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

P R O C E E D I N G S

ACTING PRESIDENT COONEY: The Senate will come to order.

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

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

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

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

ACTING PRESIDENT COONEY: Reading of the Journal.

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

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

Presentation of petitions.

Messages from the Assembly.

Messages from the Governor.

Reports of standing committees.

Reports of select committees.

Communications and reports from state officers.

Motions and resolutions.

Senator Gianaris.

SENATOR GIANARIS: Good afternoon, Mr. President.

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

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

Senator Gianaris.

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

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

SENATOR GIANARIS: The Senate stands at ease.

ACTING PRESIDENT COONEY: The

Senate stands at ease.

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

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

ACTING PRESIDENT COONEY: The Senate will return to order.

Senator Gianaris.

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

ACTING PRESIDENT COONEY: The Secretary will read.

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

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

The bill reports direct to third reading.

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

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

Finance Committee signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT COONEY: Opposed, nay.

(No response.)

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

Senator Gianaris.

SENATOR GIANARIS: Please take up the supplemental calendar.

ACTING PRESIDENT COONEY: The Secretary will read.

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

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

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

SENATOR GIANARIS: Move to accept the message of necessity.

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

(Response of "Aye.")

ACTING PRESIDENT COONEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT COONEY: Lay it aside.

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

SENATOR GIANARIS: Please take up the controversial calendar.

ACTING PRESIDENT COONEY: The Secretary will ring the bell.

The Secretary will read.

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

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

ACTING PRESIDENT COONEY: Senator Krueger, will you yield?

SENATOR KRUEGER: I will.

Are we talking like numbers?

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

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

SENATOR O'MARA: Sure.

SENATOR KRUEGER: Okay.

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

ACTING PRESIDENT COONEY: Senator Krueger yields.

SENATOR KRUEGER: I do.

SENATOR O'MARA: Thank you,

Mr. President.

Thank you, Senator Krueger. Good afternoon.

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

SENATOR KRUEGER: This morning.

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

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

8:17 a.m.

SENATOR O'MARA: 8:17 this morning?

SENATOR KRUEGER: Yes, sir.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR KRUEGER: That's factually correct.

SENATOR O'MARA: Through you --

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

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

SENATOR O'MARA: Absolutely.

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

UNIDENTIFIED SENATOR: No.

SENATOR O'MARA: Through you,

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

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

the debt service bill that we already did?

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

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

SENATOR KRUEGER: I believe you have, yes.

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

SENATOR KRUEGER: Okay.

(Discussion off the record.)

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

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

SENATOR KRUEGER: 131.674 million state operating fund disbursements.

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

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR KRUEGER: Yes, of course.

ACTING PRESIDENT COONEY: The Senator yields.

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

SENATOR KRUEGER: 235.358 billion.

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

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: Does the sponsor yield?

The sponsor yields.

SENATOR KRUEGER: Yes.

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

SENATOR KRUEGER: 1.6 percent, approximately $4 billion.

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

Thank you, Senator Krueger.

SENATOR KRUEGER: Thank you.

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

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

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

SENATOR RIVERA: I do yield.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Thank you, Senator Rivera.

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

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

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

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

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

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

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

not including the personal assistants?

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I do, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

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

SENATOR RIVERA: Through you,

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

transition will occur.

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

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

We also, in the recognition that

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

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

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

SENATOR HELMING: Thank you.

Through you, Mr. President, if the

sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: It sounds pretty crappy to me --

(Laughter.)

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

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

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

But the transition here, the hope

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

One second, Mr. President.

(Pause.)

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

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

the goal.

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes, sir.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

you elaborate on this?

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

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

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

SENATOR HELMING: Through you,

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

(Pause.)

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

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

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

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

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

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

yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

New York City. How did that go?

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

(Pause.)

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

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

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

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

SENATOR HELMING: Thank you.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

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

SENATOR HELMING: Me. From me.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RIVERA: See, you weren't

specific.

Yes, I yield.

SENATOR HELMING: Thank you.

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

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

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

(Laughter.)

ACTING PRESIDENT COONEY: Does the sponsor yield?

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

ACTING PRESIDENT COONEY: The sponsor yields.

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

(Laughter.)

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

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

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

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

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

ACTING PRESIDENT COONEY: Senator Helming on the bill.

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

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

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

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Rivera,

Part Q includes scope of practice for certain professions.

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

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

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

So the Governor, in her budget, has

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

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

communities?

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

care for people with developmental disabilities?

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

SENATOR HELMING: Thank you.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

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

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

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

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

through the cracks, where is it in the budget?

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

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

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

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

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

(Pause.)

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

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

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

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Helming.

Senator Borrello, why do you rise?

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

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

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

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR RIVERA: Through you,

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

(Pause.)

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

(Laughter.)

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

(Laughter.)

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

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

SENATOR BORRELLO: Mr. President,

will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Sure.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

Why would we do that?

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yep.

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

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The

sponsor yields.

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

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

ACTING PRESIDENT COONEY: Senator Borrello, can you clarify?

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

(Pause.)

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

So MRT II suggested that we needed

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

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

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

(Pause.)

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR BORRELLO: So based on

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

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

SENATOR BORRELLO: Okay.

Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Borrello on the bill.

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

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

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

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

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

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

We are setting ourselves up for the

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

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

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

So I'll be voting no on this one.

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

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

SENATOR BORRELLO: Yes, if I could, please.

ACTING PRESIDENT COONEY: Senator Rivera, will you yield?

SENATOR BORRELLO: Is that you?

SENATOR RIVERA: Part --

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

SENATOR RIVERA: Yes, Mr. President.

ACTING PRESIDENT COONEY: Senator Rivera yields.

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

SENATOR RIVERA: Through you,

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I will state for

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

(Laughter.)

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR BORRELLO: Follow-ups notwithstanding --

(Laughter.)

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

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

agree on that it's low-hanging fruit.

SENATOR BORRELLO: Okay. Okay.

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

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

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

SENATOR BORRELLO: Mr. President, on the bill.

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

SENATOR BORRELLO: Thank you again, Senator Rivera.

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

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

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

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

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

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

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Borrello.

Senator Stec, why do you rise?

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

ACTING PRESIDENT COONEY: Senator Rivera, will you yield?

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

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

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR RIVERA: Yes.

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

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

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR STEC: Thank you.

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

done in this budget?

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

SENATOR STEC: Long-term care. Sorry.

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

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

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

I should make clear that even though

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

SENATOR STEC: Thank you.

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

(Pause.)

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

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Does the

sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR STEC: Thank you, Senator.

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

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

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

(Pause.)

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

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

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

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

ACTING PRESIDENT COONEY: Senator Stec on the bill.

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

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

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

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

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

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

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

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

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

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

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

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

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

I'll be voting no.

ACTING PRESIDENT COONEY: Thank you, Senator Stec.

Senator Ashby, why do you rise?

SENATOR ASHBY: Thank you, Mr. President.

Will Senator Rivera yield?

ACTING PRESIDENT COONEY: Will Senator Rivera yield?

SENATOR RIVERA: Part? What part?

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

SENATOR ASHBY: Part II.

ACTING PRESIDENT COONEY: Part II.

SENATOR ASHBY: India, India.

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR ASHBY: You good?

SENATOR RIVERA: Yup.

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

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

SENATOR ASHBY: Do you

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR ASHBY: Have we seen this in other states?

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

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

ACTING PRESIDENT COONEY: Does the

sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

(Pause.)

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

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

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

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

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

SENATOR ASHBY: Will the sponsor yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR ASHBY: What figure do you have?

SENATOR RIVERA: One second.

(Pause.)

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

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

What we are going to do is we're

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

SENATOR ASHBY: Thank you, Senator Rivera.

On the bill, Mr. President.

ACTING PRESIDENT COONEY: Senator Ashby on the bill.

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

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

separate from the cap.

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

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

I'll be voting no. Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Ashby.

Senator Murray, why do you rise?

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

ACTING PRESIDENT COONEY: Senator Rivera, will you yield?

SENATOR RIVERA: Part "UUUU"?

Yes, I will.

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR MURRAY: Thank you.

Through you, Mr. President. Could you tell me what is in Part U of this budget that is dealing with the opioid and overdose prevention?

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

SENATOR MURRAY: Thank you.

Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Murray on the bill.

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

There was language in the bill, as

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

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

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

was something, it was steps forward.

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

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

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Murray.

Senator Rolison, why do you rise?

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

ACTING PRESIDENT COONEY: Senator Rivera, will you yield?

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

colleague would. So I will defer to Senator Mayer.

ACTING PRESIDENT COONEY: Senator Mayer, do you yield?

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

ACTING PRESIDENT COONEY: Senator Mayer yields.

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

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

us?

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

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

ACTING PRESIDENT COONEY: Will the Senator yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

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

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

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

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

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Rolison.

Senator Weber, why do you rise?

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

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

Senator Krueger.

(Off the record.)

SENATOR RIVERA: I believe this would be Senator Krueger.

ACTING PRESIDENT COONEY: Senator Krueger, do you yield?

SENATOR KRUEGER: I do. I thought

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

ACTING PRESIDENT COONEY: Senator Krueger yields.

SENATOR WEBER: Thank you, Senator Krueger.

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

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

Yes.

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

ACTING PRESIDENT COONEY: Will the Senator yield?

The Senator yields.

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

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

SENATOR WEBER: Thank you.

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

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR WEBER: Thank you.

Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR WEBER: Great.

Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Absolutely.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR WEBER: Great.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

The dilemma we found was we were

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

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

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

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

SENATOR WEBER: Sure.

SENATOR KRUEGER: Thank you.

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

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

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

SENATOR WEBER: Sure.

ACTING PRESIDENT COONEY: Senator Weber, will you yield?

SENATOR WEBER: Sure.

ACTING PRESIDENT COONEY: The Senator yields.

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

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

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

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

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

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

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

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

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

SENATOR WEBER: Thank you, Senator Krueger.

Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Weber on the bill.

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

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

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

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

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

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Weber.

Senator Rhoads, why do you rise?

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

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

SENATOR RIVERA: Part Sssss (hissing). Yesss.

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR RHOADS: Thank you, Senator Rivera.

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

that this is a new program, is it not?

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

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: I will.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR RHOADS: Thank you, Senator.

Will the sponsor yield to another question.

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

(Pause.)

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

Everything that's in there?

ACTING PRESIDENT COONEY: Senator Rhoads, will you clarify?

SENATOR RIVERA: That's it?

ACTING PRESIDENT COONEY: Yes?

SENATOR RHOADS: Yes, that's it.

ACTING PRESIDENT COONEY: Senator Rivera.

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

SENATOR RHOADS: Yes.

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

SENATOR RHOADS: Thank you, Senator.

Will the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Would these --

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

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

SENATOR RHOADS: All of the above?

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

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RHOADS: What will the appropriation be?

(Pause.)

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

SENATOR RHOADS: Thank you, Senator Rivera.

Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

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

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

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Thank you.

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

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

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: What other avenues are available?

(Pause.)

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

of institution.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

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

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

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Turning for a moment to Part MM.

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

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

(Overtalk.)

SENATOR RIVERA: I will -- I will --

(Overtalk.)

SENATOR GIANARIS: After Senator Rivera gives his comments.

SENATOR RIVERA: I will. I do. I've gotta have a thing.

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

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

ACTING PRESIDENT COONEY: Thank you, Senator Rivera.

Senator Myrie, do you yield?

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

SENATOR RHOADS: Thank you, Senator Myrie.

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

Do you have any idea what the appropriation is?

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

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

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

SENATOR RHOADS: Thank you, Senator Myrie.

Will Senator Myrie continue to yield.

ACTING PRESIDENT COONEY: Senator, will you yield?

SENATOR MYRIE: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

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

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

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

of lifeline from the state.

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

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

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

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

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

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

Thank you, Senator Myrie.

ACTING PRESIDENT COONEY: Senator Rivera, do you yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: Senator Rivera yields.

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

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

SENATOR RHOADS: If the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: That funding would

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

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

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

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

I'm going to go on the bill.

ACTING PRESIDENT COONEY: Senator Rhoads on the bill.

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

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

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

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

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

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

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

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

operate.

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

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

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

That hospital treats 83 percent of

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

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

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Rhoads.

Senator Skoufis, why do you rise?

SENATOR SKOUFIS: Thank you very

much, Mr. President.

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

ACTING PRESIDENT COONEY: Senator Rivera, do you yield?

SENATOR RIVERA: I will indeed.

ACTING PRESIDENT COONEY: Senator Rivera yields.

SENATOR SKOUFIS: Thanks very much.

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

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

SENATOR RIVERA: Thank you.

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

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

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

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

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

ACTING PRESIDENT COONEY: Thank you, Senator Skoufis.

Senator Martins, why do you rise?

SENATOR MARTINS: Thank you, Mr. President.

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

ACTING PRESIDENT COONEY: Senator Martins on the bill.

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

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

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

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

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

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

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

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

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

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

So having a discussion about

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

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

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

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

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

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Martins.

Senator Mattera, why do you rise?

SENATOR MATTERA: Yes, on the bill, please.

ACTING PRESIDENT COONEY: Senator Mattera on the bill.

SENATOR MATTERA: Thank you, Mr. President.

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

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

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

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

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

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

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Mattera.

Are there any other Senators wishing to be heard?

Seeing and hearing none, debate is now closed.

Senator Gianaris.

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

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

Read the last section.

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

ACTING PRESIDENT COONEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT COONEY: Senator Brouk to explain her vote.

SENATOR BROUK: Thank you, Mr. President.

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

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

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

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

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

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

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

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

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

Senator May to explain her vote.

SENATOR MAY: Thank you, Mr. President.

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

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

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

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

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

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

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

With a heavy heart, I vote aye.

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

Senator Myrie to explain his vote.

SENATOR MYRIE: Thank you, Mr. President.

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

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

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

let this institution close.

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

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

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

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator

Myrie to be recorded in the affirmative.

Senator Helming to explain her vote.

SENATOR HELMING: Thank you, Mr. President.

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

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

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

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

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

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

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

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

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

Mr. President, I am voting no on this.

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

Senator Borrello to explain his vote.

SENATOR BORRELLO: Thank you, Mr. President.

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

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

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

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

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

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

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

Thank you.

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

Senator Mayer to explain her vote.

SENATOR MAYER: Thank you, Mr. President.

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

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

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

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

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

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

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

I vote yes.

ACTING PRESIDENT COONEY: Senator

Mayer to be recorded in the affirmative.

Senator Chu to explain her vote.

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

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

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

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

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

Thank you, Mr. President.

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

Senator Canzoneri-Fitzpatrick to explain her vote.

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

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

Very troubling is the fact that our

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

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

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

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

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

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

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

Senator Fernandez to explain her vote.

SENATOR FERNANDEZ: Thank you, Mr. President.

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

ongoing. That was a big problem.

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

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

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

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

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

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

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

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

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

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

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

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

ACTING PRESIDENT COONEY: Thank you, Senator.

SENATOR FERNANDEZ: -- with the overdose crisis.

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

Thank you.

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

Senator Cleare to explain her vote.

SENATOR CLEARE: Thank you, Mr. President.

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

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

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

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

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

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

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

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

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

Mr. President, I vote aye.

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

Senator Webb to explain her vote.

SENATOR WEBB: Thank you, Mr. President.

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

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

birthing people across this state.

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

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

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

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

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

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

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

Senator Mannion to explain his vote.

SENATOR MANNION: Thank you, Mr. President.

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

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

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

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

ACTING PRESIDENT COONEY: Thank you, Senator.

SENATOR MANNION: -- that close connection.

I must say this. Prior to the

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

ACTING PRESIDENT COONEY: Senator Mannion.

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

I will be voting aye.

Thank you, Mr. President.

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

Senator Harckham to explain his vote.

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

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

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

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

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

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

I'll be voting aye.

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

Senator Weik to explain her vote.

SENATOR WEIK: Thank you, Mr. President.

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

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

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

ACTING PRESIDENT COONEY: Senator

Weik to be recorded in the negative.

Senator Weber to explain his vote.

SENATOR WEBER: Thank you, Mr. President.

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

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

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

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

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

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

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

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you, Mr. President.

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

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

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

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

Mr. President, I'll be voting no.

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

Senator Rhoads to explain his vote.

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

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

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

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

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

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

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

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

Senator Rivera to close.

SENATOR RIVERA: Thank you, Mr. President.

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

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

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

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

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

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

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

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

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

Thank you.

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

Announce the results.

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

Ayes, 40. Nays, 20.

ACTING PRESIDENT COONEY: The bill is passed.

Senator Gianaris, that completes the reading of the calendar.

SENATOR GIANARIS: Thank you, Mr. President.

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

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

before the final two bills.

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

ACTING PRESIDENT COONEY: Senator Lanza.

SENATOR LANZA: Thank you, Senator Gianaris.

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

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

And the Senate will stand at ease.

ACTING PRESIDENT COONEY: The Senate will stand at ease.

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

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

ACTING PRESIDENT COONEY: The Senate will come to order.

Senator Gianaris.

SENATOR GIANARIS: Good evening, Mr. President.

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

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

Senator Gianaris.

SENATOR GIANARIS: We'll stand at ease.

ACTING PRESIDENT COONEY: The Senate will stand at ease.

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

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

ACTING PRESIDENT COONEY: The Senate will return to order.

Senator Gianaris.

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

ACTING PRESIDENT COONEY: The Secretary will read.

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

Senate Print 8304D, Senate Budget Bill, an act making appropriations for the support of government;

Senate Print 8303D, Senate Budget Bill, an act making appropriations for the support of government;

Senate Print 8301A, Senate Budget Bill, an act making appropriations for the support of government.

All bills report directly to third reading.

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

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

(Response of "Aye.")

ACTING PRESIDENT COONEY: Opposed, nay.

(No response.)

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

Senator Gianaris.

SENATOR GIANARIS: Please take up the supplemental calendar.

ACTING PRESIDENT COONEY: There's a substitution at the desk.

The Secretary will read.

THE SECRETARY: Senator Krueger moves to discharge, from the Committee on Finance, Assembly Bill Number 8804D and substitute it for the identical Senate Bill Number 8304D, Third Reading Calendar 844.

ACTING PRESIDENT COONEY: The substitution is so ordered.

The Secretary will read.

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

ACTING PRESIDENT COONEY: There is a message of necessity at the desk, yes, Senator Gianaris.

SENATOR GIANARIS: Move to accept the message of necessity.

ACTING PRESIDENT COONEY: All those in favor of accepting the message please signify

by saying aye.

(Response of "Aye.")

ACTING PRESIDENT COONEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR BORRELLO: Lay it aside.

ACTING PRESIDENT COONEY: Lay it aside.

SENATOR GIANARIS: We didn't have the reading.

ACTING PRESIDENT COONEY: The Secretary will read.

THE SECRETARY: Calendar Number 844, Assembly Print Number 8804D, Assembly Budget Bill, an act making appropriations for the support of government.

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

ACTING PRESIDENT COONEY: The bill is laid aside, Senator Gianaris. We just were a little bit out of order there.

(Inaudible.)

ACTING PRESIDENT COONEY: That's okay.

SENATOR GIANARIS: Very good, thank you.

ACTING PRESIDENT COONEY: So Senator Gianaris, that completes the reading of the supplemental calendar.

Let's keep going.

THE SECRETARY: Calendar Number 846, Senate Print 8303D, Senate Budget Bill, an act making appropriations for the support of government.

SENATOR GIANARIS: Now I ask if there's a message of necessity at the desk.

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

SENATOR GIANARIS: Move to accept the message of necessity.

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

(Response of "Aye.")

ACTING PRESIDENT COONEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR BORRELLO: Lay it aside.

ACTING PRESIDENT COONEY: Lay it aside.

THE SECRETARY: Calendar Number 847, Senate Print 8301A, Senate Budget Bill, an act making appropriations for the support of government.

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

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

SENATOR GIANARIS: I move to accept the message of necessity.

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

(Response of "Aye.")

ACTING PRESIDENT COONEY: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT COONEY: The message is accepted. The bill is before the

house.

SENATOR BORRELLO: Lay it aside.

ACTING PRESIDENT COONEY: The bill is laid aside.

Now, Senator Gianaris, we have completed the supplemental calendar.

ACTING PRESIDENT COONEY: On to the controversial calendar, please.

ACTING PRESIDENT COONEY: The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 844, Assembly Print 8804D, Assembly Budget Bill, an act making appropriations for the support of government.

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

SENATOR O'MARA: Mr. President, if Senator Krueger would yield for a few questions, mostly generally on the financial plan.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Oh, yes, I do. Yes.

ACTING PRESIDENT COONEY: The

Senator yields.

SENATOR O'MARA: Senator, first of all, we have three more budget bills in front of us now that we've received, I think, since we last were in here a few hours ago. There still remains two budget bills to print, is my understanding, that aren't finalized yet, one being State Operations and the other being Education, Labor and Family Assistance. Is that correct?

SENATOR KRUEGER: That is my understanding also.

SENATOR O'MARA: And through you, Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR O'MARA: So now we have -- I've just been provided -- last time we were here I was just provided with a financial plan. Now I've just been provided with a revised financial plan. And that has changed from a few hours ago

to -- from -- it's an increase of about 1.1 billion from -- of the All Funds -- 235.35 billion up to 236.54 billion.

Can you explain what that increase is from?

SENATOR KRUEGER: The majority of that $800 million in federal Medicaid matching funds, and that was just left off by accident before.

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: It would make it a little more comprehensible, I think at least for me, if we had everything all together all at once. Would you agree, Senator?

SENATOR KRUEGER: Absolutely.

ACTING PRESIDENT COONEY: Through you, Mr. President, if the Senator will continue to yield.

SENATOR KRUEGER: For the record, Mr. President, I'm always hesitant; it's Albany. We think this is really final.

ACTING PRESIDENT COONEY: So noted.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR O'MARA: Yet we still have two bills that are not in final print. There are still some unresolved issues, is that correct?

SENATOR KRUEGER: So I've not been in the room with the Governor and her people recently. But I have to believe that we still have a few things hanging out there, or they would be in print. So I think it's a good guess.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: Can you enlighten us on what those loose ends are at this late hour?

SENATOR KRUEGER: No. I don't think I actually know how many there are and what they are.

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: Of great contention throughout this entire budget process has been the housing issues. Is that issue still open?

SENATOR KRUEGER: No, I do not believe housing is open.

SENATOR O'MARA: Okay. Through you, Mr. President, if the Senator would continue

to yield.

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR O'MARA: Can you tell us, is this -- first of all, is this financial plan we have before us, is it balanced? As it has to be by law, so I'm assuming that it is. Can you describe for us what the outyears deficit plan is? Because I don't see that in the financial plan here.

(Pause.)

SENATOR KRUEGER: So the Governor did give us outyear estimates in her Executive Budget, but of course this is a negotiated change. We haven't added that much, so conceivably the outyear estimates have not changed either. But we don't have any data to help us with that yet, because obviously one of the things that has changed over the course of this negotiation and when we first did an Executive Budget and then we came up with a revenue estimate is that revenues have been

higher than we thought they would.

I sincerely don't know whether the Governor, if she was here with us, would say I think revenues are going to continue to be higher than we thought or not. I mean, we ended up closing out the year with more revenue than we believed. And so that gave us some of the money that we are using now. And the revenues appear to have continued to come in more strongly than she estimated.

But I don't know that they have come up with any outyear projections, different outyear projections.

SENATOR O'MARA: Thank you, Senator.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR O'MARA: A significant issue for us on this side of the aisle has to do with the unemployment insurance deficit, that

fund that's -- a balance that's owed to the federal government.

Is there any funding in the budget as it sits right now to pay down that balance to the federal government?

SENATOR KRUEGER: Not here in the budget. As we have discussed before, technically the Unemployment Insurance Fund is not part of the State Budget and is not state dollars. It is an insurance model that is paid by employers and employees. And then sometimes we do find ourselves, in bad economic times, having to take loans from the federal government that we have to pay back. And I believe that is what the -- my colleague is asking about.

To be honest, in our one-house budget we had proposed an increase in corporate income taxes on high-net companies and hoped to use some of that money for the purpose my colleague is asking about, to help contribute state funds to solve this problem. But we lost that fight in the budget negotiations.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: So there's no funding to pay that down at this point.

Has there been any request, to your knowledge, requesting the federal government to forgive part of that UI deficit?

SENATOR KRUEGER: We agree that it's an excellent idea. It has to come from the Governor, and we don't know whether the Governor has made that ask.

SENATOR O'MARA: Mr. President, if the sponsor would continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: All right, just a couple of questions relative to the use of reserve funds in this budget.

If you could tell us where,

according to the financial plan, we stand as a state in reserve funds, and what if any portions of those we're utilizing to balance this budget.

SENATOR KRUEGER: We're not using any reserve funds in this budget. And our projected reserves are exactly what the Governor proposed in her Executive Budget. There's been no change in that.

I can break it down for you.

SENATOR O'MARA: No, I -- through you, Mr. President, if the sponsor would yield.

It was my understanding in the Executive Budget that there was about a half a billion dollars being used out of reserves to balance the Executive's budget. And that's remained unchanged.

SENATOR KRUEGER: In the Executive Budget she was taking a half a billion dollars for use in a future year, not this year. So there is no reserve fund money being used in the fiscal year we're discussing, '24-'25.

SENATOR O'MARA: Okay. Thank you, Senator.

Mr. President, just to refresh me, to get off the financial plan here, we are on the

capital portion of the budget, right?

ACTING PRESIDENT COONEY: That's correct.

SENATOR O'MARA: Okay. I just have a couple of questions about highway funding. I don't know, Senator, if that's for you or for --

SENATOR KRUEGER: Yeah, I have -- I've got some numbers here, and they might --

ACTING PRESIDENT COONEY: Senator Krueger, do you yield?

SENATOR KRUEGER: I am prepared to answer.

ACTING PRESIDENT COONEY: Senator Krueger yields.

SENATOR KRUEGER: We might have a special guest on Transportation join us. But why don't you start.

SENATOR O'MARA: Yes, thank you, Mr. President. Thank you, Senator Krueger.

The Governor's Executive Budget basically held flat -- actually, no, made reductions to the CHIPS funding and the local touring roads funding. There were increases in the Senate one-house budget to restore those cuts and to add, in fact, additional funds on both

CHIPS and local touring roads.

However, in this final budget -- this final budget, it appears that we were only able to restore the Governor's cuts and there are no increases to any of the upstate highway and bridge programs. Is that correct?

SENATOR KRUEGER: Yes, that is correct. We restored all the cuts the Governor proposed. So we restored 60 million to CHIPS, 40 million to touring routes, 26 million for -- oh, those aren't roads, sorry. Those are other things.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: Where did we end up with regards to the Extreme Winter Recovery program, whether that was cut or whether that was held flat as well?

SENATOR KRUEGER: Held flat, not

cut.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: So we restored 60 million for CHIPS. The one-house budget had 100 million in it, so we didn't win on that. We added 50 million to local touring roads, and that was adding 50 million and we didn't win on that in the final negotiations here. And in fact the increases that this one-house budget had, I think there were even greater increases in the Assembly's one-house budget.

So with both houses adding some money on those programs for local highways and bridges, how is it that we just ended up flat?

SENATOR KRUEGER: Because our hopes and aspirations were greater than the amount of money we had to negotiate between the Governor and our two houses.

So unfortunately, as we discussed over and over again in the presentation on healthcare funding, so many things we were hoping to do we were not able to do. Even though some things that people were begging for help with, we were able to do. Unfortunately, in transportation and roads, the best we could do was to hold even, as opposed to see cuts.

SENATOR O'MARA: Thank you.

SENATOR KRUEGER: You're welcome.

SENATOR O'MARA: Although there's no increase -- through you, Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: While the non-New York City highway, road and bridge programs are held flat year to year, I see that there's an increase of $20 million for the Metropolitan Transportation Authority and their capital budget. So the MTA gets $20 million and the rest of the state gets zero?

SENATOR KRUEGER: Okay, the $20 million is for Hudson River Line resiliency. And so technically it does affect the trains going from New York City upstate, but there's been serious flooding. And I think it matters just as much for people living upstate whether or not trains run successfully from upstate down to New York City.

So I'm not sure I would define that as a New York City project as much as a "make sure we have rail lines that work between the northern parts of the state and the bottom of the state."

SENATOR O'MARA: Thank you, Senator.

Mr. President, if the Senator will continue to yield.

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR O'MARA: I would agree that it is important to keep that rail line going between New York and Albany. It's an important

transportation route. But so are all of our local roads, bridges and culverts, yet we're providing no additional relief to our local governments to help on these road programs. So that does not seem equitable to me.

One final question I think I have on a different area of this budget in regards to the environmental conservation salaries. In the capital budget there's a line for $10 million for services, including personal services, fringe benefits and other personal service costs of $10 million. Why is it we are paying salaries and fringe benefits with capital debt?

(Pause.)

SENATOR KRUEGER: Okay. This was confusing. But as I understand it, because I was not aware of this -- thank you for asking the question -- it's a dry appropriation as the MTA is changing its financial computer tracking system.

SENATOR O'MARA: DEC. We're on DEC now. You said MTA. I just want to be clear. We're still on DEC. Okay, yup.

SENATOR KRUEGER: I'm sorry, yes, DEC. So sorry.

And that the assumption is it probably won't be needed, it's just making sure we have it if we need it. And then it's the state sort of paying itself.

But unlikely that that money will ever be needed. That is how it was explained to me, and they're shaking their heads that I sort of got it right.

SENATOR O'MARA: Okay. Well, I'm shaking my head because I don't get it.

But I think that's all the questions I have at this point, Senator. Thank you.

And thank you, Mr. President.

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

Senator Helming, why do you rise?

SENATOR HELMING: Thank you. Mr. President, if the sponsor will yield for a few questions on Housing and Community Renewal.

ACTING PRESIDENT COONEY: Does the sponsor yield on Homes and Community Renewal?

SENATOR KRUEGER: Within the capital budget, yes.

ACTING PRESIDENT COONEY: Within the capital budget. The sponsor yields.

SENATOR HELMING: Thank you.

Senator Krueger, is there funding in the capital projects bill for the New York City Housing Authority?

SENATOR KRUEGER: Yes, there is. There is $140 million for the New York City Housing Authority.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes, of course.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Krueger, how will that money be spent?

SENATOR KRUEGER: Did somebody else say "Senator Krueger"?

SENATOR GIANARIS: Senator Kavanagh would like to speak and answer that question.

SENATOR KRUEGER: Oh, I'm so sorry, Senator Kavanagh. No, it's fair enough, it's housing.

Please, would you mind if Senator Kavanagh answers the questions?

ACTING PRESIDENT COONEY: Senator Kavanagh, do you yield?

SENATOR KAVANAGH: I do.

ACTING PRESIDENT COONEY: Senator Kavanagh yields on housing.

SENATOR HELMING: Thank you.

So, Senator Kavanagh, the question on the floor is how will the $140 million that's been allocated in the capital projects bill to the New York City Housing Authority be spent?

SENATOR KAVANAGH: It will be spent -- first of all, thank you for the question.

Through you, Mr. President, it will be spent on capital improvements within the Housing Authority. We know that the New York City Housing Authority has a very broad housing improvement plan. And I spoke with the -- exchanged calls today with the chair. They will be presenting projects. As usual, they will be approved by the state and funded. We know there are numerous capital needs that need to be addressed.

And I would note that there's -- in addition to the $140 million for the New York

City Housing Authority, there's also $75 million for other housing authorities all over the state. And similarly, those housing authorities will propose projects and they will be approved and funded.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Kavanagh, I just want to make sure that I heard you clearly and that I understand properly, that any of the projects that NYCHA will complete are approved by the State of New York?

SENATOR KAVANAGH: Yes. Through you, Mr. President, the funding -- the -- this is -- it will be done pursuant to a plan presented by the Housing Authority and approved by the state and then spent.

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

yield.

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Kavanagh, it's my understanding that NYCHA announced just last July that they're in need of $78.3 billion to fully rehabilitate 161,400 aging apartments. And, I mean, that's kind of consistent with what we hear during some of our Housing Committee meetings when NYCHA comes up.

But to me, it's outrageous when you think about it. That comes out to $485,000 per unit, $485,000 per unit. Which now I just learned New York State is approving these projects.

So my question is, Senator Kavanagh, do you think it's worth spending almost a half a million dollars per unit to renovate?

SENATOR KAVANAGH: Through you, Mr. President, the New York City Housing Authority houses about half a million people in

this state. It's about 1/40th of the entire population of the state.

Because of years and years of underinvestment at the federal, state and city level, these buildings in many cases are in very bad shape. People lack heat, they have problems with the roofs and the basic envelope of the building. And these are very difficult conditions. There is no feasible approach to this other than investing capital as necessary.

The figure that my colleague across the aisle mentions is the entire unmet capital need of the entire system. A more modest amount of money -- although a very large amount of money would be necessary to deal with the most serious problems, what we're proposing here is a very small investment toward a very large need.

I would note also that the Housing Authority has taken creative approaches to their capital needs, including converting projects through the RAD program, which is a federal program that's been in place for a number of years, that allows them to convert the buildings from Section 9 housing, which is the Public Housing Law, to Section 8, which provides

substantially more funding per unit.

And just last year this house approved the NYCHA Trust, the Public Housing Trust in New York, which will allow additional units to be converted to different funding mechanisms.

But the simple fact is that New York City Housing Authority and housing authorities in all of our districts are short capital, they have unmet capital needs, and this state is putting up to $250 million today, including in -- you know, housing authorities in the districts of my colleagues across the aisle, to ensure that people have access to basic services and basic decent conditions.

SENATOR HELMING: Thank you.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: First, I just

want to be very clear that I wasn't talking about the entire NYCHA system. I was talking about 161,400 aging apartments, and it's costing almost a half a million dollars per unit to renovate those.

But my question is, Senator, are you aware how much that New York State, the taxpayers, have invested in NYCHA over the last four years?

SENATOR KAVANAGH: Through you, Mr. President, it's sort of a difficult accounting for that. If you're talking about the taxpayers of the State of New York as a state, as opposed to the taxpayers as residents of New York City or as residents of the federal system which pays the bulk of NYCHA's costs, the State of New York has invested very little directly in the operating costs of the New York City Housing Authority.

We did last year add $391 million to the budget to cover the Emergency Rental Assistance Program, applicants of -- again, of public housing authorities and Section 8 developments throughout the state. So that is money some of which went to the New York City

Housing Authority just like it went to every other housing authority.

But we do very little operating costs. The overall -- in each year, in most of recent years we've put a modest amount of capital on the table. This year, as has been noted, it's 140 million for New York City and $75 million for the rest of the state. Which per capita is a higher rate of funding for the rest of the state than it is for New York City, because there are only about 36,000 public housing units outside New York City.

Last year we did 135 million in capital. I would say over the last three years, a rough estimate is something on the order of a little more than a billion, maybe close to 2 billion of total capital spending in the, you know, 18 or so years I've been here in the Legislature.

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KAVANAGH: Yes,

Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: In the last four years, the taxpayers of this state have invested north of $825 million in NYCHA -- not for operating costs, for rehab work. Senator Kavanagh, how are we protecting this investment that's being made by our taxpayers?

Are there -- does NYCHA provide reports? Is there anything more than -- you said the state approves each of those projects, each of these expenditures. Do they provide -- does NYCHA provide us with reports? Is there any due diligence that's done?

SENATOR KAVANAGH: Through you, Mr. President. There are a number of layers of oversight of the New York City Housing Authority. The new York City Housing Authority is a federal agency under extensive regulations put forth by HUD. The U.S. Department of Housing and Urban Development oversees the New York City Housing Authority.

In addition, there is a special -- sorry, forgive me, a -- basically a

court-appointed special monitor appointed by a federal judge who oversees the New York City Housing Authority. There's also a separate kind of ombudsperson who deals with lead and mold and other concerns that often need to be abated with capital programs.

The New York City Housing Authority is also subject to oversight obviously by the New York City Mayor's office, by the New York City Office of Management and Budget, by the City Council.

And in addition, this particular money, which is a small fraction of the capital money that the New York City Housing Authority spends, is subject to DASNY and the Division of the Budget reviewing the plans for spending this money and approving them.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Happily, Mr. President.

ACTING PRESIDENT COONEY: The

sponsor yields.

SENATOR HELMING: Senator Kavanagh, are you aware of the -- it almost sounds like a joke, except it's not. How much does it cost NYCHA to replace a light bulb? $708, in one case. Have you heard about that, that NYCHA is spending $708, or has spent, on one light bulb?

SENATOR KAVANAGH: Through you, Mr. President, I am not familiar with that particular light bulb. And I find it hard to believe that the Housing Authority spent $708 to replace a light bulb. And it does sound very much like an old joke, which I will spare the house from hearing today.

SENATOR HELMING: So through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: So with, Senator Kavanagh, the lengthy approval process,

the state being involved in approving expenditures that use taxpayers' dollars, you're not aware that the Housing Authority has reportedly paid one vendor who submitted a total bill of $4,250 to replace six LED bulbs?

SENATOR KAVANAGH: Through you, Mr. President, I -- this house has had hearings overseeing the Housing Authority. I also participated in those as an Assemblymember, a member of the Housing Committee over there. It is the case that the New York City Housing Authority, like many public agencies, have had concerns about cost overruns.

There was a recent arrest of many Housing Authority employees who were basically on the take, might be the common term, in various low-level contracting exercises. It is the largest single-day arrest of people for accepting graft and bribes in recent memory.

It is the case that New York City Housing Authority, as a giant agency, has had some of those concerns. I'm not going to pretend to be familiar with each of the individual instances in which that may have occurred.

SENATOR HELMING: Through you,

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Happily, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: And, Senator Kavanagh, I won't trouble you with reading the long list like another vendor billing $4,985 to replace one door to a compactor room, and yet another charging $4,875 to put in slip-resistant rubber treads on a stairway with 15 steps, a cost of $325 per step.

What I will ask is, what are we doing to make sure the investment paid for by the citizens of this state, the taxpayers, are going for real renovations?

When we were during the budget negotiations, the New York State Comptroller dropped his recent report, "New Yorkers In Need." In that, he states that there are serious and systemic deficiencies in NYCHA properties. Are you aware of the Comptroller's statement?

SENATOR KAVANAGH: Through you, Mr. President, I am aware. I read lots of reports about NYCHA from the City Comptroller as well as the State Comptroller. I'm not familiar with the particular text of that statement, but I would note that the two comptrollers are additional levels of oversight over NYCHA.

I would also note just, you know, many examples of, you know, incidents that may have happened at NYCHA. What happens with this money is that specific projects are identified, they are reviewed by a state agency, they are approved, and then NYCHA reports their progress toward completion of those projects, and we track whether they are in fact completed.

In general, this money has gone for projects like replacing boilers and roofs and other things that will make living in these buildings tolerable in a way that it is sometimes not without these kinds of projects. And again, this is a very modest fraction of what is really needed to be done. And again, across housing that is housing 2.5 percent of the entire population of the state.

I would also note that, you know,

the focus on NYCHA is important because NYCHA is a very big entity that's housing a lot of people. But there are many -- there are hundreds of housing authorities across the state. Some of them have similar difficulties meeting their capital needs. And it has been part of our effort here in New York in the Legislature to make sure that we do our part to try to provide for that.

And I think that, you know, oversight over all of our entities that are providing housing is an essential part of what we do.

SENATOR HELMING: Mr. President, if the sponsor will yield for one more question.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Happily, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR HELMING: Senator Kavanagh, would you agree that we should ask for more accountability on how funds are spent, how funds are invested in NYCHA? Because as you stated,

it's so important that we make sure that these taxpayer dollars are going to help people, to renovate the apartments, to actually do meaningful work.

SENATOR KAVANAGH: Through you, Mr. President. I am not aware of any specific concerns with accountability for any money that we have allocated as capital grants to the New York City Housing Authority in the 18 years I've been a member of the Legislature.

I think we have adequate oversight for that money, and I think we get good, necessary improvements for the residents of New York City as a result of that.

I do, on an ongoing basis, think we need to pay attention to the quality of the work that NYCHA does, to the integrity protection. I am in regular contact with the leadership of NYCHA, and I think that oversight is important. But I don't -- I have not seen any evidence of any particular concern with any of the state capital dollars that we've put in. Because we do, as has been mentioned, have numerous levels of oversight over that money.

SENATOR HELMING: Through you,

Mr. President, if the sponsor will yield -- I should not have said "the last time" -- for one more question. This should be it.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Happily.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR KAVANAGH: As many as my colleague asks, I'm happy to yield.

SENATOR HELMING: So, Senator Kavanagh, you just said that there have been no concerns raised since you've been an elected official. But I'm raising concerns now. Concerns have been raised by the New York State Comptroller. Concerns have been raised by others.

So -- and you're saying there's no issue with our taxpayer dollars, how they're being spent. But how do you know for sure that that's true? Where does the funding -- where does NYCHA get its funding? It's either from the city, the state or the feds.

So you're saying that maybe they wasted the fed's money or the city's money but

not the state taxpayer dollars?

SENATOR KAVANAGH: Through you, Mr. President. The money that we allocate from the state capital budget is for very specific projects that are identified to DASNY and to the Legislature. And we review that work. I represent many residents of NYCHA, many of whom spend a great deal of time also encouraging oversight of NYCHA.

We work very hard to oversee NYCHA. It is a great difficulty that many of our residents have living in NYCHA, because NYCHA does not have adequate resources to do basic maintenance because they do not have adequate resources to do the capital improvements that are necessary because this government and the federal government and the city government neglected the basic capital and operational needs of the New York City Housing Authority for decades.

And as a result of that, people are living in very poor conditions. Because that's what happens when you fail to invest in residential real estate over a long period. It gets to a point where the problems are critical, and they need to be addressed.

Please, Mr. President -- and anyone else listening -- don't misunderstand me. I am not suggesting that there are not serious issues with the quality and the accountability of what NYCHA does every day. A lot of it results from the underfunding over many years. But it is our obligation, in my view, to put capital money on the table, to make sure it is invested properly, and improve the quality of life of people living in these developments.

For what it's worth, this house -- the one-house resolution that we did a month ago proposed $500 million of state capital for this purpose. We are doing 140 million today by agreement with the Assembly and the Governor, and frankly I think it's a drop in the bucket. But I do agree that it's important we spend that money effectively. And I am committed to doing that, and I will continue to involve my colleague, who's the ranker on the Housing Committee, in discussions with NYCHA about how this money gets spent if she's interested.

SENATOR HELMING: I'd be very interested. Mr. President, Senator Kavanagh, thank you for your responses.

SENATOR KAVANAGH: Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Helming.

Senator Martins, why do you rise?

SENATOR MARTINS: Thank you.

If Senator Kavanagh would just yield for a few questions. We're going to stay on the same topic, Senator.

ACTING PRESIDENT COONEY: Senator, do you yield?

SENATOR KAVANAGH: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: Thank you.

So, Senator, through you -- well, Senator, there are 177,000 or so units in NYCHA, right?

SENATOR KAVANAGH: Through you, Madam President, my colleague quoted a slightly different number, I think, subtracting those that are in the -- that are going through a different program, the RAD program.

But that's rough -- that's the rough -- that is the rough number of overall units. Some of them are in various stages of

having their kind of management structure switched to a different one. But yes.

SENATOR MARTINS: And I believe Senator Helming asked you -- through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: And I believe Senator Helming did ask whether or not you were aware that there were $825 million allocated over the last three years -- plus this year, if this bill were to pass -- all for NYCHA improvements.

SENATOR KAVANAGH: Through you, Mr. President, I don't believe that it is $825 million over the last three years.

But it's -- we've done $1.2 billion of state capital over the last five or six years. I don't have the number -- last year the number was 135 million. This year it's 140 million. I think the year before that it was a bit less.

But we've done substantial amounts

of capital, though modest amounts relative to either the state's housing capital budget -- the bill that we're talking about now has a billion dollars of new spending to support housing. This is a significant fraction of our spending and a significant fraction of NYCHA's spending, but ultimately modest relative to the need.

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: So I only bring it up in the context of the greater question that we have in the state -- and we certainly have discussed it here -- about affordability, housing, and the need for affordable housing in New York State. And certainly I would consider NYCHA to be one of those components.

We've discussed stabilized housing, rent control, market-rate housing, new housing,

421-a programs, 485x, which I'm sure we'll discuss at some point over the next few hours. But there are multiple programs and plans out there; 177,000 or so of those units are incorporated in NYCHA.

Can you tell me, or tell us -- the people in those units do pay rent, don't they?

SENATOR KAVANAGH: Through you, Mr. President, yes.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: And so, similar -- and I understand that these buildings are of a similar vintage to those that were built either in rent-controlled or rent-stabilized housing where there are rents that are stabilized, they're controlled, and they're monitored over time.

And yet through those buildings that are privately owned, although regulated by public agencies and authorities, the landlord, the private owner, is required to maintain those buildings to a certain standard. And there are restrictions in their ability to do so, but they do so without the infusion of hundreds of millions of dollars over a few years in terms of capital improvements.

So I'm curious as to why the taxpayers of New York State would be asked to subsidize over $800 million in the last four years, if we include this year that we're discussing now, to subsidize these housing units, when frankly we don't see the same with regard to other similarly stabilized rent-controlled, rent-stabilized housing in New York City that are privately owned. Why are we expected to pay for that?

SENATOR KAVANAGH: Through you, Mr. President. I'd make a few observations.

First of all, public housing residents pay -- or the rent that NYCHA can collect and all the public housing residents in all of our districts can collect is restricted

such that no more than 30 percent of the income of the tenant may go toward their contribution to the rent. And in most cases that means the total rent collected for that unit is that number.

I would note that while many people who live in public housing have, you know, solid jobs, the average income of residents of public housing is substantially lower than that of tenants in rent-stabilized housing. Although as my colleague and I have had the opportunity to discuss, rent-stabilized housing is also primarily for people of pretty modest incomes.

But people at lower incomes live in NYCHA on average, and therefore the rent that is collected from that is much lower.

And I would also note that the State of New York -- I'm sorry, the public is the owner of these properties. We invest capital in many capital assets that we own, and just as private owners of property invest capital in property they own. This is public property, and it seems reasonable to ensure its upkeep by investments of capital.

The federal government and the state government also invest capital and operating

subsidies in these developments. That was the basic model -- that's been the basic model for many decades.

SENATOR MARTINS: Mr. President, through you, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: So is it your understanding that the limitations on rent that are charged for these units are such that they are -- it makes it untenable for that rent to properly be able to cover the expense of maintenance on those buildings, on those units, and therefore that adds an additional expense to the state in the form of the monies that we're being asked to sign off on here today?

SENATOR KAVANAGH: Yes. Through you, Mr. President. The New York City Housing Authority and all of our housing authorities were designed and have for many years been places where people are housed, many of whom cannot,

through the income they earn, afford the cost of -- the full cost of maintaining that housing.

And so we provide, mostly through the federal government, substantial operating subsidies for that housing on an ongoing basis, for all of it on a per-unit basis. And we also have provided capital subsidies from time to time, although not nearly to the extent necessary.

And private housing of course is structured very differently. There is a profit that the owners of that housing intend to make, and they are motivated by that. And there are very different structures.

I do think we'll have an opportunity to discuss the rent regulation system in a bill that will hopefully come up before, you know, the wee hours of the morning in the ELFA bill.

But public housing has always been -- the basic structure is that it gets subsidized. And it is being subsidized in all of our districts as a way of housing people who might otherwise be homeless, who might otherwise be unable to afford a decent place to live.

SENATOR MARTINS: Mr. President,

through you, if the sponsor would continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Happily, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: Just curious, are you aware of the median household income for residents of units in NYCHA housing?

SENATOR KAVANAGH: Through you, Mr. President, I do not have that number at my fingertips.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR MARTINS: How are -- are you familiar with how rents are set? Other than

the formula that you and I are aware of for NYCHA and the percentages and limitations on the ability to collect rent. But how is it verified?

Are you aware -- I mean, you mentioned that you're in touch with leadership at NYCHA, you're familiar with the units and with the need. Have you taken a look or to your knowledge has there been a study of how the rents are actually allocated, whether they are actually collected, whether or not, if they're not collected, what the procedure and process is with regard to rent collection?

There have been obviously studies and reports -- as I'm sure you're aware -- of, you know, large percentages of residents in NYCHA housing just not paying rent. And so I'm curious as to whether or not you have any insights on that yourself.

SENATOR KAVANAGH: Through you, Mr. President. It's not -- you know, it's not speculative. As I mentioned, the New York City Housing Authority is a state-created entity but it is subject to extensive federal statutes and regulations administered by the U.S. Department of Housing and Urban Development, which reviews

numerous reports on, you know, basically every aspect of managing the housing, including the collection of rent, collection rates, procedures by which the rents are set.

There has actually been some change in this pursuant to a federal law such that the Housing Authority has been working to increase the amount of rent they get from individual tenants, in particular to deal with circumstances where people's rents might be such that they should be paying more and perhaps in some cases may not even, you know, qualify for the rent that they've been enjoying. So there's been adjustments in that.

It is also the case that especially during the COVID era and -- well, I'm not sure the era is over yet. But during the COVID pandemic and in subsequent years there have been relatively high rates of noncollection in public housing in New York State, including the New York City Housing Authority and many other public housing authorities.

That also happens to be going on in other forms of affordable housing, like that run -- the Section 8 developments that are run by

private and nonprofit entities around the state. And I understand also in the case of for-profit developers there are higher rates of nonpayment of rent. Some of that is probably a result of hardships caused by the COVID pandemic, but there may well be something else going on there as well.

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

ACTING PRESIDENT COONEY: Senator Martins on the bill.

SENATOR MARTINS: And I thank Senator Kavanagh, as always, for your answers.

Mr. President, the one thing that our residents demand overall is accountability. Things have to make sense. And so when we have programs where we're spending hundreds of millions of dollars over the course of a few years, it begs the question: Why hasn't something been done sooner?

The need is there and I think, you know, for most people who have visited NYCHA facilities, they understand the need is there. How did they get there? Why was that allowed to happen? And why is there now a desperate need

for an infusion of cash when there is a system that does not work, is insufficient to pay its own bills, has not been sufficient, and there has been no oversight or review sufficient to provide accountability and so allow for people to live in these facilities?

These are supposed to be those affordable units we keep talking about for people who are intent on living in the city and want to live in safe, clean, proper housing. But over the years, through neglect or otherwise, they have not been maintained appropriately. And yet here we are funneling money into a program without there being a plan to actually address the root issue -- accountability, spending, and allowing for those units to be properly maintained and properly repaired.

I haven't seen one. And certainly I'm happy to work with my colleagues as we go forward. But $825 million going into a program without there being a plan to allow for these things to take place, on the hope and the dream that somehow that's going to be used appropriately is not accountable. Frankly, I've seen too many examples through these budget bills

that we've discussed of the hope of something happening, and yet no accountability tied to it.

So I have serious concerns about funneling additional monies into a program without there being some level of accountability.

And therefore -- again, I'm prepared to work with my colleagues, but I'll just leave it at that, Mr. President. Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Martins.

Are there any other Senators wishing to be heard?

Seeing and hearing none, debate is closed.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, we'll be restoring this to the noncontroversial calendar by agreement. Thank you.

ACTING PRESIDENT COONEY: The bill is restored to the noncontroversial calendar.

Read the last section.

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

ACTING PRESIDENT COONEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT COONEY: Senator Serrano to explain his vote.

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

This year marks the 100th anniversary of our state parks system. And I'm happy that this budget includes capital funding to help build and maintain and restore so many of our beautiful parks throughout the state.

Certainly connecting more people to parks and to nature is a goal that we all care deeply about. Parks and engaging in nature have very proven physical and mental benefits for all New Yorkers. And our state park system is truly a gem, and I believe the best in the nation.

So I'm very happy that this budget, this bill, contains additional capital funds to help maintain and enhance our state parks, something that is truly needed. And I'm so happy to support that, and I vote aye.

Thank you, Madam President.

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

Senator Cooney to explain his vote.

SENATOR COONEY: Thank you, Madam President.

For years the late Congresswoman Louise Slaughter fought diligently for a downtown intermodal station, a facility that Rochesterians could be proud of. That vision included a state-of-the-art Amtrak station and long-distance bus terminal, creating a truly intermodal station.

Nearly 10 years ago we broke ground on the new intermodal station, but unfortunately, due to cost overruns, the long-distance bus terminal was taken out of the project. Because of that, a temporary bus terminal was set up across the street that of course does not meet the needs of passengers today.

Soon that will never happen again in Rochester. As a former staffer to Congresswoman Slaughter, today is an extra-special day because I'm proud to say that this budget includes $18 million to make that long-distance bus terminal a reality for our citizens.

This was the culmination of work from a lot of people, including the leadership of Andrea Stewart-Cousins. But I especially want to

thank United States Senate Majority Leader Chuck Schumer, who helped secure the commitment from Amtrak to operate this station, as well as to commend Rochester for the work they did in rallying the community support for this project.

Madam President, I vote aye, and I am so pleased to say that we will finally make Congresswoman Slaughter's dream a reality in Rochester. Thank you.

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

Senator Ryan to explain his vote.

SENATOR RYAN: Thank you, Madam President.

Most of the time when you hear people talk about the state's housing challenges, they're talking about New York City. But as everyone in this chamber knows, the shortage of affordable housing, it's a problem in every part of our state, from Albany to Rochester to Buffalo and everywhere in between.

But there's something our housing policies have not accounted for before, and that is the problems facing our upstate cities. And those problems are very different from the

problems of New York City. New York City's challenges are based on a shortage of available land. For decades -- maybe longer -- they've had nowhere to build but up. And so most of the state's housing programs were created to solve that problem. If you have a building site, the state will pay you to put as many units on that site as possible. Makes sense if you're in Brooklyn, but most of our programs apply that one-size-fits-all approach to the entire state.

With this budget we're taking a big step forward on that issue. We're creating regional solutions for regional problems. We're investing $80 million in two new programs that will add safe and affordable homes and rental units throughout upstate New York.

The first $40 million is going to the Infill Housing Program. The program will empower HCR to build one- and two-family homes in Buffalo, Albany, Syracuse, Rochester and Binghamton. These are cities that have thousands and thousands of vacant lots. When Buffalo's population started declining a few decades ago, we experienced a housing surplus. Our response, which was state-funded, was to demolish thousands

and thousands of homes over the last 20 years. And boy, would we like those units back now.

The program will cover construction costs for new houses on those lots, and it will subsidize the sales of the new homes to low- and moderate-income residents, people who live in those neighborhoods.

The increased subsidy on those homes will help another problem upstate cities face, and that's a declining tax base. So infill isn't just a housing solution, it's building infrastructure to help create stability in these cities' budgets for a long time. So we're viewing this as a holistic program that will add a lot of benefits.

The additional $40 million will help fund a new grant program to help upstate landlords fix up vacant rental properties.

Now, the average landlord in Buffalo and Binghamton, they're a lot different than the average landlord in Manhattan. We're not talking about billionaires with big portfolios and maybe a skyscraper or two. We're talking about a retired municipal worker who lives in a two-family house, raised her kids in that double,

but now she's a widow who can't afford to fix the furnace in the upstairs apartment, so it stays vacant.

This is the first time we've ever created a program for this type of landlord. But the benefits really go to the tenants. The program will bring thousands of rental units back on the market, will help bring rental costs down. In exchange, the landlords will keep the rents affordable for 10 years.

And on top of those two programs, we're putting $10 million into an eviction program for upstate New York.

We've been struggling for several years to come up with a comprehensive statewide policy for housing, and I believe with the addition of these policies, we have reached a comprehensive plan.

I'll make a special thanks to Senator Kavanagh, chair of the Housing Committee, for his help in getting this done. He came to Buffalo in January. He saw our housing struggles firsthand. And in the months since, he's been involved in meetings with land banks and legal services providers.

And of course I want to thank our leader, Andrea Stewart-Cousins, for understanding how important it is for us to pass housing solutions for every part of the state.

I vote in the affirmative.

ACTING PRESIDENT COONEY: Senator Ryan to be recorded in the affirmative.

Senator Kavanagh to explain his vote.

SENATOR KAVANAGH: Thank you, Mr. President.

We've heard much from me on this bill already, but I just wanted to highlight. You know, we face in New York a series of intersecting crises on housing. It's a crisis of homelessness, it's a crisis of evictions, it's a crisis of unaffordability and inadequate housing supply.

The Senate Majority, under the leadership of Andrea Stewart-Cousins, and our colleagues on the Housing Committee and other committees as well put forth a truly broad package of legislative and budgetary approaches to this that really are an attempt to use all the tools available to us.

So we've had -- we have proposals that I think we'll be discussing later to protect tenants with new rights and with legal services, to protect homeowners through the Homeowner Protection Program as well as deed theft restrictions, and of course through tax breaks that, contrary to some of the assertions by my colleagues on the other side of the aisle today, are a very common way that the public subsidizes all kinds of housing. The current five-year plan for housing in New York is a $25 billion expenditure in tax breaks as well as direct subsidies.

So we have realized over a long period that it is important to subsidize all kinds of housing, including our public housing, but also including housing run by private organizations, and everything in between.

This capital bill that we are putting forth today, although we have not succeeded by all measures, is a very big step forward. It represents a big investment in one portion of our four-part approach here by investing over a billion dollars to support new housing construction and renovation, including

$760 million in capital programs administered by HCR, our housing agency, and an additional $250 million to prepare nonresidential state property for construction of new housing through a program called RUSH. And I will spare people references to the Canadian rock band that I listened to in the eighties.

Over half of that billion-dollar investment is dedicated to the preserving and improving conditions in housing we already have. That includes $250 million in capital expenditures on public housing, as we've discussed; $80 million to support our Mitchell-Lama housing; and $40 million for the exciting new program that Senator Ryan has spearheaded and just discussed.

We're also making a new commitment to state-funded development of new housing. We put forth in our one-house resolution something that we informally called Mitchell-Lama 2.0, to create a new authority to build affordable housing. Working with the Assembly and the Governor's office, we're enacting today the Housing for the Future program and allocating $150 million to get the program started, equally

split between rental units and new homeownership opportunities.

We're also funding -- again, thanks to Senator Ryan -- a new program to ensure that we are filling in vacant lots in our cities to make sure we have that housing and also that our neighborhoods are more vibrant.

And we're recommitting to the Small Rental Development Program -- again, an initiative of Senator Hinchey -- to ensure that small towns and villages have housing that is the right scale for them.

Overall, as I said earlier, public capital investment is not our sole tool, but it is a major tool that is necessary if we're going to get out of this housing crisis. And I'm very proud of the work we're doing in this budget to get that done.

Thank you. And with that, I vote aye.

ACTING PRESIDENT COONEY: Senator Kavanagh to be recorded in the affirmative.

Senator Oberacker to explain his vote.

SENATOR OBERACKER: Thank you,

Mr. President.

You know, as a former town supervisor who has put together municipal budgets; as a former chair of Otsego County Department of Public Works, I've put together budgets; I was on the budget committee for Otsego County.

I have to say that being the ranking member on Transportation, I'm more than dismayed at this budget. Yes, we've restored the funding to our CHIPS, but restoring is going back. We're looking at increased, of course, costs across the line for all materials. Our highway supers have not been able to go out and bid out stone and do all the bidding process for the materials that they need to resurface these roads, so they're going to be behind.

And I must say the conditions of the roads in the seven counties that I represent in upstate New York do have some challenges. And if there's a -- if there's an effort, if there's a movement afoot or if there's a philosophy out there that we're not going to fund the roads so that the condition is terrible and maybe that will stop the outward migration of people from

upstate New York, let me in on it. I guess I could try to understand it, I would try to talk -- out of it.

But at the end of the day, this falls short. It does not meet expectation, as I would say in my business. I will be voting in the negative.

But on the positive side, what I'd like to do is to extend a warm -- not welcome, but a warm invite for any of my colleagues from across the aisle who would want to travel with one of the most dynamic upstate Senators and travel my distance on those roads to get a firsthand, a firsthand education on them. I will be more than happy, more than happy to extend that, and to Mr. President, to yourself as well, the extension. Would love to have you travel with me.

With that, unfortunately, I will be voting in the negative in this case. Thank you.

ACTING PRESIDENT COONEY: Senator Oberacker to be recorded in the negative.

Senator Webb to explain her vote.

SENATOR WEBB: Well, okay, following up after Senator Oberacker from upstate

New York.

I want to thank you, Mr. President, and of course Senate Majority Leader Andrea Stewart-Cousins for her leadership on this aspect of the budget as well, and of course all of my colleagues.

So I also am in upstate New York. I have some great things that are most certainly reflected in this budget. I am pleased that the final budget includes $19.5 million for the expansion of the New York State Veterinary Diagnostic Laboratory and the Animal Health Diagnostic Center at Cornell University. This funding is critical to support the research and testing that is performed at this institution; that includes testing for things such as bird flu.

This facility plays a crucial role not only in safeguarding public health and protecting animal welfare and mitigating the economic impact of outbreaks on agriculture, but also food security.

Also in this budget I was pleased to see that although we need to do more, that we are continuing to fulfill our commitment to the

environment. And I am proud that this budget includes 400 million for the Environmental Protection Fund and fully restores clean water funding at $500 million, a level to make sure we can restore critical water infrastructure. And I want to thank the entire Senate team that was involved in that -- Malik, everyone.

And also in the area of infrastructure. Now, me and Senator Oberacker do have some overlap in our districts, and so of course roads are an important piece. And so with this budget we will actually see 34 million to fix roads throughout the communities I represent, along with other important infrastructure needs, including funding for our libraries.

So again, I want to thank all of our colleagues. I proudly vote aye.

Thank you.

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

Senator Krueger to close.

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

You know, we didn't get to go over lots of things that are in this capital budget.

But I want to let everybody know we were able to add $2 billion for capital projects throughout the agencies of this state. And that translates into an enormous number of new jobs, because capital money means jobs. And as you've heard, these capital projects will be spread all over the state.

Again, my colleague Senator Kavanagh did an excellent job discussing really mostly just one of the programs, public housing. But we put $585 million into housing capital.

We put 444 million into education and higher ed capital, including more money for SUNY hospitals, SUNY capital, CUNY capital, the 4201 schools, NYSCA, various diagnostic labs, parks. We put $250 million back in for the clean water projects we need in this state. And we put, despite the concerns about not enough, $164 million in capital for transportation.

I am incredibly pleased with how this worked out, Mr. President, because without us fighting for all of these things they would have not been in the budget. They were not in the Governor's Executive Budget.

And just because there was some

confusion, I think, over the discussion of how much money we're being asked to invest in public housing, for the record -- and the question was asked, why is there no money, why doesn't there seem to be enough money to keep public housing going. Surely they pay rents. And the answer, Senator Martins, is yes, they pay 30 percent.

So I looked up what the average rent is in New York City public housing, and it's $555 a month. But the average rent in rent-regulated housing, which you were raising as an example, is three times that. So if you're a private landlord in a rent-regulated system, your average rent is three times what public housing gets per month.

And public housing is disproportionately quite old in the City of New York, because we haven't been building it in decades and decades and decades. And in fact, market rate is about $2,000 a month average, and we put more tax expenditure money through 421-a -- I believe we will do it in 485, which is also going to be passed tonight. We put like a million dollars into subsidized housing that isn't even going to be affordable.

So these numbers might shock everybody, but they are not inconsistent between what we spend subsidizing new, often not affordable housing and the amount of money we need to help assure that we don't lose our affordable public housing, as much trouble as it may be. And we agree, it is, because it has been underfunded and ignored for too many decades.

But I will just challenge my colleagues to answer the question -- not tonight -- if you don't want us to continue to invest and help save public housing, in New York City we've got 600,000 people there. Who wants to take them home? I don't. I bet none of us really want to take 600,000 people home. Plus we have 100,000 already homeless who have been priced out of housing in the City of New York.

So none of these models are perfect, and we can have frustrations with all of them. But I want to thank Andrea Stewart-Cousins and my colleagues for getting us through particularly this bill and this money in the capital budget tonight. And I certainly urge everyone to vote yes.

Thank you, Mr. President.

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

Announce the results.

THE SECRETARY: In relation to Calendar 844, those Senators voting in the negative are Senators Borrello, Griffo, Helming, Lanza, Oberacker, O'Mara, Ortt, Stec and Tedisco.

Ayes, 51. Nays, 9.

ACTING PRESIDENT COONEY: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, we're going to jump a little bit out of order. Can we remove the lay-aside on Calendar 847 and take that up as a noncontroversial bill.

ACTING PRESIDENT COONEY: The Secretary will read.

THE SECRETARY: Calendar Number 847, Senate Print 8301A, Senate Budget Bill, an act making appropriations for the support of government.

ACTING PRESIDENT COONEY: Read the last section.

THE SECRETARY: Section 5. This act shall take effect immediately.

ACTING PRESIDENT COONEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT COONEY: Announce the results.

THE SECRETARY: In relation to Calendar 847, those Senators voting in the negative are Senators Borrello, Griffo, Lanza, Oberacker, O'Mara, Ortt and Stec.

Ayes, 53. Nays, 7.

ACTING PRESIDENT COONEY: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Thank you, Mr. President. Now let's get back to the controversial calendar and take up the remaining bill on that calendar, Calendar 846.

ACTING PRESIDENT COONEY: The Secretary will read.

THE SECRETARY: Calendar Number 846, Senate Print 8303D, Senate Budget Bill, an act making appropriations for the support of government.

ACTING PRESIDENT COONEY: Senator Lanza, why do you rise?

SENATOR LANZA: Mr. President, I believe there's an amendment at the desk. I waive the reading of that amendment and ask that you recognize Senator Weber.

ACTING PRESIDENT COONEY: Thank you, Senator Lanza.

Upon review of the amendment, in accordance with Rule 6, Section 4B, I rule it nongermane and out of order at this time.

SENATOR LANZA: Mr. President, accordingly, I appeal the ruling of the chair and ask that Senator Weber be heard on that appeal.

ACTING PRESIDENT COONEY: The appeal has been made and recognized, and Senator Weber may be heard.

SENATOR WEBER: Thank you, Mr. President. I rise to appeal the ruling of the chair, as the proposed amendment is germane to the bill at hand because it strikes an actual lined-out item of the budget, the 2.4 billion for migrants that has been allocated to our State Budget for fiscal year '25. This amendment could not be any more germane.

As we continue to pass the State Budget, I become more and more concerned about

New York's fiscal trajectory. Exorbitant taxes, and now the redirection of funds from essential areas to accommodate New York City's and New York State's sanctuary city and sanctuary state status, are alarming trends that demand our immediate attention and correction.

There are so many other worthy things where this money should go to: Providing more school aid to our school districts; providing COLAs to our healthcare workers, and other wages; providing property tax relief checks; increasing the child tax credit; supporting our stressed hospitals; and so on.

Until these are fully funded, we should not be spending any more money, especially this $2.4 billion on New York City and New York State sanctuary status funding.

For these reasons, Mr. President, I strongly urge you to reconsider your ruling, as this is very germane to the bill at hand right now. Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Weber.

I want to remind the house that the vote is on the procedures of the house and the

ruling of the chair.

Those in favor of overruling the chair, signify by saying aye.

(Response of "Aye.")

SENATOR LANZA: Show of hands.

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

Announce the results.

THE SECRETARY: Ayes, 19.

ACTING PRESIDENT COONEY: The ruling of the chair stands, and the bill-in-chief is before the house.

Senator Murray, why do you rise?

SENATOR MURRAY: Mr. President, would the sponsor yield for questions regarding the issue of funding for the migrant issue.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: Thank you very much.

Senator, the amount I believe that's in this particular budget is 2.4 billion for the

migrant issue, is that correct?

SENATOR KRUEGER: Correct.

SENATOR MURRAY: Would the Senator continue to yield.

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: Will the sponsor yield?

The sponsor yields.

SENATOR MURRAY: Thank you.

And how much did the state spend last year?

(Pause.)

SENATOR KRUEGER: 713 million.

SENATOR MURRAY: Would the sponsor continue to yield.

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: And where did that money come from? Was that federal money, or was that state money?

SENATOR KRUEGER: I believe that's the state share.

SENATOR MURRAY: State taxpayers.

SENATOR KRUEGER: Yes. There were other federal funds made available, but that's just the state share.

SENATOR MURRAY: Would the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: Is there anything in this bill requiring New York City or New York State to rescind their sanctuary city and/or sanctuary state status?

SENATOR KRUEGER: No.

SENATOR MURRAY: Okay. Would the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: Thank you.

Now, does this money go towards -- I

understand there's a program in the city that they give out either prepaid -- I don't know if you'd call it credit cards, gift cards, debit cards. But does this money go towards helping to pay for those cards that are being given out to the migrants?

SENATOR KRUEGER: I know that was proposed, but I don't even think that program exists at the moment.

But this funding is specifically laid out to do the following:

1.1 billion for New York City reimbursement for services and assistance, including the shelter costs;

870 million for costs associated with some exceptionally large facilities -- Randalls Island, Creedmoor Psychiatric Center, and Floyd Bennett Field;

134 million for safety-net assistance to eligible individuals;

10 million for asylum seeker resettlement;

262 million to pay the National Guard, who of course is helping;

177 million for healthcare expenses

and disease testing;

And 116 million for legal services, case management and related purposes.

SENATOR MURRAY: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: Thank you for that detailed explanation, because it kind of went towards the next question, which was: Does any of the $2.4 billion go to our school districts to help offset the cost for the increased student population?

Some of the families are bringing with them children. They are then being dispersed not just in the city but throughout the state. Many school districts are getting many of these children. Does any of that money go to offset those costs?

SENATOR KRUEGER: No. Schools are paid for through school aid funds.

And yes, there has been additional

school funding available to districts that have a disproportionately large number of migrant children. And that's been true for many years. There have been cycles.

Just, you know, for the record, we are a state of migrants. We've always been a state of migrants. That's the whole history of the state. So there might be a larger number at the moment, but it's certainly not a new phenomenon or a phenomenon that we can't be prepared for in this state.

SENATOR MURRAY: Will the Senator continue to yield.

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: And for the record, I think we're a country of migrants. But -- yes, we're a state of migrants. But there's a legal and an illegal way to go about it. And I think that some are not necessarily following the legal route, which is causing some of the problems that we're having now.

But in the language of the bill where it lays out the funding, I noticed one little section, and it says "to provide short-term services." How long is "short term"? Is there a definition for "short term"?

SENATOR KRUEGER: We don't think there's a legal definition of a specific time frame. The city has implemented a variety of time frames for shelter services for migrants, depending upon families or singles.

But I don't believe we have chosen to define it any more clearly than just "short term."

SENATOR MURRAY: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor continue to yield?

SENATOR KRUEGER: I will.

I just want to make a correction -- not for myself, but my colleague referenced that these aren't legal people. But actually they're asylees. So we don't actually know whether they have legal status until that process is completed. So they're migrants, and they're here, but they're not technically illegal, just

for the record.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MURRAY: And for the record, I didn't say illegal people. What I said was there's a legal way to go about it and an illegal way to go about it. Some are not going about it the legal way. But we could have that argument down the road or longer.

But as far as the short term -- back to that -- is there any kind of a cutoff time frame? Has anyone said, I'm sorry, you've used up your allotted amount? Has the city cut anyone off as far as funding?

SENATOR KRUEGER: So there's no, again, definition in this bill. But the city has done cutoffs for the length of time you can get housing assistance.

And we certainly know that there are people who have moved into the city and taken -- been able to use these services and then stopped already or even have left already. So there's a -- there there's a cyclic pattern, is that the right word, Mr. President? I think it is. A

cyclic pattern.

So some people move through more quickly, and some people move through more slowly, yes.

SENATOR MURRAY: Thank you, Senator.

On the bill, please.

ACTING PRESIDENT COONEY: Senator Murray on the bill.

SENATOR MURRAY: Thank you, Senator Krueger.

So the reason I've asked many of these questions is because I hear it on a daily basis. You know, I do find it ironic -- and let me also back up for a second.

As far as the issue of the gift cards or prepaid debit cards or whatever, I do believe the program has been started. My understanding is it is. And this funding goes to offset programs such as that and others, as was spelled out.

But I've had people, and they'll ask me on a daily basis, constituents, you know, what -- do we get something like this? Do we get debit cards?

What about our homeless veterans? I find it ironic that the very people that will stand up and volunteer, the men and women who will raise their hand and say I will put myself in harm's way to protect the freedoms and the rights that this nation has that makes us the greatest nation in the world, that makes us the destination where so many want to come -- they don't get this help. They get turned away.

We have veterans that need help, whether it's they're homeless, whether they're hungry, whether they need training or psychiatric help or any kind of help. They don't get this kind of help.

You know, we -- last year in the budget we had the Healthy Meals for All, Healthy School Meals for All. And we came up $90 million short. So there are children today in New York State that are still going hungry because we couldn't come up with that $90 million extra to make sure every one of them was fed.

There was also our school district funding. Many school districts wanted a 3 percent increase. That would have totaled about $280 million. We couldn't find that

funding this year, and that will come up a little later. But we couldn't find that funding.

My good friend Senator Oberacker brought up the CHIPS funding and the highway superintendents. They were begging for an increase. Just give us 100 million more. We managed to get the 60 million back that the Governor tried to take away, to get us to level funding from last year. But they wanted 100 million more to fill the potholes, to fix the roads, to fix our infrastructure. Couldn't come up with it.

But we come up with $2.4 billion. You know, it's been said that budgeting is about priorities. And there were others on the other side of the aisle earlier today that said, you know, you want to spend this and then you yell at us for spending too much. No, it's not about whether we're spending too much or too little or too -- it's where we're spending it, how we're spending it, where our priorities are.

We have too many people saying, What about us? Where's our help? Senior citizens on a fixed income trying to figure out, am I going to get food or my medication or can I pay my

mortgage and my taxes to keep a roof over my head? They're struggling, and they say: Where's our help?

So it's about priorities. And I think when it comes to this issue, this $2.4 billion, I think we've got that priority wrong. And that's why I'll be voting no on this.

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Murray.

Senator Martins, why do you rise?

SENATOR MARTINS: Mr. President, if the sponsor would yield for a couple of questions.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes, sir.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: Senator, a couple of moments ago you mentioned status of people qualified to receive funding for the $2.4 billion that's been laid aside in the OTDA budget for migrants. So I'm going to ask a couple of questions about process.

What are the qualifications entitling somebody to receive funding or portions of those funds that are being allocated? What qualifies someone here in New York to receive portions of those funds?

SENATOR KRUEGER: If you are homeless, you are eligible for homeless services.

If you have health problems, you're eligible for health services. Emergency rooms can't turn you down. I mean, ironically, if people don't have access to health insurance, we all pay a lot more, because they get sick and we have public health crises.

Safety-net assistance is -- some people may be eligible for. You're familiar with the safety-net program. So some people may be eligible for safety-net assistance.

Other benefits are -- you're not eligible for SNAP benefits. Although I think when Senator Murray was asking me about some kind of credit card system, I think the intention was to make some cash for food and other personal care items available through a credit card system as a -- or a debit card, I suppose, is a better model, because it would be the easiest and

simplest to track. But I don't think it's gone beyond the pilot level.

I'm not sure what other services we're talking about here.

SENATOR MARTINS: Mr. President, through you, if the sponsor would yield --

SENATOR KRUEGER: Oh, I'm sorry, legal services to help -- I'm so sorry. Legal services to help you file your paperwork.

Because of course we know that as asylees, if they can get federal working papers -- and the federal government, for example, already said that we can shorten the time frame for Venezuelans to be able to get access to working papers. So we are assisting with legal representation and assistance for people to file their paperwork with the federal government.

Because when you talk about timelines, which I think was Senator Murray's question, the faster we can get people into jobs, the quicker we won't need to cover any costs for them. Because that is the history of migrants in New York. You come here, you find jobs, you stabilize yourself, you become taxpayers.

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

SENATOR KRUEGER: Yes, of course.

ACTING PRESIDENT COONEY: Senator Krueger yields.

SENATOR MARTINS: Thank you, Mr. President.

Senator, I didn't ask that. And I appreciate -- I appreciate -- I appreciate the answer that you did give me, and we can address that in a bit.

I was asking how do they qualify. I mean, there are a lot of questions certainly for people in this chamber, I am sure around New York State. You know, do they come across the border, come up to New York, show up and say I'm here, I'm entitled to benefits? Do they fly into JFK, La Guardia or Newark, come into New York City and say, I'm here, I'm entitled to benefits? Do they come across the northern border from Canada and make their way down to New York City, I'm here, I'm entitled to benefits? Is there a time frame within which we require them to show that they've been here? Can they be here five minutes and ask for benefits? Do they have to be here for any

period of time? Do they have to show some level of residency?

I'm asking for clarity because $2.4 billion, Senator, I'm sure you'd agree with me, is a lot of money. And in the context of $2.4 billion and some of the expenses that we have back home -- and I can list them for you, but -- you know what, I will. Whether it's our school districts that need funding, whether it's schoolchildren in our schools that we were trying to get funding for free lunches for them throughout the state. You know, there are priorities that we've set for ourselves when we determine whether or not to spend $2.4 billion.

So I'm going to ask, what does the person who shows up here have to show to establish residency and entitlement to get those monies?

SENATOR KRUEGER: So the city has an intake system, so they interview, they ask for documentation, they cover questions, they do try to find out do they have other family here, are there other locations in the country they would like to go to.

Many of these people, as you pointed

out, came from lots of different places. Some came from other states where they might have been for an extended period of time. Some come across the southern border, some come across the northern border. Some fly into our airports. Some take buses provided for them by Southern governors, much to our chagrin. And when they come here, if they're applying for any kind of benefits -- as has always been the case, it's not a new phenomenon -- there's an intake system.

In the City of New York they've set up a couple of different intake sites. The biggest one is in my district a couple of blocks from my office, at the old Roosevelt Hotel. It's a very impressive process for intake and tracking and trying to make sure does somebody seem to be sick, do we need to address that, do they not have medicines. Do they have children, do we need to make sure that we're taking care of those children, the children are going to school.

So there's a pretty thorough intake system, including what is your status as far our being able to help you get any of the paperwork you might need, particularly working papers, so that the possibility of your moving off into the

economy as quickly as possible happens.

So -- and then there are different sites for different follow-up purposes.

SENATOR MARTINS: Thank you, Mr. President. If the sponsor would continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield? Will the sponsor yield?

SENATOR KRUEGER: Of course I do. I'm so sorry.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR KRUEGER: I'm listening with one ear and -- yes, I happily answer. Yes.

SENATOR MARTINS: Thank you. Thank you, Senator.

Again, just for clarity, is there a time period that a person needs to be here in order to qualify?

SENATOR KRUEGER: No, there is not.

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

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: It's my understanding that many people who are coming to New York and presenting themselves for benefits don't have paperwork, do not have credentials, they don't have necessarily a digital or a paper background. And they're being perhaps interviewed.

If somebody flies into New York, lands at JFK, gets off the plane, goes into the city, appears at one of these processing centers, perhaps the one a couple of blocks away from your own district office, and presents themselves for benefits -- and they literally just landed and the time it took for them there to get there, and they showed up and said, I'm here, I want to say stay here. I'd like to see what kind of benefits I'm entitled to -- I want housing, I want help with an education, I want all of the benefits that the great State of New York, through the City of New York, is providing.

Would they be entitled to those benefits at that point?

SENATOR KRUEGER: I don't think I agree with you that most people show up without any paperwork.

SENATOR MARTINS: It's hypothetical. I'm just putting an example out there.

SENATOR KRUEGER: Oh, okay. Right.

So I think -- my understanding is most people do have some type of documentation, particularly if they were flying in, obviously, because they couldn't get through the airport if they didn't have a passport.

So yes, most people have some level of paperwork. But I don't know what percentage. But yes, as has been the law in New York State -- I'm trying to think. The right to housing and shelter has been since the early '80s, I want to say, were the lawsuits on that. So it's the same system it's been, it's just more people right now.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: Thank you, Mr. President.

You know, I think I heard you say that it's a New York State policy, the right to housing is a state policy and not a city policy. And as far as I'm aware, that right-to-housing policy is one that is specific to New York City. And therefore the state's obligation to fund these programs over time, certainly over the last couple of years, to the levels that they have, I'm not aware of it being a state policy. Perhaps you can clarify.

SENATOR KRUEGER: No, the original housing lawsuits on the right to shelter were actually based on the New York State Constitution's obligation to care for the needy. And it was a court case against the city and the state. So actually the ruling was that it's -- the State of New York must provide services for the homeless.

Somehow the state sort of got around ever really getting itself into it. But the

court case was for both the state and the city, and the basis of those cases were the State Constitution.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: I'm sorry, I'm getting clarification. New York City is the only one who's codified in the case law, but that case law was clearly based on the State Constitution, of the state and city being sued.

SENATOR MARTINS: Thank you for that --

ACTING PRESIDENT COONEY: Will the sponsor yield for a question?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: So again, my question is one of qualifications and status here, and I think we've covered that.

As part of this process, is there any responsibility in that processing center to

check for backgrounds of those people who are seeking assistance, not only in terms of term of stay but also any prior history, criminal history and the like? Since many if not most of them do not have a history here in the United States, is there an effort to try and get that information as well?

SENATOR KRUEGER: When they apply for asylum, that is a process that is gone through by the federal asylum process.

SENATOR MARTINS: Thank you.

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

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR MARTINS: You know, I'm glad you brought that up, because as I understand it, the asylum process is a two-step process. It's a process at the border, and then there's a secondary process where you have to actually fill out that paperwork.

And they are admitted based on the

initial process, which is rather quick, and then there's a detailed questionnaire that has to be filled out within a period of time so that they actually can maintain the status that they're temporarily given at the border and actually be asylum seekers, as opposed to just being people who are in this country illegally, using any other term. Because if they don't complete the asylum process when they use the asylum process to get in, I think that's the proper term to use.

So what I will ask is if they do not fill out the asylum process and they are not here, is that a requirement in order for a person to receive assistance through these processing centers?

(Pause.)

SENATOR KRUEGER: We think you're correct, that if they don't complete the full paperwork at some point they can be defined as no longer meeting the standards of being an applicant for asylum. That is why we are helping people to make sure they can get their paperwork done so that they don't find themselves in that situation.

But there surely are people who will

not be able to complete that in whatever the time frames the federal government has set up are.

SENATOR MARTINS: Thank you, Mr. President. And thank you, Senator Krueger.

Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Martins on the bill.

SENATOR MARTINS: So, you know, that is correct. You know, there are literally hundreds of thousands, millions of people who are coming across the border or coming into this country -- I won't identify borders, northern border, southern border, any other means of entry. Some from Central America, some from South America, some from Asia, some from Africa, some from the Caribbean. They're coming from all over the world. And so, you know, it's important that we understand what is happening and who's presenting. And if there is a process by which they are entering, that process also in the loop has to be closed. I think it's important that it is.

You know, I've heard many people say that people who are presenting themselves here in New York are here legally. The statistics I've

seen, or at least I've read, are that 90 percent of those who do enter the country seeking asylum do not complete that paperwork. Ninety percent. The 10 percent that do and do fill out the paperwork and do pursue asylum, roughly 40 percent of those actually get approved, and the process is about six or seven years.

So at this point the taxpayers of New York State are being asked to foot the bill to the tune of billions of dollars every year, that we're only accounting for that portion which we're discussing here in this budget. We're not discussing the amounts that are being spent by local governments, by the city government, by the federal government, but only by New York State taxpayers. Because that's what we're here to take care of. New York State residents, our constituents, those people who voted for us or didn't vote for us but sent us here.

So when we set priorities, Mr. President, the $2.4 billion, it comes at the expense of so much more in our own communities.

Now, we're a generous state. We've always been a generous state. We have very generous safety-net programs. And I think you'd

be hard-pressed to find people in this room on either side of the aisle who aren't supportive of those safety-net programs when it comes to prioritizing those in our communities that are most vulnerable and most in need.

We can talk about seniors, we can talk about those with special needs, we can talk about disabled veterans, we can talk about our commitment to making sure that we help those most in need in our local communities. Without necessarily inviting everyone to come in and footing the bill at the expense of perhaps some of those other programs that are priorities to us.

You know, we can sit here and list off, each one of us, what we would do with $2.4 billion. But the question I think is -- and I heard it put this way -- we have the ability to have the generous safety-net program or we have the ability to have sanctuary state status and invite the entire world to come in.

I think what we've seen here and we're seeing in New York City is it's impossible to have both. And so, again, budgets are about priorities, deciding where are we going to put

those resources.

Now, I understand, we all understand we are a nation of immigrants who came to this country seeking a better life. And I will never begrudge anyone the ability and the right to do that under the circumstances that are set. But we don't get to make rules and laws for ourselves. We don't get to decide which laws and which rules we will follow. We don't get to prioritize that group or the other group or some other group. We're here to prioritize our great state.

And so this is a conundrum. Where do you draw the line? Mr. President, that's pretty easy for me. I draw that line where it comes to supporting my communities in my district and those people who are most in need in my district. We meet with them every day. The ability to actually put resources from this state where they belong -- feed our kids in our schools, provide resources for our veterans, allow for our senior citizens to have the necessary healthcare that they need as they age, and we want them to age in place and stay in place.

Those are my priorities. Support our families, make sure we have the best education system in this country. Put those resources where they should be: Educate our kids.

This is creating a rift in our communities. This is creating a rift in our state. We hear it back home. We all hear it in our communities when they ask you, Why are we spending X on New York City, on this policy that they created, as opposed to making the priority our local communities? Because there are needs in each and every one of our communities.

So make no mistake, we're being asked to make a decision when we vote for this bill. Mr. President, I'm going to choose to prioritize those things that are important to my constituents. I'm voting no.

Thank you.

ACTING PRESIDENT COONEY: Thank you, Senator Martins.

Senator Canzoneri-Fitzpatrick, why do you rise?

SENATOR CANZONERI-FITZPATRICK: Thank you, Mr. President. I was wondering if the

sponsor would yield for a few questions.

SENATOR KRUEGER: Yes, ma'am. Happy to.

SENATOR CANZONERI-FITZPATRICK: And thank you, Senator Krueger. You've been at this for a while. I appreciate your patience.

SENATOR KRUEGER: No problem.

SENATOR CANZONERI-FITZPATRICK: We've heard a number of discussions about $2.4 billion. But when I'm looking through some of the sections of the Office of Temporary and Disability Assistance, I'm seeing some of categories that seem to be related to refugees -- $2 million for, you know, enhanced services. Another 5 million. Then there's another pot of non-citizen assistance services and assistance to noncitizens who have qualified before a certain date, and that pot is 5 million. And then I see 25 million for the resettlement of migrants and asylum seekers as well as 122 million for Floyd Bennett Field. And that's all in addition in to the $2.4 billion.

So my math, if I add that all up, it gets to 2.5 billion and change. And I'm wondering if you could tell me if those

categories are also allocated to treating what we were all referring to as the migrant crisis in New York City.

(Pause.)

SENATOR KRUEGER: Okay, just double-checking. So a number of those lines that you're referencing are programs we've had for different categories, including refugees, for quite a few years. So that's not new specific to the asylees per se.

The 122 million for Floyd Bennett Field I believe also was from last year and was, I think, mostly for capital improvements in Floyd Bennett Field in a deal with the federal government. So that also came out of last year's money, not the 2.4 for this year.

SENATOR CANZONERI-FITZPATRICK: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So Senator Krueger, are you saying that the

122 million for Floyd Bennett Field, that wasn't spent? Or it was spent and this is more improvements that we need to make?

SENATOR KRUEGER: So it was intended to be in last year's budget, but it didn't go -- it wasn't effective till last September. So it's still in process. So you see it showing up here, you know, because a lot of it was capital and you never finish capital in 10 minutes.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So what exactly is this 122 million at Floyd Bennett Field going to be spent on?

SENATOR KRUEGER: So my understanding is it was for infrastructure to make it livable, because there was major flooding problems so there was water issues. Then they

also had to put in facilities where people would be staying -- tents, buildings, bathrooms, other facilities.

So it's a whole infrastructure project to make what was an old federal military field turned into a place that could be residences for a significant number of people.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: Thank you for that answer, Senator Krueger.

So my overall question too with all of this money is, is the Office of Temporary and Disability Assistance administering the distribution of this money? Like are -- was there additional staff that was hired to administer these programs? Are we subcontracting out to other agencies? How are we managing this money?

SENATOR KRUEGER: So most of the money is actually reimbursement to the city when they file their paperwork to us that we have committed to reimburse them for. So it's not our staff per se, other than paper trail between the city and the state of who owes whom what, which is standard for everything. Some of the money is going, for example, for the National Guard, I think goes through the office of -- what do we call them now? DMNA, Division of Military and Naval Affairs. Thank you. Sorry. They were saying it, but I was having trouble mastering it.

So that's where the National Guard money would go through. I think probably healthcare funds would probably go through the Department of Health. Also, down to the city, I believe H+H, the city's Health and Hospitals system, is taking if not total responsibility for healthcare services, at least primary responsibility for healthcare services.

So it moves through a variety of different agencies.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So Senator, I'm sure you're aware that there were some issues with a company called DocGo through the city that administered some of the funds, and there was some problems there. So since this is obviously a very large amount of money, I'm just trying to make sure that we have safeguards in place to ensure that the money is going where it's supposed to go.

So what I'd like to know is, what safeguards do we have in place to make sure that this state-funded money is going to where we think it should be going?

SENATOR KRUEGER: So the State Comptroller has authority to review any contracts to decide not to pay. And I agree, that DocGo story was terrible, and nobody's contracting with them anymore.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, will the sponsor

continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So reading some of the language as to how the money is actually allocated for the 2.4 billion, I think we've asked a few questions already about what is short-term services, and I believe you answered that question.

There is a description here, though, that says that it could be aid to New York City for case management and legal services. And I'd like to know, is there any language in our budget that would prevent this money for legal services to, say, go for the legal services for migrants with criminal records, for criminal defense, for landlord-tenant issues if they happen to find themselves being sued for being a squatter?

So are there restrictions on what we can use this money for for legal services?

SENATOR KRUEGER: Our understanding is this money is specifically to help them with

their legal status vis-a-vis being migrants and needing to get through a paper system -- a paper-trail system as asylees.

I think criminal defense would fall under legal services for criminals -- you know, indigent legal services.

You used another example. Sorry, you said criminal -- housing. Housing, there's not nearly enough housing lawyers. But if it was an actual, you know, landlord/tenant case it would end up likely in the Housing Court, where we would learn that there's not nearly enough lawyers to represent everybody.

I suppose if it's a squatter issue, that's not really -- it's rarely a landlord/tenant issue. It's actually a criminal situation. So it goes through whatever paths as anyone else who does or doesn't have legal status and ends up in this country.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So forgive me, Senator, if this was asked already. But I was also wondering about the process of applying for asylum.

And is there anything in the budget language that specifically says that if a person does not get asylum and is not granted asylum after a certain period of time, that they would be restricted from continuing in this program?

SENATOR KRUEGER: No. I don't think anybody's been here long enough for that issue to even come up.

But of course if they are rejected for legal status, the federal government can start deportation proceedings or deport them.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Does the sponsor continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So looking also at the language that's in the budget for this particular category, it talks about that we're funding programs to provide immunizations for and communicable disease testing of such individuals and families.

And I'm wondering -- I've heard from a lot of my constituents that they are -- their kids are in school with kids that are migrants that have not necessarily been immunized the way we all were as children. And I'm wondering if this provision is funding for immunization of children so that they're brought up to the same standards that we have for our children that have been here since birth. And is it also immunizing adults that come in?

So if you could explain to me what this piece of the budget is allocated for, you know, I'd like to find out.

SENATOR KRUEGER: In New York City, literally when you come into the Roosevelt entry system -- I've toured it -- you're immediately interviewed by a doctor or nurse. And they do childhood school immunizations. You can't send your child to school unless they've had all the

immunizations, and the same applies for these children. And the adults are also reviewed and offered and really encouraged to get all of their vaccinations as well.

Again, some people come with full paperwork and know exactly what they have been vaccinated for or not. Some people don't. And then the medical professionals advise them what they think the right course is.

But yes, children cannot go to our public schools without getting the full set of immunizations, as your children would or anyone else's children.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, will the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: Thank you for that explanation, Senator. I'm happy to hear that that happens, because I don't have young children that are dealing with that,

but I know a lot of my constituents have raised that very issue.

And continuing on what's allocated here, programs to assist in relocation and resettlement of such migrant families and -- individuals and families. So my question is, where are we relocating and resettling these individuals? Are they being relocated out of the state, out of New York City into different boroughs? What is the program and what is this funding allowed to be used for?

(Pause.)

SENATOR KRUEGER: Sorry, I'm learning and I'm reading.

So some of these families are being relocated throughout the State of New York in multiple counties where arrangements have been made and they are open to taking. We have Albany County, Erie County, Monroe County, Suffolk County, Westchester County on the list I'm looking at. There may be more now.

And if the household also, through interview and discussion, says that they actually would want to relocate somewhere outside of the New York State -- perhaps they have family in

North Carolina that has been found who said, Come to North Carolina -- then the state will also -- sorry, the City of New York, using some of this funding, will assist them to go to that location somewhere else in the country.

I don't know what -- when this data is from. Okay, as of February, 448 were interested in being relocated and have not yet been placed. But I believe that the city had told me about 20 percent upon introduction and review actually choose to go somewhere else.

So we're actually finding that we're able to direct people and help them go to somewhere else that will work better for them than ending up in a shelter or a hotel situation temporarily in New York City.

SENATOR CANZONERI-FITZPATRICK: Through you, Mr. President, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK:

Reading again from the language of this $2.4 billion that we've been speaking of, the last clause is quite broad, in my opinion. It says "Notwithstanding any inconsistent provision of law, the director of the budget is hereby authorized to transfer any of the amount appropriated herein to any general, special revenue, capital projects, proprietary or fiduciary funds, of any agency, department or authority for purposes defined herein."

And as I stated, I believe that language is fairly broad and it gives us a lot of leeway. So my question is, how are we ensuring that this money is being spent appropriately according to the language that we've passed in this body? And how do we ensure that the city is doing what it should be doing related to these individuals?

SENATOR KRUEGER: My understanding is that section is relating to the state deciding to distribute the money through its own agencies for different purposes. And of course we do get audits and we require documentation before we're transferring it to the city or any other locality, because some of these programs are in

other counties in the state as well.

So again, if it's Department of Health down to H+H, that's why it would be moved from General Fund through Department of Health to the Health and Hospitals Corporation.

If it's for legal representation, I forget where we usually direct legal service -- Department of State for legal contracts, OTDA usually for shelter contracts and reimbursement for that. As I mentioned before, the National Guard, which is a significant amount of this money, through the Department of Naval and Military Affairs -- Military and Naval Affairs. Whatever the order is there for that -- sorry -- the name of that agency. And yes, some through OTDA.

So again, I think that's, you know, sort of fancy budget language for we're Department of Budget and we pass it around our different agencies so they all can be contracted out.

SENATOR CANZONERI-FITZPATRICK: Mr. President, will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the

sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So does that broad language prevent us from giving any money, say, to a school district that had a very large amount of migrants in their area and increased their size and maybe had to put an addition on their school, hire extra teachers?

Is there any ability for this budget money to go to those schools if that was the situation?

SENATOR KRUEGER: So when the Executive laid out what the money was for, she did not list that. But I think, as we're looking at it, it could be interpreted as that if the Executive decided that that was a need that could -- some of this funding could be used for that.

I just think it's more likely everybody would look at education funding for that purpose.

SENATOR CANZONERI-FITZPATRICK: Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Canzoneri-Fitzpatrick on the bill.

SENATOR CANZONERI-FITZPATRICK: Thank you, Senator Krueger, for answering my questions.

I know we've been focused on this issue because the numbers are quite extensive. We've talked about 2.4 billion, but there's actually extra money that we've discussed today that really is going to a crisis that is focused in New York City on the fact that we've allowed illegal immigrants, illegal migrants to come into this country and we have a crisis now because of that.

I am the granddaughter of immigrants, so I appreciate the fact that we are a country of immigrants and that so many people come to this country seeking a better life.

I do think that there's a reason to be cautious about this, because the money is so extensive. And I'm not comfortable that the controls are present to ensure that the money is spent in the proper way. We saw it with DocGov -- DocGo, excuse me, that there were a lot of problems. And I do feel that there are --

there's a need for us to keep a tighter control on the money that we're allocating to this problem.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator.

Senator Skoufis, why do you rise?

SENATOR SKOUFIS: Thank you very much, Mr. President. On the bill.

ACTING PRESIDENT COONEY: Senator Skoufis on the bill.

SENATOR SKOUFIS: There's an oft-misconstrued phrase popularized by a John F. Kennedy speech that highlights how the Mandarin symbols for "crisis" are near identical to the word for "opportunity." It turns out actually it's not "opportunity" but "inflection" is the true comparison.

But either way, I think both sides of this aisle would agree, entering the 2024 session we did not have a shortage of crises to deal with here in New York State. And with that, we had a great opportunity and we were at a great inflection point to deal with issues that -- quite frankly, many of which should have been

dealt with a long time ago.

An affordability crisis, a housing crisis. Locally in Orange County we had a devastating last summer post-session, in 2023, flooding crisis that was national news. And we had an opportunity this year to deal with many of these crises, those just a few of them.

I'll start with the last one I mentioned first. Back on July 9th of 2023 the eastern wing of Orange County in particular was the epicenter of a massive, massive storm that was, as I said before, national news -- every cable network, every major national newspaper. There was one fatality. But the entire Village of Highland Falls -- which hosts West Point, if you don't know where that is -- was wiped out. The town in which the village was in was devastated -- the school district, a couple of other towns and villages in the area, but that was the epicenter.

And to give you a sense of the scale, the magnitude of this storm, nine inches of rain dropped in just several hours in these communities. Nine inches of rain. Something I had learned -- the next day, actually, on

July 10th, that's an interesting and I think illuminating point, is that meteorologists can effectively convert the volume of rain to snow and vice versa. One inch of rain equates to about 10 inches of snow. So when I say 9 inches of rain fell in several hours, that's the equivalent of 90 inches of snow falling in a few hours. And as you can imagine, there was widespread devastation in these communities.

The village that I mentioned before of Highland Falls, this was just the local expenses, not the state costs of repairing state roads and other state damage that happened in the community -- just the local expenses for a village of 3,600 people -- totaled $37 million.

The next day, on July 10th, the Governor flew in. I was there, many others were there, and we appreciated her presence. And she saw firsthand the broken hearts, the broken homes, the broken dreams, the broken livelihoods. She hugged, she embraced weeping constituents who had lost everything -- who, it turns out, we would find out, some of whom would be displaced in a motel a couple of towns up a way for five months. We were -- we were relieved that our

Governor was there.

And she stood in the middle of Main Street, which was unrecognizable, literally could not see much of Main Street the next day due to the mud, the damage, the wreckage. She saw the sofas lined up on the curbsides, the refrigerators, the mattresses, the boilers -- people's livelihoods. And we were glad she was there.

She came back on July 18th, about a week later, to announce a very small amount of state funding that wound up helping very, very few people. And she, among other things, said that day -- I quote -- "We stand united in our commitment to not just be there the day after, when all the attention is on a community, and then walk away." That was on July 18th.

And so you can imagine my surprise and my anger that as both houses of this Legislature during this budget negotiations advanced flood relief, aid to these municipalities that have to increase their tax levy, their tax rate, property taxes, to pay for the unreimbursed amount of damage not covered by FEMA and other sources -- by double digits,

landing another blow on the people who just lost their livelihoods, that one person in that room said no and refused to offer a single dollar and a single cent in this budget. And her name is Kathy Hochul.

Let me turn to another issue. And we're going to hear I'm sure a lot more about housing in ELFA, of course. She issued, the Governor issued a clarion call this year that we have to address the housing crisis. And she's right. I think no matter your posture on housing, your objective, if you're fair-minded about the situation, we would I think all agree there is a crisis.

One would think, as we enter our third attempt in two years to try and solve this crisis, the Governor would have learned some lessons from the first two attempts. And in particular, one of the lessons that ought to have been learned last year as she was met with a lot of resistance in this chamber and the other chamber -- both parties, by the way -- and in many communities throughout the state, especially the suburbs and the exurbs, which revolted over some of her proposals, one would think that a

lesson to be learned from those experiences would be I should probably talk to the people who at least represent those communities in the Senate and the Assembly who had issues, collaborate with them, try and put together a package that made sense for the state, for their districts, that was palatable, that could pass. Never mind of course the local stakeholders.

It was stunning to me, as the months went on after session last year and there was time to reflect on what had happened, those first two attempts to address housing, that neither I nor seemingly any colleague that I spoke with was getting calls from the Governor's office, meetings even with staff, her housing team. Not a single conversation.

And so we got back at it this year. And the Governor, who led these negotiations -- and look, we -- this is a controversial subject matter. Even in our one-house, things that the Senate Majority advanced, many of us didn't agree with all of the items in that housing package.

At the end of the day, the Governor leads these negotiations following this charge that she issued us in her State of the State.

And here we have a housing package that will soon be before us -- some of it was in the capital budget bill. Most of it will be in ELFA, the policy will be in ELFA -- that everybody hates. And it's not one of those situations where, oh, it's a good deal because no one's happy. Sometimes that happens. This is not one of those times where that has happened.

Everyone hates this because this housing package doesn't address the issue that she promised to address in January and last year. She cannot go, the Governor cannot go anywhere in this state with a straight face after this budget is adopted and tell a single New Yorker that what we are about to pass addresses even one-tenth of the housing crisis. Rents will still be high. Purchasing a home, costs will still be high. Vacancy rates will still be near zero in many communities.

I have, it's no secret, significant problems with the good-cause eviction proposal where -- look, we should look to, when we deal with matters of the economy, I think it's natural to, among other stakeholders, look to people who study the economy, economists, in determining

what is good for the economy or not. And this is one of those rare issues where economists of all stripes, all backgrounds, all ideologies -- from the left, Paul Krugman, to the right, the most libertarian economists in the country -- all agree that price controls on housing is deleterious to actually bringing down costs of housing.

The studies that I've seen that are publicly available, study after study after study, survey after survey of these economists, a low single percentage of economists from across the spectrum -- one is 2 percent, another I saw was 4 percent of economists -- agree that price controls make for good economics on housing. Virtually none. But that's in this package.

Also in this package is a 421-a successor. And look, the majority of this crunch is in the five boroughs. Obviously I don't represent the five boroughs. But what happens there impacts the entire state in a lot of ways, especially on housing.

We have a 421-a successor where the Governor negotiated a remarkable thing. The subsidy is more expensive to taxpayers than

421-a, and the housing that will be generated is lower than 421-a. That is a remarkable achievement, in the worst sense of the word.

We've adjusted IAIs that the people who would, if they so chose to uptake, utilize those IAI subsidies, all say this will do nothing. You might as well have not touched the $15,000 subsidy. So every one of those thousands of vacant apartments will remain vacant.

Meanwhile, we do not do a single thing, thanks to the Governor's lack of leadership on this issue, to address the actual underlying problems with the housing supply and housing affordability. We have the highest -- if you're a homeowner, we have the highest property taxes in the country. That is a deterrent to people being able to afford to buy and live in a home. We have the highest, single highest closing costs in the country. Nothing is done in that space.

Instead, we artificially put in place a cap on what a rent increase can look like from year to year. And anyone who's heard from our small and large, quite frankly, landlords will tell us that at the first opportunity

they'll be looking to get out of this business. That's housing.

On affordability, one of the -- one of the strongest undercurrents vis-a-vis affordability in my area is the looming congestion pricing that is due to take effect in the spring, absent one of the I think five or six lawsuits being successful.

And I've mentioned here before, where I represent in Orange County, I understand the -- at least on paper the intention behind congestion pricing. Make it expensive to drive a car into the business district of Manhattan, to push people onto trains and the MTA's public transit to get there. I understand that is the theory.

Orange and Rockland counties, West of Hudson, is literally -- we are the only arm of the MTA system without a train into New York City. That is a fact. We have a train to Secaucus and Hoboken in New Jersey. And by the way, even that train to Secaucus or Hoboken is virtually nonexistent in my district. The most heavily trafficked train station is the Harriman Train Station in Orange County, just

down the road from Woodbury Common. And at one point in the day, every single day, there is a six hour and 33 minute gap between trains in the afternoon. Six hours and 33 minutes.

I asked MTA board members, I've asked the MTA -- short of driving to the city during those six-plus hours at minimum -- never mind the other times of the day where, again, no train to the city, got to transfer, walk through a junction, hope you catch the next train. Let's at least just talk about that six and a half hours or so. What are people supposed to do to get to Manhattan if you live in Orange County, other than drive?

And to a person, the look I get back is as if I have 19 heads. There's no answer. And shockingly, there's no sympathy.

So the Legislature during budget negotiations advanced not one but two proposals to provide for tolling relief for West of Hudson and especially Orange County. The Assembly put one on the table, the Senate put one on the table. The Senate one was in our one-house. It's not a secret.

And one person is to blame for there

being no toll relief coming to my constituency, and that is Governor Kathy Hochul.

Every time someone from my area drives into the city and is whacked for $15 at the George Washington Bridge, and then whacked again $15 to get into the business district, $30, plus $20 round trip gas -- 50 bucks to drive to New York City. Relief was possible if not for Governor Hochul.

Every time someone drives over the Tappan Zee Bridge -- and Orange County residents are not afforded the same resident discount program that Westchester and Rockland residents are afforded -- Orange County residents can blame one person: Governor Kathy Hochul.

Let's talk about UPK. We all serve in this chamber, and we hope at the end of our service, however long it is, that there are -- there are a number of meaningful transformative issues that we were a part of achieving that touch people's lives in a direct and very personal way. And for me, one of those is universal pre-K.

A brief history lesson for those of you who weren't around in 2014. I was in the

Assembly. The origin story for UPK was the mayor at that time had just gotten elected in 2013, in November, in New York City. Bill de Blasio made UPK a big issue, pushed state government to take this up a couple of months after his November victory. The Governor, as he did with a lot of things with New York City, co-opted the issue, proposed it himself. And at the end of negotiations there was a deal struck between the -- especially at the time -- New York City-dominated Assembly Democratic Conference and the non-New York City-dominated Senate Republican Conference majority in 2014.

And the deal at the time was the Assembly, they wanted UPK in New York City and the Senate Republicans -- again, almost exclusively not in New York City -- were not as interested in UPK, which we can disagree with. I certainly do. They wanted the property tax checks that showed up in people's mailboxes for a few years following 2014. That was the deal. That's how UPK started in New York City. The rest of the state, peanuts, virtually nothing for our four-year-olds.

And so several years ago, four years

ago, myself and a number of colleagues, we demanded that our four-year-olds, even though we're in a different zip code than those in the five boroughs, be afforded the same educational opportunity. And we began on a four-year phase-in to get to universal pre-K outside of New York City.

This is Year 4. In Orange County alone, 3,000 new slots have been created as a result of what we've done. Transformative for these families. One person said no at the negotiating table this year to completing that phase-in: Governor Kathy Hochul. She can come to my district and explain to these parents that don't win a lottery for one of these cherished UPK slots and explain to them why they should have to spend $15,000 out of pocket to send their kid, their four-year-old, to get a pre-K education. She is responsible for that decision.

The alternative of which, by the way, is that four-year-old does not get a pre-K education.

Universal school meals have been mentioned. Ninety million dollars to feed kids. There's nothing less controversial than feeding

kids. We're spending $700 million on a film tax credit in this budget that was expanded last year. We're spending $500 million in this budget on literally a laser for nanotech here in the Capital Region.

The Governor has prioritized building a laser over feeding our young children so they can properly learn. That's a lot of pancakes. It's a lot of tater tots. That's a lot of sloppy joes, pizzas and hamburgers and fruits and vegetables grown by farmers that get sent to our schools. She picked the laser over food.

We were told a few years ago when the federal government passed their infrastructure bill that DOT and the state would have more money than they'd know what to do with on infrastructure. The roads in my district in the Hudson Valley -- and I suspect most parts of the state -- have never been worse. Where is all this money that was supposed to be coming down from the sky to repave and rebuild and improve our infrastructure?

And so we advanced $100 million of extra funding for Region 8. Historically

underfunded. Roads are deplorable. One person is responsible for making sure the Hudson Valley roads are not going to be repaved with that extra money. That is Governor Kathy Hochul.

The last thing I want to mention before I wrap up is this Governor prides herself on at least publicly claiming to be transparent and open, such a transparent administration. I, as a sitting state legislator -- and I suspect many of you have had similar experiences -- could not just be given information I was requesting from the Department of Labor. So I had to FOIL, as a state legislator, information in emails from the Department of Labor.

Two hundred and eighty-eight days later I finally got a response, just a couple of weeks ago. In case you're interested, the FOIL stems from about this time last year, my office and I had a series of conversations with DOL following a Comptroller report that scrutinized and criticized the Department of Labor's handling of fraud during COVID, unemployment insurance fraud.

And so as the chair of Investigations in the Senate, we had the

conversation with DOL, a series of conversations, and offline one of their senior staffers told my office point-blank the reason why we did not have the ID.me system set up that was able to actually track the fraud and root out the fraud is because Melissa DeRosa emailed us and didn't approve the ID.me system moving forward.

And for months that system was sitting on a back burner. Fraud was taking place right here in New York State to the tune of millions of dollars. And people who were not committing fraud, needing benefits, were stuck waiting months and months contacting our office in the meantime, because so much bandwidth at DOL was being spent manually rooting out this fraud. Told us point-blank there were emails.

So I asked for the emails. Guess what? Two hundred eighty-eight days later, after waiting for so long, they didn't give me the emails. So we're appealing now, and at the end of that appeal, which they'll reject, we'll either file an Article 78 or we'll subpoena for them.

This is the most transparent Governor who blocks measures in budget

negotiations single-handedly to try and shine a little more light in state government. One person.

I mention all of this because when we see a final product, the people outside these walls -- quite frankly, some of the people within these walls -- don't know who stood for what in that room. What was the Senate saying and pushing for? What was the Assembly saying and pushing for? What was the Governor saying and pushing for? You just see what happened or didn't happen at the end.

And that is an unfortunate by-product of the opaque process by which we operate in, in negotiating this budget.

So I say these things so that my constituents, whether it's on flood relief -- which I am thankful to the Majority Leader and Speaker Heastie for trying to find a solution to that outside the budget -- to UPK, to housing, to all these issues I mentioned, the people of New York State deserve to know that there was one person responsible for all of the things that I just mentioned: Governor Kathy Hochul.

Thank you.

ACTING PRESIDENT COONEY: Senator Borrello, why do you rise?

SENATOR BORRELLO: I forgot. Oh --

(Laughter.)

SENATOR BORRELLO: On the bill.

ACTING PRESIDENT COONEY: Senator Borrello, are you on the bill?

SENATOR BORRELLO: Yes. On the bill.

ACTING PRESIDENT COONEY: On the bill.

SENATOR BORRELLO: So Senator Skoufis brought up crises at the beginning of his speech, and I think I missed one. And that is the migrant crisis. So we hear that term tossed about a lot, migrant crisis.

Now, when you're in one of the border states, border communities along the Mexican border, the crisis is everywhere. But once you go beyond the southern border, where are the migrant crises? Where is there a migrant crisis? It is exclusively in sanctuary cities and sanctuary states. That's where the migrant crisis is beyond the southern border.

So when we talk about a migrant

crisis in New York State, it is a self-created crisis. It is created by the fact that we have thrown out the welcome mat and said come here from anywhere in the world, and New York State taxpayers, New York City taxpayers are going to foot the bill indefinitely. That's the migrant crisis. Now, what does that translate into? Well, in this budget that translates into $2.4 billion, to go to New York City primarily, for the self-created migrant crisis.

Now, when someone comes to you and says, hey, lookit, I'm in a bad spot, I need some money, you kinda want to know, what are you going to change in your life to make sure that this doesn't go on forever and ever and ever. Right? Did we do that? No. And by the way, that's because Governor Kathy Hochul has not taken out her pen and with a stroke of her pen undone New York State's sanctuary status, which was done by executive order by our former governor, Andrew Cuomo, in 2017.

So I guess that's why you can't really criticize New York City for their sanctuary policy when she hasn't taken the 30 seconds to undo our sanctuary policy.

What's going to be done with that money? Well, we really don't know, honestly. What happened last time was they tried to spread that pain across the state by busing migrants everywhere. And what happened? Well, let's see. We had rapes and assaults in Erie County, Western New York, where I'm from. Most recently we just saw it in Westchester. Tony, high-dollar Westchester just had an incident with a migrant assaulting a police officer at a hotel.

There's no end in sight. Not my words, the words of Mayor Eric Adams. There's no end in sight. This will break New York City.

And what are we doing here today? We're going to hand another $2.4 billion for a no-end-in-sight problem that nothing has changed to help improve, not a single thing.

I heard earlier that we would love to increase money for infrastructure like roads, but we had to hold it flat. That's the best we could do, hold it flat. Inflation is up. The cost of paving a road has gone up dramatically in the last year. We can't give them more money to pave roads that the taxpayers of New York State drive on, but we can give $2.4 billion to

New York City for the self-created migrant crisis. That's okay. No more money for roads, can't be done.

What else? Senator Kavanagh: New York City Housing Authority doesn't have the money to actually upgrade the housing that 600,000 New York City residents live in. Don't have the money for it to fix it. But we do have $2.4 billion to give to New York City's self-created migrant crisis.

That's where we are with this, folks. And where is it going to end? We gave 1.9 billion -- not to correct my colleague on the other side of the aisle that said it was just under $800 million. It was actually $1.9 billion last year. 2.4 billion this year. And not a single thing is going to change. No alterations to the way we handle this process. We're going to continue to throw out that welcome mat to every corner of the globe and say, Come to New York and we will take care of you indefinitely. That's what's in this budget.

You can't expect a different result when you haven't changed what you're doing. That's the definition of insanity. Right? It's

insane that we are spending this much money without asking for some kind of a modification in what's being done. And what's going to happen is it's going to come to a neighborhood near you. That's the ultimate goal here. That's what DocGo's goal was, to send people as far away as possible in New York State and cover up what was actually happening in those areas.

So folks, this has got to change, and it starts by voting no on this budget.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Rhoads, why do you rise?

SENATOR RHOADS: Will the sponsor yield to a few questions, Mr. President.

ACTING PRESIDENT COONEY: Will the sponsor yield? Will the sponsor yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Welcome back, Senator Krueger.

Just a few follow-up questions. And I know we've covered a lot of ground today.

I know that you indicated that we're

spending $2.4 billion in this budget; about $780 million last year on the migrant crisis; an additional billion dollars that we spent last year providing free healthcare to migrants --

SENATOR KRUEGER: An additional billion last year? I don't think so. I don't think I said that, sir.

SENATOR RHOADS: Okay. There was -- from my own recollection, there was a billion dollars that was spent to provide free healthcare. I debated Senator Rivera, so I know that it existed.

SENATOR KRUEGER: So maybe that was brought up. I don't know.

SENATOR RHOADS: So we've spent -- we've spent roughly $4.1 billion, including what we're spending here. And I don't know, by the way, if there's another billion dollars anywhere in this budget to supplement the healthcare that we were providing. We'll see what comes out in the rest of the budget plan. But we've spent $4.1 billion.

I know you've been asked some questions regarding what oversight has been put in place, and I know that you've indicated that

the State Budget Director ultimately is the one who's responsible for doling out the money.

Have there been any efforts put in place by the State Budget Director to determine how that money is being spent within the City of New York, that 1.9 billion that's gone to the City of New York?

SENATOR KRUEGER: So again, we gave a -- I gave a master list of what that 2.4 billion was for.

All of that money goes through a normal process as any other state money going to any locality. So there's contracts, there's cross-checking. You have to submit bills for reimbursement. So I don't think that any of this 2.4 billion that is going out through a variety of different ways is actually being treated differently than pretty much any other money that moves from the state to a locality or through contracts.

Again, we're paying the National Guard; we can obviously track that. We're paying based on submission of bills for supportive services and shelter. We're paying legal service contracts. We're paying through

the safety-net program, an existing program. So I'm not sure anything's really different. It's just some new categories of programs going through our traditional agencies to existing agencies.

SENATOR RHOADS: Thank you, Senator.

If the sponsor will continue to yield.

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: Will the sponsor yield?

The sponsor yields.

SENATOR RHOADS: Thank you, Senator Krueger.

What I'm asking specifically is the 1.9 billion that's going to go to the City of New York, just like the approximately 780 or so million that went to the City of New York last year. Who's actually accounting for the dollars that are spent, the state taxpayer dollars that are being spent by the city?

SENATOR KRUEGER: The State Comptroller has the same oversight responsibilities for any money that moves out of

the state bank account. It's no different than any other thing -- any other items in our state government or budget.

SENATOR RHOADS: Will the sponsor yield to another question.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Because we've had several conversations so far today -- one conversation about NYCHA and the oversight of NYCHA and the spending of NYCHA, where that money goes, why we're spending so much money, why we're getting such a poor product in exchange for the money that we're spending.

We could have that conversation and probably will have that conversation about the MTA -- where that money is going, how that money is being spent, whether it's being spent correctly.

Do you know, in the case of the money that the City of New York is spending on the migrant crisis, do we know if the Comptroller

or any state agency has conducted any audits as to where that money is going, how that money is being spent, whether any of that money is being wasted?

(Pause.)

SENATOR KRUEGER: So again, to track how the money is being spent, you can go on the State Comptroller's website where he has a tracking system for exactly what monies have gone out for what programs. If you're asking -- that's true whether it's for migrants or our school system or our hospitals or our CHIPS program.

If you're asking whether there is a system in place for auditing and evaluating whether the money in any government program is being spent as best as possible, I suppose the answer is yes, there's both a State Comptroller and a City Comptroller when it comes to monies being spent in New York City, whether they're federal, state or city. There's a City Comptroller process. There are actually federal investigations that take place.

I will tell you I'm not sure that we've ever created a program in the history of

people or government where there isn't some money not spent as well as we'd hoped, where there isn't some level of fraud, where there isn't some way that we could have done it better.

I think we could probably all agree -- and perhaps we should all work to improve our systems of tracking and accounting for things better. But I don't think it's specific to this discussion for migrants, because I don't think there's really any other -- nothing different about these monies. They're just for different purposes than some of our other programs. Or they're for exactly the same purposes as some of the other programs.

We provide public health to low-income people. We have a Medicaid program that serves I think it's 4 million New York State residents for public health. We have a shelter system that was filled with 100,000 people in New York City before we even started counting migrants.

So I'm not sure any of these programs are really new. Nor do I think the way we're handling the money flow to them is particularly different.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Thank you, Senator Krueger.

Am I correct, then, in my understanding that we're unaware of any specific actions that are being taken by any state official, including the Comptroller, to review the money that's going out to the City of New York. We're simply writing a $1.9 billion check, sending it off and --

SENATOR KRUEGER: We're not writing a $1.9 billion check or a $2.4 billion check. They have to account for and get reimbursement on each of those dollars individually, the way we do every other dollar in the state budget. It's no different.

Is the Comptroller doing an audit on any of these programs? Maybe. We didn't ask him here tonight. I guess we could try to find him

in the morning.

Is the City Comptroller? I know that -- and we already discussed it with your colleague. There was one contract with this country called Doc -- Doc --

MULTIPLE SPEAKERS: DocGo.

SENATOR KRUEGER: Yup, thank you.

-- where clearly there was a problem and there was an investigation. I think that's ongoing. And there's no contract with them anymore.

So the answer is I could name one. But if you go on the Comptroller's site for the city or the state, you can find endless audits that they do on a regular basis.

SENATOR RHOADS: Well, if the sponsor will continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Sure.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Let me ask, of the $4.3 billion that we are planning on spending --

SENATOR KRUEGER: Two-point-four

this year.

SENATOR RHOADS: Well, we're talking about 2.4 billion in this budget --

SENATOR KRUEGER: Yup.

SENATOR RHOADS: -- 780 million that was spent last year --

SENATOR KRUEGER: That's done.

SENATOR RHOADS: Right?

SENATOR KRUEGER: Yup.

SENATOR RHOADS: And a billion dollars that we approved last year for healthcare.

SENATOR KRUEGER: Again, I apologize, I think I must have been out of the room then, so I don't know whether that was under some other category. I don't think -- I don't think it was any line-item contracts for migrants per se.

SENATOR RHOADS: Okay. We'll agree to disagree that we somehow lost a billion dollars.

SENATOR KRUEGER: Well, I wish Gustavo was here, but he's not sitting here so I can't speak for him.

SENATOR RHOADS: Understood.

Out of all the money that we've spent, has any of that money been spent taking any migrants who are here in the country illegally and sending them back?

SENATOR KRUEGER: No. New York State doesn't have the authority to do deportation.

If they asked to go back, I think we probably would pay for it. As I answered a previous question, if we learn that they would prefer to be in some other state in this country, we're saying yes and making sure they get there. And I suspect if they say no, I'd really like to go back to my home country, I bet we're paying for the ticket there also. In fact, I'm sure I've heard that we are.

SENATOR RHOADS: Will the Senator continue to yield.

ACTING PRESIDENT COONEY: Will the Senator yield?

SENATOR KRUEGER: Sure.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR RHOADS: Thank you.

The asylum application process, as

I'm sure you're aware, the asylum application process has to be completed within a year.

SENATOR KRUEGER: In general, the application, yes.

SENATOR RHOADS: We've had -- will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: We have had -- since January of 2021, we have had approximately 9 million illegal border crossings into this country. Do you know how many of these migrants have wound up in the State of New York?

SENATOR KRUEGER: I don't know. I know the statistics we have since April '22 is that over 142,000 asylum seekers have been processed and provided services by the City of New York.

I'm assuming that there were migrants who also came through other counties in the State of New York. But I don't know if anyone knows exactly where that 9 million number

comes from, and I think it would be impossible, truly impossible for us to know what share, so to speak, of people maybe were part of that universe.

Because as we discussed, some migrants are coming from the southern border, some migrants are coming across the northern border, some migrants are taking airplanes into Kennedy Airport from lots of places in the world, and some migrants were living in other states and then came here. So I think it would be a very hard research project.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Well, Senator Krueger, whether it's $4.1 billion, $2.4 billion, whatever the number we can agree on that's being spent or has been spent of New York State taxpayer dollars, has any of that money been spent to institute any kind of legal action

against the federal government to reimburse New York State for the taxpayer dollars that we're spending because of a crisis that they have created?

SENATOR KRUEGER: So has the State of New York sued the federal government to try to get more money from the federal government? Was that the question?

SENATOR RHOADS: Well, yeah, it's to try and get any money out of the federal government. Because as I understand --

SENATOR KRUEGER: The federal government has given some money for the migrant situation. But not nearly enough, I would agree.

I don't know -- maybe because I just don't do this for a living, I don't know how successful anyone is when they try to sue the federal government as a state to get more money from them. It might be an interesting idea, but I'm not sure exactly even which one of us would have standing to bring a case like that against the federal government.

I suspect they've lawsuit-proofed themselves from states who are angry at them for not giving enough money. Because I guess, pick a

date, all 50 states have been mad at the federal government over something. So I'm just not sure it's that easy to sue them for money. I'm not opposed to it necessarily, I'm just not sure it would be that successful.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Well, there are plenty of states that have brought action against the federal government. But our understanding is, your understanding is that New York is not one of them that has done that.

In fact, not only has New York not attempted to recover money from the federal government through a legal process -- when you speak about Floyd Bennett Field, for example, which is a federally owned property, there's $122 million in this budget in part to pay rent to the federal government for use of Floyd Bennett Field as a migrant shelter. So we're

actually paying the federal government for a problem that they created.

SENATOR KRUEGER: So -- that was a lot of pieces. So again, I don't know if there are other states who are suing the federal government to give them more money to help with the migrant situation. You're saying there are. So I would be very interested in exploring that. Because of course migrants are going all over this country, as they always have. So some states are suing.

Some states are offering money for them to come there. Did you know that? Many states are excited about new migrants coming, putting them to work developing and expanding communities. There's several Midwestern states with old Rust Belt cities that are offering $15,000 a household to come to them.

So there are different responses in different parts of the country. But in fact our state has had amazing success over decades of incorporating new groups of migrants into parts of the state where we didn't have enough people, where they were looking for people to settle and to take jobs, and have had a great deal of

success.

In fact, that's pretty much the history of everyone in New York City. We pretty much all came as migrants at some point in history -- maybe our parents, maybe our grandparents. But I think the statistics are 50 percent of the people in New York City are directly related to a new American.

So we're talking about a subuniverse of people coming right now, falling into certainly categories. But in fact it's pretty much the history of the entire state. And the research actually shows that yes, it costs government something when they first get here, but they pretty quickly assimilate into our society, become taxpayers, and actually help us grow our economy and are win/wins for us.

I know nobody necessarily believes that tonight. But if you look at the research on the data, new Americans have actually expanded New York's economy and made us probably the greatest state in the world because we have people from everywhere in the country -- excuse me, everywhere in the world who want to be here, who fight to be here, who sometimes cross borders

without paperwork to be here.

As I often explain, my grandparents all came here, they got on boats from Eastern Europe, they ended up in England getting on boats, really hoping that the U.S. wouldn't turn them down at Ellis Island. And they got in. A lot of people got turned down.

That's pretty much the entire history of this country, depending on what decade and what part of the country they came to.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: I would certainly agree, Senator Krueger, that we are a nation of immigrants. My great-grandparents came from different countries as well, as I'm sure -- unless we have anyone of Native American descent here tonight -- that most people have a similar story, where at some point in their generational line the decision was made to come to America,

apply for immigration status legally, and come into the country legally.

But I'm not sure that we've seen the volume of individuals that have come in as has happened here, particularly in the City of New York, as is evidenced by the fact that we have people who are sleeping on the streets because we have so many immigrants who have come that there is not enough shelter to provide them. Nor am I aware of any expense to the tune of $2.4 billion that we are spending in this budget, $750 million that we spent in last year's budget.

But let me ask this. So we know that the asylum process, the application process, has to be completed within a year. Otherwise, they're in violation of our asylum status and no longer have legal status.

What is New York State doing, if anything, to exclude those individuals who are no longer here in the state or in this country legally based upon their failure to complete an asylum application?

(Pause.)

SENATOR KRUEGER: So I'm not aware of any law that says we do X if we know that they

haven't completed their application process. It is one of the reasons we're working so hard to make sure they do complete that paperwork within that year, so that we don't end up in this situation.

And again, as I said, we want to get them their paperwork as fast as possible because then they can get working papers and go off into our economy and have the life story that your great-grandparents hopefully had and my family had when we got here. We all came here probably dirt poor. We came here for reasons -- because we couldn't stay where we were, perhaps we were being killed, in some cases, not given religious freedom, obviously; nowhere to go and take care of ourselves or earn a living in our previous country.

That's probably how we all did get here, other than Native Americans -- oh, slaves didn't have a great storyline, actually. They didn't even get a choice in the matter.

And so we are trying to make sure that we turn this into the best storyline possible, which would be people who then become incorporated into our society, into our

communities, into our economy, and perhaps as the next generation of amazing ideas that move us forward as previous generations of new Americans have been.

SENATOR RHOADS: Thank you, Senator Krueger.

Will the sponsor yield to a few additional questions, this time with respect to the MTA?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: I'm sorry, what was the change of topic?

ACTING PRESIDENT COONEY: MTA.

SENATOR RHOADS: MTA.

SENATOR KRUEGER: Oh, that's like migrants, sure. Come on --

(Laughter.)

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR KRUEGER: -- let's talk about the MTA.

SENATOR RHOADS: My understanding is that in this particular bill we are spending -- I want to get the correct amount. We

are spending -- is it $800 million? $873 million on the -- I have to look at the bill.

SENATOR KRUEGER: Eight hundred seventy-three million contingency in case the budget is late for next year.

So it's sort of a dry appropriation as a just-in-case if next year we're late in getting the budgets done on time.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: It is my understanding, therefore, that if next year's budget is late, we will not see anything to the MTA in any budget extender.

SENATOR KRUEGER: I'm so sorry, can you say the last part of the sentence again? We won't see --

SENATOR RHOADS: We won't see anything regarding the MTA in a budget extender.

(Pause.)

SENATOR KRUEGER: They could be in the budget extender, because we would have to give them approval to use the appropriated money that they would then need -- but we're hoping they won't need. Because I don't know about you, but I would really like an on-time budget next year.

SENATOR RHOADS: We would all love that --

SENATOR KRUEGER: Exactly.

SENATOR RHOADS: -- no question.

And will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Yes. Oh, I'm sorry. Hi.

I have been joined by our Authorities and Corporations chair, who loves to answer questions about the MTA, correct? Senator Comrie.

(Inaudible overtalk.)

SENATOR RHOADS: My good friend Senator Comrie, she's put you right on the spot.

SENATOR COMRIE: I'm going to

relieve her because she's had a long day, so -- thank you.

SENATOR RHOADS: So my question, Senator Comrie, is in addition to the $873 million, I believe there was another $88 million in the capital projects bill that was also recently approved.

So in essence, in this year's budget, subject to there being anything that we haven't considered as of yet, we are planning on funding the MTA to the tune of another 950 or so -- 970, actually, $970 million in these appropriations. Correct?

SENATOR COMRIE: Correct.

SENATOR RHOADS: My question, if Senator Comrie would be kind enough to yield --

ACTING PRESIDENT COONEY: Senator, will you yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR RHOADS: One of the things that we've been calling for is an audit of the MTA. Because every year we are throwing more and more money at the MTA. Congestion pricing is

about to go into effect in June, where we'll be spending another billion -- where taxpayers, ratepayers, commuters, residents will be paying another billion dollars into the MTA to try and plug a hole in their capital budget which we're also devoting taxpayer dollars to here.

Is there anything in any of these bills that is requiring that there be an MTA audit so that we know where the money is being spent and why we have continuous and systemic deficits in both their operating and their capital expenses?

SENATOR COMRIE: Senator Rhoads, thank you for your question.

We have been pushing for audits for the MTA since we have taken -- since I've been chair. We started an audit back four years ago, I think was the first audit that we started. We've been increasing the details of the audit over the last three years.

In this budget we are asking the MTA to make a transparent audit, and they have agreed to do so.

So we're increasing -- as we look at the audits, look at what kind of transparency is

there, what kind of issues that have been missing -- I want to thank the budget team for making sure that we're continuing to tighten up the ability so that the audit can be transparent, that the audit can make sure that they're showing all of the money that they're spending. Because we are keen on making sure that the MTA is an agency that's responsible for all of the billions of dollars that they're getting.

We have heard from constituents about how the MTA has been spending their money. We've heard from people about how they are not getting their projects done on time. We've understood that there has been some glitch because of the pandemic, but we've been pushing hard to make sure that they get back to making sure that projects are done on time, the things that they were supposed to do before they turned on the congestion pricing spigot in terms of the major projects that we've been asking for improvements.

And we're confident, working together, that we will make sure that the MTA provides audits to make sure that there's a better level of confidence and also

responsibility and acceptability throughout the system so that we can see better responses, better time, and hopefully save money.

One of my biggest pet peeves that I bring up at every MTA meeting is the fact that they do things at a higher rate than every other transit agency in the world. That's been a consistent theme of mine and this conference, to try to control that and make sure that the MTA is being more responsible with their money and not deal with the issues of what they used to look like, but what they can be and what they should be to provide our riders.

SENATOR RHOADS: Thank you, Senator Comrie.

Would you be kind enough to yield to another question? Through you, Mr. President.

SENATOR COMRIE: Yes.

ACTING PRESIDENT COONEY: The Senator yields?

The Senator yields.

SENATOR RHOADS: Thank you, Senator Comrie.

I believe you indicated that there was an audit of the MTA four years ago. Right?

SENATOR COMRIE: They audit consistently every year. You can look at it on -- what's that called? What do they call that page? The dashboard. There's an MTA dashboard, if you look on the MTA, they have a dashboard where they provide how they've been spending their money.

SENATOR RHOADS: Will the sponsor continue to yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT COONEY: Will the sponsor yield?

The sponsor yields.

SENATOR RHOADS: And is that self-reporting by the MTA? Or is that an actual audit by an outside agency?

SENATOR COMRIE: I believe there's an outside agency that did one. And I'm just double-checking. (Pause.)

The dashboard they report themselves. The Comptroller does a regular audit. And we had an outside audit done two years ago. This audit that's being done now is being done by MTA.

SENATOR RHOADS: Okay. Will the

sponsor continue to yield?

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Thank you, Senator Comrie.

So there was an outside audit that was done two years ago, in 2022?

SENATOR COMRIE: I believe 2022.

SENATOR RHOADS: Who actually did that audit?

SENATOR COMRIE: Crowe Consulting. Crowe Consulting.

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: And were any recommendations made as a result of the audit that was conducted by that company?

SENATOR COMRIE: We can send that to you. That's a good question.

But there was an audit. They did make some recommendations. We looked at that audit. We made additional recommendations for the second audit. We also sent it to the Comptroller. And we pushed the MTA to do more on their dashboard.

SENATOR RHOADS: Will Senator Comrie continue to yield.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Through you, Mr. President. With respect to those recommendations, has there been any follow-up to ensure that the MTA has actually undertaken those recommendations and implemented those recommendations?

SENATOR COMRIE: Yes. I can say confidently that we've been pushing and looking at the recommendations. We've been making it an issue with the MTA. We've sent a letter more

than once to the MTA about recommendations. They've added it to their internal audit process.

And we will continue, as I said earlier, to push the MTA that those audits are transparent enough that when you look at the dashboard, you will be clearly able to understand everything that they've been doing.

It's a persistent push from this conference to make sure that the MTA is spending their billions of dollars responsibly.

SENATOR RHOADS: And it's dangerous to say this, but will the sponsor yield to a final question on the MTA?

SENATOR COMRIE: You can keep going, Senator.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR RHOADS: Thank you, Senator Comrie.

With respect both to the audit that was done four years ago, the audit that was done by the outside agency, the audit that -- the self-reporting audit, apparently, that's been asked for this year from the MTA, as well as the recommendations and the follow-up, could you tell

us and tell the public, is all of that information available on the dashboard? Or where would we be able to go to find it?

SENATOR COMRIE: I believe it's available on the dashboard or on the MTA website. So you can go to both.

We have been looking at it consistently and making consistent requests to improve the audit and the dashboard so that, as I said before, the public can easily understand how they're spending their money.

We also want to make sure that we're pushing the MTA to be clear that they have to do more to convince the public to take the trains, to be able to have some faith that we're spending public dollars responsibly. So that's something that we've been pushing to do -- I'm sorry. It's something that we've been pushing to do as a conference, something that I've been personally pushing to do.

It's an honor to be chair, working with all my colleagues in government. We're happy to take any ideas or questions so that we can make sure that the MTA is being responsible, that they can lower their costs of construction,

they can find a way to speed up their ability to get projects done, to convince the public in every way possible that they're doing a better job. And also to motivate their workers. They have some of the highest costs in the country, if not the world. But we need to motivate their workers. We've been trying to push to make sure that there's additional opportunities to find ways that the workers can lower costs as well.

So we're doing everything we can. We're more than open to taking other suggestions. We want to make sure that the MTA is an agency that people can restore faith in.

SENATOR RHOADS: I'm going to be true to my word to Senator Comrie. That is my last question for you, Senator Comrie. I appreciate your indulgence.

SENATOR COMRIE: I appreciate your questions, Senator.

SENATOR RHOADS: I'd like, Mr. President, to speak briefly on the bill.

ACTING PRESIDENT COONEY: Senator Rhoads on the bill.

SENATOR RHOADS: Thank you, Mr. President.

The -- today we've had a lot of discussions about money being spent. And Senator Comrie has, despite my having asked for audits of the MTA several times here on the floor, this is the first that I've become aware that these audits are apparently an ongoing process, and that all of the information is available on the MTA website.

And I appreciate the Senator's indulgence in providing me copies of that information. And I also will undertake to go on the website and try and find that information so that I can respond to my constituents who are asking about our continued support of the MTA and asking about congestion pricing and why we continue to spend more money without there seeming to be any improvement in service or any improvement in the economy of service.

I wanted to speak briefly -- I understand very well what Senator Skoufis was speaking about. And the initial thing that he mentioned was about flooding that took place in Orange County recently and the lack of a response, really, from the Governor's office.

And, you know, as someone from

Long Island and particularly the South Shore of Long Island, I can harken back to the end of October, beginning of November of 2012 where we dealt with Superstorm Sandy and the aftermath of Superstorm Sandy. And my experience with the State of New York, the Governor's Office of Storm Recovery, was very similar to the response that Senator Skoufis had today with the flooding that he was dealing with in his district where we had residents to this day who still haven't been made whole. Those who are paying off loans that were supposed to be grants initially when they were awarded. People who spent their entire life savings to get back into their homes. People who simply had to leave because the process was so complicated and so relatively few actually received any benefit from the Governor's office and from the state in response to a crisis that was a natural disaster.

We are dealing here with a crisis, though, in the migrant crisis that is self-inflicted. And the one thing that I've learned in the discussions that we've had today is that the state will do anything to spend money to protect those who have acted illegally, but

will do little to protect our own residents in providing them the relief that they need. And we see that.

Because as we're spending $2.4 billion in this budget on the migrant crisis, $750 million on the migrant crisis last year, another billion to provide free healthcare to migrants -- a total of $4.1 billion -- we are doing nothing to return those who are here illegally. We are doing nothing to send back those who don't have a legal status in the state or in the country based upon the fact that they haven't completed their application for asylum. We are doing nothing to seek money from the federal government, legally or otherwise, to reimburse the taxpayers of the State of New York for the money that we are spending housing, clothing, feeding, providing for the healthcare, education, for those who entered the country illegally.

And we see the results of that. We've seen the results of that today. I have to tell the residents of my district that there is no help for them from the state in the budget for their own safety-net hospital that is on the

verge of closing because there wasn't money in the budget for them.

We had to tell seniors today, and those with developmental disabilities and those with cognitive disabilities that they could not have the same access to CDPAP that they had previously because we needed to save $500 million someplace. And so now they can't have the assistance that they were used to with the process that they were used to from people that they know and had the opportunity to select themselves.

We continue to make choices -- and we've said several times on this floor that it's not an issue with respect to does the state take in enough money. We don't have a revenue problem. We have a spending problem. And we have a spending problem because we continue to spend money in the wrong places. We continue to spend money in ways that don't advance the interests of the State of New York, at the cost of our own taxpayers.

And so as I look at the $2.4 billion that we're spending on the migrant crisis, with very little effort to make any oversight; as we

look at the money that we're spending on the MTA with continued questions about the operation of that agency; when we look at what's going on in our state with us continuing to coddle those who break the law and who are contributing -- whether we're talking about bail reform, whether we're talking about the migrant crisis, whether we're talking about any one of a variety of issues -- who are contributing to the pandemic of lawlessness that we are seeing across our state. We continue to do nothing to prevent that.

And we continue to do nothing to stand up for New Yorkers. We provided a billion dollars in funding last year to provide healthcare to migrants, while 700,000 New Yorkers, taxpaying New Yorkers, do not have health coverage of their own. Our priorities here are out of skew.

And so that's why, with respect to this portion of the budget, I will be voting against it, and I encourage my colleagues to do the same.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Thank you, Senator Rhoads.

Senator Harckham, why do you rise?

SENATOR HARCKHAM: On the bill, please, Mr. President.

ACTING PRESIDENT COONEY: Senator Harckham on the bill.

SENATOR HARCKHAM: I just rise to provide context to the discussion and remind colleagues that immigration is a federal issue. It's not a state issue. And I've been sitting here hearing the word "illegal" time after time. My personal belief? That human beings are never illegal. But the point of fact is asylum seekers are legal immigrants. They are legal immigrants.

Another point I'd like to correct is this notion of lawlessness of the immigrant community. Stanford University did a decades-long study of crime statistics -- not New York Post headlines, but crime statistics from around the country -- and found that members of the immigrant community are 50 percent less likely than native-born Americans to commit crimes.

And then getting back to this notion of immigration as a federal issue, the reason New York State is spending $2.4 million in Aid to

Municipalities -- that's what this section of the budget is -- is because the federal government has failed to do its job. Particularly the House majority has failed to do its job. They control the purse strings, and the New York members of the House could have aided New York City and our cities with this crisis, and they chose not to. And a bipartisan immigration deal to finally fix our immigration system and provide border security was not voted on, at the request of the former president, because he said he wanted to use it in the presidential campaign as a wedge issue.

So I just stand here today to say that we are cleaning up the mess of the federal government. This is humanitarian assistance, as we've heard -- food, clothing, medicine, the basic necessities of human life. And it's really time that we put this back on the backs of the federal government and tell them to fix the immigration system and to fund this crisis once and for all.

ACTING PRESIDENT COONEY: Thank you, Senator Harckham.

Senator Rolison, why do you rise?

SENATOR ROLISON: Mr. President, on the bill.

ACTING PRESIDENT COONEY: Senator Rolison on the bill.

SENATOR ROLISON: I want to thank all of my colleagues on both sides of the aisle for the discussion this evening on this bill and others. Also, listening to these discussions, there's a lot of -- I would say, in my estimation -- unanswered questions surrounding funding to New York City for the migrant crisis.

I remember when we had our budget hearings earlier in the year there were questions to then-Mayor Adams, how much money was spent at that point in time. It was his budget director, and it was not a lot of money spent at that time, but money allocated.

Also during those discussions there wasn't a lot of information on plans moving forward on just what was going to happen and how long this was going to take place. We talked about $713 million allocated last year, $2.4 billion requested this year and allocated to the city.

And then my colleague Senator

Martins talking with Senator Krueger about qualifications -- many things, to me, that just seem to be unclear.

And then I have not heard and I didn't hear it today and I haven't heard it previously, on what is the plan moving forward. What has New York City said to the State of New York -- or what has the State of New York said to New York City on what are we going to do, how are we going to potentially shrink this aid or at some point in time possibly eliminate it?

And so this evening I was on the phone with one of the school superintendents from the 39th District who is looking at his school runs and looking at $750,000 in aid not restored. And to this particular school district, that is a lot of money. This is a school district in high need.

And I have not spoken to the other school districts, but by looking at some of the runs, they may be in similar circumstances. Which certainly is troubling because those are our children in our cities, in our communities. And that when this type of money is being expended, again, with a priority somewhat

displaced -- I would say for sure -- guardrails not necessarily being in place the way that I think they should be, and hopefully at some point in time they will be, but I don't think they are right now -- this is a challenge. This is a challenge for the state. This is a challenge for all of us. And I think it is just misguided in that amount of money going from our local districts to the City of New York at this particular time in time.

And Mr. President, for that reason and others, I'll be voting no on this bill.

ACTING PRESIDENT COONEY: Thank you, Senator Rolison.

Senator Tedisco, why do you rise?

SENATOR TEDISCO: Will Senator Krueger yield for a bit of a discussion?

You're a little hesitant, Senator.

ACTING PRESIDENT COONEY: Will the sponsor yield?

SENATOR KRUEGER: Define "discussion."

(Laughter.)

ACTING PRESIDENT COONEY: Will the sponsor yield for questions?

SENATOR KRUEGER: I yield to questions.

ACTING PRESIDENT COONEY: Okay, the sponsor yields for questions.

SENATOR TEDISCO: Senator, first of all, let me congratulate you for holding up so well.

SENATOR KRUEGER: Thank you.

SENATOR TEDISCO: Does this lady deserve a round of applause or not? I really think you do.

(Applause.)

SENATOR TEDISCO: Thank you.

SENATOR KRUEGER: Appreciate it.

SENATOR TEDISCO: And I just want to say I always enjoy speaking with you, because we kind of see eye to eye, and that's a good thing, at least, you know, on this level.

I don't want to take up a tremendous amount of time, because I know it's late and we've got to get to the last bill. But before I ask you the question I want to ask you, and I ask it in a heartfelt way, I just want to say like most of the people in the room here, most of my colleagues, I love New York State.

It's a beautiful state. It has a bit of a problem with outmigration. There's an exodus taking place, it looks like. And I think we agree, we have to change some things with the agenda. But I love it for the same reasons that most of you love it. It is the land of immigration. I have a little bit difference of opinion about that subject, though, because I know a lot of people say we're more the same than we are different, and that's what we should rejoice in.

Senator, I feel as though we're more different than we are the same. And I really rejoice in the different religions, the cultures, the religions, the backgrounds and interests when I discuss their lives with different people. And I think the thing that binds us together as the greatest nation in the world is actually citizenship and the pride we have in it, being citizens of the United States of America.

And I noticed you mentioned when you were talking about the $2.4 billion and how they could -- you used the term "incorporate into society" with some wonderful things. I haven't heard you use the word "citizenship" yet or

"citizens" yet in relationship to these -- I won't call them illegal -- migrants, asylum people, individuals coming to be part of this great mosaic. Haven't heard the word "citizenship."

And this is the question I want to ask you, and I do it in a heartfelt way. Do you think there's anything redeeming about these individuals having a pathway to citizenship and becoming citizens, not only redeeming to them to become citizens, but to the United States of America? Do you feel that's a good thing, something we should urge and support and try to help move forward with?

SENATOR KRUEGER: Yes, I do.

And technically, getting asylee status and going through the process is the beginning of the path to citizenship. Because as you know, there's many steps and many different ways to become citizens of this great country.

We might agree or not agree, but I personally believe our federal government should do a better job at clarifying our immigration policies, our citizenship policies. I believe this country can absorb more people and actually

needs more people. And that's not even partisan. There are Republicans all over this country that say we need more people, we can't get our jobs filled, we can't get our farms farmed. There's all kinds of opportunities.

And -- so yes, I don't think the word "citizenship" came up tonight because we were talking about I believe a subpopulation of asylees coming in right now.

You know, and I was doing a lot of reading -- you know me. I love to read. So I was doing a lot of reading about immigration law and history, and I just kept listening to my colleagues talking about being so disturbed about all this, and even asking about having deportation policies.

Do you know the only places in this country where states ever set up deportation policies? Massachusetts and New York, to throw out the Irish, starting in the 1850s. Because they were dirty, they shouldn't work, they should go back to their home country -- where they were starving -- and get out of here.

And it's well established and it's historical and it's frankly mortifying. I'm not

of Irish-American heritage. I think quite a few of us in this room are. Oh, Tim Kennedy.

(Laughter.)

SENATOR KRUEGER: I know for a fact Tim Kennedy is from Irish-American heritage.

But we actually were so frightened of large numbers of Irish coming from Ireland because there was famine and starvation and political chaos there, that they were coming here. And they were poor, and they weren't educated, and we thought that they were diseased. And so we actually, New York and Massachusetts, passed its own laws to deport them home.

And then of course we probably do remember that the federal government made the horrendous decision to try to lock out Asians a little bit later because we thought there were too many coming across to California, and we got scared. And I feel like that's the story now. That instead of talking about citizenship and the possibilities for the next generations of people in this country, we're afraid.

You know, I heard the reference to crime. Is there some crime that is done by migrants and immigrants? Yes. Is there some

crime done by people who have been here with their families for hundreds of years? Yes. Nobody wants crime. But there's no data that shows that this universe of people we're talking about now is more likely to commit crimes than other new Americans. And there's lots of evidence that this universe of people coming in right now can become amazing successful Americans, great citizens.

Why did they come here? It was scary and dangerous at home. Pretty much the same reason your grandparents might have come here, my grandparents came here. We were escaping pogroms, and then later a family who stayed ended up escaping Nazis. So we were coming here to save our lives. But we wanted a better life for our children and our grandchildren. And I think that's the story of almost everyone who's come here, no matter where they've come from.

And it's also amazing, if you look specifically at New York, because we're so good at this, how quickly people do get incorporated into our broader society. Their children learn English quickly, go to our schools, please, go to

our schools and get educated. They're more successful than their parents, and then they take on responsibility for them.

The City University system is filled with first-generation Americans or immigrants. Maybe they came here as young children. Maybe they came here as teenagers. And they're rock stars like just a few years later.

So yes, let's talk about citizenship. Except you and I can't actually change that in the New York Senate because we both have to go to Congress. There are a few of us apparently trying to go to Congress; maybe they can fix it for us. But all we can do is try to do the best we can. Not just for the people coming here, but that's actually doing the best we can for us also. Because it addresses the concerns I'm hearing tonight -- what if they aren't getting immunized, what if their kids aren't going to school, what if they aren't going to school? What if, what if, what if they commit crimes? If we help them, all of those things decrease and become positives pretty quickly.

So I hope you'll join us in supporting this bill, because I think it's

critically important for us to have these kinds of conversations.

SENATOR TEDISCO: Would the Senator yield for another question?

ACTING PRESIDENT COONEY: Will the Senator yield for a question?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The Senator yields.

SENATOR TEDISCO: So if there is redeeming factors in this $2.4 billion, are there any policies or expenditures to advocate or provide advocates to help them become citizens? Because when you said it's -- only the federal government can make that happen, no, we can make it happen here if we provide them an avenue and some assimilation into citizenship.

SENATOR KRUEGER: $116 million is for legal services and case management, to assist them to complete their paperwork and start on their path to citizenship, yes.

SENATOR TEDISCO: Would the gentlewoman yield again for a question?

ACTING PRESIDENT COONEY: Does the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT COONEY: The sponsor yields.

SENATOR TEDISCO: Now, you mentioned that we're very good at embracing and keeping and helping those who need asylum. But the last time I checked, Governor Hochul and the Mayor have sanctioned -- when they say we're the place to come and beat their chests, we're the asylum community, not so much. Because they put them on buses and sent them to upstate New York near my district.

And for someone to say they're asylum acceptors and then brag about it and then have them come, it kind of resembles a type of hypocrisy. And then the other day one of the reports said Republicans are not saying good things -- some of which you mentioned -- about the immigrants. Well, it was the Mayor who said they're destroying New York City, wasn't it? I thought I heard him say that. It's being destroyed by all these immigrants that are coming here. Am I mistaken about that?

SENATOR KRUEGER: No, I think the Mayor has been a little bit schizophrenic on the

positions he's taken.

So originally: Come on down. And then: No, it's going to ruin the world. Then he went to the border and handed out flyers saying "Don't come to New York."

And yes, he has sent some migrants on buses to upstate New York. I think he quickly learned the mistake of doing that unless he had actually called up that county or that town and said, Let's make a deal. And some have said yes, and that's working.

So I think it's been a growth curve. But I certainly -- I'll get a call tomorrow that I just said he was a little bit schizophrenic on this. That's okay. Apparently it's freewheeling in here tonight, whoever you're mad at.

But yes, he's been inconsistent with his messaging. But also it's been mortifying -- and I hope you think so too -- that we have governors in other states who are forcing people on the buses and taking them to New York even when they didn't ask to come here. Don't you find that a little weird?

SENATOR TEDISCO: Well, I think -- can I answer that question?

SENATOR KRUEGER: I'm sorry, you're right, I asked a question.

Through you, Mr. President, if I could ask --

ACTING PRESIDENT COONEY: Will you yield, Senator Tedisco?

SENATOR TEDISCO: Yes, I would.

ACTING PRESIDENT COONEY: Okay, he yields.

SENATOR TEDISCO: So the irony is when Texas sent them here, and everybody was complaining, What's wrong with them, your mayor did the same thing that he did, sent them to upstate New York.

So, you know, they both may be a little bit wrong. But what your mayor found out is how it feels to be overridden by a whole group of people that you're not ready to assimilate into your community. And that's the problem.

And when we say we're -- the problem's at the border, I agree with that a hundred percent. But we don't exacerbate the -- we shouldn't exacerbate it by kicking the can down the road, treating them like pawns on a chessboard, and saying, well, I can't take care

of them here, once you said you were the Sanctuary City, because the Capital Region could say we have our own problems here, let's send them to Syracuse. Then Syracuse would say, We have too many homeless people here. Let's send them to Rochester. Rochester could say, let's send them to Buffalo. And it doesn't make sense.

So if -- somebody said we have to have a plan. I think it was this fine gentleman next to me. We do need a plan. And we don't have a plan. The federal government doesn't have a plan, and the State of New York doesn't have a plan. And the plan of kicking the can down the road is not working.

SENATOR KRUEGER: But we could have a plan.

SENATOR TEDISCO: What is it?

SENATOR KRUEGER: You kept saying it's New York City. But to be honest, it's New York State, but New York City's been the only one who's actually been willing to take on a huge and giant responsibility for the number of people coming there.

And so I do believe that it is incumbent on the entire State of New York to play

a role here and to make sure people are distributed throughout the state. And so I don't think it's unreasonable when the City of New York asks us for money, because they actually are the ones, my city, who have all the people coming there and mostly staying there for now until they can spread out.

So I do think it's in the best interests of the state to have a statewide plan. It's the right thing to do for the State of New York to be investing in this. And in fact, if you don't like how the city is handling it, let's sit down and come up with a statewide plan for programs and services throughout New York, because that is a better answer. I would love to see us do that.

SENATOR TEDISCO: Thank you, Senator.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Gianaris.

SENATOR GIANARIS: I just wanted to remind Senator Stec -- I know he also is on the list to debate the bill -- we have five minutes left on this bill, and that's even considering

that a substantial amount of time was taken up by one of our members.

ACTING PRESIDENT COONEY: Thank you.

Senator Stec, why do you rise?

SENATOR STEC: I rise to close on the bill.

(Laughter.)

ACTING PRESIDENT COONEY: Senator Stec on the bill.

SENATOR STEC: Thank you, Mr. President.

To be clear, the vast majority of people in this migration crisis that our country is facing are not legitimate asylum seekers. They are here illegally. They are illegal immigrants. Okay? So let's be honest with the public about that.

Now, that said, $2.4 billion is a lot of money. To put it in a little perspective, though, the state's budget, $237 billion, more than Texas and Florida combined. We've heard that before. This bill is about Aid to Localities. Let's talk about Aid to Localities.

$2.4 billion. To give you an idea,

we all get advocates knocking on our door throughout the budget process. Every year it's the same ones. So the big chunks of money here that we gnash teeth over year in and year out that are annual parts of the budget: CHIPS, local roads, $600 million. The Environmental Protection Fund, $400 million. There's a billion dollars right there. The increase to Foundation Aid this year, $1.3 billion. Those three things alone are $2.3 billion.

There's your $2.4 billion to go to immigration to New York City for a crisis that they invited, they were warned about, they ignored, they sought, and then they pretended they were surprised when it hit and they tried to walk it back. And then now we're trying to blame the federal government and the House, the one-third of the branches of government that's in Republican control.

Nursing homes, $285 million. We -- they wanted another $200 million. We said no. We put illegal immigrant funding ahead of our elderly and our nursing homes. I've got a list of places that are begging for money. Nursing homes, firehouses, local roads, hospitals,

cell service, broadband service. This is about priorities, and a $2.4 billion price tag jumps off the page at me.

And I just rattled off big chunks of the budget that we fight with. And when we go back home, we tell everyone, we're sticking up for you. It adds up fast. But the EPF, CHIPS, we're spending a lot more money on illegal immigration than on EPF, CHIPS, and the increase in Foundation Aid.

Those are upside-down priorities. This is a bad budget. It's bad for New York.

ACTING PRESIDENT COONEY: Thank you, Senator Stec.

Debate is now closed.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, we've agreed to restore this bill to the noncontroversial calendar.

ACTING PRESIDENT COONEY: The bill is restored to the noncontroversial calendar.

There is a substitution at the desk.

The Secretary will read.

THE SECRETARY: Senator Krueger moves to discharge, from the Committee on

Finance, Assembly Bill Number 8803D and substitute it for the identical Senate Bill 8303D, Third Reading Calendar 846.

ACTING PRESIDENT COONEY: The substitution is so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 846, Assembly Print 8803D, Assembly Budget Bill, an making appropriations for the support of government.

ACTING PRESIDENT COONEY: Read the last section.

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

ACTING PRESIDENT COONEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT COONEY: Senator Brouk to explain her vote.

SENATOR BROUK: Thank you, Mr. President.

You know, I think throughout this evening we've heard a lot of things we can be proud of in this bill. But there are a couple of things that I, as a representative of the City of

Rochester and Monroe County, would like to point out.

The truth is with the passing of this bill specifically, there will be an undeniably positive impact on the City of Rochester, a city that has been chronically underfunded from the state. So much so that last year my office released a report highlighting how not only have we been underfunded, but you can see a direct correlation between underfunding of our city and increases in childhood poverty, concentrated poverty, and even violence.

After over a decade of fighting and trying to tell the story of how the City of Rochester and our surrounding area needs greater funding, we've finally been able to actually achieve increased funding for our city. In this bill not only will we be bringing $25 million in anti-poverty funding to help alleviate especially our childhood poverty in the City of Rochester, but we will also bring a much-needed increase in AIM funding to the City of Rochester.

And quickly, the second thing that will undeniably improve the lives of not just Rochesterians but really folks all across

New York State, is that we continue to make meaningful progress when it comes to transforming our mental health crisis response system.

We've all heard the story of Daniel Prude and his tragic death in the City of Rochester. Last year we passed a task force to study the implementation of Daniel's Law so that we can transform mental health response in this state. And this year we once again are making unprecedented investments in making sure that we treat these types of mental health crises and substance use crises as the public health crises that they are.

For those reasons and so many more, I proudly vote aye. Thank you.

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

Senator Mattera to explain his vote.

SENATOR MATTERA: Thank you, Mr. President.

Just listening to everybody's debates here today, it's been a very, very interesting night. Everybody's tired, but this is just so, so important.

Two-point-four billion dollars going

to the migrant -- illegal migrant crisis that our Governor and our Mayor of New York City created. I had a conversation with the Governor. I told her straight to her face at Kings Park High School, I said, Governor, there you are, going to cut Foundation Aid money in this school district -- which everybody got their numbers. It's amazing that -- the numbers that were cut. Foundation Aid went away, but guess what happens? Our school districts got cut with monies, $2.4 billion. So our school aid money was cut to go to $2.4 billion.

Senator Krueger mentioned also $750 million last year. That number is not correct. It's $1.9 billion. So now, this year and last year, that's $4.3 billion that went to this illegal migrant crisis, all the taxpayers' monies.

All New Yorkers need to know what is happening with this budget here today. And everybody needs to know that that's our hardworking money that we put into this state to go to good things, not things for illegal migrants that are coming here. It's not their fault, because we have a Governor and we have a

Mayor of New York that is allowing this that's blaming the federal government.

That is not the truth, everybody here. It's not the federal government. I want to know who's paying for the airline flight tickets? Who's paying for the bus tickets? Who's paying for the $400 a night right now with two hotels that are up here, a couple of hotels? Four hundred dollars a night. A thousand dollars a month credit cards.

It's amazing, I know a lot of --

ACTING PRESIDENT COONEY: Senator Mattera, how do you vote?

SENATOR MATTERA: -- people with food insecurities that right now they could use that, New York State resident taxpayers.

ACTING PRESIDENT COONEY: Senator Mattera, how do you vote?

SENATOR MATTERA: Do you realize that we have a 4.5 percent unemployment rate? That equates to 250,000 --

(Overtalk.)

SENATOR GIANARIS: Mr. President. Mr. President.

(Overtalk.)

ACTING PRESIDENT COONEY: Senator Gianaris.

(Overtalk.)

SENATOR GIANARIS: Senator Mattera, we've been very generous -- excuse me, Senator Mattera.

SENATOR MATTERA: Oh.

SENATOR GIANARIS: We've been very generous with the time. We added time when one of our members took a lot --

SENATOR MATTERA: All right. Thank you so much, Mr. President.

SENATOR GIANARIS: If we don't want to be here all night, which we might be anyway, we've got to adhere to the rules of the Senate.

Thank you.

ACTING PRESIDENT COONEY: Senator Mattera to be recorded in the negative.

Senator Helming to explain her vote.

SENATOR HELMING: Thank you, Mr. President. I rise to explain why I'm voting no on this budget bill.

Our school districts -- and I want to say I appreciate the bipartisan support that went into doing something much better for our

schools than what the Governor had originally proposed.

But our school districts are not receiving their fair share of Foundation Aid funding again. And why? Because the Foundation Aid formula is broken. It hasn't been adjusted to account for inflation, so our schools are actually going to see a decrease. And that applies to almost 37 schools in my district. And really the losers are our children, our future leaders. They're being shortchanged.

On the spending proposed in this bill, the 2.4 billion for migrants, I'd prefer that those tax dollars -- and my constituents prefer that they be directed to programs for our veterans, our seniors, and teens who have been on the waitlist forever for housing, counseling, and medical services.

There were fingers pointed earlier at who's to blame for the migrant crisis. I blame President Biden. He's failing to take action to secure our borders and keep our citizens safe.

And there was a mention about a Stanford University study. Well, I want to read

you one of the headlines very quickly from that study, which I think maybe contradicts what was said earlier. It says "Lawful and Mutually Beneficial Migration Pathways Work." That's not what we have in the United States of America or the State of New York right now.

Mr. President, I vote no.

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

Senator Chu to explain her vote.

SENATOR CHU: Thank you, Mr. President.

I rise to express my support and appreciation for the vital investments for education, the AAPI community, our libraries, and critical funding for our 4201 schools.

To start, this budget provides a continued $30 million investment to our AAPI communities. While our Asian New Yorkers still experience extreme hate in all forms, it is time to secure investments for our safety, housing, healthcare and mental health needs.

I thank my colleagues who are following through with their commitment to support our AAPI community. But for those on the

other side who say they are with us but refuse to take actions, I must say words of support can no longer be enough. I would encourage everyone to follow through on your vocal commitments to our community and put them into real actions.

I'm thankful to see the increase in funding for our libraries. While it is not nearly enough to make our libraries whole, I'm still disappointed in the funding that remains flat for 18 years for library materials.

Increases in both state aid and construction aid which we passed earlier this evening will begin to provide libraries with the resources they need to continue their work as the access point for education and literacy for New Yorkers at all ages. And I will continue fighting for our libraries to ensure they are properly funded.

Lastly, I'm glad to see the investment in our 4201 schools, which addresses many crucial and necessary needs for the students, teachers and administrators. This funding will assist in workforce retention, development and infrastructure investments. The teachers, counselors, therapists and all other

support staff at every school --

ACTING PRESIDENT COONEY: Senator Chu, how do you vote?

SENATOR CHU: -- at every school serve as leaders and mentors of students, and the children deserve to be served with as high-quality education as every --

(Overtalk.)

ACTING PRESIDENT COONEY: Senator Chu, how do you vote?

SENATOR CHU: I vote yes, proudly.

Thank you, Mr. President.

ACTING PRESIDENT COONEY: Senator Chu to be recorded in the affirmative.

Senator Weber to explain his vote.

SENATOR WEBER: Thank you, Mr. President.

It's been a long evening. But, you know, the common theme I think throughout a lot of these budget bills have been disappointment by both sides on a lot of the spending hopes that we all wanted within these budget bills.

And you know, when I look at these Foundation Aid -- the school-aid runs in this book, I see a common theme. I see funding

increases in the city, Foundation Aid basically in the main -- New York City and the other big cities increasing. I see Westchester, Suffolk, Nassau, Rockland, Sullivan, Ulster, Orange, Dutchess with a lot of zeroes. A lot of school districts getting zero funding. And that's disappointing, because we need that Foundation Aid for our schools' viabilities.

You know, we have crumbling infrastructure. We have -- as we talked earlier, we had nonprofits, direct service providers seeing major cutbacks in what they expected to get in COLA increases and in wage supplements.

There are a lot of things that we need to be prioritizing better in this budget. I think we've lost a great opportunity to do that this year once again.

I'll be voting no on this budget bill, and hopefully next year we get it right.

Thank you.

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

Senator May to explain her vote.

SENATOR MAY: Thank you, Mr. President.

For the first time in 16 years, municipalities all around this state outside of New York City will be getting an increase in AIM funding. This is something that every single municipal leader that I talk to has asked for. This is something they have been hoping for for years and years.

We have had flat funding since 2012. And it actually went down for four or five years before that, so that it peaked in 2009. And now we are raising AIM funding above -- higher than it has ever been.

For my city of Syracuse, this is absolutely critical because cities -- a lot of our upstate cities find themselves in this position where almost all their land is off the tax rolls. We have three hospitals, five universities, two interstate highways, city, state, federal, county government buildings. We have lots of not-for-profits, and it's impossible to raise money through the property tax system.

So this AIM funding is absolutely critical to keeping these cities running. And I am very proud that we have finally broken this terrible streak of flat funding for AIM and hope

that this is the beginning of fulfilling the promise of increasing aid on an annual basis.

I vote aye.

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

Senator Weik to explain her vote.

SENATOR WEIK: Thank you, Mr. President.

I am not going to give away $2.4 billion hard-earned taxpayer dollars to illegal migrants when, for example, we have schools that are just about to lay off hundreds of teachers. Teachers, taxpayers, educators -- they're part of our community. Teachers' jobs -- it's an exchange, teachers' jobs for money for illegal migrants.

That's not my priority. In fact, I have a long list of things that I would rather spend $2.4 billion on if we're going to spend that kind of money. Irresponsibly handing over money to New York City for a self-made crisis with no accountability is not on my list.

I say no, and I'll be voting in the negative.

ACTING PRESIDENT COONEY: Senator

Weik to be recorded in the negative.

Announce the results.

THE SECRETARY: In relation to Calendar 846, those Senators voting in the negative are Senators Ashby, Borrello, Canzoneri-Fitzpatrick, Griffo, Helming, Lanza, Martins, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Rolison, Stec, Tedisco, Weber and Weik.

Ayes, 41. Nays, 19.

ACTING PRESIDENT COONEY: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Please recognize Senator Lanza for an announcement.

ACTING PRESIDENT COONEY: Senator Lanza.

SENATOR LANZA: Thank you, Senator Gianaris.

There will be an immediate meeting of the Republican Conference in Room 315.

ACTING PRESIDENT COONEY: Senator Gianaris.

SENATOR GIANARIS: And there will also be an immediate meeting of the

Democratic Conference in Room 332.

The Senate will stand at ease.

ACTING PRESIDENT COONEY: The Senate stands at ease.

(Whereupon, the Senate stood at ease at 10:42 p.m.)

(Whereupon, the Senate reconvened at 11:36 p.m.)

ACTING PRESIDENT COONEY: The Senate will come to order.

Senator Gianaris.

SENATOR GIANARIS: Hello, Mr. President.

Pursuant to Rule 5, and without objection, I move that the Senate stay in session past the hour of midnight tonight.

ACTING PRESIDENT COONEY: Without objection, in accordance with Senate Rule 5, Section 2, the Senate will remain in session.

SENATOR GIANARIS: The Senate will stand at ease.

ACTING PRESIDENT COONEY: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 11:37 p.m.)

(Whereupon, the Senate reconvened at 10:50 a.m.)

ACTING PRESIDENT PERSAUD: The Senate will return to order.

Senator Gianaris.

SENATOR GIANARIS: Hello, Madam President. Welcome back.

There will be an immediate meeting of the Finance Committee in Room 332.

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

SENATOR GIANARIS: We'll go back at ease for a short period of time.

ACTING PRESIDENT PERSAUD: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 10:51 a.m.)

(Whereupon, the Senate reconvened at 11:03 a.m.)

ACTING PRESIDENT PERSAUD: The Senate will return to order.

Senator Gianaris.

SENATOR GIANARIS: Madam President, I understand there are reports of the

Finance Committee at the desk.

Can we please take them up.

ACTING PRESIDENT PERSAUD: The Secretary will read.

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

Senate Print 8300D, Senate Budget Bill, an act making appropriations for the support of government;

Senate Print 8306C, Senate Budget Bill, an act to amend the Education Law.

Both bills reported direct to third reading.

SENATOR GIANARIS: Move to accept the Finance Committee reports.

ACTING PRESIDENT PERSAUD: All those in favor accepting the Finance Committee reports signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT PERSAUD: Opposed, nay.

(No response.)

ACTING PRESIDENT PERSAUD: The reports of the Finance Committee are accepted.

Senator Gianaris.

SENATOR GIANARIS: Let's take up the supplemental calendar, please.

ACTING PRESIDENT PERSAUD: The Secretary will read.

THE SECRETARY: Calendar Number 849, Senate Print 8306C, Senate Budget Bill, an act to amend the Education Law.

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

ACTING PRESIDENT PERSAUD: There is a message at the desk.

SENATOR GIANARIS: Move to accept the message of necessity.

ACTING PRESIDENT PERSAUD: All those in favor of accepting the message please signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT PERSAUD: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT PERSAUD: Lay it aside.

SENATOR GIANARIS: Madam President, let's take up the controversial calendar.

ACTING PRESIDENT PERSAUD: The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 849, Senate Print 8306C, Senate Budget Bill, an act to amend the Education Law.

ACTING PRESIDENT PERSAUD: Senator Lanza, why do you rise?

SENATOR LANZA: Good morning, Madam President.

ACTING PRESIDENT PERSAUD: Good morning, Senator.

SENATOR LANZA: Madam President, I believe there is an amendment at the desk. I waive the reading of that amendment and ask that you recognize Senator Rolison.

ACTING PRESIDENT PERSAUD: Thank you, Senator Lanza.

Upon review of the amendment, in accordance with Rule 6, Section 4B, I rule it nongermane and out of order at this time.

SENATOR LANZA: Accordingly, Madam President, I appeal the ruling of the chair and ask that Senator Rolison be heard on that appeal.

ACTING PRESIDENT PERSAUD: The appeal has been made and recognized, and Senator Rolison may be heard.

Senator Rolison.

SENATOR ROLISON: Good morning, Madam President.

I rise to appeal the ruling of the chair. The proposed amendment is germane to the bill at hand because the amendment expands and improves on many of the sections proposed in the bill before us.

There are multiple sections in the bill before us that contain proposals that continue to erode and hurt the quality of life of our state.

First, let's discuss housing. There is next to nothing in this bill that will make a real change in the communities many of us represent. We need to incentivize homeownership, improve access to affordable housing options in our communities, and help protect homeowners

against squatters.

Our amendment would make the changes necessary to assist our communities by providing tax credits to first-time homebuyers to make the American dream more affordable.

Home renovation tax exemptions to provide property tax relief to homeowners who invest in their property. This will incentivize the revitalization of our existing housing stock, bringing abandoned and dilapidated homes back to life.

Also measures for homeowners to effectively remove squatters. Means testing for rent-regulated housing to ensure that affordable housing units are occupied by those who actually need them.

Additionally, Madam President, our amendment focuses on those most important in the state, our children. This amendment would protect our students and educators, as the bill before us takes a step back from what was promised as far as funding for local school districts, and will result in many layoffs.

Our amendment keeps the Foundation Aid full funding, restoring a

3 percent minimum for all school districts and restoring the current CPI growth factor law, as was promised for all districts across the state.

We also aim to help our working parents and children, our families, by including a childcare program capital improvement tax credit which will provide financial assistance to childcare providers to enhance, expand and improve access to quality childcare, covering the costs of necessary improvements and upgrades. It would ultimately increase access to quality childcare that is affordable and reliable.

Lastly, Madam President, our amendment would also prioritize hardworking New York citizens over illegal migrants that the Democrats continue to prioritize with services and policies that jeopardize the quality of life for New Yorkers.

Now, migrants coming to New York City and the state are being provided prepaid debit cards for food assistance, which in some cases, Madam President, exceed the amounts provided to families residing in the United States legally by more than 30 percent.

For instance, the average family of

four receives $973 per month through SNAP, while migrant families of four are reportedly receiving $1,400 per month, as stated in a recent Newsweek article.

The $1400 amount also surpasses the monthly compensation provided to military veterans with a 50 percent disability rating, who just receive $1255 per month with a spouse and child. Now, this is unfair to our veterans and our citizens receiving SNAP benefits.

This amendment aims to ensure fairness and equity in the distribution of public funds by preventing migrants from receiving higher monthly benefits from other eligible populations such as the recipients of SNAP and veterans' disability compensation.

Our veterans and citizens receiving SNAP should not take a second seat to anyone who just arrived. The well-being and financial security of our own citizens who depend on these vital assistance programs come first, Madam President. And New Yorkers are deeply dissatisfied with the direction of our state. This amendment prioritizes their needs.

For these reasons, Madam President,

I strongly urge you to reconsider your ruling.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

I want to remind the house that the vote is on the procedures of the house and the ruling of the chair.

Those in favor of overruling the chair, signify by saying aye.

(Response of "Aye.")

SENATOR LANZA: Show of hands.

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

Announce the results.

THE SECRETARY: Ayes, 19.

ACTING PRESIDENT PERSAUD: The ruling of the chair stands, and the bill-in-chief is before the house.

Read the last section.

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

ACTING PRESIDENT PERSAUD: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT PERSAUD: Senator Palumbo.

SENATOR PALUMBO: Thank you, Madam President.

I wasn't sure if we laid it aside or not yet. But I think we did.

I have a few questions, if I may, about a couple of different sections. I'd like to start with Section KK. Whomever is handling that, I wonder if they would yield for a moment.

ACTING PRESIDENT PERSAUD: One second. One second.

SENATOR KRUEGER: Can you repeat the sections? Sorry.

ACTING PRESIDENT PERSAUD: Section KK.

SENATOR KRUEGER: I'm sorry, I thought our Housing chair was here, but I'll do my best for you.

ACTING PRESIDENT PERSAUD: Senator, do you yield?

SENATOR KRUEGER: Yes, I do.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Terrific. Thank you, Senator Krueger.

With respect to this section --

SENATOR KRUEGER: I'm so sorry to interrupt, but look who just came in.

SENATOR PALUMBO: Ah. Surprise, surprise.

SENATOR KRUEGER: So do you mind if I hand it off to him?

SENATOR PALUMBO: Certainly not. Thank you.

SENATOR KRUEGER: Thank you.

Senator Brian Kavanagh.

ACTING PRESIDENT PERSAUD: Senator Kavanagh, do you yield?

SENATOR KAVANAGH: I suppose.

(Laughter.)

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator Kavanagh, and good morning.

With respect to Section KK, which provides for developing of sites owned by state municipalities, nonprofits, community land trusts, this is something that was contemplated in the Governor's Executive Budget with respect to the Southampton SUNY campus. So I just would like to clarify some of those areas, if we could.

That specifically, as far as the state sites that are chosen or used, will we need ground lease legislation for each of those sites?

For example, if we're going to put housing on a State University campus or state-owned piece of property, will we need to do a separate ground lease -- which has, I think, typically been the process -- or can they just have another type of approval process outside the scope of the Legislature?

SENATOR KAVANAGH: Through you, Madam President. Just to note, this is -- Part KK is our New York Housing for the Future Homeownership and Rental Housing Program. It is what's been called sometimes informally Mitchell-Lama 2.0, and it is our effort to create a new entity within HCR that will produce new housing, both rentals and homeowner opportunities, throughout the state.

As my colleague notes, there is an emphasis in this bill on using public land for that purpose, although not -- this provision is not exclusively for public land. And it is only loosely related to the provision the Governor proposed in the Executive Budget, which has not

made it into the adopted budget, wherein the Governor specified three properties that might be suitable for housing.

And there was legislation -- there was statutory language in the Executive Budget that was intended to authorize those to be used for that purpose. And in testimony at our budget hearing, the Commissioner of Housing indicated that those particular sites were included in the Executive Budget because the Executive believed that they needed specific statutory authorization to use those properties in that way.

And so absent that statutory authorization, assuming that testimony was correct, in order to proceed with those plans for those properties, presumably some further statutory authorization would be required.

SENATOR PALUMBO: Will you continue to yield, please, Senator Kavanagh.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you.

And just so it's crystal-clear, so there would be subsequent legislation on ground leases required, but ultimately that authority, I guess, would come from the Legislature, even for future projects?

SENATOR KAVANAGH: Again, through you, Madam President, I'm relying on the testimony of our Housing Commissioner, who tends to be very knowledgeable and well-briefed on these things. And the assertion at that hearing was that the use of that land in that way would require statutory authorization, and that authorization is certainly not included in this bill or in any other part of the budget that I'm aware of.

SENATOR PALUMBO: Terrific. Thank you. Would you continue to yield, please.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you,

Senator.

Subdivision 3 of Section 1 addresses the management of these co-op projects. Would a private developer qualify with approval from DHCR as a corporation for that purpose?

SENATOR KAVANAGH: Through you, Madam President, if my colleague could repeat, there's a lot of dense text in front of me. Which portion of the bill? I just want to make sure we're talking about the same thing.

SENATOR PALUMBO: I believe it was subdivision 3 of Section 1. So 1, sub 3. With respect to management. And I have the language itself.

SENATOR KAVANAGH: Oh, you're referring to subdivision 3 of Section 1290 of the new Article 32, I believe, right? It's at the bottom of page 124, line 53.

SENATOR PALUMBO: I believe so, yes.

SENATOR KAVANAGH: Right.

Yeah, so this is intended to -- again, the general purpose of this provision is to create new homeownership opportunities.

Obviously these projects would have

to be designated, designed, funded and built before you would raise the question of how they're going to be managed. But this is -- this bill sets various parameters, and one of the parameters is the provision my colleague refers to regarding how they might be -- what the range of options would be for managing these projects once they are complete.

And if I understood the question correctly, this process would be overseen by a new division of HCR that would be created.

SENATOR PALUMBO: Would the Senator continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator.

And it's more of a specific question, I guess, just to be clear, that if a ground lease were provided, say, to a private developer, and just say, Knock yourself out,

build these many units, build it on the Southampton campus, although it would be supervised by DHCR -- I just want to see, for the purposes of legislative intent, that this -- even though it's a private corporation, this public-private partnership would be allowed and that corporation would ultimately be appropriate to manage the property.

So does that seem okay to you?

SENATOR KAVANAGH: Yes. Through you, Madam President, the expectation would be that these projects would be proposed and designed and built, and they would be managed by a corporate entity which could include a not-for-profit corporation, for the purpose of providing homeownership.

SENATOR PALUMBO: Thank you, Senator.

Would you yield for one or two more questions on this issue, please.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The

Senator yields.

SENATOR PALUMBO: There's one other section regarding any regulatory agreement that's executed pursuant to this program, there will be a requirement that the maintenance fees increase by a minimum percentage annually and that such -- to keep it affordable, of course -- and that it be in good repair.

So I think the question is -- and it doesn't necessarily define those rates, the wage rates or the fee schedule and the minimum annual percentage increases. Can we have some insight as to what would be acceptable under the program?

SENATOR KAVANAGH: Through you, Madam President. These projects would presumably be done in a manner that's common for publicly subsidized housing projects, where there would be a regulatory agreement that would specify terms. The legislation is laying out more or less the topics that would need to be addressed in a regulatory agreement.

But the specific terms would probably vary based on, you know, the size of the project, the income to which the project is targeted. This bill sets a maximum of

130 percent of the area median income, but there could be projects that are -- that have more deep affordability. And of course geographic variability, type of housing, a number of other things would go into that.

But presumably a nonprofit corporation or a corporation developing one of these projects would enter into an agreement with HCR that would specify those terms and be mutually acceptable to the owner of the project and to the state.

SENATOR PALUMBO: Very good.

And just if you would yield for one more question on that.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator.

And again, just so it's crystal-clear, Housing and Community Renewal would determine the rate, but it would ultimately

be something that's agreed through the agency, agreed upon with the developer. Is that accurate?

SENATOR KAVANAGH: Through you, Madam President. Presumably HCR would make it known that there are opportunities to develop particular kinds of housing with particular parameters.

And one or more entities that have the capacity to develop that would propose, and then presumably they would enter into an agreement that was, you know, in an arm's length transaction with the state agency. So there's no -- presumably nobody would be forced to build housing if they don't think the terms work for them.

SENATOR PALUMBO: Very good. Thank you, Senator.

Madam President, if I may move on to Part HH, the good-cause section.

ACTING PRESIDENT PERSAUD: Senator Salazar, do you yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Madam President.

And good morning, Senator Salazar, how are you?

SENATOR SALAZAR: Good morning.

SENATOR PALUMBO: So I have a few questions with respect -- kind of globally regarding this type of legislation. Because this act will take effect immediately, correct?

SENATOR SALAZAR: Correct.

SENATOR PALUMBO: Thank you.

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

ACTING PRESIDENT PERSAUD: Senator, do you yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator.

And with respect to constitutional mandates -- and I'm sure you're familiar with something called the contracts clause, where we have it in the State Constitution as well as the United States Constitution. And I'll just read a

little bit to just refresh our colleague's recollection, that a law violates the contracts clause when it operates as a substantial impairment of a contractual relationship and it's not, quote, drawn in an appropriate and reasonable way to advance a significant and legitimate public purpose.

So in light of the fact that this act takes effect immediately -- and if I'm someone who has a lease that was signed on April 1, 2024, that extends for a year, this will in effect, if signed and passed today, modify that contract by legislation, which was specifically prohibited not only by the New York Constitution but by the United States Constitution.

So can you try and reconcile that for me on -- as to how this is even constitutional to do this?

SENATOR SALAZAR: Through you, Madam President. So I will note that this legislation does not modify any contract. And we know that this legislation is constitutionally sound, despite the interpretation of my colleague.

SENATOR PALUMBO: Would Senator Salazar continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator.

And there was just recently a couple of cases in the Southern District of New York regarding contracts-clause interpretations. They were New York City cases.

And the one that somewhat struck me, that there was a local law in the city also known as the Guarantee Law, which rendered permanently unenforceable personal liability guarantees of commercial leases arising during the COVID-19 pandemic. And the court held that it violated the contracts clause. In so holding, the court found that the Guarantee Law substantially impaired existing contracts between the landlords and tenants, and the means chosen to accomplish the law's purpose was not reasonable and necessary. And particularly, the court stressed

the permanent restriction of the landlord's ability to enforce personal guarantees.

So in that regard, if I signed, for example, that same lease that I just signed a week or two ago, and it has agreed-upon contractually negotiated increases in rent that exceed the parameters in this current bill, are they still enforceable? Meaning can the landlord still collect rents that are in excess of the parameters outlined within this bill?

So if it's a five-year plus a five-year, an option for an additional five years with a certain level of increases, that's inconsistent with the caps provided for in this budget bill.

(Pause.)

SENATOR SALAZAR: Through you, Madam President, this is -- this legislation is fundamentally different from the rent guarantee legislation in New York City law which had applied to commercial tenants. This legislation exclusively applies to residential tenants.

But additionally, we know that this legislation is constitutional, just as rent control has been deemed constitutional for a

century.

SENATOR PALUMBO: Thank you.

Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: And I do appreciate that, Senator Salazar.

And that was -- although that did apply to commercial leases and this will be applying to residential leases, as far as that contracts clause is concerned, that the limitations for rent control, for example, were prospective. Right? And now that this is mandating an effective-immediately prohibition on rent increases, for example, we could also negotiate. And I did use a commercial lease -- or I didn't actually specify whether it was commercial or residential.

But in that same example, if this were a residential lease that was signed on April 1st that had annual increases in excess of

the prohibitions here, that would be an illegal lease and would ultimately be void, am I correct in saying that? If this ultimately passes.

But right now, as of 11:25 on today's date, those leases are valid. They will be invalid in the event this is signed in the next day. So would you clarify that for me, please?

SENATOR SALAZAR: Through you, Madam President. This legislation would not invalidate someone's lease that is currently in effect if they've agreed to pay a certain amount in rent for a certain period of time. This legislation would not interfere with their existing lease in that way.

Additionally, I'll note that this legislation does not technically prohibit a landlord from increasing the rent or providing a tenant with a lease that would increase the rent even above the local rent standard that is noted in the legislation.

Rather, it would give a tenant a rebuttable presumption against eviction under certain circumstances in court, and would consider rent increases where this applies, in

residential dwellings where this applies, to be unreasonable if higher than the local rent standard. It would presume them unreasonable but would permit a landlord to rebut that presumption.

SENATOR PALUMBO: Will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator.

So just so I'm clear, then, if they have -- and I believe it's 5 percent plus CPI, or 10 percent. Are those the restrictions that we're talking about?

SENATOR SALAZAR: Through you, Madam President, yes. Five percent plus CPI, which is the definition of the inflation index in this bill, or 10 percent, whichever is lower. Which at the present moment, the inflation index would be a little bit lower than 10 percent.

SENATOR PALUMBO: Will the sponsor

continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: And just so I'm clear -- because this is somewhat nuanced, the legislation. So if I have a written lease -- just to complete that thought, if you don't mind -- if I have a written lease for 11 percent annual increases, which is in excess of the standard here, you said it would be presumed to be invalid.

If I fail to pay rent, what -- how could the landlord rebut the presumption that the 11 percent, nice and clear, is in excess of 10 percent -- how can you rebut the presumption that that is a fair amount of rent next year, in 2025, when it goes up by 11 percent?

SENATOR SALAZAR: Through you, Madam President, there are certain reasons that a landlord can cite that are actually explicitly mentioned in this bill.

But the legislation does not prevent

a landlord from citing other reasons that they could potentially cite, such as they have faced property tax increases, their financial circumstances have changed in any way that, you know, they believe justifies a rent increase above the local rent standard, say to 11 percent.

There is nothing in this legislation that prevents a landlord from presenting that in order to justify a rent increase if in fact, let's say, the landlord currently has a tenant with a valid lease and at the end of that lease the landlord seeks to increase the rent by 11 percent or another amount above the local rent standard.

SENATOR PALUMBO: Will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Okay, thank you.

So that -- the justification, then, for being in excess of the 10 percent would have to be expenses that you've incurred. Does that

make sense? Just generally speaking, is that -- because I remember reading something like that. Substantial repairs, if property taxes are increased, then you can go over that 10 percent, is that accurate?

SENATOR SALAZAR: Through you, Madam President, those are absolutely valid reasons or potentially valid reasons that a landlord could cite in court to justify a rent increase.

SENATOR PALUMBO: Thank you.

Will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you, Senator Salazar.

And so if, in my example, that 11 percent -- it's a brand-new building. There are no other repairs needed. And next year it goes up 11 percent purely for profit to the landlord. Is that justifiable under this legislation?

SENATOR SALAZAR: Through you, Madam President. That rent increase -- and I'll just note for units, properties where the good-cause-eviction law applies, that rent increase would be presumed unreasonable.

However, the landlord would be able to present that in court, and it ultimately is at the discretion of a judge to determine whether or not they are justified in increasing the rent by that amount.

SENATOR PALUMBO: Thank you.

Will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you.

And do we have any sort of clarification or a list of what a justifiable increase in rent would be? Or is it fully left to the discretion of the court to determine whether or not it's reasonable? Do we have a list of reasonable situations, by any chance?

SENATOR SALAZAR: Through you,

Madam President. While there are situations that are explicitly mentioned in the legislation that a landlord could cite, such as their property taxes increasing, it is not by any means an exhaustive list of reasons that a landlord could potentially cite to justify what is otherwise a presumed unreasonable rent increase.

SENATOR PALUMBO: Will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Will the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Senator, would these restrictions apply to rent-regulated units?

SENATOR SALAZAR: Through you, Madam President, no.

SENATOR PALUMBO: Will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Will the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Outside of New York City, if a municipality opts into this new good-cause, these terms, and ultimately decides maybe a year or so later that it is not working for them, can they opt out?

SENATOR SALAZAR: Through you, Madam President. While that situation is not explicitly addressed in this legislation, I will note that there is a 10-year sunset for this legislation. And so what a -- what we do know for certain is that a municipality -- it would no longer be in effect after the sunset. At least not automatically.

SENATOR PALUMBO: Would the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: So -- and I believe this was -- paragraph C of Section 7 indicated that it would remain in force for those 10 years, or 2034. So if someone adopts it next year, they won't able to repeal their opt-out

until the sunset in 2034, is that accurate?

SENATOR SALAZAR: Through you, Madam President, the bill does not directly speak to that situation.

SENATOR PALUMBO: Would the sponsor continue to yield.

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: So in this legislation -- for example, we do it all the time here, when they're about to sunset, we renew them for an additional period of time. If we extend this in legislative session 2033 for another 10 years, would the municipality or agency still be required to remain in this program?

SENATOR SALAZAR: Through you, Madam President. I will also note that there is nothing that prevents this body from taking legislative action sooner than the 10 years if we determine that localities need the law to be changed in order to do what they see fit for their locality.

SENATOR PALUMBO: Will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: Thank you.

And Senator, regarding -- just to back up a little bit, I just thought of another question regarding if a landlord fails to prove that the rent increase of 11 percent is reasonable. What's the sanction? Do they forfeit the extra money? Can they still evict the person? Please explain that to me.

SENATOR SALAZAR: Through you, Madam President. This happens in an eviction proceeding that is brought by the landlord. If the rent increase that the landlord is demanding is determined by the court to be unreasonable, the tenant would then not owe that rent increase. They would only owe what they have agreed to pay to the landlord.

SENATOR PALUMBO: If the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: And so, Senator -- in this situation, though, they have agreed, by way of a written contract. So I guess my question is, do they pay up to the cap, the 5 percent plus CPI or 10 percent, whichever is less? Or do they just pay whatever they feel like paying?

So when you say whatever they've agreed to, they previously agreed to these provisions of the lease. It was openly signed, and in this example there was no duress or any reason to void it. They said, This is great, I love the place, I'll stay there for an 11 percent annual increase.

SENATOR SALAZAR: Through you, Madam President. I'll note that there is nothing in this legislation that would prevent a tenant from agreeing to a rent increase, even if it is above the local rent standard. Maybe they don't want to go to Housing Court. Maybe they just don't want the hassle. Maybe they can afford it. Maybe they just really love their landlord and

want to pay them more money. All of those things are serious possibilities under this legislation.

However, if a -- if a rent increase that is presumed unreasonable is then found to be unreasonable, determined to be unreasonable by the court in this situation, the tenant would still be expected to pay an amount up to the -- the amount that is deemed reasonable, the local rent standard in terms of a rent increase.

SENATOR PALUMBO: Will the sponsor yield for another question or two.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR PALUMBO: So that is a rebuttable presumption I believe you mentioned. So it would be presumed unreasonable unless the landlord can overcome the presumption, is that accurate?

SENATOR SALAZAR: Through you, Madam President. In situations where this bill applies, where the landlord is not exempt, yes, that is accurate.

SENATOR PALUMBO: Thank you, Senator Salazar.

On the bill, please, Madam President.

ACTING PRESIDENT PERSAUD: Senator Palumbo on the bill.

SENATOR PALUMBO: So we all agree in New York State that there is a very significant issue regarding housing. You may recall last year we passed a housing bill that I carried for the five eastern towns that created a fund to help with affordable housing. It was adopted by all the town boards, four out of the five East End towns. It went to referendum, and the residents passed it in East Hampton Town, Southampton Town, on Shelter Island, and in the town where I live, in Southold Town. Riverhead, there were some adjustments made to a community preservation fund that they weren't able to handle yet. But this is -- it's widely supported, and we get it.

And the concern with this legislation -- and I'm speaking just to good-cause. There are a number of other issues that my colleagues will address -- this is going

to destroy the housing market outside of New York City. The housing market, quite frankly, in New York City has already been fixed for how many years, and that housing market is not a good one. It's unfortunately one of the worst in the country.

So now that we're providing all of these restrictions on just people agreeing -- so Madam President, when someone agrees to occupy a home that's not theirs, they enter a contract and they agree to pay a certain amount for that home. We are now, by legislation, I believe in direct violation of our Constitution in New York and the United States Constitution, by -- we're changing the terms by legislation, which is strictly prohibited.

So we're leaving this to an arbitrary decision. It's presumed an unreasonable increase if it's outside the parameters of this bill, despite the fact that everyone agreed to it.

This legislation takes effect immediately. Many other states have imposed some type of iteration of this type of good-cause in some respects, and they always had maybe the

first year they have some commonsense additions to it -- that it doesn't take effect immediately, give the landlords some time to catch their breath.

And what's even more concerning is you may have, in some of these municipalities, a brand-new mayor, someone who feels excited about doing what they believe is the right thing for their community. They opt in, and what happens? What will happen is similar to what's happening in New York State, in New York City today.

Because when 421-a expired, there were just under 50 -- in 2022, which is the year it expired, the 2022 applications to build affordable units were just under 50,000 permit applications in the five boroughs. Last year there were under 10,000, a 78 percent reduction in applications to build affordable units.

So what happens here? And this is really the dynamic that I think it's -- it's naive and it's contrary to what every economist on the planet will tell you. That there's a give and take when it comes to investing in real estate. And the reason why other states are seeing a boom in construction is because it's

cheaper to build. And it is because, Madam President, they have an obligation to make a couple of bucks. They're not charitable organizations.

And so when you think about this, the market has traditionally averaged around 10 percent over the last hundred years annually. Why would one of these real estate investment trusts, with hundreds of millions of dollars to invest in the great State of New York, when they see this type of legislation coming down and say, Well, you're going to restrict my ability to recoup improvements, you're going to restrict my ability to actually create a beautiful place that I invest into, that I put more money into, that I keep looking nice, I have replaced the roof when there's leaks -- why would they want to spend that money here when they can go elsewhere and make a better return?

So it's a very delicate balance that we need to strike here. And this, unfortunately, will be devastating, in my opinion, with -- if -- in the event it's implemented and in the event it is found to be constitutional.

But quite frankly, this is a taking.

This is -- you are modifying the value of someone's property by legislation. So forget about even the contracts clause. We are now devaluing all these other properties that are otherwise firing on all pistons now, because in the event a municipality chooses to opt in, then just like that, with the stroke of a pen, they can't opt out if it's not working for them, they're stuck with it, and you've now got a huge diminution of property values.

Because how do you evaluate commercial property, even residential units, multi-unit properties? What's the net operating income? Here's our gross income. Here are our operating expenses, property taxes, insurances, maintenance, snow removal. And this little window here is your NOI, your net operating income.

So a good number is usually 10 percent. In some of these more exclusive areas, maybe 6 percent. Now we're going to be restricted to maybe even 5 or less.

And this is a bigger wrinkle, and the last comment I'm going to make. This is what you see in New York City, that when you have a

capped increase, what are you going to do as a businessperson? If I have something go really bad, particularly now outside of the city, and you have a four-unit, five-unit mom-and-pop type of place, if my boiler goes, I'm going to have to come up with 10 grand. So every single year you're going to beat the drum and you're going to go to the maximum rent increase every time.

And that is what is continuing to inflate the rent costs. So when you look at the costs in New York City, everyone's like, oh my God, the rent's too damn high. It is. Because those people that have chosen to slug it out and stay here, they have an operation to run that needs to pay for stuff. Needs to pay for roof repairs. It's expensive to own property.

So Madam President, I don't want to belabor it too much, but this section of this budget bill is horrendously unconstitutional, unfortunately. And for those reasons -- and many others -- I'll be voting no.

Thank you very much.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Lanza.

SENATOR LANZA: I rise, Madam President, to see whether or not the good Senator would yield to one or two questions.

ACTING PRESIDENT PERSAUD: Senator Salazar, do you yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR LANZA: Thank you.

Through you, Madam President. During the conversation or debate between Senators Palumbo and Salazar concerning the constitutionality of this legislation, I thought I heard the sponsor say that it does not invalidate leases.

And it is my understanding that good-cause cannot exist without the invalidation of lease agreements. What I mean by this is if a landlord and a tenant agree upon a lease that has a term of month to month or six-month or one year, that at the end of that agreed-upon lease either the tenant or the landlord can say "We're parting ways."

Now, if what Senator Salazar said is true, then there is no so-called good-cause

eviction. So my question is if in fact the landlord and tenant enter an agreement that has a term of one year, is that valid or not if this becomes law?

SENATOR SALAZAR: Through you, Madam President. Just as rent stabilization, while it is a different mechanism and a different kind of protection for tenants than good-cause eviction -- just as rent stabilization does not invalidate leases, the good-cause-eviction law also does not invalidate a lease that a tenant has right now with their landlord.

But it does give protections for the tenant against unjust evictions and unreasonable rent increases.

SENATOR LANZA: Would the sponsor yield, Madam President?

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR LANZA: Through you, Madam President.

If this law says that a lease

agreement between a landlord and a tenant for a period of one year no longer means that the landlord can opt, according to that agreement, to evict the tenant, then this would invalidate leases.

So I will just ask one more time, and then I'll speak on the bill, whether or not that is what this bill does.

SENATOR SALAZAR: Through you, Madam President. This bill does not invalidate an existing lease.

If at the end of that lease period the landlord seeks to evict the tenant, just as right now under existing law, eviction is a legal proceeding. A landlord could bring a case for -- they could bring a case for nonpayment, which I'll note is explicitly identified in this legislation as good cause to evict, nonpayment of rent that was -- that the tenant agreed to pay.

If a landlord brings a holdover eviction, right, under existing law, eviction is a legal proceeding. That is the only lawful way to evict a tenant. But we wouldn't say that going through an eviction proceeding under current law invalidates someone's lease, just as

we would also -- we wouldn't say that rent stabilization, because it gives tenants certain rights to a lease renewal, that it invalidates their existing lease.

This is also true for good-cause eviction. It does not invalidate the lease between a tenant and a landlord.

SENATOR LANZA: Madam President, on the bill.

ACTING PRESIDENT PERSAUD: Senator Lanza on the bill.

SENATOR LANZA: Thank you, Senator Salazar.

Madam President, I hope that Senator Salazar is correct. Because if she is, there is no so-called good-cause eviction as has been described by my colleagues across the aisle.

I think we have been -- when we spoke, we talked across each other. What I am speaking of, Madam President, is that when you have an agreement between a landlord and a tenant that says the lease agreement -- the lease, the tenancy, by operation of that agreement ends after whatever period has been agreed upon -- month to month, six-month, one year, five-year --

when that comes to an end, a landlord need simply, under the current state of our property rights and the law in the State of New York, need simply notify the tenant: Hey, we had an agreement for a year for you to live here in my building, in my house. That year has lapsed. The agreement says that we no longer have an agreement for you to be here, and they part ways.

If this law changes that, then in fact, beyond a reasonable doubt, good-cause eviction, this law, invalidates leases that presently exist between landlords and tenants.

In fact, what it says, if this becomes law, the owner of a property, a home, can never again in the State of New York enter into an agreement with a tenant for anything less than life. Only the tenant will have the option of ever leaving that apartment or property. The landlord, the owner of that property, has lost forever in the State of New York the right to put a term on that tenancy.

And that is why those of us on this side of the aisle believe -- based on the way this is written, not the way it has been just described -- that it violates the constitutional

rights of property owners in the State of New York.

Thank you, Madam President.

ACTING PRESIDENT PERSAUD: Thank you, Senator Lanza.

Senator Helming.

SENATOR HELMING: Thank you, Madam President. If the sponsor will yield for some questions on Part KK.

ACTING PRESIDENT PERSAUD: Senator, do you yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Thank you, Senator Kavanagh.

So Part KK is the New York Housing for the Future program, and Senator Palumbo asked some really great questions. In listening to the exchange, I just had basically a couple of simple follow-up questions.

Under this section, is it possible that community land trusts could utilize previously conserved lands for housing projects?

SENATOR KAVANAGH: Through you, Madam President. I don't believe there's anything in this legislation that would prevent that.

SENATOR HELMING: Is there anything in this language --

ACTING PRESIDENT PERSAUD: Are you asking the Senator a question?

SENATOR HELMING: I'm sorry. If the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR HELMING: If a community land trust decided to go ahead with a housing project on lands that had been previously conserved for environmental protection reasons, et cetera, would the project be subject to local zoning codes?

SENATOR KAVANAGH: Through you, Madam President. I guess it might depend on the particular circumstance. Like, for example,

whether the local zoning codes apply outside of this legislation.

But there's nothing in this legislation that alters the applicability of local zoning codes.

SENATOR HELMING: Through you, Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Senator, do you yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Senator Kavanagh, maybe you could explain a little bit more. I thought I heard during the debate earlier that these projects are subject to an agreement between the agency and the state. I didn't hear that the municipality where the project will be located had any oversight or any say.

So are you saying that these projects would go through the normal local permitting process?

SENATOR KAVANAGH: Through you,

Madam President, yes.

What this bill contemplates is a new state program to develop affordable homeownership opportunities and affordable rental housing. And as is normally the case when the state is funding, you know, one of the numerous projects we fund through state capital funding, they are overseen -- you know, the terms of the program would apply to such things as the affordability level, maybe the type of housing, maybe some other terms that might be part of a regulatory agreement.

But housing in this state is built under a broader regulatory regime that involves localities setting building codes, inspecting, having land-use controls and other things.

And presumably the HCR might look to see that -- before they enter into a contract, they might look to see that the project is permissible under local laws. But there's nothing in this bill that would make a project permissible under local law that would otherwise be impermissible.

SENATOR HELMING: Through you, Madam President, if the sponsor will continue to

yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Senator Kavanagh, I'm going to preface this question by saying that you and I walked out last night pretty much together, it was almost 1 a.m. I didn't have the bill because it wasn't ready yet, the full final bill wasn't ready. So between being a little sleepy right now and also not having sufficient time to review the bill and the details of the bill, I'm confused by your last answer.

Does the municipality -- will the municipality have a seat at the table in deciding if projects under this program will be allowed in their community? Will they have the ultimate say in whether or not a project should be permitted in their community?

SENATOR KAVANAGH: Through you, Madam President, yes, it's been a long week for all of us -- a long month and a half, perhaps.

But this bill creates a new mechanism for funding the development of housing in the state. We have many programs that already do that. There's nothing in this bill that would say that localities would have the discretion to sort of prevent somebody from sort of participating in this program if they were -- if a developer were proposing to build something that is otherwise -- that is already permissible in their locality.

Theoretically, I suppose they could change their zoning or change their land-use rules if they were concerned there was something that was going to get built that would be not acceptable locally.

But this bill is about creating funding for certain kinds of projects, and entering into agreements to build those projects. So there's nothing in this bill that says HCR would check with the locality whether they have some, you know, general desire to have something built under this particular program in a particular way.

But localities, as we know, and as we discussed quite a bit last year, have a very

strong ability to prevent housing and other structures from being developed in their -- within their jurisdiction, and they exercise that frequently. They particularly exercise that in some parts of the metropolitan area in New York where we have, you know, very little housing built in some of our suburbs.

There's nothing in this bill that alters any of those restrictions. So again, you couldn't -- you presumably couldn't say "We don't want this program" if somebody were trying to build the exact same structure that would be otherwise permissible if it were built by a private entity or built under another program.

But there's nothing -- this bill would not permit anything to be built that could not otherwise be built. So localities would retain substantial control over what gets built within their jurisdiction.

SENATOR HELMING: Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Will the Senator yield?

SENATOR KAVANAGH: Happily, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: So I was asking specifically about community land trusts because typically they work in collaboration with local governments. It's a long, arduous process, often very costly, time consuming, to preserve lands, to conserve lands.

In my district, the Finger Lakes area, it's incredibly important. I've worked closely with our land trusts over decades to make sure that we preserve and protect lands.

And now for the state to step in and say, hey, HCR may come in and say, yeah, land trust, maybe you have some legal problems, maybe you have some other issues and you need to raise some cash? It's okay to go ahead. We'll work with you to build on these environmentally sensitive lands.

But I want to just ask a question. I have a note here that says that the units created will be eligible for tax exemptions. Again, it's the municipality who has to pick up the cost and cover the cost of road maintenance, of infrastructure costs, water and sewer

maintenance. What else? Emergency management services, et cetera.

Will local governments have a say in what their tax -- if there should be a tax exemption and, if there should, what that amount should be?

SENATOR KAVANAGH: Through you, Madam President. First, in answer to the implicit question in the first part of my colleague's comments, if there are restrictions on land that is placed on them by their participation or ownership by a community land trust, there's nothing in this bill that would change that.

There's nothing in this bill that would change any existing restriction on land in the State of New York, whether it be through local zoning or land-use rules, whether it be through, you know, "forever wild" provisions of the Constitution, or whether it be through, you know, land banks or land trusts that have specific rules about how their land may be used or disposed of.

With respect to tax breaks, there's also nothing in this bill that would require any

locality to provide any tax relief or tax benefit to any property through this program.

The bill does make it clear that there may be properties -- for example, Housing Development Fund Corporation properties and others -- that benefit from local tax breaks through local laws. And those would not be exempt from participation in this program.

But again, there's nothing in this program that would require any locality to grant any favorable tax treatment to any property.

SENATOR HELMING: Madam President, if the sponsor will continue to yield, I'd like to shift to Part JJ.

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Senator Kavanagh, Part JJ establishes a new audit for 421-a projects. Can you describe what that audit entails? Not in detail, but maybe more why you felt it was important to audit 421-a projects.

SENATOR KAVANAGH: Through you, Madam President. This Part JJ does indeed

require a -- impose a new audit requirement on the City Department of Housing Preservation and Development. It applies, as my colleague noted, both to the 421-a program, which has been in existence for many years. It would also apply to the 485-x program, which is -- forgive me, I stand corrected.

A previous draft of this bill would have applied this particular section to 485-x, which we're going to discuss at some point today, I believe, and is in the bill before us. But this bill would apply to existing -- this particular section would apply to the 421-a project and any previous iterations of that going back to any project that began receiving benefits in 2014 and continues to receive such benefits.

So 421-a, as we know, is a program that provides tax breaks in exchange for property owners providing housing that is affordable at certain levels. There's been some concern over the course of many years that developers may be receiving those very generous tax breaks, denying the state -- the City of New York the revenue from property taxes on those buildings, and perhaps not complying with their obligation to

provide affordable housing.

So this would have the New York City Department of Housing Preservation & Development develop a program and audit those projects to determine whether they're meeting those obligations. They would get whatever information is necessary from the developer, from the Department of Finance in the city and from HCR, and determine whether those projects are in compliance with current law.

SENATOR HELMING: Through you, Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: So, Senator Kavanagh, yesterday I raised a number of questions around the funding that's being directed to NYCHA. Not necessarily because I was concerned about the amount of funding or even funding going to the New York City Housing

Authority, but because of all of the reports about wasteful spending, potential bribery. You know, spending almost a half a million dollars to rehab a single apartment unit.

Is there anything in this budget that requires annual auditing of the NYCHA program to make sure that the funding that New York State taxpayers are providing to NYCHA is used properly and to the benefit of the residents?

SENATOR KAVANAGH: Through you, Madam President. First of all, just to be clear, we did have a lively conversation last night about this.

The funding that the state provides has generally not been used for the kinds of renovations that my colleague is referring to. We've often used that money to replace boilers and roofs, rather than doing kind of individual apartment repairs, and certainly not generally at a cost of half a million dollars.

But -- and as noted, that particular source of funding, which is a very small fraction of the funding for the New York City Housing Authority, is subject to a variety of oversight

provisions, including direct oversight by a state agency, the DASNY, as well as the Division of Budget.

And again, we've had lots of experience with that. We've made capital grants in the past, and we have gotten reports about the effective spending of that money and the completion of those projects.

I would just also note that as I mentioned last night, the New York Housing Authority is subject to oversight by the New York City Mayor's office, by the Office of Management and Budget, by the City Council, by the City Comptroller, by the State Comptroller, by a federally appointed special monitor that has broad jurisdiction basically to inquire about anything, by a special ombudsperson for mold and lead issues, and by the U.S. Department of Housing and Urban Development and various inspectors general and other officials.

So there is a great deal of oversight over money that is spent by the New York City Housing Authority.

In this -- in the case of this bill, we are adding a requirement that a particular

benefit that the public is supposed to be getting by a tax expenditure -- affordability in these buildings -- is actually audited for the first time.

Because the information necessary to determine whether private developers are complying with that requirement is substantially in the hands of private developers, we are adding here an audit requirement that will get at the question of whether the public is getting the value that the public is paying for in this particular program in buildings built under 421-a.

SENATOR HELMING: Thank you.

Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Happily, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: I think that was a long response to a question that could have been answered with one word: No.

And I will point out that the funding that New York State is sending to NYCHA is exactly being used for the type of projects that are -- there's out-of-control spending, there's wasteful spending, whether it's on those apartment renovations, replacement of light bulbs, whatever it is. That's where our money is going, and it should be accounted for.

But my question is -- I'd like to go to a general question on housing. Senator Kavanagh, what is in this budget for affordable housing preservation outside of New York City?

SENATOR KAVANAGH: Through you, Madam President, if I may, just to the first part of my colleague's comments. I will concede it was a long answer because there was in fact a great deal of oversight over the housing authority. If I had chosen one word, the word would have been "yes" and not "no." But we seem to have a -- you know, a difference of opinion on that.

There are numerous proposals -- numerous programs in this budget that are intended to address the housing needs outside the City of New York. We did discuss some of them

last night. Some of them are in the capital budget. Some of them are also in the Aid to Localities budget, each of which has already been passed on this floor.

It was noted yesterday, for a few examples, you know, there is a program for renovation of existing apartments outside the City of New York -- and the bill specifically says outside the City of New York -- that are rental apartments. There's a separate -- funded at $40 million in the budget, the bill we passed last night.

There's an additional program funded at $40 million which is also a new program that is intended to provide infill housing in upstate cities, on vacant lots in upstate cities.

There is the Small Rental Development Initiative, which is a program that this house -- was created through the initiative of this house and my colleague Michelle Hinchey, in particular, that is intended to ensure that we are building rental housing in small villages at the scale that is appropriate in those places.

There is also the program we were discussing previously, which is a new statewide

program that is intended to get the State of New York in the business of producing affordable housing appropriately throughout the state. That is not in any way limited or even targeted to New York City. And again, we are funding that -- we funded that in a bill passed last night at $150 million to begin.

There's also the RUSH program which was proposed by the Governor, which is intended to put a quarter-billion dollars available, again, for development of housing on public property, particularly state-funded housing. And again, that is likely a program that would primarily function outside the City of New York.

And there are numerous other programs in our -- the State of New York's five-year plan includes $5.5 billion in addition to the billion dollars that we are adding to the budget today for development, and that is -- much of that money is spent outside the City of New York.

SENATOR HELMING: Thank you.

Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Senator

Kavanagh, do you yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: So I was looking for information specifically on ELFA, the bill before us.

But just a question on the infill housing. During the budget hearings, when the Senate one-house bill was on the floor before us, I had asked specifically about our small cities being included in the infill program -- City of Canandaigua, City of Geneva and others.

Has the language been revised to include our small cities? Or who is included, who is eligible for the infill program?

SENATOR KAVANAGH: Through you, Madam President. As was noted, the particular provision we're speaking about now is not before us now. It was passed by this house yesterday.

But the infill program is intended for small cities throughout the state. And it's our expectation that that money will be used to create new housing in small cities.

I would also just add one other example. As I mentioned, there are many existing programs that fund housing throughout the state. One new thing that I think is notable in this is also additional subsidies to renovate property that has been created through a federal Department of Agriculture program in rural areas. And there is a specific proposal that we passed yesterday that will fund renovations of those programs. And again, that is exclusively in rural areas of the state.

SENATOR HELMING: Thank you, Madam President. I appreciate Senator Kavanagh's time in responding to my questions.

My next question is related to Part HH, good-cause.

ACTING PRESIDENT PERSAUD: Senator Salazar, do you yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Thank you, Senator Salazar. Just a quick question.

Is there a primary residence requirement for the tenant?

SENATOR SALAZAR: Through you, Madam President. No, there is not.

SENATOR HELMING: Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Do you see any potential consequences with not requiring that it be a -- that the language include primary residency requirements?

SENATOR SALAZAR: Through you, Madam President, I do not.

The tenants who this legislation would apply to are tenants, people who -- it's defined in the bill, but an individual who has an agreement with the landlord and has paid rent to the landlord, has a tenant-landlord relationship, regardless of whether they also have a secondary residence elsewhere.

SENATOR HELMING: Thank you.

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

ACTING PRESIDENT PERSAUD: Will the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: So are we going to -- are we going to be giving non-New Yorkers tenant protections, like snowbirds?

SENATOR SALAZAR: Through you, Madam President. We are going to ensure that a tenant has -- in situations where this legislation applies, has basic protections from unjust evictions and unreasonable rent increases in the State of New York, if they are a tenant in the State of New York.

SENATOR HELMING: Thank you.

Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: Senator Salazar, I know there were questions and answers prior

about the opt-in portion of this proposal before us. And it's my understanding that a village, a town, or a city may opt in. Is that your understanding as well?

SENATOR SALAZAR: Yes.

SENATOR HELMING: Through you, Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: And I just want to get some clarification, then. Say a village decides to opt in, and the village is located within a town, but the town doesn't opt in. And the village sees that their landlords are saying, Hey, I'm not dealing with all of these additional requirements, I'm not dealing with stripping away my property rights and transferring them to tenants, I'm out of here. I'm going to sell to out-of-state developers, to big conglomerates.

Is there any way for the village, when they realize that they've made a mistake and

they're losing these local landlords, is there any way for them to opt out before the sunset deadline?

SENATOR SALAZAR: Through you, Madam President. While there is the 10-year sunset on this legislation, the legislation does not directly create an opt-out mechanism if a locality -- a village, for example -- has opted in.

SENATOR HELMING: Through you, Madam President, if the sponsor will continue to yield.

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

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: What is the process for a village, town or city to opt in?

SENATOR SALAZAR: Through you, Madam President. Just as a village, town or city would otherwise seek to change local law, they would use the same mechanism that they otherwise use to change local law.

SENATOR HELMING: Through you,

Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: So for a local municipality that passes a local law to opt in, it would seem to me, then, they would be able to pass a local law to opt out. Is there anything in this bill that would prevent them from doing that?

SENATOR SALAZAR: Through you, Madam President. The bill does not directly speak to this. But, you know, we pass a lot of laws in this state that don't expressly create a mechanism for localities to opt out.

And in this regard, it is no different. It's just that we do create a mechanism for them to opt in.

SENATOR HELMING: Through you, Madam President, if the sponsor will continue to yield.

ACTING PRESIDENT PERSAUD: Does the

sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR HELMING: And I'm just curious. Is there any requirement for a local government that's considering opting in, before they opt in to hold public hearings, to do maybe a survey or an analysis to determine vacancy rates or anything along those lines?

SENATOR SALAZAR: No. Through you, Madam President, that is not required.

SENATOR HELMING: Thank you, Madam President. Thank you, Senator Salazar, for your answers.

Madam President, on the bill.

ACTING PRESIDENT PERSAUD: Senator Helming on the bill.

SENATOR HELMING: I think we can all agree that we have a problem with housing. We don't have enough housing in the State of New York, and we have a problem with affordability. It's my belief, after listening to debates, after reading the laws before us, that it's unfortunate for New Yorkers, regardless

of whether they live in upstate or downstate, with the enactment of good-cause, the housing shortage and the cost of housing is going to get worse.

Good-cause, I didn't hear or read or see anything that shows me that good-cause will incentivize new building. Good-cause is not going to inspire property owners to create new rental units in their local communities.

Good-cause here in this chamber is being pushed by Majority members who support socialized housing -- not private property ownership, and not helping people to achieve the American dream of owning their own home. Why would a landlord continue to invest in a community when good-cause basically strips away their property rights and transfers them to a tenant?

You know what else is going to happen? When good-cause is enacted, New York State is going to lose business opportunities. We're going to lose jobs. That's just not me saying that. The Majority is in receipt of letters from chambers of commerce including the Greater Rochester Chamber, Ithaca, Binghamton,

the Capital Region and so many more.

Collectively, these chambers represent more than 12,000 businesses, and they've put us on notice. They state that it is reasonable to believe that virtually no builder will build new rental housing, effectively killing off any new housing starts and deepening the housing crisis in our state.

And we all know without sufficient housing for our working class, for our middle class, that larger businesses will move elsewhere. Companies will be disincentivized to invest in our state. Why would they when they can move to another state that has more stable rules and requirements?

In St. Paul, Minnesota, after that city enacted legislation similar to what's proposed here, building permits dropped by 80 percent. Investors and builders, they stopped development on housing projects, and that resulted in related job losses. We don't want that to happen here.

There's been study after study and poll after poll that shows it's already tough enough to do business in our state. We have some

of the highest property taxes in the nation. We have so many pro-criminal policies that discourage people. We have job-killing red tape. And now we're stripping away the rights of property owners.

How many more ways are we going to discourage investment in the state? And again, it's not only me just standing on the Senate floor saying this. We all received -- actually, it went to the Majority, a letter from the Black Clergy for Economic Empowerment. In their letter, which is very well written, they state: "It is crucial for communities of color to have opportunities for building generational wealth. And owning rental properties and apartment buildings play a key role in this process across all five boroughs. Throughout our diverse state, families from Black, brown, Chinese, Indian and Hispanic backgrounds, including many new Americans, are investing in property ownership.

"Good-cause eviction, particularly permanent-lease rentals, would wreck the fragile economics of these long-overdue ownership opportunities."

They go on to say: "When it's our

turn to own something and build something, they change the rules on us to protect their privilege."

Madam President, we do not need, we should not have the tenets of the good-cause that are in this bill. I will be voting no on this bill, and I urge my colleagues to do the same.

ACTING PRESIDENT PERSAUD: Thank you, Senator Helming.

Senator Martins.

SENATOR MARTINS: Thank you, Madam President. You know, the -- on the bill.

ACTING PRESIDENT PERSAUD: Senator Martins on the bill.

SENATOR MARTINS: Madam President, you know, the Chinese use two brush strokes to write the word "crisis." One brush stroke stands for "danger," and the other one stands for "opportunity," although I think we heard recently it may actually be "inflection."

You know, in a crisis we're told that we're supposed to be aware of the danger but also recognize the opportunity. Everyone has talked for years about the housing crisis and the need for affordability, yet here we are, asked to

consider a bill that provides absolutely no affordable housing relief in the short term.

Actually, it provides very little affordable housing relief altogether, because it's going to be years before this housing goes online. If they approve everything today, at some point someone will buy a piece of property, will take advantage of these programs, will get their approvals, will stick a shovel in the ground and will build it. And for those limited number of units that they set aside for affordability, they'll be made available for a handful of people.

The reality is, Madam President, we have the opportunity in this chamber to make real change and make real affordable housing available for people -- not 10 years from now, not in small numbers, but in the hundreds of thousands in the next 12 months. All we have to do is means-test the housing that currently exists.

And I find it incredibly hard to understand why the Majority in this house, the other house, and why the Governor continue to prioritize the wealthy, the affluent, and those who are making significantly more and allowing

them to continue to occupy affordable units which they no longer need when they can afford to pay market-rate housing. Where they prioritize people of wealth and allow them to continue to live in affordable housing at the expense of those who need it today.

In fact, 485-x, the program that is being proposed, pegs affordability at 80 percent, 80 percent of area median income. In New York City, that's $80,000. Yet as everyone in this chamber knows -- and if you chose to go and look at New York City's Housing Survey, it actually measures the affordability of housing in New York City and the number of houses and the income of people in those houses, you would find that over 300,000 units are occupied today, 300,000 units of affordable housing are occupied today in New York City by people earning more than $100,000. That's the area median income.

I won't even go to $80,000 at 80 percent. At 100 percent of AMI, 300,000 units can be made available when those leases expire within the next 12 months so that people making 50, 60, $70,000 a year have a place to actually start.

And you know what? If they are successful and if they do make more and if they're making 100, 200 or $300,000, they can make way for someone who's making less so that they have a start and a place where they can live affordably.

Look at the chart. Take a peek. Ask yourself why people making hundreds of thousands of dollars a year in income are being afforded rent-stabilized units, paying a fraction of market rate, and why you -- you, by this vote, are going to be prioritizing those people. Wealthy, affluent people making hundreds of thousands of dollars a year instead of those young professionals, those firefighters, those teachers, those essential workers that we have in our communities who can't find a place to live because they're occupied by people who shouldn't be there.

You know, about a year ago there was a New Yorker who made a statement, a guy by the name of Al Sharpton. He was talking about things in a different context, in the context of bail reform and runaway crime in New York City, but he said "so-called progressives." And he said

"Progressives for whom? Progressives for whom?"

So I'm going to steal that phrase from the Reverend Al Sharpton, and I'm going to use it myself. Progressives for whom today? Not for schoolchildren. Not for teachers. You decided to prioritize other things, and you're not providing the money necessary to provide free lunches for every kid, every child in a school. Not for schoolteachers. Our school budget doesn't provide enough in adequate funding where I know people in school districts on Long Island, alone everywhere else in this state, are laying off teachers because of the uncertainty of this budget and the failure to commit to providing resources.

Not the middle-class commuters who are asked to go off into New York City each and every day while they watch other people jump over turnstiles.

ACTING PRESIDENT MAYER: Senator Krueger, why do you rise?

SENATOR KRUEGER: I was wondering if my colleague would answer a question or two.

ACTING PRESIDENT MAYER: Senator Martins?

SENATOR MARTINS: I will as soon as I complete my statement.

SENATOR KRUEGER: Okay.

SENATOR MARTINS: I will.

Not for Tier 6 workers. Not for Tier 6 workers when where's consensus on both sides of the aisle to actually repealing and doing some real reform on Tier 6. What have we decided? We're only going to do that when we put it off for 20 years so that we have a three-year as opposed to a five-year lookback.

Not for our hardworking men and women in the trades. When we had the opportunity, Madam President, to do something with regard to SUNY PLAs at $3 million, what did we come back with? A $10 million plan that puts so much of that work out of reach for their actual work.

You know, we have opportunities here, and it's a question of priorities. And we all talk about priorities. But for property owners -- property owners, people who put together their lifesavings, buy something, take out a mortgage and they're paying that mortgage -- we're now telling them they can't

make decisions about their own property because we are going to make that decision for them as a state. We're going to reach in and take away their ability to manage their own private property. Forget the fact that it's unconstitutional. It's wrong.

These are not the kinds of things that we should be doing, and it does not help anybody in this state. It's not our property. So I don't understand the priority that has been placed on hurting the middle class in this state.

And I haven't even mentioned, Madam President, there isn't a single stitch of middle-class tax cuts that help the average person in this state just make ends meet.

So I have real concerns. I had hoped to ask some questions. I know we have limitations on time, so I'm going to be respectful of my colleagues and allow for that. But I'm disappointed.

And I'm hoping that as we go forward, in this session and in future sessions, perhaps we can work together in finding solutions and not just penalizing people.

And with that, Madam President, I'm

happy to yield to my colleague.

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

You know, Senator Martins has brought up this example a number of times this year, that high-income people are living in rent-regulated units. And when you look at the statistics, he's not wrong. The majority of people who live in rent-regulated units are in fact low-income, but there is a universe of higher-income people. And they are in buildings that are called 421-a buildings. Because when you take the tax exemptions to build your building, you're required to have all the units fall under rent regulation.

So if I'm understanding his proposal correctly -- but I just wanted to make sure I was -- his suggestion would be that for existing 421-a buildings with rent regulation, we should set a maximum eligibility based on income and set a -- I guess a maximum rent for those people.

So if the average rent in rent-regulated housing in New York City -- I think -- I looked it up yesterday. It was about $1500, on average. Are you suggesting, is your

proposal that we tell all the people who own 421-a buildings that you must evict -- which will be a different discussion from someone else -- all of your higher-income tenants, lower the rent and accept poor tenants?

Because I think that's a very interesting proposal. I just wanted to make sure that I was understanding you correctly.

SENATOR MARTINS: Thank you, Madam President.

And thank you, Senator. I really appreciate the question. Because no, that is not what I'm saying whatsoever. I'm not even going to 421-a. But we can.

I'm talking about traditional rent-stabilized housing. You know, when we talk about rent-stabilized housing, I think it's important that we at least contextualize what that means. Rent-stabilized housing in New York City accounts for just about a million units in New York City. Not 421-a. No, rent-stabilized units. That's those units that are subject to rent stabilization --

(Inaudible overtalk.)

SENATOR MARTINS: No, no, let me --

SENATOR KRUEGER: All rent-regulated units you are describing --

SENATOR MARTINS: I'm just trying to finish my answer, if I --

SENATOR KRUEGER: -- are 421-a.

SENATOR MARTINS: Can I finish my answer?

SENATOR KRUEGER: Every unit since 1974 --

ACTING PRESIDENT MAYER: Senator Krueger, let --

SENATOR KRUEGER: Sorry.

ACTING PRESIDENT MAYER: He is finishing his answer.

SENATOR MARTINS: If it includes 421-a, it is not exclusive to 421-a. So if they are included in this.

But there are 960,700 units of rent-stabilized housing in New York City. Of those, 30 percent of those units, over 300,000 units, are occupied by those making more than $100,000 a year. A hundred thousand dollars at a time, Madam President, when this body is proposing an 80 percent threshold.

So here -- here's what I'm

suggesting --

ACTING PRESIDENT MAYER: Senator Martins, to be clear, you're now answering Senator Krueger's question? Or are you speaking on the bill?

SENATOR MARTINS: I am -- I am on the bill, Madam President. I am on the bill if the Senator is done with her question.

ACTING PRESIDENT MAYER: Senator Krueger, are you done with your questions?

SENATOR KRUEGER: No, I have one more question. Thank you.

Again, just to clarify, do you agree with me that any building built since 1974 in rent regulation is in fact a building where the developer chose rent regulation because they were getting tax exemptions in exchange, and hence they fall under 421-a or one of the other categories?

So all the buildings that are the higher-income buildings are in fact in these programs where we gave them tax exemptions, they chose to go into rent regulation. Do you agree on that?

SENATOR MARTINS: Madam President,

through you. There are over 300,000 units currently occupied as rent-stabilized housing by those making more than $100,000 a year, whether they were built under 421-a or whether they were built prior to the enactment of 421-a.

And what I am suggesting, just to clarify for the Senator, is that if this body chose to allow for means-testing for those units, then someone making less than $80,000 a year, as we are doing for 485-x, would be able to occupy that unit because, yes, they qualified when they went in and they actually occupied the unit. But over time, they have had success, they now make more than the average median income, and they are not the people who were supposed to be occupying those units because we specifically kept these units affordable so that they'd be available for another generation. And we're not doing that.

So if there are people who are earning more than $100,000 a year or $125,000 or $150,000 a year -- and we can sit and figure out where that line should be. But I think we can all agree and should all agree that there should not be people making hundreds of thousands of dollars a year occupying those units that are

stabilized and should be there to provide affordable housing.

The Governor said she wants 800,000 units of affordable housing within the next 10 years. Well, here's 300,000. Why don't we go do something about it, as opposed to just paying lip service to it, Madam President?

With that, I'll be voting no.

SENATOR KRUEGER: On the bill.

ACTING PRESIDENT MAYER: Senator Krueger on the bill.

SENATOR KRUEGER: Thank you.

Just quickly, just to clarify, I can agree we would need to have the data before we were to draft a piece of legislation. But if you add up the units that are built under 421-a or its predecessors -- all programs, for the record, that I voted against every year that I've been here in the Legislature because it wasn't going to be building affordable housing for the exact people we want to serve. It was instead subsidizing higher-end, not affordable units disproportionately.

And so we got this system because of bad policy for 35, 40 years. And hence we do

have people with higher incomes who are disproportionately using all of the apartments that we've built. And it turns out that it is close to 300,000 units, although we couldn't get an exact number.

So I'm not necessarily opposing Senator Martins' proposal. I think we would need to carefully craft legislation. But again, I just want everyone in this room to understand that the outcome of said legislation would be to tell all of the developers owning 421-a buildings -- all of them -- you're going to get a whole lot less rent now. A lot less rent than you calculated when you went into this program. And I think we should be honest that that would be what we would be doing.

And I'm not sure that many of my colleagues would think that was a great idea.

ACTING PRESIDENT MAYER: Senator Martins.

SENATOR MARTINS: Yes, I'm asking the Senator if she would yield.

SENATOR KRUEGER: Absolutely.

ACTING PRESIDENT MAYER: Senator Krueger, do you yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR MARTINS: So, Senator, I'm just trying to understand. No one discussed anyone reducing rent or changing the rent. I think what was discussed was asking those who can now afford to pay market rate rent to vacate apartments that were meant for -- to be affordable and for those who qualified as -- and we should qualify as means-tested -- and allow someone who's making less money to get into an affordable apartment at the same rent.

Would you agree that that would be a better solution? That way, those who own those buildings -- we're not asking anyone to reduce rent. We're not asking anyone to increase rent. We're just asking you to keep the rent exactly where it is. But if you're making more, you should leave and go pay for market-rate housing so that those who are making less can afford a place to live in New York City or anywhere else.

Does that make sense?

SENATOR KRUEGER: Through you, Madam President. Based on the fact that we've

created many, many of these units at way above market rate, even though they're defined as rent-regulated, I think the math would still require lowering the rent in order for lower-income people to be able to participate.

But again, I agree with the Senator, we would need to sit there with all the math and calculate it. I just wanted to make clear the I think misunderstanding in this house that these units are rent-regulated from a point in history prior to 1974 where our laws did take existing housing and say, Now you're under a rent-regulated system.

These buildings were all built with an understanding and agreement with developers -- not one that I supported, but with an agreement with developers that they were going to be able to get, in most cases, either 80 or 90 percent market rate or above market rate, and only, say, 10 to 20 percent technically affordable. And even those definitions of affordable, not that affordable.

So I just wanted to make sure we all understood the universe that we were discussing. And perhaps Senator Martins and I can work on a

bill after budget that would actually make sense, to expand the universe in existing rent-regulated buildings to become affordable.

Thank you.

SENATOR MARTINS: Madam President, if the Senator would continue to yield.

ACTING PRESIDENT MAYER: Do you continue to yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR MARTINS: So yes, I understand that there is a set-aside for affordability. But we're talking specifically, Senator, are we not, about the -- only those affordable units and only those that were -- originally required means-testing for occupancy.

And therefore, whatever the developer has developed in terms of market-rate housing, no, we're not talking about the market-rate housing, we're talking specifically about those that would qualify under rent stabilization that were -- originally required means-testing for someone to occupy. And they've been there and, frankly, now earn more than that

initial means-tested amount, such that they should make that unit available for someone else who now would qualify under whatever parameter, whether it's 80 percent or 100 percent of AMI and free up hundreds of thousands of units.

Wouldn't that be a much better way of addressing the affordability issue by actually making units that are affordable available to people who are earning less?

SENATOR KRUEGER: Through you, Madam President. So either Senator Martins is amending the earlier proposal or clarifying that he only meant the subset of units that actually were designed for low-income people, hence we're not talking about 300,000 at all. Because 300,000 would be the entire universe of all the units in the 421-a rent-regulated system.

And the, quote, unquote, original affordable units -- which again, depending on what year you were picking, was between 10 percent and as much as 20 percent of the units in any specific building -- who were under affordability standards, some percentage of them might actually be people with higher incomes. But that's a completely different universe and a

much, much smaller universe of people.

SENATOR MARTINS: Thank you, Madam President. Thank you, Senator Krueger.

SENATOR KRUEGER: Thank you.

ACTING PRESIDENT MAYER: Senator Canzoneri-Fitzpatrick, why do you rise?

SENATOR CANZONERI-FITZPATRICK: Thank you, Madam President. I was wondering if the sponsor would yield for a few questions regarding Part II, the definition of squatters.

ACTING PRESIDENT MAYER: Senator Kavanagh, do you yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR CANZONERI-FITZPATRICK: Thank you, Senator.

Reading the definition of squatters, that there has been an amendment to Section 711 of the Real Property Actions and Proceedings Law, there's a definition that says that a tenant does not include a squatter. However, there is reference to Section 713 of the Real Property Actions and Proceedings Law that's basically the

summary proceeding.

So my question to you is under the amendments in the current bill that we're voting on, how does the change of definition of a tenant allow for a homeowner to get a squatter out of the property? Are they required to still go through a summary proceeding as it is under current law?

SENATOR KAVANAGH: Through you, Madam President. The bill before us, Part II, is a clarification of the rights of property owners in New York State. There's been a lot of misinformation, particularly in some of, you know, some news sources. But this bill is intended to clarify that a person who enters or intrudes into someone's home without permission is not entitled to possession of the apartment and may be removed.

It does contemplate -- as we do with most situations where there are disputes between private citizens, it does generally contemplate a proceeding to determine whether those -- you know, who's correct on the facts. But it has long been the case in New York that a squatter is someone who does not have the right to be in an

apartment, who does not have a lease, who does not have a preexisting tenant relationship, does not have the right to occupy a unit. And this bill is intended to clarify that and ensure that that situation can be resolved promptly.

But yes, it may well involve a summary proceeding before a court to determine -- to verify the facts and order the person removed.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT MAYER: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT MAYER: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So if this definition doesn't allow for criminal penalties or civil penalties and it still requires a landlord to go through a summary proceeding, how is this benefiting any landowner currently by making this change?

Because as I understand it, you still have to go through a summary proceeding,

you still have to hire a lawyer, you're still going to go through two years of wait time in landlord-tenant court. There's no provision in here that says that the squatter now has to pay rent or legal fees or anything to the landowner.

So what have we done in this bill to protect any landowner? I don't see the benefit. I love the purpose. I know we have a squatting issue. I know we need to help landowners. But I don't think we've done enough, and I'm hoping you're going to tell me that there's something in here I'm missing.

SENATOR KAVANAGH: Through you, Madam President. This bill is intended to clarify the law, and the law is that people who do not have a -- they do not have a right to be in these units, they are not tenants. If you are a squatter, you are not a tenant. It defines a squatter as someone who does not have -- who intrudes upon the property.

There are circumstances where, however, you know, law enforcement officers or others might arrive at a property and it is clear from the circumstance that somebody is an intruder, a burglar or some other such thing.

And in those cases it will typically result in an arrest.

There are other circumstances which have been publicized where someone appears to be occupying a residential unit, and in that circumstance there's sometimes a necessity to determine the facts of the situation. And the way we determine facts when people's core rights are at stake in New York and in America generally is that we have judicial proceedings to determine those facts and determine the legal consequences.

There's nothing in this bill that would insulate a squatter or an intruder or a trespasser from the criminal penalties of engaging in those actions. But this is about determining whether someone has a legal right to be in an apartment, and it is intended to clarify, because there seems to have been some confusion out there, you know, to some extent created by some tabloids that people have rights in New York that they do not indeed have under current law.

SENATOR CANZONERI-FITZPATRICK: Madam President, on the bill.

ACTING PRESIDENT MAYER: Senator Canzoneri-Fitzpatrick on the bill.

SENATOR CANZONERI-FITZPATRICK: Thank you, Senator Kavanagh.

I'm extremely disappointed that we did not go far enough. I proposed a bill, I've spoken to several Senators on the other side of the aisle about my proposal because it would have given a squatter a criminal charge of criminal trespass, which would have allowed police officers to go in and arrest them, to remove them from the property, and not allow them to return to the property.

Unfortunately this bill does nothing -- as I stated, a squatter is not required to pay legal fees, rent or any other penalty to the landowner. So what have we done? We've not done anything to help a landowner here. And as we've said, there's been so much publicity about squatters. ABC News has said that it takes at least two years to evict a squatter. We've done nothing to change that.

We've got situations in Hauppauge where a family -- it took them three years to evict a tenant. In Blue Point, a plumber was hit

over the head by a squatter and almost killed. In Flushing, a homeowner was arrested for trying to keep the squatters out and changing the locks in her own home that she inherited from her mother. In Douglaston a family with Down's syndrome was unable to use the home they purchased due to a squatter moving in. In Manhattan, in the most egregious of situations, a woman came home to squatters, was killed and stuffed in a duffel bag for her child to find in a closet.

Senator Mattera has gotten a letter from a constituent who's 10 years old, begging him to please change the laws because it's affected his family. The father passed away, and they could not get into their legal home.

This is a terrible problem. And we have an opportunity here to fix this. And I'm very disappointed that we did not go far enough to help landowners and address a problem that we all agree on both sides of the aisle is a problem. I think this is a huge missed opportunity.

Madam President, I'll be voting in the negative.

ACTING PRESIDENT MAYER: Thank you, Senator.

Senator Borrello, why do you rise?

SENATOR BORRELLO: Madam President, if the sponsor would yield for Part FF, specifically on the IAI increases.

ACTING PRESIDENT MAYER: Senator Kavanagh, do you yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR BORRELLO: So am I correct that -- in understanding that the increases provided in this act will allow an owner to recapture up to $50,000 in improvements to a unit? Is that correct?

SENATOR KAVANAGH: Through you, Madam President, yes. We are actually creating two -- under current law, there is a maximum of $15,000 that is recoverable in an IAI expenditure. With this bill we would be creating effectively two tiers.

There's a $30,000 tier that replaces the current maximum recoverable expense of

$15,000 in any 15-year period. We're leaving most of the provisions of that intact but saying that 30,000 may be spent and recoverable, rather than 15, in multiple increments over the course of 15 years.

We're creating a higher tier permitting $50,000 in recoverable expenses, but that is intended to apply to limited situations where additional improvements are needed in an apartment beyond what can be accomplished with $30,000, to address substandard conditions. It's our intent, provided in the statute, that HCR will issue robust rules to ensure that IAIs are not abused and that the only apartments that can access the higher tier are those apartments that need it, where $30,000 is insufficient.

There are two circumstances in which a 50,000 IAI would be available if the landlord met the other -- you know, the other conditions, and those are either that there has been a tenancy that has ended that has had a duration of 25 years continuous tenancy, or there's a provision for units that have been vacant continuously since on or before April 1, 2022. So for two years.

And in both of those circumstances, if the landlord meets the standards that HCR will promulgate, they would be permitted to expend $50,000 and recover it. In addition for the $50,000 IAIs, we're allowing a slightly higher rate of recovery than for the traditional $30,000 IAIs.

And we are also, in this bill, making IAIs permanent. Currently there is a recoupment period and after that recoupment period ends, the amount that the rent has gone up as a result of the IAI declines back to the original rent.

Under this bill, that amount will now be permanently part of the rent going forward beyond the recoupment period.

SENATOR BORRELLO: Thank you.

Will the sponsor continue to yield, Madam President?

ACTING PRESIDENT MAYER: Will the sponsor continue to yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT MAYER: The sponsor yields.

SENATOR BORRELLO: Thank you for that detail. A "yes" would have sufficed, but thank you.

As a follow-up question, then, so is that $50,000 for each unit in a building, in a multi-unit building?

SENATOR KAVANAGH: Through you, Madam President, yes. The individual apartment improvement provisions are about improvements to a single unit.

SENATOR BORRELLO: Madam President, will the sponsor continue to yield.

ACTING PRESIDENT MAYER: Does the sponsor yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT MAYER: The sponsor yields.

SENATOR BORRELLO: We all know that the $15,000 limit that's currently in place has been a disaster. You know, we hear stories about rent-regulated apartments being, you know, horribly unmaintained because of that limit.

So 30,000 and then, if there's special circumstances, $50,000. Yet we just

heard yesterday that NYCHA is spending, on average, $400,000 per unit to upgrade their units. What makes you think that $50,000 would even begin to be able to provide, you know, proper licensed contractors, union contractors, to actually perform an upgrade when NYCHA is spending $400,000 a unit versus, at most, 50?

SENATOR KAVANAGH: Through you, Madam President. To take the beginning of my colleague's statement/question, we do not indeed know that the IAI provisions have been a disaster. There are -- we are raising the $15,000 limit here partly to address inflation -- $15,000 in 2019 dollars would be more than $18,000 today. And we are adding some additional flexibility to permit additional improvements.

But there is very little evidence that the IAI provisions of 2019 have had a meaningful effect on the vast majority of apartments. The $50,000 provision is intended to address circumstances where there may be a very long tenancy or an unusual circumstance where additional money is needed.

With respect to the amounts of capital necessary to provide renovations in

public housing, there are a few very different factors that might be at play there. First of all, those are buildings that have been very substantially underfunded, in many cases for decades, partly because the U.S. Congress in its wisdom decided over the course of many years to determine how much funding was necessary to support our public housing and then provide a fraction of that money year in and year out over the course of decades. So you're dealing with a great deal of capital neglect over many years.

The rent-stabilized system of course is a system that provides that all landlords have a right to make a reasonable profit after making necessary capital improvements to improve their property.

And the other thing that's different is that this IAI provision is only one of two provisions that are in the law that permit improvements to buildings that can be recoverable in rent. The other is the major capital improvement provision.

Most of the work that is done in the New York City Housing Authority and other housing authorities throughout the state is in the form

of major capital improvements to roofs and boilers and other building-wide systems that are very expensive.

There is a provision of the rent-stabilization law that is not before us today that provides for a means for rent-stabilized landlords to recoup the cost of those improvements. And again, that has also been in place for many years.

SENATOR BORRELLO: Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR BORRELLO: Yes, thanks again for that explanation.

You mentioned inflation. You know, now with good-cause eviction being included in this budget and the prospect of lifetime tenancy, you have $50,000 over the course of, say, 15 years, which is the time allotted, 14 -- 13, 14, 15 years to recoup that money back. Is there

an inflation-adjuster for that going through that 15-year period?

In other words, $50,000 in the future value of money in 13 or 14 years isn't $50,000. Do we have an inflation-adjuster in there?

SENATOR KAVANAGH: Through you, Madam President. I don't know if this was the thrust of my colleague's comment, but just to clarify.

Good-cause eviction will not affect the housing we're talking about here, rent-stabilized units. Rent-stabilized tenants for many years have been entitled to a renewal lease at a rent that is set by rent guidelines boards and other provisions of law.

So good-cause eviction is not relevant to this conversation, unless my colleague was just trying to use it metaphorically.

SENATOR BORRELLO: Well, still, you're going to -- if I amortize this over, you know, 12 or 13, 14 years, you know, that future value of that $50,000 over that period of time, are we adjusting for that?

SENATOR KAVANAGH: So I was getting to the second part of my colleague's conversation.

What we're doing today is making a very substantial increase in this amount that greatly exceeds inflation since 2019, but there's not a prospective inflation adjustment in the bill before us today.

So, you know, perhaps some future legislature will be considering the results of inflation over years subsequent to today and determine whether those numbers need to be increased as a result.

SENATOR BORRELLO: Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Madam President.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR BORRELLO: The thrust of my question is this. You know, when someone invests $50,000, you know, this is often done by borrowing money from a bank, often through a line

of credit. Those interest rates vary. Obviously costs vary. But you've got this limit -- if you put $50,000 -- and, by the way, this is approved, which that's another question -- that $50,000 can only be paid back over the course of I believe just shy of 14 years. Because the limit is what, $324 is the amortized amount?

How can you possibly justify that? I mean, that's like -- that $50,000 investment, by the way, will probably -- whatever improvements were made over the course of 15 years will probably need to be made again before that amortization is even up, that recoupment is even up.

How can you justify such a small dollars amount to recoup that amount of money?

SENATOR KAVANAGH: Through you, Madam President. First of all, just to clarify, the IAIs are limited to improvements to property that are -- they're restricted to things that have exceeded their usable life. So the sort of duration of the benefit that -- the improvement to the apartment that is done by an IAI will be determined by the usable life of the appliances or other improvements that are being made.

The IAI system has never been about -- oh, sorry. Since 2019, the IAI system has been about making reasonable improvements on rent-regulated housing and getting a reasonable return for that investment as part of the overall obligation to maintain one's housing in good condition.

Before 2019, in some provisions that had been negotiated very aggressively by the real estate industry, in some cases IAIs generated a 23 percent return for every dollar somebody put into an IAI. That was widely viewed as an incentive for property owners to abuse the system.

And indeed, abuse seemed quite common. There was a study by HCR done in 2014 where they estimated about 40 percent of all IAIs seemed to be, you know, fraudulent or otherwise, you know, excessive, getting excessive rent increases in exchange for the amount that they'd invested. We had extensive conversations in 2019 with the Attorney General of the State of New York that had investigated and prosecuted people for abusing the old IAI system.

What the system that we put in place

in 2019 does is it creates a reasonable rate of return in exchange for property owners investing in their own buildings, making improvements, and that allows them to make significant increases in the rent to cover the reasonable cost of those improvements.

SENATOR BORRELLO: Madam President, on the bill.

ACTING PRESIDENT PERSAUD: Senator Borrello on the bill.

SENATOR BORRELLO: Time is short, so I'm just going to make my last few points on this.

You know, we are telling someone who owns a piece of property that with the permission of the Office of Housing and Community Renewal -- we don't know how long that's going to take for that approval. With their approval, their permission, you can spend up to $15,000 and it's going to take you 15 years -- 14 years to recoup that money. What that amounts to is a 14-year interest-free loan to tenants, essentially, because you're making those improvements for the tenants.

Folks, this is not how it works. I

know that my colleagues are going to say they have this picture of all these wealthy people, sitting on a pile of cash and gold bars, that just pull out cash to pay for things like that. But that's not how it works. You have to borrow money in most cases, often from a variable-interest loan. And we're saying you're going to borrow money to invest it in something that you're going to be able to recoup that money for 14 years, interest-free.

Now, you might say tough, this is the rules we want to put in place. But the reality is we have a housing crisis. And we are now about to, again, tie another rope around property owners and pull them down, pull them back. No more. They will find other places to invest that money.

Just to give you an idea, let's go to $30,000. If you invest $30,000 at, you know, a modest rate of return over the course of 12 years, roughly 5 percent return, that comes out to $54,595. So your choice is zero, investing in things that actually deteriorate and that you're probably going to have to replace again, and likely before that 14-year period is

up, that 12-year period is up.

Where are you going to put your money? You're not going to put your money in housing. You're not going to put your money in the property that you own. Because there's no good return on it. And you're going to have the same problem we have in New York City right now, with places that are not properly maintained because they can't afford to do it.

This is just an absolute disaster that is going to drive away people from owning property. And I think that's the goal. The goal is we're going to get rid of private property rights. We're going to get rid of people that actually want to own a building and rent it out to somebody else, maybe build a little, you know, a little wealth for themselves and their family and their future generations, and we're going to say, No. Unless you can afford to own your own home, you're going to live in some kind of government-controlled housing.

That may or may not be the intention, but that will be the end result. Once again, driving New York State further and further into being a Third World nation.

I'm voting no. Thank you.

ACTING PRESIDENT PERSAUD: Senator Rhoads.

SENATOR RHOADS: Thank you, Madam President. I'll yield to my colleagues and I'll circle back if there's time at the end.

ACTING PRESIDENT PERSAUD: Okay.

Senator Murray.

SENATOR MURRAY: Thank you, Madam President. I'd like to ask a few questions under Part K. That would be the frequency-of-pay violations.

ACTING PRESIDENT PERSAUD: Senator Krueger?

SENATOR KRUEGER: I'm sorry. Is Part K liquidated -- I'm so sorry, did you say K?

SENATOR MURRAY: K.

SENATOR KRUEGER: K. (Pause.)

Hi. I'm ready.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR MURRAY: Would the sponsor yield for a few questions?

ACTING PRESIDENT PERSAUD: Yes, she yields.

SENATOR KRUEGER: Yes.

SENATOR MURRAY: Thank you.

So under this section we're dealing with the frequency of pay of manual workers. Can we start -- can you give us the definition, the legal definition of manual worker that an employer would use to qualify their employees?

SENATOR KRUEGER: Workers who spend at least 25 percent of their time doing manual labor. And that can be a whole host of different kinds of manual labor.

SENATOR MURRAY: Will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MURRAY: Do you know, is there a list of particular jobs that qualify as manual labor?

SENATOR KRUEGER: No.

SENATOR MURRAY: Would the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the

sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MURRAY: So under this, we're falling under Section 191 of Labor Law. And I'm going to give you an example. And if you could explain to me where the damages come from.

So you have a worker who's working 35 hours a week, getting a thousand dollars a week. If they work two weeks, it's 70 hours, $2,000. Under this, if they called themselves a manual worker and sued the employer, claiming they weren't being paid properly, but the employer paid biweekly $2,000, where are the damages? Where was the wage theft? What are they losing?

SENATOR KRUEGER: So the requirement remains they have to be paid weekly. It's not a question of wage theft specifically. And because there were so many questions and confusions about all the rest of it, it was omitted. So we're not changing this section of law.

SENATOR MURRAY: Okay.

Madam President, on the bill.

ACTING PRESIDENT PERSAUD: Senator Murray on the bill.

SENATOR MURRAY: Thank you, Senator Krueger.

You're right, but the damages do come into play. And wage theft does come into play, because these companies are being sued for not paying them properly, and the damages are falling under Section 198 of Labor Law, which is in fact wage theft. And in fact, it says that the employer is subject to a private right of action and liquidated damages equal to half of all wages paid up to six years, which is the statute of limitations, plus interest at 9 percent, plus attorney's fees.

So in the example I just gave, if you have an employer -- for example, a Dairy Queen -- happened to be owned by two sisters who pitched in to become franchise owners -- in my district, and their employee, a disgruntled employee who was relieved from their job for falling asleep on the job, but claimed that they were a manual worker because they stood at the cash register their entire shift. That, to them,

was manual work.

So they claim they were manual workers. They're suing them. Under that example, if they were making the thousand dollars per week, under labor law this employer would be responsible for, if my math is correct, up to $156,000 in damages, plus 9 percent, plus attorney's fees.

If this employer had 10 employees -- just 10 -- we're talking, when you add all that up, close to $2 million. This is putting small companies out of business.

I might add, by the way, that larger companies can be exempt. If the commissioner approves it, large companies of a thousand employees or more are exempt from this.

So we want to look out for the workers. Or do we? Because what we're doing here is we're putting small companies out of business with this. There are lawsuits being filed left and right, frivolous or not, but left or right, taking a shot, hoping for large settlements. And these employers, some of them very small companies, say I can't do it. They're closing up shop. How does that help the

employees when they're put out of work by this?

What we need -- and I should have asked this question too, but I also already know the answer, so I'll say it. In this bill what we need is we need the Commissioner of the Department of Labor to clearly and definitively define what a manual worker is. We've been asking for that. It's not being done. Until that happens, we'll have frivolous lawsuits like this, we'll have small companies being put out of business. And we just can't have that.

I have more to say, but I know we're up against the clock, so I'll explain my vote, and I'll cede the rest of my time to my colleagues. Thank you.

ACTING PRESIDENT PERSAUD: Senator Weik.

SENATOR WEIK: Thank you, Madam President.

Good-cause eviction. Much like Hotel California, you can opt in, but you can never leave.

(Laughter.)

SENATOR WEIK: But let's play that out for the next 10 years. It makes an area that

opts in less attractive to invest, and it hurts a community instead of helps the community. And of course if building is the goal, then we want landlords to want to build. This squatters rule does nothing to help that. And of course accessory dwelling units, legalizing accessory dwelling units is not a favorable move.

Moving on, PLAs for SUNY. Great. What a great piece to have in this bill. I thank Senator Mario Mattera for all his work for many years to make sure something like this happens.

And yet we see no tools, nothing to fix wage theft. And in my district, the number-one complaint is wage theft. What can we do, what are we doing? And yet we see no additional tools being put into this budget to help fix wage theft.

This bill authorizes taxpayer dollars to pay for abortions. Taxpayer dollars. I mean, if we're going to do that, if it's good enough for veterans and for cancer organizations, let's do a check-off box on your income tax return and let people have a choice. I bet you that money would get distributed in a timely fashion.

Education. We fully funded Foundation Aid, but there's no increase for save-harmless. That means teachers lose jobs. Teachers are losing jobs right now because of this budget.

Free lunch for all? Not in this bill. Still free lunch for some. Mission not accomplished.

Tier 6. This bill reduces the final average salary calculation from five years to three years. Well, as ranker on Civil Service, we held hearings in the fall to try to find solutions for recruitment and retention. What this bill did was make it really attractive to retire. So that was counterproductive.

Fare enforcement. This bill actually, if you read it through, actually rewards people who jump the turnstiles. But toll enforcement, if you're driving, actually increases the fines. And yet we see more financial loss, almost a billion dollars, from fare evaders, and we see less from toll evaders. Enforcement should reflect the level of offense, and this bill just does not do it.

And for that, Madam President, I

vote in the negative.

ACTING PRESIDENT PERSAUD: Senator Rhoads.

SENATOR RHOADS: Thank you, Madam President.

You know, our good colleague, our resident hero, Senator Walczyk, who normally sits behind me but is serving overseas, drew a wonderful example. He'd draw attention to the state flag and to our state symbol, where you see a crown. And that's the British crown. And that's Lady Liberty kicking the British crown. But through this bill and through good-cause eviction and through what we've seen over the course of the last several days, we are seeing that crown being taken off the ground by the State of New York and placed on the head of the state -- not of the people, but on the head of the state.

Socialism is private property but complete government control. Private ownership, but complete government control. And when you look at what's happening with good-cause eviction, when you look at what's happening in this state with the Housing for the Future

program, where essentially you're saying to local governments, The state has the ability through this authority to take your property without your consent and to use it for housing, regardless of local zoning restrictions, regardless of local control over the ability for local residents to determine how they are going to structure their own communities, structure their own neighborhoods, and preserve the communities in the manner in which they want to live.

When you look at good-cause eviction and the idea that you can own a piece of property but we're going to tell you who you can rent to, we're going to tell you how much you can charge, we're going to tell you how long the term is going to be for, we can tell you under what circumstances you're allowed to retake control of your own property -- that is socialism. It may be the latest incremental move towards socialism, but that is the end result.

And so the question for this chamber is, is that where we want this state to go?

We completely ignore the fact that while we have a housing crisis, our solutions aren't working. Our solutions for New York City

aren't working. You have lost 540,000 people, residents, in the City of New York since COVID. So since 2020, you have lost half a million residents. But you still have a housing crisis. You have fewer people, but you still have a housing crisis.

And so the solution, to provide incentives to build housing but then turn around and smack everyone over the head, anyone who would want to come in and invest in the City of New York, over the head with a big stick -- that's what we've been doing all along. And it isn't working. Except now, instead of just taking this carrot-and-stick approach, you are giving the carrot to the City of New York and then you are taking the stick and beating the rest of the state over the head with the stick.

This will exacerbate the issues that we're having with respect to housing in every other part of the state. And the sad reality is, it will not fix the problem that you are having in the City of New York, because of this simple fact. That people who own property, people who invest their time and their capital to build housing, do not do it to build housing. They do

it to make a profit.

Businesses in the State of New York -- and we see this all the time in things that we pass. Businesses in the State of New York do not exist to create jobs. They exist to turn a profit. And the moment that we take the housing, the moment that we take housing and make it impossible for people to make money in the State of New York in the business of housing, is the moment that you won't have anyone developing housing. And that's where you are right now.

ACTING PRESIDENT PERSAUD: Senator Rhoads, sorry to interrupt, but your time is up.

SENATOR RHOADS: Thank you so much.

So this -- if I can just conclude, so this is clearly a mistake. And this is the latest step in a path that will not make New York safer, that will not make New York more affordable, but will continue the downward spiral that is leading to 1.5 million people fleeing the state -- not because they want to but because they can't afford to stay.

Thank you, Madam President.

ACTING PRESIDENT PERSAUD: Thank you, Senator Rhoads.

Are there any other Senators wishing to be heard?

Seeing and hearing none, debate is closed.

Read the last section.

Senator Gianaris.

SENATOR GIANARIS: Madam President, we've agreed to restore this bill to the noncontroversial calendar.

ACTING PRESIDENT PERSAUD: The bill is restored to the noncontroversial calendar.

Read the last section.

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

ACTING PRESIDENT PERSAUD: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT PERSAUD: Senator Gianaris to explain his vote.

SENATOR GIANARIS: Thank you, Madam President.

Much of the debate around this bill was centered on housing, but I did hear a couple of mentions of the Tier 6 fix that we are enacting. And so I did want to correct the

historical record by reading a public statement from June 26, 2012, into the record. And this was a post that was made at that time, and so I quote from it.

It says: "This was once again a year of progress on many fronts, with an overall impact that cannot be missed -- state government in New York is finally working again. Here is just a few ways how.

"We tackled public employee pension reform with a new Tier 6, which includes new employee contribution rates, an increase in retirement age, and other cost saving measures. It will save taxpayers more than $80 billion over the next 30 years.

"These achievements make one thing abundantly clear. Albany is working again. The Senate -- this person said about the Republican majority at the time -- is working hand in hand with Governor Cuomo to get things done."

And of course that was from the desk of Senator Jack M. Martins.

So as I listened to the comments, spare us, please, the hypocritical criticism of our efforts to unravel the horrible mistakes of

your previous majority. I would rather that you just said thank you and went on your way.

Either way, we will continue to make this state better for working people by continuing to correct your errors.

I vote aye, Madam President.

ACTING PRESIDENT PERSAUD: Senator Gianaris in the affirmative.

Senator Salazar to explain her vote.

SENATOR SALAZAR: Thank you, Madam President.

I want to say I genuinely appreciate the humor that Senator Weik brought when she spoke on the bill regarding good-cause eviction as Hotel California.

I just want to note that the State of California has had their own good-cause eviction law since 2019, and there's no evidence that it has inhibited the housing market there.

I want to first thank our Majority Leader, Andrea Stewart-Cousins, for her support throughout this process, for her leadership that has made it possible to create a historic good-cause eviction law for the first time in New York.

It was only 10 years ago that I found myself in Housing Court without an attorney, speaking for myself and my neighbors in our efforts to just get our building's faceless LLC landlord and management company to fulfill their most basic obligations to us as their tenants. It was a situation that far too many New Yorkers are still forced to deal with.

We lived in an unregulated apartment in Upper Manhattan at the time, where the landlord had failed to adequately heat the apartment in the winter, had refused to make urgent repairs to make the apartment habitable, allowed a severe rat infestation to persist, affecting the entire building and imposing serious health risks.

We went to Housing Court to address these problems because the situation was desperate. But I knew that even if we succeeded in that immediate battle for basic repairs and making the apartments safe to live in, we would ultimately lose the war, solely because our apartment was unregulated. Fighting to enforce our legal rights to a safe and habitable home ultimately meant we would not be allowed to stay

in our home. We saw the same fate, the same constant fear that unregulated tenants across the State of New York still face.

We have seen a lot of progress in the fight for housing justice in the 10 years since then. But until today, with the passage of this bill, New Yorkers in unregulated housing have universally lacked protections against unjust evictions and unreasonably high rent increases. And that lack of basic protections against the violence of eviction has led to immense, immeasurable human suffering.

It is precisely that lack of legal protections for unregulated tenants that we are just beginning to address through this legislation today. This law marks the single most substantial expansion of tenants' rights in New York that we have seen in 50 years. Under existing law, a landlord in the free market has unlimited discretion to evict a tenant or increase the rent by any amount at the end of the tenant's lease term. The good-cause-eviction law breaks from that status quo, one that is grounded in antiquated ideologies that prioritize profits over people.

Today we are taking this critical step to promote the rights of New Yorkers to stability in their homes and communities where they live and work and raise their children.

I want to be to be very clear. I believe that every single New Yorker, every single family in our state deserves the strongest legal rights to stay in their homes. This bill alone, sadly, cannot achieve that. But I will continue to fight until the laws in our state finally do.

Thank you, Madam President. I vote aye.

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

Senator Hinchey to explain her vote.

SENATOR HINCHEY: Thank you, Madam President.

We've heard a lot about housing and outside New York City in this conversation today. And as a Majority member representing outside of New York City, I think it's incredibly important to remind my colleagues that New York is a home-rule state. One of the most important jobs that we have as a State Legislature is to give

our municipalities the tools that they seek and the tools that they need and the tools that they ask for to be able to do what they know best for the communities that they represent.

From across the state, including in my region, communities like Albany, Newburgh, Poughkeepsie, Kingston, Beacon, New Paltz, Hudson, Rochester and Ithaca and many others have asked us, they have asked the state for help in regards to tenant protections. What we are doing in this bill is giving the communities the abilities that they have asked for. We are giving them the ability to keep people in their homes when they see the housing crisis come to their back door.

And in SD 41, in the community that I represent in the Hudson Valley, we have been disproportionately impacted by the housing crisis, being the number-one place people moved to throughout the pandemic. And while I am incredibly disappointed that short-term rentals did not make it through -- specifically the rental-term rental registry did not make it through this broader housing conversation, and I know that we've a lot more to do in working with

the Governor to get her there, to understand that short-term rentals are part of the housing crisis and that we have to address it, we are doing a good number of things in this budget to actually move the housing crisis in solving it forward. And I'm incredibly proud of that.

On education, I'd be remiss if I did not stand here and loudly thank Majority Leader Andrea Stewart-Cousins and Education Chair Senator Shelley Mayer and all of my colleagues for their fight in restoring the cuts to Foundation Aid that were proposed also by the Governor. The Hudson Valley would have been the number-one-impacted community in cuts to Foundation Aid, with the three school districts facing the highest cuts in my district alone.

We have restored that funding, making sure that there are no cuts to school funding this year, and put plans in place so that we can actually really understand how to better fund our schools in the future.

So thank you to my colleagues, thank you to Majority Leader Stewart-Cousins, and on this bill I vote aye.

Thank you, Madam President.

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

Senator Murray to explain his vote.

SENATOR MURRAY: Thank you, Madam President.

To finish up on what I was saying when I was speaking earlier regarding the wage theft, I just want to make clear that these companies that are paying biweekly instead of weekly, the employees got every single penny they earned. They didn't lose anything. So again, I don't understand the suing for damages. There were no damages. They got every penny.

If an employer happened to mistake the law, should they pay a fine? Maybe, sure. But these damages are putting businesses out. So that can't happen.

I came into this wanting to vote for this bill. I commend Senator Jackson on his efforts with Tier 6. I was proud to work with him and stand with him and push for this. And this is a start. It is a start. It's a good step in the right direction.

As far as the PLAs, Senator Mayer and my good friend Senator Mattera, working hard

to push that. Not where we wanted to be, at $3 million, but it's a step in the right direction.

But then I look at some of the other -- the good-cause, the attack on private-property ownership, the attack on the small businesses that I just mentioned that are just being encouraged.

Then we look at what this bill was supposed to be about, and that's school funding. And yes, the Foundation Aid restored it. Except I have 10 school districts in my Senate district; six of them got goose egg when it came to Foundation Aid increases. Nothing. One school district, my school district where I live, South Country School District, year over year, amount of change: $7,414. Wow. Great job.

And then finally, and sticking with Senator Gianaris's theme here, this is the truth. And I know some can't handle the truth, but the truth is --

(Laughter.)

SENATOR MURRAY: -- we should be embarrassed. Ninety million dollars was all we needed to make sure every child in this state was

fed in schools, and we couldn't fit it into a $237 billion budget? It's embarrassing.

I vote no.

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

Senator Rivera to explain his vote.

SENATOR RIVERA: Thank you, Madam President.

As we stated yesterday, as was stated yesterday, all budgets are negotiations and all results of budgets are never perfect. But to again paraphrase our leader, there are things that should be pointed out when people are "happish," and that's what we're trying to go for.

But I do need to stand up for a second and talk about, very quickly, about what we did in the housing-related field. We had a very lively discussion. The fact is that the version that we passed is not the original version of good-cause, to speak about that one for a second. We should have protected every tenant. But the fact is that this is a win for many tenants. I'm actually thinking about a friend of mine, Christina, who was kicked out of

her apartment for no other reason except the landlord just wanted to flip the building over. And the type of abuses that she had to deal with in a non-rent-stabilized apartment would have not been possible if this bill was in effect. So I'm thinking of her today.

We need to make sure that as this goes into -- it's implemented, that we hold landlords accountable. Because there's many landlords, and certainly some in my district, that take the rents and don't maintain their buildings. And we know that IAIs that we approve today, as opposed to making actual improvements, will be used sometimes to correct neglect that should have been fixed before, Madam President.

And bottom line, it is not our responsibility to make sure that landlords get rich. It's our responsibility to address the inequities that exist in our system and protect affordability. I believe that we have done something in this bill to achieve that. And although it is certainly not the version that we had originally, it is one that is going to protect many tenants. And I certainly want to thank both the leader and certainly the

Housing chair as well as the sponsor, Senator Salazar, for all the fights to make sure that we get it right.

So with that, I vote in the affirmative. Thank you, Madam President.

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

Senator Comrie to explain his vote.

SENATOR COMRIE: Thank you, Madam President.

I rise to say an unhappy yes to this part of the budget. I hope that we can -- well, I know we will be addressing the issues on housing again. I know that we will definitely be dealing with those issues because they haven't been dealt with successfully, in my opinion, and in the opinion of many people once this gets infused into the community.

But I'm rising because -- to vote an unhappy yes because there are many other things in ELFA that are important to our community, from making sure that the MTA does more to do audits to make sure that they're an agency that's providing truth to the community, with better opportunities and faster turnarounds, making sure

as they did with the Elmont Train Station that Senator Martins and I fought to get from another administration -- even though I'll take all the credit in the community. But Senator Martins and I fought to get that on my train station done, which was done on time and on budget.

Making sure that we do more for children. Making sure that we're working more in mental health. Creating opportunities to have better reproductive and maternal health healthcare.

And knowing that none of us are going away and none of these issues will be ending, you know, I look forward to having discussions with people that are actual people that are doing things and not people that are coming up with ideas and have never worked, have never owned, have never had to deal with the issues around housing.

So with that, I vote an unhappy aye.

Thank you.

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

Senator Mayer to explain her vote.

SENATOR MAYER: Thank you,

Madam President. I rise to cast my vote in favor of the bill.

This is by no means a perfect budget. But this bill includes major victories for our schools and our families, and represents a commitment to expanding opportunities for all New Yorkers. I hear the critics in this chamber and beyond, but I choose to celebrate what we did do, what we could win, what we fought for and had to compromise. That's what voters expect of us. That's what voters demand.

I'm proud to say we fought back against the Governor's cuts to more than half of the state's school districts. Under this budget, every district will receive at least as much money as they did last year. Is it enough? Heck, no. We fought for much, much more. We will continue to fight for much, much more. But we got a real victory, and that should not be minimized by anyone in this chamber.

We increase school aid by 1.3 billion over last year, 934 million more for Foundation Aid, and increase school aid to our school districts by half a billion more than the Governor's proposal. We also came to a

compromise -- compromise, a word I would remind my colleagues is necessary in negotiation -- with the Governor to move forward on a study of Foundation Aid, something that this Majority has been fighting for for years. This study will put us on the path to a new formula that ensures that every school receives the right amount of support it needs from the state. And that study must be completed this year.

There are groundbreaking new protections for rental tenants. And I want to affirm my support for these protections for rental tenants outside of New York City, many of whom cannot afford to stay in our communities if their rents continue to increase.

This budget in the education space is a tribute to all of the stakeholders, who fought hard and they will continue to fight for increased funding, and to our leader for being determined and persistent in getting the best we could.

That's what our voters demand, that's what we did. I proudly vote aye.

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

Senator Brisport to explain his vote.

SENATOR BRISPORT: Thank you, Madam President.

This budget is the product of a Governor whose campaign was funded by the real estate industry and the ultra-rich. That's who put Governor Hochul into power, and that's who she works for. This budget is a return on their investment. It protects and grows their profits at the expense of everyone else.

Governor Hochul is giving the real estate industry huge tax breaks in this budget and rolling back rent stabilization. She is giving no consideration for unhoused people because they aren't a good profit source for the industry. She is gutting good-cause eviction to leave as many tenants as possible unprotected from price-gouging and baseless evictions. This isn't a deal on housing. It's a handout to the real estate industry.

But the betrayals of her budget don't end there. At a time when New York State's childcare workers are earning less than 96 percent of occupations in the state, and our

childcare sector is collapsing, this bill will mean a pay cut for childcare workers. Governor Hochul is betting that no one will notice this cut in the chaos of the late budget. There is perhaps no politician in America so loudly claiming to care about childcare while consistently negotiating to cut or reduce or against childcare spending behind closed doors.

Governor Hochul has no interest in actually doing what the public wants and needs -- not on housing, not on childcare, not even on education. New Yorkers are overwhelmingly against mayoral control of our schools and came out in huge numbers to oppose it at public forums. Yet the Governor chose to force through a two-year extension of the policy as a political favor to a mayor who serves the same ultra-rich donors that she does.

When a politician is put into office by the rich and the powerful, we cannot be surprised when they do the bidding of the rich and the powerful. We can, however, refuse to accept it. I vote nay.

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

Senator Oberacker to explain his vote.

SENATOR OBERACKER: Thank you, Madam President.

As I said last night, having worked on budgets a lot in my career, both from a municipal and also from a professional standpoint, you know, budgets are nothing more than a business plan. They're a road map. They tell us where we are, they kind of tell us where we're going, and hopefully where we want to end up.

So let's look at where we are going. We are going to increase this budget over last year by $8 billion, to a budget of $237 billion when this is passed. Where are we at this point in this budget process? Well, right now we are and will soon be also passing this budget to be larger than the combined budgets of Texas and the State of Florida.

Where are we going to end up in this budget? Well, number one, we ended up initially raiding the education side of the budgets here. And I have 60, 60 school districts in my Senate district -- to which we did get the funding back,

but it's at a zero. It's a net zero equation to my district. What did we do? We also raided roads with our CHIPS funding. Again, restoring the levels back, but at a net zero increase. And lastly, we took out something very passionate and very important to me, is modernizing and also getting EMS as an essential service.

You know, there was language in the budget, it says -- and these are the words that were in there -- elevate accessibility, equity, quality and outcomes. This bill in this budget does none of those things, except one: Outcomes. And in my upstate district, the one word that sums up the outcome is forgotten.

I will be voting in the negative, Madam President.

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

Senator Weber to explain his vote.

SENATOR WEBER: Thank you, Madam President.

You know, we waited all week, all day yesterday, all night last night, and here we are. You know, various provisions of this bill are some of the biggest assaults on the suburbs

and private property owners here in New York State that I've ever seen. The disastrous good-cause eviction portion of this budget bill is a watershed moment, I think, a bail-reform-type moment where we will look back in a couple of years and say, What the heck happened? And who the heck voted for that?

You know, this bill is also a setback for a large portion of school districts in this state, including in my district, leaving some districts in a position to have to lay off employees and teachers. You know, some of my colleagues call this bill the Big Ugly, and it's sure lived up to its name. This bill has become a dumping ground for bad bills and bad public policy that can't stand on its own two legs.

This bill is, overall, bad and negative for New York State and for the residents of Rockland County. I vote no.

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

Senator May to explain her vote.

SENATOR MAY: Thank you, Madam President.

I rise to thank Senator

Hoylman-Sigal and the leader and my colleagues who are voting for the Local Journalism Sustainability Act today. All of us have seen local journalism vanish in our communities, and with it the ability of citizens to participate meaningfully in the important issues of their communities. And I hope that this act will make a difference.

I hope, for example, that CNY Latino, which is the only Spanish-language resource for a very wide swath of Central New York, will be able to continue the good work that it does in informing citizens about what they need to know.

I also want to thank Senator Kavanagh and Senator Salazar for their important work putting the Senate in the forefront of making sure that we are addressing our housing crisis in this state.

As the chair of the Cities 2 Committee, we are seeing enormous rent increases in our upstate cities. I know Binghamton had a double-digit average increase last year. Syracuse was second, at 8.6 percent. Our tenants cannot support this year after year. And in

Syracuse, 10 percent of the children in our public schools are homeless already. We cannot be putting more people out of their homes.

So if we can build new housing, good new housing for people to live in and make sure that tenants have the protections they need, we can start having more hope for the future of our communities.

I vote aye. Thank you.

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

Senator Chu to explain her vote.

SENATOR CHU: Thank you, Madam President. I rise today to express my support on this specific budget bill.

First, I want to highlight the historic investment to "Turn on the TAP" for our high school seniors and current college students by raising the eligibility income cap to 125,000, meaning more of our middle-class and working-class students will finally be able to receive tuition assistance and no longer be left out.

This budget also increased the minimum TAP award to $1,000. This is a critical

investment that will offset education costs while also addressing rising inflation tuition costs that students must bear up-front.

This program continues to provide much-needed assistance to students and their families. By passing this legislation, New York will continue to break down the barriers and invest in our young ones.

Second, I want to highlight the initial investment and crucial change to Tier 6. While there is a great amount of work to be done, I'm happy to see that we started to shift toward real reform to this plan. This is the beginning of much-needed change to recruit and retain quality employees that do so much to serve New Yorkers across this state. Our teachers, nurses, social workers and other public servants across our various government agencies deserve better.

For all the reasons above, I proudly vote aye. Thank you.

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

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you,

Madam President.

You know, Madam President, I am acutely aware of where I stood 12 years ago and where I stand today. And I'm acutely aware of where Senator Gianaris stood 12 years ago and where he stands today.

I've never considered myself or associated myself with the progressive movement, but here I stand, 12 years after having voted for Tier 6, imploring, working on the repeal of Tier 6, understanding the limitations that they have caused, the harm it has caused to our public employees, and the need for us to reform it.

So when questioned as to why I stand now urging my colleagues to do more, not less, when there's broad consensus in this chamber on both sides of the aisle to do just that, the question really isn't why am I in that position right now, because I readily recognize that that's where we should be, because our public employees do deserve it. The real question is why is Mike Gianaris not?

And so we can obviously revisit that at some point. But I'll stand with our public employees in urging changes to Tier 6. I will

stand with those who urge that we build and make affordable housing accessible to those who actually are means-tested for it, and stop protecting people who have more than enough means to be able to pay market-rate housing and yet hide behind rent-stabilized housing for as long as they have.

Madam President, I vote no.

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

Senator Rhoads to explain his vote.

SENATOR RHOADS: Thank you, Madam President.

I had the opportunity to speak during the bill, so many of my thoughts were already shared. But I do want to take a moment to thank both Senator Martins and to thank Senator Murray for their work on Tier 6.

And I also want to thank Senator Mattera for the outstanding advocacy that he has had in finally achieving PLA agreements on large-scale SUNY projects. That is something that you've been working for for a number of years.

You know, I respect the fact that

when you recognize that things aren't working, that you actually move forward and try and do your best to fix them. That's not what we're doing in this chamber, however. That's not what we're doing with the housing policy that we just passed. It's not what we're doing with good-cause eviction. It is certainly not what we're doing with accessory dwelling units. And it is not what we're doing with respect to the Housing for the Future program. We are doubling down on the same mistakes.

And I will close just with this warning as an explanation for why I'm voting no. For the longer that this chamber, both in housing and in the context of the entire budget, continues to act with a wanton disregard for the free market, for the longer that this chamber continues to act with a wanton disregard for common sense, the future of New York State will not be bright, it will be bleak.

We will stand here as a conference, speaking for myself and not speaking for anyone else -- though I'm sure we have many who agree -- we will fight that effort tooth and nail, and we will fight to give New York a better, safer and

more free future.

With that being said, Madam President, I proudly vote no.

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

Senator Borrello to explain his vote.

SENATOR BORRELLO: Thank you, Madam President.

There's an old saying that the road to hell is paved with good intentions. And I say good intentions because, you know, there are some good things in this budget. But overall, it's putting us in the express lane to hell.

And it's not just my opinion, it's the opinion of most New Yorkers. Poll after poll saying most New Yorkers believe the quality of life is declining here.

So what are we doing? We're pushing ourselves into this dystopian socialist future here in New York State where you can own some property, but you will control one aspect of that property that you own. The government will tell you what to do with it.

Well, folks, this is not 1984.

There are options. And the options are to leave the state and invest your money elsewhere. That's what's happening in New York.

And as we continue down this road and bang the table saying the rich should pay a little bit more, the rich -- well, they're leaving. So who's going to be left to shoulder that burden? The working-class folks. Because the pain is going to have to spread to them, as it is right now. People already think it's unaffordable to live in this state. Basics -- food, fuel, sending your kids to school, daycare -- all very expensive. None of that addressed in this budget.

But yet we're going to tell people that you, in order to have the privilege of owning some property here in New York State, you will do what the government tells you to do. That is a recipe for disaster, and the highway to hell. I'll be voting no.

Try to get that song out of your head now.

(Laughter.)

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

Senator Liu to explain his vote.

SENATOR LIU: Thank you, Madam President.

What a budget season we've been through. And I am happy that it's about to come to a close. It's been a rough season, no question. I am happy to have worked alongside Education Chair Shelley Mayer and our Majority Leader, Andrea Stewart-Cousins, to stave off many of the education cuts that were envisioned in the Executive Budget -- and also to address last-minute concerns and surprises. Namely, that of the Governor insisting upon mayoral control of New York City public schools at the 11th hour of the budget negotiations.

We did grant a two-year extension, not a four-year extension, and along the way insisted that the city do more to provide that sound, basic education, such as requiring the city to maintain its effort, the maintenance of effort provisions that will forestall the City of New York from reducing its funding for New York City public schools -- which unfortunately it has done the last couple of years -- to expand the School Construction Capital Plan, which is

desperately needed in order to reduce class sizes in New York City, and also to ensure a better system of checks and balances by having the mayor select the chairperson of the Panel for Educational Policy, the school board for New York City, from a short list submitted by the State Senate, the State Assembly, and the Board of Regents.

And I should also mention that this was all done relatively last minute, unfortunately, because I think the better process would have been to consider New York City school governance and mayoral control outside the context of the State Budget, where we would have had enough time and resources to consider the very comprehensive report issued just last week by the State Education Department, one that analyzes 50 years of history of school governance in New York City --

ACTING PRESIDENT PERSAUD: Senator Liu.

SENATOR LIU: -- and one that would inform us of the path forward.

ACTING PRESIDENT PERSAUD: How do you vote?

SENATOR LIU: Madam President, I vote yes on this budget.

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

Senator Jackson to explain his vote.

SENATOR JACKSON: Thank you, Madam President. I rise after many days of tense negotiations, as we are called to vote today on the budget for our state.

I harbor significant concerns regarding this budget, Madam President. It overlooks the opportunity to tax the ultrawealthy to finance proven social programs. It fails to include the HEAT Act, despite the efforts of many environmental advocates. Despite months of hearings on mayoral control, it will be extended without genuine measures for enhanced accountability and increased parental involvement -- a result of budgetary process where the executive branch continues to wield leverage. Instead of inclusive and deliberate process over the coming months, the Executive rushed to include this in the budget.

And I am disappointed that we are

not passing the strongest version of good-cause eviction and have significantly raised the cap on IAIs, leaving too many vulnerable New Yorkers without strong tenant protections and threatening their ability to continue to afford living in New York State.

Nevertheless, there are glimpses of great victory. As chair of the Civil Service and Pensions Committee, I am immensely proud of the collaborative efforts with labor to reform Tier 6, especially reducing the final average salary calculation window from five years to three years. This is an important step on the road to pension equity and strengthening our public workforce.

And I am also proud of our efforts in providing SUNY Police with a heart presumption benefit, extending by two years the overtime exclusion for calculating employees' contributions.

For the children of New York State, I am pleased with the legislation increasing Foundation Aid compared to the Executive's proposal. Democrats and Republicans came together to fight that. Additionally, I'm

pleased with the allocation of $1 million for a study of Foundation Aid. However, I strongly believe that the stakeholders approach to leading the study would be more effective and fruitful, as outlined in my legislation.

As a New Paltz alum, I am delighted to see an increase in TAP funding benefiting students and increased funding --

ACTING PRESIDENT PERSAUD: Senator Jackson, how do you vote?

SENATOR JACKSON: -- for SUNY and -- Madam Chair -- Madam Chair and leaders, I say I vote aye on the bill.

ACTING PRESIDENT PERSAUD: Thank you. Senator Jackson to be recorded in the affirmative.

Senator Myrie to explain his vote.

SENATOR MYRIE: Thank you, Madam President.

I am voting in the affirmative on this budget because New Yorkers expect us to deliver even when we have differences and even when we disagree. But I am particularly excited for two policies in this budget, one being deed theft. For Black and brown homeowners in Central

and East Brooklyn, in Southeast Queens, in Harlem, in the South Bronx and the Northeast Bronx, you will now have protection for the first time against bad actors who have stolen generational wealth from you for generations.

But I am also excited to vote for after-school programming. For the first time in the state's history, we have universal in our statutes a path for after-school programming for every New York student who wants it.

So I proudly vote in the affirmative and urge my colleagues to do the same.

Thank you.

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

Senator Harckham to explain his vote.

SENATOR HARCKHAM: Thank you very much, Madam President.

I want to thank the Majority Leader, Andrea Stewart-Cousins, for bringing this bill to the floor.

On the housing component, I want to thank Senator Kavanagh and his team for the great work. You know it's a good day when we're having

a housing discussion the rage is not about accessory dwelling units.

(Laughter.)

SENATOR HARCKHAM: And that's because we did the work. We worked with stakeholders; it's now an opt-in. But as Senator Hinchey mentioned, there are communities that want these tools. And this is a valuable tool to help keep seniors in their homes, our first responders able to live in the communities they serve, our young people and our workforce living in those communities. Environmentally, they're low density, low impact. That's a big win for New York.

The other is we planted a flag on commercial conversions outside of New York City. The suburban office parks of yesteryear can be the affordable housing of today and tomorrow. We now have a tax credit program -- again, thanks to the negotiations -- that will benefit our suburban communities.

So for these and other reasons, I vote aye.

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

Senator Canzoneri-Fitzpatrick to explain her vote.

SENATOR CANZONERI-FITZPATRICK: Thank you, Madam President. And thank you for standing there for so long presiding over these very robust debates.

There are a number of things in this bill that I'd like to mention. Yes, we've talked about school aid, Foundation Aid and how great it is that we've restored it, and I applaud the efforts to combat what was initially presented by the Governor. But it's important for us to all know that even in the school districts that are at the same level that they were at last year, they will still be laying off teachers. Teachers are still losing their jobs.

We did not pay for free lunch for all, and we were so close on that. And that's something that we missed the target on.

Tier 6. There were multiple requests -- and I applaud again my colleagues on the other side of the aisle because we've all acknowledged that Tier 6 needs fixing. Yet we did nothing to retain the employees that we currently have. We've encouraged retirement, but

we really need to attract and retain our new employees.

I had a discussion earlier about squatters. We've defined them, but we've given landowners no teeth, no tools to remove squatters that are illegally and inappropriately in someone else's property.

And good-cause eviction. While some are applauding it, I believe that this is -- we're forgetting the ability of people to enter into an agreement on terms that they determine. We are substituting our judgment for people that have entered into a bargain with consideration on both sides.

And I will always fight against this chamber substituting its judgment for that of local governments. It is not our job to tell local governments what they think is best for their communities.

For those reasons, Madam President, I'll be voting in the negative.

ACTING PRESIDENT PERSAUD: Senator Canzoneri-Fitzpatrick to be recorded in the negative.

Senator Krueger to explain her vote.

SENATOR KRUEGER: Thank you very much.

So I want to thank all my colleagues for all the work we put into the budget this year. None of us are super happy. We know that. My colleagues across the aisle, and you've heard from my colleagues here in the Democratic aisle, each of us would have written a completely different budget, no doubt, if we were allowed to individually. But we're not.

But I do see that there's a difference. On one side of the aisle I feel like it's all dark and doomsday with no hope, and that we're feeding into even worse storylines. And yet I know we're not. And I know that it's not that dark out there.

But I just want to just take a few seconds to establish that in the Legislature, when you speak on the floor of the Legislature about the intent of the Legislature in a bill, it actually can be used in court. So I want to make clear that the sections of the housing bill that require that you document what you're doing, that there's audits, that there's fraud, that there are actions that can be taken, will require HCR

to establish strict regulations.

And we're depending on them to do that, including with the very, you know, upsetting to people IAI two tiers. That if you're going for the higher tier of the IAIs, which would be $50,000, it's not just whether or not somebody's lived there for 25 years, but in fact has to show that this work is needed and that they need preapproval and they need to document the amount of money being spent.

And since intent of the Legislature when spoken on the floor means something, I just want to highlight with all the great things in this bill -- and there are great things in this bill that we didn't even get to talk about -- the fact that some of my colleagues wanted to point out we had funding for abortion in this bill.

Thank God, in my opinion, we live in a state, unlike 24 others, that still recognizes the fundamental right of people to make their own healthcare decisions and that we recognize the right to legal abortion in this state. And so is the state continuing its history of some funding for it? Yes, it is.

I vote yes, Madam President. Thank

you.

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

Senator Stavisky to explain her vote.

SENATOR STAVISKY: Thank you, Madam President. And thank you to our leader, Senator Stewart-Cousins, and the staff. I think they did a remarkable job.

It's been said that the perfect is the enemy of the good. There are things in the budget that I am not pleased with. But there's so much good in here, particularly in terms of our college students.

It's been mentioned that the "Turn on the TAP" program is very beneficial, not just to our side of the aisle but to the entire state. And it's been decades since we've had significant changes in the TAP program. And to me, the most significant one, of many, is the eligibility income increase from $80,000 a year to $125,000 a year. That is a -- to me, a dramatic shift. It's going to encourage middle-class students to stay in New York, to live here, to work here.

And, Madam President, I proudly vote

aye.

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

Senator Hoylman-Sigal to explain his vote.

SENATOR HOYLMAN-SIGAL: Thank you, Madam President.

I rise to thank Majority Leader Stewart-Cousins, our deputy leader, the entire staff that stands behind us and propels us forward, in consideration of this budget, as well as the Governor for lowering the temperature, for the civil discussions that ensued over the last several months around this budget.

I think if we compare this budget to years previous, it may have taken a little longer, but I think the outcome is far better. And that's why I strongly support this budget, including moving forward with efforts to return home rule to New York City on what seemed to be prosaic issues like speed limits. By passing Sammy's Law, we finally allow New York City to set its own speed limit.

I'm very proud of the fact that we are providing a leg up for struggling local news

publications and broadcasters. They say that democracy dies in darkness. If you just walk down to the Legislative Correspondents Association, you have noticed over the last few years the fewer number of reporters covering our work here. We need that spotlight on us, not for ourselves, but for our constituents, so they can vote appropriately and make the right decisions.

And I'll say also that when it comes to housing, I am so pleased that this budget includes those good-cause eviction protections that we've been fighting for for years. Credit to Senators Salazar and Kavanagh for all of their efforts.

I've had constituents who have been forced to leave my district and New York City in its entirety because of 50, 60, 70 percent rent increases since COVID. These protections will allow, hopefully, them to stay and thrive in New York City.

I vote aye.

ACTING PRESIDENT PERSAUD: Senator Hoylman-Sigal to be recorded in the affirmative.

Senator Thomas to explain his vote.

SENATOR THOMAS: Thank you,

Madam President.

This is my sixth budget and the last one in this chamber. Every budget is different. No budget is perfect. And this body, our entire job is to move forward. That's what we do for our constituents here in New York. Since 2019 when this majority took on this chamber, we've always put people in New York first. We fully funded our schools. We expanded pre-K on Long Island. We made sure there's more funding for our veterans out here in this state. We provided more funding for our state parks. We provided more funding for our water infrastructure. We provided more funding for our State Police. We provided more funding for our roads, more protection for our tenants than ever before. I can go on and on.

This majority has always, always, always put people first, and that's why I vote aye. Thank you.

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

Senator Kavanagh to explain his vote and to close.

SENATOR KAVANAGH: Thank you,

Madam President. It's a shame that we didn't get a full reference to AC/DC a moment ago --

(Laughter.)

SENATOR KAVANAGH: -- on the Roadway to Hell. I don't know.

But I do rise to just highlight a few of the very positive things in this bill.

You know, we've talked in this chamber about the intersecting crises that we have to face of homelessness and evictions, of inadequate housing supply and unaffordable housing costs. These are difficult problems to solve. I think it is telling that we had a proposal today in the chamber that attempts to solve these problems that was put forward by the Minority, you know, in good faith, but that would literally result in the eviction of hundreds of thousands of people in New York City over the course of the next year, because -- for the sin of making over $136,000 or $155,000 a year. These are different problems to solve. We have tough choices to make.

I want to thank Senator Majority Leader Andrea Stewart-Cousins, Senators Persaud and Hoylman in their respective roles as chairs

of the Social Services and Judiciary committees, and of course Senator Salazar for more than half a decade of work on good-cause eviction.

We are following through on the multiple approaches that we're taking to these crises, and particularly with this bill. Yesterday we passed a bill that addresses the need for capital spending with a billion dollars of new capital spending on new programs to provide housing throughout the state. We are of course protecting tenants, not just with this bill but by funding attorneys, by increasing rental assistance and strengthening our laws and our enforcement of laws against discrimination in our fair on housing laws. And of course good-cause, which I'll get back to in just a moment.

For homeowners we're providing the Homeowner Protection Program. We have great new laws on deed theft, thanks to Senator Myrie's leadership. And again, the fair housing laws that we're increasing funding and support for enforcement of those.

And yes, many new incentives for the private sector to produce affordable housing not

just in New York City, but across the state. There's a problem called 421-p which hasn't been discussed much today but will allow tax incentives throughout the state for either construction of new housing or conversion of existing commercial buildings.

Those provisions, we've talked about the affordability of those. Senator Ramos asked me to mention a particular feature of those laws, which is that they are designed to protect the rights of the working people who work to construct those buildings and to service them after they're built, by applying strong labor protections, including the provisions of Section 220 and 220B of the Labor Law.

And there is a provision somewhere in the bill that suggests that they could include in the definition of wages the provisions that include payroll taxes but, only to the extent permissible by law. And I want to make it clear that that is basically not permissible by the laws I just referenced.

So these will be strong labor protections throughout the state on those cases.

Good-cause eviction has been the

subject of much conversation today. I will note that there are numerous court cases that have upheld the much stronger provisions of the rent stabilization laws in recent years, including CHIP vs. New York City, 74 Pinehurst vs. New York State, G-Max vs. New York State, and BRI vs. New York State, all of those decided in the last year and a half by the Second Circuit, and the Supreme Court has already denied cert on three of them.

It is the case that states have the ability to specify the terms under which people can get evicted, and that is what we are doing today.

Good-cause eviction has been the subject of a lot of criticism from the property owner perspective here in this chamber that's, you know, been ably defended and responded to my colleagues. I do want to note that this bill is not a perfect specimen of statutory construction, and we do have some concerns from some of our friends in the tenant advocacy community that there might be some gaps in this bill.

Particularly there's been concern that the demolition -- the fact that people can

opt out of good -- can sort of be exempt from good-cause because they're demolishing the building or withdrawing it from the market or to use the building for themselves or their family, the so-called owner use exception.

And I just want to note that we've put in very strong protections against those being loopholes that can be abused. We are requiring in this law something that's very rare in statute, which is clear and convincing evidence if a landlord intends to take advantage of those experimentation exemptions. We've seen in the past fraudulent attempts to evict tenant using loopholes, especially in the rent stabilization laws, and we've had lots of litigation over the years to block those.

But we've learned from other jurisdictions and from our own experience that if you allow tenants to be evicted simply on the landlord's word that they perhaps intend to demolish the building or withdraw it from the rental market, that that is a recipe for trouble.

So we've made it clear here that demolition and withdrawing housing from the market constitutes good-cause only if the

landlord has strong intention, demonstrated by clear and convincing evidence, to use the property for those purposes.

ACTING PRESIDENT PERSAUD: Senator Kavanagh, your time is up.

SENATOR KAVANAGH: And I will wrap up with just one more thought.

Which is, you know, again, there's an exemption here for small landlords. There's a lot of sympathy for small landlords. But we've made it crystal-clear that landlords need to disclose the full range of owners of the building, and that that will be part of any eviction proceeding where someone is claiming that exemption. And we believe that will be an adequate protection against larger landlords trying to use that loophole.

Again, this is not perfect, but this is a giant step forward in the completion of a budget that is really addressing our multiple housing crises at multiple levels, and I'm very proud of the work we've done today and very proud to vote aye.

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

Announce the results.

THE SECRETARY: In relation to Calendar 849, those Senators voting in the negative are Senators Addabbo, Ashby, Borrello, Brisport, Canzoneri-Fitzpatrick, Gonzalez, Griffo, Helming, Lanza, Martins, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Rolison, Scarcella-Spanton, Skoufis, Stec, Tedisco, Weber and Weik.

Ayes, 36. Nays, 24.

ACTING PRESIDENT PERSAUD: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Can we now take up Supplemental Calendar 45D, as in David.

ACTING PRESIDENT PERSAUD: The Secretary will read.

THE SECRETARY: Calendar Number 848, Senate Print 8300D, Senate Budget Bill, an act making appropriations for the support of government.

ACTING PRESIDENT PERSAUD: Senator Gianaris.

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

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

SENATOR GIANARIS: Move to accept the message of necessity.

ACTING PRESIDENT PERSAUD: All those in favor of accepting the message signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT PERSAUD: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT PERSAUD: The message is accepted.

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT PERSAUD: The bill is laid aside.

Senator Gianaris.

SENATOR GIANARIS: Let's take up that controversial calendar, please.

ACTING PRESIDENT PERSAUD: The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 848, Senate Print 8300D, Senate Budget Bill, an act making appropriations for the support of

government.

ACTING PRESIDENT PERSAUD: Senator Rhoads.

SENATOR RHOADS: Thank you, Madam President. On the bill.

ACTING PRESIDENT PERSAUD: Senator Rhoads on the bill.

SENATOR RHOADS: Thank you so much, Madam President.

You know, I must say that in the course of a $237 billion budget, I am disappointed that within the Department of Environmental Conservation we could not find the funds to take care of a growing issue and an ongoing issue, certainly in my community and many of our surrounding communities on the South Shore of Long Island.

In 2020, the State Legislature created the South Nassau Water Authority and the North Shore Water Authority. Except for some reason -- and I think it may have something to do with who was in the control of the Town of North Hempstead at that point in time -- for some reason the North Shore Water Authority was funded to the tune of $2 million, but the South Nassau

Water Authority received nothing.

Now, there was a bill -- and by the way, the purpose of these water authorities was to investigate the possible takeover of an entity called Liberty Water. Liberty Water, by the way, is a private water utility, whereas most of the rest of Long Island has public utilities that actually handle water delivery and treatment to individual residents.

As a result, Long Islanders in my district, in Senator Canzoneri-Fitzpatrick's district, in Senator Martins' district, pay exorbitant rates for water, sometimes as much as 12 times what public utility ratepayers pay.

And the purpose of -- the authority was created to investigate the possibility of doing a takeover of that private utility, how much it would cost to evaluate their systems, to determine what they would have to pay, and negotiate with the private utility to do a public takeover and put that to the voters to make a determination.

North Shore Water Authority was paid $2 million to do that study. The South Nassau Water Authority was given nothing. There was a

bill in 2022 introduced by my predecessor which passed this house, that was vetoed by the Governor because it was outside of the budget, to provide $1 million in funding.

I'm disappointed that in spite of requests both last year and this year to the leaders in both houses as well as to the Governor, that we could not find, in a $237 billion budget, $1 million to treat the South Nassau Water Authority the same as we did the North Shore Water Authority and provide the dollars necessary to complete the process so that we can get water relief to residents across Southern Nassau County.

I want to -- you know, I want to express that disappointment but also -- I did. So I wanted to express that disappointment, and with that I'll yield the balance of my time.

Thank you.

ACTING PRESIDENT PERSAUD: Senator Ashby on the bill.

SENATOR ASHBY: Yes, Madam President, on the bill.

I want to thank my colleagues. I plan on supporting this bill. And I'm not going

to quote our Colonel Jessep or Lieutenant Kaffee, but I am going to talk about a more real-life military and veteran situation specific to our Department of Veterans Services.

There's been a minimal increase in funding, yet no new programming, no new federal assistance, and no consolidation of programming into the department itself. No significant changes at all. And yet we continue to see the absence of the Staff Sergeant Alex Jiminez Family Legacy Program.

And I don't know if anybody in here realizes, but immigration is a very divisive issue. But it doesn't always have to be. Bipartisan legislation exists federally and within our state.

Staff Sergeant Jimenez went missing in action in 2007 in the Triangle of Death south of Baghdad, and his remains were recovered in 2008. I was in Diyala Province when his remains were recovered. I did not realize at that time that his spouse was being actively deported. The federal government stepped in, created a Parole in Place program specifically for the undocumented family members of servicemembers.

This program continues to exist.

Is this not worth leadership support? Is it not worth a bipartisan demand for leadership to act? I believe it is. And being that it passed both houses of this Legislature unanimously, more than once, I believe everyone in this room thinks so too.

The Governor's veto message cites it as duplicative. The fact is, it would be so duplicative it would be the first-in-the-nation program to provide these services.

It's an issue that is eroding public trust and dividing us further. Leading, mending these ways, must be our aim. And Staff Sergeant Jimenez's profound example is the inspiration. The future he gave his life for is better than what we are delivering.

Thank you, Madam President.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Martins on the bill.

SENATOR MARTINS: Thank you, Madam President. On the bill.

You know, since we are funding government operations, I take the opportunity to

just raise an issue specifically to the Department of Labor.

You know, as part of our discussions each year when we sit and we hold budget hearings, then we go back and we talk to our constituents. One of the concerns that has come up time and again -- not once, but several times over several years -- is the ability of the Department of Labor to enforce prevailing wage requirements and certified payrolls required when doing jobs that require union trades.

You know, we had conversations, we had questions of the commissioner, who said that yes, they are aware of it, but they don't necessarily have the staff necessary to get that done. Yet we hear from our building trades that time and again those jobs that should be prevailing wage, that should be -- require certified payrolls are being done by people who are paying their employees less than the required wage and getting away with it.

And so I would want to make sure, as a matter of record and producing a record, that we have the ability to point back to the necessity, the need for the Department of Labor

to actually place those resources where they belong, and to support our building trades.

Because as recently as just last week, I had discussions with building trades on Long Island who are concerned about this, and we will be meeting again as we go through the year, in the hopes of meeting with the Department of Labor, coordinating and seeing if we can't bolster their efforts. Certainly there's enough money in this budget for them to be able to prioritize that, and I certainly hope that they do.

On a separate note, Madam President, with regard to the Department of Health, people in this body may not remember it, we passed a bill in -- I believe it was 2021. It was sponsored by Senator Gaughran at the time, and it passed both houses and it was signed into law by the Governor, which required the Department of Health to conduct a study with regard to airplane noise and the impact that airplane noise has on local communities.

As you know, Madam President, my district, sitting on the North Shore of Nassau County with John F. Kennedy Airport and La

Guardia Airport so close, happens to be under the flight path of just so many planes. And the impact to our communities -- and I know many of my colleagues here in the chamber know all too well what the impacts are of being close to those airports.

It's real. It's not just a nuisance. It's not just loud. There is documented proof that there are health consequences to our communities with the frequent overflight and decibel levels of these planes, and the impacts to air quality can't be ignored.

And so this chamber and the Assembly and the Governor agreed by signing a bill into law requiring that a study be conducted to measure those so we can actually have forensic evidence of what is happening and use that in our discussions with the FAA and the Port Authority with regard to how they route airplanes over our communities.

Madam President, that report was due back from the Department of Health on March 31, 2024 -- three weeks ago. There's no report. We contacted them. We are working with the Department of Health, who tell us that they're

working on an RFP now. It hasn't been issued yet. Even though the report was due three weeks ago, that they plan to have an RFP prepared and ready, and then they'll eventually get it out and they'll have a consultant that they'll hire once they've done the proper vetting. And then they'll go out and they'll conduct a study over a period of time, and then eventually they'll get back to us with those results.

But, Madam President, that wasn't a suggestion. It wasn't an ask. It wasn't something that they were asked to do. It was something that this Legislature and the Governor signed into law and required them to do.

And so here we are. I would be remiss if I didn't ask and confirm that there is proper and sufficient resources in the Department of Health to conduct that study and prioritize that study so that the residents of our districts, of my district and others on Long Island, both in Nassau, Suffolk, Queens, Brooklyn -- over which we have endless flights and noise and impacts to our communities, and serious health impacts to our communities -- have the ability to actually track it and hold people

accountable.

So I urge my colleagues to coordinate, to work, to ask yourselves why the Department of Health has failed to actually provide the report that they were supposed to by law have to us by March 31st, and how quickly they will get around to actually doing what they were required to do, as opposed to just saying they'll get around to it when they get to it because they're busy and they have other reports they have to do.

I didn't realize that when this chamber passes a bill and the Governor signs it into law, that it is up to the agency to decide whether or not to do it or not and whether or not to prioritize it or not.

We will continue to ask. But I want to make sure that there are resources available in this budget, in state operations, to actually prioritize the health and safety of the residents of my district and others around me when it comes to fighting the scourge of noise and air pollution that comes from living under the flight paths of just so many of these airplanes.

And lastly, Madam President, I just

want to make sure that since we are funding the Division of Housing and Community Renewal, that we make sure that there are funds there sufficient to ensure that the division is properly staffed to be able to address some of the priorities that have been passed by this chamber over the course of the last few hours, that they do have the ability to prioritize those things that are here and to do so appropriately.

You know, we talk a lot about affordable housing, we talk a lot about building housing in our communities, the next generation of Mitchell-Lama and the like. But if we're going to build those in our local communities, it's essential that the Division of Housing and Community Renewal have people on staff who understand local zoning, who understand the need to work collaboratively with our local communities, who respect the fact that building something in a community is not just something that parachutes in, it has to actually be properly evaluated pursuant to the State Environmental Quality Review Act, and that the local communities have to be part of that process in determining whether or not those housing units

or the infrastructure or the impacts to the local community, whether it's water or sewer or otherwise, are properly addressed.

And so I just want to make sure that as part of the funding that we're providing the Division of Housing and Community Renewal, that all of these things are prioritized when they make sure that they hire personnel sufficiently trained and with sufficient experience to understand how to work with local communities when it comes to local zoning needs.

So, Madam President, I'll be supporting this bill because I think it's very important that we continue to support our government and allow them, in turn, to work with our local governments or on the priorities that are set by this house in terms of advancing policy not on their terms, but on the terms that are set by our state.

Thank you, Madam President.

ACTING PRESIDENT PERSAUD: Does any other Senator wish to be heard?

Seeing and hearing none, debate is closed.

Senator Gianaris.

SENATOR GIANARIS: Madam President, let's restore this bill to the noncontroversial calendar, by agreement with the Minority.

ACTING PRESIDENT PERSAUD: The bill will be restored to the noncontroversial calendar.

Read the last section.

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

ACTING PRESIDENT PERSAUD: Call the roll.

(The Secretary called the roll.)

SENATOR GIANARIS: Madam President, while the vote is being tabulated, we're also going to stand at ease for a brief moment while we get everyone onto the floor for final remarks that need to be here.

ACTING PRESIDENT PERSAUD: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 2:32 p.m.)

(Whereupon, the Senate reconvened at 2:35 p.m.)

ACTING PRESIDENT PERSAUD: The Senate will return to order.

SENATOR GIANARIS: The Senate will now proceed with the vote for the bill that was before the house.

ACTING PRESIDENT PERSAUD: Senator Kennedy to explain his vote.

SENATOR KENNEDY: Thank you, Madam President.

First of all, let me start by taking this opportunity to say a few words today as we pass this budget. This serves as my final budget under all circumstances here in the Senate. This is my 14th budget, state budget. And if you could just indulge me for a moment, I want to say just a few words about my time here in the Senate, Madam President.

First and foremost, I have many thank-yous to go around, starting by thanking God for giving me the opportunity to stand here with all of you. 'Tis only by the grace of God go I.

And this has been an emotional journey for me for many years to get to this very moment. And the thank-yous are boundless, quite frankly. And it starts at home with my wife, Katie, and our three beautiful children, Connor, Eireann and Padraic, our baby angel Brigid, my

extended family, my parents, my in-laws, my siblings, their significant others -- husbands, wives, my nieces, nephews. Family. All right? That define us, make us who we are.

And all of those that helped to form and inform me in who I am as an individual and how I think, how I live, how I vote. And those characteristics, those -- the moral upbringing that gave me and made me who I am.

I am forever grateful and forever blessed, and I never take it for granted, all of which I just articulated to you the boundless blessings that made me who I am and why I'm here today.

Which then leads me to my Senate family, all of those that helped to get me here over the years, starting back in 2010. It's been my 14th year here, I campaigned to get here. So many that helped to make my campaign for Senate back in 2010 a success, and then those that have served in my Senate staff office, including those that work with me here today, my Senate staff, that really makes my office the best office it can possibly be, that I would put up against any office in the entire nation. And I've been

blessed and honored to have the most incredible staff serving with me over many, many years.

My colleagues that have helped to make this experience here in this auspicious chamber what it's been, a ride of a lifetime. When I ran in 2010, I had thousands of signs that said "Kennedy, Democrat, Change Albany." And I believe we've done that. We've done that. All of us have done that. No one individual on his or her own, but us as a collective body have changed Albany unquestionably, and changed it for the better.

When we began, the government at that time was considered the most dysfunctional state government in the entire nation. We've changed that. We have changed that.

I want to recognize those that actually started here with me when I began, starting with our colleagues here: Of course the dean, Senator Breslin; Senator Parker; Senator Krueger; Senator Serrano; Senator Stavisky; Senator Rivera; Senator Addabbo, on this side of the aisle. And in order to get here, we needed leadership on the political side of things, and steering the ship over many years

was Senator Mike Gianaris.

On the other side of the aisle, but a handful: Senator Lanza, Senator Gallivan, Senator Griffo, and Senator O'Mara.

Together we have redefined how this chamber operates and functions and leads. And I've been a part of this change under the blessing to serve with the greatest of leaders that I've ever served with and may ever serve with, our Majority Leader, Andrea Stewart-Cousins -- a historic figure in this chamber and in this state, as we know. It's worth repeating: First woman, first woman of color in the history of New York State to serve in that capacity of leadership, Democrat or Republican, Senate or Assembly. It's been the honor of a lifetime, and a privilege.

Those of you that have come since I got here, I want you to know that I feel the same about all of you as well. I consider you all my friends, colleagues, individuals with the greatest of esteem for the work that you do, for the people that you represent, for the reason that we're here, for the passion that you serve that has defined this great state for the better.

We are all better off because of every single one of you in this room.

And I thank you, each and every one of you, for giving me the opportunity to serve with you, to laugh with you, to cry with you, to argue with you, to fight with you -- for the people of this great state and this great nation. Because what happens here in this state and in this chamber we know informs the rest of the nation and, quite frankly, the rest of the world on how to lead. And I believe we've done that. And I believe we've done that with dignity and respect and civility and kindness and passion. And I hope I've brought a little bit of all of that to the table.

That's why in this moment, as I stand here on April 20, 2024, and I say this is my last budget because it's the end of this budget cycle, as we take our last vote in this moment, but it's the beginning of early voting in the 26th Congressional District. Today is the day.

So I suppose timing is everything. And if I'm given the honor to serve my constituents and our community in the

Buffalo-Niagara region in the United States Congress, with the vote ending on April 30th, this will be my last moment to address all of you as a member of the New York State Senate -- if I'm victorious in that campaign.

So I just want to say thank you. Thank you to each and every one of you that have worked with me, that have loved with me, and that have cared with me about the great people of this Empire State of New York. From a kid from the neighborhood in South Buffalo, the Irish enclave in the City of Buffalo which, for any of you that's been paying attention is the capital of Irish America --

(Laughter.)

SENATOR KENNEDY: We claim it.

(Laughter.)

SENATOR KENNEDY: Who came up with very little means in a family that didn't have much but each other, love, faith, love for community, love for serving others, love for giving back, and an individual raised in a neighborhood who went on to St. Joseph's Collegiate Institute, graduated 30 years ago in 1994. Minority Leader Rob Ortt's alma mater.

You might have seen him get in a picture with me yesterday. I think we'll both admit it wasn't an endorsement.

(Laughter.)

SENATOR KENNEDY: Twenty-five years ago this year, graduated from D'Youville University, named after St. Marguerite d'Youville, the founder of the Grey Nuns.

As an occupational therapist, coming from healthcare, people always said how does an occupational therapist run for office, become a public official, an elected official? At the end of the day it's all about helping people. That's what we're all here to do. And that's what we all do.

And I've seen over the last 14 years everyone in this chamber, and those that have come before us, serve the people of this great state, helped the people of this great state, and do it very well.

Thank you for giving me this opportunity. Thank you for your indulgence. Thank you for your service. Thank you for your friendship. As my career moves on, I look forward to our continued work together, our

continued service, and our continued leadership on behalf of this great state and this great nation.

God bless each and every one of you and your families. God bless the great State of New York. And God bless the United States of America.

Thank you, Madam President.

ACTING PRESIDENT PERSAUD: Thank you, Senator Kennedy.

(Extended standing ovation.)

ACTING PRESIDENT PERSAUD: So, Senator Kennedy, how do you vote?

(Laughter.)

SENATOR KENNEDY: I absolutely vote aye.

(Laughter.)

ACTING PRESIDENT PERSAUD: Thank you. Senator Kennedy to be recorded in the affirmative.

Announce the results.

THE SECRETARY: In relation to Calendar 848, those Senators voting in the negative are Senators Borrello, Helming, Lanza, Oberacker, O'Mara, Ortt, Stec and Tedisco.

Ayes, 52. Nays, 8.

ACTING PRESIDENT PERSAUD: The bill is passed.

Senator Gianaris, that completes the reading of the calendar.

SENATOR GIANARIS: Now, Madam President, we're up to the concluding remarks of the leaders.

Please recognize Senator Ortt.

ACTING PRESIDENT PERSAUD: Senator Ortt for remarks.

SENATOR ORTT: Yes, thank you, Madam President. The hour is late, even though the hour is early.

(Laughter.)

SENATOR ORTT: But I want to thank -- first of all, I want to thank all of my colleagues in the Republican Conference for your commitment to the people of New York, for your work during this budget process. As I was watching the floor debates, you know, you try to think about what you're going to say or how to capture our sentiment from this side of the aisle. And it's really impossible to do a better job than I think was done by our members.

And so I want to thank you all for your comments, for your questions, for your thoughtful voting and comments on this budget on behalf of our constituents and the people of New York.

I certainly want to thank Senator O'Mara, our ranker on Finance; Senator Krueger's dance partner for most of the budget out here. He's gotten -- he's pretty nimble on his feet. You know, you wouldn't know it, but he is, as you all can see. But he, you know, like Senator Krueger, he's in every budget hearing, which starts in February. And then obviously hours of debate, but also hours of debate prep and really trying to have an understanding of a 237, in this case, billion-dollar budget, which is not an easy task. And so I want to thank him.

I certainly want to thank our floor leader, our deputy leader, Senator Lanza, who is out here the entire time, essentially. Doesn't really get a break. And certainly manages the floor and I think does so in a very admirable way.

And I want to thank you for your friendship and your partnership.

I'd be remiss -- I want to thank obviously members of the Majority. I want to thank Senator Krueger, who takes the lion's share of the questions from our members and answers them I think in the most honest way that she can. I know very often, from being on that side of the aisle, you don't always fully know everything that's in this because it's being put together at the last minute. And I always think she's very sort of up-front about that.

And so I thank you for your work on this.

I certainly want to thank Senator Gianaris, who's out here all the time as well, with Senator Lanza, as I often say. And I do think they manage this whole thing as best as you could expect two people in this situation to do that.

So I want to thank my partner, my colleague across the aisle, Senate Majority Leader Senator Andrea Stewart-Cousins, for her work on this process. I know negotiating the budget, I'm certain, is not an easy task.

And so I want to thank everyone, all the members, the staff. The staff does an

incredible job, and I'm sure she will thank her staff. But to our staff, from counsel's office, our analysts to our press folks, everyone in between -- but certainly the folks who are up at 2:00 in the morning who set alarms, you know, almost like they're waking up to take care of a screaming baby every couple of hours. But instead, the screaming baby is PP&GG, or it's --

(Laughter.)

SENATOR ORTT: -- you know, it's ELFA or whatever it might be, or Leg & Judy. And so waking up to go through this to brief all of us so that we can understand, not only to ask questions, but so that we can go home and answer the most important questions from our constituents, the people we work for, so we can have an understanding of how this impacts them. Whether you voted for it or not, it impacts our constituents. Whether you think it impacts them for the better or the worse, it impacts them. $237 billion is going to impact people. And so it is important what we do here.

Before I touch on the budget, I'll just wish my colleague Senator Kennedy good luck. I can promise you, I really can assure you

sincerely that everyone on this side of the aisle did everything we could to make this a memorable experience for you from our vantage point.

(Laughter.)

SENATOR ORTT: And you said when you first ran, he said that he was joining what was considered widely the most dysfunctional state government in the country. And should he be successful, he will join the most dysfunctional government, period.

(Laughter.)

SENATOR ORTT: So -- so I wish you luck. I wish you luck.

(Laughter.)

SENATOR ORTT: You'd be emotional too if that was the prospect facing you, right?

(Laughter.)

SENATOR ORTT: But certainly it's been a pleasure to serve with him both here in Albany but also back home in Western New York. And again, do wish him well in the special election.

There's not much really to add again that my colleagues and my conference has not already talked about. But I just -- there were a

couple of things that I wanted to touch on. I'll be brief, because I know we all want to get out of here and we want to beat the Assembly and keep our streak going.

So this budget tackled, like, a lot of -- it tackled a lot of things. But there were obviously some major issues that sort of both sides of the aisle talked about. We talked about affordability. Specifically, I think, in the area of housing, because it is important to everyone. Someone being able to afford housing, to access housing, I always believe and have said is a cornerstone of the American dream. It is a -- when people talk about the American dream, when people come here from other parts of the world, one of the reasons they do so is to get their piece of the American dream. Which is still alive, and I think sometimes is more alive outside the United States of America.

But they come here, and that's important. We can't lose sight of that. That is, if housing -- if the access to housing gets further and further out of reach for people, then that is a danger to the fabric of the United States of America and to any one of the 50

states, including New York.

The question is, did we fix it. Did we move the needle. I certainly would say no, because the real issue around why there's not enough housing is there's not enough construction of housing. Yes, there's other areas which my colleagues have brought up -- people being in apartments that maybe they shouldn't be in. Apartments not coming online that otherwise might be online if owners had the means to fix them up or could charge rents to offset the cost of fixing them up.

But one of the other reasons is the cost of new construction in New York City and across New York State. Because somebody said homeowners -- or homebuilders and developers love to build homes and develop housing units because that's how they make money. They want to provide a roof over people's heads not because it's a moral thing, because that's their business. And business owners like to be in business.

But we didn't address that root cause of new construction. In fact, outside of New York City very little was done for the growth and construction of new homes in upstate

New York, on Long Island. In the city, as was mentioned by some of my colleagues, the new housing that was put in place, the new tax credits and such, it's going to be years before any of those units could potentially come online.

However, at the same time that we're trying to spur development, we put in place essentially what is elements of good-cause eviction, or you might even said rent control. We took the ideas of rent control out of New York City and are now expanding those ideas to other parts of the state and certainly growing them in New York City.

And underlying this all is just a real philosophical difference. I heard several of my colleagues across the aisle talk about, you know, profit motive, profits over people, we shouldn't be trying to make landlords rich.

Let's be clear. No one's trying to make anyone rich. The model is developers build homes and then those homes are bought or rented by people who need them. That is the model. And the more supply you have to meet the demand, it will lower the cost.

But what's interesting is in this

deal the richest landlords, if you would, the ones that we all like demonize, or some of my colleagues demonize -- the best part is they were part of this, if we're being very honest. The middle-income landlords, the smaller landlords were not part of this. They were not in the room when this was drawn up.

And those are the folks, as usual, who are going to get shafted here. It's the person who doesn't have a thousand units. They have 30 units. And maybe that's their retirement. Maybe that's how they're going to put their kids through college. Maybe that's how they're going to build generational wealth for them and their families.

But we're saying today, that's not going to work here in New York. We're saying that you really don't have the full right to build generational wealth, and your property rights, as we have always defined them, are not sacrosanct. They're not inviolable. Because essentially if somebody gets in a lease or an agreement in an apartment or a unit that as long as they pay, they'll never be able to -- to be asked to leave. It will be tenancy for life.

And then we also heard many of my colleagues talk about this is the first step. So this isn't even bad enough. There is more to do. And of course that more is ultimately total good-cause, tenancy for life, a reduction in private property rights, private ownership, the notion that the only house you should own is the one you live in. And those are all comments that have been made, in some cases by people in this chamber.

And in our -- they may believe those comments. I fundamentally, and our conference, does not. We cannot. And if we go down that road as we are, we will shed, we will not see new housing growth. The new housing growth you will see, you'll have to go to Tennessee to see it. You'll have to go to Florida to see it. You'll have to go to Texas to see it. You'll have to go to North Carolina to see it.

That's what's going to happen. And that is what is happening. And I've talked to many developers who have said that this is another reason -- another reason beyond the cost to not build and provide housing in New York.

So while it sounds good to demonize

people who own apartment buildings because there's always less of them than there are tenants, the reality is those owners of apartment buildings are the ones who provide apartments and units to people to live in. And we should be spurring the construction and the building of new housing to provide those opportunities for people to access those here in New York, and we're not. This bill does not do that. It does actually quite the opposite.

Healthcare, we're basically to hospitals that if people don't pay, you can't -- there's no way to actually get that money. So you provide service, you provide medical treatment, and you don't have to get paid.

I don't have to tell anyone in this room no one likes being in the hospital. hospitals are like banks -- easy to demonize. But you know what? Everyone in this room knows what most New Yorkers do not, that every hospital in this state is one bad month away from being financially insolvent, from being on the edge.

There was a teaching hospital in the Governor's proposed budget that was put out this year that was going to be closed, which I know

after hundreds of millions of dollars invested, it will remain open at least for the time. Because it is getting more and more expensive to keep hospitals open, probably because of global issues, partly because of things that we are doing here. We are helping to collapse the healthcare system in the State of New York in this budget.

And what does that mean? That means as hospitals close -- no, it's not going to be any Mount Sinai, but it might be a rural hospital. And as that happens, those constituents, those New Yorkers have less access to healthcare. Which is bad for health outcomes, and it's another reason for people maybe not to live in those communities.

So we're not doing anything on healthcare, even though that's obviously a huge talking point, and we're spending hundreds of millions of dollars to basically prop up a collapsing system.

We did nothing -- or I guess we did barely anything on crime. In spite of the Speaker of the Assembly's objections that penalties don't work, just let the retail theft

happen, lock everything up, that will be a better solution and a better message to our small businesses, our brick-and-mortar businesses.

I am thankful that we did something on retail theft, but we all know -- we all know, with three dead police officers in the past month, we all know that we have to do a better job on crime.

We're failing. And you can ask any New Yorker of all political stripes, and they would tell you we are not doing enough on crime. This state is equally unsafe for more people today than it's ever been.

Last, budgets are all about priorities. We're spending a lot of money, $237 billion, $8 billion more than we spent last year; 73 billion more since 2019. Now, most people would say, Well, I'm getting $8 billion more worth out of my government, right? I'm getting $8 billion more. But like so many things in today's day and age, we're spending more and we're getting less. We're spending more and getting less. This budget is not delivering $8 billion more worth of services, but it is providing $2.4 billion to noncitizens.

Now, I heard some of my colleagues talk about unhoused individuals, and I had to sort of just shake my head because we're providing housing to 180,000 people who are not citizens. They're living in tent cities and in hotels. Someone else might be able to live in those areas, but they're not.

We're spending $2.4 billion at the same time we're saving 500 million from the CDPAP program. That program was a lifesaver for New York residents. People who pay taxes, people who pay the bill for the $237 billion. But we're going to set aside 2.4 billion this year. We spent just about 2 billion last year. And I'm sure, I am certain next year we'll be here having the same discussion. Because we're not doing anything to stem the flow at our level. We're not doing -- in fact, we're encouraging, by sanctuary policies, more people to come here.

And I heard someone talk about we're a land of immigrants. And that's -- obviously, we all know that's a true statement. It's something that's talked about. But there's something that I want to address there, because the insinuation is that our American story is

all -- we're all immigrants. So if you're against $2.4 billion for those who are here illegally, then therefore you must be against the idea of America.

And that is not true. It is un-American to undermine federal immigration law. It is un-American to work against law enforcement and against the laws that have been passed to safeguard and protect our communities, our states, and our country. That, to me, is not in keeping with the spirit of America.

There is a way that people should be able to come to this country and take part in the American experiment. One hundred eighty-six thousand people living in tent cities and shelters, risking their lives coming across the border, getting bused and airplaned into communities in the middle of the night? That is not what it looks like. It shouldn't be what it looks like. It is what it looks like in 2024.

And this is going to contribute to that issue. And again, at a time when we told school districts you have to accept cuts, when we told the CDPAP program you're kaput, at a time when we took funding out of healthcare, we told

DSPs you're not going to work. We made a lot of tough decisions in this budget, as you always have to do in any budget. I don't care if you spend a trillion dollars; somewhere there's a hard decision. But $2.4 billion goes a long way. And I just wonder what that could have done in other parts of the budget for legal New Yorkers who pay this bill.

And if spending money made this state more affordable -- I've said it many times -- we'd be the most affordable state and we wouldn't be losing people at the clip we're losing them. The more we spend, the more people seem to leave. The more we try to use government to provide everything for people, the more they escape our grasp and go to other states where there's more freedom, where they keep more of their money, where they have better opportunities.

And until we understand that dynamic, however noble our intentions may be, we could spend as much as money as we want to, and the issues that are affecting New Yorkers and the decline that is happening in this state will not be addressed.

So, Madam President, I thank you for your indulgence. Again, I thank all of the members for their participation in this process. I, along with my conference, am proud to have voted no on this budget.

But I thank you for the time, and I hope everyone has a great two-week recess.

Thank you.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

(Applause.)

ACTING PRESIDENT PERSAUD: Senator Gianaris.

SENATOR GIANARIS: Thank you, Madam President.

And now please recognize Majority Leader Andrea Stewart-Cousins.

ACTING PRESIDENT PERSAUD: Majority Leader Andrea Stewart-Cousins for remarks.

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

And I guess I get to announce finally this is the end of the end.

(Laughter.)

SENATOR STEWART-COUSINS: Just so

you know.

(Laughter.)

SENATOR STEWART-COUSINS: But we know what this has been. It's been a journey marked by long hours and tough decisions and certainly a great amount of resolve on both sides of the aisle.

We also, I'll remind us, had an incredibly interesting period with our historic eclipse, our earthquake, and then our Bill Drafting Commission hacked. You could not make this up.

And yet here we are at the end of the end of this budget cycle. But with that being said -- and obviously this is a time where we give all of our thanks -- I really do want to thank the Bill Drafting Commission and especially the commissioner, Chris Higgins, because they were nimble, because they found the way to make sure that we could be here when we were ready to be here. I really, really am grateful for everything that -- you know, talking about people working overtime, they really did. So we I think we should give them a round of applause.

(Applause.)

SENATOR STEWART-COUSINS: I had visions of -- like I was asking people, like, Who types? You know --

(Laughter.)

SENATOR STEWART-COUSINS: -- if we're just going to be trying to get all this into the system. So it was great.

Obviously I want to thank my partners in government, certainly Governor Hochul and Speaker Heastie and all their teams for, you know, working again around the clock in terms of negotiations. And to all of the members, as I said, on both sides of the aisle. I know this is never fun. We start in January and just work on through.

But certainly to my members in the Democratic Majority, you know how much I appreciate you and all of your efforts, because it is so clear that you take your fiduciary responsibility seriously. And because of that, New York is better, better for your efforts. So thank you.

I also of course want to thank my deputy, Senator Gianaris. Again, we know the role and, again, you guide it so smoothly. And

you and your counterpart, Senator Lanza, do an extraordinary job, because we have to be disciplined, but somebody has to make sure we are. Thank you so much, Senator Gianaris.

So Senator Liz Krueger, you're amazing. I tell her that all the time. She threatens to quit all the time. I won't let her. You just can't. She even says things to see if I will -- and I won't. I don't ever, ever, ever take the bait.

But thank you for, you know, again answering all the questions. And you think, Senator Ortt, that she doesn't know but she actually does know all these answers, because she's had so much practice over the years.

And yes, Senator O'Mara, you are -- I am interested in seeing the dance that you -- we have a little room right there, and the space, and any time you want to show us this dance, I think we could -- it could be good. It could break a little of the tension, right?

I also want to say to Senator Kennedy, I never thought I would ever see you speechless. And --

(Laughter.)

SENATOR STEWART-COUSINS: And I was like, wow, is he going to get through this? But I think you kind of had all of us choked up, because, you know, we're going to miss you. And you have brought, you know, a real energy and a love of what you do and who you do it for. And all of us, it's very, very clear that your passion is public service.

And it was important that you learned the lessons being on this side of the aisle and that side of the aisle and finding ways to still get done what we needed to be done. Because that is absolutely what they need in Congress.

So Godspeed. I don't want to jinx you, but I don't think you'll be back. And I think you will represent what you learned here, in now I'm sure what is the most functional state legislature in the country, and you will bring it to Congress. So good luck, and Godspeed.

I also want to -- you know, again, Senator Ortt, thanks for being, you know, a good partner. He's patient. And, you know, I try and give you the most up-to-date -- yeah, well, you know. When you're not patient, we don't talk.

You talk to them.

(Laughter.)

SENATOR STEWART-COUSINS: But like I said, I know it's not easy. I've been there. And, you know, to try and keep people informed and engaged is not easy. So thank you for that.

And then of course all of the staff and the hard work that they do. And I want to make sure to give a special shout-out to my senior leadership team: My Finance Director Dave Friedfel. Majority Counsel Eric Katz. Director of Intergov and External Affairs Leah Goldman. My Communications Director Mike Murphy. Also the Secretary of the Senate, Alejandra Paulino, and her great team. And for my amazing team, led by my Director of Operations Jonathan Alvarenga.

I really thank all of you, you know, and you get to be named because these people are just -- they're tireless and effective. So I thank you.

(Applause.)

ACTING PRESIDENT PERSAUD: I think we'll just give a general round of applause for all the staff that make us all -- thank you. Thank you. Thank you, thank you, thank you.

(Applause.)

SENATOR STEWART-COUSINS: Thank you very much.

Yes, Senator Krueger, they are tired.

(Laughter.)

SENATOR STEWART-COUSINS: So unfortunately for all of you, if we had actually finished at 3:00 or 4:00 in the morning, I wouldn't be reading this speech. But since we are here and it is still daylight, you will get, you know, what you might have missed yesterday.

But I think where we begin is where we left off. The reality is it's a budget that's a result of hard work, collaboration, and it's brought us to this moment. But as we know, budgets are not just fiscal documents, it's a reflection of our values. It's a testament to the commitment of the people of New York. And it's clear that this Majority does not settle for things the way they've always been done.

Which is why our eyes during this budget have only looked forward, because we all know that we cannot let our state slip back to the days of underfunded schools, business

opportunities only for the wealthy few, families kicked to the streets during hard times out of their control, people being forced into the shadows for healthcare, and our natural resources being treated as landfills. That's not who we are, and it's not the spirit of New York. We're change-makers, and we've sought to harness the energy of that change in this budget.

At its core, the budget is about curating a state that supports the opportunities and livelihoods of every person at every stage of their life. And we want to make this a place where you can come, put down your roots, raise a family, and retire with dignity.

We can't expect people to make their lives from start to finish in our great state if average homes cost luxury prices. It was beyond time to reach a housing deal that addressed head-on realities that families on the ground are facing. Although it may not be a silver bullet, it's an imperative step in the right direction.

This budget does contain good-cause provisions that will shield tenants from unconscionable rent hikes and unwarranted evictions. It will also incentivize the

development of housing and, yes, affordable housing. And that affordable housing will come in many ways, including our new Housing Opportunities for the Future program and new tax-credit programs for development in New York City and beyond.

Additionally, we'll be providing hundreds of millions to support, yes, our public housing not only in New York City but outside of New York City. We also are taking steps to protect homeowners at risk of foreclosure with an additional $40 million for the Homeowners Protection Program. We're addressing the crime of deed theft and codifying the distinction between tenants and squatters to help make prosecution easier.

We also know it's important for the place we call home to be somewhere your kids can learn and grow. That's why when families put down their roots, whether it's in Manhattan or the rural reaches of the Adirondacks, they should know that schools will be equally supported and adequately funded. It was not until the Senate majority sat in these seats that New York finally upheld its obligation to fully fund our schools

after decades of neglect.

This budget rejects proposed changes to the Foundation Aid formula without some study and continues to hold schools harmless for enrollment changes. We've also added funding for universal pre-K and after-school, knowing the importance of these areas in the development and well-being of our children.

School is literally the path on which you walk into a better future. It will always be a smart investment for us to make, knowing the dividends it pays for our kids, their future, and our state.

And when those kids grow up, they should be able to get the degree they deserve not just the one they can afford. And that's why in this year's budget we included a record increase in the Tuition Assistance Program, also known as TAP, with expanded eligibility for the first time in two decades. A solid education is the key to a long and productive career.

Our state, with an economy that dwarfs many countries, is powered by the hardworking individuals who make up our workforce. It's imperative that they can earn a

livable wage while also being able to take time off when necessary and ultimately retire after putting in a career's worth of time. This conference has been consistently dedicated to the labor that powers our state, and so in this year's budget we took steps to fix Tier 6 to better attract and retain people to civil service. We also secured a cost-of-living increase for both direct service providers and state agency workers.

I'm proud to announce that thanks to the Senate's efforts, this budget will also include the Newspaper and Broadcast Media Jobs Program as a tax incentive, which will work to directly support the employment and retention of local journalism and media jobs. Not only is this important for an employment pool, but it's a pro-democracy measure, and that will ensure that our fourth branch of government reaches every level and every corner of our state.

In 2016 New York led by enacting the country's strongest and most comprehensive paid family leave program. We're continuing those efforts today by creating a first-in-the-nation Paid Prenatal Leave Program, by increasing the

amount of sick time a pregnant person can use for prenatal doctors' visits. We're also supporting our working moms by allowing 30 minutes of paid time for new moms to pump during the work day.

Having a safe, affordable place to call home, a well-paying job, meaningful benefits, the ability to take time off when needed are fundamental to long-term stability. But even under the best of circumstances, people get sick, and we still need medical care. We recognize the critical importance of ensuring access to quality healthcare for all New Yorkers, and our budget reflects that commitment. That's why we secured Medicaid increases to hospital services, nursing homes, assisted living programs. We have additional resources, yes, for our safety-net hospitals. And we've successfully stopped the closure of SUNY Downstate with both its short-term viability and long-term service in mind.

And a key pillar of our fight for health equity has been to deal with the weaponization of medical debt against people in need of care. And building on our work this session and recent years, we're eliminating cost

sharing for insulin. This budget will make sure that our policies are grounded in basic humanity, and we're going to make sure that your care is not dictated by what you owe and what you can pay.

As we've always done and will continue to do, the budget takes a definitive step forward for maternal and reproductive healthcare. This year that means codifying the Reproductive Freedom and Equity program and prioritizing greater access to doula services. We know from the past and from what we're seeing elsewhere in the country that rollbacks to fundamental human rights are a hindrance to each and every one of us. We will continue to keep women and people safe in the face of attacks on reproductive rights and family planning across the nation.

And when New Yorkers are raising their families, they need to know that their kids are covered too. In a major victory for our children, this budget will also allow children under six to remain continuously enrolled in Medicaid and the Children's Health Insurance Program, which means that kids will remain

insured during their early development years and parents will save money and medical costs.

And we're continuing our commitment to mental health resources by increasing the number of beds available for mental health treatment, including a $75.8 million increase for crisis service intervention so that people can get the help they need when they need it.

This year's budget was about making smart investments in our system to carry for years to come. The need for improvement extends far beyond social programs to roads, bridges, sewer systems, other infrastructure that actually gets us where we need to go. This budget includes record funding that the Senate Majority fought tirelessly for, including the extra $60 million for its CHIPS program, for a total of nearly $600 million, and an additional $10 million in additional funds for upstate public transit.

In a significant boon to our municipalities, this Majority successfully secured the first increase in Aid and Incentives to Municipalities, also known as AIM, since 2012. This $50 million boost over the Executive's

proposal brings us to over $700 million, and it will assist municipalities in providing essential services and conducting long-overdue upgrades.

We know the importance of food security and supporting our farmers. No farmers, no food. We're investing in our farms, in agriculture, and we're very happy that there is an additional $4.3 million that's been put into Nourish New York that reroutes surplus farm products to New York's networks of food banks.

To help keep our communities safe, we're taking action and making investments to empower law enforcement -- and communities also -- to crack down on illegal cannabis shops and curtail retail theft and prevent hate crimes.

And as we work to build a more sustainable future for our state, we're not backing down on our aggressive climate goals. We're committed to creating good green jobs, lowering utility costs, and preserving our planet for future generations. Our environmental initiatives reflect our dedication to combating climate change and protecting our natural resources. That's why we restored the $250 million cut to the Clean Water funding. We

successfully prevented cuts to our Environmental Protection Fund, for an investment of $400 million. And we're continuing to ensure that the clean green future saves ratepayers money. That's why we included $50 million for the Empower Program to electrify recipients' homes and help guarantee that customers do not spend more than 6 percent of their income on their electric bill.

We secured a two-year sales tax exemption on the installation of residential energy storage systems which will lower consumer costs and make it easier to electrify their homes. And we've demonstrated yet again that our climate-forward future will be union-built by adding critical labor protections to the Executive's RAPID Act proposal, which expedites siting of new renewable energy projects.

A month ago we passed our one-house resolution in a statement of the Senate's priorities. Now we're animating those priorities with a state budget that put the real resources into things that matter and makes a difference in people's lives.

I know we want to go. We're beyond

overtime. So I could continue to highlight more ways that this budget is helping the great State of New York and New Yorkers, but I won't.

What I'll do is thank you again for the work you do on behalf of each and every one of us. I want to, yes, have you enjoy the two weeks. Don't forget, tomorrow's Earth Day. Make sure you do something nice for the planet. For those who are celebrating Passover, have a Happy Passover.

And again, enjoy the next two weeks, with the understanding that when we come back in the merry month of May, we have maybe about 18 days -- I know, I'm sorry to do that to you -- 18 days to fulfill the hopes and dreams that everyone has in their legislative lives.

So again, it's an honor and a privilege, and enjoy the break.

Thank you so much, Madam President.

(Sustained standing ovation.)

ACTING PRESIDENT PERSAUD: Senator Gianaris.

SENATOR GIANARIS: Thank you, Madam President.

You know, when you have Passover,

you also have Greek Easter not far behind, so I want to wish everyone a Happy Orthodox Easter --

ACTING PRESIDENT PERSAUD: Happy Orthodox Easter.

SENATOR GIANARIS: -- there are a few of us in here.

With that, is there any further business at the desk?

ACTING PRESIDENT PERSAUD: There is no further business at the desk.

SENATOR GIANARIS: I move to adjourn until Monday, May 6th, at 3:00 p.m., intervening days being legislative days.

ACTING PRESIDENT PERSAUD: On motion, the Senate stands adjourned until Monday, May 6th, at 3:00 p.m., intervening days being legislative days.

(Whereupon, at 3:33 p.m., the Senate adjourned.)