NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

March 27, 2025

12:13 p.m.

REGULAR SESSION

SENATOR JAMAAL T. BAILEY, Acting President

ALEJANDRA N. PAULINO, ESQ., Secretary

P R O C E E D I N G S

ACTING PRESIDENT BAILEY: 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 BAILEY: 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 BAILEY: Reading of the Journal.

THE SECRETARY: In Senate, Wednesday, March 26, 2025, the Senate met pursuant to adjournment. The Journal of Tuesday, March 25, 2025, was read and approved. On motion, the Senate adjourned.

ACTING PRESIDENT BAILEY: 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 Hinchey, on page 20 I offer the following amendments to Calendar Number 404, Senate Print 1721, and ask that said bill retain its place on the Third Reading Calendar.

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

Senator Gianaris.

SENATOR GIANARIS: At this time, Mr. President, we're going to simultaneously call an immediate meeting of the Finance Committee in Room 332 and take up the calendar on the floor.

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

And the Secretary will read.

THE SECRETARY: Calendar Number

113, Senate Print 1688, by Senator Skoufis, an act to amend the Executive Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 2. This act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: Ayes, 57.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 189, Senate Print 1535, by Senator Parker, an act to amend the Public Service Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 2. This act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce

the results.

THE SECRETARY: In relation to Calendar 189, voting in the negative are Senators Borrello, Canzoneri-Fitzpatrick, Helming, Mattera, Oberacker, Rhoads, Stec and Walczyk.

Ayes, 49. Nays, 8.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 359, Senate Print 866, by Senator Bailey, an act to amend the Penal Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 2. This act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: Ayes, 57.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number

472, Senate Print 1912A, by Senator Rivera, an act to amend the Social Services Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the 180th day after it shall have become a law.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: In relation to Calendar 472, voting in the negative are Senators Borrello, Lanza, Oberacker, Ortt, Rhoads and Walczyk.

Ayes, 53. Nays, 6.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 553, Senate Print 6283, by Senator Scarcella-Spanton, an act to amend the Cannabis Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 2. This act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: Ayes, 59.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 557, Senate Print 2075, by Senator Mayer, an act to amend the State Finance Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 5. This act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: Ayes, 59.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 573, Senate Print 1373, by Senator Serrano, an act to amend the Agriculture and Markets Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 2. This act shall take effect on the 30th day after it shall have become a law.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: In relation to Calendar 573, voting in the negative:

Senator Walczyk.

Ayes, 58. Nays, 1.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 578, Senate Print 1798, by Senator Persaud, an act to amend the Vehicle and Traffic Law.

ACTING PRESIDENT BAILEY: Read the last section.

THE SECRETARY: Section 5. This

act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: Ayes, 59.

ACTING PRESIDENT BAILEY: The bill is passed.

Senator Gianaris, that completes the reading of today's calendar.

SENATOR GIANARIS: Mr. President, we're going to stand at ease as we wait for the Finance Committee to conclude its work.

ACTING PRESIDENT BAILEY: The Senate will stand at ease.

(Whereupon, the Senate stood at ease at 12:19 p.m.)

(Whereupon, the Senate reconvened at 12:27 p.m.)

ACTING PRESIDENT BAILEY: The Senate will return to order.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, there's a report of the Finance Committee at the

desk. Let's take that up, please.

ACTING PRESIDENT BAILEY: The Secretary will read.

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

Senate Print 3002, Budget Bill, an act making appropriations for the legal requirements of the state debt service.

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

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

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(No response.)

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

Senator Gianaris.

SENATOR GIANARIS: Let's take up the supplemental calendar, please.

ACTING PRESIDENT BAILEY: The Secretary will read.

Excuse me. 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 3002 and substitute it for the identical Senate Bill Number 3002, Third Reading Calendar 619.

ACTING PRESIDENT BAILEY: The substitution is so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 619, Assembly Bill Number 3002, Budget Bill, an act making appropriations for legal requirements of the state debt service.

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: Lay it aside.

That completes the reading of the supplemental calendar.

Senator Gianaris.

SENATOR GIANARIS: Let's go to the controversial calendar, please.

ACTING PRESIDENT BAILEY: The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 619, Assembly Bill Number 3002, Budget Bill, an act making appropriations for the legal requirements of the state debt service.

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

SENATOR O'MARA: Yes. Mr. President, if the sponsor or chair of the Finance Committee would answer some questions.

ACTING PRESIDENT BAILEY: Senator Krueger, do you yield?

SENATOR KRUEGER: I will be happy to be Senator Budget at the moment, yes.

ACTING PRESIDENT BAILEY: Senator Budget yields.

SENATOR O'MARA: Very good.

Senator Krueger, here we are, 12:30 on March 27th, taking up the first budget bill. There are nine other bills that make up this budget that we do not have before us at this time.

Can you explain to us where we stand in this budget process?

SENATOR KRUEGER: Thank you very much. Mr. President, through you. We are still

in negotiations on the remainder of the budget.

But as is the pattern of this legislative body for I don't actually know how many years, we always end up doing this budget bill first because I think most of us recognize this budget bill, the debt service bill, is an assurance and guarantee to all 19 and a half million New Yorkers, and anyone who we have borrowed money from through the bonding system, that we are going to continue to make our payments on time.

So that is why this bill always comes first and why it's critical that this bill get done before April 1st. While we always hope to get the complete budget done by April 1st, we often -- again, look at the history, you'll notice we often do not hit that target. But we always try to hit the target with this bill first.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR O'MARA: Senator Krueger, do you believe it's important for this State Legislature and the Governor to pass a budget by April 1st?

SENATOR KRUEGER: Through you, Mr. President. I get concerned if the budget is so late that it could actually impact the people of New York.

If you look at our record over the last -- goodness, probably now close to a decade, we are usually very close to April 1st, and so the actual impact on anyone in the real world is not even noticeable. Because we also have the budget extender option -- which, if that was going to be asked of me, would likely happen on Tuesday when we return to session so that we can assure, yet again, all New Yorkers that while we continue to negotiate to get the best budget we can on very complicated issues, that the business of the State of New York will continue, the people of the State of New York will get paid if they work for the state, the payments due by the State of New York will continue to get made.

So if there were no other options and flexibility allowed, April 1st could be a scarier number. But in fact we know from experience and history that the exact date of April 1st is not necessarily particularly significant as long as we are getting our work done.

And I know most of my constituents, when I explain to them why usually we are some number of days late but we are fighting for a better budget outcome for them, recognize that they also want us to fight for a better budget outcome.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KRUEGER: Absolutely.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR O'MARA: I'm glad you mentioned other people in the real world.

Fortunately, other people in the real world, when they have a deadline, like an April 15th tax filing and payment deadline, they

have to make that on time. Yet here we are, year after year, disregarding the constitutionally mandated March 31st to have the budget by April 1st. Yet we continue to disregard that. But that's par for the course around here.

But I'll get to my question, Senator. There's currently, to my understanding, about $55 billion in outstanding debt owed by the state.

SENATOR KRUEGER: My numbers show 56.5 billion. But I think it's close enough for the discussion.

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

ACTING PRESIDENT BAILEY: Does the sponsor yield?

SENATOR KRUEGER: Of course.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR O'MARA: So 56-point-whatever-you-said billion in outstanding debt, which we need to authorize to pay. I can guarantee you that every member on this side of the aisle wants to assure that we will be paying

and making our payments.

Yet this bill, this budget bill, this debt service bill, I believe totals 65.1 billion, so nearly 10 billion more than what the outstanding debt is. Why is that?

SENATOR KRUEGER: So yes, the debt service appropriations compared to last year will be $10.7 billion.

And I want to make sure I heard the second part of the question. Could you please repeat that? Through you, Mr. President.

SENATOR O'MARA: We have some $56 billion in outstanding debt, yet this debt service bill to authorize payments on that is for 65 billion. Why is it 10 billion more than what is actually outstanding and owed?

SENATOR KRUEGER: Because we -- even though we have not resolved the final budget yet, we are -- I think you and I are both assuming here that we will be accepting the Governor's analysis that for next year it will be $64.9 billion.

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

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR O'MARA: So in a bill yet to be -- yet to be negotiated, yet to be put in print, yet to be put before us, which I assume is going to be the capital budget, there's going to be an extra $10 billion that we're going to commit the state to paying. Yet none of us -- on this side of the aisle, for sure -- know what is all in there.

SENATOR KRUEGER: Through you, Mr. President. The debt service bill obligates us to pay our debts. It doesn't assume that we must make payments that aren't put into a budget and actually need to be paid for. So it gives the flexibility to the state to be able to increase payments if money is bonded and borrowed at those levels. But there's nothing in this bill that would make us have to pay out money that we have not borrowed.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR O'MARA: So we're authorizing that if we come up with these new debt expenditures, we'll have the authority to make payments on those.

You know, my general take on life, and certainly in this Legislature, is that when you have that cushion and ability to spend, you're going to spend it.

And there's $10 billion here that we have no idea what it is, what the new spending, what the new debt is being incurred for. So that's the concerning part about this bill -- not about authorizing payments on the 55 billion.

And as I've asked you in prior years, why don't we just authorize the 55 -- 56 billion at this juncture, since the other nine budget bills are not in print, and then come back and amend this bill at the time the rest of the budget bills are in place?

SENATOR KRUEGER: Through you,

Mr. President. I accept that my colleague and I can have differing opinions on that. What I'm confident of is we want to get the debt service bill done.

And frankly, we do take a long time on the budget. As he's pointed out, we probably won't get there by April 1st, and I have agreed. So why make extra work for ourselves to have to do double duty on the one bill that's relatively clearcut, simple to understand, a necessity for the State of New York?

And just to clarify, that April 15th tax deadline also has flexibility, because of course you can ask for extensions, you can prepay your taxes on a quarterly basis. There are a variety of reasons why individuals also end up finding that nothing -- they don't necessarily get everything done by April 15th.

We would like to get everything done by April 1st. And it was recently brought to my attention it's not in the Constitution that we have to, either. That was a shock to me as well. But I still support our goal of getting to the April 1st target.

And as far as having the flexibility

within our law to allow the state to potentially borrow more than we know the details of today, that would still require a process and a legislative process and all kinds of review and sign-off. It's not so different than when you as an individual might go and ask for a line of credit from your bank, just in case, even though you haven't made the final decisions about whether you're adding the extra room to your house or whether you need to put a new roof on.

So I think the state model for this is not actually inconsistent with what individuals make decisions about and need the flexibility for in their personal lives either.

SENATOR O'MARA: Thank you, Senator.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR O'MARA: Now, this is covering the $56 billion of existing debt that's

out there. But there's a lot more debt in this state through various authorities and everywhere else that I think the general public would say 56 billion, that's not all that's owed by the state.

But between all those other -- other debts that are out there, by those various things -- and I'm just going to mention one of many of those that's not included in this, is the $6.5 billion owed to the federal government for the Unemployment Insurance Fund that was borrowed during COVID. There are no payments in this debt service bill to pay that down. And the state continues to pay about $200 million a year in interest on that.

Is another portion of this budget coming going to deal with this Unemployment Insurance Fund debt that we owe?

SENATOR KRUEGER: Through you, Mr. President. In our one-house budget through the Senate, we did factor in helping to pay the interest rate owed by the businesses of the State of New York in order to help them with the interest rate payments on what we still owe the federal government because of the pandemic

unemployment period. We also build in a tax credit to assist businesses with that.

But the reason that's not part of the debt service bill is because the unemployment system is not part of the state budget. It is a separate independent insurance system paid for by workers and businesses to have a UIB system. So it has never been part of the state budget. Hence, it has never been part of debt service in the state budget.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR O'MARA: Do you consider that 6.5 billion unemployment debt that's owed to be an obligation of the state and the state taxpayers?

SENATOR KRUEGER: It is legally an obligation of businesses who are obligated to be under the unemployment benefits system in our

state, as in every other state.

So no, it is not legally an obligation of the state budget.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KRUEGER: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR O'MARA: Well, I would argue that it certainly should be, because it was much of the policy of this state to shut down businesses and make those employees unemployed during that period.

Thirty-five or so other states in the country used their federal COVID relief money to pay down their Unemployment Insurance Fund debt. Yet we're still not doing that in this bill. And from what I'm hearing, it's not proposed to be in any other bill.

I'll just go on the bill, I guess, Mr. President. Thank you, Senator.

ACTING PRESIDENT BAILEY: Senator

O'Mara on the bill.

SENATOR O'MARA: It is extremely important that we pay our obligations in this state. Fully supportive of that. Yet there's a lot to be desired here.

And the excuse that, Well, we're just going to do it now to save us the hassle of coming back and amending it when we know exactly what the number is, exactly what these other nine budget bills, primarily the capital bill, is going to require or authorize as appropriate debt to be incurred, and then we would have a more accurate figure here to deal with -- if this was a debt service bill in the interim to get us from April 1st till whenever we pass the budget, and we were doing $56 billion, I would certainly be voting aye.

But I have to vote no for the $10 billion that we have no idea what it might be for.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Are there any other Senators wishing to be heard?

Seeing and hearing none, debate is closed.

The Secretary will ring the bell.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, we've agreed to restore this to the noncontroversial calendar.

ACTING PRESIDENT BAILEY: Upon consent, the bill has been restored to the noncontroversial calendar.

Read the last section.

THE SECRETARY: Section 2. This act shall take effect immediately.

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: In relation to Calendar 619, voting in the negative are Senators Borrello, Griffo, Helming, Lanza, O'Mara, Ortt, Stec, Tedisco, Walczyk and Weik.

Ayes, 49. Nays, 10.

ACTING PRESIDENT BAILEY: The bill is passed.

Senator Gianaris, that completes the reading of today's supplemental calendar.

SENATOR GIANARIS: Is there any further business at the desk?

ACTING PRESIDENT BAILEY: There is no further business at the desk.

SENATOR GIANARIS: I move to adjourn until April Fools' Day, Tuesday, April 1st --

(Laughter.)

SENATOR GIANARIS: -- at 11:00 a.m., with the intervening days being legislative days.

ACTING PRESIDENT BAILEY: On motion, the Senate stands adjourned until April Fools' Day, April 1st, at 11:00 a.m., with the intervening days being legislative.

And it's Opening Day, so let's go, Mets!

(Whereupon, at 12:44 p.m., the Senate adjourned.)