leader Senator Andrea Stewart-Cousins, for her
22 work on this process. I know negotiating the
23 budget, I'm certain, is not an easy task.

24 And so I want to thank everyone, all
25 the members, the staff. The staff does an

1 incredible job, and I'm sure she will thank her
2 staff. But to our staff, from counsel's office,
3 our analysts to our press folks, everyone in
4 between -- but certainly the folks who are up at
5 2:00 in the morning who set alarms, you know,
6 almost like they're waking up to take care of a
7 screaming baby every couple of hours. But
8 instead, the screaming baby is PP&GG, or it's --

9 (Laughter.)

10 SENATOR ORTT: -- you know, it's
11 ELFA or whatever it might be, or Leg & Judy. And
12 so waking up to go through this to brief all of
13 us so that we can understand, not only to ask
14 questions, but so that we can go home and answer
15 the most important questions from our
16 constituents, the people we work for, so we can
17 have an understanding of how this impacts them.
18 Whether you voted for it or not, it impacts our
19 constituents. Whether you think it impacts them
20 for the better or the worse, it impacts them.
21 \$237 billion is going to impact people. And so
22 it is important what we do here.

23 Before I touch on the budget, I'll
24 just wish my colleague Senator Kennedy good luck.
25 I can promise you, I really can assure you

1 sincerely that everyone on this side of the aisle
2 did everything we could to make this a memorable
3 experience for you from our vantage point.

4 (Laughter.)

5 SENATOR ORTT: And you said when
6 you first ran, he said that he was joining what
7 was considered widely the most dysfunctional
8 state government in the country. And should he
9 be successful, he will join the most
10 dysfunctional government, period.

11 (Laughter.)

12 SENATOR ORTT: So -- so I wish you
13 luck. I wish you luck.

14 (Laughter.)

15 SENATOR ORTT: You'd be emotional
16 too if that was the prospect facing you, right?

17 (Laughter.)

18 SENATOR ORTT: But certainly it's
19 been a pleasure to serve with him both here in
20 Albany but also back home in Western New York.
21 And again, do wish him well in the special
22 election.

23 There's not much really to add again
24 that my colleagues and my conference has not
25 already talked about. But I just -- there were a

1 couple of things that I wanted to touch on. I'll
2 be brief, because I know we all want to get out
3 of here and we want to beat the Assembly and keep
4 our streak going.

5 So this budget tackled, like, a lot
6 of -- it tackled a lot of things. But there were
7 obviously some major issues that sort of both
8 sides of the aisle talked about. We talked about
9 affordability. Specifically, I think, in the
10 area of housing, because it is important to
11 everyone. Someone being able to afford housing,
12 to access housing, I always believe and have said
13 is a cornerstone of the American dream. It is
14 a -- when people talk about the American dream,
15 when people come here from other parts of the
16 world, one of the reasons they do so is to get
17 their piece of the American dream. Which is
18 still alive, and I think sometimes is more alive
19 outside the United States of America.

20 But they come here, and that's
21 important. We can't lose sight of that. That
22 is, if housing -- if the access to housing gets
23 further and further out of reach for people, then
24 that is a danger to the fabric of the
25 United States of America and to any one of the 50

1 states, including New York.

2 The question is, did we fix it. Did
3 we move the needle. I certainly would say no,
4 because the real issue around why there's not
5 enough housing is there's not enough construction
6 of housing. Yes, there's other areas which my
7 colleagues have brought up -- people being in
8 apartments that maybe they shouldn't be in.
9 Apartments not coming online that otherwise might
10 be online if owners had the means to fix them up
11 or could charge rents to offset the cost of
12 fixing them up.

13 But one of the other reasons is the
14 cost of new construction in New York City and
15 across New York State. Because somebody said
16 homeowners -- or homebuilders and developers love
17 to build homes and develop housing units because
18 that's how they make money. They want to provide
19 a roof over people's heads not because it's a
20 moral thing, because that's their business. And
21 business owners like to be in business.

22 But we didn't address that root
23 cause of new construction. In fact, outside of
24 New York City very little was done for the growth
25 and construction of new homes in upstate

1 New York, on Long Island. In the city, as was
2 mentioned by some of my colleagues, the new
3 housing that was put in place, the new tax
4 credits and such, it's going to be years before
5 any of those units could potentially come online.

6 However, at the same time that we're
7 trying to spur development, we put in place
8 essentially what is elements of good-cause
9 eviction, or you might even said rent control.
10 We took the ideas of rent control out of New York
11 City and are now expanding those ideas to other
12 parts of the state and certainly growing them in
13 New York City.

14 And underlying this all is just a
15 real philosophical difference. I heard several
16 of my colleagues across the aisle talk about, you
17 know, profit motive, profits over people, we
18 shouldn't be trying to make landlords rich.

19 Let's be clear. No one's trying to
20 make anyone rich. The model is developers build
21 homes and then those homes are bought or rented
22 by people who need them. That is the model. And
23 the more supply you have to meet the demand, it
24 will lower the cost.

25 But what's interesting is in this

1 deal the richest landlords, if you would, the
2 ones that we all like demonize, or some of my
3 colleagues demonize -- the best part is they were
4 part of this, if we're being very honest. The
5 middle-income landlords, the smaller landlords
6 were not part of this. They were not in the room
7 when this was drawn up.

8 And those are the folks, as usual,
9 who are going to get shafted here. It's the
10 person who doesn't have a thousand units. They
11 have 30 units. And maybe that's their
12 retirement. Maybe that's how they're going to
13 put their kids through college. Maybe that's how
14 they're going to build generational wealth for
15 them and their families.

16 But we're saying today, that's not
17 going to work here in New York. We're saying
18 that you really don't have the full right to
19 build generational wealth, and your property
20 rights, as we have always defined them, are not
21 sacrosanct. They're not inviolable. Because
22 essentially if somebody gets in a lease or an
23 agreement in an apartment or a unit that as long
24 as they pay, they'll never be able to -- to be
25 asked to leave. It will be tenancy for life.

1 And then we also heard many of my
2 colleagues talk about this is the first step. So
3 this isn't even bad enough. There is more to do.
4 And of course that more is ultimately total
5 good-cause, tenancy for life, a reduction in
6 private property rights, private ownership, the
7 notion that the only house you should own is the
8 one you live in. And those are all comments that
9 have been made, in some cases by people in this
10 chamber.

11 And in our -- they may believe those
12 comments. I fundamentally, and our conference,
13 does not. We cannot. And if we go down that
14 road as we are, we will shed, we will not see new
15 housing growth. The new housing growth you will
16 see, you'll have to go to Tennessee to see it.
17 You'll have to go to Florida to see it. You'll
18 have to go to Texas to see it. You'll have to go
19 to North Carolina to see it.

20 That's what's going to happen.
21 And that is what is happening. And I've talked
22 to many developers who have said that this is
23 another reason -- another reason beyond the cost
24 to not build and provide housing in New York.

25 So while it sounds good to demonize

1 people who own apartment buildings because
2 there's always less of them than there are
3 tenants, the reality is those owners of apartment
4 buildings are the ones who provide apartments and
5 units to people to live in. And we should be
6 spurring the construction and the building of new
7 housing to provide those opportunities for people
8 to access those here in New York, and we're not.
9 This bill does not do that. It does actually
10 quite the opposite.

11 Healthcare, we're basically to
12 hospitals that if people don't pay, you can't --
13 there's no way to actually get that money. So
14 you provide service, you provide medical
15 treatment, and you don't have to get paid.

16 I don't have to tell anyone in this
17 room no one likes being in the hospital.
18 hospitals are like banks -- easy to demonize.
19 But you know what? Everyone in this room knows
20 what most New Yorkers do not, that every hospital
21 in this state is one bad month away from being
22 financially insolvent, from being on the edge.

23 There was a teaching hospital in the
24 Governor's proposed budget that was put out this
25 year that was going to be closed, which I know

1 after hundreds of millions of dollars invested,
2 it will remain open at least for the time.
3 Because it is getting more and more expensive to
4 keep hospitals open, probably because of global
5 issues, partly because of things that we are
6 doing here. We are helping to collapse the
7 healthcare system in the State of New York in
8 this budget.

9 And what does that mean? That means
10 as hospitals close -- no, it's not going to be
11 any Mount Sinai, but it might be a rural
12 hospital. And as that happens, those
13 constituents, those New Yorkers have less access
14 to healthcare. Which is bad for health outcomes,
15 and it's another reason for people maybe not to
16 live in those communities.

17 So we're not doing anything on
18 healthcare, even though that's obviously a huge
19 talking point, and we're spending hundreds of
20 millions of dollars to basically prop up a
21 collapsing system.

22 We did nothing -- or I guess we did
23 barely anything on crime. In spite of the
24 Speaker of the Assembly's objections that
25 penalties don't work, just let the retail theft

1 happen, lock everything up, that will be a better
2 solution and a better message to our small
3 businesses, our brick-and-mortar businesses.

4 I am thankful that we did something
5 on retail theft, but we all know -- we all know,
6 with three dead police officers in the past
7 month, we all know that we have to do a better
8 job on crime.

9 We're failing. And you can ask any
10 New Yorker of all political stripes, and they
11 would tell you we are not doing enough on crime.
12 This state is equally unsafe for more people
13 today than it's ever been.

14 Last, budgets are all about
15 priorities. We're spending a lot of money,
16 \$237 billion, \$8 billion more than we spent last
17 year; 73 billion more since 2019. Now, most
18 people would say, Well, I'm getting \$8 billion
19 more worth out of my government, right? I'm
20 getting \$8 billion more. But like so many things
21 in today's day and age, we're spending more and
22 we're getting less. We're spending more and
23 getting less. This budget is not delivering
24 \$8 billion more worth of services, but it is
25 providing \$2.4 billion to noncitizens.

1 Now, I heard some of my colleagues
2 talk about unhoused individuals, and I had to
3 sort of just shake my head because we're
4 providing housing to 180,000 people who are not
5 citizens. They're living in tent cities and in
6 hotels. Someone else might be able to live in
7 those areas, but they're not.

8 We're spending \$2.4 billion at the
9 same time we're saving 500 million from the CDPAP
10 program. That program was a lifesaver for
11 New York residents. People who pay taxes, people
12 who pay the bill for the \$237 billion. But we're
13 going to set aside 2.4 billion this year. We
14 spent just about 2 billion last year. And I'm
15 sure, I am certain next year we'll be here having
16 the same discussion. Because we're not doing
17 anything to stem the flow at our level. We're
18 not doing -- in fact, we're encouraging, by
19 sanctuary policies, more people to come here.

20 And I heard someone talk about we're
21 a land of immigrants. And that's -- obviously,
22 we all know that's a true statement. It's
23 something that's talked about. But there's
24 something that I want to address there, because
25 the insinuation is that our American story is

1 all -- we're all immigrants. So if you're
2 against \$2.4 billion for those who are here
3 illegally, then therefore you must be against the
4 idea of America.

5 And that is not true. It is
6 un-American to undermine federal immigration law.
7 It is un-American to work against law enforcement
8 and against the laws that have been passed to
9 safeguard and protect our communities, our
10 states, and our country. That, to me, is not in
11 keeping with the spirit of America.

12 There is a way that people should be
13 able to come to this country and take part in the
14 American experiment. One hundred eighty-six
15 thousand people living in tent cities and
16 shelters, risking their lives coming across the
17 border, getting bused and airplaned into
18 communities in the middle of the night? That is
19 not what it looks like. It shouldn't be what it
20 looks like. It is what it looks like in 2024.

21 And this is going to contribute to
22 that issue. And again, at a time when we told
23 school districts you have to accept cuts, when we
24 told the CDPAP program you're kaput, at a time
25 when we took funding out of healthcare, we told

1 DSPs you're not going to work. We made a lot of
2 tough decisions in this budget, as you always
3 have to do in any budget. I don't care if you
4 spend a trillion dollars; somewhere there's a
5 hard decision. But \$2.4 billion goes a long way.
6 And I just wonder what that could have done in
7 other parts of the budget for legal New Yorkers
8 who pay this bill.

9 And if spending money made this
10 state more affordable -- I've said it many
11 times -- we'd be the most affordable state and we
12 wouldn't be losing people at the clip we're
13 losing them. The more we spend, the more people
14 seem to leave. The more we try to use government
15 to provide everything for people, the more they
16 escape our grasp and go to other states where
17 there's more freedom, where they keep more of
18 their money, where they have better
19 opportunities.

20 And until we understand that
21 dynamic, however noble our intentions may be, we
22 could spend as much as money as we want to, and
23 the issues that are affecting New Yorkers and the
24 decline that is happening in this state will not
25 be addressed.

1 So, Madam President, I thank you for
2 your indulgence. Again, I thank all of the
3 members for their participation in this process.
4 I, along with my conference, am proud to have
5 voted no on this budget.

6 But I thank you for the time, and I
7 hope everyone has a great two-week recess.

8 Thank you.

9 ACTING PRESIDENT PERSAUD: Thank
10 you, Senator.

11 (Applause.)

12 ACTING PRESIDENT PERSAUD: Senator
13 Gianaris.

14 SENATOR GIANARIS: Thank you,
15 Madam President.

16 And now please recognize
17 Majority Leader Andrea Stewart-Cousins.

18 ACTING PRESIDENT PERSAUD: Majority
19 Leader Andrea Stewart-Cousins for remarks.

20 SENATOR STEWART-COUSINS: Thank you
21 so much, Madam President.

22 And I guess I get to announce
23 finally this is the end of the end.

24 (Laughter.)

25 SENATOR STEWART-COUSINS: Just so

1 you know.

2 (Laughter.)

3 SENATOR STEWART-COUSINS: But we
4 know what this has been. It's been a journey
5 marked by long hours and tough decisions and
6 certainly a great amount of resolve on both sides
7 of the aisle.

8 We also, I'll remind us, had an
9 incredibly interesting period with our historic
10 eclipse, our earthquake, and then our Bill
11 Drafting Commission hacked. You could not make
12 this up.

13 And yet here we are at the end of
14 the end of this budget cycle. But with that
15 being said -- and obviously this is a time where
16 we give all of our thanks -- I really do want to
17 thank the Bill Drafting Commission and especially
18 the commissioner, Chris Higgins, because they
19 were nimble, because they found the way to make
20 sure that we could be here when we were ready to
21 be here. I really, really am grateful for
22 everything that -- you know, talking about people
23 working overtime, they really did. So we I think
24 we should give them a round of applause.

25 (Applause.)

1 SENATOR STEWART-COUSINS: I had
2 visions of -- like I was asking people, like, Who
3 types? You know --

4 (Laughter.)

5 SENATOR STEWART-COUSINS: -- if
6 we're just going to be trying to get all this
7 into the system. So it was great.

8 Obviously I want to thank my
9 partners in government, certainly Governor Hochul
10 and Speaker Heastie and all their teams for, you
11 know, working again around the clock in terms of
12 negotiations. And to all of the members, as I
13 said, on both sides of the aisle. I know this is
14 never fun. We start in January and just work on
15 through.

16 But certainly to my members in the
17 Democratic Majority, you know how much I
18 appreciate you and all of your efforts, because
19 it is so clear that you take your fiduciary
20 responsibility seriously. And because of that,
21 New York is better, better for your efforts. So
22 thank you.

23 I also of course want to thank my
24 deputy, Senator Gianaris. Again, we know the
25 role and, again, you guide it so smoothly. And

1 you and your counterpart, Senator Lanza, do an
2 extraordinary job, because we have to be
3 disciplined, but somebody has to make sure we
4 are. Thank you so much, Senator Gianaris.

5 So Senator Liz Krueger, you're
6 amazing. I tell her that all the time. She
7 threatens to quit all the time. I won't let her.
8 You just can't. She even says things to see if I
9 will -- and I won't. I don't ever, ever, ever
10 take the bait.

11 But thank you for, you know, again
12 answering all the questions. And you think,
13 Senator Ortt, that she doesn't know but she
14 actually does know all these answers, because
15 she's had so much practice over the years.

16 And yes, Senator O'Mara, you are --
17 I am interested in seeing the dance that you --
18 we have a little room right there, and the space,
19 and any time you want to show us this dance, I
20 think we could -- it could be good. It could
21 break a little of the tension, right?

22 I also want to say to
23 Senator Kennedy, I never thought I would ever see
24 you speechless. And --

25 (Laughter.)

1 SENATOR STEWART-COUSINS: And I was
2 like, wow, is he going to get through this? But
3 I think you kind of had all of us choked up,
4 because, you know, we're going to miss you. And
5 you have brought, you know, a real energy and a
6 love of what you do and who you do it for. And
7 all of us, it's very, very clear that your
8 passion is public service.

9 And it was important that you
10 learned the lessons being on this side of the
11 aisle and that side of the aisle and finding ways
12 to still get done what we needed to be done.
13 Because that is absolutely what they need in
14 Congress.

15 So Godspeed. I don't want to jinx
16 you, but I don't think you'll be back. And I
17 think you will represent what you learned here,
18 in now I'm sure what is the most functional state
19 legislature in the country, and you will bring it
20 to Congress. So good luck, and Godspeed.

21 I also want to -- you know, again,
22 Senator Ortt, thanks for being, you know, a good
23 partner. He's patient. And, you know, I try and
24 give you the most up-to-date -- yeah, well, you
25 know. When you're not patient, we don't talk.

1 You talk to them.

2 (Laughter.)

3 SENATOR STEWART-COUSINS: But like
4 I said, I know it's not easy. I've been there.
5 And, you know, to try and keep people informed
6 and engaged is not easy. So thank you for that.

7 And then of course all of the staff
8 and the hard work that they do. And I want to
9 make sure to give a special shout-out to my
10 senior leadership team: My Finance Director Dave
11 Friedfel. Majority Counsel Eric Katz. Director
12 of Intergov and External Affairs Leah Goldman.
13 My Communications Director Mike Murphy. Also the
14 Secretary of the Senate, Alejandra Paulino, and
15 her great team. And for my amazing team, led by
16 my Director of Operations Jonathan Alvarenga.

17 I really thank all of you, you know,
18 and you get to be named because these people are
19 just -- they're tireless and effective. So I
20 thank you.

21 (Applause.)

22 ACTING PRESIDENT PERSAUD: I think
23 we'll just give a general round of applause for
24 all the staff that make us all -- thank you.
25 Thank you. Thank you, thank you, thank you.

1 (Applause.)

2 SENATOR STEWART-COUSINS: Thank you
3 very much.

4 Yes, Senator Krueger, they are
5 tired.

6 (Laughter.)

7 SENATOR STEWART-COUSINS: So
8 unfortunately for all of you, if we had actually
9 finished at 3:00 or 4:00 in the morning, I
10 wouldn't be reading this speech. But since we
11 are here and it is still daylight, you will get,
12 you know, what you might have missed yesterday.

13 But I think where we begin is where
14 we left off. The reality is it's a budget that's
15 a result of hard work, collaboration, and it's
16 brought us to this moment. But as we know,
17 budgets are not just fiscal documents, it's a
18 reflection of our values. It's a testament to
19 the commitment of the people of New York. And
20 it's clear that this Majority does not settle for
21 things the way they've always been done.

22 Which is why our eyes during this
23 budget have only looked forward, because we all
24 know that we cannot let our state slip back to
25 the days of underfunded schools, business

1 opportunities only for the wealthy few, families
2 kicked to the streets during hard times out of
3 their control, people being forced into the
4 shadows for healthcare, and our natural resources
5 being treated as landfills. That's not who we
6 are, and it's not the spirit of New York. We're
7 change-makers, and we've sought to harness the
8 energy of that change in this budget.

9 At its core, the budget is about
10 curating a state that supports the opportunities
11 and livelihoods of every person at every stage of
12 their life. And we want to make this a place
13 where you can come, put down your roots, raise a
14 family, and retire with dignity.

15 We can't expect people to make their
16 lives from start to finish in our great state if
17 average homes cost luxury prices. It was beyond
18 time to reach a housing deal that addressed
19 head-on realities that families on the ground are
20 facing. Although it may not be a silver bullet,
21 it's an imperative step in the right direction.

22 This budget does contain good-cause
23 provisions that will shield tenants from
24 unconscionable rent hikes and unwarranted
25 evictions. It will also incentivize the

1 development of housing and, yes, affordable
2 housing. And that affordable housing will come
3 in many ways, including our new Housing
4 Opportunities for the Future program and new
5 tax-credit programs for development in New York
6 City and beyond.

7 Additionally, we'll be providing
8 hundreds of millions to support, yes, our public
9 housing not only in New York City but outside of
10 New York City. We also are taking steps to
11 protect homeowners at risk of foreclosure with an
12 additional \$40 million for the Homeowners
13 Protection Program. We're addressing the crime
14 of deed theft and codifying the distinction
15 between tenants and squatters to help make
16 prosecution easier.

17 We also know it's important for the
18 place we call home to be somewhere your kids can
19 learn and grow. That's why when families put
20 down their roots, whether it's in Manhattan or
21 the rural reaches of the Adirondacks, they should
22 know that schools will be equally supported and
23 adequately funded. It was not until the Senate
24 majority sat in these seats that New York finally
25 upheld its obligation to fully fund our schools

1 after decades of neglect.

2 This budget rejects proposed changes
3 to the Foundation Aid formula without some study
4 and continues to hold schools harmless for
5 enrollment changes. We've also added funding for
6 universal pre-K and after-school, knowing the
7 importance of these areas in the development and
8 well-being of our children.

9 School is literally the path on
10 which you walk into a better future. It will
11 always be a smart investment for us to make,
12 knowing the dividends it pays for our kids, their
13 future, and our state.

14 And when those kids grow up, they
15 should be able to get the degree they deserve not
16 just the one they can afford. And that's why in
17 this year's budget we included a record increase
18 in the Tuition Assistance Program, also known as
19 TAP, with expanded eligibility for the first time
20 in two decades. A solid education is the key to
21 a long and productive career.

22 Our state, with an economy that
23 dwarfs many countries, is powered by the
24 hardworking individuals who make up our
25 workforce. It's imperative that they can earn a

1 livable wage while also being able to take time
2 off when necessary and ultimately retire
3 after putting in a career's worth of time. This
4 conference has been consistently dedicated to the
5 labor that powers our state, and so in this
6 year's budget we took steps to fix Tier 6 to
7 better attract and retain people to civil
8 service. We also secured a cost-of-living
9 increase for both direct service providers and
10 state agency workers.

11 I'm proud to announce that thanks to
12 the Senate's efforts, this budget will also
13 include the Newspaper and Broadcast Media Jobs
14 Program as a tax incentive, which will work to
15 directly support the employment and retention of
16 local journalism and media jobs. Not only is
17 this important for an employment pool, but it's a
18 pro-democracy measure, and that will ensure that
19 our fourth branch of government reaches every
20 level and every corner of our state.

21 In 2016 New York led by enacting the
22 country's strongest and most comprehensive paid
23 family leave program. We're continuing those
24 efforts today by creating a first-in-the-nation
25 Paid Prenatal Leave Program, by increasing the

1 amount of sick time a pregnant person can use for
2 prenatal doctors' visits. We're also supporting
3 our working moms by allowing 30 minutes of paid
4 time for new moms to pump during the work day.

5 Having a safe, affordable place to
6 call home, a well-paying job, meaningful
7 benefits, the ability to take time off when
8 needed are fundamental to long-term stability.
9 But even under the best of circumstances, people
10 get sick, and we still need medical care. We
11 recognize the critical importance of ensuring
12 access to quality healthcare for all New Yorkers,
13 and our budget reflects that commitment. That's
14 why we secured Medicaid increases to hospital
15 services, nursing homes, assisted living
16 programs. We have additional resources, yes, for
17 our safety-net hospitals. And we've successfully
18 stopped the closure of SUNY Downstate with both
19 its short-term viability and long-term service in
20 mind.

21 And a key pillar of our fight for
22 health equity has been to deal with the
23 weaponization of medical debt against people in
24 need of care. And building on our work this
25 session and recent years, we're eliminating cost

1 sharing for insulin. This budget will make sure
2 that our policies are grounded in basic humanity,
3 and we're going to make sure that your care is
4 not dictated by what you owe and what you can
5 pay.

6 As we've always done and will
7 continue to do, the budget takes a definitive
8 step forward for maternal and reproductive
9 healthcare. This year that means codifying the
10 Reproductive Freedom and Equity program and
11 prioritizing greater access to doula services.
12 We know from the past and from what we're seeing
13 elsewhere in the country that rollbacks to
14 fundamental human rights are a hindrance to each
15 and every one of us. We will continue to keep
16 women and people safe in the face of attacks on
17 reproductive rights and family planning across
18 the nation.

19 And when New Yorkers are raising
20 their families, they need to know that their kids
21 are covered too. In a major victory for our
22 children, this budget will also allow children
23 under six to remain continuously enrolled in
24 Medicaid and the Children's Health Insurance
25 Program, which means that kids will remain

1 insured during their early development years and
2 parents will save money and medical costs.

3 And we're continuing our commitment
4 to mental health resources by increasing the
5 number of beds available for mental health
6 treatment, including a \$75.8 million increase for
7 crisis service intervention so that people can
8 get the help they need when they need it.

9 This year's budget was about making
10 smart investments in our system to carry for
11 years to come. The need for improvement extends
12 far beyond social programs to roads, bridges,
13 sewer systems, other infrastructure that actually
14 gets us where we need to go. This budget
15 includes record funding that the Senate Majority
16 fought tirelessly for, including the extra
17 \$60 million for its CHIPS program, for a total of
18 nearly \$600 million, and an additional
19 \$10 million in additional funds for upstate
20 public transit.

21 In a significant boon to our
22 municipalities, this Majority successfully
23 secured the first increase in Aid and Incentives
24 to Municipalities, also known as AIM, since 2012.
25 This \$50 million boost over the Executive's

1 proposal brings us to over \$700 million, and it
2 will assist municipalities in providing essential
3 services and conducting long-overdue upgrades.

4 We know the importance of food
5 security and supporting our farmers. No farmers,
6 no food. We're investing in our farms, in
7 agriculture, and we're very happy that there is
8 an additional \$4.3 million that's been put into
9 Nourish New York that reroutes surplus farm
10 products to New York's networks of food banks.

11 To help keep our communities safe,
12 we're taking action and making investments to
13 empower law enforcement -- and communities
14 also -- to crack down on illegal cannabis shops
15 and curtail retail theft and prevent hate crimes.

16 And as we work to build a more
17 sustainable future for our state, we're not
18 backing down on our aggressive climate goals.
19 We're committed to creating good green jobs,
20 lowering utility costs, and preserving our planet
21 for future generations. Our environmental
22 initiatives reflect our dedication to combating
23 climate change and protecting our natural
24 resources. That's why we restored the
25 \$250 million cut to the Clean Water funding. We

1 successfully prevented cuts to our Environmental
2 Protection Fund, for an investment of
3 \$400 million. And we're continuing to ensure
4 that the clean green future saves ratepayers
5 money. That's why we included \$50 million for
6 the Empower Program to electrify recipients'
7 homes and help guarantee that customers do not
8 spend more than 6 percent of their income on
9 their electric bill.

10 We secured a two-year sales tax
11 exemption on the installation of residential
12 energy storage systems which will lower consumer
13 costs and make it easier to electrify their
14 homes. And we've demonstrated yet again that our
15 climate-forward future will be union-built by
16 adding critical labor protections to the
17 Executive's RAPID Act proposal, which expedites
18 siting of new renewable energy projects.

19 A month ago we passed our one-house
20 resolution in a statement of the Senate's
21 priorities. Now we're animating those priorities
22 with a state budget that put the real resources
23 into things that matter and makes a difference in
24 people's lives.

25 I know we want to go. We're beyond

1 overtime. So I could continue to highlight more
2 ways that this budget is helping the great State
3 of New York and New Yorkers, but I won't.

4 What I'll do is thank you again for
5 the work you do on behalf of each and every one
6 of us. I want to, yes, have you enjoy the two
7 weeks. Don't forget, tomorrow's Earth Day. Make
8 sure you do something nice for the planet. For
9 those who are celebrating Passover, have a
10 Happy Passover.

11 And again, enjoy the next two weeks,
12 with the understanding that when we come back in
13 the merry month of May, we have maybe about
14 18 days -- I know, I'm sorry to do that to you --
15 18 days to fulfill the hopes and dreams that
16 everyone has in their legislative lives.

17 So again, it's an honor and a
18 privilege, and enjoy the break.

19 Thank you so much, Madam President.

20 (Sustained standing ovation.)

21 ACTING PRESIDENT PERSAUD: Senator
22 Gianaris.

23 SENATOR GIANARIS: Thank you,
24 Madam President.

25 You know, when you have Passover,

1 you also have Greek Easter not far behind, so I
2 want to wish everyone a Happy Orthodox Easter --

3 ACTING PRESIDENT PERSAUD: Happy
4 Orthodox Easter.

5 SENATOR GIANARIS: -- there are a
6 few of us in here.

7 With that, is there any further
8 business at the desk?

9 ACTING PRESIDENT PERSAUD: There is
10 no further business at the desk.

11 SENATOR GIANARIS: I move to
12 adjourn until Monday, May 6th, at 3:00 p.m.,
13 intervening days being legislative days.

14 ACTING PRESIDENT PERSAUD: On
15 motion, the Senate stands adjourned until Monday,
16 May 6th, at 3:00 p.m., intervening days being
17 legislative days.

18 (Whereupon, at 3:33 p.m., the Senate
19 adjourned.)

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