NEW YORK STATE SENATE

THE STENOGRAPHIC RECORD

ALBANY, NEW YORK

May 27, 2026

1:56 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 present to please rise and recite the Pledge of Allegiance.

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

ACTING PRESIDENT BAILEY: Guruji Dileepkumar Thankappan, of Staten Island, New York, will deliver today's invocation.

GURU DILEEPJI: Honorable President, Senators, and public servants, Namaste. The divine within me bows to the same divine within you.

It is a great honor and privilege to offer an invocation at this esteemed Senate of the New York State Legislature. I extend my gratitude to the Honorable President of the Senate for permitting me to chant ancient Vedic prayers.

I also wish to express my sincere thanks to Senator Honorable Jessica Spanton for her kind invitation to deliver this invocation today.

I will begin with blowing the conch

shell, followed by Vedic prayers in Sanskrit and their contents' English translation.

(Blowing conch shell.)

(Chanting prayers.)

GURU DILEEPJI: Om! I connect with the Earth's energy and the divine light of the Sun. May this light awaken our spiritual awareness.

We thank Tryambaka for prosperity. Like a cucumber grows away from its stem, I claim my freedom from death.

May everyone have well-being, peace, and good fortune.

May all be happy, healthy, and may no one suffer.

Lead me from untruth to truth, from darkness to light, and from death to immortality.

The infinite universe comes from the infinite.

Om! May everyone be happy.

In closing, O Lord of the Universe, guide our New York State Senators and honorable public servants. Grant them wisdom and compassion of all New Yorkers.

Help us remember that we all deserve

respect and dignity regardless of our backgrounds. May we listen and learn from one another to promote understanding and collaborations.

Begin the day with love, spend the day with love, fill the day with love, and end the day with love. This is the way how we connect with the divine essence of the universe.

May we always be blessed by the divine. In unison we affirm: Love all, serve all.

Thank you, and Namaste.

ACTING PRESIDENT BAILEY: Reading of the Journal.

THE SECRETARY: In Senate, Tuesday, May 26, 2026, the Senate met pursuant to adjournment. The Journal of Monday, May 25, 2026, 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.

ACTING PRESIDENT BAILEY: Good afternoon.

SENATOR GIANARIS: On behalf of Senator May, I wish to call up Senate Print 5598A, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT BAILEY: The Secretary will read.

THE SECRETARY: Calendar Number 543, Senate Print 5598A, by Senator May, an act to amend the General Business Law.

SENATOR GIANARIS: Move to reconsider the vote by which the bill was passed.

ACTING PRESIDENT BAILEY: Call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 59.

ACTING PRESIDENT BAILEY: The bill

is restored to its place on the Third Reading Calendar.

SENATOR GIANARIS: I offer the following amendments.

ACTING PRESIDENT BAILEY: The amendments are received.

SENATOR GIANARIS: Amendments are also offered to the following Third Reading Calendar bills:

By Senator Skoufis, page 40, Calendar 1074, Senate Print 9317;

By Senator Kavanagh, page 63, Calendar 1299, Senate Print 9737;

By Senator Kavanagh, page 64, Calendar 1311, Senate Print 10168;

By Senator Krueger, page 52, Calendar 1199, Senate Print 1477;

By Senator May, page 25, Calendar 835, Senate Print 8623A;

And by Senator Martinez, page 57, Calendar 766, Senate Print 9502.

ACTING PRESIDENT BAILEY: The amendments on those bills are received, and they will retain their places on the Third Reading Calendar.

Senator Gianaris.

SENATOR GIANARIS: At this time, Mr. President, we're going to simultaneously call a meeting of the Finance Committee in Room 332 and move on to some resolutions.

ACTING PRESIDENT BAILEY: There will be an immediate meeting of the Finance Committee in Room 332. We will call up resolutions as well.

Senator Gianaris.

SENATOR GIANARIS: I now move to adopt the Resolution Calendar, with the exception of Resolutions 2106 and 2143.

ACTING PRESIDENT BAILEY: All those in favor of adopting the Resolution Calendar, with the exception of resolutions 2106 and 2143, please signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(No response.)

ACTING PRESIDENT BAILEY: The Resolution Calendar is adopted.

Senator Gianaris.

SENATOR GIANARIS: Let's start with

Resolution 2106, by Senator Brisport, read that resolution's title and call on Senator Brisport.

ACTING PRESIDENT BAILEY: The Secretary will read.

THE SECRETARY: Resolution 2106, by Senator Brisport, recognizing Second Chance Month in the State of New York and recognizing the profound mental health impacts of incarceration on individuals, families, and communities.

ACTING PRESIDENT BAILEY: Senator Brisport on the resolution.

SENATOR BRISPORT: Thank you, Mr. President.

I rise today to introduce a resolution formally recognizing the month of April as Second Chance Month in the State of New York.

Second Chance Month brings critical awareness to the immense mental health barriers formerly incarcerated individuals face during reentry.

Incarceration inflicts severe, lasting psychological trauma. Prolonged isolation, violence and family separation do not rehabilitate, they tear at the mental stability

of individuals and create ripples of trauma that impact families and entire communities. When people return home, they face systemic gaps in care and deep-seated stigma.

If we truly want to reduce recidivism and advance public health, New York State must take responsibility for these mental health consequences.

Of course, we cannot address this systemic trauma without honoring those who turn their lived experience into a lifeline for others. Joining us in the gallery today is an extraordinary leader, Shawanna Vaughn.

Shawanna's life is a testament to reliance. Born in a California prison hospital to an incarcerated mother, she experienced the foster-care system and youth incarceration. She survived cancer, and she suffered the devastating loss of her brother to gang violence. Yet she refused to let systemic trauma have the final word.

Instead, she chose a path of radical transformation. Perhaps one of the most powerful chapters of Shawanna's story is that she was able to forgive her brother's murderer. As she has

beautifully said, "Redemption is for everyone. It was important for me to forgive so that I could continue my own healing."

That is true. That is the true beating heart of what a second chance means. A second chance is not just an administrative box to check; it is the profound human capacity for redemption and healing.

Shawanna took that philosophy and founded Silent Cry, Inc., a New York-based nonprofit dedicated to taking a holistic approach to aftercare from mass incarceration, gun violence and trauma.

Silent Cry provides essential grief counseling, trauma-informed resources, and support for families navigating the aftermath of the justice system.

By adopting this resolution today, this legislative body pauses to recognize the deep mental health trauma associated with incarceration. We call for the awareness and research necessary to address these harms so New York can truly embody the spirit of a second chance.

Thank you, Mr. President. I extend

my deepest gratitude to Shawanna Vaughn and Silent Cry for their life-saving advocacy, and I yield the floor.

ACTING PRESIDENT BAILEY: Thank you, Senator Brisport.

To Ms. Vaughn, we thank you for your resilience for your strength. We welcome you on behalf of the Senate and extend to you all of the privileges and courtesies of this house.

Please rise and be recognized.

(Standing ovation.)

ACTING PRESIDENT BAILEY: The question is on the resolution. All in favor signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(Response of "Nay.")

ACTING PRESIDENT BAILEY: The resolution is adopted.

Senator Gianaris.

SENATOR GIANARIS: At this time please call on Senator Tedisco for an introduction.

ACTING PRESIDENT BAILEY: Senator

Tedisco for the purposes of an introduction.

SENATOR TEDISCO: Thank you, Mr. President.

Mr. President and my colleagues, I'm proud and honored today to present you with an introduction of some outstanding individuals who have joined us in the Senate chambers. They're up in the balcony up there.

We are joined by Arthur "Artie" Hunsinger, a highly decorated, long-serving volunteer firefighter and former chief of the Clifton Park Volunteer Fire Department, which serves both the town of Clifton Park and the Town of Halfmoon in the 44th Senate District.

Artie's dedication to public safety for over 45 years is certainly laudable, but today he joins us in a different capacity. Art Hunsinger serves as a Miss New York Volunteer State Director, and he is accompanied by Miss New York Volunteer, Shannon Kelly, and Miss New York Teen Volunteer, Eliza Leszczynski. Eliza's mom is with her, and also Elliot Ismail is also with them.

Shannon is the founder and president of the Self Care Promise Company, a 501(c)(3)

which provides education about the mental health aspects of practicing self-care and helps make self-care accessible to everyone through donations.

She is an American College Theatre Festival nominee, has been employed by New Circle Theatre Company, the Actor's Studio, Museum of Modern Art, Nightmare Vermont. She's also been a Walt Disney World cast member and aspires to be an actor and director. She probably knows Mickey Mouse and all those -- Pluto, all those other guys over there. Fantastic.

Eliza is a constituent of my colleague Senator Fahy and a student at Schalmont High School. She is a six-time Presidential Volunteer Service Award Gold recipient, a recipient of the Lions Club Community Service Recognition Award; a National Honor Society member, a Science, English and Spanish Honor Society member, along with being a class president and a cheer captain.

Her dream is to major in pre-dental biology, and she ultimately aspires to be a pediatric dentist.

Mr. President, I would ask you to

welcome them, offer them all the cordialities of this august body. We're very proud of all of them being here today and all their accomplishments.

ACTING PRESIDENT BAILEY: Thank you, Senator Tedisco.

To Mr. Hunsinger and all of the volunteers from Miss New York and the surrounding Capital Region, we thank you for all of the advocacy and great things you do for our community.

I welcome you on behalf of the Senate and extend to you all the privileges and courtesies of this house.

Please rise and be recognized.

(Standing ovation.)

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Mr. President, let's move on to previously adopted Resolution 1492, by Senator Sepúlveda. Let's read that resolution's title and call on Senator Sepúlveda.

ACTING PRESIDENT BAILEY: The Secretary will read.

THE SECRETARY: Resolution 1492, by Senator Sepúlveda, memorializing Governor Kathy Hochul to proclaim May 27, 2026, as Taiwan Heritage Day in the State of New York.

ACTING PRESIDENT BAILEY: Senator Sepúlveda on the resolution.

SENATOR SEPÚLVEDA: Thank you, Mr. President, for allowing me to speak on this resolution.

To our distinguished leaders of the Taiwanese community, fellow legislators, honored guests, and our dear friends, it's a privilege to join you today in Albany to celebrate Taiwanese Heritage Day and recognize the tremendous contributions the Taiwanese community has made to the cultural, economic, and civic life of New York State.

The Taiwanese community embodies the values that define New York: Hard work, innovation, perseverance, and a strong commitment to education and public service.

Across our state, Taiwanese Americans have strengthened our neighborhoods through business, technology, the arts, and community leadership, enriching the diversity and

vitality of New York State.

Taiwan itself stands as a model of resilience and democratic values, and those same principles are reflected in the Taiwanese community here in New York through civic engagement, unity, and service to others.

Today's celebration reminds us of the importance of honoring and supporting the communities that help shape our state.

From my position as a New York State Senator, I reaffirm my commitment to recognizing and promoting the cultural heritage of all communities that make our state and our country a mosaic of stories, voices, and hopes.

As we commemorate Taiwan Heritage Day, I'm proud to recognize Ambassador Tom Chih-Chiang Lee, who's the director-general of the Taipei Economic and Cultural Office in New York, known as TECO.

Mr. Eric Ng, president of the Chinese Consolidated Benevolent Association of New York.

Mr. Chun-Hwai Su -- also known as Tom -- and Mr. Jen Ching Wang, the president and vice president of the Taiwan Center of New York.

Mr. Wei-Ren Huang, political division director of the TECO.

Mr. Jie Fan Hsieh, political officer of TECO.

Ms. Peggy Huang, director of the Culture Center of TECO.

And Ms. Sylvia Tsai, secretary general of the Taiwanese Chamber of Commerce of New York, and Mrs. Mei Tien, board member of the Chinese Chamber of Commerce of New York.

Thank you all for being here today. Thank you for being here today and celebrating Heritage Day with us.

Happy Taiwanese Heritage Day.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Sepúlveda.

Senator Stavisky on the resolution.

SENATOR STAVISKY: Thank you, Mr. President.

Thank you to Senator Sepúlveda for organizing this annual trip to Albany.

And thank you to your predecessor, Senator Sepúlveda, who originally established a special relationship -- even though they may not

live in the Bronx, nevertheless Senator Díaz was certainly responsible for starting this exchange.

I am proud to represent so many people from Taiwan. I previously represented Flushing, which had a major, major effect on the City of New York. The fact that people from Taiwan came to Queens County in the late 1970s, early 1980s, and established such a remarkable presence, both helping the economy but also the cultural areas of our city.

They are an important part of our city. They make amazing contributions. I'm proud to say they are my friends. And in fact I notice that the group from the Taiwan Center, among other groups, was here. My district office was literally around the corner from the Taiwan Center.

So I thank them for coming. And I certainly want to make sure that everybody here understands the remarkable work that people from Taiwan have accomplished.

Particularly I know how proud they are of their State Senator, John Liu, and I know that they sense the same pride we have in accomplishments.

And to Senator Liu, we thank you for what you have done -- such a wonderful representative of the City of New York.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Stavisky.

Senator Liu on the resolution.

SENATOR LIU: Thank you, Mr. President -- (mic off; inaudible).

But I am proud to become an American, and I want to thank Senator Sepúlveda for carrying this for 14 years -- he's been doing this 14 years, the last eight being while I was a State Senator -- and really always greeting our delegation of Taiwan American leaders.

As has been said already, the Taiwanese American community is very proud. We are very resourceful, bringing a lot of contributions to the State of New York, not the least of which is one of the biggest economic development projects that is happening in the State of New York, where there's a huge investment from Taiwan coming into Central New York as part of the semiconductor and AI initiatives.

But, you know, I think a lot's been said. You know, what's probably not been said -- I was in the Finance Committee -- is that Taiwan faces a great deal of challenge and outright peril in these times.

And so I do want to recognize that and ask my colleagues to, you know, stand with the people of Taiwan. Because it's a rough time all around the world, and certainly in the Strait of Taiwan.

And with that, I want to take this opportunity to say that every year we've been joined by an incredible community leader when they come up to the State Capitol to advocate for the Taiwanese community. This year she did not come because unfortunately we lost her at the beginning of this year.

Patsy Fang Chen was an incredible leader in the community. We lost her too early. But her memory lives on, and her legacy will continue to carry us through.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Liu.

We did have guests that left

earlier; we wanted to thank them for their work and commitment to fostering the relationship between Taiwan and the USA.

And may her memory be a blessing.

The resolution was adopted on January 28th.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, the sponsors of today's resolutions would like to open them for cosponsorship.

ACTING PRESIDENT BAILEY: The resolutions are open for cosponsorship. Should you choose not to be a cosponsor, please notify the desk.

Senator Gianaris.

SENATOR GIANARIS: 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 bills:

Senate Print 9003D, an act making appropriations for the support of government (Aid

to Localities Budget);

Senate Print 9004D, an act making appropriations for the support of government (Capital Projects Budget);

Senate Print 9007C, enacts into law major components of legislation necessary to implement the State Health and Mental Hygiene Budget for the 2026-2027 fiscal year;

Senate Print 9009C, enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2026-2027 state fiscal year.

All bills reported direct to third reading.

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

SENATOR GIANARIS: I move to accept the report of the Finance Committee.

ACTING PRESIDENT BAILEY: I got ahead of myself, as always, Senator Gianaris.

But I will now ask again. 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: Please take up the supplemental calendar.

ACTING PRESIDENT BAILEY: The Secretary will read.

THE SECRETARY: Calendar Number 1331, Senate Print 9003D, Budget Bill, an act making appropriations for the support of government.

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

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

SENATOR GIANARIS: Move to accept the message.

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

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed,

nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: The bill is laid aside.

The Secretary will read.

THE SECRETARY: Calendar Number 1332, Senate Print 90004D, Budget Bill, an act making appropriations for the support of government.

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

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

SENATOR GIANARIS: Move to accept the message of necessity.

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

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: The bill is laid aside.

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 10007C and substitute it for the identical Senate Bill Number 9007C, Third Reading Calendar 1333.

ACTING PRESIDENT BAILEY: The substitution is so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 1333, Assembly Bill Number 10007C, 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 BAILEY: There is a message of necessity at the desk.

SENATOR GIANARIS: Move to accept the message.

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

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: The bill is laid aside.

THE SECRETARY: Calendar Number 1334, Senate Print 9009C, Budget Bill, an act to amend the Tax Law.

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

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

SENATOR GIANARIS: Move to accept the message.

ACTING PRESIDENT BAILEY: All those

in favor of accepting the message please signify by saying aye.

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: The bill is laid aside.

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

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

ACTING PRESIDENT BAILEY: The Secretary will ring the bell.

The Secretary will read.

SENATOR GIANARIS: Calendar Number 1334, please, Mr. President.

ACTING PRESIDENT BAILEY: Calendar Number 1334.

THE SECRETARY: Calendar Number 1334, Senate Print 9009C, Budget Bill, an act to

amend the Tax Law.

ACTING PRESIDENT BAILEY: 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 Rhoads.

ACTING PRESIDENT BAILEY: Thank you, Senator Lanza.

In accordance with Rule 6, Section 4B, I rule that nongermane and out of order at this time.

SENATOR LANZA: Accordingly, Mr. President, I appeal the ruling of the chair and ask that Senator Rhoads be heard on that appeal.

ACTING PRESIDENT BAILEY: The appeal has been made and recognized, and Senator Rhoads may be heard.

Senator Rhoads.

SENATOR RHOADS: Thank you, Mr. President.

We believe that this bill is germane to the issue at hand, as the issue at hand is the revenue for the State of New York, part of which

has been termed in Part FF as the "Protecting Our Wallets."

In that spirit, I am offering the following amendment, which is contained in Bill S9110, which would provide the largest personal income tax cut in the history of the State of New York.

New York is the highest-taxed state in the country. We are number one in tax unaffordability. We have the fourth-highest cost of living among all 50 states. And that is what is driving people leaving the State of New York to the tune of a million people in just the last six years since 2020. And that trend continues.

And while the Majority has offered in this particular legislation crumbs to try and actually mollify the fleeing of people in the State of New York to other states like Texas and Florida and North Carolina that have dramatically lower tax burdens, S9110 offers the opportunity to provide real and sustainable annual relief to the taxpayers of the State of New York.

Over a 10-year phase-in, this bill would actually lower -- exempt the first $50,000 of income for single filers from New York State

income taxes. For single head of households, it would exempt the first $75,000 of income. For families, it would exempt the first $100,000 in income.

And given that the median family income in the State of New York is $87,000, that means for the average New York State family -- if this were adopted, the average family in the State of New York would pay zero state personal income tax.

That equates not to a $150 utility rebate making up for the extraordinary charges that the state puts on every utility bill -- this is talking about $5,000, on average, per family per year that you have a chance to put into the pockets of every New York State family by simply not taking it out of their pockets in the first place.

I can think, when we are talking about affordability, of nothing more germane, Mr. President, than talking about putting money into the pockets -- real, sustainable money that will help sustain families in the State of New York and will help mollify the increased costs of living that we continue to impose upon

them through the policies that come out of this chamber.

So I would encourage the members of this body to vote to overrule the ruling of the chair and incorporate this amendment into the bill-in-chief.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Rhoads.

I want to remind the house that this 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 BAILEY: A show of hands has been requested and so ordered.

Announce the results.

THE SECRETARY: Ayes, 22.

ACTING PRESIDENT BAILEY: The ruling of the chair stands, and the bill-in-chief is before the house.

Read the last section.

Sorry, my understanding is that there will be debate on this bill.

Senator Rhoads, why do you rise?

SENATOR RHOADS: I was hoping that the sponsor might yield to a few questions with respect to Part FF.

ACTING PRESIDENT BAILEY: Senator Gianaris?

SENATOR GIANARIS: Yes. For the most part, these parts will be defended by Senator Gounardes. So let's just assume that, and if it's anyone else I will stand up and redirect that way.

ACTING PRESIDENT BAILEY: Senator Gounardes, do you yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The Senator yields, Senator Rhoads.

SENATOR RHOADS: Thank you, Senator Goud -- Senator Gounardes. There's going to be so much speaking today, I've got to get the mouth moving.

Senator Gounardes -- through you, Mr. President -- Part FF is termed the Protecting Our Wallets Energy Rebate. And my understanding is this would provide a one-time $150 rebate to taxpayers with incomes between $150,000 and

$300,000, and would provide a rebate to single, married filing a separate return, or heads of household with income up to $150,000, of $100.

Is that correct?

SENATOR GOUNARDES: Through you, Mr. President, that is correct. (Pause.)

Through you, Mr. President, if you are a married couple filing jointly, with income up to $150,000, you can get up to $200 in the POWER rebate.

SENATOR RHOADS: Thank you for that correction.

Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: So I'm correct in my understanding that the ultimate rebate that would be offered, the maximum rebate that would be offered is a $200 rebate, correct?

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

SENATOR RHOADS: And will the

sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And this isn't a monthly rebate -- through you, Mr. President, this isn't a monthly rebate, this is a one-time rebate check that would be received by ratepayers?

SENATOR GOUNARDES: Through you, Mr. President, that is correct. This is a one-time rebate check.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I certainly do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: IPPNY has recently put out a study indicating that over 70 percent of ratepayers' utility bills are actually not related to the production of energy but are the

result of taxes, fees, surcharges and mandates that are imposed upon ratepayers by the State of New York.

Are you familiar with that study?

SENATOR GOUNARDES: Through you, Mr. President, I have not read that study.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Through you, Mr. President. What is a merchant function charge, or MCF charge?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President. While we wait for staff to come, I'm not familiar with that particular definition.

I do want to note, however, in response to the last question that was asked, that the largest of those taxes that is imposed on utility bills is often property taxes, which is done at the control of local governments.

But we'll wait to get staff here to assist with the Senator's additional questions.

SENATOR RHOADS: And in the meantime, will the sponsor yield to another question.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: What is a delivery adjustment?

SENATOR GOUNARDES: Repeat the question, sir?

SENATOR RHOADS: What is a delivery adjustment?

SENATOR GOUNARDES: Delivery adjustment.

Through you, Mr. President. While we're waiting for staff -- we want to make sure we get the right answers for the Senator to make sure he understands his utility bills -- I just want to note that nothing in this POWER rebate relates to utility bill charges.

This is a one-time rebate given to

all qualifying taxpayers in the State of New York regardless of what the individualized charges on their particular utility bills may be.

SENATOR RHOADS: Thank you for that explanation, Senator Gounardes. And I guess we'll wait for the answer on that other one.

In the meantime, will you yield to another question?

SENATOR GOUNARDES: I will.

ACTING PRESIDENT BAILEY: Will the sponsor yield? The sponsor yields.

SENATOR RHOADS: What is a -- what is a legacy transmission charge?

SENATOR GOUNARDES: Through you, Mr. President, my previous answer to that question still stands.

We're waiting for staff to come with more precise definitions so that the Senator can understand his utility bill. But I'm happy to take other questions in the interim.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: What's a GRT tax surcharge?

SENATOR GOUNARDES: Through you, Mr. President, my previous answer still stands.

While we wait for answers from staff for the Senator's questions so that he can understand his bill, as well as the nearly 600,000 taxpayers in his home county who will benefit from this rebate check, I'm happy to take an additional question.

SENATOR RHOADS: I'm assuming that means the sponsor will yield?

SENATOR GOUNARDES: I will.

ACTING PRESIDENT BAILEY: If you're asking the sponsor to yield, I can ask: Will the sponsor yield?

SENATOR GOUNARDES: I'll yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: How about the temporary New York State surcharge?

SENATOR GOUNARDES: Mr. President, we're still waiting for staff to arrive with all

those answers to those questions, so I'll defer if the Senator wants to continue asking other questions.

SENATOR RHOADS: And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: In the case of National Grid, any idea what a National Grid ESRM hedging charge is?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President. It's my understanding, after conferring with staff, that all of these charges that the Senator is asking about are all various assessments that are used to fund a number of the energy efficiency and energy affordability programs that the state offers or that we authorize and that our state agencies administer for different varying purposes.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Would that be the same for SBC and RPS surcharges, for RDM surcharges, for incremental state assessments as well as for sales taxes that New York State imposes on utility bills?

SENATOR GOUNARDES: Through you, Mr. President. A number of these fees and charges that the Senator is referring to, some are related to affordability and efficiency programs. Others relate to the cost of energy themselves for the companies as they are purchasing energy to deliver.

But again, I'll remind my colleague from across the aisle that the utility rebate checks that are included in this budget have no bearing on the individual bills or fees or surcharges that are attached to utility bills.

The POWER rebate check will be given to eligible taxpayers, because everyone is paying for higher energy costs, whether it's through a

utility or whether it's through the gas pump or other forms of energy costs. And so this program and this rebate program applies to taxpayers in the State of New York, not specifically exclusive to utility payers.

SENATOR RHOADS: Will the sponsor continue to yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: IPPNY indicated that the average New York household will pay approximately $5,000 a year in utility charges, 70 percent of which, according to their findings, relate directly to fees, surcharges, mandates, and taxes that are placed on their utility bill by the State of New York with the authority of this Legislature or by the Public Service Commission.

When we're talking about $5,000 in bills, why are we only talking about a 150 -- $100, $150 or $200 rebate going back to taxpayers if we're really concerned about the affordability of utility rates in the State of New York?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President. As I answered to my colleague previously, one of the largest drivers of those costs are local property taxes, which of course as my colleague knows is not set by this Legislature but is set by local municipalities.

And so the biggest costs that you're referring to oftentimes are driven by local governments, the taxes they assess on the power companies.

But again, we are trying to provide some measure of relief to taxpayers who are bearing the brunt of high energy costs across the board, whether it is from their gas bill, their electric bill, their bill at the pump or whatever their energy needs may be. The purpose of this program and of this rebate check is to help provide some measure of relief to New York State residents, including 578,410 households in the County of Nassau.

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I yield.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR RHOADS: And can ratepayers expect this to be in the form of a check or a credit on their bill?

SENATOR GIANARIS: Through you, Mr. President, just to correct my colleague, this is not about ratepayers. As I said previously, it's about taxpayers.

So this check will be sent to taxpayers in the State of New York. It's not tied to someone's individual status as a ratepayer.

And yes, it will be in the form of a check.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And through you, Mr. President.

So if I'm correct in my

understanding, every taxpayer will receive some level of rebate as long as they make less than $300,000 per year, even if they don't pay utility bills.

(Pause.)

SENATOR GOUNARDES: Mr. President, through you. We estimate that this proposal will reach nearly 8.2 million taxpayers in the State of New York, the income threshold for eligibility depending on your filing status -- single, married, jointly, et cetera.

But 8.28 million taxpayers will benefit from this POWER rebate program.

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: So this Protecting Your Wallet Energy Rebate then will go regardless of whether anyone actually pays a utility bill. So it will go to 8.2 million people when there are only five hundred -- you said there were how

many, 587,000 households within the county, right? They would go to every county resident -- every county taxpayer?

SENATOR GOUNARDES: Through you, Mr. President. If they meet the income eligibility, yes.

SENATOR RHOADS: And will the sponsor yield to one final question on this part.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I'll yield for one final question on this part.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: When can taxpayers expect to receive these checks?

SENATOR GOUNARDES: Through you, Mr. President. Our understanding is that these checks will be sent out sometime in the fall, September through October or November. Just like the rebate checks we did in previous budgets were.

SENATOR RHOADS: Thank you, Senator Gounardes.

Briefly on the bill.

ACTING PRESIDENT BAILEY: Senator Rhoads on the bill.

SENATOR RHOADS: Mr. President, you know, I certainly appreciate the fact that we're talking about a $100, $150 or $200 rebate.

But the purpose for these questions was to draw attention to the fact that out of an average $5,000 utility bill over the course of a year, the ratepayer is going to wind up having to pay -- 70 percent of that bill are taxes, are fees, are surcharges, are mandates that are imposed by government on ratepayers.

If we were truly interested in lowering the cost of utility bills, we wouldn't be offering crumbs. We would be offering real, sustainable relief by withdrawing the taxes, fees, surcharges and mandates that we're placing on utilities and placing on ratepayers who ultimately pay these utility bills, and actually provide real and sustainable relief.

That is, sadly, not what we are doing.

And I just wanted to ask a few questions on Parts E, F and G.

ACTING PRESIDENT BAILEY: Senator

Gianaris, Parts E, F and G are still Senator Gounardes.

Senator Gounardes, do you yield?

SENATOR GOUNARDES: I'm ba-ack. Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

(Laughter.)

SENATOR RHOADS: Senator Gounardes -- I'm sorry, will the sponsor yield?

SENATOR GOUNARDES: Yes, I will.

SENATOR RHOADS: Thank you. I almost forgot.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: It is my understanding that since Governor Hochul has taken office, New York has lost 892 companies representing about $47 billion in income, according to IRS migration data.

Are you familiar with those statistics?

SENATOR GOUNARDES: Through you, Mr. President, I am not.

SENATOR RHOADS: And will the

sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Thank you.

It is also my understanding that one of the primary reasons why companies are actually leaving the State of New York and taking their jobs and taking their economic activity and revenue that comes into -- through the taxes that they pay, comes into the State of New York's coffers that is then spent by this Legislature, is because of the high taxes and the high cost of doing business in the State of New York.

Would you agree with that statement?

SENATOR GOUNARDES: Through you, Mr. President. I'm not sure if my colleague is aware, but corporate taxes in New York are assessed on companies whether they are based here or not.

It is based on the income derived within the state. Meaning that if a company is not headquartered or based or has employees in

the state but they do business and derive business income in the State of New York, they are subject to New York State's corporate tax requirements.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: But those taxes are higher if -- through you, Mr. President. However, those taxes are higher in terms of corporate income if they are -- if they reside in the State of New York, is that correct?

SENATOR GOUNARDES: Through you, Mr. President, we don't differentiate between businesses that are located in the State of New York and businesses that are located outside the State of New York. In fact, that would be violative of constitutional law.

SENATOR RHOADS: Will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR GOUNARDES: I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Who ultimately pays these taxes?

SENATOR GOUNARDES: Through you, Mr. President, corporations do.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Is it reasonable to expect that corporations that are in the business of making money will pass that cost along to the consumer?

SENATOR GOUNARDES: Through you, Mr. President, I think that's how corporations make a lot of money, by passing their costs on to consumers.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: So would you agree that in extending the temporary Article 9-A tax rates for three years -- which were set to expire, but now we are increasing taxes on corporations. And since we agree that corporations pass those costs on to consumers, why are we raising taxes on consumers?

SENATOR GOUNARDES: Through you, Mr. President. Nothing in this proposal raises taxes on corporations. They are -- the same tax rate they were paying yesterday is the same tax they're going to be paying tomorrow. There's no change or increase in their tax liability from yesterday to today or whenever this bill is ultimately signed by the Governor.

SENATOR RHOADS: And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And with respect to Parts F and G, which deal -- F deals with decoupling from H.R.1 provisions, which are exemptions that are provided by the federal government which we are now not extending, consistent exemptions to corporations both outside of the City of New York and, in Part G, inside of the City of New York.

Is there a particular reason why we're doing that?

SENATOR GOUNARDES: Through you, Mr. President. I'm so glad my colleague is asking that question, because the answer is absolutely yes.

Through the provisions of H.R.1 that was passed by Congress and signed by President Trump last year, corporations -- and the biggest corporations on the planet -- received such a massive suite of tax benefits, so much so that hundreds of companies are now going to have zero federal tax liability because of the sweetheart deal they got in H.R.1.

And because New York's tax code has

something called rolling conformity, which means that our tax provisions automatically conform to the federal tax code unless we proactively change that, the changes that were done at the federal level, 200 miles away from -- or 500 miles away from where we are right now, would have an immediate fiscal impact to the State of New York.

Those are tax policy decisions that none of us had the chance to weigh in on, debate, contemplate, discuss or figure or determine if it's in the best interests of New Yorkers.

And so what we are doing here, by decoupling from the most egregious of these corporate tax giveaways -- again, the very same corporate tax giveaways that are going to let the largest companies on this planet pay zero federal income tax, at a time when we're all talking about affordability and we're all talking about making sure we can help families get by -- we feel, this side feels that the cost to the state of several billion dollars, we estimate just shy of $2 billion this year alone, is too important to have that income, that revenue be forgone because of policy decisions that were made down in Washington, D.C., policy decisions that we

don't agree with and that don't benefit our constituents, but serve solely to benefit big corporations.

SENATOR RHOADS: Having no input into the process certainly sounds like being in the Minority in this Legislature.

Thank you for the answers to those questions, Senator Gounardes.

On the bill, Mr. President.

ACTING PRESIDENT BAILEY: Senator Rhoads on the bill.

SENATOR RHOADS: I think what you've highlighted here is a fundamental difference in opinion between the Majority in this chamber and the Minority.

That is that, first, extensions of a tax increase are in fact a tax increase. Whether it's on corporations, whether it's on individuals, whether it's on anyone, if a tax increase was set to expire and we simply extend that tax increase by three years, you are effectively raising taxes for another three years on whatever the entity is.

The other fundamental disagreement is the fact that -- and it's maybe not even a

fundamental disagreement. My colleague on the other side of the aisle conceded that corporations pass along the cost of increased costs of doing business to the consumer. That's how they stay in business.

And so when we're raising taxes on corporations -- nobody likes corporations, right? But if you understand that corporations then pass those increased costs on to consumers, if the real issue is affordability, we are making affordability an even bigger problem in the State of New York, not a smaller one.

If we are taking away exemptions that corporations are eligible for as a result of policies down in Washington, we are effectively increasing costs on corporations and increasing costs on consumers.

So whether it's the good or service that they provide, whether it's a product that they provide, that product is now going to cost more on the shelf. If it's a service they provide, it's going to cost more to pay for that service for the average individual consumer.

And so while my colleagues on the other side of the aisle want to attack

corporations, what they're really doing in a policy like this is attacking you. Because you are the one that bears the ultimate cost of that.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Rhoads.

Senator Martins, why do you rise?

SENATOR MARTINS: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: So about a year ago, back in July of 2025, Congress passed H.R.1. We've all heard about it before. It was referenced earlier today. A bunch of things happen there.

One of the good things, Mr. President, I think that happened there was that Congress passed something that had been part of the previous presidential cycle and decided that they would eliminate income taxes on tipped wages. Great step forward. They also went ahead and agreed to eliminate taxes on overtime up to certain limits.

So I find it, first of all,

interesting that they did that a year ago, and here we are looking at our proposed budget a year later and it looks like New York is finally catching up.

So if the sponsor would yield for a few questions.

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

The sponsor yields.

SENATOR MARTINS: Thank you. Through you, Mr. President.

So this was part of the last presidential campaign. Obviously there were proposals made with regard to tipped wages. Is that where the inspiration came for including this in this budget this year?

SENATOR GOUNARDES: Through you, Mr. President. This proposal was included in Governor Hochul's Executive Budget proposal. I do not know from where she drew that inspiration for this proposal.

But I think a fair assumption would be that we are now matching the state income tax code to the changes in the federal code. But

again, I can't speak to the Governor's motivations for including this in her budget proposal.

SENATOR MARTINS: Appreciate that.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Gladly.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: But I notice that there isn't the corresponding elimination of income taxes on overtime. Was there a reason why that piece was not carried forward, either by the Governor or, frankly, by, you know, the Majority in their one-house?

SENATOR GOUNARDES: Through you, Mr. President. Again, as I said to the Senator's previous question, this was a proposal that was put on the table by the Governor. And there was agreement amongst the three parties to accept this proposal as the Governor had included it in her Executive Budget submission.

SENATOR MARTINS: Thank you.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Sure.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: I have questions on Part J. I'm hoping, Senator, that that's also you?

SENATOR GOUNARDES: I'm hoping I can answer your questions for you, Senator. Yes.

SENATOR MARTINS: Thank you.

This has to do with enhancing the New York City Musical and Theatrical Production Tax Credit.

So from what I understand, there's an additional $150 million tax credit that is going to be added to previously funded tax credits.

Senator, do you know how much money is in the fund currently?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President. Notwithstanding that fact that my

colleague didn't ask the question using jazz hands for Broadway --

(Laughter.)

SENATOR GOUNARDES: -- the previous program was allocated $400 million.

It's my understanding that that -- that that program has expired, or that the money has run out from that program. Hence the expansion we're here discussing today.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Certainly.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: In fact, this tax credit actually dates back to December 2025. Is that to make up for the fact that we ran out of funds out of the $400 million that had previously been allocated for this fund?

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

SENATOR MARTINS: Through you,

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: So as I understand it, this fund allocates $3 million tranches to productions, theater productions and the like, in New York City if they have a certain seating capacity. Does that money have to be repaid to the taxpayers of New York State?

SENATOR GOUNARDES: Through you, Mr. President. This is a tax credit, which means that it is reimbursable upon expenses paid by the claiming entity.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Are there any jobs that are tied to the tax credit, receiving the tax credit?

SENATOR GOUNARDES: Through you, Mr. President. I mean, the whole point of this program is to continue to support the arts on Broadway.

And productions can't take place without anyone there to produce them, to act, do the stage work, to do ticket sales and concession stands and all of the other jobs associated with the Broadway industry. So yes, broadly speaking, jobs are created as a result of these programs.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT MAYER: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT MAYER: The sponsor yields.

SENATOR MARTINS: So I'm sure that in spending $400 million, and now an extra $150 million, a study was conducted to show the number of jobs that would have been there anyway

or how many were created as a result of the efforts of several hundred million dollars of tax credits that are given the industry.

Was such a study performed?

(Pause.)

SENATOR GOUNARDES: Through you, Madam President.

As my colleague may remember, several years ago we did commission a study about many of these economic development programs, and including the Broadway tax credit. And the economic impact that they provide, the immediate impact, the secondary impact, the tertiary impact.

And so on the basis of that study that was done, the answer is yes, we have done an analysis.

SENATOR MARTINS: On the bill, Madam President.

ACTING PRESIDENT MAYER: Senator Martins on the bill.

SENATOR MARTINS: Thank you, Senator.

You know, so there have been studies, Madam President, there have been

studies. And it shows that the return on these funds is actually somewhere around 25, 26 cents on the dollar.

So far as an investment in jobs and return to the economy in economic development, I think it is woefully inadequate for us to be continuing to hand out tax credits to the tune of hundreds of millions of dollars. And we'll come back to it, I think, later on in this discussion as well.

Because the idea of how we decide, as a body and as a state government, to prioritize certain things and give tax credits for certain things and not for others, sometimes is quite stunning.

And so I will -- I'll ask, Madam President, if someone will yield for some questions on Part CC.

ACTING PRESIDENT MAYER: Senator Gounardes, do you yield?

SENATOR GOUNARDES: Through you, Madam President, I do.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR MARTINS: Thank you,

Madam President. Through you.

So Part CC, if I read it correctly, you know, there are instances -- you know, I have children of mine that are in college, have gone through college. There is food insecurity amongst college students. And, you know, this allows for students to donate their food credits to a classmate in order for them to be able to eat.

And we passed a bill last year, Chapter 678 of 2025, that allowed for that without requiring them to pay, of all things, sales tax on allowing a classmate to have access to their credit in order to be able to eat.

This bill, Part CC, would put that into question and actually eliminate that under certain circumstances.

Can you explain that to us, Senator?

(Pause.)

SENATOR GOUNARDES: Through you, Madam President. It is not my understanding that we are trying to undo the chapter that the Senator referred to.

Though in the course of chapter amendment negotiations, the Department of

Taxation and Finance asked for some clarifying language to make sure that the benefit actually went to the students who need it and not create any additional benefit for the schools or other entities.

And that is the sole purpose of these technical amendments here in Part CC.

SENATOR MARTINS: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: Thank you, Senator.

So Part CC actually is an amendment to Chapter 678 of 2025. So 678 of 2025 said if you have these credits and one of your classmates is suffering with food insecurity, you can give them those credits and you're not going to pay sales tax on it.

Makes sense. Why in the world would we go back and why would -- whether it's the Governor, whether it's the Majority, whether it's the Department of Taxation and Finance, why would we in the middle of this budget, where we're looking to actually spend close to $270 billion,

why would we go back and say, no, but if a piece of it somehow goes to the university for administrative expenses, or whatever it happens to be, that guy's going to have to pay sales tax on the credits he gave his friend so he could eat?

But I'll come back. Because this is in the context, Mr. President, of us having theater tax credits of $150 million on top of $400 million, that gives $3 million in credits, and yet we're nickel-and-diming college kids who just give their credit so that they can eat.

With that, Mr. President, I'd ask if anyone is available and would yield for some questions on Part FF.

ACTING PRESIDENT BAILEY: Part FF would also be Senator Gounardes.

Senator Gounardes, do you yield?

SENATOR GOUNARDES: I certainly do.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR MARTINS: So you had some questions earlier, Senator, from Senator Rhoads regarding Part FF.

And again, everyone, from what I

understand, is going to be entitled to this tax credit regardless of whether they are actually paying a utility bill. Did I understand that correctly?

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

Because this is the POWER rebate check, not the utility rebate check. And this relates to the fact that people across the state are having to pay higher power costs, energy costs, not just exclusively related just to their utility bills. So that is correct.

SENATOR MARTINS: Thank you.

Mr. President, on the bill.

Thank you, Senator.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: So again, in the context of theater tax credits, $400 million, $150 million in this one, we're going to give people who are suffering through probably the worst affordability crisis that we've had in a generation -- we're talking about giving them a $150 credit annually towards energy or power costs, whether it's electricity, whether it's

gas, whether it's natural gas, whatever it happens to be.

It's going to be the equivalent of a little over $10 or $12 a month. And that's our effort to help people deal with their utility bills and the high cost of energy.

And we -- frankly, the Protecting Our Wallets Energy Rebate, in the context of how we are spending money and how this body is spending money in this budget, giving them, our taxpayers, back a $150 rebate frankly is insufficient.

Mr. President, I was wondering if anyone would yield for some questions on Part HH.

ACTING PRESIDENT BAILEY: Part HH would also be Senator Gounardes.

Senator Gounardes, do you yield?

SENATOR GOUNARDES: Yes, Mr. President, I do.

SENATOR MARTINS: Mr. President, I apologize. I'm going to go on the bill first. I'll come back for some questions.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: Thank you.

So for those who were wondering, Part HH has to do with a new tax that is being discussed, and I guess is now being advanced by this body, which would impose a tax on property owners in New York City.

Mr. President, when my parents immigrated to the country, we first lived in Jamaica, Queens, Mr. President. And that's where my brothers and sisters and I were born. And eventually they saved up enough money and they bought a house in the suburbs and they moved to Mineola, and that's where we were raised.

They bought that house after scrounging for years. And then over time, Mr. President -- and I know this is not a story that is particular to me, it's the story of everyone in this room. All of our families, I would think, we all have examples of this, and it's our communities at large -- eventually that house started earning or accruing value.

The house that they had paid X for after a few years was worth a little more than that. And they worked hard and they paid off their mortgage. And they had that value there.

So what this does is it says that

value, your house that you bought for X, if it increased in value over time, that increase in value, we're going to tax you on that.

Now, we're now asking whether or not they are still earning income. We're not asking whether or not they can afford to pay it. We can't ask whether or not they are retirees on a fixed income. We're not asking that. We're just saying that because your value of your property happens to be X, whatever it happened to be when you bought it, whatever it is now, we think we have the right to tax it, Mr. President.

So we don't care whether or not somebody has an apartment in New York City that they may have bought once upon a time when they had the means to do so. We don't care if they're older now and they still have that apartment and maybe they're on a fixed income.

We're going to tax it, and we're going to tax that just because. Because we don't like the fact that people may happen to have an apartment somewhere outside of New York City or live somewhere outside of New York City and yet have a place in New York City that they may have lived in their entire life until recently.

But if they're no longer living there, we're going to tax them and we're going to tax them at a higher rate. We're going to tax them at a rate that is going to force them to sell that property. Without respect for homeownership, for investments, or for their ability to pay, because this has nothing to do with income. This has everything to do with value.

So with that, Mr. President, I'd ask the sponsor to yield for a couple of questions.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: So, Senator, how many tax classifications are there in New York City for residential property?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President. First I just want to commend my colleague for his vociferous defense of the plight of the 1 percent.

And the answer to his question is two. There are two classes.

SENATOR MARTINS: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: No, this is what it's about, right there. You heard it. "The vociferous defense of the 1 percent."

The 1 percent could be the person who worked their entire life as a carpenter, with their hands, or as a mason or as a laborer, worked their entire life and saved to build a house. That house can be in Manhattan. It could also be in Brooklyn. It could also be in Queens. And that house that once upon a time they bought for $20,000 or $25,000 today may be worth a lot more than that. And you know and everyone else in this room knows what that value is.

Defense of the 1 percent. How about defense of the working person and the right for them to have the benefit of their investment, their hard work, and what they actually spent it on? They saved, they sacrificed, they raised their families -- and you want to call it the

1 percent.

That's what you're doing. A million dollars. What did that person put into that house? How much did they pay for it? And can they pay that tax? Because they happened to move from Queens to Nassau County or moved from the Bronx to Westchester County, all of a sudden they're going to be taxed -- they can't even hold on to it because they don't live there full-time anymore?

Mr. President, there are several classes of residential real property assessment in New York City. Some of them have to do with single home ownership; others have to do with condos and co-ops. And there's a differentiation between property classes.

And this is clearly a tax on those people who happen to own residential properties. They own those properties.

You know what's missing from this calculation? What's missing from this calculation is the person who owns -- or has, sorry, they don't own it -- has an apartment on the West Side of Manhattan. I don't know, you tell me.

I'm not talking about those areas of the city where people live in poverty. I'm talking about those areas in the city where we still have rent-stabilized housing. And they live in those apartments making hundreds of thousands of dollars a year. Those apartments are rentals, so we don't count them as ownership. But we pass them on from parent to son or daughter, to relatives.

We don't value those apartments. Those apartments are worth millions of dollars, but they're rentals, so they're excluded.

So, sure, you have somebody living in the Hudson Valley, you have somebody living out on Long Island, they have their rent-stabilized unit in New York City. But it's not owned, so we're not going to value it and we're not going to force anyone to pay a tax. But they are not living in New York City, and they do not list that house or that apartment as their primary residence.

But that's okay, because they're renters. No, we're going to go after the owners who actually put their blood, sweat and tears into those units, into those purchases,

maintained them, paid for them, and we're going to require them to prove that that's their primary residence.

So this is all about, Mr. President, all about punishing ownership while ignoring the reality that are 1.2 million rent-stabilized units in New York City. And we call them affordable, Mr. President, because for the people who live in them, they're affordable. But that doesn't mean that they are all means-tested, as we've discussed on this floor before.

So you've got people who live in rent-stabilized apartments on Central Park West, you've got people who live in rent-stabilized apartments in some pretty affluent areas in New York City. But they can have those apartments and still have their primary residence somewhere else. They can vote somewhere else. They can have their driver's license somewhere else. They can pay their property taxes and their income taxes from another address, but we're not questioning that. No, we're going after ownership.

And why is that, Mr. President? Why are we -- why are we going after ownership?

Because we have an administration in New York City that is incapable of balancing its own budget. And rather -- even though it's got a $125 billion budget, or more. Talk about the 1 percent, Mr. President. A $125 billion budget for a city. Almost half the entire budget of the State of New York. Probably larger than the vast majority of states in this country -- $125 billion.

But ask them to tighten their belt and pay for their own expenses and you know what they do? They say, No, we're going to go up to Albany and we're going to ask you to tax people and ask you to tax their ownership of their property.

Mr. President, I was wondering if the sponsor would yield for a few questions.

ACTING PRESIDENT BAILEY: Senator Martins, what part?

SENATOR MARTINS: Same part.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Senator, I was wondering if you could tell us how much money is projected to be raised from this tax on middle-income homeowners in the City of New York.

SENATOR GOUNARDES: Through you, Mr. President. I dispute the characterization that someone who's buying a home that is not their primary residence, that is valued at more than $5 million, is middle-income.

But to answer the Senator's specific question, the total projected revenue raised from this measure is $506 million annually.

SENATOR MARTINS: Thank you.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: So I understand why you would want to go to the $5 million figure, but this really affects people who own homes worth a million dollars or more, doesn't it?

SENATOR GOUNARDES: Through you, Mr. President, that's not correct.

SENATOR MARTINS: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: So just to clarify, for Class 1 properties, it runs from $5 million to $25 million on a sliding scale running from 0.8 percent to 1.3 percent.

For Class 2 properties, which includes condos and co-ops, it runs from $1 million to $5 million, or over $5 million, with the sliding scale being 4 percent, 5.25 percent, 6.5 percent.

And so the properties that this impacts, depending on whether you're looking at Class 1 or Class 2 properties, Mr. President, a million dollars is the threshold.

Now, a million dollars is a lot of money, there is no question about it. None. But this talks about value -- market value, assessed value. It doesn't speak to whether or not a property has a million-dollar value and has an $800,000 mortgage. It doesn't mean it's paid

off. It doesn't talk about what the net value is to the person who owns it. It's just the value of the property.

So we're going to tax the value -- or you're going to tax the value without concern for whether or not somebody piled together their money, decided they wanted an apartment in the city, laid it down, maybe a few years ago, Mr. President, maybe they got it at a time -- maybe they got a good deal. And the city decides now, over time, the property is worth more and now we're going to impose another tax on that.

We're going to increase the tax rate for Class 2 properties or Class 1 properties to account for that, but only those for those people who happen not to live in New York City as their primary residence.

And I ask, Mr. President -- although I'm not asking the sponsor at this point -- I ask, how are we going to know where they live? What are we going to do? How are we going to reassess all of the properties in the city and track down every owner in the city to determine who is or is not a primary property owner in New York City?

How do I know that when they go out and spend part of their year in the Hudson Valley but then they come back and spend part of their year in New York City, how are we going to know where they are or aren't along that spectrum -- unless we're going to now begin to dive into investigating each and every property owner that we have, condo and co-op owner.

So, Mr. President, this is a mistake. It's wrong. I'm fairly certain it's illegal. So at some point you'll all be fighting legal fees and legal bills when it comes to challenges, where you are -- if you're 990,000 or you're over a million.

And the question is, for what? Because the City of New York and its leadership, this Governor, this body, cares more about taxing people out of their hard-earned money to support programs in a city that won't tighten its own belt and pay for its own bills.

It's immoral. I'll be voting no.

ACTING PRESIDENT BAILEY: Senator Borrello, why do you rise?

SENATOR BORRELLO: I'm wondering if somebody can answer some questions on Part GG.

SENATOR GIANARIS: Mr. President -- I'm sorry, Senator Borrello -- I think Senator Gounardes was wanting to speak on the bill.

ACTING PRESIDENT BAILEY: One second, Senator Borrello.

Senator Gounardes on the bill.

SENATOR GOUNARDES: Thank you, Mr. President. I just want to respond very briefly to Senator Martins.

The structure of this tax is such that for Class 1 properties that are valued at more than $5 million, they'll pay the tax rates for Class 1 properties.

For Class 2 properties, the co-ops and condos that he was referring to, he cited the million-dollar number as if we were going to start taxing people on buying a million-dollar home. That is incorrect.

Based -- and I point my colleague to the text of the proposal itself. For the next two years, that specific -- those specific units, the Class 2 properties, will be assessed on an imputed rental value of a million dollars.

Which means, in laymen's terms for

all my colleagues here, if you are renting that secondary home for more than $83,000 a month, that gets you over the million dollars rental for the year, then that property will be assessed under the pied-à-terre tax proposal.

So if you are renting a home, a secondary home for 83 -- or the value of that that home is $83,000 or more a month -- which means a very high-end property, not a working-class co-op, not a middle-income family's condo, but $83,000 or more a month -- that is the point at which the pied-à-terre proposal will be assessed for the next two years.

After which all Class 1 and Class 2 properties -- so the single to three-family properties and the co-ops and condos -- will all be assessed under $5 million or more of market value, as laid out in the bill text.

So I don't want anyone to hear this debate or any one of the three people watching us online right now, or maybe watching this later on in a clip, to believe that this tax would apply to anyone who is buying a million-dollar home anywhere in the City of New York. That is flat-out false and wrong and incorrect, and not

at all what we are doing in this proposal.

And so I just had to correct the record to make sure that that is crystal clear. That's nowhere in this proposal.

Thank you.

ACTING PRESIDENT BAILEY: Thank you, Senator Gounardes.

Senator Borrello, you were asking the sponsor to yield on what part?

SENATOR BORRELLO: On Part GG, please.

ACTING PRESIDENT BAILEY: Part GG, would that also be -- Senator Gianaris, excuse me.

SENATOR GIANARIS: Mr. President, that would be Senator Addabbo.

ACTING PRESIDENT BAILEY: Senator Addabbo, do you yield?

SENATOR ADDABBO: Yes, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: Through you, Mr. President. I'm asking specifically about the standardbred total carbon dioxide on track testing day.

And there's a fee associated with that. Could you please explain what the fee is what and what it will do?

SENATOR ADDABBO: So through you, Mr. President. There's an initial fee of $540,000, which will be the equipment used for the testing.

And then subsequent to that, as far as the implementation of the testing, it would be split fifty-fifty between the owners and the track itself.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: So that's the same amount for every track, and then half of that is going to be assessed on the owners of the horses. Is that correct?

SENATOR ADDABBO: That is correct, Senator Borrello.

SENATOR BORRELLO: Mr. President,

will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: Through you, Mr. President. So is this a fee that's unique to harness racing? Or is this also the same fee for thoroughbred racing?

SENATOR ADDABBO: Through you, Mr. President, this is unique to the standardbred. Thoroughbred has its own.

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

ACTING PRESIDENT BAILEY: Does the sponsor yield?

SENATOR ADDABBO: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: I am not familiar with, you know, carbon dioxide testing in the -- I'm not an expert on that at all.

But please explain to me, you know, if there's a differential between standardbred

and thoroughbred racing for this bill.

(Pause.)

SENATOR ADDABBO: Through you, Mr. President. Standardbred has its different, unique testing. This is basically what we call a milkshake for the standardbred, and do a blood test. So it will be unique for the standardbred.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: So this is really more about testing the horses, not the -- when you say you're talking about a milkshake, are we talking about the horses or the track?

SENATOR ADDABBO: Mr. President, to be clear, it is about the horse taking the milkshake.

SENATOR BORRELLO: Okay, that's what I figured.

Mr. President, will the sponsor

continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: So we're basically going to burden -- I would say burden the owners. Is this something that other states do?

I mean, you know, there's -- you know, I know standardbred owners that race simultaneously in other states as well as New York. Are we driving them towards other states because of additional fees like this?

SENATOR ADDABBO: Through you, Mr. President. To my knowledge, this is unique to New York. I don't know if we do this in other states.

But let's put it this way. In horse racing, the equine care is paramount. It's probably the number-one issue that actually plagues the horse-racing industry. And here we are addressing it.

We have had no opposition to this proposal in this budget from any owners, from any trainers, to our knowledge. So to me, it's a step in the right direction, Senator Borrello.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: I'm not going to debate that. Absolutely, we all want to make sure that these horses are safe and certainly that this is a revenue-generator for New York State at the same time, and ensuring that we're not driving them away.

So when you say you didn't get any pushback, was there any -- whether it's the track operators or horse owners, were they consulted before this fee was created?

SENATOR ADDABBO: Through you, Mr. President. No opposition to our knowledge at this point.

SENATOR BORRELLO: Mr. President,

will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: Right, I know you said no opposition. But was there any consultation with those groups, the stakeholders involved, you know, in harness racing?

SENATOR ADDABBO: Through you, Mr. President, I understand all standardbred owners throughout the state were consulted.

SENATOR BORRELLO: Mr. President, that will do it for me. Thank you.

ACTING PRESIDENT BAILEY: Thank you, Senator Borrello.

Senator Walczyk, why do you rise?

SENATOR WALCZYK: Mr. President, I hope someone would yield for a part of the budget that I didn't see here. It's about a tax credit for volunteer firefighters and ambulance workers?

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Sure, I'll

address that. It's not there.

SENATOR WALCZYK: So through you, Mr. President. So there was a proposal to have a $600 tax credit for volunteer firefighters and ambulance workers. It doubled that credit for married couples, allowed volunteers to also get credit even if their municipality had offered them a property tax exemption locally.

But I didn't see that in any part here. That wasn't included in the final budget?

SENATOR GIANARIS: Can you repeat that?

SENATOR WALCZYK: I can.

So there was a $600 tax credit for volunteer firefighters and for EMS workers. It also had a provision that would allow them to get that credit or the existing level of credit even if they had a local property tax exemption.

But I didn't see that in the final budget. Is that omitted?

SENATOR GIANARIS: I will point out that's a legislative item that this house has passed before, so it's still possible we can take it up before we conclude next week.

SENATOR WALCZYK: Thank you.

And through you, Mr. President, would someone yield on Part J?

ACTING PRESIDENT BAILEY: Part J would be Senator Gounardes.

Senator Gounardes, do you yield?

SENATOR GOUNARDES: I do yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Thank you.

Through you, Mr. President. And I know earlier it was explained this section expands the New York City Musical and Theater Tax Credit from $400 million to $550 million.

A theatrical production in New York City can now get up to $3 million per production, is that correct?

SENATOR GOUNARDES: Through you, Mr. President, that is the maximum eligible amount that an entity can claim under this tax credit.

SENATOR WALCZYK: Thank you.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Last year -- in last year's budget this program was already expanded from $300 million in total to $400 million. This year we're taking it from $400 million to $550 million.

What's the return on investment when we're putting that much tax money into this credit?

SENATOR GOUNARDES: Through you, Mr. President. As I'm sure we all know, Broadway is a big part of why millions and millions and millions of people come as tourists to New York every single year. Last year we had nearly 70 million tourists in New York City alone, Broadway being a large draw for that.

When these tourists come, they occupy hotel rooms, they eat in our local restaurants, they buy souvenirs, they're spending money in our local economy. And Broadway is a big part of the New York story.

And so I would argue that there are significant secondary and tertiary benefits from

investing and supporting the arts, and particularly supporting Broadway.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Do you have any kind of figure for the return on investment that we get for this?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President, while staff is looking for some further figures, I'll just point my colleague to my previous answer. There is a significant secondary and tertiary benefit to this program.

The report that I had cited earlier in response to a previous colleague's questions that examined a number of these economic development programs did assess a ROI for each individual program, though I'll note that that report did not do a but-for analysis. In other

words, it did not determine whether or not these various industries that were being supported through various economic development incentives would continue to thrive but for the existence of various economic programs.

So while we look for more specific data, I'll point my colleague back to my previous answer. There is, I think, significant secondary and tertiary impact from investments like this.

SENATOR WALCZYK: Thank you.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Yeah, understanding that it may be hard to pin down, and without any but-for, you know, the $550 million investment in Broadway, whether they would survive or at what level, fine.

Leaving that aside, this also includes off-Broadway productions and smaller theatrical productions as well, doesn't it?

SENATOR GOUNARDES: Through you, Mr. President, yes. There are some smaller productions that might not have the same pizzazz and sizzle, as some of the headliners that we know, that we get to go see. But that would also benefit from this type of investment.

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

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: Pizzazz and sizzle indeed. Twenty-three cents on the dollar is the return on investment when New York State tax money is used. This is bad economic development. Broadway isn't going to go away if we don't spend over half a billion dollars in taxpayer money to support it.

This really epitomizes -- and when you think of losing the priority of providing a small tax credit to volunteer EMS and firefighters, that coming off of the budgetary table, and instead adding a new additional $150 million for theatrical productions specifically in New York City, and some to off-Broadway complete flops.

Mr. President, I would ask someone to yield on Part C.

ACTING PRESIDENT BAILEY: Part C? I assume that's Senator Gounardes, that's also you. Do you yield?

SENATOR GOUNARDES: Yes, sir.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Welcome back.

Through you, Mr. President. This part says deductions to the 501(c)(3)s will still count even if the IRS has revoked their tax-exempt status?

SENATOR GOUNARDES: Through you, Mr. President. Just to be more specific, what this provision says is that deductions as it relates to state income taxes will still be considered charitable contributions even if potentially a receiving entity had their status revoked by the IRS specifically because of an act of political retaliation by the Internal Revenue Service or the federal government directing the IRS to do so.

SENATOR WALCZYK: And through you, Mr. President, would the sponsor continue to

yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And that would be as long as their reason for losing the status isn't related to that nonprofit's mission, as I read the language here in Part C.

SENATOR GOUNARDES: That is correct, Mr. President.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Certainly.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So what if they fail to file with the IRS? That's one of the most common ways that 501(c)(3)s can lose their nonprofit status. There's an automatic way that those 501(c)(3)s get their status revoked. Would

that still apply here?

SENATOR GOUNARDES: If an entity, if a charitable entity, a 501(c)(3) entity loses their status because they failed to comply with the requirements of filling in their tax documents, that is not what is being considered as part of this proposal.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So through you, Mr. President, that means those deductions would no longer count, even for New York State filings, is that correct?

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

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

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: Will the sponsor yield? The sponsor yields.

SENATOR WALCZYK: What if the 501(c)(3) has engaged in partisan political activity and that's the reason that the IRS has revoked their status?

SENATOR GOUNARDES: Through you, Mr. President, if a 501(c)(3) is engaged in political electioneering, that is violative of their 501(c)(3) status. And if there was a determination made by the IRS that they were engaged in that conduct, then they would not be eligible to receive the deductible contributions.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: What if the IRS revokes their tax-exempt status for excessive lobbying? Would that also apply here?

SENATOR GOUNARDES: Through you,

Mr. President, if a 501(c)(3) organization loses their status for any valid reason, meaning that they have violated one of the provisions of the tax code that grants them that status, then these provisions would not apply.

SENATOR WALCZYK: And through you, Mr. President, would the sponsor yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And one of those being excessive lobbying, obviously.

SENATOR GOUNARDES: Certainly.

SENATOR WALCZYK: What if the IRS revokes their status for paying CEOs too much, for excessive salaries, showing that, you know, the charity is paying to too much personal privilege?

SENATOR GOUNARDES: Through you, Mr. President, it is not my understanding that that is a valid reason why an entity might lose their (c)(3) status.

Unless, of course, there is some

type of financial mismanagement or fraud that is happening at that company -- or at that entity, which is a larger issue than just a compensation question. There's a fiscal mismanagement issue, at which point there could be a loss of (c)(3) status.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And on that note, if the IRS had found that a 501(c)(3) in New York was committing fraud, the charitable deductions would still not apply here?

SENATOR GOUNARDES: Through you, Mr. President, that's correct. Any (c)(3) entity that loses their status for any valid reason would not be eligible under these provisions.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Through you, Mr. President. It says in Part C here that so long as the 501(c)(3) establishes its revocation is unrelated to its mission -- who would determine that for the State of New York?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President. The burden in this case would be put on the individual claiming the charitable deduction.

If the Tax Department decides to conduct an audit of an individual's tax return and question the claiming of a charitable contribution, the taxpayer would be able to say, Look, here's why I continue to support this organization, because they were being targeted, you know, for whatever reason and they lost their status federally for reasons not related -- for nonvalid reasons.

SENATOR WALCZYK: And through you,

Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So that would be on the Department of Tax and Finance on individual tax forms in that case, is that correct?

SENATOR GOUNARDES: Well, through you, Mr. President, if an individual chooses, you know, in the course of their day to day, they make a donation to a charitable organization, they make a donation to their alumni association, they support various different charities, and if it turns out that one of those charitable organizations subsequently loses or even previously loses their tax status at the federal level for a nonvalid purpose, that individual, should they be audited by the Department of Taxation and Finance to say, Hey, you claimed this deduction improperly, it would then be on the individual to say, No, I still believe this

is a valid charitable contribution because this organization lost their status for a non-valid purpose, here's the news article, here's the clip of the IRS chief saying we're going after all of the cancer foundations in New York because we don't like their work or whatever, as a hypothetical.

And so it would not be a form that DTF submits them right away, it would be upon -- or basically a defense from the individual taxpayer in the conduct of that audit.

SENATOR WALCZYK: Thank you.

Through you, Mr. President, I would ask someone to yield on Part K.

ACTING PRESIDENT BAILEY: Part K. Would that also be Senator Gounardes, Senator Gianaris?

SENATOR GIANARIS: That is also Senator Gounardes.

ACTING PRESIDENT BAILEY: Senator Gounardes, do you yield to questions on Part K?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Through you,

Mr. President. You're taxing nicotine pouches. Is that wholesale or retail?

SENATOR GOUNARDES: Through you, Mr. President, that is wholesale.

SENATOR WALCZYK: Through you, Mr. President, will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: How much?

SENATOR GOUNARDES: Through you, Mr. President, we are including these products in the current alternative tobacco tax, which is 75 percent wholesale.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Where does that money go?

SENATOR GOUNARDES: Through you, Mr. President, $50 million of that tax will be sent to HCRA, and the rest will go to the General Fund.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: Certainly.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: What's the purpose of the $50 million that's carved out for HCRA?

SENATOR GOUNARDES: Through you, Mr. President. Like we do with other tobacco taxes, that money is used for public health programs and for cessation initiatives.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: That's the same program that gets people to try and convert to safer products and not to smoke? Do I understand that correctly?

(Pause.)

SENATOR GOUNARDES: Mr. President, would Senator Walczyk please repeat his question?

ACTING PRESIDENT BAILEY: Would you mind rephrasing, Senator Walczyk?

SENATOR WALCZYK: Not at all. I just wanted to -- through you, Mr. President, wanted to identify that that is the program that we set up to get people to not smoke.

SENATOR GOUNARDES: Through you, Mr. President, correct.

SENATOR WALCZYK: Thank you.

Mr. President, I would ask the sponsor to yield on Part FF.

ACTING PRESIDENT BAILEY: Part FF. Senator Gounardes, do you yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And through you, Mr. President, I won't rehash all of the other issues, but there was something I wanted to drill down on here in Part FF, which is the Protecting Our Wallets Energy Rebate.

We established that this isn't going directly to ratepayers but New Yorkers who qualify. And people can expect a small check right before this year's election.

Is that coming out of the Clean Energy Fund or is that out of the General Fund taxpayer revenue in the State of New York?

SENATOR GOUNARDES: Through, Mr. President, this is from general revenue.

SENATOR WALCZYK: Thank you. I appreciate you answering my questions.

Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: I thought this was one mistake that we were going to fix. We certainly, in our conference, have offered up a lot of helpful ideas in this budgetary process.

Ratepayers across the State of New York want to understand, as my colleagues pointed out, what are all these taxes, assessments and fees doing raising the cost of each one of my energy bills, and where is that money going?

Well, we did some digging and we found out that there's a Clean Energy Fund that has billions of their dollars that have carried over year after year, and that fund is actually increasing. Despite having all of the solar sprawl, all of the battery power, all of the things that New York State is spending ratepayer money on, they can't even spend what they're overcollecting fast enough.

So there's billions of dollars sitting there, waiting for the State of New York to give that money back to the people that they overcollected it from -- not redistribute it to everyone based on some income-qualifying things, as this body often does, but directly back as relief to the people that you overcollected it from in the first place. That would have been the right thing to do.

I don't even know why this is called

energy at all, why energy would be related to this, because you're taking people's tax money and then you're just giving them a very small check right before the election happens this year.

We've seen that election-year gimmick plenty of times in politics in New York State, but it has nothing to do with real ratepayer relief.

I'll be voting no on this bill, and I encourage my colleagues to do the same.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Walczyk.

Are any other Senators -- I guess there are other Senators.

Senator Rhoads, why do you rise?

SENATOR RHOADS: I was hoping that the sponsor might yield to a question with respect to Part S, as in Sam.

ACTING PRESIDENT BAILEY: Part S.

Senator Gianaris, would that also be Senator Gounardes?

SENATOR GIANARIS: Yes, it would.

ACTING PRESIDENT BAILEY: Senator

Gounardes, do you yield for a question on Part S?

SENATOR GOUNARDES: I gladly yield for questions on Part S.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Thank you, Senator Gounardes.

Incidentally, the first question I'll ask, is there anyone else covering a different part of this bill that you want me to ask questions to so you have a break?

SENATOR GOUNARDES: Through you, Mr. President, I would be heartbroken --

(Laughter.)

SENATOR GOUNARDES: -- if you would choose to debate someone else on these questions.

So I'm glad, I'm happy to answer the Senator's questions.

SENATOR RHOADS: Thank you, Senator Gounardes.

And will the sponsor continue to yield?

SENATOR GOUNARDES: I will.

ACTING PRESIDENT BAILEY: Will the sponsor yield? The sponsor yields.

SENATOR RHOADS: Thank you, Senator.

On Part S, it indicates that we are extending the alternative fuel exemption for a period of five years. What taxes, state taxes are included that are being exempted?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President, the taxes that are exempted here would be motor fuel, petroleum, business fuel use and state and local sales and compensating use taxes.

SENATOR RHOADS: Thank you, Senator. Will the sponsor continue to yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: Will the sponsor yield? The sponsor yields.

SENATOR RHOADS: Through you, Mr. President. The petroleum business tax, what is that?

(Pause.)

SENATOR GOUNARDES: Through you, Mr. President, the petroleum business tax is a tax assessed on the import of petroleum products into the state.

SENATOR RHOADS: And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And that is a tax that's imposed on every gallon of fuel, whether it happens to be alternative fuel or gasoline, for example, that you would put in your vehicle. That's imposed on every gallon of fuel that's purchased by every consumer in the State of New York, correct?

SENATOR GOUNARDES: Through you, Mr. President, that tax is assessed on the businesses who are doing the importing, yes.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And that cost is

passed along to the consumer that purchases a gallon of gas at the pump, is it not?

SENATOR GOUNARDES: Through you, Mr. President, if the person importing that gas chooses to pass that cost on, it certainly could be. They don't have to. They could be, you know, benevolent and say, You know what, I'll eat this cost and take home a few fewer nickels.

But yes, potentially.

SENATOR RHOADS: I think it's safe to assume that cost is passed on to the consumer, right?

Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR GOUNARDES: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And the petroleum business tax, do you know how much that tax is on each gallon of fuel?

SENATOR GOUNARDES: Through you, Mr. President, we're going to get the exact tax rates, because it varies based on the type of fuel.

And so I'll make sure that I get the Senator the specific rate for the specific types of fuel. If there's a particular fuel you have in mind that you're curious about, we can prioritize that.

SENATOR RHOADS: Gasoline.

SENATOR GOUNARDES: Gasoline.

(Pause.)

SENATOR GOUNARDES: While we continue to look that up, if the Senator has an additional question, I'm happy to move on and come back.

ACTING PRESIDENT BAILEY: Actually, Senator Rhoads, an act in relation to that, your 30-minute individual time for debate has expired.

If you so desire, you may explain your vote at the conclusion of this bill. Your side's two-hour debate limit is still going on.

Thank you, Senator Rhoads.

SENATOR RHOADS: 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.

Read the last section.

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

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Senator Gonzalez to explain her vote.

SENATOR GONZALEZ: Thank you, Mr. President.

In the richest city in the richest country in the history of the world, we have the resources to feed and home every child in this state. And yet last year the number of homeless students rose to 154,000 -- a record high.

Billionaires like Jeff Bezos will tell you this is a spending problem. Last week in an interview he said that doubling his taxes would do nothing to help a teacher in Queens.

Well, Mr. President, I am the daughter of a teacher from Queens, and I spent the first half of my education in public school and the second half at one of the wealthiest independent schools in the entire country. And I can tell you firsthand that he is wrong. He is

wrong on multiple levels.

He's wrong because according to the Budget Lab at Yale, doubling his taxes could increase salaries by $35,000 a year. I grew up in a one-bedroom apartment. That money would have benefited me and my family.

He's also wrong to focus on the 44,000 we spend per student. That was the tuition for my education back then. The school I went to is now over 70,000 a year, because the wealthy understand that it is a good investment to spend on their kids. But when it comes to our kids, it's overspending and mismanagement.

But what he's wrong most of all, to me, on is that my constituents aren't smart enough to understand that it is both true that we should make sure every dollar spent on education goes as far as it possibly can, and that the real barrier to outcomes and making sure that we all live a dignified life is the wealth that he and his billionaire buddies are hoarding.

It is true that they are paying objectively a lower tax rate today than they paid in the 1950s. It is true that they have seen record profits --

ACTING PRESIDENT BAILEY: Senator Gonzalez, how do you vote?

SENATOR GONZALEZ: It is true that in order to actually invest in our New York, we need --

ACTING PRESIDENT BAILEY: Senator Gonzalez, how do you vote?

SENATOR GONZALEZ: -- to raise taxes on the wealthy. And because this bill fails to do that, I vote no.

Thank you.

ACTING PRESIDENT BAILEY: Senator Gonzalez votes in the affirmative {sic}.

SENATOR GIANARIS: Mr. President, just a reminder to my colleagues --

ACTING PRESIDENT BAILEY: I'm sorry, in the negative.

SENATOR GIANARIS: -- on both sides of the aisle, we're trying to get through the budget bills today and tonight, so we will be enforcing the two-minute vote explanation rule very strictly.

ACTING PRESIDENT BAILEY: Thank you, Senator Gianaris.

I'd like for some order so we can

respect our colleagues, whether you agree with their vote explanations or not. Thank you.

Senator Borrello to explain his vote.

SENATOR BORRELLO: Thank you, Mr. President.

I found it interesting that one of the initiatives in this bill is to protect your wallet. How are we going to protect people's wallets? We're going to give them a hundred bucks.

What do they need their wallets protected from? Bad policy here, from the pickpockets in Albany picking their pockets to the tune of thousands of dollars. It's the failure to do anything about rising energy costs.

But we're going to blame the producers, the job creators, the people that actually pay the bills here in New York State. We're going to pick their pockets more.

But you know what? Those pockets are portable. They leave. And we lead the nation, whether it's billionaires or working-class people, we lead the nation in people leaving New York State for other

locations.

So we can sit here and do this class-warfare rhetoric, but at the end of the day the losers are going to be the people left behind here in New York, the people that cannot afford to leave this state. They're the ones who are going to have to continually have their pockets picked and to protect their wallets from bad policies in this chamber and this city.

So I'll be voting no. Thank you.

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

Senator Brisport to explain his vote.

SENATOR BRISPORT: Thank you, Mr. President.

You know, a year ago I stood here and publicly named some of the billionaires who are quietly pulling the strings of our government, as Governor Hochul forced through a budget that fully preserved their tax breaks.

I did so knowing I would not be taking on these horrifically powerful individuals alone. I did so knowing that quiet anger was already whispered in break rooms and at kitchen

counters. I did so knowing that community leaders were already organizing resistance.

And sure enough, I was immediately flooded with hundreds of messages from people ready to fight back. The chokehold millionaires and billionaires have on our government is daunting. Their extraordinary degree of power is hard to even imagine, and yet still thousands have stepped up to take on that power together.

Over the past year, more and more people have joined in to march, call, rally and knock on their neighbors' doors, saying "Tax the rich." Today, because of them, we see the cracks starting to form in the power that millionaires and billionaires hold over our government. For the first time since taking office, Governor Hochul has agreed to implement a new tax on the ultra-rich, something she had publicly proclaimed she would absolutely not do.

And although it is an egregiously small tax on those who have more wealth than they can spend in a lifetime, it is proof that they are not invincible. It is proof that this uprising is working. New Yorkers are sick and tired of living in a state where the ultra-rich

amass billions of dollars in wealth while our public infrastructure crumbles and our social safety net frays.

If Governor Hochul and her billionaire funders think they have done enough to quell this brewing storm, they are wrong. We are just getting started.

I vote nay.

ACTING PRESIDENT BAILEY: Senator Brisport to be recorded in the negative.

Senator Chan to explain his vote.

SENATOR CHAN: Thank you, Mr. President.

So what happened to the affordability crisis that the Governor and my colleagues on the other side of the aisle have been talking about for months? What happened to the no tax on overtime? What happened to the larger rebates for our working class and the ratepayers?

The bigger breaks for our seniors, our disabled veterans, I don't see it here -- no matter what it's called, whether you call it an adjustment or a fee or surcharge. And, you know, taxing a property's value rather than its net

worth to its owner -- as some of my colleagues have mentioned earlier, a tax is still a tax.

Two hundred seventy billion dollars spent, and I see very little that actually addresses the immediate crisis that faces our good citizens of New York today, and that's affordability. Real affordability.

And I'm going to have to vote no on this. Thank you.

ACTING PRESIDENT BAILEY: Senator Chan to be recorded in the negative.

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you, Mr. President.

You know, this state in the last eight years has increased spending by a hundred billion dollars. Our roads are still potholed, infrastructure is still crumbling. And people are asking, if you could spend your way to affordability, to better lives for people less fortunate, go ahead and do it.

But what do we have to show for it? A hundred billion dollars gone. We still have homeless. We still have mental health crises. We still have people in need of medical care

desperately. And we keep spending money, and you don't get it done. So merely throwing money in the air and taxing people for the sake of taxing people because it makes you feel good is the wrong answer.

Mr. President, with regard to co-ops, I'll remind everyone, since I ran out of time, that co-ops are taxed as commercial properties. You don't tax the individual, you only tax the building. And when you tax the building, then they push those taxes to the individual units based on their unit value or the unit assessment.

So the building is taxed as a commercial property, not the individual apartment. It's still wrong. The pied-a-terre tax is a mistake. You're going to do it anyway.

And that's why, Mr. President, I'm voting no.

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

Senator Skoufis to explain his vote.

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

I just want to offer a remark or two

on some of the conversation that we heard about utility bills and making a mistake.

I'm not a huge fan of the rebate-check approach, just as I wasn't a fan of the check approach from last year that was deployed to many millions of households around New York. But I want to respond to this baseless suggestion, this meritless suggestion that we can just wave a magic wand and do away with taxes and fees to lower everyone's utility bills.

Senator Gounardes pointed out, and I want to underscore, the large majority of the taxes that are paid are property taxes by these utility companies. Okay, let's do away with property taxes. Tell that to your local school districts, tell that to your local towns, tell that to your local counties, and find the billions of dollars -- we're just hearing a lot of complaints about how many additional billions of dollars we spend in our state budget. Find many more billions of dollars to make up for those lost property taxes, that lost revenue. That, of course, is not mentioned as part of the series of suggestions.

And then we talk about fees.

Without any specificity whatsoever, just wave the magic wand, do away with fees. Let's pick one. ZECs, zero-emission credits. Three upstate nuclear power plants are open today because we have ZECs that are funded through the utility bill.

Utility rates are too high. There's not a single person in this chamber who would disagree with that. But do away with ZECs? Okay. Close the FitzPatrick plant in Oswego, close the Ginna plant in Ontario, close Nine Mile, also in Oswego.

Tell those employees, everyone -- we hear a lot about the grid, reliability. No mention of that. Well, let's do away with ZECs and all the fees.

There are repercussions to the policies that we enact --

ACTING PRESIDENT BAILEY: Senator Skoufis, how do you vote?

SENATOR SKOUFIS: This is a responsible bill. I vote yes.

Thank you.

ACTING PRESIDENT BAILEY: Senator Skoufis to be recorded in the affirmative.

Senator Weik to explain her vote.

SENATOR WEIK: Thank you, Mr. President.

This bill is nothing but a spending and taxing bill. We don't have a revenue problem in this state; we can see that. We have a taxing and spending problem in this state.

We were just talking about waving a magic wand to erase property taxes. Other states are working toward that. That is a goal of other states, to do away with property taxes and make life in their state better. But we're going to be the first to spend more money than any other state on our annual budget, once again.

Every state has 1 percenters, the ultra-rich that we were talking about. Every single state has them. New York is going to be first again. We're going to be the first state to not have any ultra-rich. Because we're going to drive them out with this pied-à-terre tax, and no one's going to want to live here. And that's what this bill does.

I vote no.

ACTING PRESIDENT BAILEY: Senator Weik to be recorded in the negative.

Senator Gianaris to explain his vote.

SENATOR GIANARIS: Thank you, Mr. President.

Once again I'm compelled to rise to explain my vote and remind my colleagues that a property tax cap exists in this state because our Senate Majority got it enacted in our first year in the majority after decades of the Republicans being in the majority and refusing to do it. So yes, we do know how to lower property taxes in this state, because we have done it.

And so I appreciate my colleagues who are voting in support of this bill, and I also vote aye.

ACTING PRESIDENT BAILEY: Senator Gianaris to be recorded in the affirmative.

Senator Rhoads to explain his vote.

SENATOR RHOADS: Thank you, Mr. President.

Yeah, the tax cap used to exist for the state budget as well. We've seen that that's gone out the window under this Majority, with $100 billion in increased spending over the course of the last eight years. Five thousand

dollars per family per year because of increased spending as a result of this Majority.

New York -- and there are consequences. New York has lost 892 companies and $47 billion in economic activity since Governor Hochul has been Governor.

It does have consequences. When these companies leave, what do they do? They take away jobs, the jobs that feed your families, the jobs that pay your bills. That has real consequences and real economic consequences to this state.

You don't want to talk about energy costs and the taxes that we saddle on the cost of energy because of the policies in this chamber? You don't want to talk about NYSERDA and the report that NYSERDA put out that it's going to add $2.31 to the cost of a gallon of gas and will cost the average family an additional $2,000 in their utility bills as a result of the policies we pass in this chamber?

Okay, let's just talk about the price of a gallon of gas: 15.8 cents petroleum business tax. Another 8 cents a gallon on the excise tax, another 8.75 cents on the

Metropolitan Commuter Transportation Tax if you live downstate. Another 8 cents on sales taxes. Forty cents a gallon. If you fill up your tank, $8 is going into New York State's pocket with the taxes that we pay.

The affordability problem that we have in this state is because of here. And if we try to continue this march towards socialism, again, in the words of Margaret Thatcher: The problem with socialism is that eventually you run out of other people's money. We are running out of it fast, and that's going to be a problem for the State of New York.

I'm voting no.

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

Senator Cleare to explain her vote.

SENATOR CLEARE: Thank you, Mr. President.

As chair of the Senate Aging Committee, I rise to explain my vote on a particular portion of the revenue bill before us.

Increasing and expanding SCRIE, DRIE, SCHE and DHE represents a hard-fought victory for so many New Yorkers, including our

seniors. These programs are literal lifelines and time-tested commonsense solutions to keep older New Yorkers in all the places they love -- their homes, their communities, and their neighborhoods, near houses of worship, friends and family, long-term relationships and support networks. Expanding eligibility for SCRIE and related programs provides our residents with housing that is stable, permanent, high-quality, community-centric and affordable.

That is exactly what we need in our state. I want to personally thank Senator Brian Kavanagh for his tireless advocacy and courageous partnership and leadership on this matter.

I proudly vote aye.

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

Senator Kavanagh to explain his vote.

SENATOR KAVANAGH: Thank you, Mr. Speaker. I'll just echo the comments of a great colleague, the chair of our Aging Committee, Senator Cleare.

You know, the SCRIE and DRIE and SCHE and DHE programs are one of our most basic

ways of ensuring that people can live stably in their communities, the communities that in many cases they have spent many decades in.

SCRIE and DRIE are programs that are available -- they cover the difference between the legal rent in a rent-regulated program and a third of the person's income. They freeze the tenant contribution.

SCHE and DHE are general-purpose property tax exemptions that -- they are local opt-in. They allow localities to give up to a 50 percent reduction in property taxes, with either a senior, somebody 62 years of age or older, or somebody with a qualifying disability.

They are available -- most localities in our state have adopted these programs. And yet the maximum income for these programs has been stuck at $50,000 since 2014.

In this budget we are raising that number to 75,000. That will give a lot of localities additional tools to protect seniors, to protect people with disabilities, especially in places where property taxes are going up rapidly.

So I'm very excited that we're

getting this done in this budget after 12 years. And I would just encourage all of my colleagues to think of this as something that they can work with their localities and their constituents to make sure we're addressing rising costs.

And with that, I vote aye.

ACTING PRESIDENT BAILEY: Senator Kavanagh to be recorded in the affirmative.

Senator Walczyk to explain his vote.

SENATOR WALCZYK: Thank you, Mr. President.

This is called the revenue bill. Did you get enough? Did you get enough? Did you get enough this year?

We do not have a problem with revenue in the State of New York. New Yorkers are taxed from the moment that they wake up to the moment that they go to sleep. They are taxed from the moment they're born until the moment they die, and then thereafter.

You have enough creative ways to tax New Yorkers. You don't need to add this many more.

We have a spending problem in the State of New York. Two hundred and sixty-eight

billion dollars? You have far outpaced economic growth in the State of New York with your spending. And that will only lead to long-term economic decline. Talk to any economist. You pick on billionaires and businesses and all those kinds of things? The biggest bully in the State of New York is in these halls, not out there, and we work for them.

I vote no.

ACTING PRESIDENT BAILEY: Senator Walczyk to be recorded in the negative.

Senator Canzoneri-Fitzpatrick to explain her vote.

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

There are some things here that are attractive. There are some that we've left out. We're not taxing tips, but we are still taxing overtime. A clear way to put more money in the pockets of our New Yorkers is allowing them to keep the money they're earning.

What's most troubling to me, though, in here is Part HH, where we're talking about taxing people that are investing in New York City real estate. The one thing in life, in my mind,

that is guaranteed to increase in value is real estate in New York City. And now we're going to say that we're not allowing you to keep that appreciation. We're going to tax you each year on it and make sure that you come out-of-pocket with money that you have to be taxed on an asset that isn't realized.

We didn't, you know, talk about the scenario where someone inherits property and now they've got to figure out how to pay for it to keep it. We're not encouraging property ownership, which is a basic American dream.

And for those reasons, Mr. President, I can't support this. I'll be voting in the negative. Thank you.

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

Senator Jackson to explain his vote.

SENATOR JACKSON: Thank you, Mr. President.

I rise to represent people like myself, working class in Northern Manhattan and the Northwest Bronx. Understanding, looking at things, the bottom line is that we want to be

able to make sure that they're looking after -- when I say "they," all of us are looking after the people that need our help. And that's extremely important.

And that's what this is about: Family helping family. And with that, I vote aye on this bill.

ACTING PRESIDENT BAILEY: Senator Jackson to be recorded in the affirmative.

Are there any other Senators wishing to explain their vote?

Seeing and hearing none, Senator Gounardes will close.

SENATOR GOUNARDES: Thank you, Mr. President.

Nothing brings out the emotions and passions and tensions that we all trade back and forth than talking about money and talking about taxes. Everyone's taxes are too high. You don't like paying your taxes, I don't want to pay my taxes. No one wants to pay taxes. No one likes paying taxes. Taxes are high, right? People want to keep all of their money. Sure, of course.

You know what's more offensive to me

than my obligation to pay taxes? Seeing someone else not pay theirs. And when you see some of the biggest corporations on this planet who, yes, have a civic responsibility to contribute to the greater good, just like I'm putting my pennies in the pot, they too should put their pennies in the pot.

And yes, because they have a lot more pennies, they should put a lot more pennies in the pot than I have to put or that you have to put, Mr. President, or that any of my colleagues on the other side of the aisle have to ante up.

When you see corporations that are worth nearly a trillion dollars hoard that money and say we're not going to lower costs for consumers, we're going to buy up other companies to raise costs because we want a monopoly on this industry -- when you see corporations say, We're not going to return lower prices to our customers, we're going to give that money instead to our shareholders and do stock buybacks and put that money off the market and not contribute to the greater good -- that's what should anger us.

That's what should rile up all of our passions jointly here. It should not be this

fight with each other. It should be the entities and the individuals who are not paying their fair share. The entities and the individuals who have been incredibly lucky and incredibly blessed -- and yes, many of which have taken an incredible amount of public dollars to get to where they are today -- they should have a responsibility to all of us. Just like we have a responsibility to each other.

Mr. President, I paid my state taxes this year. My tax dollars went to go support roads in other parts of the state that I may never drive on. They went to go support schools whose classrooms I will never sit in. You don't see me complaining about that. You don't see me saying, Oh, woe is me that I have to pay for someone else's education, that I have to pay for someone else's hospital, that I have to, God forbid, pay for someone else's healthcare because if they should get sick, they should be able to go to a place and get better.

That's what this bill fundamentally is about. Because taxes are the prices we pay for a civilized society, as Oliver Wendell Holmes reminds us. That's what this is all about.

And at a time when the federal government has given away the store to the largest corporate entities on this planet, and to the people who have made more money than any of us in this room could ever fathom, we have an obligation to protect and invest in New Yorkers.

We're not trying to demonize hard work. We're not trying to go after the person who's scrimped and saved their way to the top. My father was the first in his family to go to college. My grandfather was a washing-machine repairman. My great-grandparents came here more than a hundred years ago on a boat, like many of our families did. It's not about demonizing that journey.

But you know what my parents taught me, you know what my grandparents taught me? As important as it is for you to reach your hand up the ladder and keep striving, never forget to turn around and keep your other hand back to pull someone up alongside you. That's what people are forgetting.

And if you are so lucky enough to be in the 1 percent in New York, which for the record is making more than $900,000 -- if you are

so lucky at a time when one in four of my constituents can't put enough food on their table this week, you have a responsibility to reach your hand back and say, I too want to help you.

And that is why, Mr. President, this revenue bill is so important. It's why I'm proud of the work that this Majority did in crafting a tax package that we know will help support and sustain the people who will make New York as great as it is.

And that is why I proudly vote aye.

Thank you.

ACTING PRESIDENT BAILEY: Senator Gounardes to be recorded in the affirmative.

Announce the results.

THE SECRETARY: In relation to Calendar 1334, voting in the negative are Senators Ashby, Borrello, Brisport, Canzoneri-Fitzpatrick, Chan, Gallivan, Gonzalez, Griffo, Helming, Lanza, Martins, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Stec, Tedisco, Walczyk, Weber and Weik.

Ayes, 39. Nays, 23.

Oh, sorry. Also Senator Salazar.

Ayes, 38. Nays, 24.

ACTING PRESIDENT BAILEY: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, I'm so looking forward to the Senator Walczyk tax-hike bill for Herkimer County tomorrow, I'll say that much, after we finish that debate.

Let's move on to Calendar Number 1331, please.

ACTING PRESIDENT BAILEY: Calendar 1331, the Secretary will read.

THE SECRETARY: Calendar Number 1331, Senate Print 9003D, an act making appropriations for the support of government.

ACTING PRESIDENT BAILEY: Senator Martins, why do you rise?

SENATOR MARTINS: Good afternoon, Mr. President. I was wondering if the sponsor would yield for a few questions, starting with DHCR.

SENATOR GIANARIS: Mr. President, if I may, because this appropriations bill doesn't have parts like the other bills did, if we just mention the subject matter, I think that would help us direct the questions appropriately.

Starting with the MTA, Senator Martins?

SENATOR MARTINS: DHCR. DHCR.

ACTING PRESIDENT BAILEY: Subject matter of DHCR.

SENATOR GIANARIS: We are retrieving the Senator on that issue.

SENATOR MARTINS: I will wait. I will move on.

SENATOR GIANARIS: He's entering -- he's entering now.

Senator Kavanagh, please, Mr. President.

ACTING PRESIDENT BAILEY: Senator Kavanagh, do you yield for some questions?

SENATOR KAVANAGH: I do, thank you.

ACTING PRESIDENT BAILEY: Do you yield to questions on DHCR?

The sponsor yields.

SENATOR MARTINS: Thank you.

Senator, I notice that there is funding in the budget this year for -- to combat homelessness. Can you tell us how much additional funding there is in the budget this year to address homelessness, housing insecurity?

SENATOR KAVANAGH: Through you, Mr. President, that's a harder question to answer because there is funding for homelessness in a variety of portions of the budget.

The Office of Temporary Disability Assistance has funding both to prevent homelessness and also to provide capital for additional facilities to house homeless people, both in permanent and temporary settings.

There are a number of programs within HCR that are also -- can address homelessness.

I'm not sure if there's a particular provision that my colleague is concerned about or he's just looking for an overall summary.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Is it fair to say

that there's additional funding to address housing insecurity and homelessness in general?

SENATOR KAVANAGH: Through you, Mr. President, I would say much of the funding in the budget in housing is intended to strengthen the quality of the housing stock, the stability of our housing stock, and to provide new housing. And of course those are critical parts of reducing homelessness.

So I'd say most of -- I'd say most of the housing budget is related to stability and reducing the housing need, which is a direct contributor to homelessness.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR KAVANAGH: Yes, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: And included in the budget is funding for things like shelters and -- homeless shelters in New York City and in

other parts of the state?

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

But most of the funding for shelters is not -- like if it's a transitional facility or what we typically think of as a homeless shelter, or funding to put people up in hotels, which is an increasingly common way of localities addressing homelessness, that is typically not part of the permanent housing capital budget that runs through HCR. Most of that funding does not run through HCR, it runs through OTDA and other agencies.

But there's quite a lot of it, both at the -- there's quite a lot of money spent at the local levels by all our localities as well as through the state, but I don't have those figures at my fingertips. And again, they don't run through my committee or the agencies that I do work with.

SENATOR MARTINS: Thank you, Mr. President.

And I want to thank the Senator for your answers.

I do have some questions on

commuter-rail MTA funding.

ACTING PRESIDENT BAILEY: Commuter-rail MTA. Senator Gianaris.

SENATOR GIANARIS: That would be Senator Comrie.

ACTING PRESIDENT BAILEY: Senator Comrie will be back momentarily.

SENATOR MARTINS: Okay. I have some questions, Mr. President, on congestion pricing.

ACTING PRESIDENT BAILEY: Congestion pricing. Would that be fair to say that would also be Senator Comrie, Senator Gianaris?

SENATOR GIANARIS: I believe so.

ACTING PRESIDENT BAILEY: That would also be Senator Comrie, Senator Martins.

SENATOR MARTINS: That's okay, because I also have questions, Mr. President, on assistance, miscellaneous financial assistance to municipalities.

SENATOR GIANARIS: I think that would be Senator Martinez. Perhaps we can take those.

ACTING PRESIDENT BAILEY: Senator

Martinez, do you yield to some questions?

SENATOR MARTINEZ: I do, Mr. President.

ACTING PRESIDENT BAILEY: Senator Martinez yields.

SENATOR MARTINS: Thank you, Senator.

So I notice in the budget that there is a significant amount of assistance specifically being paid to cities across the entire state as one-shots. Can you speak to that?

(Pause.)

SENATOR MARTINS: Mr. President, through you, perhaps it would be easier if I just went through them one at a time, if it's easier for the Senator.

ACTING PRESIDENT BAILEY: Senator Martinez, Senator Martins is willing to go through them one at a time. I think that she is compiling her answer, if you -- you've exercised great patience, Senator Martins.

Senator Martinez.

SENATOR MARTINEZ: Mr. President, yes. If I may, we -- okay, so for Buffalo there

is $55 million. For Yonkers, it's $40 million. For Rochester and Syracuse, it's $20 million, as well as for Albany. There is 2 million for Auburn and there is 10 million for Mount Vernon.

SENATOR MARTINS: Thank you, Mr. President. If the sponsor would continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: There's also a significant sum going to the City of New York, is there not?

SENATOR MARTINEZ: Mr. President, there is.

SENATOR MARTINS: So with regard to Albany, Buffalo, Yonkers, Rochester, Syracuse, and Mount Vernon in particular --

ACTING PRESIDENT BAILEY: Senator Martins, are you on the bill or is the sponsor yielding?

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MARTINEZ: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: With regard to those cities -- I'm going to exclude New York City for now. Cities outside of New York City. Is there a financial control board that has been set up in order to oversee the administering of these monies that are being given to these municipalities?

SENATOR MARTINEZ: Through you, Mr. President, each of the municipalities must show their deficit in order to receive this funding.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MARTINEZ: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: So is there a

requirement that they demonstrate that they have closed the deficit this year as a condition of receiving the funding?

SENATOR MARTINEZ: Mr. President, through you. Each municipality has to demonstrate that they have this deficiency in order to receive the funding.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: From what I understand, each municipality has to attest that the money they're receiving is going to be used to pay their bills. Is that right?

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

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

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: It is also my understanding that aside from attesting and merely saying that I'm going to take this $40 million or $20 million that you've giving me and use it to pay the bills that I owe, that there is no structural requirement on the municipality to demonstrate that they've actually balanced their budget as a result of receiving this one-shot.

Isn't that also correct?

(Pause.)

SENATOR MARTINEZ: Through you, Mr. President. First of all, without this funding they would not be able to pay their bills.

And second of all, through this funding, it will not close the gap that they have. It is just an assistance.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Senator, I don't know -- but maybe you can help me. With regard to each and every one of these cities -- each and every one of these cities, each and every one of these city councils, do you know what party is the majority party on those governments and in the city mayoralty for each and every one of these cities?

SENATOR MARTINEZ: Through you, Mr. President, I do.

(Laughter.)

SENATOR MARTINS: Through you, Mr. President, if the sponsor would perhaps share that information with the rest of us?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Would you care to

tell us, Senator, which party they belong to?

SENATOR MARTINEZ: Yes, they are Democratic.

SENATOR MARTINS: Thank you. Thank you, Senator Martinez. I appreciate it.

Mr. President, through you, if I can return to the questions on MTA.

ACTING PRESIDENT BAILEY: Questions on the MTA would be directed to Senator Comrie.

Senator Comrie, do you yield?

SENATOR COMRIE: I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Senator Comrie, great to see you, as always.

SENATOR COMRIE: Good to see you, Senator Martins. Thank you.

SENATOR MARTINS: So, Senator, I noticed that the total state operating assistance that the MTA is to receive is going up significantly. Roughly, can you tell us how much money the MTA is receiving from New York State in this budget?

SENATOR COMRIE: Thank you. Through you, Mr. President. Technically, zero.

There's a dry appropriation in the budget that has been happening for the MTA for the last few years, but it is not drawn down because they get other monies. So what you see in the revenue budget is not reflective of what's actually happening with the MTA.

The MTA is getting 4.5 billion for STOA funds this year, and that's all.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: When it comes to commuter rail, I notice that there is a decrease in funding as opposed to all of the other areas of transit. Commuter rail, including Long Island Rail Road, Metro-North, it appears is losing a little over $109 million. Is that correct?

SENATOR COMRIE: No. That's not -- through you, Mr. President, that's not -- that's capital money that you're talking about, and most

were for projects that were mostly done in Long Island. I think there are only about three stations that still need to get handicapped access.

But most of that money, that $109 million, was for capital spending, not expense.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR COMRIE: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: So even though it is capital money, every other facet of mass transit is continuing to receive the same amount -- frankly, all of them receiving more with regard to investments in their infrastructure.

I'm sure you're aware, of course, of the size and scope of the Long Island Rail Road and its system and the needs, infrastructure needs that the railroad has not only with regard

to maintenance and rehab, but also an ongoing effort to convert trains and electrify certain rails.

Can you tell us why at this time it was felt it was necessary, given the size of the budget, the amount of money that's being spent, the additional spending that is in that budget, why have we decided to cut back with regard to commuter rails, in particular the Long Island Rail Road and Metro-North?

SENATOR COMRIE: Through you, Mr. President, we're just talking about this capital plan that's ending now. We're not talking about the future planning that's needed for the Long Island Rail Road and the commuter rail system.

Clearly there is need for re-electrification, especially the different parts of the Long Island Rail Road, the Suffolk County pieces. That will be in the new capital plan.

This capital plan is only closing out the projects that were planned for, what was it, '20 to '24? 2020 to 2024. There's a new capital plan that will be developed.

I hope to talk with all of you to -- I realize the needs for Long Island especially to electrify and eliminate diesel rail in the new capital plan. As I said earlier, there are only about three stations that need to get handicapped access. We did third rail and we did the other major improvements.

There's also money going into -- the Governor's pledged money to fix the hubs, the major hubs in especially the Jamaica Station, to allow for faster access for Long Islanders as well.

SENATOR MARTINS: Thank you. Mr. President, through you -- on the bill.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: Thank you, Senator. Thank you.

You know, the questions I was asking were on STOA. It was monies for support of transit and not on capital. So I'll just leave it at that, not to belabor the point.

But if I could ask some questions regarding Medicaid and Medicaid spending.

ACTING PRESIDENT BAILEY: Medicaid

and Medicaid spending? My assumption, that would be Senator Rivera.

Senator Rivera, do you yield?

SENATOR RIVERA: I do.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR MARTINS: Thank you, Senator.

So I see that there's an increase in Medicaid spending this year -- it's quite a group you have around you, Senator. You don't need all those people. It's fine, we're going to be okay.

Through you, Mr. President. I notice that there's an increase in Medicaid spending this year. Can you tell us, over the course of the last, I don't know, eight years or so, how much has Medicaid spending increased in New York State, roughly?

SENATOR RIVERA: Through you, Mr. President. Since we are talking about the bill in front of us, we are just prepared to really answer as far as what the expenditures were increased between last year and this year, if there were changes in that.

But I cannot -- I mean, if you give

me five minutes and Google, I might be able to tell you. But just right here, right now, I couldn't exactly do that.

SENATOR MARTINS: Thank you, Mr. President. If the sponsor would continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: As long as he doesn't need me to go to Google, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: I wouldn't do that to you, Senator.

So is it just fair to say that we have increased spending, the state has increased spending for Medicaid over the course of the last several years?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, the answer is yes.

SENATOR MARTINS: Thank you.

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

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MARTINS: Just to your knowledge, is the number of people enrolled in Medicaid decreasing or has it remained flat or has it gone up over that time? If you know.

SENATOR RIVERA: Through you, Mr. President. Although I can't tell you an exact number, what I can tell you is that the numbers did go up during COVID and since then, since 2020, have gone down.

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

Thank you, Senator Rivera.

ACTING PRESIDENT BAILEY: Senator Martins on the bill.

SENATOR MARTINS: You know, we talk about, Mr. President, the need to properly target the budget. We talk about -- all the time we talk about how we need to help people. And we heard colleagues talk about giving everyone a hand up and not just pulling themselves up along the way. And, Mr. President, I'm a huge believer

in that. That's my history. Certainly that's my family history. And I believe very strongly that we have a responsibility not only to take care of ourselves, but to make sure that we help others.

But we also have a responsibility in this chamber and in government to make sure, when we start throwing around numbers and we start talking about the need to increase taxes and we talk about how we need more revenue and we need to tax people, that we make sure that we actually see whether or not the money that's being appropriated and the money that's being channeled and marshaled is actually making a difference.

So here are some facts. We've spent money and we continue to spend money and you've heard me before and you'll hear me again tell you all about how, since the Democrats took the Majority in this chamber, spending has gone up in this state budget by over $100 billion. That's a hundred billion dollars.

And people ask me -- I'm sure they ask you as well, Mr. President -- what do you have to show for it? Tell me something you've fixed. Tell me where you made a difference. We still have a homeless crisis. It's shameful.

It's horrible. We're spending the money, we're making the commitment. Where is the oversight and responsibility?

Because the one thing people get upset over -- yeah, they hate paying taxes. Sure, they want to make sure that their neighbor is paying their fair share as well. But they sure as hell don't want to see government wasting their money, throwing it away and not actually fixing the problem, time and time again.

We have a habit in this house to throw money at problems. So yes, homelessness, mental health, opioid crisis, housing, NYCHA. Yeah, we'll talk about it. We'll blame someone else. We'll tax someone else. We'll throw some more money at it. And time and again we come up short.

The reality, Mr. President, is that Medicaid rolls are coming down. That's a great sign. Because you don't measure the success of a society by the number of people who are on public assistance. You measure the measure of a society and the success of a society by the number of people who are actually leaving public assistance and no longer rely on government to make ends

meet. That's what we should strive for.

I don't know a single parent who's turned and told their child, I hope you grow up one day to go on public assistance so someone can help you. No. Our job is to make sure people get off public assistance and are able to support themselves and to create policies that create jobs, create success, and create growth.

So it's a good sign that people are coming off of Medicaid, and I'm happy to see it. The concern I have, and the concern everyone in this chamber should have, is as more and more people are coming off Medicaid, why is it that our spending for Medicaid continues to go up, astronomically?

Now, we were always the highest, most generous, I would say -- and rightfully so -- state when it comes to providing benefits because we care and we want to make sure we take care of those who are less fortunate. But, Mr. President, why is it that as those numbers are coming down -- and I'm going to give you a statistic. You know what, it will wait. Someone else will give it to you. But the numbers are staggering.

So sure, your mantra is tax the rich. People aren't paying their fair share. The money is there. You're just not spending it right. You're throwing it away. You're not showing responsibility. People are accountable -- maybe it's the person on the second floor. Maybe it's the Governor, it's her fault because she isn't doing her job. She is the Governor of the state. She's got a $270 billion budget and spent a hundred billion dollars more over the last eight years and has absolutely nothing to show for it.

So let's talk about this budget. It taxes people. It doesn't properly invest those monies. It doesn't put the money where it needs to be in order to spur growth. We're not supporting the business community, and we're not giving opportunities to create those jobs that should be there and aren't.

Just a couple of years ago, Mr. President -- and I know, I'm wrapping up -- we had the opportunity in this chamber, in this state, to bring in a large more. You may all remember it: 50,000 jobs, $100,000 apiece. Would have been made a real difference in our

economies. They even thought about and talked about placing that headquarters in Queens, right in one of the boroughs in New York City.

Think about the opportunities that would have given not only for the City of New York, but for the suburbs of the city. Think about the economic opportunities that that would have provided for this state. Again, lifting people up, providing those opportunities, helping all of us succeed. And it certainly would have been an opportunity for the state.

Unfortunately, it didn't happen. I don't know why. Maybe there's someone here in the room can tell us. Maybe not. But the reality is 50,000 jobs are gone, economic opportunity is gone, because we didn't take the opportunity when it was presented.

We don't get there by spending. We get there by properly investing in the future. Mr. President, this budget doesn't do that.

I'll be voting no.

ACTING PRESIDENT BAILEY: Thank you, Senator Martins.

Senator Gianaris on the bill.

SENATOR GIANARIS: Thank you,

Mr. President.

I think Senator Martins was referring to me, so I wanted to get up and be responsive to his questions. The funny thing is -- and, you know, he's very roundabout. I wish he would just say what he's trying to say. He's referring, of course, to Amazon trying to come to Queens and thankfully being rejected.

And the funny thing is that he thinks that's a criticism. Tells you all you need to know about where he's coming from and where the Minority in this chamber is coming from. They'd rather give billions of dollars to the richest company on earth for a headquarters that would never be built -- as is evident if we just look over at Virginia, which was foolish enough to go down that road with them. The project's frozen in place, jobs promised not appearing, and Amazon laying off tens of thousands of executives around the country in deference to AI.

So you tell me what you think would happen if we let him build a heliport and a giant building on the waterfront, prime waterfront of Queens. That would be sitting empty. Maybe the

heliport would be used by Jeff Bezos, but the rest of it wouldn't. The jobs wouldn't be there. Our money would be gone.

You want to talk about spending too much? How about corporate subsidies? How about that. You know, it's funny, because I was going to speak regardless, but then you threw that in there, which was just entertaining.

But I was also going to point out -- because, you know, this is the role I play here -- because we talk about spending wildly, about the tens of billions added to this state budget over the years when the Republicans were in charge. It's easy to sit there when you don't actually make decisions about what we vote on and just criticize whatever we come up with. But when you had the chance to do it right, you spent. By your own characterization, you spent wildly. You just spent it on things like subsidizing the Amazons of the world instead of helping working people in this state.

So I think we've done this right. As I repeatedly point out, the people think we do it right, which is why we're sitting on this side of the chamber and you're sitting on that side.

So we'll continue doing what we think the people want us to do. We'll continue winning elections, we'll continue sitting in the Majority, and you'll continue just harping about it when we're on the floor.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Gianaris.

Senator Murray, why do you rise?

SENATOR MURRAY: Thank you, Mr. President.

We can break away from the one-on-one and go to a team game here, if I could speak to someone regarding the MTA.

ACTING PRESIDENT BAILEY: Senator Murray playing five-on-five. Senator Comrie, do you yield?

SENATOR COMRIE: I yield.

ACTING PRESIDENT BAILEY: Senator Comrie yields.

SENATOR MURRAY: Thank you, Senator. Through you, Mr. President.

I notice that there is funding here, $2.2 billion, and the 2.2 billion is appropriations from the Dedicated Mass

Transportation Trust Fund and the MTA Financial Assistance Fund. However, this does not go into effect until April 1, 2027, then expires on March 31st of 2028.

What is the purpose of these appropriations if they don't take effect in this budget?

SENATOR COMRIE: As I said earlier to Senator Martins, this is a dry appropriation. This is just an emergency fund in case -- excuse me. Through you, Mr. President. In case we don't get a budget done and there's no appropriations, this would be an emergency fund for the MTA.

It hasn't been used. It's been in the last three budgets, and it does not move forward.

SENATOR MURRAY: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR COMRIE: I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

So yes, in the language from the Executive Budget it said it also includes 2.2 billion of contingent appropriations, as you said, for the MTA. These appropriations from the Dedicated Mass Transportation Trust Fund and the MTA Financial Assistance Fund would be used to ensure continuation of aid payments to the MTA during fiscal year 2028 in the event of a temporary lack of new appropriations due to a late budget.

So in other words, we're putting over $2 billion into this budget on a gamble -- and a pretty safe bet, I might add -- that the budget next year is going to be late. Do we do this for any other authority, agency, department, conference, anything? Do we have billions of dollars set aside in case we don't get our job done and we have a late budget?

SENATOR COMRIE: Through you, Mr. President, we have extenders that normally fund those agencies now.

SENATOR MURRAY: I'm sorry, I couldn't hear.

SENATOR COMRIE: I'm sorry. We have extenders that normally fund those agencies now. So if there is an emergency, through the extenders that have been done -- I think we've done 15 extenders so far this year. So that's how that would get done.

This is just an emergency appropriation, it's a dry appropriation, which means that there's no money actually put in the budget. It only would be done through an emergency extender.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR COMRIE: I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

That's funny, because that -- when we were in conference and we were going over this, I said the same thing. I said, Didn't we pass 15 extenders so far and in some of those

extenders was money for the MTA?

SENATOR COMRIE: Right.

SENATOR MURRAY: And they said, Yeah, that's a different department. That's -- you know, you've got capital, you've got operations, you've got all these different areas where we fund this.

And so -- but we're still setting aside 2.2 billion. And yeah, it's on paper, but that's still 2.2 billion set aside now that we're not even expecting to use. It's kind of there in case we don't do our job next year.

So like I said, no other agency -- or we don't do that for any other agencies or corporations or authorities or anything.

But in this budget, is there anything addressing their plan, the MTA's plan to tackle toll and fare evasion?

SENATOR COMRIE: Through you, Mr. President, not -- that's not part of this budget.

SENATOR MURRAY: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR COMRIE: I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

So a couple of years ago when we came up with -- first it was the MTA payroll tax to help bail out the MTA. Then it was congestion pricing to help bail out the MTA. The MTA made a promise to find $600 million per year in savings, in cost savings, totaling $3 billion over five years.

Is there anything in this budget that shows that they are living up to that promise?

SENATOR COMRIE: Through you, Mr. President. They have been living up to that promise. They have demonstrated over the past couple of years that they've been saving almost a billion dollars a year in savings.

They've been working -- we've created other opportunities for them to be able to save money by the way that we've changed contracting. And so they have been meeting those

goals. It's not reflected in this part of the budget, but it has been reflected in their annual report.

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

ACTING PRESIDENT BAILEY: Senator Murray on the bill.

SENATOR MURRAY: Thank you, Senator Comrie. Appreciate it.

So I think maybe we have different definitions of savings, because it seems like we keep giving the MTA more and more and more. So if they're saving so much, they shouldn't need as much as what we keep giving. But we do, we give over and over.

And the reason I asked about the toll and fare evasion is because year after year after year I've gotten up and talked about it, and I've talked about how, year after year after year there's been an increase in the amount of money that is lost by the MTA through toll and fare evasion. Now, keep in mind this is money they are supposed to have in their hands.

Now, there's a Senator previously who during his explaining his vote said that

nothing makes him angrier than when he's paying his taxes and someone else is not. Well, that would fall in line with this.

Because I was sitting on the train, I went into the city to meet my grandson this past weekend. I was sitting on the train and I paid my $16 for the one-way off-peak fare. And it's off-peak, and that's important because I'm sitting there and across from me was a woman with her headset on and she's got her phone and all this, and the conductor comes to check the tickets. Well, I give him my ticket. I paid for my ticket.

But then she hands him -- has the electronic ticket. Well, to anybody that knows, when you ride the LIRR, if you do your e-ticket, you have to activate it. If you don't activate it right away, it takes time.

So what happens is in order to get your free trip, you don't activate it till the conductor comes by, because it will take too much time. Now, I've got to say, God bless this conductor, she did a great job. She stood right there and waited. And waited. And waited. The only reason she could do that was because it was

1 off-peak on a weekend.
2 Had this been rush hour, she
3 couldn't do it. She would not have been able to
4 sit and wait for this ticket to activate, which
5 meant they would have gotten a free ride.
6 And, yeah, I was fuming a little. I
7 was really happy when she ended up waiting long
8 enough -- and it took a good four or five minutes
9 for that thing to activate. And she stood and
10 waited the whole time. But she ended up getting
11 her to pay that fare.
12 But you know what? It happens day
13 in and day out, on the trains, on the buses, on
14 the subways where people aren't paying their
15 fare. They're not paying their fair share, and
16 we do nothing about it.
17 So what did the MTA do a year or so
18 ago? Spent $35 million to hire a Pennsylvania
19 company, Allied Universal Security Services.
20 Just a week or two ago, anybody who saw this
21 video, it was an employee of Allied Universal
22 Security Services who found a student card on the
23 ground and was using it. The people would come
24 and instead of paying their fare, they were
25 giving her cash. She reached through and used

the card and swiped them in, again and again, and she's pocketing the cash. And what are they getting? Basically a free ride.

That's what the MTA did to stop fare evasion. They hired a company so incompetent that they're actually -- their employees were caught on video. And this wasn't the first employee, by the way, caught on video not stopping fare evasion, but helping more fare evasion happen.

Now, when I say that -- so that gets frustrating enough, because the combined amount of money lost in 2025 through toll and fare evasion -- like I said, the numbers have been going up year after year after year. But last year, $1.1 billion in lost revenue. So our answer? Let's give them more.

So I asked about this $2.2 billion that really isn't. It's the hedging of the bet that we won't have an on-time budget. Two-point-two billion. And it's interesting because while we said that 2.2 billion is just paper and it's not really spent, it's an increase of 42.3 million from last year. An increase on a line that we're not really using.

So I got curious. I just glanced through this budget. The Joseph P. Dwyer Fund, $8 million. That funding's frozen. We didn't increase that. Prevention of domestic violence, 12.4 million we've allocated, that also frozen. We didn't increase that. The Department of Veterans' Services, 17.2 million. That's actually a 4.28 percent decrease in spending from last year. The Office of Victim Services, $325.8 million, frozen.

My point is this. We'll increase a fund that we don't really even use, we'll increase funding by over $42 million. And yet these important programs, frozen or cut in this budget.

Now, the MTA, as Senator Comrie rightly pointed out, that there's different avenues of funding for the MTA. So you've got your capital program, you've got your operational, you've got all these different places. But there's also different revenue sources. How many revenue sources, you ask? Well, let me see. They get the revenue sources from fares and tolls.

Now, it's funny, I talked about the

fare and toll evasion. It used to be the fares and tolls brought in more than half of their revenue -- in fact, close to 60 percent of their revenue came from that. They've lost so much it's now less than 40 percent of their budget.

So we put an MTA payroll tax in place to help them out. Of course we've also dedicated a portion of regional sales tax that goes to the MTA. Oh, yeah, and then the mortgage recording tax in the MTA region goes to the MTA. There's the petroleum business tax we tax the petroleum companies, and that goes to the MTA. The for-hire-vehicle surcharges -- you know, the taxis and the ridesharing services. There's a tax there too that goes to the MTA. High-value real estate transfer taxes -- yup, that goes to the MTA. Internet marketplace sales tax, that goes to the MTA. Federal grants -- have you looked at your mobile phone bill? There's a line there that also goes to, you got it, the MTA. Fines and fees, traffic enforcement cameras, and of course congestion pricing.

A funny little fact about congestion pricing. That's not bringing in revenue for now. That's not helping us with the MTA. It's not

paying for operational expenses. It's actually paying for the debt from not this capital program, but the 2020-to-2024 capital program. All the money that we get from congestion pricing goes to pay for the bonding that we did, the borrowing for that capital program. That's how far back and how bad the MTA is at dealing with its money.

And then of course the downstate casino licenses. We had to find another revenue source for the little MTA, right? So all of the money from the licenses from all the downstate casinos goes to the MTA.

So, yeah, I also looked up other areas like real estate or advertising income. And it just reminded me of a Comptroller's audit from I think it was 2010, where the Long Island Rail Road has all these billboards along the way and they sell the advertising space. There was actually a year they forgot to charge for that advertising. The whole year, they forgot to collect it -- I don't know if they forgot to bill them or what, but lost close to a million dollars in funding.

This is who we're giving more

revenue to year after year after year after year. That, my friends, is the definition of failure, and is just one of the reasons that I cannot support this budget.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Murray.

Senator Rhoads, why do you rise?

SENATOR RHOADS: I was hoping that the sponsor would yield to a couple of questions regarding the Department of Health.

ACTING PRESIDENT BAILEY: The Department of Health, that would likely be Senator Rivera.

Senator Rivera, do you yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR GIANARIS: Mr. President, this question, is this about NUMC or just health in general?

SENATOR RHOADS: Well, it's about -- one about VAPAP funding and then about NUMC.

SENATOR GIANARIS: Okay. Senator

Rivera can start you off. When you turn to NUMC, we have a different Senator.

SENATOR RHOADS: Okay, not a problem.

ACTING PRESIDENT BAILEY: Thank you. Senator Rivera yields.

Senator Rhoads, you have the floor.

SENATOR RHOADS: Thank you, I appreciate it.

Senator Rivera -- through you, Mr. President -- I notice that the Health Department budget has an additional 500 million for distressed hospitals through the VAPAP program. Is that correct?

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

SENATOR RHOADS: And will the sponsor yield to another question.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: The VAPAP program, can you explain what that does?

SENATOR RIVERA: Through you, Mr. President. VAPAP stands for Vital Access Provider Program. The issue here, as we know, and we know in every corner of our state, not just in the City of New York but across the state -- upstate, Long Island, you name it -- there are a lot of institutions that are really close to the brink. That's a constant thing.

So VAPAP is basically a pot of money for operational expenses. There's a separate pot that's for capital expenses. But that is to help institutions, hospital across the state that are in dire need of assistance. And as we know, this is a constant need across the State of New York and every corner of it.

SENATOR RHOADS: And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Thank you. Through you, Mr. President.

The VAPAP funding for this year, is

there any particular hospitals that are designated to receive VAPAP funding as part of this budget?

SENATOR RIVERA: Through you, Mr. President, that's not the way this program works. As opposed to having particular institutions be named in the budget, it is a pot of money that is used at the discretion of the Executive and the Department of Health based on the needs of particular institutions throughout the year.

SENATOR RHOADS: Thank you. And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: There have in prior budgets, however, been instances where specific hospitals -- and I'll draw an example for SUNY Downstate last year, which received both capital funding as well as direct assistance, I believe in excess of a billion dollars.

There are situations where hospitals

do receive direct funding in the budget separate and apart from an allocation of VAPAP, correct?

SENATOR RIVERA: Through you, Mr. President, certainly, but not from VAPAP. It would be other pots created specifically for the purpose that is named.

In the case that you -- through you, Mr. President, that our colleague is referencing, there was a big situation in Brooklyn where SUNY Downstate was in dire need of some -- of restructuring, and so there was a whole conversation about putting money directly into a pot that would benefit that institution.

But again, it is a separate pot apart from the Vital Access Program.

SENATOR RHOADS: And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Last year as part of the state budget the Nassau University Medical Center, which is run by Nassau Health Care

Corporation, was the subject of a takeover by the state that was engineered as part of the budget, is that correct?

SENATOR RIVERA: Mr. President, through you. I believe that if there's questions that are particularly in reference to this institution, it is not an institution that is in my district, and instead we have another one of my colleagues that is going to be answering questions about that.

ACTING PRESIDENT BAILEY: Senator Gianaris, the questions on NUMC, who would the appropriate member be for this?

SENATOR GIANARIS: Senator Bynoe, Mr. President.

ACTING PRESIDENT BAILEY: Senator Bynoe, do you yield for questions on -- Senator Rhoads' questions on NUMC?

Senator Rhoads, if you don't mind rephrasing the question so that Senator Bynoe can become acquainted.

SENATOR RHOADS: Certainly, not a problem.

And I appreciate your answers, Senator Rivera. I did just have one additional

question for Senator Rivera before we switch to Senator Bynoe, if that's okay.

ACTING PRESIDENT BAILEY: Senator Rivera, do you yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: We have discussed figures regarding the amount of money that New York State and the City of New York have paid to provide services to illegal immigrants.

Can you provide a figure for this past year as to how much New York State has spent on illegal immigrant healthcare?

(Pause.)

SENATOR RIVERA: Through you, Mr. President.

First of all, we have had this conversation before, and I know that my colleague will probably not change his mind, but I have a deep aversion to the term "illegal alien." We're not talking about ETs.

If we were talking about, I don't know, Romulans and Spock or what have you, then I would certainly be able to answer the question.

If we're talking about undocumented people, I would say that there is a number, we do not have it with us. We did not expect this conversation that probably refers to something we call Emergency Medicaid. Since there are instances in which an undocumented person, now an undocumented person -- again, person -- who can afford on their own coverage -- very few can, but that doesn't -- it doesn't preclude the situation in which somebody has enough money to have their own private coverage -- then they would not be -- we would not be spending anything on that person.

However, if there is an undocumented person who is sick and winds up in the emergency room, that person, because we believe that that person should not die because they get sick, they are treated. And in many instances what we use is something we call Emergency Medicaid, that is strictly for the instance in which that person has to go to the emergency room.

We don't have the number in front of us. I can have some of the staff figure out how much it was that we spent in this last year. But again, that is a situation that happens if there

is an undocumented person that has to go the hospital and get taken care of.

SENATOR RHOADS: Thank you, Senator Rivera. To correct the record, I used the term "illegal immigrant."

But will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Senator Rivera, do you yield?

SENATOR RIVERA: Certainly, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: The figures that we have are that as part of the Medicaid program for illegal immigrants 65 and over, we spent approximately $200 million last year and another over $500 million for the Emergency Medicaid that you spoke about, since in many instances they're going to a hospital for their primary care as opposed to going to a clinic or going to a doctor.

Would those figures be accurate, in your estimation?

SENATOR RIVERA: Mr. President,

through you, if my colleague could repeat what -- the numbers that he mentioned, to double-check.

ACTING PRESIDENT BAILEY: Senator Rhoads, would you mind repeating?

SENATOR RHOADS: Sure, I'll yield to a question.

ACTING PRESIDENT BAILEY: No, I said would you mind repeating, I apologize.

SENATOR RHOADS: Oh, sure. Approximately 750 million total. Somewhere around 550 million for Medicaid, Emergency Medicaid, and 200 million for Medicaid referred to illegal immigrants over the age of 65.

SENATOR RIVERA: Through you, Mr. President, a couple of things.

First of all, Emergency Medicaid does not just involve -- it does involve a lot of undocumented folks, but it doesn't involve just undocumented people. It would just be people who are not -- who have no level of coverage at the time that they are in -- they are admitted into an emergency room. Or I should say treated in an emergency room, not necessarily admitted, depending on their situation.

I should point out a couple of other

things, though. There is actually an organization that we probably would not call some crazy liberal think tank called the Cato Institute, which actually found that as it relates to the amount of money that immigrant populations, undocumented and documented, put back into the system, we actually have -- it far outweighs whatever it is that these types of instances that we are spending money, I don't know, to keep them alive or what have you.

That being said, I do believe that the number for -- as it relates to people over 65 that are undocumented, I'm trying to track it down. I do believe that that number is about 200 million, but I am confirming it now.

(Pause.)

SENATOR RIVERA: We can track the number down for you, Mr. President. It sounds accurate, but we are still looking for confirmation.

SENATOR RHOADS: Thank you, Senator Rivera.

If Senator Bynoe will yield to a few questions.

ACTING PRESIDENT BAILEY: Senator

Bynoe, do you yield to a question?

SENATOR BYNOE: Yes, I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Thank you, Senator Bynoe. Through you, Mr. President.

Senator, as I indicated, our figures are that we're spending approximately $750 million last year for healthcare for illegal immigrants, and we are adding to the VAPAP program for distressed hospitals as well.

As you may know, NUMC in my district, which adjoins yours, actually has a situation where about 85 percent of the patients that they treat are either Medicare, Medicaid, or have no ability to pay. It's one of the two safety-net hospitals in Nassau County that serves actually a population of 1.4 million people.

Am I correct in those statements?

SENATOR BYNOE: Through you, Mr. President. It seems plausible that you're correct.

SENATOR RHOADS: And will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR BYNOE: Yes, I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Is there any money in this budget proposal to provide direct assistance to NUMC?

SENATOR BYNOE: Through you, Mr. President. There are funds that are available for NUMC to apply for in the event that they are continuing to be in need of assistance.

SENATOR RHOADS: And will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR BYNOE: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: According to NUMC's financial data, which was produced post takeover of the new health board of the Nassau Health Care Corporation Board as part of last year's budget, indicated that there was actually a $25 million decrease in VAPAP funding received by NUMC from the state despite its

financial situation.

Do we know why that was the case?

(Pause.)

SENATOR BYNOE: Through you, Mr. President, that is a decision that the executive chamber makes based on need.

SENATOR RHOADS: Thank you, Senator Bynoe.

On the bill.

ACTING PRESIDENT BAILEY: Senator Rhoads on the bill.

SENATOR RHOADS: What we saw last year was a political takeover of Nassau University Medical Center. The Governor made the decision, with the assistance of this chamber, that they wanted to take over leadership of the hospital after having defunded that hospital to the tune of about $750 million since the Majority took control back in 2019.

And what have we seen as a result of that now that we're a year into that takeover? Looking at the financial data, with the hospital being run by the Governor's handpicked appointees, is that NUMC reported an operating lost last year to the tune of $137.9 million, a

decrease in funding.

And I want to thank my colleague for indicating that it was solely at the discretion of the administration as to who receives distressed hospital funding and VAPAP funding -- a $25 million decrease in funding, despite its financial straits under the leadership of the Governor's handpicked appointees.

It's also reporting a million-dollar decrease in grants that it received from the State of New York that it had previously received.

As I indicated, NUMC has 85 percent -- it is a safety-net hospital, and it has to treat whoever comes in the door. Eighty-five percent of its patients -- actually, over 85 percent -- it's 87 percent of its patients are Medicare, Medicaid, or have no ability to pay whatsoever.

It is the frontline, the first line of defense from a healthcare standpoint for many underserved populations, which are the ones that VAPAP funding is supposed to focus on. Despite that, we see absolutely no relief.

Now, NUMC, under the leadership of

the Governor's handpicked appointees, NUMC has made the decision that despite having made the investment in a state-of-the-art maternity and newborn center just a few years ago, that NUMC no longer provides maternity and newborn services.

Our concern a year ago was the fact that the Governor engineered this takeover because the Governor wanted to cut services to NUMC and perhaps even potentially close NUMC. And it certainly seems to be moving in that direction.

It is also telling that in this budget, despite the financial straits and despite the fact that services to this vital hospital are now being cut, that unlike SUNY Downstate, which received a bailout last year to the tune of over a billion dollars, NUMC receives nothing.

And so I ask the question to no one in particular: What's going on here? Because I know the residents of Nassau County want to know the answer. The Governor needs to be held to account. This Legislature needs to be held to account as well. They should be receiving relief, and they are not.

Thank you for the time,

Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Rhoads.

Senator Bynoe on the bill.

SENATOR BYNOE: Yes. So, you know, I have to be responsible here with the truth. And the truth of the matter is that there was no decrease in funding to NUMC.

In fact, there was a financial boon to NUMC insomuch that New York State waived the NYSHIP payments that were due and owed to them. That was a big figure, as a part of the $1.4 billion that NUMC was in debt when last year we had to make the change.

It also should be noted that this is not a board that is borne of only Democratic members. It should include some GOP members, but Nassau County failed to make their appointments.

I also want to make a point that there has been mismanagement at that hospital for years on top of years, to the extent that there's medical misconduct because doctors were performing surgeries without there being a valid need.

Additionally, we have a situation

there where they created a neuroscience department at $3.8 million, but failed to even open it.

These are the issues that have plagued NUMC for years on top of years. And so -- rightfully so -- we had to make a change. We had to pivot, because that hospital is a Level 1 trauma center. Ninety percent of its patients are below the poverty level.

NUMC is making its way back, but this is not a light switch. After years of mismanagement, it's going to take time to make sure that we replenish the resources, and that includes medical professionals and making sure that we make the investments in the department where we can service our constituents and our patients.

Moreover, I want to make a point that beyond squandering resources, there are also investigations going on with the individuals who were running the hospital. And so there are allegations that there were payouts that weren't rightful. And we are doing our job to make sure there's a forensic audit, and we will be able to at that point make sure that all the resources go

into the departments that are performing life-changing medical services.

So yes, the OB-GYN is closed right now. It's temporarily closed for a 60-day period because we have to make an evaluation there, because there were high levels of concern. And so the hospital has worked with other institutions in the area to ensure that we can have healthy babies born without any complications.

So with that, I would say that I'm going to vote affirmatively on this bill because it makes sure that there's resources there, based on need, for not just NUMC but other public-benefit hospitals across the state.

Thank you very much.

ACTING PRESIDENT BAILEY: Thank you, Senator Bynoe.

Senator Borrello.

SENATOR RHOADS: Just to finish up --

ACTING PRESIDENT BAILEY: Excuse me, gentlemen.

Senator Lanza.

SENATOR LANZA: Mr. President, I

believe that Senator Rhoads has risen.

(Laughter.)

ACTING PRESIDENT BAILEY: Thank you for the clarification.

Senator Rhoads.

SENATOR RHOADS: Only one person has risen, and it's certainly not me.

But will the -- will Senator Bynoe yield to an additional question.

ACTING PRESIDENT BAILEY: Senator Bynoe, will you yield?

SENATOR BYNOE: Yes, I do.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR RHOADS: Through you, Mr. President. The $137.9 million operating deficit by -- operating loss by NUMC in 2025, is there an explanation of that?

And would you consider that to be financial mismanagement now that the Governor's office has complete control?

SENATOR BYNOE: Through you, Mr. President. I believe that it's inherent to the population that they serve and the reliance they are on for Medicaid reimbursement.

SENATOR RHOADS: On the bill.

ACTING PRESIDENT BAILEY: Senator Rhoads on the bill.

SENATOR RHOADS: Thank you, Senator Bynoe.

The fact of the matter is you have a hospital that is in trouble, you have a hospital that is being run now by a majority of the Governor's appointees, by a handpicked administration by the Governor's appointees that is running a $137.9 million deficit when previously its operating deficits were significantly smaller.

But the more important thing that you see is no assistance on the horizon. Vital services are now being denied. The residents of Nassau County, because of the leadership of the Governor's handpicked team -- and we see no relief in this budget, no indication that there's going to be any VAPAP funding, and we see a continuation of the pattern that we have seen since 2019 of that hospital being starved of funding -- for what purpose I don't know, but I have my suspicions.

And that needs to be given serious

attention by this Legislature. I know it is being given serious attention by me.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Rhoads.

Senator Borrello, why do you rise?

SENATOR BORRELLO: Would --

ACTING PRESIDENT BAILEY: Just look around, George, these are your colleagues. You good?

Senator Borrello, why do you rise?

SENATOR BORRELLO: Mr. President, I almost forgot. But would the sponsor yield for a question, a Gaming Commission question?

SENATOR GIANARIS: Senator Addabbo will be the person for that.

ACTING PRESIDENT BAILEY: Senator Addabbo will be the person.

Senator Addabbo, do you yield?

SENATOR ADDABBO: Sure.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR BORRELLO: All right, here we go.

Through you, Mr. President, this is

the Aid to Localities bill, and it shows here there's an appropriation for $306 million for the Tribal State Compact Revenue Program, which is an increase of $55 million, it looks like, or 17.3 percent.

So is this the money that's going to the municipalities that benefit from the compact? Is that correct?

SENATOR ADDABBO: Through you, Mr. President, the answer is yes.

SENATOR BORRELLO: Okay. And so with that being said --

ACTING PRESIDENT BAILEY: Senator Borrello, are you asking the Senator to yield?

SENATOR BORRELLO: I'm sorry, yes. Through you, Mr. President.

ACTING PRESIDENT BAILEY: Senator Addabbo, will you yield?

SENATOR ADDABBO: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR BORRELLO: That's a pretty hefty increase. So with that being said, where are we getting this projection of such a hefty increase in revenues?

(Pause.)

SENATOR ADDABBO: Through you, Mr. President. That is going to -- that is the projection that we expect from the Senecas. Obviously with the compact still being under negotiation, that is the expected revenue to be distributed.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: I believe -- and I want to clarify -- that you said this is coming from the Executive. So it's the Governor that gave this revenue increase?

SENATOR ADDABBO: Through you, Mr. President, the answer is yes.

SENATOR BORRELLO: Yes. Yes, okay.

So have we heard anything about compact negotiations? Because my contacts are saying it's kind of nowhere. How is -- oh, I'm sorry.

ACTING PRESIDENT BAILEY: Senator Borrello, wait. You asked a question.

Senator Addabbo, would you yield and answer that question?

SENATOR ADDABBO: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR BORRELLO: Thank you.

SENATOR ADDABBO: Through you, Mr. President. As of last week, the State Native American Relations Committee had a roundtable discussion. And at that roundtable discussion the Senecas did state that the negotiations are ongoing. That's the best I can say at this point.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: So what other -- could you tell me which tribal nations in New York State participate in this program? I'm

assuming it's not just the Senecas.

(Pause.)

SENATOR ADDABBO: Through you, Mr. President. It's the Senecas, the Mohawks, and the Oneidas. Those are the three nations.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: And as of right now, the other two nations have a compact that's in place, generating revenue.

Has there been substantial increases in those two income streams for this program that you're aware of?

SENATOR ADDABBO: Through you, Mr. President. To confirm, there have been slight increases with a major -- with a larger increase in the Senecas. But there has been an increase in both.

SENATOR BORRELLO: Mr. President, just a clarification. Did you say larger

increases from the Senecas?

SENATOR ADDABBO: Through you, Mr. President, yeah, that is confirmed.

SENATOR BORRELLO: Okay. Mr. President, just a clarification, if the sponsor would continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR ADDABBO: Yes, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: You did say that it's a larger increase from the Senecas, but this is information that you're getting from the Governor's office, is that correct?

(Pause.)

SENATOR ADDABBO: Through you, Mr. President. The accumulation of the revenue from the Senecas is basically because the compact's still being negotiated. That's where we see the increase.

SENATOR BORRELLO: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator

Borrello on the bill.

SENATOR BORRELLO: Thank you, Senator Addabbo.

I want to thank you also for what you have done to revitalize this -- you know, our subcommittee and re-engaging with the Senecas and others. So -- and I appreciate that.

My concern lies with the Governor and her lack of good-faith negotiations on this compact. Because you have said that we're going to see a substantial increase, and you're saying this based on the fact that right now money has been going into essentially a fund, you know, that is being held until this compact is negotiated and finalized.

There's no doubt in my mind, and certainly the Senecas' mind, that the percentage that is being paid right now from the gaming compact, the old one, which has been expired for going on three years now, the revenue is going to go down, not up.

So if the Governor thinks all that money that's in that account, in that escrow account, is somehow going to magically end up in the budget, she's wrong. She's wrong because

whatever amount that they agree on is going to have to retroactively be decreased.

And not just because the Senecas deserve a fair compact that would include a lower percentage -- because, quite frankly, New York State has saturated the gaming market with things that are not involved in Native American gaming -- you know, sports gambling and so forth -- that have eaten away at the revenues that are benefiting the municipalities that I represent in my district and that so many others in this room represent.

It's also because it's simply one of the worst deals that has been negotiated, and the Senecas I know need a fair compact, and that's what they're negotiating for.

So, look, I was in local government for a long time as county executive. And, you know, these numbers are projections, right? We don't really know what the number's going to be. It's pretty easy to cook the books, if you will, and increase revenue to help balance the budget when in the end you know you're not going to actually achieve those revenues.

I think that's what's happened here,

quite frankly. This compact is nowhere, from what I am told, finalized. Negotiations have been going on for three years, and the Senecas very generously have agreed to these quarterly extensions where they continue to pay money into an escrow account, knowing full well that that number, that percentage, is going to decrease with whatever final number they come up with.

And quite frankly, the Governor hasn't negotiated in good faith. And if I was advising the Seneca nation, I would tell them it's about time to say maybe you stop making those payments. They're apparently nicer than I am, because they continue to make those payments even though good-faith negotiations have not been in good faith.

So my concern is not so much with this chamber and with the number that's in this budget, although it is a concern. It's a concern what numbers you receive from the Governor, and is she being honest with us, honest with you, honest with the Seneca Nation.

And I suspect, based on the conversation we've had, that that is simply not the case. That this is revenue that, quite

frankly, has been inflated from a Governor that has continued to fail to negotiate a fair compact with the Seneca Nation.

So thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Borrello.

Senator Walczyk, why do you rise?

SENATOR WALCZYK: Thank you, Mr. President. I've got quick questions on the Office of Children and Family Services, Office of Aging, Department of Health, and then the Education Department, in that order.

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Those are all over the place. Which one would you like to begin with?

SENATOR WALCZYK: Office of Children and Family Services.

ACTING PRESIDENT BAILEY: That would be Senator Brisport.

ACTING PRESIDENT BAILEY: Senator Brisport, do you yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT BAILEY: Senator

Brisport yields.

SENATOR WALCZYK: Through you, Mr. President. There's a $350,000 allocation in this Aid to Localities budget bill for services and expenses of Make the Road community organizing projects. What services and expenses would that allocation go toward?

(Pause.)

SENATOR BRISPORT: Through you, Mr. President, it would be for community projects.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Just in the light of transparency and openness, could you elaborate a little bit more on what type of community projects, just so I know what that $350,000 of taxpayer money is going towards?

(Pause.)

SENATOR BRISPORT: Through you, Mr. President. It is generally services that help children and families improve their economic conditions. I know one of their focuses has been on childcare.

SENATOR WALCZYK: Thank you.

Mr. President, would someone yield on the Office of Aging section?

ACTING PRESIDENT BAILEY: Senator Gianaris, on the Office of Aging.

SENATOR GIANARIS: That would be Senator Cleare, Mr. President.

ACTING PRESIDENT BAILEY: Senator Cleare, do you yield?

SENATOR CLEARE: Yes, I do.

ACTING PRESIDENT BAILEY: Senator Cleare yields.

SENATOR WALCZYK: Through you, Mr. President, there's a $200,000 allocation in here for services and expenses of Services and Advocacy for Gay, Lesbian, Bisexual and Transgender Elders, Inc., or SAGE. What services and expenses is that $200,000 going towards?

(Pause.)

SENATOR CLEARE: It's a senior

citizen center. They provide senior services, and that can range from housing to nutrition.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR CLEARE: Through you, Mr. President, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So is the $200,000 just kind of open for them to utilize, or is it a specific target for one of the services that you listed?

SENATOR CLEARE: To support the needs of the senior LGBTQ population.

SENATOR WALCZYK: Thank you. Thank you.

Mr. President, would someone yield on the Department of Health section?

ACTING PRESIDENT BAILEY: The Department of Health, Senator Gianaris?

SENATOR GIANARIS: Senator Rivera.

ACTING PRESIDENT BAILEY:

Senator Rivera, do you yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR WALCZYK: Through you, Mr. President. There's a million dollars for services and expenses for workforce development for transgender, gender nonconforming, nonbinary and intersex people within the state. Is that a new program and a new allocation of a million dollars?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, it is not a new program.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Was it funded at a million dollars last year?

SENATOR RIVERA: Through you,

Mr. President, it is flat from last year, yes.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: What did they spend that million dollars on last year?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, we could get you an exact list. We don't have it with us.

But the program is meant to be distributed to different organizations that help the trans community across the State of New York, particularly around their health needs.

So there was a distribution of it. The exact breakdown of it we do not have readily available.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And it's the Department of Health that does the distribution of that million dollars? Do they do any reporting on how they distribute it and what the oversight is for how the money is spent?

(Pause.)

SENATOR RIVERA: Through you, Mr. President. The Department of Health is required to report on this program, as they do on most anything else that they distribute.

So yes, if we were to track down from the Department of Health where the money went, we'd be able to find out.

SENATOR WALCZYK: And through you, Mr. President, briefly on the bill.

And I'm all set, thank you.

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: And just as you're still listening, Mr. Chair, I'd appreciate

any feedback for how the money actually got spent last year and how they plan to distribute that this year. But happy to get with you offline.

And if someone -- through you, Mr. President -- would yield on the Education Department section of this Aid to Localities bill.

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: That would be Senator Mayer.

ACTING PRESIDENT BAILEY: Chair Mayer, do you yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR WALCZYK: Through you, Mr. President, there's $28 million for services and expenses for the My Brother's Keeper initiative. What services and expenses will the $28 million that we're allocating here go towards?

SENATOR MAYER: Through you, Mr. President, I'm so glad you asked about such a fantastic program. And it's extremely worthy of

expenditures.

Last week I had the opportunity to go to the convocation in The Egg with hundreds of young men throughout the state, from school districts throughout the state, that are in a program that was started at least 10 years ago, at least when I was in the Assembly, that is focused on providing mentorship and guidance and strength in both academics and character building for particularly young men of color in all of our communities.

And it has been remarkably successful in enhancing outcomes, making kids college-ready, and providing strong mentorship opportunities for kids to develop in a positive development. It is money well worth spending.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MAYER: Yes, I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And it's the

State Education Department that provides the oversight for the $28 million that we're allocating here?

SENATOR MAYER: Yeah. Through you, Mr. President, yes, they do.

SENATOR WALCZYK: Through you, Mr. President, will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Do they report back specifically on how that money is allocated and spent across the State of New York?

SENATOR MAYER: Through you, Mr. President. My understanding, from what I've seen firsthand in the districts I represent and throughout the state, is they provide funding to school districts to have designated staff to supervise the program.

And in some cases they have contracts with outside vendors for certain services. But it's basically to fund these

essential programs.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So that's distributed down from the State Education Department to the school districts to then allocate and contract with vendors or nonprofits?

SENATOR MAYER: Through you, Mr. President. What I have seen and what I can speak to is the direct employment of staff within the school districts that have My Brother's Keeper -- and I would add there is My Sister's Keeper as well -- that supervise the program.

And from what I've seen in multiple particularly urban districts, there is designated staff in order to make the program successful. And it has a strong track record of success, which I'd be glad to share with you.

SENATOR WALCZYK: Thank you,

Madam Chair.

Mr. President, would someone yield on the local assistance appropriation section?

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: I believe we're back to Senator Martinez.

ACTING PRESIDENT BAILEY: Senator Martinez, do you yield for some questions?

SENATOR MARTINEZ: Yes, I do.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR WALCZYK: Through you, Mr. President, last year AIM was funded at 715 million to help offset local property taxes. That's spread over the 1500-plus municipalities that we have in the State of New York.

The local assistance appropriation section in this bill increased by almost a billion dollars this year. So what can those municipalities expect that billion-dollar increase to mean for them in AIM payments?

SENATOR MARTINEZ: Through you, Mr. President, it is unchanged from last year.

SENATOR WALCZYK: Thank you,

Mr. President. On the bill.

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: Yeah, there was a very large increase in the local assistance appropriation. But instead of pumping that money into AIM payments to help support municipalities that depend on these for their normal governmental functions, this body went a different direction this year: $695 million to New York City, $55 million to Buffalo, $40 million to Yonkers, $40 million to Albany, $20 million to Rochester, $20 million to Syracuse, $10 million to Mount Vernon, and 2 million to the City of Auburn.

And the greatest trivia question: What do all of those cities have in common? Democrat mayors. Surprise, surprise.

Your job here is not to play partisan politics with the allocation of funds in the State of New York. We have a job that supercedes that here in this body.

I was told today that New York City was the wealthiest city in the world and that's why we have to tax the billionaires. Well, okay,

I don't know why we're bailing out New York City instead of the struggling poor rural municipalities in New York that could use a modicum of increase, at least an inflationary increase in the lines of funding that they hope for from the State of New York.

I'll be a no on this bill, and I encourage my colleagues to vote no as well.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Walczyk.

Are there any other Senators wishing to be heard?

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

Read the last section.

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

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Senator Gianaris to explain his vote.

SENATOR GIANARIS: Thank you, Mr. President.

I just wanted to give some solace to my colleague that he need not worry. Tomorrow we will be supporting his bill to raise taxes for Herkimer County, which will then be able to fund that local government. So we are supporting our local governments as well.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Senator Gianaris to be recorded in the affirmative.

Senator Serrano to explain his vote.

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

I very proudly vote aye on this bill, in particular for the funding for the arts and culture, and it is so critically important that we do so. The arts and culture are so important to every corner of New York State.

A recent report by the Center for an Urban Future specifically in New York City shows that the creative workforce employs over 300,000 people and that the tourism economy is $74 billion. Think about statewide. It's much higher.

And it's not just what the arts does for all of us, but it's also about the careers

and the jobs that they create. It is important to note that during COVID, during the pandemic, the arts and culture sector really suffered. They were the first to close and oftentimes the last to open.

But it is so important to remember that our economy is so closely linked to tourism. And again, in New York City it's very easy to draw that line and show it. But actually every corner of New York State is affected by the creative economy and has a tremendous boost because of it.

So when some argue that we are spending too much in this budget, that we are doing things and spending on things that have no return, the arts and culture have a huge return on investment. A dollar given in brings back multitudes in jobs and economic activity in so many different sectors.

So it's with that that I proudly vote aye. Thank you.

ACTING PRESIDENT BAILEY: Senator Serrano to be recorded in the affirmative.

Senator Murray to explain his vote.

SENATOR MURRAY: Thank you,

Mr. President.

I know I rail on the MTA -- no pun intended -- a lot, and the LIRR, but I'm actually -- I'm a huge fan. I mean, they have the capability of being the best transportation system in the entire world. It's just the way they're managed that is the problem.

Now, recently we had a -- thank God, a very short, brief strike at the LIRR. And it really did show -- there was chaos. That first day, there was chaos in the area of -- just the roads were jam-packed and everything, and it showed just how important that the railroad is to the entire area.

But the problem is this. We cannot keep rewarding bad management, and that's what we tend to do. We find new ways to come up with new money and new funding sources.

Now, on one of the Zoom calls during this strike, there was a senior management person that made the comment, "You know, those elected officials, they always -- they get on us and yell at us for spending recklessly and all of this, but then they want us to give these increases to the workforce."

News flash. I don't think paying your workers properly is spending recklessly. I think that's smart. And maybe if you thought a little smarter, you wouldn't be in the position you're in.

I'm voting no. Thank you.

ACTING PRESIDENT BAILEY: Senator Murray to be recorded in the negative.

Senator May to explain her vote.

SENATOR MAY: Thank you, Mr. President.

There was a question earlier about the cities that are receiving additional AIM funding in this budget. And the question implied that somehow we in this Majority are just funding municipalities because they're governed by Democrats.

But Syracuse, Rochester, Buffalo, Albany, Auburn, Mount Vernon -- these are cities that are not just where employers are located, they are home to the hospitals, universities, arts organizations, government buildings, homeless shelters, philanthropies, the highway interchanges and the sewage treatment plants that serve entire metro areas. Most of these are

untaxed properties that rely heavily on city services like snow removal and trash collection and fire and police departments.

Meanwhile, the surrounding communities that benefit from these services do everything in their power to wall themselves off from the urban populations. They zone to prevent affordable housing and public transportation. They jealously guard their high-performing schools. They lobby heavily against regional shared services. And they quietly persist in engaging in housing discrimination and racial profiling.

This budget recognizes that our cities are the places where everyone is welcome. People of all races, ethnicities, ages and incomes, refugees and students from all over the world, people experiencing homelessness and displacement, people who cannot drive or do not own a car.

Surrounding communities that do not wish to help these cities directly in providing their services should be only too glad to know that this budget does provide such help.

And if I have an extra 10 seconds, I

will say there's a cider event going on down in the Well --

(Laughter.)

SENATOR MAY: -- and I encourage everyone to go partake of wonderful New York cider.

Thank you.

ACTING PRESIDENT BAILEY: Senator May "always be closing" to be recorded in the affirmative.

Senator Cleare to explain her vote.

SENATOR CLEARE: Thank you, Mr. President.

Again, I rise as chair of the Aging Committee to acknowledge some of the good in this budget bill.

With this budget we have finally started to listen to providers such as nursing homes and those organizations that take care of our most vulnerable and precious older New Yorkers.

We have extended the Uniform Managed Care Organization funding mechanism to do the most good, including investment in nursing homes of almost $500 million, $100 million for the

Quality Incentive Vital Access Provider Pool, and up to $20 million for assisted living providers and hospices.

Though we certainly can use more funding and have been advocating for such, we finally have a foothold. And I hope from here we will continue to make increasing investments in community social, medical and institutional care for our seniors.

Thank you. I proudly vote aye.

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

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you, Mr. President.

You know, this body has a history of helping municipalities when they do need help and there are deficits. We have a history of doing that. And it comes with a level of fiscal accountability and oversight, always. We want to make sure that we're there to help to make sure that the bills get paid, but we also want to make sure that that municipality is taking on the responsibility of making ends meet, of addressing the shortfall so we do not have a recurring need

to come back to the state for funding.

We have examples in the state of financial control boards that exist decades after the initial request and payment and are there even though those municipalities are doing well. And the idea, Mr. President, that somehow there are municipalities out there that can't make ends meet because they have different circumstances is absurd, absolutely absurd.

Every municipality has an opportunity and a responsibility to make ends meet and to live within their means and not to be bailed out every year.

So the idea that we're going to be paying tens of millions of dollars to cities so that they can be bailed out -- and I'm going to say it, Mr. President, politically, because down in Nassau County where we have surpluses year after year, and we continue to make our budget ends meet, we still have a financial control board which they have refused, the Governor has refused to remove even though we are absolutely okay.

But yet we're spending 20, 30, 40, 50 million dollars, $450 million, without a

single responsibility on the part of the municipality to show us that they're going to bridge that budget gap in their budget.

It's wrong. I vote no.

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

Senator Fahy to explain her vote.

SENATOR FAHY: Thank you, Mr. Speaker.

There's a lot to appreciate in this bill, and I will be voting in the affirmative for it, including in the arts, arts community that we just heard about, as well as seniors, nursing homes, and more.

But the couple of pieces that I really want to make note of today is the additional $20 million that will be invested in the City of Albany to try to stabilize their finances there. It is a city where well over half the property is tax-exempt and where the state workforce has primarily worked from home since COVID, and it has really affected the downtown parts.

We have a $200 million investment. I'm very optimistic we will -- from last year,

and I'm very optimistic that we will turn around the finances in Albany. The mayor is working aggressively on a plan to do that. But in the meantime we needed that investment, along with a number of other upstate cities that are feeling the effects of post-COVID and more.

In addition, I could not be more pleased that we have a million-dollar investment in the Harriman State Office Campus finally for a comprehensive plan to take what is a fully state-owned complex and begin to develop that such that we will add commercial, retail and hopefully even housing into that property to get it back on the tax rolls as Albany begins to stabilize its finances.

We're finally getting out of the 1960s there, and I truly appreciate the leader for hearing us on these Albany concerns, whether it's downtown or uptown. We have a billion-dollar investment coming in, just announced last week, an investment again in nanotechnology. I am optimistic we will turn this around, but we've got to make some smart investments to add to it.

And with that, Mr. President, I vote

in the affirmative. Thank you.

ACTING PRESIDENT BAILEY: Senator Fahy to be recorded in the affirmative.

Senator Jackson to explain his vote.

SENATOR JACKSON: Thank you, Mr. President. I rise in order to support the bill.

But I wanted to say Aid to Municipalities -- I've been fighting verbally myself as far as making sure that New York City is never left out again as far as AIM funding for the municipalities. And if you think that just because they're getting their share that, you know, you have to give more to others, well, they get more by the wealth of New York City being as it is. And so when, you know, one administration comes by and says now is the time for us to get behind the city, that's going to hold people accountable.

So with that, I continuously will push for Aid to Municipalities because they're entitled to it just like everybody else is.

And so with that, I vote aye, Mr. President.

ACTING PRESIDENT BAILEY: Senator

Jackson to be recorded in the affirmative.

Announce the results.

Wait, excuse me, I'm sorry.

Senator Mattera to explain his vote.

SENATOR MATTERA: Thank you, Mr. President.

This bill is a perfect example of dysfunctional government as its worst. Tax, tax, tax, especially the wealthy that's worked hard their whole life. They earned what they earned. Yes, earned it.

Bailing out cities with taxpayers' monies. New York City, 695 million in this bill. Buffalo, 55 million. Yonkers, 40 million. Albany, 40 million. Rochester, 20 million. Syracuse, 20 million. Mount Vernon, 10 million. City of Auburn, 2 million -- they are Democratic-controlled cities.

Let's get back to New York City again -- 695 million on top of that. What about the 1.5 billion that Governor Hochul gave back in February?

Plus in this budget, what about the different things given in other bills -- $4 billion given to Mayor Mamdani because of

obviously Governor Hochul, it's an election year. What are we, buying votes? Everybody knows on both sides what's going on here.

Every New Yorker needs to know what happened in this budget -- a $260 billion budget, more than Florida, Texas, North Dakota, South Dakota combined. It's dysfunctional government at its worst.

We lost 2.5 million residents since 2020. We have a Siena poll that says, guess what, in the next five years we're ready to lose another 6 million because -- great residents of New York State, because of budgets like this.

So, Mr. President, I vote no on this bill.

ACTING PRESIDENT BAILEY: Senator Mattera to be recorded in the negative.

Senator Weik to explain her vote.

SENATOR WEIK: Thank you, Mr. President.

Their fair share -- we've heard this over and over and over tonight. Their fair share is a great philosophy, but it's certainly very subjective. Who's contributing their fair share? Who's paying their fair share? Certainly

New Yorkers should be upset about where their fair share is going.

MTA is certainly getting more than their fair share. With fare evasions and no effective solutions, we've got, as Senator Murray pointed out, taxes, fees, fare increases, congestion pricing. This is an authority that has certainly gotten more than their fair share for decades and has done nothing with it. The only thing they should be getting is fiscal oversight.

Our veterans, where are their fair share? Dwyer fund, no increase. And other funds have been decreased. That's a shame. That's a shame for New Yorkers. And certainly they're not getting their fair share.

What I'd like to know is there's almost 3 million Long Islanders, and almost nothing in this budget represents funding for Long Islanders.

I vote no.

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

Senator Bailey to explain his vote.

SENATOR BAILEY: Thank you,

Madam President.

Let me start on a bipartisan note and say happy birthday to Senator Borrello.

(Cheers; applause.)

SENATOR BAILEY: And let me just remind my colleagues that bipartisanship is something that we don't just speak about, we are about it.

I heard a lot of commentary just now about the Democratic-run cities that their allocations are going to, and I want to remind you that all of the people -- the tradespeople, the veterans, all of these people live in those cities too. Are they less deserving because they live in these cities?

I represent the City of Mount Vernon, and I would love for each of you to come to the Vernon. Come to the greatest 4 square miles in Westchester County, and come tell the people of Mount Vernon that they don't deserve $10 million. If you want to do it, come with me. You have my number.

A couple of weeks ago, during the extender for a colleague across the aisle, to make sure we helped out their school district,

everybody over here voted for it because it was for the kids of that school district.

But now we get a different side, and there's partisanship and there's this and there's that. What it is is nonsense, point blank, period. It's foolishness, and it's something that doesn't belong in this chamber when we're speaking about allocations for money for people that live in the State of New York, that work these jobs, that have lived these lives, that have poured their heart and soul in our communities.

For those reasons and many more, I proudly vote aye, Madam President.

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

Senator Lanza to explain his vote.

SENATOR LANZA: Thank you, Madam President.

So I think that the issue we have on this side of the aisle is we talk about bailout, and we're just concerned about who it is that's being bailed out. And it just seems to us, when you get this money to whether it's -- I'm a New York City resident, proud. It just seems to

me that we're not bailing out the people. I mean, Senator Bailey just spoke eloquently about who it is we're supposed to be helping. And we just feel that that's not where it's going.

We're bailing out -- from my perspective, we're bailing out policies that annually and repeatedly fails the people. You know, we're going to get this money to New York City, I'm with Senator Jackson. We're going to get the money to New York City. And you know what? My constituents, my New York City constituents, they're going to wake up tomorrow and their energy bill's going to be higher than the national average by a lot, their taxes are going to be higher than just about everyone that lives in this country, the roads are still going to be sort of in need of repair. The services aren't going to be there to the extent that they ought to be there, given the amount of taxes that we pay in New York City.

You know, somebody said that the state budget in New York is larger than Florida. That's true. But we have another budget, in New York City. As a New York City resident, I have to pay my share of the New York City budget,

which itself is larger than the entire state budget of Florida, just New York City's budget.

And of course if you live in New York City you've got to pay your share of the state budget. You put them together, you know, it's a larger budget than the majority of countries, nations in the world. And people just look out the window, and they say, Where's the money going? It doesn't seem to be coming to me.

I hear from people every day, we pay more and more and more, and what is it getting us? And, you know, we're about to spend more money than the state has ever spent -- by the way, New York doesn't print money. That money comes out of the pocket of New York, New Yorkers. They pay the bill. Whether it's 200 billion, 300 billion, 400 billion, that's how much it costs to live in New York State. That's how much the people -- we want to talk about the rich, the poor, the middle class, and we want to point fingers at everybody so that we fool people into thinking it's not coming out of their pocket. It's coming out of your pocket, New Yorkers. That's the bill that you get at the end of the year.

And so that's the issue we have on this side of the aisle, my friends, is that, yeah, we're bailing out maybe the mayor of New York City and his policies, and the last mayor's policies, and the one before that. But the people never seem to get the benefit.

And that's why I'll be voting no.

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

Senator Borrello to explain his vote.

SENATOR BORRELLO: Thank you, Madam President.

First of all, thank you, Senator Bailey, for recognizing me. I can't think of a better thing to be doing on my birthday than staying here till the wee hours of the morning debating.

I think what I want to explain is that it's not so much the bailout. You know, when someone comes to you that's fallen on hard times and they need some help and they ask you for some money, you might want to ask them, What are you going to do to change your life to make sure that you're not ending up in the same

situation again?

That's not happening here. No one's being asked to justify what they're going to do to right the ship. We're just going to pour more money into the hole and hope that it doesn't happen again, just to get them through the election cycle or through the next budget.

What are we asking these municipalities that they're doing to make things better so that that gap, that hole in their budget doesn't open up again? That hasn't happened.

I represent the City of Dunkirk. The City of Dunkirk is paying back the high-interest loan that was granted a year ago today. The City of Dunkirk wasn't on that list. The City of Dunkirk really does need a control board, as I suspect many of these municipalities need. Some of them actually have, and they've weakened those control boards, watered them down, and put them back in the deficit that they're in. The City of Buffalo is probably the greatest example of that. They weakened the control board, and now they're in the hole to the tune of $55 million or more.

What are we doing to change the outcome, to get a better result for the taxpayers and the people of New York State? And the answer is nothing.

I'll be voting no. Thank you.

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

Are there any other members wishing to explain their vote?

Seeing and hearing none, Senator Harckham to close. We know, thank you.

Senator Harckham to close.

SENATOR HARCKHAM: Thank you very much, Madam President. I'll be very brief.

I've heard a lot about "nothing for our municipality." We're going to be taking up the capital budget very shortly. I'd like to point out to colleagues that we will be increasing CHIPS funding, which is central to all of our municipalities' ability to pave our local roads, by $50 million. And that's on top of the $50 million increase last year. That's $100 million.

We also talk about the need for more state water funding for sewers and water

projects. In that bill we are going to be increasing funding by $250 million, 50 of it dedicated solely to rural communities, and the other 175 million will be going towards housing-related water-quality infrastructure. That's for all of our municipalities.

But the $250 million increase is transformative. As we know, the WIIA funding is oversubscribed. All of our municipalities need it, urban, suburban and rural. There are some big wins for all our communities in this budget.

I vote aye, Mr. President.

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

Announce the results.

THE SECRETARY: In relation to Calendar 1331, voting in the negative are Senators Borrello, Canzoneri-Fitzpatrick, Gallivan, Griffo, Helming, Lanza, Martins, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Stec, Tedisco, Walczyk and Weik.

Ayes, 45. Nays, 18.

ACTING PRESIDENT BAILEY: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: We are now in the evening hours. It is 6:02. Let's continue on with Calendar Number 1333, please.

ACTING PRESIDENT BAILEY: The Secretary will read.

THE SECRETARY: Calendar Number 1333, Assembly Bill Number 10007C, an act to amend Part H of Chapter 59 of the Laws of 2011.

ACTING PRESIDENT BAILEY: Senator Lanza, why do you rise?

SENATOR LANZA: Thank you, Mr. President. I believe there's an amendment at the desk. I waive the reading of that amendment and ask that you recognize Senator Borrello.

ACTING PRESIDENT BAILEY: 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, Mr. President, I appeal the ruling of the chair and ask that Senator Borrello be heard on the appeal.

ACTING PRESIDENT BAILEY: The appeal has been made and recognized, and

Senator Borrello may be heard.

SENATOR BORRELLO: Thank you, Mr. President.

I rise to explain why this amendment is germane to this budget bill. Because we are about to discuss the most expensive, most wasteful Medicaid program in the country, and pouring more money into that. And what this amendment calls for is an audit of every budget item, every line item in New York's budget by an independent third party auditor, the largest, of course, being Medicaid.

Medicaid right now is going to be almost half of this gigantic $268 billion budget, about $125 billion. And yet we have not done a thing to address some of the amazingly wasteful and expensive programs in Medicaid that right now are costing taxpayers billions.

Wasteful -- waste, fraud and abuse, words that have been used by Tom DiNapoli, our Comptroller, billions of dollars of waste, fraud and abuse -- $1.2 billion that was sent to people who don't even live in New York State. Medicaid benefits being paid out to people that don't live in the State of New York.

We have an interesting number from the Empire Center. Apparently there are about 5.5 million New Yorkers that are actually income-eligible for Medicaid, yet we have 8.5 million people on Medicaid in New York. That's 3 million people -- and I'm going to put "people" in quotes, because we don't know if it's actually people. Much of it is I'm sure fraud, people that have passed away, that moved away, people that are billing for fraudulent services that actually aren't being provided. And yet nothing has been done about that.

And now we have "Medicaid's Missing Million," another Empire Center report. If you all recall, the Empire Center did a FOIL request for the qualifications of everyone on Medicaid. And it took nine months and a lawsuit for the Department of Medicaid to actually deliver some results. And in the end, they refused, flat-out refused to verify a million people.

If each one of those people -- each one of those, quote, unquote, people, because we don't know what these expenses are truly attributed to -- are each costing a minimal amount of, say, $10,000 a year to New York State

taxpayers, that's $10 billion. That's a lot of money that could pay for an independent audit.

And that's what this amendment will do. It will audit New York State's budget. And in the end, it will probably yield tens of billions of dollars, billions with a B. That's money that we could return to the people of New York State to lower taxes, to provide better services, to fill more potholes. That's what this amendment will do.

So if you vote no on this, you are saying we don't want to know. You want to cover your eyes and say, we don't want to know what's going on in New York State's budget. We want to continue to allow fraud, waste and abuse to continue on in New York State.

Why? I don't know the answer to that. We need an audit. That's what this amendment does. Let's audit the most expensive Medicaid program in America, and let's do it now by voting yes on this amendment.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Borrello.

I again want to remind the house

that this vote is on the procedures of the house and the ruling of the chair.

Those in favor of overruling the chair, please signify by saying aye.

(Response of "Aye.")

SENATOR LANZA: Show of hands.

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

Announce the results.

THE SECRETARY: Ayes, 22.

ACTING PRESIDENT BAILEY: The ruling of the chair stands, and the bill-in-chief is before the house.

Senator Gallivan, why do you rise?

SENATOR GALLIVAN: Would the sponsor answer some questions about Medicaid in general first?

ACTING PRESIDENT BAILEY: Medicaid, I believe that would be -- Senator Serrano, that's Senator Rivera? Yes.

Senator Rivera, do you yield?

SENATOR RIVERA: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: Through you,

Mr. President. Can the sponsor tell me, is there anything in this budget that would increase oversight of New York's Medicaid program?

(Pause.)

SENATOR RIVERA: Through you, Mr. President. We have both an agency -- OMIG, which is the Office of Medicaid Inspector General -- as well as an office in the Attorney General's office that is dedicated to the -- to identifying waste, fraud and abuse.

I just -- I do think it's important to kind of linger on this for a second. It is indeed -- Mr. President, through you, obviously. It is indeed an expensive program. It is an expensive program because we have so many working-class folks who without this program would not have access to any level of healthcare whatsoever.

I'd ask my colleagues whether we would -- we should cut, you know, funding to their hospitals, whether we should cut funding to the nursing homes that serve their constituents. I'd really love to hear from them in that regard.

But as it relates to waste, fraud and abuse, I do think that there is -- that we

have agencies that certainly could work a little bit better, but we both have the Office of Medicaid Inspector General as well as offices of the -- within the Attorney General's office that investigate instances of fraud in the program.

SENATOR GALLIVAN: Would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR GALLIVAN: I do understand, Mr. President, that OMIG does exist. My question is, is there anything new in this budget to increase oversight or to uncover additional fraud, waste or abuse that has not been done before?

SENATOR RIVERA: Through you, Mr. President, no, there is not.

But once again, there is the notion that there obviously must be -- there must be something amiss, there must be something virulent under the hood, there must be something that we must identify because it is impossible that we

could be spending this much money to take care of people. That's got to be it.

So -- but no, Mr. President, there is no -- nothing new in this budget related to oversight.

SENATOR GALLIVAN: Will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR GALLIVAN: So we heard in an earlier debate, with some back and forth between Senator Martins and Senator Rivera, about the amount of money New York spends on Medicaid, in the neighborhood this year, as proposed, $125 billion, which represents an 89 percent increase since 2019. That's in the state share.

We are number one in spending per capita in the nation. We are 77 percent above the national average. Year over year, the state's share -- if my numbers are correct -- is increasing by $4.3 billion, which is almost 10 percent.

What accounts for this increase?

(Pause.)

SENATOR RIVERA: Through you, Mr. President. Well, first of all, it is important to remember that until we are able to pass the New York Health Act to be able to fundamentally change the way that healthcare is organized, healthcare is always going to be incredibly expensive. And it will be expensive regardless.

But because we're choosing to pay for it the way that we're paying for it, we have to abide by the same market forces that impact anything else, which means inflation. Healthcare costs are more expensive every year. We have to remember that some of these numbers relate to taking care of institutions that are not just in Democratic districts, but they're in Republican districts all over the state.

We're also talking about the fact that we are, in this state, trying to take care of more people than they do in other states, and in ways that other states do not.

And we provide -- and we try to provide the type of quality services that make

sure that people who would not be able to afford care otherwise would be able to get services to keep them healthy.

For all these reasons, it is indeed an expensive proposition. And on a year-to-year basis, there are increases much like in the rest of the healthcare system, period.

But I will remind us again that if we were to fundamentally reorganize the way that we pay for things, we'd actually be able to pay a lot less for healthcare.

But as it relates to the way that things are working right now, those are some of the reasons why -- through you, Mr. President -- we have to spend more every year.

SENATOR GALLIVAN: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: I will note the sponsor's belief in the New York Health Act and just simply respectfully disagree with it. But I

want to focus on this proposed budget and what's before us today.

So we know we've had an 89 percent increase in spending. We also know that enrollment -- enrollment has gone down since the pandemic. We have a nearly 10 percent year-over-year increase proposed in this budget that's $4.3 billion. The Division of Budget estimates that some of the reduced funding from the federal government only amounts to 2, $2.5 billion. So even if we were to set that aside, we're still seeing billions of dollars in an increase.

And my question for the sponsor is, what are we spending it on that's different than last year?

SENATOR RIVERA: Through you, Mr. President. It is again, indeed, cost from year to year that has seen an increase.

But I'll repeat again, the cost of healthcare related -- whether it is privately financed or publicly financed, is still going up. And if we're talking about the rate of inflation, I would point to maybe the cost of care for people who have privately funded plans, who have

commercial plans. It is likely that the percentages that they've had to pay on a year-to-year basis are actually more than the 7.5 percent that we're talking about here.

SENATOR GALLIVAN: Will the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: Does the sponsor believe that the global cap, the global Medicaid cap serves a purpose?

SENATOR RIVERA: Through you, Mr. President. No, I do not. I have not believed that it has played a purpose for a very long time, and I argue that we should do away with it every year.

But to save many people many questions, I will answer one version of it right now. We're debating the budget we have in front of us, which is the best that we could get under the circumstances after negotiating for way too damn long, in my view.

But as it relates to this particular issue, I've never believed in the -- I have -- if I believed in the global cap at the beginning of its creation, I certainly do not believe in it now and for years have carried a bill to do away with it.

And I also suggest that we -- during our one-houses, we also try to do away with it in our suggested budget.

SENATOR GALLIVAN: And I would agree, in a sense -- but for different reasons, Mr. President -- with Senator Rivera that the global cap really doesn't seem to serve a purpose.

ACTING PRESIDENT BAILEY: Senator Gallivan, are you on the bill or asking him to yield?

SENATOR GALLIVAN: On the bill briefly.

ACTING PRESIDENT BAILEY: Senator Gallivan on the bill.

SENATOR GALLIVAN: I agree that the global cap doesn't really seem to serve a purpose when we're looking at an 89 percent increase in spending since 2019, a nearly 10 percent increase

in spending from year to year.

And we've got a number of things that are not included in the global cap, so we're not transparent. We're not telling the public the truth. And it sits there and yet we ignore it year after year, and it's something we ought to be paying attention to. It's too late for this year's budget, but hopefully we can undertake it next year to get this spending under control.

If I could move -- I would ask the sponsor to yield if I could move to Part O, which has to do with the Healthcare Stability Fund investment.

ACTING PRESIDENT BAILEY: Part O is also Senator Rivera.

Do you yield?

SENATOR RIVERA: Before I yield, I'll say to everything that he said about the cap, ditto.

But then I yield.

ACTING PRESIDENT BAILEY: A ditto, and the sponsor yields.

SENATOR GALLIVAN: So we know several years ago we had passed in the budget an

MCO tax to be paid over several years, something I didn't agree with at the time, but nonetheless it was passed.

And with the -- again, some of the dictates from the federal government, what originally was planned is no more. However, they did provide a waiver that the funding would continue through the end of this calendar year, so through December 2026. And I believe that amounts to a total of about 1.3 billion that is in this budget.

And it's been -- it's been kind of whacked up, it's been carved up into four different areas. And so of this 1.3 billion, 706 million allocated to hospitals, 480 million to the nursing homes, 20 million to assisted living, and 80 million to FQHCs. My question is, what policy or methodology was followed to carve this up in this manner?

SENATOR RIVERA: Through you, Mr. President. It wasn't necessarily a policy, it was just a discussion, a negotiation.

There's always -- it is clear that every one of these -- the entities that will be impacted, whether we're talking about nursing

homes or FQHCs or hospitals, each one of them was arguing that they should get a little bit more. Ultimately we had to make the decision, and this is the breakdown as it -- so it's broken down exactly as my colleague pointed it out.

SENATOR GALLIVAN: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: Who made the decision on how this was broken up?

SENATOR RIVERA: Through you, Mr. President. We know how this works. It's just a back-and-forth with certainly someone in the back-and-forth having more weight than the other folks involved in the conversation.

But ultimately this is a negotiation. We go back and forth, we say how about this, how about this, how do you want this, how about that.

So it wasn't -- you know, it's not -- I don't think that in this enormous

budget, whether we're talking about this bill or any of the other bills that we have debated or will debate, it's unlikely that we might be able to say, like, this one particular thing was decided by this one person. Instead, it's just a back-and-forth, and this is just the product of that negotiation.

SENATOR GALLIVAN: Would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: Would the sponsor agree that a good number of hospitals and nursing homes in the state are really in a fiscally somewhat distressed manner, without defining a distressed hospital, but they're hurting overall, and this funding is meant to alleviate some of that?

SENATOR RIVERA: Through you, Mr. President, I certainly would. Although I believe that I would probably use less PG-rated language to refer to their condition.

SENATOR GALLIVAN: Would the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: Was there any consideration given to the long-term funding method for hospitals and nursing homes, and the others, as it related to the distribution of this funding? Or was it just carved up?

SENATOR RIVERA: Through you Mr. President. If I understand the question, there's a constant -- so I've been here for a long time. And I've been the chair for, I don't know, coming up on a decade, maybe. And during -- certainly during that time I've constantly argued that we need to really rethink how we do this entire thing.

I don't think that we are -- that we think in long-term about how to make sure that institutions which serve the most vulnerable, and therefore are the most vulnerable, are supported. I've constantly talked about how we need to

retool some of the formulas, how we need to rethink how we do this.

So I certainly would not disagree with my -- if I understood my colleague correctly, I do not disagree that there certainly needs to be a rethinking of how we do this in the long term.

But as it relates to this, we were lucky enough to slip right underneath the cutoff to be able to receive this money. We did not -- you know, we would not have received it unless we got that approval from the federal government. We got it right before they cut it off for everybody else. And therefore we'll have a little bit left over to -- we'll have some of this to be able to patch up some of the -- you know, some of the parts of the system that are a little bit broken.

SENATOR GALLIVAN: Would the sponsor continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR GALLIVAN: Recognizing the financial challenges that these entities, the hospitals, nursing homes and others have, and the fact that this budget didn't really necessarily change at all the current Medicaid financing structure for them, and we lose this funding at the end of the year, what do we do next year when we don't have this 1.3 billion? And how do we address their needs into the future?

(Pause.)

SENATOR RIVERA: So through you, Mr. President, it is true that there is -- that this is a limited amount of money and that we're only going to be able to -- this particular MCO tax is one that is -- that is going to run out.

We do, however -- have introduced another MCO tax that is targeted differently, therefore we still require federal approval for it but it's a different one than this and will produce at least a little bit of money.

But the reality is that the cuts that are coming from the federal government which has been impacting us on a rolling basis are not done yet. And there is -- since there is this obsession with making sure that we spend less

money on taking care of poor working-class people while we give more money to the wealthy so they can create jobs or whatever it is that they do, we're going to see a lot of changes to publicly financed programs that are going to continue to impact the state and are going to continue to impact working-class folks across the state up until next year.

And so when we are dealing with next year in January we're going to have to navigate it, because there's going to be even less resources to be able to deal with. We hope that some of what we're doing here is making some of this money flow with some increases to some institutions so that they can kind of, I don't know, kind of build little fortresses, if you will. But yeah, no, things are going to get bad and worse and worse and worse.

SENATOR GALLIVAN: On the bill, Mr. President.

ACTING PRESIDENT BAILEY: Senator Gallivan on the bill.

SENATOR GALLIVAN: I'm very concerned with the trajectory of our Medicaid spending, that 89 percent state share increase

since 2019, nearly 10 percent this year.

The Budget Director is projecting that by fiscal year 2030, it will increase, if it stays at this rate, by another 29 percent. I don't know how we're able to continue to afford this, how it's sustainable, and how it doesn't hurt the New Yorkers that are paying for it.

They have many needs. We've heard different budget debates over the last several days -- education, infrastructure, the environment, social services. And New Yorkers, in my belief, are at a breaking point.

And yet at the same time, we heard Senator Borrello list some of the fraud, waste, abuse that has been uncovered by the New York State Comptroller and other reports, and yet we're not doing anything more to uncover it or doing anything more to ensure proper oversight of this plan.

I think we're going in the wrong direction on this. But I want to say I recognize the need for us to help other New Yorkers. I do recognize that. But we have to do it, in my belief, in a fiscally responsible manner. We have to ensure that taxpayer dollars are spent

properly and every single dollar is accountable.

So I will be voting no on this budget for those reasons, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Gallivan.

Senator Borrello, why do you rise?

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

ACTING PRESIDENT BAILEY: What part, Senator Borrello?

SENATOR BORRELLO: Oh, I'm sorry. Just general questions on Medicaid. Is that allowable?

SENATOR RIVERA: That is indeed allowable.

ACTING PRESIDENT BAILEY: It is allowable. Senator Rivera would be happy to yield.

SENATOR RIVERA: But he said one question, Mr. President, I just want to --

SENATOR BORRELLO: Well, I've got to do them one at a time, you know.

(Laughter.)

ACTING PRESIDENT BAILEY: Excellent retort.

Senator Rivera yields. Senator Borrello, you have the floor.

SENATOR BORRELLO: Through you, Mr. President. Thank you for the indulgence, first of all.

I guess my first question -- this is really a yes or no question -- do you think that it's right that Medicaid, New York State Medicaid pays more money to a transportation broker for one taxi ride for one non-Emergency Medicaid doctor's appointment than it pays to a nursing home for a day's care for some of the most vulnerable people in our state?

Do you think that that's okay, we pay more for a taxi ride than we do for the complete cost of care for a day for a nursing home resident?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, I probably need a little bit more information, because it is not as cut-and-dried -- how far was that ride, what rates are being paid to that particular nursing home, what acuity as it relates to a particular patient.

So there's -- there's -- I know what you're trying to get at, but I think that your question requires a lot more details to be able to answer more accurately. Through you, Mr. President.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Ah, a second question. I yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: Foreshadowing.

Through you, Mr. President. Okay, let's go to an easier question. Do you think it's right that two men in Queens were paid $120 million for essentially, you know, giving Chinese takeout for a program that was supposed to actually be some kind of a dayhab service?

I'm sure you're familiar with this. It was a pretty big story, $120 million paid to two men, by Medicaid, to essentially give to-go meals that averaged about, I don't know, I think it was about $10 or $12 and they were charging

$85? Do you think that that's okay, that Medicaid should be paying that much more to an essentially fraudulent program that's now under investigation?

SENATOR RIVERA: Through you, Mr. President, I'm actually not aware of this situation, so I couldn't really comment on it.

But I would say that I am of the -- I absolutely agree, wholeheartedly, with the notion that government money should be used responsibly, particularly when it relates to the program that I believe saves lives, such as relates to Medicaid overall. And so therefore wasting Medicaid dollars is not something that I would ever be supportive of.

It is, however, some -- and I don't necessarily think that anybody in this room today has done it, although that -- you know, we're still early. But there's a suggestion that there's something perverse about this program that obviously there must be something hidden that must be discovered.

Now, if there is -- as, again, I'm not familiar with the story that my colleague mentioned. But if that story is public, it

probably means that those people were caught, that whatever fraud they were perpetrating was identified, and that these folks are being held accountable.

So it seems to me that if we're saying that the evidence that there is -- that there's fraud that is hidden is because we have found fraud and we have identified it and we have gotten people to be held responsible for the things that they've done, it seems to me to be a little, you know, like what are we talking about? Like we have identified it, and when we identify it, we hold those folks accountable.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR BORRELLO: So to dovetail off your question, do you think we catch anywhere close to a hundred percent of the fraud that goes on in the Medicaid program?

SENATOR RIVERA: Through you,

Mr. President, I have no way of knowing that. But, you know, I do -- I will tell you there's -- you know, humans are not perfect, so certainly there's bad actors everywhere. And so certainly I think there are probably folks who we're not catching that are committing all sorts of crimes, all sorts of white-collar crimes, for example, that we are either, you know, choosing to ignore or not catching at all. So there certainly would be -- there probably are things that we're not discovering.

But again, it seems that the attacks are about just insisting that there must be something perverse that we must discover, and if we are -- and if we don't and if we try to utilize -- if we don't -- if we utilize just the tools that we have so far, which in many instances have identified people who are committing crimes, have been able to hold them accountable, have been able to put them in jail, et cetera, et cetera, that unless we use -- if we use only those, then it's -- obviously we're not serious enough about finding all of the bad stuff.

I would love to be able to go like

that (snapping fingers) and find everybody who's doing bad things, but it is probably impossible for me to do it in any human endeavor, whether it be public use of Medicaid dollars or anything else.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: All right. With all that being said, because we're talking about fraud, let's move on to CDPAP. Do you think that CDPAP and this transfer from the fiscal intermediaries, the small businesses across New York State that got shut down, to this single out-of-state fiscal intermediary has been a good thing?

SENATOR RIVERA: (Laughing.) Mr. President, at the risk of repeating myself, I believe that I have been one of the absolute loudest -- not just because I'm Puerto Rican -- critics of that move ever since it happened. I

have never been happy with it, not when it happened, not during the transition, not now and probably not ever.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: I'm well aware that was a tee-ball for you, so -- so as long as we're continuing on with the Governor and her handling of Medicaid and Medicaid expenses, do you believe that it's right that we paid out $1.2 billion to people that don't live in the State of New York in Medicaid benefits? That's what the Comptroller identified recently.

(Pause.)

SENATOR RIVERA: So Mr. President, again, I'm unaware of the particular story that my colleague is referring to.

But I would say that, if I'm not mistaken, what that is in reference to is a capitated plan -- capitated money that is paid

into plans on a capitated basis and then having people within the population that they're supposed to cover who are deemed ineligible, and therefore there would be money in there that is being spent on folks that are not eligible because they live out of state.

But I'll repeat again, if we're saying that the Comptroller found it and identified it -- and again, I'm not familiar with this particular study. But if we're saying that the Comptroller found it, identified it, and we are talking about it on the floor of the Senate, it means that we probably figured that out, that we probably identified it, and that we probably have put -- we've acted as a state to recover that money. So, you know.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: Yes, they identified it, but I don't think there's any way

they actually get that money back. You know, the Comptroller is not an enforcement agency.

But I guess the last -- well, one of the -- well, the last question on this particular topic is the Empire Center FOILed the qualifications of everyone in New York State that's on Medicaid. The Office of Medicaid, the Medicaid Director flat out just refused. They had to sue. Nine months later, Empire Center got a partial answer. But as I referenced in the amendment, that they actually have -- to this day have not provided information on nearly 1 million registered recipients who are receiving money, and the Office of the Medicaid Inspector General has not verified this.

Do you think it's right that this FOIL request was ignored and that there are a million people that we don't know -- quote, unquote, people -- are qualified? Do you think that that's okay, that the State of New York shouldn't be able to answer the question to the taxpayers of New York, are those million people -- do they actually exist and do they qualify for Medicaid?

SENATOR RIVERA: Mr. President,

through you. There's a big difference between the State of New York not being able to identify certain folks who we're paying money for their medical care, and the Empire Center having that information.

I am again unaware -- I mean, I wish I had the Cliff Notes of all the different stories that we were going to be hit with today, and I would have studied them. But in this case I don't necessarily know this particular -- this particular request.

But there is -- but the idea -- again, this is very similar and we've heard conversations like this before, it's the same thing as voter fraud. It's this notion that there obviously must be something there that's hidden that we have to uncover, because if we don't, then, you know, we'll have all this money being wasted, all this money being stolen -- and again, in this case, by poor working-class people.

Again, I don't claim that any system is perfect, and I do not claim that our Medicaid system is perfect. God knows that I have many issues with it and constantly try to do

everything I can to make it better.

But there's these constant kind of dog-whistle suggestions that there has to be something that we have to uncover, that we have to look further, that we have to flip some more things around and maybe we'll find something.

So, you know, I think that in this case I am unfamiliar with this request from the Empire Center, but -- so the Empire Center didn't get whatever names they wanted for the story that they were writing, too bad. But whether the state, which has to actually make an effort to be able to identify whether someone is eligible, and when we find that somebody is doing -- not doing that, then that -- then the people who do that should be held accountable.

SENATOR BORRELLO: Mr. President, I promise, my last question, if the sponsor will continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: I doubt very much that will be the last question.

(Laughter.)

SENATOR RIVERA: However,

Mr. President, I will still yield.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR BORRELLO: Through you, Mr. President. The federal government right now is pursuing fraud in Medicaid. We've seen it uncovered in Minnesota to the tune -- I think it was $9 billion and counting. And now they have their sights set on New York State. And I think what they're going to find in New York State is going to be -- is going to be well and above what we've seen in Minnesota and other states.

We have the opportunity to, as we discussed in the amendment, to actually, you know, have a better control over this by auditing our own system, rooting out the fraud before the federal government comes in.

Do you think it would be a prudent thing for us to do, to audit the Medicaid program here in New York State and root out the fraud ourselves before the federal government does?

SENATOR RIVERA: Mr. President, through you. I would if I thought that the federal government was doing any of this in good faith. I do not. I do not believe the federal

government is doing this in good faith.

I believe that they're going after Democratically held -- we were talking earlier about this, right, we were targeting Democratic states, Democratic cities or Democratic counties or whatever.

In this case we have the demonstrated actions of a federal government that is using the federal administration to target its political enemies. It is going after Minnesota. It is coming after us. I do not believe it is doing it in good faith. I do not believe it.

If I believed that it was doing it in good faith, then maybe I would agree with you. But I will go back to what I said earlier. We have entities, whether it's the Attorney General, who I believe in deeply, and the work that the -- the name of the office always escapes me. What is it? MFCU. It's a weird acronym that always escapes me.

But it's the office within the Attorney General's office that looks at this type of thing. And OMIG, the Office of the Medicaid Inspector General. We have entities that do this work.

And certainly, again, once again, it is not a perfect program. But no, I do not believe that we should be preceding whatever craziness the federal government is going to try to do by just basically saying -- by obeying in advance and saying, Yes, of course, of course, master, of course. Of course, whatever you say. We're not doing that.

I do not believe in good faith that they are doing this. I don't believe they're doing it in good faith.

SENATOR BORRELLO: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Borrello on the bill.

SENATOR BORRELLO: Thank you, Senator Rivera.

Yeah, the point of my last question was if you truly believe -- and I believe you do -- that the federal government's not acting in good faith, then we should absolutely be reporting this ourselves. We should be rooting out the fraud and abuse.

So that's what I'm suggesting. That's what my amendment earlier suggested, that

we have an independent third-party audit. I think it's desperately needed.

It's desperately needed because we have the largest Medicaid program in the country per capita, we spend more than anybody else per capita, and yet every single day I hear from nursing homes, hospitals, senior centers, people that deal with the -- people that serve some of the most vulnerable people in New York State through the Medicaid program, and they aren't getting enough.

They aren't getting enough. Nursing homes lose money every single day on Medicaid patients because our reimbursement rate does not cover the cost of care.

And yet we have a program that is absolutely filled with fraud. How do I know that? Because we have uncovered the fraud. But it is the tip of the iceberg that we have uncovered. Because the program itself, unfortunately, whether it was intentional or not, is designed to incubate fraud. That's the point here.

Our hospitals should not be losing money because someone on Medicaid shows up at the

ER. Our nursing homes should not be losing money because someone who can't afford anything but Medicaid is there because they have to be cared for.

And this program that we have has millions of people -- quote, unquote, people, because we don't really know if they actually exist -- that are not qualified and yet are still a drain on the system.

That's why we need an audit. That's why we need accountability. That's why we need to hold those accountable -- not just for the fraud, but the waste. The CDPAP program that you and I both agree is not good. The reimbursement rates that you and I both agree are not enough.

We have the means within our own state to fix that, to right the ship. We could audit this program. We could root out the fraud. And we could take that money, probably reduce the total expense, and still give those people that deal with our most vulnerable citizens -- developmental disabilities, senior citizens -- give those people the money that they need to care properly, to stay in business.

Just this year alone I've had

two nursing homes close in my district, just this year. More to come. They can't stay open. Hospitals that are closing, hemorrhaging -- not bleeding money, hemorrhaging money.

And yet we refuse to hold those folks in charge accountable for where the money is being spent and how it's being spent. We refuse to open our eyes to where the problems really are.

You can't hate the federal government that much to want to do this to our own people, to our senior citizens, to the people with developmental disabilities. You can't hate the system enough to justify what you're doing.

I can't think of one single thing right now that would justify not wanting to audit something that is almost 50 percent of our budget. I'm going to repeat those numbers: $125 billion, with a B, of a $268 billion budget. That's what Medicaid is costing us. If anything in your household income, your personal household income was eating up half of the money you made and you weren't sure where that money was going, would you just say, Ah, it's fine, I'm sure we'll figure it out at some point? No, of course not.

You'd want to know why.

This is a cancer that is growing within our budget, a financial cancer. It's growing bigger and bigger and more malignant, and we're not doing a thing to treat the cancer.

So you can hate what the federal government is doing, but at the end of the day it's the only treatment that cancer is getting. And since we can't do that here, they may have to do it for us. And you probably aren't going to like the results.

So I'll be voting no on this.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Borrello.

Senator Rivera on the bill.

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

So we talk about news stories that they don't tell us they were coming. A news story they didn't know was coming -- headline (reading): Trump administration admits a glaring error in its accusation about New York healthcare fraud.

Oz -- and I skimmed a couple of

paragraphs down -- Oz claimed that this would be -- Mehmet Oz, the -- that dude over there in Washington, D.C., Dr. Oz, you know him, "claimed that New York's Medicaid program last year provided some 5 million people with personal care services, which assist people in need with basic activities like bathing, grooming, and meal preparation. That would add up to nearly three-fourths of the state's 6.8 million Medicaid enrollees."

"But the real number of New Yorkers who used those services last year was about 450,000, or between 6 and 7 percent of total enrollees, CMS spokesman Chris Krepich told the Associated Press this week in the agency's first public acknowledgment of the error. He said the agency misidentified New York's approach to applying billing codes and had since refined its methodology."

Just one example, Mr. President. I do not take the federal government's efforts. I don't think they're in good faith. I will not respond to the federal government's efforts except in trying to make the program better, to strengthen it -- but not at the cost of the

people who we're supposed to serve.

ACTING PRESIDENT BAILEY: Thank you, Senator Rivera.

Senator Helming, why do you rise?

SENATOR HELMING: Thank you, Mr. President. If the sponsor will yield for a few questions on rural healthcare.

ACTING PRESIDENT BAILEY: Rural healthcare is also Senator Rivera.

Senator Rivera, do you yield?

SENATOR RIVERA: Through you, Mr. President, I thank my colleague for making clear that she would ask a few questions and not just one.

(Laughter.)

ACTING PRESIDENT BAILEY: The Senator yields.

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

Senator Rivera, I have to say I do believe that there is something amiss, that it's been found but it hasn't been corrected. And that's what's driving my questions on the budget bill before us.

The first issue is the State

Comptroller has documented that there are significant healthcare shortages in rural communities. And I'd like to know what in this bill is specifically intended to help us recruit and retain healthcare professionals, doctors and nurses, in our rural communities.

(Pause.)

SENATOR RIVERA: Through you, Mr. President. So specifically -- now, it took me a second to kind of gather everything up because the question is -- the answer specifically to the question that my colleague asked is nothing specifically targeted towards rural institutions.

However, we do believe that among other things, the targeted healthcare investments for hospitals, for example, as far as rate increases, would help them to do so.

I would also point out that although not necessarily earmarked for hiring new staff, since that was the question that my colleague asked, I would say that there is -- there were 211 million total for the Rural Healthcare Transformation Program. I know that my colleague will probably ask about that shortly. And that

is -- that went through the Aid to Localities, which gives $190.8 million for the Rural Healthcare Transformation Program. That's part of the federal funding from the 211 million that was awarded.

There's also, for State Operations, there's $1.2 million for the Rural Healthcare Transformation Program. That's the remaining dollars, right, from the 211 for the operation of it, as well as 9.4 million for the Rural Healthcare Access and Network Development.

So there are some things that we should -- that we are trying to do that are targeted at rural healthcare, but not as it relates specifically to hiring of new staff specifically for rural health. That is not something that is quite specifically done in this budget.

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

ACTING PRESIDENT BAILEY: Senator Helming on the bill.

SENATOR HELMING: I am so freaking disappointed in that answer. I have been asking about the Rural Healthcare Transformation

funding, which is not part of this bill, for weeks now as we do these extenders. And that does not address hiring or staffing at all, has nothing to do with that.

And I have sat next to Senator Rivera and asked the commissioner of the Department of Health during our budget hearings over and over again, what specifically are we doing to address the workforce shortages identified by the Comptroller in our rural healthcare hospitals, nursing homes, and everything else? And there's never a specific answer.

So through you, Mr. President, if the sponsor will yield for a question.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: I will. And I also -- but before I do, I will have to both say that --

ACTING PRESIDENT BAILEY: The sponsor yields.

Senator Rivera, if you'd like -- you were asked to yield to the question, and you can go on the bill after. But I just want to make

sure we can --

SENATOR RIVERA: I will yield.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR HELMING: Through you, Mr. President. Senator Rivera, another one you and I have discussed.

The Rural Ambulance Services Task Force identified serious challenges facing EMS systems. What recommendations of that task force are advanced in this legislation?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, I don't believe that anything from that task force made it onto here.

But I do know that we did -- we did manage to reject a cut that was in the original Executive proposal that was to -- that went to our ambulances in rural spaces in the State of New York.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR HELMING: Senator Rivera, another one that we've gone back and forth on. The Comptroller did an audit of the Suicide Prevention Task Force and found that there are so many components that remain unfinished. And that report identified the unique challenges in our rural communities.

Which of those recommendations are included in this budget bill?

SENATOR RIVERA: So through you, Mr. President, I'm not -- I am not familiar with that report. Although I certainly would welcome my colleague's introducing legislation -- sincerely, I would welcome my colleague's introducing legislation.

We do have to remember that this is, Mr. President, the -- we have the Governor's proposal and then our efforts to push back on it and try to inject some of our things in there. That's not something that made it to the final version of the budget.

SENATOR HELMING: Through you,

Mr. President. On the bill quickly.

ACTING PRESIDENT BAILEY: Senator Helming on the bill.

SENATOR HELMING: I appreciate Senator Rivera's comment that I should introduce legislation, because I carry legislation, the Rural Suicide Prevention Bill, that gets passed every year but this year so far in this body, it gets passed through the Assembly, it's moving right now through the Assembly. And every single year that it's been passed by both houses, guess what happens?

SENATOR RIVERA: (Inaudible.)

SENATOR HELMING: Right, the Governor vetoes it.

But hopefully the Majority will bring that bill through and we'll try again.

I'll continue on the bill. I have so many more questions I could ask about rural healthcare and what that budget does to really address the issues that have been identified and discussed for years, but I know what the answer's going to be because I studied the bill.

The State Comptroller documented healthcare workforce shortages in rural

communities across our state. This body created the Rural Ambulance Task Force to identify challenges facing ambulance and EMS services, and they provided recommendations. And Senator Rivera and I, we waited years for those recommendations to get released by the Department of Health. And it's disappointing that when they finally were, nothing happened with them.

The state, as I said, created a Suicide Prevention Task Force and yet as the Comptroller pointed out, recommendations remain unfinished. And we hear every year during the budget testimony, and throughout the year, from rural healthcare providers that repeatedly share their concerns.

So I asked questions today, as I did during the budget hearings for the past several years: Where in this budget is the plan to recruit and retain the healthcare workforce that rural communities need? Where in this budget is the strategy to strengthen rural EMS and ambulance services? Where in this budget does the Governor and the Majority advance meaningful recommendations on rural suicide prevention?

You heard the answers. It's just

not there.

What I do see is rural communities continuing to lose access to care. Just recently I learned that the Department of Health is reviewing yet another request to close a birthing center in upstate New York. So we know that means, for expectant mothers and families between Oswego and Rochester, they're going to have to travel an hour and 30 minutes, 50 minutes, to get care, that's not just acceptable.

I've heard comments today, I've heard someone say we have an obligation to protect New Yorkers, that we should always have a hand behind us to pull someone up alongside us. Well, that's exactly what I'm asking this body to do again. Quit ignoring the data. Quit ignoring the reports and the recommendations. Quit pointing the finger at the federal government -- because many of these recommendations came under a different president, and still no action was taken by this body.

Don't ignore the needs of people living outside of big cities. I heard something today that was crazy that said that people living outside big cities don't care about other people,

almost like we deserve what we're getting. That is so untrue.

Mr. President, it's time to take care of the people living in rural communities, make sure that they have access to healthcare.

I vote no.

ACTING PRESIDENT BAILEY: Senator Walczyk, why do you rise?

SENATOR WALCZYK: Thank you, Mr. President.

Would the Senator from the 33rd Senate District yield for some questions?

ACTING PRESIDENT BAILEY: Senator Rivera, do you yield?

SENATOR RIVERA: I yield to the ominous request, Mr. President.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Through you, Mr. President. There's a proposal that was included in the one-house budget resolution, 340B, Prescription Drug Anti-Discrimination Act. I know that sits on the third reading of the calendar in this house; it's stuck in committee in the Assembly. But some were hoping, including

me, that that would be included in the final budget here. Certainly my Federally Qualified Health Centers would very much appreciate that.

Was that included in this final bill?

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

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Is there a reason, or are we hopeful? Anything that you can give from feedback from third-party negotiations about any sunlight?

SENATOR RIVERA: Through you, Mr. President, it was just one of those things that just didn't make it.

We -- the way that we always function is we make it clear as a Majority what our position is. As you know, when we present

our one-house budget, we present what our positions are publicly and then we go fight for them at negotiating tables -- again this time, for quite a long time. And we certainly held on to quite a bit of things.

But ultimately the way it works is that everybody's got to -- all the partners got to want to dance. And if you're the only one at the table saying we need to include this, we need to include this, and other folks don't agree, eventually you just have to give it up. So ultimately that is what happened here.

SENATOR WALCZYK: Sorry to hear that.

Mr. President, briefly on the bill, and then I'd ask you to come back in a moment.

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: Thank you, Mr. President.

In February, two guys from Queens were caught bribing seniors with cash, that's how that worked, to use an adult daycare to bilk taxpayers for $120 million through Medicare and Medicaid.

And in January, two people from Brooklyn pled guilty for bribing patients and billing Medicaid for services that they never provided in the Happy Family Social Adult Daycare and the Responsible Care Staffing, Inc. They stole $68 million from taxpayers.

And I think when you're stealing that much money, you're going to get the attention from the Department of Justice. And that's exactly what happened. And I hope everyone gets justice in this case.

Last year the State Comptroller said we taxpayers paid $1.2 billion in managed care premiums to people who didn't even live in New York. The state, federal and local share of Medicaid is now $125 billion dollars, all in, in New York State.

And with that, Mr. President, I would ask the sponsor to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So with --

through you, Mr. President, with $125 billion all in, what is the state share of that?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, 43.6 billion.

SENATOR WALCZYK: What was that again?

SENATOR RIVERA: Through you, Mr. President, 43.6 billion.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Why are we 24 percent higher than the next highest state per capita in Medicaid spending and 77 percent higher than the rest of the nation?

SENATOR RIVERA: Through you, Mr. President. First of all, we are an incredibly populous state. That's number one.

Number two, we offer a better

Medicaid program than a lot of other states. And we've made the choice to offer some services that a lot of other states do not. And all of that adds up to a program that is expensive.

SENATOR WALCZYK: Through you, Madam President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Yeah, that's a -- that's a per-capita spending percentage that I gave. So you would think in a more populous state, with more condensed areas and services closer together, that we would actually be under the average.

I think the next state -- which we're still 24 percent higher than -- is Kentucky, which has a spread-out healthcare system.

So the question, is it all of the additional programs and services that New York State has added on that are Medicaid-eligible?

Is that what accounts for us being 77 percent higher than the national average?

SENATOR RIVERA: Through you, Mr. President. It is indeed because we do offer more services. But also there's some -- we are also a very large state. So obviously there's difficulties involved in that and some of the costs involved in that.

And there's also -- we are in New York, so things are more expensive in New York State, and in the Northeast overall.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Do you view being 77 percent higher than the national average in per-capita spending on Medicaid as a problem?

SENATOR RIVERA: Through you, Mr. President, I do not.

Because, again, I believe that the

program is needed because we have many working-class folks across the State of New York, not just in my district but certainly across the state, in rural areas and the North Country and in every conceivable zip code in our state who, without this, would rely strictly on emergency rooms for care.

And it is indeed important for us to make sure that we spend the money responsibly. And I know that you're probably inching along to make a claim much like a couple of our colleagues did -- through you, Mr. President -- that, again, this is a program that is managed irresponsibly or has enormous gaps of fraud, et cetera, et cetera.

But I do -- I do not view it as a problem. I view it as a challenge. Because while I certainly would want less people to be in need of it, the reality is that we have that many people in need of it.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR WALCZYK: And indeed I do wish it was managed a little bit more responsibly, and we will get to that.

What does this proposal do to ensure that the Department of Health is only giving this benefit to eligible New Yorkers?

SENATOR RIVERA: I would say, Mr. President, that as far as this budget is concerned, it doesn't -- as we've talked about before, it doesn't necessarily do something different.

We are required to be -- as a state, to be able to identify -- to be able to determine eligibility of folks and to be able to -- and to only provide services to folks who are eligible for them, as you have pointed out.

And we can point out in any governmental program or any program whatsoever there might be some bad actors. There certainly might be some folks who either take advantage or receive things they are not eligible for.

But as far as the question related

to what is in this budget that is different, it is very similar to the question that I answered earlier. There is nothing in this budget that is fundamentally different from what we already have in the state, both the Office of Medicaid Inspector General as well as the office in the Attorney General's office -- who I will now ask my staff to write down right here so I can say the name in the future, because the acronym always messes with me. But whatever office that is in the Attorney General's office.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Yeah, you mentioned the Office of Medicaid Inspector General. They're in charge of investigating, obviously, as the title suggests.

How much money are we increasing their funding by in this budget for them to do

more work investigating fraud within our Medicaid system?

SENATOR RIVERA: Through you, Mr. President, we are trying to track it down right now to be able to give you the most correct information.

(Pause.)

SENATOR RIVERA: Through you, Mr. President. There was an increase.

I'm sure that you have further questions. When I have the exact number that the increase was, I will give it to you. But there was an increase from year to year, we're trying to figure out exactly how much it was. But you can -- I will yield for the next question if there's a follow-up.

SENATOR WALCZYK: Through you, Mr. President, if the sponsor would yield for another question.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Yeah, related to

that as well, if your staff could find out, in addition to any increased funding that we have for that office, if there's any increases in funding for any independent audit or investigation, or whether that fund will be able to be utilized by outside parties in order to investigate Medicaid fraud, that would be great.

But I can -- I can move along while they're finding that answer, if that works for you.

Through you, Mr. President, I'll ask: Should we open our books to the federal government -- that's obviously the Department of Justice -- if they're noticing to the tunes of millions or hundreds of millions of dollars in just the instances of a couple of individuals bilking the Medicaid system in New York, should we open our books to the feds to let them take a look as they continue to try and root fraud out across the nation?

SENATOR RIVERA: First of all, through you, Mr. President, they are obviously -- even before this particular president, there's obviously a lot of processes that we have to follow with the federal government. We are using

federal money, so obviously there's a lot of built-in ways in which we have to consistently be able to prove to the federal government that we're utilizing money for the things that only they have provided -- only for the things that they have provided us authority to go over.

But I will refer to my comments a little earlier. We're talking about extended powers through agencies that I do not believe are acting in good faith. No, I don't necessarily believe we should be, quote, unquote, opening the books.

I certainly do believe that we should -- as we have always, to the best of my knowledge -- abide by the federal laws that already exist and that we already have to abide by, to make certain that -- to demonstrate to the federal government that we're only using dollars that are -- that we're only using federal dollars for things that they have approved, and to people who are eligible for those services. That, we shall absolutely continue to do.

But in reference to what I said earlier, the expanded efforts, so to speak, of the federal government I do not believe are in

good faith, and instead I believe that it's clearly demonstrated that they are meant to criminalize, if you will, or to punish the enemies of the person that currently resides in the White House.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Do you think the two men in Queens that were bilking the system for $120 billion for fraudulent claims are somehow enemies of the administration and the White House?

SENATOR RIVERA: Mr. President, through you. Again, I think there was a -- I believe that my colleague just used a number of 120 billion. I'm not sure if that was accurate, first.

SENATOR WALCZYK: Million dollars, I'm sorry.

SENATOR RIVERA: But as I referred to earlier, I am not familiar with this particular story.

And I will repeat again, no, these -- I will repeat again, these folks were -- the actions that they took I am not defending nor will I ever defend. I do not want any money to be spent on things that are not supposed to be spent for, particularly when we're talking about taxpayer dollars.

These folks were -- if there's a story in the news, it means that they were identified, that their crimes were found, and that indeed -- (to staff) oh, my goodness, this handwriting -- this handwriting is almost as bad as mine. Almost. Mine is worse.

Anyway, so I don't -- I don't believe that these particular people that we're talking about, the particular people that we're talking about in that story fit what I'm talking about.

What I am referring to is the way that the federal government has used agencies at the national level to punish the states that they have seen as enemies of the current

administration.

Now, this is not -- I believe that this is clear that this is what they have been doing in this. And so -- but I don't know in particular the story of these two people, whether they stole 1 million, 2 million, or whatever it was. I am unfamiliar with that particular story.

SENATOR WALCZYK: Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: Let me familiarize you with the story. This is from the Department of Justice.

(Reading.) Two Queens men charged with 120 million -- I may have said billion earlier -- in adult daycare and pharmacy fraud on Medicare and Medicaid. Monday, February 9, 2026.

"On Friday, a complaint was unsealed in Brooklyn charging two Queens men with defrauding Medicare and Medicaid by paying illegal kickbacks and bribes and submitting claims for services that were never provided.

"'The defendants allegedly turned a pharmacy and social adult day care centers meant

to help senior citizens into a $120 million dollar Medicare and Medicaid fraud scheme,' said Assistant Attorney General A. Tysen Duva of the Justice Department's Criminal Division. 'Today's complaint targets those who prey upon the vulnerable so they can steal from American taxpayers and defraud government programs meant to help the public.'

"'The defendants charged today allegedly stole $120 million from federal health care programs by luring the elderly to their businesses with illegal cash payments,' stated U.S. Attorney Joseph Nocella Jr. for the Eastern District of New York. 'These charges are part of this office's commitment to protecting federal programs and prosecuting those who steal from them.'

"'Pharmacies and social adult day care centers exist to serve and support seniors -- not to siphon off taxpayer resources and operate as engines for fraud,' said Acting Deputy Inspector General for Investigations Scott J. Lampert of the U.S. Department of Health and Human Services, Office of Inspector General. 'Schemes like this,

which allegedly drained more than $120 million from Medicare and Medicaid, erode trust in our health care system. HHS-OIG will continue to aggressively pursue those who exploit federal healthcare programs to ensure they are held fully accountable.'

"'Today's complaint demonstrates the FBI's commitment to pursue those who defraud taxpayer-funded healthcare programs,' said Acting Assistant Director Gregory Heeb of the FBI's Criminal Division. 'Scheming against programs like Medicare impacts those who need it most. Together with our partners, the FBI will continue to hold accountable criminals who threaten access to critical care.'"

The release goes on. And with that, Mr. President, I would ask the sponsor to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Are the two men -- through you, Mr. President, are the two men from Queens who are charged with defrauding

the taxpayers and taking from those who need these services political enemies of someone? Or are they enemies of the taxpayers and the people who need these systems and the safety net?

SENATOR RIVERA: Through you, Mr. President, obviously these people should be held accountable for what they did. There was nothing that I said that had anything to do with those two individuals.

The argument that I'm making here is that there is a broader conversation that is occurring. It is not about this one act or these two people. Certainly, again, if somebody's caught with their hand in the cookie jar, chop off the hand. Well, not literally, but you know what I mean. People should be held accountable for what they do.

So I'm not defending these folks. I'm not defending what they did, and I certainly believe that they should be held to account and that they should be prosecuted to the fullest extent of the law.

The argument, however, it is about inching towards -- the type of things that we're talking about is a broad-based like dropping in

of a federal agency that it would not be in good faith. It is about taking public programs that are serving mostly poor working people of color across the state and across the country, and making it seem like those things are wastes of money. This has been the case forever. It's the reason why we've had -- like if we're talking about welfare, we're talking about food stamps, there is always a demonization that exists.

So those two people, they can go away. I have no problem with them being arrested, being prosecuted. They should talk about all the other folks that were involved in their fraudulent scheme. And I do not defend fraudulent schemes.

But we're talking about the broader -- the broader issue that I'm making, because the argument that one of the colleagues -- that one of my colleagues -- that one of our colleagues, Mr. President, made earlier was that we should in advance audit because we should open the books to the feds, et cetera, et cetera.

I do not believe that those efforts would be in good faith. If you have an attorney,

the district attorney of the Southern District or the Eastern District finding folks like this, great. Let's find them, let's prosecute them, let's get them all out of the system. I don't want a single one of them there.

But it is about the broader issue, and the broader issue is that -- I repeat once again, I do not believe that the federal government is acting in good faith when it is going after a state's programs in its entirety. We're talking about bad actors in them, fry them. But not the program as a whole.

And there's a demonization that exists when this type of thing happens that makes these programs -- that makes the federal government go, like, we shouldn't fund these programs at all. That's what they do.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Thank you.

Did you find an answer on how much we're increasing funding or -- with a purpose to assist the Office of Medicaid Inspector General in rooting out some of the fraud as we've displayed here?

SENATOR RIVERA: Through you, Mr. President, thank you for pinging me on that. The answer is yes.

It is a total of 71 million. That was an increase on year to year of $12 million.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Are you aware that the National Medicaid Fraud Control Units, quote, record showed an average of eight investigations per $1 billion spent in New York? That makes us the third lowest in the nation in the rate of investigating.

Are you aware of that?

SENATOR RIVERA: Through you, Mr. President. No, I was not.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So if we are the third-lowest in investigations, in the rate of investigations for Medicaid fraud, but we're 77 percent higher than the national average in Medicaid spending per capita, shouldn't we be investigating a lot more? I don't think a $120 million case is really going to do it here. Don't you think there's a lot more fraud in this system?

SENATOR RIVERA: Through you, Mr. President, I have no way of knowing that.

What I would suggest to our colleague is that next year when we're talking to the OMIG Inspector General, or even before that,

that there should be questions specifically asked of them as well as the MFCU -- see, I got it this time -- the folks who work those offices. I am not a prosecutor. I am not an investigator. I cannot tell you whether I think that there's more or less.

What I can tell you is that I will admit, again, that any government program obviously has bad actors. But I will say once again, the fact that we know about some of these things means that we are doing at least a good job of identifying some of it. Is there more? There likely is. But I am not an investigator, I am not a prosecutor, so I couldn't be -- I wouldn't be able to tell you.

SENATOR WALCZYK: Thank you.

Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Walczyk on the bill.

SENATOR WALCZYK: Yes, we should be doing more, and there should be more in this bill.

And when you're increasing spending and you -- look, we've actually had a decrease in enrollment in Medicaid since COVID. So you would

expect that spending has gone down and instead has not. And that's part of the reason that we're 77 percent higher than the national average, and yet at the bottom when it comes to investigating to try and root out fraud.

And the complacency in the stewardship of taxpayer money is bad enough. Right? Taxpayers should be absolutely outraged that someone is bilking our system and we've built it in a way that they can easily get away with that, until the Department of Justice shows up, because they've taken $120 million, and obviously that was too greedy.

But clearly we've built a system that taxpayers should be very concerned about. And what should also be concerning is that when $120 million is taken for fraud, it's taken away from communities and New Yorkers that actually need the safety net. There are New Yorkers that depend on Medicaid. There's a reason that we built this system in the first place, because some individuals need a safety net.

And when you allow the fraud to creep into our system, you're hurting them the most at the same time you're eroding the faith

that taxpayers have that we're going to spend their money wisely, and offending them by allowing the fraud to continue.

So I think we have a lot more work to do here.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Walczyk.

Senator Stec, why do you rise?

SENATOR STEC: If the chairman would yield for a few questions, please.

ACTING PRESIDENT BAILEY: Senator Rivera, do you yield?

SENATOR RIVERA: Yup.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR STEC: Thank you, Mr. President. Thank you, Chairman.

In a similar vein of questions, but there's just a few things that I want to make sure I'm understanding.

There's a Comptroller DiNapoli report that found about 1.2 billion in Medicaid premiums were being paid to people that did not live in New York State from 2017 to 2024, and

additionally $1.5 billion in premiums for members whose residency wasn't reviewed by DOH. So we're talking, over a few-year period, about $3 billion.

Is there anything in this budget that would ensure that out-of-state residents are not receiving New York's Medicaid dollars?

SENATOR RIVERA: Through you, Mr. President. As I've stated more than a few times already, nothing new that is not about supporting the institutions that already exist to identify this sort of fraud.

SENATOR STEC: If the sponsor will continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR STEC: Thank you. Through you, Mr. President.

Similarly, in 2024, the Empire Center wrote a report -- we're all familiar with the Empire Center -- highlighting that there are 5.5 million New Yorkers that have

incomes that would make them eligible to receive either Medicaid or the Essential Plan. So the data says income-eligible New Yorkers, 5.5 million people. Yet there's 8.5 million people enrolled in those two programs.

So 3 million people more than would be eligible are enrolled, according to the Empire Center. And when you do the math, that's $20 billion a year. I'm not asking should we cover more than the 5.5 million. But under current eligibility requirements, we are providing these services to 3 million people that aren't eligible for them.

Is there anything in this budget that would identify and qualify the people to make sure that only those that are eligible are in these programs?

SENATOR RIVERA: Through you, Mr. President. Through you, Mr. President. God bless Bill Hammond. Love the brother. God bless Bill Hammond.

SENATOR STEC: Yeah, gotcha.

SENATOR RIVERA: I love the brother from the Empire Center. I respect him. I have deep disagreements with the gentleman, but I do

think that there is -- I don't necessarily think that his -- that his numbers are accurate, necessarily. And so I don't know for a fact that there are 3 million people who were not eligible who are receiving services, who aren't eligible for them.

The state has an obligation to make sure that the services that are being provided are being provided to folks who are eligible for them. Are there folks who are receiving them who are not eligible? Probably. And we should find them and we should make sure that if they're not eligible for something that they don't receive it. And if somebody has made some sort of rigmarole arrangement to make sure that services go to somebody that should not receive them, that person should be held accountable.

But I don't necessarily think that just because the Empire Center report put out something that says that 3 million people who are ineligible are still receiving services, I don't necessarily think that that's accurate.

SENATOR STEC: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the

sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR STEC: Thank you.

So on a follow-up to that, you're not subscribing to his 3 million number. It sounds like you said you think that number is greater than zero. I don't want to put a number in your mouth whether you think it's a million people or 500,000 people.

But the question still remains, is there anything in this budget that will compel the State of New York to either verify the accuracy of that Empire number, verify the accuracy of the Comptroller's reports -- is there anything in this budget bill that's checking anything out when it comes to making sure that only those that are eligible and qualified are receiving these services, or is the state taxpayer just doling out money to anyone and we're losing maybe $20 billion a year?

SENATOR RIVERA: The state taxpayer is not doling out money to just anybody. It's -- there are -- are there folks who are -- there are

always bad actors in every shape -- there's no -- humanity is not perfect. There's always going to be knuckleheads everywhere. So there's always going to be somebody who's going to try to take advantage of it.

So obviously there are folks who are not eligible for something and know they're not eligible and are still receiving the services.

Do I know how many there are? No. But consider this. If we're talking -- if we take his number at face value, that means like half the program -- it's like -- we have like just over 6 million people, I think. So it would be like half the program.

So really, half the program? Are we saying that we're so inept -- and listen, I have many issues with the Department of Health and with the Medicaid -- with our Office of Medicaid. But half the program? I mean, if you -- if you believe that, that's great. I don't think that there's enough evidence to be able to say that.

And certainly -- and I don't believe that that -- if that was the case, then obviously the next logical step would be like, well, you have to blow the whole thing up.

And this is what is a problem for me. Because ultimately, as we said before, this is a program that is necessary for people around the state. And not just in my district, but around the state -- in rural districts, upstate New York, you know, Western New York, Southern Tier, everywhere. There's people who need it all over the place. So I do not want to blow it up.

Do I want to make it better? Yes. But just to answer just your question, is there anything in this budget, no. Not a thing extra.

SENATOR STEC: Thank you, Mr. President. If the sponsor would continue to yield.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Sure.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR STEC: Thank you for getting around to that yes-or-no answer eventually.

(Laughter.)

SENATOR STEC: You did mention in

your soliloquy that -- you used the word "inept," is the State of New York that inept where we've got this kind of tens of billions of dollars and millions of people.

It is May 27th, and here we are working on a budget, Chairman. So maybe, maybe we need to expand our imagination a little bit.

But to ask my question. So in 2021, the year that I joined this body, there were 7.2 million New Yorkers enrolled in Medicaid and the state share was $22.8 billion. This year, there's 6.5 million people enrolled in Medicaid. And you just provided Senator Walczyk the number, the state share is 43.6 billion. So in 2021 we went from 22.8 billion to just about double, 43.6 billion state share, yet we shaved 700,000 people, from 7.2 million to 6.5 million participating.

Then I did the math. The cost, the state cost per person in 2021 was $3,166, and in 2026 it's $6,707. The per-person spending on our Medicaid program in the six years that I've been in this chamber has more than doubled.

How is that possible?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, a couple of things.

First of all, I should correct myself a bit. The 43 share, the 43 state share actually is both local and the state. The state share was actually more like 32 billion this year. So that's number one.

Number two, there have been some demographic shifts over the last couple of years that are only going to get worse. It relates to people getting older, people requiring higher-need services. That's an expensive proposition.

On top of how we said earlier that inflation is what inflation is, it's going to make things more expensive and certainly more expensive in the Northeast.

All of those things together, on top of the fact, as I mentioned earlier, that it is a program that is, yes, more generous than in other instances and a better Medicaid program than a lot of other states. It does mean that it is -- that it is an expensive proposition.

SENATOR STEC: Thank you.

Mr. President, on the bill.

ACTING PRESIDENT BAILEY: Senator Stec on the bill.

SENATOR STEC: I will spare my friend and colleague further pressing the issue. I think I got the information I needed from the chairman, and I appreciate that.

But there are lots of reports -- the Comptroller, a statewide elected official, his office. The Empire Center, we talked about that. And some very simple math that shows billions, maybe up to $20 billion a year is being wasted or inappropriately spent on Medicaid.

Medicaid, at 30-something billion dollars, that's about a sixth of the state's budget. So it's a big chunk of our spending.

In fact, two of the biggest chunks of state affordability problems are Medicaid and the money that we are inefficiently or perhaps inappropriately spending on Medicaid that we're talking about tonight, and energy costs, which we've been talking about.

And when any of us, myself in particular, have asked why New York is an outlier -- Medicaid per person, we are 77 percent above the national average. Energy electric

rates, we are 70 percent above the national average -- the answer we always seem to get back is the world economy, the war, inflation, the current occupant of the White House. It's never state policies.

And this is a nonsensical answer. If New York State's energy rates are 77 percent above the national average and our per Medicaid spending is 70 percent above the national average, it's time for New York State to look in the mirror. Because 49 other states and the weighted national average have managed to be doing it for about half of what our energy costs and half what we spend per person on Medicaid. We've almost doubled the per-person Medicaid rate in the six years that I've been here.

Now, is it because I don't want people to be covered? No. But I want to make sure that the people that deserve to be covered are being covered. If there's tens of billions of dollars floating around because we're paying them out to people that aren't income-eligible, then you either need to change those eligibility requirements or we need to start tightening down the ship.

But we are wasting money. And the people that are supposed to benefit from our energies here are not. The pie is only so big. Thank God Albany can't print money.

But there's a Siena poll that is saying that one in three New Yorkers say they're going to leave the state -- regardless of whether or not the Knicks are the national champions, Mr. President -- because they can't afford to live here. One in three are saying they're going to leave in the next five years.

And what can we do about it? We can do something more than a $150 rebate check on our energy bills, like we just passed an hour ago, and we could certainly do more than ignore, turn a blind eye to "I don't think it's 3 million people, it might be less than 3 million people." If it's 250,000 people, that's way too many.

We need to do better in the Medicaid department. We are wasting money. And every measure, when you compare us to the national average, is telling us that. And the go-to answer can't be, I don't like the guy in the White House, let's blame him. It's easy and lazy politics, but it's dishonest. And the bottom

line is, it doesn't fix the math and it doesn't fix what's happening.

We are spending New Yorkers into a move in a U-Haul. I'll be voting against this budget bill.

ACTING PRESIDENT BAILEY: Senator Rhoads, why do you rise?

Senator Rhoads on the bill.

SENATOR RHOADS: Senator Stec has summed up the answer perfectly.

And I will go so far as to answer the chairman's question from previously. Yes, if you look at the numbers, clearly we are inept at managing this problem. The numbers speak for themselves.

The highest per-capita spending on Medicaid. We spend more by far than every other state -- $6,000 per capita. You may disagree with the Empire Center's number, but the notion that you could potentially have 3 million more enrollees in Medicaid than are financially eligible for it, and you're questioning the methodology from the Empire Center -- shouldn't we actually be taking a look at that? What are we doing to investigate fraud?

And this is about making sure that the people who need the services have access to those services. Look at what it's doing to our budget: $120 billion of a $270 billion budget is on Medicaid. Forty-four percent of the state's entire population is on Medicaid. We had a conversation about taxes earlier, and property taxes were brought up. Do you realize that the entire budget for -- the entire amount of property tax that is charged by our counties goes to cover Medicaid?

The entire amount of property tax attributable to our counties goes to cover their share of Medicaid expenses.

We have a tremendous problem here. And when you look at the budget, we are doing absolutely nothing to save the problem -- to solve the problem and to investigate.

And so the question becomes, while my colleagues on the other side of the aisle keep pointing to Washington and saying Washington's acting in bad faith, when Washington is footing a substantial portion of this bill, I'm sure they would make the argument that we're not acting in good faith. What are we doing to solve the

problem?

Medicaid expenses, 79 percent more than the national average. Every other state seems to have this under control. New York, for some reason, doesn't. 57.8 percent higher, our overall healthcare costs, public and private, higher than the national average.

That's a problem that we need to be looking at, and this budget does nothing, nothing to address that problem. Why haven't we done a forensic audit? Any idea? Because that would seem to be the solution. Yet when this side of the aisle proposes it, we hear crickets on the other side and no one's interested in pursuing it.

With that, Mr. President, I would ask if the sponsor would yield to some questions on the three-year HCRA extension.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Knowing full well that the food in the back is getting colder and colder, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Thank you. And through you, Mr. President.

Now, the Health Care Reform Act is New York's healthcare financing structure that raises billions of dollars through insurers assessments and healthcare surcharges, covered lives assessments, and other industry taxes and fees, and those revenues are used to support Medicaid hospital funding pools, graduate medical education, public healthcare programs, and other health spending priorities.

And in this piece of legislation, if I'm correct in my understanding, we're going to be extending those taxes that are making healthcare more expensive.

So my question for you, after that lengthy lead-up -- through you, Mr. President -- is can the Majority explain how extending HCRA for another three years does anything other than lock in higher healthcare costs and insurance premiums for working New Yorkers?

SENATOR RIVERA: Through you, Mr. President. HCRA funds many things, whether we're talking about tobacco prevention for youth, whether we're talking about the graduate

education in medicine -- a colleague mentioned that when they were talking about supporting -- or rural hospitals, Mr. President. All of those are funded through HCRA.

So that is what this is going to do, allow us to continue to do those things.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: Couldn't those priorities be funded through other mechanisms if we rooted out the fraud in the system?

SENATOR RIVERA: Through you, Mr. President. Certainly if we -- I mean -- this is the thing. I'm not going to deny, because this is all about a back door to the other question that three of your colleagues asked before. Okay, God bless America. I am not saying that the system is perfect.

But what I am saying is that the continued -- this is the thing that's kind of

weird, because it is one of those things that the -- it might come back to haunt you all. And I'll explain. There's the back door reference to the program being this pool of money that's being stolen all over the place, while at the same time recognizing that it is something that it is needed for people who are in need.

But the reason why I keep mentioning the dude in the White House is that orange pile of excrement over there wants to do away with these programs. He's said so, literally has said so: We can't afford Social Security, we can't afford Medicaid, we've got to put money in the military. That's what this particular federal administration wants to do.

So I absolutely want to work with all of my colleagues to make sure that we have a system that is responsible, that actually spends its money wisely and spends its money responsibly. I just don't think we can do it hand in hand with this administration in the federal government. I just don't.

So it would be great if we had -- if we were able to identify, Mr. President, every single person that is committing fraud in the

program. Whether it's one person or a thousand or whatever it is, I would gladly want to identify every single person so that every single dollar, we would have it back in the system so that we could spend it in responsible and positive ways.

SENATOR RHOADS: I think that was a yes. I'm not a hundred percent sure.

But will the sponsor yield to another question?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: I will yield for another semi-soliloquy, yes, sir, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: First off, the dude in the White House is the president of the United States.

Secondly, does the sponsor deny -- through you, Mr. President -- that if the HCRA assessments and surcharges -- you would agree that they're ultimately passed on to the consumers, right?

(Pause.)

SENATOR RIVERA: Through you, Mr. President, if my colleague could repeat the question, please.

ACTING PRESIDENT BAILEY: Senator Rhoads?

SENATOR RHOADS: Sure.

Through you, Mr. President, you would certainly agree that when we have these HCRA surcharges, taxes that we're charging to industry partners as part of the healthcare financing structure, that these are all passed along to the person who's actually purchasing a healthcare policy, whether it's an employer or a personal policy?

SENATOR RIVERA: I would agree that certain -- that actors in a capitalist system will certainly try to maximize their earnings and their profit. And that if that means castigating the customer, as opposed to trying to serve them, certainly that probably has occurred and will continue to occur, yes.

SENATOR RHOADS: And will the sponsor yield to another question.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Sure.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: And in fact the Marketplace Premium Survey for 2025 indicates that the Health Care Reform Act taxes that this state is charging add approximately $1,000 per year to healthcare premium costs. That's $6.6 billion a year.

And so if affordability is truly a priority, why is the Legislature extending one of the largest hidden healthcare tax structures in the state without any requirement that premiums actually decrease?

SENATOR RIVERA: Through you, Mr. President, if I may ask my colleague to yield to get a clarification on that question.

ACTING PRESIDENT BAILEY: Senator Rhoads, could you clarify the question?

SENATOR RHOADS: Sure.

SENATOR RIVERA: No, no, I'll ask if he could yield for me to ask a question that is clarifying to that question.

SENATOR RHOADS: Sure.

ACTING PRESIDENT BAILEY: Senator

Rhoads yields to -- you're asking the Senator to yield?

Senator Rhoads, do you yield?

SENATOR RHOADS: I've got to fill out my scorecard here. Yeah, yeah.

ACTING PRESIDENT BAILEY: I just want to make sure you have a scorecard there.

SENATOR RIVERA: Mr. President, through you, to make sure that I understand what my colleague is asking.

So he says there's -- again, bringing in things that we didn't necessarily know we were going to have to -- we're getting tested on things that we weren't necessarily told to study. I am not familiar with this particular report that my colleague was speaking about.

But this thousand dollars that he was referring to, is that a thousand dollars that's being charged to customers through which -- are we talking about insurance companies charging a thousand dollars extra? Is that -- through you, Mr. President, is that what that thousand dollars refers to?

SENATOR RHOADS: Yes. The finding -- through you, Mr. President, the

findings of the study are that the 6.6 billion per year that is raised through HCRA taxes equates to a $1,000 per year increase in premiums for each policy.

SENATOR RIVERA: Thank you.

Through you, Mr. President. I have said it many times before. Insurance companies are my favorite. They're my favorite because this is what they do.

I certainly agree that the way that the current system is organized, this is what is going to -- bound to happen. And I've said the story before of the frog and the scorpion, Mr. President. A frog is on the side of the road with a scorpion, and the scorpion says, "Hey, I need to get to the other side of the road" -- he doesn't know how to swim.

The frog says, "I'm not going to do that, because if I do, you're going to sting me."

And the scorpion says, "I don't know how to swim. If I sting you, we're both going to die."

And the frog thinks about it for a second and says, "You know what, yeah, get on my back." So he goes, swims, and in the middle of

the lake, the scorpion bites him. And as he's going down, he's going like, "Why did you do that?" And the scorpion just says, "Because it's my nature."

The insurance companies are the scorpion, Mr. President. They're obviously going to charge the customer more.

I would argue that we need to do away with the entire system and not have to charge them anything because they shouldn't be necessary, which is where the New York Health Act comes in. If we redesign the way that the entire system is structured and we take the profit motive out of it, then certainly that wouldn't happen.

Insurance companies wouldn't charge people a thousand dollars more or $2,000 more or take your doctor out of the -- out of their network for no reason whatsoever, or decide that you should not be covered for X or Y, even though your doctor thinks you should be -- you should be covered for it or that you should need it to be healthy, et cetera.

So yes, Mr. President, it is true that these wonderful, wonderful companies are

going to indeed do that to customers. I would hope that we could get my colleague to join me in trying to do away with the entire system so that's no longer necessary.

ACTING PRESIDENT BAILEY: Senator Rhoads.

SENATOR RHOADS: Briefly on the bill.

ACTING PRESIDENT BAILEY: Senator Rhoads on the bill.

SENATOR RHOADS: So I guess the solution that's being offered here is to actually put everyone on the same fraud-riddled Medicaid system that we actually have in the State of New York now that encompasses 40 percent of the state's entire budget, just for 44 percent of the people in the State of New York. If now all of a sudden everyone was on that, imagine, imagine the size of the state budget.

But my question for the Senator, if he will yield --

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: If he's ready for another soliloquy, yes, I am.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: It's that the HCRA was originally enacted as a temporary increase in the 1990s that's been repeatedly renewed and, as you've conceded, has now effectively become a permanent financial mechanism within New York's healthcare system.

If it was initially presented as a temporary financing mechanism decades ago, at what point is the Majority going to admit that these temporary healthcare surcharges, taxes, have effectively become permanent? What's the point of extending this for simply another three years, only three years from now to extend it again?

(Pause.)

SENATOR RIVERA: Mr. President, sunsets are -- or what we refer to as sunsets; in other words, that we extend something for I think a limited period of time -- are about really potentially looking at a policy and assessing whether it's a correct one and trying to tweak it, et cetera.

It doesn't mean that something is

permanent or something is not permanent, it just means that it is for that period of time that has been decided in this particular negotiation.

So in this particular budget negotiation it was decided, as it refers to this particular part of the budget, that it should be an extension, and it was.

SENATOR RHOADS: Will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR RHOADS: I think part of the issue here is that I feel like we must be on the North Pole in summertime. The sun never sets. That's part of the problem. And if HCRA is working so well, why does New York remain one of the most expensive health insurance markets in the country, the fifth-highest in the nation?

SENATOR RIVERA: Through you, Mr. President -- I should probably ask you, Mr. President, since you are the chair of the Insurance Committee in the Senate.

All I can tell you is that, again, insurance companies -- which again are my favorite, love them -- will do what they do. They're going to try to figure out how to make the most money possible without necessarily providing you care or providing your family care, so.

SENATOR RHOADS: Thank you, Senator.

On the bill.

ACTING PRESIDENT BAILEY: Senator Rhoads on the bill.

SENATOR RHOADS: I think part of the issue is that while you complain about -- and no one has love for health insurance companies. But while we complain about health insurance companies, when we look at things like the HCRA, the real issue is that Albany has become dependent on opaque healthcare financing mechanisms, because openly presenting the true cost of the system would be politically unpopular.

The reality is that healthcare in New York is 57.8 percent more expensive than the national average. And part of that, I believe,

is because a recognition of -- that the Majority fails to recognize the fact that when you're talking about private companies, these private companies act in their own self-interest.

So if you put a big tax on a company, whether it's a gasoline tax, whether it's a tax on utilities, or whether it's a big tax like HCRA, which is adding a thousand dollars a year to the cost of a health insurance premium, that cost is going to be passed along to the consumer.

And because you decided -- not you personally, but you the general majority decided that we're going to create this funding mechanism rather than finding room in the budget to pay for all of the ancillary programs that were mentioned in the answer to the first question, now we're stuck with this system, which is driving up the cost of healthcare premiums, pulling $6.6 billion out of the pockets of New Yorkers who are paying those healthcare premiums, and making things less affordable.

And that seems to be the theme today. Because whether we are talking about utility rates, whether we are talking about the

expense of a gallon of gasoline, we -- or we're talking about healthcare premiums, we are putting tax upon tax upon tax upon tax, and then we lament the fact that people are complaining about the fact that they don't have enough money to be able to afford gasoline or healthcare premiums or their utility rates.

And the solution seems to be, from the other side of the aisle, to point the finger at Washington. But when we're talking about premiums being almost 60 percent higher than the national average, that finger that we're pointing at Washington has three fingers pointing back at us. Because that means we're not managing our budget correctly.

So, Mr. President, I know this isn't an explanation of vote, but I will certainly be voting against this piece of legislation and asking my colleagues to do the same. But more importantly, I'm asking my colleagues to look at reality and recognize the fact that the very things that we are doing in this chamber are making it less affordable for the residents of the State of New York to stay here.

And when you see the exodus of

people and see the exodus of businesses and see the stats that my colleague Senator Stec mentioned that 33 percent of New Yorkers are talking about leaving the state -- another almost 7 million New Yorkers are going to follow the 1 million that have left, in the very near future. If that statistic is accurate, that should be a wake-up call to all of us.

And so again, to my colleagues on the other side of the aisle, I know we're trying to fill temporary stopgaps, and this three-year HCRA extension is one of them, but it's time for us, one, to be serious about rooting out fraud in the system, but it's also time for us to be serious about understanding how the world works, understanding economics, understanding business, and understanding the fact that the more we put taxes on products, goods and services, the more it drives up cost. And if the issue is affordability, that's at the heart of it.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Rhoads.

Senator Martins, before you commence, I just want to give a housekeeping note

that there are 11 minutes remaining in total debate time.

Senator Martins.

SENATOR MARTINS: That's a long time. Mr. President, if the sponsor would yield for a few questions.

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RIVERA: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR RIVERA: How long did you say, Mr. President, 11 minutes?

SENATOR MARTINS: Eleven.

Thank you, Senator. I appreciate it. Some questions on Medicaid managed care and independent dispute resolution. You weren't expecting that, were you?

SENATOR RIVERA: Through you, Mr. President. I will answer while one of my of colleagues does a transformation. All of a sudden you will see -- through you, Madam President -- I'm not sure who's next. As you will see -- through you, Madam President -- all of a sudden I will be replaced by somebody

far more stylish and more athletic.

So through you, Madam President, I believe that I will cede the floor to my colleague who was elsewhere in the room, but now is over there.

ACTING PRESIDENT MAYER: Senator Bailey, do you yield?

SENATOR BAILEY: Happy to yield.

SENATOR MARTINS: Senator Rivera, thank you for your patience today and for answering everyone's questions. I appreciate it.

SENATOR RIVERA: (Inaudible.)

SENATOR MARTINS: I understand. I understand. But thank you.

Madam President, through you.

ACTING PRESIDENT MAYER: Senator Bailey, will you yield? Yes, the Senator yields.

SENATOR MARTINS: So just some questions about when healthcare professionals and doctors can expect different sections of this bill to go into effect.

Section 1 speaks to going into effect immediately. Sections 2 through 6 are 90 days from enactment.

And so just for clarity, can you

speak to your understanding as to when doctors will no longer be able to avail themselves of independent dispute resolution when it comes to claims for their fees for services through IDR?

SENATOR BAILEY: Through you, Madam President, it depends on the type of insurance, Medicaid -- the breakout is different.

And so you have Medicaid, you have the New York State Health Insurance plan, and you have other commercial plans, right? So it depends on the type of plan that the doctor is enrolled in -- excuse me, that the patient is enrolled in and the doctor is providing care in. Through you, Madam President.

SENATOR MARTINS: Madam President, through you, if the sponsor would continue to yield.

SENATOR BAILEY: Yes.

ACTING PRESIDENT MAYER: Do you continue to yield? The Senator yields.

SENATOR MARTINS: So let's walk, if you would, through that.

As of Section 1, when would a doctor be able to -- until when can a doctor continue to seek IDR to get reimbursement for services

provided?

(Pause.)

SENATOR BAILEY: Through you, Madam President. If the Senator is referring to the Medicaid section, I would say that it would be effective immediately.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT MAYER: Do you continue to yield?

SENATOR BAILEY: I yield.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR MARTINS: I understand.

But what would happen to those claims that are pending when this legislation -- or if this legislation becomes law? What would happen to those claims that are pending, either that are already in the pipeline -- there's a significant backlog, as I'm sure the Senator knows, with regard to claims that are pending.

But if those are pending, do they continue to be serviced under IDR until the legislation is passed?

(Pause.)

SENATOR BAILEY: Through you, Madam President. The first and foremost, most important thing, that the patients would not lose any care.

But as far as whether those pending claims would be immediately taken off or not, we would have to have conversations with DFS, the regulatory agency in this realm, so that they can establish further regulations in this realm.

As far as a specific concrete answer, it would be difficult to do so because the claims themselves, by nature, are pending. So we'd have to figure out how DFS would deal with those.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT MAYER: Do you continue to yield?

SENATOR BAILEY: Yes.

ACTING PRESIDENT MAYER: The Senator yields.

SENATOR MARTINS: And I'm sure you can understand the concern that healthcare

professionals have, and appreciate the fact -- I think we all appreciate the fact that this isn't going to impact patients. Treatment has already been provided. Hopefully they're well.

These are the healthcare professionals who provided the treatment who merely want to be reimbursed. And they provided treatment under a certain understanding that they would have access to this dispute resolution mechanism in the event that they were not paid. Many of these providers are out hundreds of thousands of dollars, if not more, for treatment they've already provided.

And so changing the rules of the game midstream, I would suggest, is probably a significant concern. And I would suggest, you know, as we sit here and discuss this, rather than leaving it for DFS, that we understand that if they played by the rules -- you know, if they -- if they create a three point line, they don't go back and reevaluate where somebody shot from to determine whether or not they got those three points and reevaluate who won or lost the game. These are the rules that they fell under when they actually provided the services.

And I would hope you would agree that it would make sense that we would continue to provide, through the enactment, because it does take place or does go into effect immediately, correct?

SENATOR BAILEY: Through you, Madam President. To continue the sports metaphor, even if there's a three-point line, coaches have the ability to challenge a play. And when you challenge a play, sometimes you have to take a time out.

And challenging a play in this case is making sure that we are reacting to I guess the triple combo that we've heard all day -- waste, fraud and abuse. We want to make sure that doctors who, rightfully so, provide healthcare are compensated for the care they provide. There is no question about that. But also like we have companies calling themselves recovery agents, advertising to physicians on how do you more or less bilk the system as it relates to IDR.

We want to make sure that doctors who are providing reasonable care get compensated at a reasonable rate for their

professional expertise that they get paid for. I agree wholeheartedly with that. So that's the instant-replay portion of this. So that this is why it's not as an exact a science as we'd like it to be. It -- we will have to have further evaluation by the regulatory agency accordingly.

SENATOR MARTINS: Thank you, Senator.

Madam President, through you, if the sponsor would yield for a few more questions.

ACTING PRESIDENT MAYER: I just remind you there are two minutes left, Senator Martins. Am I not correct? You look --

SENATOR MARTINS: Did that clock accelerate, Madam President?

ACTING PRESIDENT MAYER: No, it did not accelerate.

SENATOR MARTINS: I thought I -- I'm pretty sure I had a few more, but I'll try and wrap it up in two minutes.

SENATOR BAILEY: I yield.

ACTING PRESIDENT MAYER: Yes, he yields.

SENATOR MARTINS: Thank you.

To just continue the sports

metaphor, I thought the IDR was exactly that, the review, an independent review by someone on the outside, and therefore giving the doctors the opportunity -- it isn't a blank check, but there is a system that's in place that would allow them to recover that.

But before the two minutes are up, Sections 2 through 6 go into effect 90 days after enactment. And can you just clarify which types of policies would go into effect and what you expect would happen during those 90 days between when we pass this and when it actually goes into effect, so that there's clarity in the industry?

SENATOR BAILEY: So Sections 2 through 6 would go into effect, as the Senator said, in 90 days. And what I would expect is there's going to be a natural adjustment period to something that has been there.

I do believe, as it relates to this, though, for NYSHIP it does have a sunset so we can evaluate it after five years to determine whether this is efficient or not efficient. There is a sunset in this program that would expire, so to speak, in five years.

SENATOR MARTINS: Thank you. Thank

you, Senator. Thank you, Madam President.

ACTING PRESIDENT MAYER: Senator Martins, I was wrong, you have another minute.

SENATOR MARTINS: Thank you, Madam President. Thank you, Senator.

On the bill, Madam President.

ACTING PRESIDENT MAYER: Senator Martins on the bill.

SENATOR MARTINS: When it comes to IDR -- and I certainly understand and I've read the same reports with regard to agencies that are out there. But at the end of the day we all understand that our doctors, our local physicians, our healthcare providers are providing coverage, many of them are providing coverage counting on a reimbursement rate, oftentimes it's Medicaid.

And unfortunately, Madam President, it's Medicaid where everything defaults. And if we create disincentives for our doctors, professionals, experts and certainly those who are specialists, if we make it harder for our specialists to be reimbursed under Medicaid, we're doing ourselves and our constituents a disservice because they will stop taking

Medicaid. And by refusing to take Medicaid, we are going to leave our own constituents susceptible to not finding a proper caregiver. And that's our concern.

So I appreciate it. Senator Bailey, appreciate your answers.

Thank you, Madam President.

ACTING PRESIDENT MAYER: Thank you, Senator Martins.

Are there any other Senators wishing to be heard?

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

Read the last section.

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

ACTING PRESIDENT MAYER: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT MAYER: Senator Fernandez to explain her vote.

SENATOR FERNANDEZ: Thank you, Madam President. I'm standing to explain my vote on the HMH.

This budget bill makes meaningful

strides in several important areas. It advances our response to problem gambling, strengthens care for seniors, and supports families navigating developmental disabilities. These are important investments, and they deserve to be recognized.

There is, however, one area where I believe we must continue the work, and that is with substance use disorders. New York has seen progress in reducing overdose because -- because we have been willing to treat substance use as a public health issue. We have invested in prevention, treatment, recovery and harm reduction. We have moved the conversation away from punishment towards evidence-based care.

That progress did not happen by accident. It happened because New York chose to act. Now is not the time to step back and claim victory, but to continue investing in proven interventions.

The Governor has been clear about the need to respond to new substances emerging in the illicit drug supply. On May 21st the Governor stated, "We will continue to focus on removing health disparities and responding to new

substances that are emerging in the illicit drug supply." I agree with that goal, and we should build on it.

So the question now is, how do we continue that process? How do we respond to emerging substances in the illicit drug market without a comprehensive statewide public health surveillance program dedicated to that work? How do we address the ongoing crisis of alcoholism without dedicated funding for alcoholism treatment?

I am grateful that this budget includes a 2.7 percent targeted inflationary increase for service providers. Stabilizing the workforce is a necessary step. Expanding coverage for school-based health centers is a necessary step. Expanding treatment for gambling addiction is a necessary step.

But affordable substance use disorder treatment is also a necessary step. Stable funding for the providers doing this work is a necessary step. A statewide public health surveillance program that allows us to monitor the evolving drug supply in realtime is also a necessary step.

While this budget moves us forward in many ways, I believe we must continue pushing to make sure substance use disorder services receive the attention, stability and investment this crisis demands. That is not criticism of the progress that we made; it is a recognition that the work is not finished.

As chair of the Committee on Alcoholism and Substance Use Disorder, I look forward to continuing this work with the Governor and our Majority Leader and our colleagues here as well as the providers, advocates and communities across the state, because --

ACTING PRESIDENT MAYER: Senator Fernandez, how do you vote?

SENATOR FERNANDEZ: (Speeding up even more.) I'm going to vote aye because if we're serious about saving lives, we must keep building on the progress that New York has made.

Thank you.

(Laughter.)

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

Senator Tedisco to explain his vote.

SENATOR TEDISCO: Two hours went by

fast. I didn't get a chance to ask Senator Rivera to yield, so I'm going to explain my vote.

And I was going to talk to you about the things we agree upon on this side, because I heard you agree with some of the things we were saying over here, and one of the things we don't agree with you on that maybe I can bring you over to our side a little bit.

First of all, it's a big program but it's an important program. It's helps a lot of people with their health. It's 40 percent of the budget. We agree with that. We agree with you, Senator, that there is some fraud. We talked about 1.5 and instances that have been in the media. The Comptroller says out-of-state individuals are getting Medicaid money and care. And I think you agree, there is some fraud.

And then you went on to say, but look, it's working. The oversights we have are working. The things we're doing are working because we're catching them, we're finding out about that $1.5 billion, or the billions that are being from people outside of New York State, so it's working.

And then you said some things about being sinister, which that's what I disagree with you on. Because we were asking for more oversight, for more innovative things to be done. Because here's the point. If it's $1.5 billion of fraud or if it's $3 billion of fraud or if it's $7 billion, it's 10 -- I think you and I agree, the higher that fraud gets, the more money that's being taken away from those who need it, but the more difficult it is to recoup that money and bring it back.

If we put more innovative oversight in place and make that 1.5 let's say half a billion dollars, am I happy with half a billion? We agree upon that: We're not happy with any fraud. And I think you're not happy with any fraud.

But more oversights are not sinister, they're letting us catch these individuals without taking away the ability to get service -- I'm talking about innovative programs. Why would you want us to think we were sinister just saying we want to get it down to $1? Probably not going to happen --

ACTING PRESIDENT MAYER: Senator

Tedisco, how do you vote?

SENATOR TEDISCO: I'd like to close by just saying something very quickly. Saying it's always been done that way can always be a disaster.

ACTING PRESIDENT MAYER: Senator Tedisco --

SENATOR TEDISCO: This has always been done that way; we can do it better.

ACTING PRESIDENT MAYER: How do you vote, Senator Tedisco?

SENATOR TEDISCO: I'm going to vote no on the bill because of that.

ACTING PRESIDENT MAYER: Thank you.

Senator Tedisco to be recorded in the negative.

Senator Griffo to explain his vote.

SENATOR GRIFFO: Thank you, Madam President.

We're looking at a staggering monetary figure here, more than any other state, a 9.8 percent year over year state share of spending increase. Office of State Comptroller audits, Inspector General investigations, new stories that occur.

And if the objective is to really take care of the institutions and the people that you want to ensure that we are serving, then I think we want to also ensure that they're getting the resources and the services necessary.

And if you can see that we've actually demonstrated that there are problems in the program relative to waste and fraud, then I don't understand how you would say in any way -- and one of my colleagues alluded or insinuated that nothing's amiss.

Then why -- the question that I would ask, and I think it begs the question, is what is the reluctance, what is the resistance to that independent outside forensic audit, investigation? I think that's baffling and quite frankly outrageous.

I vote no.

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

Senator Fahy to explain her vote.

SENATOR FAHY: Thank you, Madam President. I rise today in support of this bill.

And we've talked a lot about

Medicaid today as well as the need to -- the lot of work that needs to be done. But I am proud that we've held the line on a lot of Medicaid needs, particularly given the devastating cuts that the program experienced last year in the Big Beautiful Bill.

But I'm really here tonight to talk about a piece that we haven't talked about as much. As chair of the Disabilities Committee, I am pleased that we did include a targeted inflationary increase of 2.7 percent for the direct support professionals, or DSPs that we hear a lot about.

They are some of our lowest-paid workers in the workforce in New York. They often serve those with disabilities, our seniors and more. We had wanted a larger increase, but this is a significant one and I'm pleased that we were able to increase it from the original proposal.

Also very pleased that we were able to extend the care demonstration program in the OPWDD.

The bottom line is there's still a lot of work to do, but we are making enormous strides.

And with that, I rise in the affirmative. Thank you, Madam President.

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

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you, Madam President.

You know, we mentioned earlier that the one thing people hate more than paying taxes is knowing that their tax money is going -- is not being used properly.

It is hard to reconcile the numbers when it comes to Medicaid in this state. Eighty-nine percent increase in six years, but 700,000 less people on Medicaid. And yet our expenses go up. And the alarms aren't going off. Not for the Attorney General's office, not for us, not for the state. They're just not going off.

We're talking about a $20 billion increase in eight years as people are coming off the rolls -- which is a good thing. They're coming off the rolls. But the amount of money that is being spent should be a concern for all of us.

Now, there isn't a single person in this room that wants to see somebody go without treatment. Nobody in this room wants to see that. But there has to be a level of accountability, and there has to be integrity to what we discuss here when we go home and we explain to our constituents why it is that the price is what it is, given the numbers. It just doesn't add up.

And so the last place we should be looking for, or one of the last places we should be looking for is blaming the very physicians who provide the healthcare and claim that they are the reason that our costs are so high. The people who are actually treating our constituents and providing specialized services should not be the ones that we decide to nickel and dime at the end of the day, telling them that they can't even go to independent dispute resolution as a means of being paid for their services.

Madam President, I vote no.

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

Are there any other Senators wishing to explain their vote?

Seeing and hearing none, Senator Rivera to close.

SENATOR RIVERA: Thank you, Madam President.

I want to sincerely thank my colleagues who participated in this conversation today. It got testy at times, but Senator Tedisco, you are correct, there are a lot of things that we can agree on.

And the fact is that because I know the folks in this room and because I've worked with the folks in this room, I can look across to you, Senator Tedisco, I can look at Senator Helming, I can look at Senator Griffo, et cetera, and I know that you mean what you say when you're saying that, just like I do, no fraud is acceptable, that there probably is more that we haven't been able to find, and that we should do every effort, that we should make every effort to identify how this program can be run effectively, can be run well, can serve the people it's supposed to serve.

The problem, my colleagues, is that there's folks outside of this room that I don't trust. And I will once again mention the

comments of the person in the White House who -- once again, who said very clearly and explicitly, "We can't forward those things, those social programs. We can't afford them. We have to put them into military might." He said that very explicitly, and the actions of this particular administration tell me that that's what they're trying to do.

So here in this state we're trying to do the best that we can to protect a system that I believe can be absolutely done better. And everybody who is a colleague who's on the Health Committee will tell you that we've had many conversations, both in public and in private. I have not been a -- I am not -- I don't know if you know, but I can be loud and I can be annoying and I can be very open when I have criticisms of whatever administration we're talking about.

So I can certainly say that there's a lot of things that we need to do to make sure that the system works better. We absolutely need to serve our rural areas better. We need to make sure, as Senator Borrello was saying, that we actually pay people for the actual services that

they're providing. All these things we can agree on, and I think that we need to work to make the system a little bit better.

I would once again warn you, gentlemen and ladies, colleagues all, that the problem with getting those folks involved is that that's not what they want to do. They want to gut the whole thing. Everything that has to do with the social safety net, they want to do away with it. And then the poor working-class folks in your neighborhoods, in rural areas, in upstate New York, those are the folks that are going to get screwed, along with the folks in my district.

A couple of extra things. Senator Rhoads, we were talking about HCRA. It was created in 1996 under a Republican majority, with a Republican governor. So there's that.

It was created certainly to fund certain things and it has become kind of something that we use to fund certain programs that are important. And we probably could use another -- we could do -- we could take other -- we could figure out other ways to pay for these programs. And I believe that we might be able to do so in the future. Because I would say, to

finish, that when I -- I did mention the New York Health Act, and I'll finish with that.

I would like to have a conversation with all of you, sincerely, any time, one-on-one, and I would like to tell you how we can create a system which would benefit every single person in the state, including every single one of your constituents, including you and every member of your family, cost us a lot less money, and deliver better services.

And not to put everybody on Medicaid. That's not what I want to do. I do want to transform the system, though. And I believe that we can do it. And it can cost a lot -- a hell of a lot less and work a lot better. I would want to have a conversation with you about that.

But as it relates to this budget bill, Madam President, I will be voting in the affirmative. Certainly there's things that we did not do here. But there are some things that that we did hold the line on, which I believe that we needed to hold the line on. And I'm very thankful to the leader and to the staff that actually fought tooth and nail to get to this

bill that we have in front of us.

I'll be voting in the affirmative.

Thank you, Madam President.

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

Announce the results.

THE SECRETARY: In relation to Calendar Number 1333, voting in the negative are Senators Ashby, Borrello, Canzoneri-Fitzpatrick, Gallivan, Griffo, Helming, Lanza, Martinez, Martins, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Stec, Tedisco, Walczyk and Weik.

Ayes, 43. Nays, 20.

ACTING PRESIDENT PERSAUD: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Madam President, let's move on to Calendar 1332, please.

ACTING PRESIDENT PERSAUD: The Secretary will read.

THE SECRETARY: Calendar Number --

ACTING PRESIDENT PERSAUD: 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 10004D and substitute it for the identical Senate Bill 9004D, Third Reading Calendar 1332.

Calendar Number 1332, Assembly Bill Number 10004D, an act making appropriations for the support of government.

ACTING PRESIDENT PERSAUD: Senator Martins, why do you rise?

SENATOR MARTINS: Thank you, Madam President.

I was wondering if the sponsor would yield for a few questions regarding capital expenditures in the budget, the first question having to do with capital being appropriated for libraries in New York State.

SENATOR GIANARIS: Let's try Senator Bynoe and see what the question is.

(Laughter.)

ACTING PRESIDENT PERSAUD: Senator Bynoe, do you yield?

SENATOR BYNOE: I yield.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR MARTINS: Thank you very much. Thank you, Madam President. Through you.

Senator, can you tell us how much money is in the budget for capital to assist our libraries across New York State?

SENATOR BYNOE: Forty-four million.

SENATOR MARTINS: Thank you.

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

ACTING PRESIDENT PERSAUD: Does the Senator yield?

SENATOR BYNOE: Yes, I yield.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR MARTINS: Thank you.

And is that an increase over last year? And if so, by how much?

SENATOR BYNOE: It actually restores last year at 44 million. But it was proposed in the budget at 34 million. The Senate one-house increased it.

SENATOR MARTINS: Thank you.

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

ACTING PRESIDENT PERSAUD: Does the

sponsor yield?

SENATOR BYNOE: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: And just out of curiosity -- and I don't profess to know the answer, and I hope you do -- how many libraries do we have in our communities across New York State?

(Pause.)

SENATOR BYNOE: Through you, Madam President, 7,000.

SENATOR MARTINS: I'm sorry?

SENATOR BYNOE: Seven thousand.

SENATOR MARTINS: Seven thousand. Thank you.

SENATOR BYNOE: Correct.

SENATOR MARTINS: Thank you very much. Thank you, Senator. Thank you, Madam President.

I have a few questions with regard to specific projects that -- for which the budget is allocating capital. One of them is the Galleria, in Westchester. I was hoping someone could answer some questions regarding that

project.

ACTING PRESIDENT PERSAUD: Senator Mayer, do you yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

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

I saw that there was an allocation in the budget for $175 million for this project. Is that correct?

SENATOR MAYER: Through you, Madam President, yes, that is correct, for the Galleria project.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: The Galleria project, is that a privately owned project in White Plains? Or is that a different project

with the same name?

SENATOR MAYER: Through you, Madam President. It's referred in the legislation as the District Galleria Project in White Plains.

It is a transformative proposal of taking the old Galleria Mall, if you're familiar with White Plains, and transforming it into a -- both a residential market rate and affordable housing development with commercial and other real estate, of which there would be 3,000 units of housing. That's an incredible number, of which at least 25 percent will be affordable at 60 percent of AMI, plus a project labor agreement, working with the building trades of Westchester and Putnam, plus other agreements that have been made by the developer.

SENATOR MARTINS: Thank you, Madam President. If the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: Is this project a government-owned project or is it a privately owned project?

SENATOR MAYER: Through you, Madam President. This is being developed by a private -- a series of private developers, with the strong support of the City of White Plains mayor and the Common Council, and it will involve the purchase or possession of publicly owned property as well as privately owned property.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So is the $175 million, is that an outright grant, is it a loan that the people of the State of New York can expect to be paid back by this private developer, or perhaps some other arrangement?

SENATOR MAYER: Through you, Madam President. It is a grant, just like other

grants for capital projects.

But it needs to go through all the approval process that these kinds of grants -- which there are others in this budget, and have been others many times in the past -- have to go through in order to achieve a state goal of both construction and creation of a significant number of affordable units in a community that's sorely in need of them.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So just to be clear, once this project is completed the developer, this private entity, will get to maintain the benefits of the $175 million, will collect the rents for themselves, albeit a percentage of those are going to be affordable, and will continue to own that without the taxpayers of the State of New York having a right

to an interest in any portion of the project. Is that correct?

SENATOR MAYER: Through you, Madam President. I actually would say that's an incorrect way to describe this project.

Like other investments that the State of New York makes in creation of affordable housing -- changing, for example, all of Times Square, if you were around that many years ago, as I was, which was an investment that involved both private and public investment.

The state invests in the creation of housing and new economic development activity that will benefit the city, the County of Westchester, the people who are able to live in high-quality affordable housing and be able to stay in their homes and their residence and their county. So it will have multiple benefits to the residents of Westchester, to the tenants who are going to be able to be there, both affordable and market rate.

And to the extent that there are benefits to the developer, there's also costs associated with the development that will -- some of which will be offset by this fund.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Will the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So what's the overall cost of this project?

SENATOR MAYER: Through you, Madam President, it's over $2 billion. I had to make sure I had the "b," not the "m".

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR MARTINS: Aside from this $175 million, will this developer be receiving any other assistance either from the City of White Plains, from the County of Westchester, or

any other governmental entity to assist them with regard to the project?

SENATOR MAYER: Through you, Madam President, I don't believe so. But I cannot be certain that the City of White Plains may not come up with some way to make the deal work for them.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR MARTINS: Do you know if they'll be seeking an inducement from a local IDA, for example, perhaps a PILOT to avoid paying property taxes, as a result of this $2 billion investment and this $175 million grant?

Do you know whether any of these projects -- or this project in particular is going to seek sales tax inducements, mortgage tax inducements or PILOTs as a result of this development?

SENATOR MAYER: Through you, Madam President. One, I would point out that this is very early in the development that is going to allow the project to move forward. There are many approvals and municipal agreements that need to be reached along the way.

It can be or it could be that the developer or the city or the county is going to seek or obtain additional benefits. That has not been clarified at this point. This is in order to make a wise investment in a wise outcome that's going to create affordable housing and good-paying jobs for hundreds of Westchester residents.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So I think a few minutes ago you spoke to a process whereby they were selected for this $175 million. Can you

speak to what process they went through in order to be vetted in order to be allowed this advantage of $175 million?

What did they do? Was there an RFP? Was there some other public process where they were competing with other developers, perhaps, for the opportunity to get this $175 million? Can you describe the process you mentioned earlier?

SENATOR MAYER: Through you, Madam President.

One, I'm not aware of any other developer who has offered to engage in a process of taking an old indoor mall, which is defunct and sitting there, and transforming it into over 3,000 units, of which 800 will be affordable for so many people in Westchester and create union jobs for the creation of the construction and the post-construction work of the people who actually service those buildings. So I'm not aware of anyone else.

But what was presented was the unanimous support of the City Council of White Plains and the mayor for this project and for this funding.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MAYER: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So the City Council and the mayor asked and supported the idea of a project in the city getting $175 million, and I expect that they would.

Was there an economic development analysis done with regard to the project and its economic impacts on not only White Plains and Westchester but the region and perhaps the state so that we could have a document that we can refer to, to see what the impact would be and what is coming back to the state as a result of this payment?

SENATOR MAYER: Through you, Madam President. The DEIS that was done on this proposed project is an extensive review of the proposal.

And in addition, the City of

White Plains has already approved certain parts of the process moving forward beyond just conceptual agreement. So presented plans and obviously this DEIS is subject to an extensive analysis of both the number of housing units, the number of school-age children, all of the factors that are relevant to deciding this is a worthwhile project.

SENATOR MARTINS: Thank you. Thank you, Senator. I appreciate the answers.

On the bill, Madam President.

ACTING PRESIDENT PERSAUD: Senator Martins on the bill.

SENATOR MARTINS: You know, a DEIS is a Draft Environmental Impact Statement. It's part of a SEQR review. It goes through the feasibility of putting this where it is, it considers all kinds of things -- impacts to the environment, impacts to traffic and parking, and the benefits.

But it does not provide us with an economic viability projection or an analysis with regard to the economic impact to the community, the state, or the region.

So, you know, I do have some

concerns, Madam President -- obviously I hope my colleagues would have as well -- at the idea of giving $175 million without having that kind of an analysis available. It's a lot of money, certainly, on the scale of how we spend money here.

And I only asked, obviously, the questions about the libraries across New York State and the 7,000 libraries we have in our communities as a backdrop. As we all know, if 7,000 libraries in our communities are getting $44 million and we're going to drop $175 million for a private development in White Plains, obviously we should ask questions about that.

Madam President, I do have a few more questions. There's some questions about a project in Atlantic Yards. Is there someone who can speak to the project in Atlantic Yards?

ACTING PRESIDENT PERSAUD: Senator Brisport?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: Do you yield?

SENATOR BRISPORT: I yield.

SENATOR MARTINS: Thank you.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR MARTINS: So, Senator, a $175 million project, or I guess grant -- I'm sorry, Madam President, through you. Is this $175 million a grant, in the same way we just discussed the project in White Plains, that will be given to a project with no expectation that it's going to be paid back by the developer?

(Pause.)

SENATOR BRISPORT: Madam President, this is part of a larger fund that goes through an extensive review process on behalf of the project. It is for making sure that a platform can be developed so that affordable housing can be built over it.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So I understand

that this development and the previous developer went bankrupt. And therefore there was a joint venture from two private developers who have come in now to do the project.

Is that your understanding as well?

SENATOR BRISPORT: Through you, Madam President, yes.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So was the offer made to the former developer before they went bankrupt to give them $175 million in the hopes that they would be able to finish this project?

Or did this opportunity to provide the $175 million come about as a result of the bankruptcy and the joint venture? Or something else, Senator?

(Pause.)

SENATOR BRISPORT: Through you,

Madam President. No, this was not offered to the previous developer. It was part of an extensive process with the new joint venture.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: Can you tell us whether or not there's an economic benefit to the State of New York where they can expect for this money to come back in some way through that economic development, whether an analysis has been done that allows for us to actually be able to document that in the context of giving this project $175 million?

SENATOR BRISPORT: Through you, Madam President. The project -- this funding will allow the construction of thousands of homes, many of them affordable, in a high-economic-output area right next to the Barclay Center in Downtown Brooklyn.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: Was there an economic development study prepared whereby that $175 million payment by the taxpayers of New York State can be translated into a benefit, either regionally or back to the state, in the form of economic development?

SENATOR BRISPORT: Through you, Madam President. No, they are still very early in the process. This is not something they would do at this stage.

SENATOR MARTINS: Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The

sponsor yields.

SENATOR MARTINS: One hundred seventy-five million dollars is a very specific number, it's a large number. And by coincidence, it happens to be the same number that we were discussing with regard to the project in White Plains.

Can you tell me how we arrived at $175 million for this project?

(Pause.)

SENATOR BRISPORT: Through you, Madam President. The number was arrived at through extensive negotiations between the parties. They're -- this is still very early on in the process, as we reach the next steps.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: Senator, if you could, can you tell us who the parties are that

negotiated these extensive negotiations where essentially they're being given a gift of $175 million? How extensive and how tough were those negotiations to get them to accept $175 million?

(Pause.)

SENATOR BRISPORT: Through you, Madam President, that would be ESD, the second floor, the developers and New York City.

SENATOR MARTINS: Thank you.

Madam President, through you, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: So aside from the Governor, is this a project that is supported by the City of New York, the mayor, the City Council, much the same way we heard about the project in White Plains?

SENATOR BRISPORT: Through you, Madam President. New York City is welcoming the affordable housing that will be built from this

project.

SENATOR MARTINS: Through you, Madam President, if the sponsor would continue to yield.

ACTING PRESIDENT PERSAUD: Will the sponsor yield?

SENATOR BRISPORT: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR MARTINS: Yeah, but has the mayor supported the gift of $175 million to a private development in Brooklyn with no opportunity or requirement that it be paid back?

Did the mayor issue a support for this project? Not the housing, not the housing component, but the project itself. It's a private project. It's going to cost a ton of money and cost the taxpayers of New York $175 million.

SENATOR BRISPORT: Through you, Madam President. I'm failing to see how a project that brings homes for thousands of people does not pose an economic benefit for the people of New York.

SENATOR MARTINS: Madam President,

on the bill.

Thank you, Senator Brisport.

ACTING PRESIDENT PERSAUD: Senator Martins on the bill.

SENATOR MARTINS: So, Madam President, two projects. And frankly, we can go at this all night. I've got a half-hour, and so I'm going to stop at some point. But we can go down this list and everyone can sit back and have a conversation about which projects they are and maybe -- maybe some people will feel uncomfortable about the amount of money that we're talking about. It's a lot of money here that is basically being gifted.

You know, we do a lot of talking and we've done a lot of talking in this chamber about taxing the rich. We've done a lot of talking about people who are wealthy paying their fair share.

And then here we are, towards the end of this process, and we're talking about astronomical numbers. We're talking about numbers that should really be concerning to everybody in this chamber. A hundred and seventy-five million dollars to a private

project?

Yeah, sure, it's going to build affordable housing. We build affordable housing in my community and, guess what, we're not showing up with a check from New York State taxpayers to get it done.

Those developers are building that housing because they can build the housing, build the affordable housing and get it done without having to ask for $175 million. That's a fact.

So own it. These are just two projects. We've got pages and pages of these projects here. And we started out by talking about libraries -- 7,000 libraries. We found $44 million for them. It was supposed to be $34 million, and we found $10 million to give them an extra 10 million bucks.

And we all, a couple of months ago -- or weeks ago, when we sat here and talked about how libraries are -- and they are incredible, they're important in our communities. Each and every one of us and each and every one of our communities benefits from the fact of having libraries. And they're getting $44 million.

And in the last 20 minutes I talked about two projects for $350 million that puts $175 million in the hands of private entities. And why? Because they can't make those projects work on their own?

The rhetoric here sometimes baffles me. The 1 percent we talked about before. The 1 percent. I am grateful for the jobs that these projects will create. I think it's great. PLAs? Fantastic. They'll earn their money, I guarantee you that. Each and every one of the trades that's going to work on these projects is going to earn their wage and every penny of it.

My question isn't why we're using PLAs. We should use PLAs and we should put our tradespeople to work every chance we get. My question is, why are we dropping $175 million on it? Where's the connection to the state?

And I'll ask the question. Where are the other economic development projects across the state that could benefit from dropping $175 million? You know what? Not 175 million, maybe $25 million. Maybe there's a mall somewhere that isn't in one of your districts that can benefit from being converted into

housing and create real economic opportunities and create affordable housing and create great-paying jobs.

But this is $350 million, two projects. And $44 million for libraries. Think about it.

And again, we all know what the other pages of this stuff look like. If we had time to go through each and every one of them, we would. But we don't.

Madam President, that's all I have for today.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Oberacker, why do you rise?

SENATOR OBERACKER: Well, good evening, Madam President.

ACTING PRESIDENT PERSAUD: Good evening.

SENATOR OBERACKER: And I will be having a quick question on the Ag & Markets Department. And, you know, due to the atmosphere here and how cool it is, it just brought up to me, I have to ask a question on meat processing.

ACTING PRESIDENT PERSAUD: Okay,

Senator --

SENATOR GIANARIS: Senator, if I could just refer your question to Senator Hinchey.

ACTING PRESIDENT PERSAUD: Senator Hinchey, do you yield?

SENATOR HINCHEY: I do.

ACTING PRESIDENT PERSAUD: The Senator yields.

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

And thank you, Senator Hinchey, for moving over there. And I hated to move you for just simply one question.

But my question is -- through you, Madam President -- I was noticing that there is zero dollars in this portion of our budget for meat processing grants. Is that correct?

SENATOR HINCHEY: Through you, Madam President, as my colleague knows, this chamber created the Meat Processing Grant Program, I believe it was back in the '23-'24 fiscal year. And the year after that, we didn't appropriate new funds because we gave a year for the RFP to go out, to get applications, then to

see what the need was.

Then last year we put in another $5 million because we knew that there was additional need. That application is currently in play. The RFP has been created. I believe they're just waiting for final Comptroller review and it will be going out the door.

So I look forward to hopefully in the next budget, if there is need, to be advocating for another 5 million. But right now we're letting the second 5 million get out into the community first.

SENATOR OBERACKER: Thank you, Senator Hinchey.

On the bill, Madam President.

ACTING PRESIDENT PERSAUD: Senator Oberacker on the bill.

SENATOR OBERACKER: And that was very eloquently put. Thank you, Senator Hinchey.

But according to this, there is no money being put into processing in this budget, in this portion of the budget. And it's not necessarily, I would say, a grave or a huge issue in that -- but we do need more processing. There is no doubt in New York we need more processing.

If COVID taught us nothing -- if COVID taught us nothing, it taught us to be integrated and to be able to supply ourselves with a very important part of our daily lives, which is of course food and meats in general.

You know, there's a saying that we say, we say "No farms, no food." Well, I say "No farms, no food; no processing, no food; and therefore no farms." And you can see how we can connect those dots.

This is my last bill that I will be able to debate in this context. And so I'm going to leave my colleagues with this. When it comes to processing, I would love to see next year a focus on processing for more on-site processing for our dairy farms to be able to process there. Our maple syrup, which is, as I've referred to in this august chamber, is nectar from the gods, we need more processing for our maple syrup as well.

And lastly, there is some good that comes out of this portion of it. I'm glad to see that we are having some funding for our local fairs, so I would say thank you for that, as well as support for our focused -- our school lunch program.

So into every life a little rain must fall. This one's not too bad on that.

And with that, Madam President, if I could, I also would like to ask some questions on the homeland security portion of the bill.

SENATOR GIANARIS: That would be Senator Martinez.

ACTING PRESIDENT PERSAUD: Senator Martinez, do you yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR OBERACKER: Thank you, Senator.

So one of the areas I've noticed is that there is a decrease in appropriation of grants for our volunteer firefighters of about 5 million. There was 25 million last year, 20 million this year.

Just out of curiosity, I was wondering what was maybe the catalyst or the impetus for the reduction.

(Pause.)

SENATOR MARTINEZ: Through you, Madam President. The Executive felt that because

it was not oversubscribed, that they would see how far this money would go.

SENATOR OBERACKER: Thank you, Senator, for that.

On the bill, Madam President.

ACTING PRESIDENT PERSAUD: Senator Oberacker on the bill.

SENATOR OBERACKER: You know, as a 40-year member of my firefighting company, I'm a little disheartened to see any type of a decrease, of course, when it comes to our men and women who are out there every day volunteering. I look at it as a return on investment. And even at 25 million, I think the investment that we get far outweighs the money that we put in. So I would love to see us even go a little bit more in the next and coming budgets.

You know, we didn't pass any tax relief, any tax relief for our firefighters. And again, I think when we team up a reduction in some of the grants and not offering the tax relief, I think we're starting to send a signal out there which I'm a little concerned about, that maybe we're not appreciating, Madam President, our firefighters, and

firefighting women as well, as much as we should.

You know, equipment is starting to age out in a lot of these houses, and one apparatus, one truck, could be easily a million-plus to replace. Our Air-Paks, our SCBAs, they are between $10,000 and $15,000 per unit, Madam President.

And so I think when we start to look at that 5 million, it could really supply quite a few of our firefighters with our Air-Paks and so on.

Lastly, I notice that we are creating, Madam President, a new state emergency operations center to the tune of about $150 million. I question the return on investment, because I know each and every one of our local county emergency services do such a great job of managing when it comes to this. I think that money would have been better spent at the local level.

So with that, Madam President, I hope I have shown my colleagues that one question and going on the bill can sometimes move things forward in an expeditious manner. And I thank everyone for the opportunity to listen to me.

Madam President, thank you.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Ashby, why do you rise?

SENATOR ASHBY: Thank you, Madam President.

Would the appropriate Senator yield for questions on the infrastructure of dams?

SENATOR GIANARIS: That would be Senator Harckham, Madam President.

ACTING PRESIDENT PERSAUD: Senator Harckham, do you yield?

SENATOR HARCKHAM: I do.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR ASHBY: Thank you, Senator Harckham.

Through you, Madam President. Are you aware of any additional funding for the rehabilitation of dams in this budget?

SENATOR HARCKHAM: Through you, Madam President, there are two sources. One is there was a very late capital add from the Executive for $24 million, including the Conklingville Dam project. We are not sure what

the details are.

Through you, Madam President, when Senator Ashby and I met with Parks and DEC, there were several different versions of projects that they could do with that dam. One was a complete replace, which was very expensive. One was a repair, which was sort of mid-price. And then one was a complete teardown.

So we don't have the details on what they're planning. We can get that for you as soon as we get that. But there is $24 million for that.

The other source of funding is in the original Environmental Bond Act that was passed a few years ago, there was -- 1.1 billion of that was for flood mitigation projects. Dam projects were eligible in that pot of money.

There's a little bit less than $850 million left in the dam -- in the flood mitigation pot, and municipalities can apply for dam projects for there as well.

SENATOR ASHBY: Will the sponsor yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR HARCKHAM: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR ASHBY: Through you, Madam President. That's -- it's great to hear that there was that late add in addition to the funding that was there prior.

Do you know if there's a plan to address the 164 publicly owned dams with an "unsound" rating?

SENATOR HARCKHAM: Through you, Madam President, that is something that we have been exploring.

Several years ago, after there was a national tragedy because of an earthen dam failure, DEC went and inspected all of the earthen dams in New York State, as Senator Ashby alluded to, and many of them were found to be unsound, unsafe. And so funding has been an issue.

Which was why, when we created the Environmental Bond Act, we insisted that there be money for local dam projects. Because I think, unlike the other one, which is state-owned property where DEC will directly be in charge of

that capital project, the others -- smaller municipalities and lake associations like I have and many of us have in our districts -- will have to apply for money and look for money.

So that's why we put that money into the bond act.

SENATOR ASHBY: Will the Senator yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR HARCKHAM: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR ASHBY: Through you, Madam President. Do you think that the state should review any of the dams out there for the potential for small or medium hydroelectric power?

SENATOR HARCKHAM: Through you, Madam President, that is not contemplated in the bond act before us.

You know, that is really up to NYSERDA and NYPA. Based on the hydro folks that I have met with, there's not a lot of new hydro being done on the smaller dams because it's just

not cost-effective. So that's really up to the energy folks, but that's not contemplated in this bill.

SENATOR ASHBY: On the bill.

ACTING PRESIDENT PERSAUD: Senator Ashby on the bill.

SENATOR ASHBY: I want to thank Senator Harckham for all of his help and cooperation over the last year in helping to address the Dunham Dam in my district.

I would hope that we would all be a little more open to the possibility of utilizing these structures for hydropower. As of 8 p.m. this evening, according to the ISO, it was generating 24 percent of our energy in the state, and that's 87 percent of our total renewable energy. I think we should look at this maybe a little more seriously.

Thank you.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Walczyk, why do you rise?

SENATOR WALCZYK: Madam President, I hope someone would yield for some questions on capital appropriations.

SENATOR GIANARIS: Sure. What topic?

SENATOR WALCZYK: Starting with WE ACT, then Hip Hop Museum, then Garth Fagan.

SENATOR GIANARIS: Okay, WE ACT and Garth Fagan is actually both Senator Baskin. So I would encourage you to pool those together and then we can go from there.

SENATOR WALCZYK: I'll switch them around.

SENATOR GIANARIS: Thank you.

ACTING PRESIDENT PERSAUD: Senator Baskin, do you yield?

SENATOR BASKIN: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR WALCZYK: Through you, Madam President. So we've got $4 million for WE ACT for Environmental Justice. Their website shows that they focus pretty much on a lot of the energy issues and environmental issues that get lobbied here in Albany. And their mission statement encourages participation in creating policy changes.

What are they going to do with the

$4 million in taxpayer money?

(Pause.)

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

The intention and mission with the $4 million is to create an Environmental Justice Center in West Harlem.

SENATOR WALCZYK: And through you, Madam President, would the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BASKIN: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: There's also a $4 million appropriation for the Garth Fagan Dance School.

We already give, through Council of the Arts, $25,000 a year to help them with operations. What are they going to spend the $4 million in taxpayer money on?

(Pause.)

SENATOR BASKIN: Thank you.

Through you, Madam President. The

previous funding mentioned is operational. So this is a different allocation, which is a one-time expected allocation of support to develop a dance studio.

SENATOR WALCZYK: Thank you.

Madam President, would someone yield for the Hip Hop Museum?

SENATOR GIANARIS: That would be --

ACTING PRESIDENT PERSAUD: Senator Bailey, do you yield?

SENATOR GIANARIS: -- proudly, Senator Bailey would yield.

SENATOR BAILEY: Let me please introduce myself --

(Laughter.)

ACTING PRESIDENT PERSAUD: Senator Bailey yields.

SENATOR BAILEY: Absolutely.

SENATOR WALCZYK: Through you, Madam President. I'm not surprised to see my colleague answer questions. I feel like Groundhog Day on this one.

We have $6 million for the Hip Hop Museum allocated in this budget. I know I've asked questions in past budget years on the

Hip Hop Museum. Didn't we already build this thing?

SENATOR BAILEY: Through you, Madam President. The Hip Hop Museum, located in the South Bronx in Senator Serrano's district, looks to be a cultural hub of the birthplace of hip-hop.

And to answer your question a little bit more in a roundabout way, the completion of the project is not done yet because it is more than just a hip-hop museum. It is part of an affordable housing development in the area. So it's not completed yet, and we continue to support the mission of the Hip Hop Museum, much like we support the mission of many other museums and cultural institutions throughout this great state.

SENATOR WALCZYK: Through you, Madam President, would the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BAILEY: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: So is the $6 million going to the Hip Hop Museum in order to build affordable housing in the area around it?

SENATOR BAILEY: No, the $6 million is going to the Hip Hop museum to continue building the Hip Hop Museum. I just thought you would like some more context on what the Hip Hop Museum does in the area that it is in, and how it is emblematic of arts and culture and how that arts and culture continues to be important in communities such as the South Bronx.

And having affordable housing around it, I just thought you'd like to know that little tidbit.

SENATOR WALCZYK: Through you, Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BAILEY: Proudly.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: I appreciate the tidbits, absolutely.

And through you, Madam President. So because we've allocated funds to this and it's being completed, will this $6 million be the last time we're doing construction and asking for capital funding for the Hip Hop Museum? Is this it?

SENATOR BAILEY: Through you, Madam President, I would not be able to tell my colleague.

But I can tell you that we are not the only entity that provides funding for the Hip Hop Museum. It is an incredibly large project. And I say this not facetiously, I would like for you to come down and see it when the groundbreaking is -- excuse me, the groundbreaking was on May 20, 2021, and you know I was in the building, Madam President.

I would hope that when it's finally built, you come down and check it out about arts and culture. This is funded not just by the State of New York, it's funded by the City of New York. There's been federal money given to it, and there's been private investment into it.

So we are not the only ones footing the bill, so to speak, for the Hip Hop Museum.

Again, so there's a lot more than just New York State money -- funding in there, so.

But I would not be able to tell you if this is the last infusion of money from the state.

SENATOR WALCZYK: And through you, Madam President, would the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR BAILEY: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: When's the ribbon-cutting?

SENATOR BAILEY: Through you, Madam President. Once the ribbon-cutting happens, I will make sure that I tell my good colleague. We do not have a date yet.

SENATOR WALCZYK: Thank you.

And Madam President, if someone would yield on NYSERDA.

SENATOR GIANARIS: That's Senator Harckham.

ACTING PRESIDENT PERSAUD: Senator

Harckham, do you yield?

SENATOR HARCKHAM: Yes, I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: Through you, Madam President, thank you.

We're giving a billion dollars to NYSERDA's Sustainable Futures in this capital appropriation bill. We did eliminate or push back the EV bus mandate for schools. There was a $250 million pot out of Sustainable Futures that was used year after year to fund that program.

Why didn't we see a $250 million reduction as we pushed that timeline out for school districts to comply?

(Pause.)

SENATOR HARCKHAM: Through you, Madam President. What we have done is a $75 million dollar investment for zero-emissions infrastructure statewide, not just for school buses. This can be used for fast charging, for Charge Ready NY, EV buses, for school districts for infrastructure, for charging.

One of the areas where we're lacking in New York State is heavy-duty charging. Places

like California are much further ahead of us and are actually using electric trucks for their interstate trips. We don't have that infrastructure in New York. We need to start investing in that.

So this is for a whole suite of EV infrastructure.

SENATOR WALCZYK: And through you, Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR HARCKHAM: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: Okay. So -- and there was already a pot specifically under Sustainable Futures for EV, but you're taking the 250 from the EV bus mandate for schools and sliding that into the pot --

SENATOR HARCKHAM: I'm sorry. Through you, Madam President, that was the last Sustainable Futures fund, was -- (pause). It wasn't 250 -- give us one second, if you may.

(Pause.)

SENATOR HARCKHAM: It was 100 million.

So that is still out there for school districts to take advantage of. So even though we have pushed the compliance date out five years, we're still offering funding for school districts to continue down that process. There just is no penalty.

And so last year was 100 million for -- specifically for school districts for EV buses. This year, the 75 is for all EV infrastructure.

One of the things we did hear from schools is they would like assistance transitioning their boilers, their air-conditioning, things like that. So we invested 50 million in the Clean Green Schools program to help them with that transition as they requested.

SENATOR WALCZYK: And through you, Madam President, would the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR HARCKHAM: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: Okay, so I think I understand now.

There's $100 million for the EV bus mandate for schools that still exists. But since we pushed that deadline out, why didn't we just reduce the Sustainable Futures this year by that $100 million?

SENATOR HARCKHAM: Through you, Madam President, because we still believe as state policy that we should be going down that route as a public health measure to protect our children from the 20-times-more-harmful pollutants that they breathe while on those buses.

We also know that studies have shown the cost to fuel and maintain those buses are in the long term, over the life cycle of the bus less expensively for school districts so more, less expensive for school districts. So they're more expensive up-front, but they save money over the life cycle.

So we haven't -- we haven't ended the state policy, we have just pushed out -- as

we have all heard from our school districts, number one, we think some of the bus companies overpromised on what they could deliver.

Two, we have all heard the stories of our utilities and grid being not able to be compatible immediately with the needs of the school districts.

And so we are still continuing down the policy of -- but we have just extended the timeline by five years.

SENATOR WALCZYK: Thank you. I appreciate it.

Madam President, on the bill.

ACTING PRESIDENT PERSAUD: Senator Walczyk on the bill.

SENATOR WALCZYK: Yeah, overpromised is absolutely right.

I represent the district of Alexandria Bay, which was an early adopter, took advantage of that pot when it came out. Got two electric buses that were functioning so poorly and the parents were so concerned after students were getting stranded out in negative 20, negative 30 degree temperatures with a bus that said it had an 80 percent battery but just

stopped in the middle of the road.

After going round and round and seeing their bus -- with the manufacturer and seeing their buses on flat-racks and lowboys headed to maintenance more often than they were delivering children, the manufacturer actually said, "We'll give you two more of these buses to say sorry." And all four of those buses have been functioning just as poorly.

And I asked the superintendent -- and this is why I want to clear this up for the record -- "But is it more cost-effective to run?" You know, maybe some of these maintenance things aside.

And he said: "Actually, because of the cost of electricity in New York State, it is actually cheaper for me to operate, maintain and run my diesel buses than it is to buy electricity to charge these electric buses."

And they've seen the same skyrocketing energy prices that every other New Yorker is experiencing. And if you talk to your school superintendents, this wasn't always a line item that they were concerned about with their budget, was electricity prices. This year,

I'm sure if you've talked to your local superintendents, they've brought it up. They certainly have to me.

And with that, Madam President, I would ask someone to yield on the DHSES portion of this bill.

ACTING PRESIDENT PERSAUD: Senator Gianaris?

SENATOR GIANARIS: DHSES, did I hear that correctly?

SENATOR WALCZYK: DHSES.

SENATOR GIANARIS: That would be Senator Martinez, I believe. Who just stepped out. So we'll just pause for a moment and get her back in here.

(Pause.)

ACTING PRESIDENT PERSAUD: Senator Martinez, do you yield?

SENATOR MARTINEZ: Yes, I do.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR WALCZYK: Thank you.

Through you, Madam President. So I heard the discussion earlier, there's a $150 million increase to build an emergency

operations center.

Where are they building this thing?

(Pause.)

SENATOR MARTINEZ: Through you, Madam President, if you can just give us one minute while we look for the answer. (Pause.)

Through you, Madam President, in Albany.

SENATOR WALCZYK: Through you, Madam President, would the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR WALCZYK: We've heard that each county has its own emergency operations. Why was there a decision to consolidate into one massive state center rather than help the counties out that have been struggling with dispatch and operational center needs for a long time?

I don't remember this coming up in budget hearings or major public discussions. Can

you tell me why that decision was made to spend $150 million on a center in Albany?

SENATOR MARTINEZ: Through you, Madam President. This center would communicate with all other counties as well.

SENATOR WALCZYK: Indeed. Thank you, Madam President.

ACTING PRESIDENT PERSAUD: Thank you, Senator.

Senator Canzoneri-Fitzpatrick, why do you rise?

SENATOR CANZONERI-FITZPATRICK: Thank you, Madam President. I was wondering if someone would yield for questions on RESTORE.

SENATOR GIANARIS: That would still be Senator Martinez.

ACTING PRESIDENT PERSAUD: Senator Martinez, do you yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR CANZONERI-FITZPATRICK: Thank you, Madam President. Through you, I'm trying to determine how much money is allocated in this budget for RESTORE.

SENATOR MARTINEZ: Through you, Madam President, 50 million.

SENATOR CANZONERI-FITZPATRICK: Will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: I see 50 million under Economic Development, and I also saw another 2.6 million under Housing & Social Welfare. Is that also in addition to the 50 million?

SENATOR MARTINEZ: Through you, Madam President, we believe that's a different program.

SENATOR CANZONERI-FITZPATRICK: Excuse me?

SENATOR MARTINEZ: A different program.

SENATOR CANZONERI-FITZPATRICK: Different program.

Through you, Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: Can you describe how this amount was determined and what it will be spent on in the coming year?

(Pause.)

SENATOR MARTINEZ: Through you, Madam President. This allows municipalities to use that money to refurbish old buildings that are no longer usable.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So is there a specific request that's pending for these types of funds? How was the 50 million arrived at?

SENATOR MARTINEZ: Through you, Madam President, this was done through negotiations between the Executive and the two chambers.

But once the money is allocated, the municipalities would have to file an application.

SENATOR CANZONERI-FITZPATRICK: Thank you.

I'd like to now ask a few questions on NY SWIMS and NY PLAYS.

SENATOR GIANARIS: That will be Senator Serrano.

ACTING PRESIDENT PERSAUD: Senator Serrano, do you yield?

SENATOR SERRANO: Yes.

ACTING PRESIDENT PERSAUD: The Senator yields.

SENATOR CANZONERI-FITZPATRICK: Thank you, Madam President. Through you.

Similar to questions that I was just asking, could you tell me how was the amount in the budget arrived at? And how will that money be spent?

SENATOR SERRANO: Through you, Madam President. Thank you for that question,

Senator.

Both of those programs, NY SWIMS and NY PLAYS, are two very important programs that many in our conference and throughout the Legislature, and obviously the Governor, care deeply about.

NY SWIMS will -- has been the largest investment in swimming infrastructure since the New Deal, and it provides grants to municipalities and nonprofits to build up swimming infrastructure to ensure, in particular, underserved communities can have access to swim instruction and swimming facilities, and to make sure people can learn to swim.

In its initial funding there was $90 million put for that program. It was oversubscribed. So we in our one-house put forth additional funding, and we have $20 million in here for NY SWIMS because it was a very worthwhile project, we believe, and certainly a very important goal.

NY PLAYS will do the same, but for playgrounds and recreational facilities throughout the state -- again, with a lean towards underserved communities -- also

$20 million.

So those amounts, to answer your question, were arrived at based on the amount of enthusiasm and oversubscription for them. In building upon the original investment, we felt that this was something that we could do to keep it going.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR SERRANO: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So just to clarify, these two programs are -- can be applied for by municipalities throughout the state? It's not just focused on New York City or a particular area, it's any municipality throughout the state, is that correct?

SENATOR SERRANO: Through you, Madam President. That is correct. And nonprofits as well.

And the scope is the entire State of

New York, because every town and village I think has a need to ensure that young people have access to swimming infrastructure to learn how to swim. It's one of the most important things you can teach anyone, is how to swim. And it's not a luxury. It should be something that is a baseline of foundational learning in our state, is to learn how to swim.

And also playing. You know, we have to ensure that our children have safe and readily available playground equipment that they can utilize. It is really important for their development.

I think there is a tremendous amount of data that is no longer anecdotal, it's scientific, that says that children engaging in recreation build a lot of problem-solving skills, socialization, as well as physical fitness and mental health.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR SERRANO: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So can you please confirm for me the total amount that's being spent in this budget on these two programs?

SENATOR SERRANO: Through you, Madam President, $20 million for each program, NY SWIMS and NY PLAYS, for a total of $40 million.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR SERRANO: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: You mentioned that the program was oversubscribed. So if we were to try to estimate, how much was applied for last year that we weren't able to issue such that we came up with the 20 million for each program?

(Pause.)

SENATOR SERRANO: Through you,

Madam President. During the first round of funding, it was only for municipalities. Nonprofits were not included. Now they are. So in the second round there was an additional usage of those funds.

But now in our third round we see an opportunity -- and again, it's really the feedback that we've been getting from localities, from different members, from our representatives, saying, You know, this is a really good program, we couldn't get it in our first or second round, we would like to find a way to be a part of this as well.

It really shows that there is tremendous demand and interest for swim infrastructure. Unfortunately, a lot of the swimming pools and swimming infrastructure we have throughout the state have grown very old, have been around for many, many decades, are not quite safe, not up to par, maybe the filtration systems are not what they should be.

And I think a lot of localities, municipalities and nonprofits see an opportunity to do this. And we think it should be a priority for the State of New York.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR SERRANO: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: Thank you, Senator, for that explanation.

My question is really focused now on what did we issue in last year's budget versus what we are allocating for this year's budget.

SENATOR SERRANO: Through you, Madam President. Last year we allocated 90 million for NY SWIMS and 67.5 million for NY PLAYS.

SENATOR CANZONERI-FITZPATRICK: Thank you.

Madam President, I'd like to now ask a few questions on the V-FIRE grants.

SENATOR GIANARIS: Still Senator Serrano. No, not Senator Serrano. One moment, please.

(Pause.)

SENATOR GIANARIS: If I could just inquire, is that the same issue we talked about earlier today, about the tax credit for the volunteer --

SENATOR CANZONERI-FITZPATRICK: It's listed under Public Protection, V-FIRE.

SENATOR GIANARIS: I think that's Senator Martinez.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: Yes.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: Thank you, Madam President.

Could you tell me how much money is allocated for the V-FIRE grants in this year's budget?

SENATOR MARTINEZ: Through you, Madam President, $20 million.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: How was that amount determined?

SENATOR MARTINEZ: Through you, Madam President, thank you for asking this question once again. Prior to our one-house, the Executive had not included anything for V-FIRE. This was actually an addition that our conference put in.

And this funding goes specifically for volunteer departments only. And the money is to be used for fire construction, renovations, purchases for critical infrastructure, fire service equipment, upgrades to improve response capabilities.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: How was the amount of $20 million arrived at?

SENATOR MARTINEZ: Through you, Madam President, it was negotiated between the Executive and the two chambers.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: What was the amount of the grants granted through this program last year?

SENATOR MARTINEZ: Through you, Madam President, 25 million.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The

sponsor yields.

SENATOR CANZONERI-FITZPATRICK: How many fire departments applied for grants last year and were not able to participate in the program because of lack of funding?

(Pause.)

SENATOR MARTINEZ: Through you, Madam President, I'm just getting the information.

(Pause.)

SENATOR MARTINEZ: Through you, Madam President. Last round, 88 fire departments were funded. We do not know how many did not get awarded. And that was out of 416 applications.

SENATOR CANZONERI-FITZPATRICK: I'm sorry, could you repeat that?

SENATOR MARTINEZ: So through you, Madam President, there were 416 applications last year. Eighty-eight departments received funding.

We do not have the information of how many were not awarded funding.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield.

ACTING PRESIDENT PERSAUD: Does the

sponsor yield?

SENATOR MARTINEZ: I do.

ACTING PRESIDENT PERSAUD: The sponsor yields.

SENATOR CANZONERI-FITZPATRICK: So 88 departments applied and received, and there was 400-plus that applied and did not get funding, is that correct?

SENATOR MARTINEZ: Through you, Madam President, that is correct.

SENATOR CANZONERI-FITZPATRICK: Through you, Madam President, will the sponsor continue to yield?

ACTING PRESIDENT PERSAUD: Does the sponsor yield?

SENATOR MARTINEZ: I do.

SENATOR CANZONERI-FITZPATRICK: Would it surprise you to know that not one Long Island fire department received a grant through this program?

(Pause.)

SENATOR MARTINEZ: Through you, Madam President. As a fellow Long Islander, it does disappoint me that our departments have not been funded through this grant.

SENATOR CANZONERI-FITZPATRICK: Thank you. Madam President, on the bill.

ACTING PRESIDENT PERSAUD: Senator Canzoneri-Fitzpatrick on the bill.

SENATOR CANZONERI-FITZPATRICK: Thank you, Senator Martinez.

Yes, it is really disturbing as a Long Island Senator to know that not one fire department on Long Island got any money. We had $20 million this year; $25 million was given out last year. We decreased it by $5 million even though we had over 400 departments that applied and did not get money.

And what I keep hearing is that budgets are about priorities. I have no doubt that NY SWIMS is a wonderful program, but why are we allocating an equal amount to swimming and an equal amount to fire protection? That, to me, is troubling.

We could not pay for fire protection throughout our state if we had to do it through this house. The least we can do is support our volunteer firemen and -women and give them the money to fund their departments.

I was a former fire commissioner in

the Village of Malverne, my hometown, and I can tell you that we have equipment that is beyond the useful life -- that is, from the eighties -- that my fire department continues to maintain and refurbish, to the extent that they can, to make sure that they can get out and fight our fires.

It is extremely troubling to me that we had a demand, we had known applications of 400 departments that did not get money, yet we failed to put it in this budget. And I really think that someone's not thinking about the fact that our fire protection is so important.

My colleague also spoke about a billion dollars to Sustainable Futures. We've heard about the fact that NYSERDA has $2 billion in reserves. Why aren't we using that money instead of adding to this budget?

We keep saying that we want to make New York more affordable, that we need to think about how we're spending our money. These are just a couple of small issues that I picked up in the few hours since we got this bill. Because we didn't get this ahead of time.

I just -- I'm very troubled by the priorities of some of the money that we're

spending.

Thank you, Madam President.

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

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

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 Griffo to explain his vote.

SENATOR GRIFFO: Thank you, Madam President.

The Consolidated Local Street and Highway Improvement Program is very important to regions across upstate New York. We're seeing only a $50 million increase in CHIPS funding.

The Extreme Weather fund was unchanged, despite very severe weather that we've all been experiencing, particularly over the last two winters, and that's demonstrated by the fact that session was canceled a couple of times this

year at the Capitol because of the extreme weather.

In a previous bill, we have 62 incorporated cities, large and small. We saw $882 million being distributed to eight cities to bail out a budget crisis without real structure for accountability, to address the real structural problems that they're facing as municipalities, to address and hold them accountable for the future.

Yet the commitment to this vital and important transportation infrastructure receives very anemic support.

Madam President, I'll be voting in the negative.

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

Senator Mayer to explain her vote.

SENATOR MAYER: Thank you, Madam President.

I rise to explain my vote, my vote of aye, and my support for a significant and robust investment in affordable housing and in good-paying jobs for our union workers.

You know, there was a time, I remind

my colleagues, when both Democrats and Republicans, particularly in Washington, understood that investment in affordable housing and creation of good-paying jobs were the highest priorities on a bipartisan basis. In fact, thousands of units of affordable housing have been built in New York and across the country with the investment of federal money and federal tax credits.

Now, with the lack of that investment, the state has had to jump in. And in Westchester County, where the median price of a new home is over $1 million, we are not going to be able to have a working class, a middle class survive in our county without the creation of affordable units and the sustaining of good-paying union jobs that are middle-class jobs.

This kind of investment is the kind of leadership that we need. I commend the Governor and particularly our Majority Leader, who fought for a combination of affordable housing and good-paying jobs to transform a suburban community into a more affordable place that people can stay.

My colleagues rail against the cost of living and affordability. Here, when we are actually doing something about it, is a time when we should be voting yes.

I vote yes.

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

Senator Martinez to explain her vote.

SENATOR MARTINEZ: Madam President, thank you.

As chair of Local Government and actually recipient of the Golden Trumpet Award by FASNY, I do want to clear up some things here in this chamber, because we have done a lot for our fire departments.

And I want to begin first with the 20 million that we did in this budget that we were just speaking about. But also, earlier in the week, we also approved $1.5 million to assist with statewide interoperable communication for first responders, which actually is a direct grant that our municipalities can give to our fire departments, where they do not have to return that money.

We also have been able to invest $2 million in the Volunteer Fire Recruitment and Retention. We know the difficulty that our departments are having, so we have funded that; 6.5 million for volunteer fire department stipends; $3.3 million for fire investigations. And last year, 31 volunteer fire departments received $576,000.

We will continue, obviously, to work hard for our first responders, for our fire departments. And I think it's very important that we as Senators of all of our districts and our fire departments, that we urge our departments to apply for these funds. And that we should be doing everything that we can so they can get these funds, because we are -- we have an issue of retention and recruitment, and whatever we can do, we must do.

And hopefully, legislation-wise -- and I know one of our Senators and colleagues on the other side mentioned the income tax credit for our volunteers and first responders. We're hoping to pass that this year.

We've always put it in our one-house. It has been taken out. And I'm

hopeful that this year we are able to bring that home so the Governor can sign that, to really help with recruitment and retention.

Madam President, we very well know that our first responders are the backbones of our communities to keep us safe, and we will continue providing the tools and the resources they need.

And I vote in the affirmative.

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

Senator Bailey to explain his vote.

SENATOR BAILEY: Thank you, Madam President. I thank my colleagues for the debate.

And I thank Senator Serrano for speaking about NY SWIMS. Infrastructure and pools are critically important for people to learn water safety. I didn't learn until I was well over 40 how to swim. And so this is really important to make sure that generations of people learn how to swim, and we're putting these pools in underserved areas.

As far as the conversation about the parity and the conversations, I'd like to make

sure we point out there were a couple of $6 million capital projects. One was the Hip Hop Museum, as was mentioned. Another was the Hamilton Hills Arts Center, which is in the district of a colleague across the aisle.

We're trying to make sure that the arts and culture develop. And it's -- it's bigger than hip-hop, right? Rap is what you do; hip-hop is what you live.

And hip-hop is a culture, it's a USA -- American-born, New York-born, home-grown thing which was born on August 11, 1973, in one of the most underserved areas in the world. Yes, Madam President, the Boogie-Down Bronx, the birthplace of hip-hop, undisputed.

And so when we invest in hip-hop, when we invest in hip-hop, we invest in museums, we invest in tourism, we invest in capital, we invest in human capital, most importantly, so that people find the Bronx as a destination.

I proudly vote aye on this piece of legislation -- bless you, Madam President. Because the Bronx does need to be blessed, I vote aye.

(Laughter.)

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

Senator Ryan to explain his vote.

SENATOR RYAN: Thank you, Madam President. I rise to vote in the affirmative.

I want to just quickly highlight two really, really impactful and big economic development projects.

One is our funding that we've worked on in Onondaga County with our regional market that will transform that regional market and allow -- it will be an economic development project, but it's also going to help our Central New York economy, our farmers, the agriculture industry. It will also help feed children and work with our schools.

So I want to say, secondly, funding for a -- which I'll just say is a really, really big sewer pipe. It's not exactly sexy, but it's going to really help a part of my county -- Oswego County, more specifically. Central New York is about to transform itself in anywhere of ten, twenty, thirty, 40,000 new residents because of a very, very big infrastructure

project.

And I'm going to see to it, in working with our partners in the Oswego County Industrial Development Authority, a bipartisan working group with our county legislators, our town supervisors, the City of Fulton -- which also is a DEC project -- and so ESD, so we can make sure that they have the commercial development but, more so, the housing.

We talk about housing and housing and housing, but we're going to do it and we're going to deliver for Oswego County. I'm proud of that. I'm going to vote in the affirmative.

Thank you.

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

Senator Hinchey to explain her vote.

SENATOR HINCHEY: Thank you, Madam President.

The Hudson Valley is on the frontlines of a housing crisis. And I rise with gratitude for funding in this budget for a Green Social Housing pilot project that will be in my district, bringing new affordable homes online in our district.

This is incredibly exciting, and we are thrilled. And we thank the leader for her leadership on that.

My colleague left us with words to invest in our dairy farmers and our dairy plants. Well, he'll be glad to know that we're actually increasing the funding for dairy modernization grants by $5 million, for a total of $50 million. We know that the dairy industry is actually growing in New York, with Chobani and Fair Life and so many more, and that's why we're putting in more capital money to make sure that they can get the resources that they need.

This Majority has actually led the charge in investing in our agricultural communities, with the best budget in the state's history multiple years in a row for our farmers.

And it's also this Majority that created the V-FIRE program because we saw the need for our volunteer fire departments, who have been left to die on the vine needing capital improvements for decades. And I'm proud to say that we fought in this budget and are getting another $20 million for more fire departments to be able to apply for.

And so I encourage my colleagues to get their departments to apply. I know that DHSES is very committed to getting that money out the door quickly.

So I rise to vote aye on this bill and thank my colleagues for doing the same.

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

Senator Martins to explain his vote.

SENATOR MARTINS: Thank you, Madam President.

You know, once upon a time when we talked about investment -- investment in affordable housing, investment in projects in communities -- it meant investment in infrastructure. It meant that the state would come in, as was just mentioned, and build sewers and water and roads and help the local governments build the infrastructure that could serve as the platform for where developers, private developers would come in and put up the housing and the commercial development.

And if they needed help, there were the IDAs that would allow them the opportunity to go and ask for local help in the form of payments

in lieu of taxes, sales tax relief, mortgage tax relief.

The state's portion of that had to do with infrastructure, investing in things that made those other things possible.

And here we are, talking about investment as if somehow handing somebody a $175 million check is an investment in something other than giving somebody $175 million for a private entity to walk away.

And yes, there's going to be some affordable housing there, Madam President. But for the 30 percent that's going to be affordable, there's 70 percent that's going to be market rate. And I guarantee you, because I know what those rents are like, certainly whether it's in Nassau County or in Westchester County -- or in Brooklyn -- those rents are not going to be affordable.

So yet the investments we talk about and the investments that our communities need are those investments that make those other investments property, not handouts.

Madam President, I'll be voting no.

ACTING PRESIDENT PERSAUD: Senator

Martins to be recorded in the negative.

Senator Helming to explain her vote.

SENATOR HELMING: Thank you, Madam President.

Investment in housing requires an investment in infrastructure. And what's holding back the growth of housing and business in many areas of our state is the all-electric mandate and the lack of electric capacity.

Electric mandates are also holding back the expansion of our family dairy farms. I hear from the farmers all the time that there's not enough electric capacity and/or the cost is preventing them from growing.

I just wanted to clarify something I heard about the V-FIRE grant program. Just to be clear, we funded it at $25 million last year. We're cutting that down to $20 million this year, even though we weren't able to push out grants to all the departments that needed assistance.

But here's what I wanted to clarify. It's the part about the loan program. The cellphone fee that everyone pays who has a cellphone, that's supposed to go into the state interoperable fund to be loaned out to fire

departments, EMS, for equipment, apparatus, et cetera. That, in this budget, just so you know, is being swept. And it has been for years now. It's being swept away from the fire departments and into the General Fund. That's wrong.

And if you want to support housing, you have to support public safety. And that includes supporting our fire departments. This bill shortchanges them, and I vote no.

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

Announce the results.

THE SECRETARY: In relation to Calendar 1332, voting in the negative are Senators Borrello, Canzoneri-Fitzpatrick, Gallivan, Griffo, Helming, Lanza, Martins, Mattera, Murray, O'Mara, Ortt, Palumbo, Rhoads, Stec, Tedisco, Walczyk and Weik.

Ayes, 45. Nays, 17.

ACTING PRESIDENT PERSAUD: The bill is passed.

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

SENATOR GIANARIS: Okay, at this

time, Madam President, we're going to stand at ease. And we will have a Finance Committee meeting at 10:10.

Please call on Senator Lanza for an announcement.

ACTING PRESIDENT PERSAUD: Senator Lanza for an announcement.

SENATOR LANZA: Madam President, there will be an immediate meeting of the Republican conference in Room 315.

ACTING PRESIDENT PERSAUD: The Senate stands at ease, and the Finance Committee meeting will be called at 10:10 in Room 332.

(Whereupon, at 9:41 p.m., the Senate adjourned.)

(Whereupon, the Senate reconvened at 10:39 p.m.)

ACTING PRESIDENT BAILEY: The Senate will return to order.

Senator Gianaris.

SENATOR GIANARIS: Thank you, Mr. President. I want to just take up some motions while we wait for the Finance Committee to conclude its work.

On behalf of Senator Stavisky, I

wish to call up Senate Print 607B, recalled from the Assembly, which is now at the desk.

ACTING PRESIDENT BAILEY: The Secretary will read.

THE SECRETARY: Calendar Number 126, Senate Print 607B, by Senator Stavisky, an act to amend the Education Law.

SENATOR GIANARIS: Move to reconsider the vote by which the bill was passed.

ACTING PRESIDENT BAILEY: Call the roll on reconsideration.

(The Secretary called the roll.)

THE SECRETARY: Ayes, 62.

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

Senator Gianaris.

SENATOR GIANARIS: I offer the following amendments.

ACTING PRESIDENT BAILEY: The amendments are received.

SENATOR GIANARIS: Okay, I also offer the amendments to the following Third Reading Calendar bills:

By Senator Gounardes, page 11,

Calendar 432, Senate Print 6954A;

Senator Kavanagh, page 57,

Calendar 1311, Senate Print 10168;

Senator Scarcella-Spanton, page 57,

Calendar 529, Senate Print 5396;

Senator Sepúlveda, page 57,

Calendar 770, Senate Print 8401;

Senator Kavanagh, page 30,

Calendar 1183, Senate Print 8118B;

And Senator Gianaris, page 37,

Calendar 1046, Senate Print 2438.

ACTING PRESIDENT BAILEY: The amendments are received, and those bills will retain their place on the Third Reading Calendar.

Senator Gianaris.

SENATOR GIANARIS: Okay, let's just stand at ease while we wait for the Finance Committee to return.

ACTING PRESIDENT BAILEY: The Senate will temporarily stand at ease.

(Whereupon, the Senate stood at ease at 10:40 p.m.)

(Whereupon, the Senate reconvened at 10:44 p.m.)

ACTING PRESIDENT BAILEY: The

Senate will return to order.

Senator Gianaris.

SENATOR GIANARIS: 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 Stewart-Cousins, from the Committee on Finance, reports the following bills:

Senate Print 9000D, an act making appropriations for the support of government;

Senate Print 9001A, an act making appropriations for the support of government.

Both bills reported direct to third reading.

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.

(Response of "Nay.")

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

Senator Gianaris.

SENATOR GIANARIS: Please take up the supplemental calendar.

ACTING PRESIDENT BAILEY: 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 10000D and substitute it for the identical Senate Bill Number 9000D, Third Reading Calendar 1329.

ACTING PRESIDENT BAILEY: Substitution so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 1329, Assembly Bill Number 10000D, an act making appropriations for the support of government.

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

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

SENATOR GIANARIS: Move to accept the message of necessity.

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

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: The bill is laid aside.

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 10001A and substitute it for the identical Senate Bill Number 9001A, Third Reading Calendar 1330.

ACTING PRESIDENT BAILEY: Substitution so ordered.

The Secretary will read.

THE SECRETARY: Calendar Number 1330, Assembly Bill Number 10001A, an act making

appropriations for the support of government.

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

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

SENATOR GIANARIS: Move to accept the message of necessity.

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

(Response of "Aye.")

ACTING PRESIDENT BAILEY: Opposed, nay.

(Response of "Nay.")

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

SENATOR LANZA: Lay it aside.

ACTING PRESIDENT BAILEY: The bill is laid aside.

Senator Gianaris.

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

ACTING PRESIDENT BAILEY: The Secretary will ring the bell.

The Secretary will read.

THE SECRETARY: Calendar Number 1329, Assembly Bill Number 10000D, an act making appropriations for the support of government.

ACTING PRESIDENT BAILEY: Senator Murray, why do you rise?

SENATOR MURRAY: I rise, Mr. President, because I had Thursday in the pool, so buckle up. I've got questions.

(Laughter.)

SENATOR MURRAY: I'm just kidding.

(Laughter.)

SENATOR MURRAY: Mr. President, would -- I have a few questions, so starting with the Department of Education, library information.

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Libraries would be Senator Bynoe.

ACTING PRESIDENT BAILEY: Senator Bynoe, do you yield?

SENATOR BYNOE: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR MURRAY: Thank you.

Through you, Mr. President.

So I see that we have $3 million for NOVELny, which is great. But I don't see any change to -- or funding for Library Materials Aid. Was there any change to funding for that?

SENATOR BYNOE: Through you, Mr. President. No, there was no increase in Library Material Aid.

SENATOR MURRAY: Okay, thank you.

Mr. President, I now would like to ask some questions regarding -- thank you, Senator Bynoe -- questions regarding OTDA, and in particular, SNAP.

ACTING PRESIDENT BAILEY: Senator Persaud, Roxie's Rules, do you yield?

SENATOR PERSAUD: Yes, I do.

ACTING PRESIDENT BAILEY: Roxie -- Senator Persaud yields.

(Laughter.)

SENATOR MURRAY: Thank you, Mr. President. Through you.

So I see that we have 70 million for contractual services under the SNAP quality control. What is that $70 million for? What is that covering?

(Pause.)

SENATOR PERSAUD: Through you, Mr. President. As you know, Senator, the -- the assumption is that our error rates are high. And so for us to get the rates down, they've allocated the $70 million to work with local social service districts to assist them in getting those rates down.

That does not mean that there's fraud. It just means that we need to tighten up some of the systems that we have in place.

And so that money will help the local social service districts to alleviate the money that -- if the federal government tries to penalize us.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Through you, Mr. President.

So how will that be allocated? Will it be allocated based on the levels locally, since we're talking about going through the local I guess counties? Will it be allocated based on their percentage of error rate? Or how will that be done?

SENATOR PERSAUD: Through you, Mr. President. OTDA will work with the local social service districts to allocate based on the needs of that district.

SENATOR MURRAY: Through you, Mr. President, will the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

And do we think that this is enough to bring the error rate down? Our error rate right now is over 14 percent. The accepted error rate or the federal benchmark is 6 percent. If we're still over I think 13.36, we're going to

hit the maximum penalty.

So is this going to be enough? Will it be enough, and will there be time enough, in your opinion, for us to bring that error rate down and avoid the maximum penalties?

SENATOR PERSAUD: Through you, Mr. President. I think it will, based on the conversations we've had with OTDA. They have started already working with the local social service districts, and we anticipate not having to pay the federal government. So I think that's -- the money that's been allocated is enough.

SENATOR MURRAY: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you.

And do we know what the reason for the high error rate is in the first place? I know there's a difference between error rate and

fraud, and we can agree or disagree on how much fraud there is. But just staying on the error rate issue, is there a reason why ours is so high?

SENATOR PERSAUD: Through you, Mr. President, there are various reasons why.

You're right, it's not -- it does not indicate fraud. It indicates that there were instances where people had to self-certify and they were approved, and then they had to change information. And so those are part of the issues that account for the high error rate.

But it's by no means that someone was committing fraud.

SENATOR MURRAY: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

And if we don't make it, what is the

maximum penalty? What will we -- what will we face?

(Pause.)

SENATOR PERSAUD: So through you, Mr. President, the $70 million is up to what the penalty can be. And we're trying to not have to pay that penalty, so that's why they've started working with the social service districts to help them to correct the issues that they've encountered.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

And will any of that -- now switching to the fraud issue, will any of that 70 million go towards identifying and eliminating fraud?

SENATOR PERSAUD: Through you, Mr. President. If when they're doing the

cleanup, as I would say, if they encounter issues where there is fraud, then yes, they will take care of that.

But I doubt whether there's a high rate of fraud in the system.

SENATOR MURRAY: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you.

And now switching gears over -- I see we're allocating 16.8 million for contractual services under the Employment and Income Support Program to support the issue that we've been discussing over and over again, and that is switching to the chip technology with the EBT cards.

Now, what contractual services are being covered by the 16.8 million?

SENATOR PERSAUD: Through you, Mr. President, that's with the company that OTDA

will be working with to prepare the cards for us.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

Have we identified which vendor we're using to do this?

(Pause.)

SENATOR PERSAUD: I do not -- through you, Mr. President, we do not have that final information, as I had a conversation with OTDA and they will be giving us an update that I will be sharing with all of the members of the Social Services Committee also.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Is this enough? Is this 16.8 million, is this enough to get the job done, basically, to make the switch?

I had heard an estimate higher to 23 million. But would that -- would the 16.8 come from us and then we'd put the rest of it on local? Or how would that work? Is this enough to get the job done, I guess is the question.

SENATOR PERSAUD: Through you, Mr. President. There are some costs that will be turned over to the local, and then we're also looking to get some funding from the federal government.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you.

And I understand -- you mentioned

the federal government. I understand it is a fifty-fifty split. So I would imagine the 16.8 would more than cover that, is that correct?

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

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR PERSAUD: Yes, I do.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

And finally, during the budget hearings the commissioner had given us a time frame of 12 to 18 months. Obviously that was a couple of months ago. This is the allocation for this fiscal year. Do you imagine this is going to roll into next fiscal year, or do you think we can get this done in this fiscal year with this amount?

SENATOR PERSAUD: Through you, Mr. President. The estimated time for the

implementation is 18 months, and so we're on time for that.

SENATOR MURRAY: Okay. Mr. President, thank you, and Senator Persaud.

Mr. President, I'd like to switch now and ask a couple of questions regarding the Workers' Compensation Board.

ACTING PRESIDENT BAILEY: Workers' compensation, Senator Gianaris.

SENATOR GIANARIS: That will be Senator Ramos.

ACTING PRESIDENT BAILEY: Senator Ramos, do you yield?

SENATOR RAMOS: If we absolutely must.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: We absolutely must, Mr. President. So thank you, Senator Ramos.

So I see that we've allocated $7 million for the New York district attorneys for the purpose of establishing a grant program to go after workers' comp fraud, is that correct?

SENATOR RAMOS: That's correct.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RAMOS: I will.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Through you, Mr. President.

And why is that necessary?

SENATOR RAMOS: Well, it's my understanding from Chair Foster of the Workers' Compensation Board herself, as we learned last week during the Labor Committee meeting, that we saw all of 14 cases of fraud over the course of 2025.

So presumably this allocation of funding would go to district attorneys aiding in catching and prosecuting such fraudsters.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RAMOS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

Does this exist right now? Does this program exist right now?

SENATOR RAMOS: No. It's brand spanking new, Mr. President.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RAMOS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

So you said there were 14 cases identified, yet we don't even have a -- we don't even have a program dedicated to it yet. So I would imagine if we put that in place, there's a good chance we're going to find more. Would that make sense?

SENATOR RAMOS: Through you, Mr. President, presumably so.

SENATOR MURRAY: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR RAMOS: Sí.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR MURRAY: Thank you. Through you, Mr. President.

So the Governor actually allocated 17 million to put together this program, but we shorted that by 10. Could you explain why we cut it down to only seven?

SENATOR RAMOS: Well, I cannot speak to how the negotiations exactly went down, Mr. President. But I assume that because of the two aforementioned points -- it is a brand spanking new program, and only 14 cases were seen in the past calendar year.

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

ACTING PRESIDENT BAILEY: Senator

Murray on the bill.

SENATOR MURRAY: Thank you very much. Thank you, Senator Ramos.

So I do find it interesting, we've had conversations all through this long day and night about fraud, and everyone agreeing on both sides that we don't want it, we want to go after it, and yet here we have a case where apparently, according to the Senator, 14 cases were identified without us even having this system in place.

So again, I can imagine once this is in place, especially if it's going through the DA's office, and they obviously do investigations, that we're going to find quite a bit more. And yet this body decided to cut that funding from 17 million down to only 7 million.

I'm just -- I think that's a shame that we're cutting ourselves short here, because that money that we would uncover from cases of fraud, we would get that money back and that's money that we wouldn't be wasting.

As for the library aid and the materials aid there, it's another disappointing year. Year after year after year, the libraries

come and they ask for more. We've been stuck at 6.25 per student for library aid material reimbursements, and we've -- we're stuck for another year.

That is an absolute shame, in a budget of 268 billion, that we cannot find more to allocate more.

And then finally, on the SNAP benefit program, I'm glad that we're allocating this money. I do think we have to go after it. I do hope that we will take a good hard look -- while we're investigating and looking and trying to lower the error rates, I hope we're going to take a real good hard look at the fraud issue as well. Although they are separate, I have no doubt that there is some fraud still going on.

So I hope we will take a good hard look at that, and then I also hope that we get this chip technology done with the EBT cards. Because again, we've mentioned this, these are needy families. They need the food. That money is being stolen off of that card. We've lost $40 million to fraud from people skimming off of these cards, literally taking food off of people's table. That's happened, $40 million,

just since 2022.

So this needs to get done. It needs to get done now. I hope we will be very quick in getting this accomplished.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Senator Walczyk, why do you rise?

SENATOR WALCZYK: Mr. President, I wonder if someone would yield for a question on the Independent Redistricting Commission.

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: I think that's the bill that we haven't taken up yet, Senator Walczyk.

SENATOR WALCZYK: Oh, we're not on Leg and Judi yet.

SENATOR GIANARIS: No.

SENATOR WALCZYK: I apologize.

SENATOR GIANARIS: We'll be back in a moment on that one.

SENATOR WALCZYK: I'll ask that one on the next bill.

Through you, Mr. President, looking for someone to chat about National Guards in

prison.

SENATOR GIANARIS: Senator Salazar will take that on.

ACTING PRESIDENT BAILEY: Senator Salazar, do you yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Through you, Mr. President. Thank you.

So there's $535 million to keep the National Guard staffing our correctional facilities in New York. How long are we -- and that's the same appropriation that we gave last year. How long are we going to be staffing our prisons with National Guard members?

SENATOR SALAZAR: Through you, Mr. President.

While this budget bill does not specify how long we can expect the National Guard to be deployed to support corrections staff in correctional facilities, this is essentially the result of a memorandum of agreement between DOCCS and NYSCOPBA that was signed at the conclusion of, and in order to end, the illegal and

unauthorized strike that happened last year.

And actually in that MOA the National Guard is mentioned as being necessary to support staff as they return to work. Unfortunately, actually after that MOA was signed -- which was conditioned on 85 percent of striking officers returning to work -- 85 percent of officers did not return to work. It was more like 75 percent of them who returned.

However, DOCCS and the state have nonetheless upheld their side of the agreement, and that includes supporting corrections staff with National Guard.

It also says that it would remain under the Governor's discretion, and that they would remain in place for the purpose of preventing corrections employees from being mandated to work 24-hour overtime shifts.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The

sponsor yields.

SENATOR WALCZYK: The National Guard members that are in our correctional facilities now, are they still on state orders where they don't get any retirement credit federally for their service on those orders?

(Pause.)

SENATOR SALAZAR: Through you, Mr. President. I'm not certain about that because it is not addressed in this budget bill.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR WALCZYK: Yeah, this budget bill provides $535 million to keep National Guard members staffing our prisons. Are they on Title 10 or are they on Title 32 orders?

SENATOR SALAZAR: Through you, Mr. President. I'm not certain, as that is not

specified in this bill.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: I know I asked before when we can expect to get out from under this problem. Have we seen an increase in recruitment? Are we now recruiting more corrections officers than we're retiring?

When do we anticipate that this allocation will drop and we'll be actually having corrections officers in the State of New York manning our correctional facilities rather than leaning on our weekend warriors in the National Guard?

SENATOR SALAZAR: Through you, Mr. President. My understanding from conversations with the DOCCS commissioner and testimony in public hearings from DOCCS is that we've seen some results from investment in

efforts to recruit more correction officers.

It is my hope and belief that we will see increased numbers of correction officers joining DOCCS. But I also think that in the meantime, it is essential for the operation of our correctional facilities that the National Guard, who are staffing the facilities and there to support officers, remain there. And that even can, in a way, support recruitment efforts.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Since this is money used to staff our correctional facilities, wouldn't we be better off using a portion of this $535 million to recruit back some of the corrections officers that were let go, fired, terminated -- but are already qualified to do that job -- and invite them back to work for the

State of New York again?

SENATOR SALAZAR: Through you, Mr. President. I heard part of Senator Walczyk's question, but -- I'm sorry, could you just repeat that question?

ACTING PRESIDENT BAILEY: Senator Walczyk, if you don't mind.

SENATOR WALCZYK: Sure.

Wouldn't we be better off if we used some of this $535 million that's going to continue to be a problem and instead recruit it from the force that was terminated, let go, released, but is qualified already as a correctional officer, many of them still living in New York, some still may be interested in working for the Department of Corrections again -- wouldn't we be better off using some of this funding, instead of for the National Guard as a stopgap measure, in recruiting some of those corrections officers back to the state?

SENATOR SALAZAR: Through you, Mr. President, I would not agree with that for a number of reasons.

I do think that there are New Yorkers who would be qualified to serve as

correctional officers who have not violated the law, have not violated the Taylor Law, for example, per the Taylor Law and the Public Officers Law.

I also wouldn't support that statement because as a public servant myself, I should not be complicit in encouraging public-sector workers to strike or endorsing that behavior by suggesting that they should be able to serve as correction officers after walking off the job. Not to mention that many of them decided to resign during the strike or at the end of the strike.

So I think that there are many people who would be qualified to served as correction officers who would be better candidates.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: I disagree on the idea that this was a violation of the Taylor Law.

And my understanding is that if there's a dangerous workplace, that that's not necessarily a violation. But that's probably not for you and I to decide on the floor today. You have your judgment; I'll withhold mine.

How many National Guard members will $535 million pay for to keep in our correctional facilities in New York?

SENATOR SALAZAR: Through you, Mr. President, approximately 3,000 National Guard members.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SALAZAR: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So that number hasn't really dropped too much in the last calendar year. A little bit.

How much do you anticipate it will

be by the next time we're taking up a budget, in 10 months?

SENATOR SALAZAR: Through you, Mr. President, that will depend on the needs of the correctional facilities, which the commissioner of DOCCS is assessing on a regular basis.

SENATOR WALCZYK: Thank you, Mr. President. And if the sponsor would -- actually, I'm looking to someone to talk about the State Liquor Authority and the Office of Cannabis Management.

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Senator Skoufis will be taking those questions, Senator Walczyk.

ACTING PRESIDENT BAILEY: Senator Skoufis, do you yield?

SENATOR SKOUFIS: I do.

ACTING PRESIDENT BAILEY: The Senator yields.

SENATOR WALCZYK: Thank you. Through you, Mr. President.

I see that we're funding the State Liquor Authority at $21.8 million. Do we

have an idea what the annual revenue is for alcohol sales in the State of New York?

SENATOR SKOUFIS: Through you, Mr. President, not offhand. We can try and find that answer for you.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SKOUFIS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: And with the State Liquor Authority at $21.8 million, I see that we're also increasing spending for the Office of Cannabis Management all the way up to $79.8 million.

Do you have any sense of the revenue that cannabis is bringing into the State of New York?

SENATOR SKOUFIS: Through you, Mr. President, I'm told that adult-use recreational cannabis brings in about 100 million.

SENATOR WALCZYK: Through you, Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SKOUFIS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Why does it cost four times more to run the Office of Cannabis Management -- which brings in so much less -- than it does to run the State Liquor Authority?

SENATOR SKOUFIS: Through you, Mr. President, I'm sure some of that is attributable to the fact that adult-use recreational cannabis is still relatively new. We needed to stand up a program. It's been widely reported that there have been very significant issues with the rolling out of licenses and many other challenges at OCM and with the program itself.

And so no doubt the additional expenditure has to do with the newness of the program.

SENATOR WALCZYK: And through you,

Mr. President, would the sponsor continue to yield?

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SKOUFIS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: "New" maybe in the scheme of government, but the Office of Cannabis Management was -- it's been like seven years, hasn't it?

SENATOR SKOUFIS: Through you, Mr. President. If not seven years, somewhere in that ballpark -- six, seven years. Certainly, though, as my colleague is aware, there was a -- six-seven.

(Laughter.)

SENATOR SKOUFIS: As my colleague is aware, it took significant time -- I and I think many here would argue too much time -- for the program to be stood up in such a way that we were actually beginning to effectuate licenses throughout the state and open up the doors of these dispensaries and create the marketplace that now exists.

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

ACTING PRESIDENT BAILEY: Will the sponsor yield?

SENATOR SKOUFIS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Well, the Office of Cannabis Management is running a program that costs four times what it takes to run the State Liquor Authority, and this has been running for seven years. And cannabis produces less than half of what alcohol sales do -- maybe a third -- in the State of New York.

Do we anticipate that after this additional funding this year, they'll be able to normalize or be even smaller, since their revenue is smaller than the State Liquor Authority in the outyears?

SENATOR SKOUFIS: Through you, Mr. President. I don't want to speculate as to what future budgets may produce on this budget line. It's one of many reasons I suppose we should all look forward to next year's budget

negotiations.

SENATOR WALCZYK: Thank you, Mr. President.

SENATOR SKOUFIS: Thank you.

ACTING PRESIDENT BAILEY: Thank you, Senator Walczyk.

Are there any other Senators wishing to be heard?

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

Read the last section.

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

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Senator Murray to explain his vote.

SENATOR MURRAY: Thank you, Mr. President.

I just have to say during that questioning, I'm amazed. So the same group that wants to give a second chance -- so Senator Walczyk asked the question wouldn't it be better to maybe hire back those corrections

officers who are experienced, who are ready, some ready, willing and able to come back to work -- wouldn't it be better to maybe spend that money to bring them back? And the answer was no, because they violated the Taylor Law.

Meanwhile, we passed elder parole, fair and timely parole, Earned Time Act, Second Look Act, Less is More. Today we did a resolution, the Second Chance Month. We want to give killers, rapists, murderers, drug dealers, give them a second chance, give them a shot at getting out early.

But heaven forbid we let corrections officers return to work because -- (gasping) -- they violated the Taylor Law.

I'll be voting no, Mr. President.

ACTING PRESIDENT BAILEY: Senator Murray to be recorded in the negative.

Senator Stec to explain his vote.

SENATOR STEC: Thank you, Mr. President.

Last week I asked questions about corrections on the Public Protection budget bill. There were no substantive changes that I was interested in seeing. Now we've seen all the

bills of the budget, we've seen them all, we're finishing debate right now -- $535 million, we are still in a state of emergency for the last 15 months. We've done nothing in this budget to address corrections. We've done nothing to increase their staffing, we've done nothing to fix HALT, we've done nothing to correct the contraband crisis.

With $535 million you could take half of that -- if you could find people willing to do the job, you could take half that money and hire the corrections officers that we need to replace. But we can't do that because no one wants to take the job because this body in Albany and our partners have made it unsafe to serve.

You're sending all the wrong messages to all the wrong people in those facilities. We still have a crisis. Fifteen months and you've done zero for corrections.

I'll be voting no.

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

Announce the results.

THE SECRETARY: In relation to Calendar 1329, voting in the negative are

Senators Borrello, Canzoneri-Fitzpatrick, Chan, Gallivan, Griffo, Helming, Lanza, Martins, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Rhoads, Stec, Tedisco, Walczyk and Weik.

Ayes, 43. Nays, 19.

ACTING PRESIDENT BAILEY: The bill is passed.

THE SECRETARY: Calendar Number 1330, Assembly Bill Number 10001A, an act making appropriations for the support of government.

ACTING PRESIDENT BAILEY: Senator Walczyk, why do you rise?

SENATOR WALCZYK: Mr. President, I hope someone would yield for a question on the Independent Redistricting Commission funding.

ACTING PRESIDENT BAILEY: Senator Gianaris, do you yield?

SENATOR GIANARIS: That would be me. Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: Through you, Mr. President, what a -- what a treat.

(Laughter.)

SENATOR GIANARIS: It's still

Walczyk Wednesday, so it's your time.

SENATOR WALCZYK: Indeed.

The constitutionally required Independent Redistricting Commission is funded at $1.16 million in this budget. Is the 3 percent increase in operating funding required by the Constitution?

SENATOR GIANARIS: No.

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

ACTING PRESIDENT BAILEY: Does the sponsor yield?

SENATOR GIANARIS: Yes.

ACTING PRESIDENT BAILEY: The sponsor yields.

SENATOR WALCZYK: So that 3 percent increase in funding for the constitutionally required and voter-approved Independent Redistricting Commission, is that just to keep pace with expenses in anticipation of their -- the next time they'll be called to act after the 2030 Census?

SENATOR GIANARIS: Yeah, I think it's to make sure that staff salaries keep up

with inflation and any other necessary expenses that might be incurred.

SENATOR WALCZYK: Thank you.

Thank you, Mr. President.

ACTING PRESIDENT BAILEY: Thank you, Senator Walczyk.

Are there any other Senators wishing to be heard?

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

Read the last section.

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

ACTING PRESIDENT BAILEY: Call the roll.

(The Secretary called the roll.)

ACTING PRESIDENT BAILEY: Announce the results.

THE SECRETARY: In relation to Calendar 1330, voting in the negative are Senators Borrello, Canzoneri-Fitzpatrick, Chan, Gallivan, Griffo, Helming, Lanza, Mattera, Murray, Oberacker, O'Mara, Ortt, Palumbo, Stec, Tedisco, Walczyk and Weik.

Ayes, 45. Nays, 17.

ACTING PRESIDENT BAILEY: The bill is passed.

Senator Gianaris.

SENATOR GIANARIS: Mr. President, while we await the arrival of the leaders for closing remarks, let me point out that the sponsors of the resolutions we took up several hours ago would like to open them for cosponsorship.

ACTING PRESIDENT BAILEY: The resolutions are all open for cosponsorship. Should you choose not to be a cosponsor, please notify the desk.

Senator Gianaris.

SENATOR GIANARIS: Would you recognize Senator Lanza for a motion.

ACTING PRESIDENT BAILEY: Senator Lanza.

SENATOR LANZA: Thank you, Senator Gianaris.

Mr. President, on behalf of Senator Ortt, on page 60 I offer the following amendments to Calendar 1274, Bill Number 9061, 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: Mr. President, we now have reached the moment of the evening when the leaders arrive and give their remarks about the budget.

And so I want to thank my colleagues for sticking with us through this -- oh, hello, Leader.

Please recognize Leader Andrea Stewart-Cousins for --

(Off the record.)

SENATOR GIANARIS: Oh, never mind.

Please recognize Senator Ortt for remarks about the budget.

ACTING PRESIDENT BAILEY: Senator Ortt for remarks on the budget.

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

Here we are, two months late. Not as late as some budgets. 11:20? I can remember many nights that the Majority Leader and I have been speaking at 3 a.m., 4 a.m. And so I guess

in that regard it's a positive.

I first, before I get into my remarks on the document, on the budget, I do want to thank our staff in the Minority who goes through all of these bills, sometimes very late, sometimes, you know, sort of in a time crunch. They not only have to go through the bill and tell us all of the wonderful things that are in there, or wonderful things that are missing, but they also have to answer all the questions that our conference has about the legislation.

And they do so very professionally, and there was no way that our conference could do the job that our constituents elected us to do without the work of our staff. So I certainly want to thank them.

Ben Kosinski, our chief counsel; Chandler, our floor counsel, do a fantastic job, as do many of our subject matter experts.

I of course have to thank Senator Tom O'Mara, our ranker on Finance, always does a fantastic job both through the committee process, the hearings, and then obviously here on the floor. This year you got to do 15 extenders, I think it was, right? So I know you enjoyed all

of those.

I want to give a little shout out to his dance partner, who is missing, Senator Krueger. I wish her well and wish she was here. She's not.

I will relay a little story. I sent an email to Senator Krueger when I learned about her medical issue, and we sent flowers and a card.

And I don't think she would mind -- knowing Senator Krueger, I don't think she would mind me relaying this. She thanked me for the card and the flowers. She was very touched by that show of support and affection for her. And she said to me, you know, she might miss the budget but she said that her colleagues, all of them were ready to debate the budget and she had spoken to Gary Pretlow, Assemblyman Pretlow, and he was willing to come over here and debate the budget if necessary.

(Laughter.)

SENATOR ORTT: To which I said to her, you know, "I certainly appreciate that." I said, "It should not be lost on you, as it's not lost on me, that it will take all of your

colleagues plus Assemblyman Pretlow to replace you on the Senate floor."

So she'll be missed. And I wish her well and I hope to see her back here if not this session, certainly next session.

So Senator Serrano, who I know filled in, and -- I don't know if I would say answered all the questions of Senator O'Mara --

(Laughter.)

SENATOR ORTT: -- but certainly -- certainly spent time talking to Senator O'Mara, I'll say it that way.

(Laughter.)

SENATOR ORTT: And I appreciate that, Senator, because I've got to talk to him too; you know, I know how hard that can be. So I appreciate that.

Senator Gianaris, Senator Lanza, who spends a lot of time out here with our members and tries to manage the floor and tries to do so in a choreographed way that is both befitting our constituents and the people of the state but also gets us through what is a very long and arduous process.

So to Senator Lanza, thank you.

Senator Gianaris, thank you.

Of course Majority Leader Stewart-Cousins, who we'll hear from shortly, thank you.

To my colleagues, thank you for the debate. It's important. You know, it gets testy at times. All the snark aside, and certain things, it's important. And the questions you ask are important. The questions are on behalf of people we represent -- and in some cases people we don't even represent -- but they're questions that need to be asked, because certainly we didn't get a lot of answers through the process, Mr. President. Right?

We didn't have one sub-budget committee between the Assembly and the Senate. I remember thinking many years ago that the budget process here in Albany left a lot to be desired. I didn't think it could get worse, but it would appear that it has at least gotten less transparent and more opaque.

We're two months late. And I just -- I was thinking about where we started with the Governor's State of the Budget, the budget address, comments from all different

leaders and folks.

Certainly in the Majority Conference, and even in our conference, the big buzzword at the start of this was affordability. That was the big issue facing New Yorkers: We have to make people's lives more affordable. And there's a range of topics, right -- there's energy, there's taxes, there's insurance, all kinds of issues that we can tackle to try to make their lives more affordable.

Now, I watched much of the debate. I listened to it. I went through the bills. And I -- I'll be damned in I can find anywhere that this budget makes someone's life in New York State more affordable. I would dare anyone to tell me how tomorrow, when someone wakes up in Niagara County or Suffolk County or the City of New York, how their life is more affordable tomorrow than it was today, or yesterday.

I would even posit that in some ways we've made their life more expensive. We have spent $15 billion more than we did last year. And we'll detail, and we have, on some of the misspending of that 15 billion. We've spent 100 billion, Mr. President. A hundred billion

dollars, since 2019, more. And I just don't know that there's a New Yorker out there today that could honestly say that they're getting a hundred million dollars more from their state government.

In fact, there's a ton of folks who felt they were getting so much less from their state government that they sought residency elsewhere: Florida, Texas, North Carolina, Tennessee. They're going there because those states offer up more affordable options.

I remember a couple of years ago, maybe it was two years ago, the former -- well, I guess he's still the -- is he still -- Delgado, he's still Lieutenant Governor, right? I can't keep track of the lieutenant governors. They come and go.

(Laughter.)

SENATOR ORTT: But he was up there. And he said, We have to work to make the state -- everyone should be able to live out their dreams in New York State. And I concur with that. And I think every single person here truly concurs with that thought process.

But hopes and dreams are not free. They cost money. Whether you want to go to

college, start a business, buy a home. We hear a lot about affordable housing and homeownership. And yet we do things in this chamber that may make the cost of owning a home, of building a home, ever more expensive. We chase that dream away. We make it unreachable.

Two hundred sixty-eight billion dollars. Two months. I don't even know why it took us two months to do this. I got to be honest with my colleagues across the aisle, there were a lot of things in here that I thought it took you two months to get to here? Most of this was reported in the news a month and a half ago. The Governor said we had a deal almost 20 days ago. And yet here we are.

We talk about affordability and we talk about energy. That's the big -- that's the big one, right? The Governor proposed CLCPA changes. She proposed those changes after NYSERDA leaked a memo, or I guess it was emailed to people -- I don't think if that counts as a leak, but it was emailed. It was sent out. And it said the tax and -- the tax and -- or the cap and tax policy would add $4100 to a household's bill for the year. And I think it was 2100 or

2500 for downstate, I think that was Hudson Valley south, and the rest of the state was $4100.

Two-thirds of the Majority signed a letter saying we don't want changes to the CLCPA, in the face of that memo. And yet we passed a budget that did have changes to the CLCPA. Now, the changes I would term as cosmetic. We're kicking the dates out down the road. So we had dates, which our conference said you weren't going to meet, and we were right. You're not going to meet them. That's why you're moving them out.

I suspect the same person or group of people who picked the first set of dates probably picked this set of dates. Which leads me to believe that person is probably just as likely to be wrong again.

On top of that, this conference for years said we need an accounting of the cost of the CLCPA, programs like cap and tax. And we were told, time and again, it's not in place. We can't tell you how much it costs until it's in effect. Kind of like from the same school of thought that you've got to pass the bill to know

what's in the bill.

And then we were told things like, We can't afford not to pass it. We can't afford not to do it. But then finally, in an election year, it turns out we do have an accounting of what it costs, or at least an estimate.

Now, there's people on the Majority side who will say they take issue with that memo. I would tell you I don't believe it either. I bet it's even higher. I bet it's even higher. Because there's never been an accounting by the state government of New York that's ever been right and it's ever been lower than what they said it is.

It's always more. It's always more. We all know that. Who's kidding who? It's more. If they say $4100, that's a lowball estimate.

The vote by my colleagues across the aisle to change the dates is an admission that this conference was right. There's no other way to frame it. I'm sure you'll try, but there's no other way to frame it.

It's an acknowledgment that the CLCPA, as passed in 2019 and as debated by yours truly and former Senator Todd Kaminsky, was too

expensive and we couldn't do it. We didn't have the infrastructure, the capacity, the technology. And if that was not the case, I know my colleagues who believe fervently in the CLCPA, they wouldn't have changed it. They changed it because they know it's too expensive, we can't get there.

Which is exactly everything this conference has said for a long time, for at least the last six, seven years.

But we didn't repeal the CLCPA. We didn't actually change most of the programs. We just moved the dates out. None of that is going to lower anyone's energy bills. If someone's watching this at home -- first of all, God bless you. But if you're watching it tomorrow or you're watching it on the news or you're watching it on social media, what this body did on the CLCPA will not lower your energy bills.

As long as the CLCPA remains in force, in statute, your energy bills will continue to be higher -- in fact, 70 percent higher -- than the national average. And don't forget, the Majority didn't even want to do it.

Medicaid. We heard a lot of talk

about Medicaid this budget. Now, why? Because we've had an explosion of Medicaid. A hundred billion dollars over seven years, 20.7 billion increase in the state share of Medicaid spending in New York. We're spending -- it's almost a -- 122, almost $123 billion on Medicaid, 89 percent increase.

Now, some people will say, Well, it's a good thing. It's for poor people. Sure. If that was all going to poor people, that would be a good thing. But even the best thing has to be managed properly. Even the best thing deserves accountability to the people of New York State.

It's really the same thing as the climate law. Just -- even if you believed it was great and the right thing, you still owe the people of New York the answer of how much it's going to cost them.

You could think Medicaid's the best program in the world. You still have an obligation to make sure it's managed properly, to make sure it's managed efficiently, and to make sure that the dollars are actually going to the people you say are going to get it.

But we know that's not the case. This program is rife with mismanagement, with abuse. It is an unsustainable behemoth in our state budget. And it's already a disaster. The State Comptroller found 1.2 billion in improper payments to people who may or may not even live in the state. Forget whether they're U.S. citizens, they don't live in New York. They're not New York residents.

The auditor said there could be up to 3 million ineligible enrollees. But that doesn't scare some of my colleagues, because they want to use this system to automatically add more names to the voter roles. Of course, what better system to choose.

Those who are -- there was a debate I know between words, and I guess that's normal. We're on the Senate floor, words matter. Whether you want to call them illegal immigrants, which is a legal term, by the way -- I don't know where Senator Rhoads went -- whether you want to call them undocumented citizens or undocumented individuals, whether you want to call them illegal migrants, whatever term you want to use, it's the same thing: Individuals who are in this

country without proper citizenship paperwork who have entered the country illegally. Who are getting the benefits of the most generous government and system in the world.

And we want to enroll all of those folks who are in the state -- again, noncitizens, 65 and older. This bill would automatically register them to vote unless they opt out. Imagine that. That's not a glitch, folks. That is the plan. That is the plan.

This budget doesn't do a lot for a lot of folks. But boy, if you are in this country without citizenship status, this budget is for you. You can't vote for anybody here, or so I'm reminded, but the budget sure bends over backward to take care of these individuals.

Total Medicaid spending, now north of 123 billion. State share is 48.4 in 2026. In 2019 it was 26.2. It was 500 million, Emergency Medicaid for those who are in this country and state without citizenship, 200 million for Medicaid for illegals over 65. That's what passes for affordability.

And then we'll talk about the ICE/immigration part of this budget which we

debated last week. There was a lot that was said, but one thing is definitely true. This budget, which that bill is a part of, absolutely makes clear that the intention of the State of New York and the majority conferences are to deny and prohibit local law enforcement, to include elected sheriffs, elected law enforcement officers, it prohibits them from working or assisting ICE in their mission to detain and deport people in the country illegally.

And anyone that says otherwise is just not being honest. In fact, some of my colleagues I credit; they were honest. They were less obtuse or silver-tongued about it. They were more honest about what the point is. It was said that ICE is a rogue agency.

I would argue that states like New York are rogue states, states that have for decades expanded and enacted sanctuary policies, states that have for decades invited vulnerable people who are not citizens to come here to take advantage of programs like Medicaid. And these folks will never have access to the full American dream because they're a permanent underclass, and we continue to invite them here with these kind

of generous programs.

Immigration is a federal issue. You don't like the issue? Run for the federal government. Run for Congress. Run for U.S. Senate. But to try and enact de facto immigration policy at the state level to handicap local law enforcement from working with our federal immigration officers, making local law enforcement's job more difficult and passing that off as public protection, is a farce.

It is a farce. And I've said this before, Mr. President, it's the issue that I just don't know how we bridge the gap, in this chamber or maybe even across the country.

Because I just don't get it. I just don't understand how we can take active measures to prevent the enforcement of our federal immigration laws and prevent local law enforcement from assisting federal law enforcement, which is something post-9/11, the state where 9/11 occurred -- we say never forget, but we have certainly forgotten a lesson out of 9/11, which is the sharing of information across levels of law enforcement.

Billions of dollars for those here

illegally, without citizenship, undocumented, whatever term fits; $15 billion dollars more in spending. Even the auto insurance -- I mean, lookit, we certainly capped what somebody could get if they were catastrophically injured in a car accident. I don't know much about property and casualty law, but I know that.

Now, if we get lower insurance rates, maybe that's a fair tradeoff. But that's a far -- that's far from known whether we're going to get lower insurance rates. And we're surely not going to get them tomorrow.

So I go back to affordability -- well, first of all, we'll start -- timeliness, the budget fails. Affordability, the budget fails. Energy, we continue the same policy which we've had for years. Which is export jobs and import energy. As long as this state wants to get out of the production of energy, that's where the jobs are. That's where the economic impact of the energy policy should be, putting people to work in New York State in the energy sector.

I don't know how many folks across the way have been to a solar farm. Not a lot of folks work at the solar farm. And those solar

panels very seldom are manufactured in the United States. We export jobs and we import energy. And that has been the policy of Governor Cuomo, and it's the policy with Governor Hochul and certainly this Majority.

The immigration piece, I don't know, there was some back-and-forth on this, but it's essentially what is known as New York for All. And that's not a name I gave it, it's a name that someone on the other side gave it. And I thought to myself, What is that, New York for All? Because this bill doesn't seem -- and this budget seem to be a budget for all. If you're a small business owner struggling to make your energy payments, struggling to keep your employees hired, struggling to make ends meet, struggling to stay in the state, this budget's not for you.

If you're someone at home who's struggling to pay your energy bills, this budget doesn't do anything for you. If you're working two jobs so your kids can go to school and maybe you can make the rent or mortgage, this budget doesn't do anything for you.

This budget doesn't do anything for the people who actually elect us and send us

here. How about a New York for New Yorkers? How about an accounting of how we spend money? Rather than saying I tried my best, I had the best of intentions for your tax dollars. That's not enough, Mr. President. It's not enough to try. This isn't the third grade. You've got to do a little better than that.

We continue to spend money -- and I've said this before. I know my colleagues on the other side, they really -- many of them believe that spending more money will make this state more affordable. Spending more money means you care. Yet millions of your constituents, of our constituents don't believe you, because they fled to other states. Other states that spend less, they have sought refuge in. Their children have sought refuge in. Their employer has sought refuge in.

Those are sanctuary states for New Yorkers: Florida, Texas, North Carolina. We're a sanctuary state for others, for people like Jose Ibarra, for people like the person who pushed the 83-year-old veteran in front of a train in the New York City subway system. That's who we would rather protect. And this budget

does nothing to change that.

It doesn't meet any of the goals of this conference, and I don't think it meets any of the goals stated by the Majority. And yet two months later, we have it. It's done.

Now, normally we would be I guess stopping, we would break for two weeks, go home for Easter and then come back and gear up for the final push. But the final push begins tomorrow. We have a lot of work in front of us, and no doubt some real bad bills coming our way. Which I guess -- I guess is -- this is just the warm-up act, Mr. President, this budget.

But I will tell you: Affordability, no, this budget doesn't do it. Fixing the energy policy of this state? No. Continuing to expand sanctuary policy and protect those in this state and this country illegally, handicapping law enforcement, making things more expensive, increasing taxes, bailing out a socialist mayor in New York City, bailing out multiple cities across this state, all run by a certain party, with no strings attached? That's what passes for an affordable budget to help New Yorkers at a critical time. At least that's what passes for

the Majority and the Governor.

And that's why no doubt this budget I think will act as a conversation point from this point all the way through the November elections and probably beyond, because we'll be living with the impacts of this budget for many months and many years to come.

So, Mr. President, I was proud to vote no on all but I think one of the budget bills. I was proud of our conference that acquitted our values, our objectives, their constituencies. And I suspect this is not at last time you're going to hear a lot of these issues.

Again, I thank my colleagues across the aisle for the effort, but this budget falls woefully short, Mr. President. And I don't know who the winner was in the budget negotiations, but I know who the loser was, and it was the people of this state.

Thank you.

(Applause from Republican members.)

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Mr. President,

please recognize Majority Leader Andrea Stewart-Cousins.

ACTING PRESIDENT BAILEY: Majority Leader Andrea Stewart-Cousins, to close.

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

And I -- I -- there was so much there to unpack, but I'm not going to try and unpack it all tonight because, as you said, it's late and we have a whole week where we can, you know, continue this conversation, and continue to deliver for the people of New York State.

But let me start with the gratitude that I also feel.

And I will start with Deputy Leader Mike Gianaris. This is your last budget.

(Standing ovation.)

SENATOR STEWART-COUSINS: Again, we're going to do this all over again next week as well. So that's why I'm not going to keep you here long.

That's why I promise I'm not going to try and outdo you, Mr. Minority Leader. We're going to let you have the longest oration this evening.

(Laughter.)

SENATOR STEWART-COUSINS: You win.

(Laughter.)

SENATOR STEWART-COUSINS: But I do want to thank Senator Serrano for, you know, stepping up and stepping in as well.

(Applause.)

SENATOR STEWART-COUSINS: And of course we talked about Senator Krueger who, believe me, is doing quite well. She has to, because of the event, has to really stay close to home, but she is definitely tuned in and has been a guiding force throughout. So yes, her presence is -- was ever-felt.

But, you know, you will see her, God willing, back here in this chamber next year.

And again, thank you, Senator O'Mara, for your work as well.

Senator Lanza, thanks for being a partner for Senator Gianaris, keeping, you know, the movement that needs to happen.

And again, Senator Ortt, I've already mentioned you more than -- once, twice, now three times. Thank you. We said we were going to try and do this by midnight, and you

took all my time.

(Laughter.)

SENATOR STEWART-COUSINS: So --

SENATOR ORTT: (Inaudible.)

SENATOR STEWART-COUSINS: -- you know, it was -- I can see that. You know -- you know, I like to try to keep my promises, so I'm going to try and get us out of here by midnight so that you all can enjoy the rest of the evening. But --

(Laughter.)

SENATOR STEWART-COUSINS: You know what I'm saying really, right?

(Laughter.)

SENATOR STEWART-COUSINS: Alejandra says that she's waiting for people.

(Laughter.)

SENATOR STEWART-COUSINS: So again, I want to --

UNIDENTIFIED MALE SENATOR: We want to get paid! We want to get paid!

SENATOR STEWART-COUSINS: I'm glad you said that. We are humble public servants and --

(Laughter.)

SENATOR STEWART-COUSINS: -- we -- you know, that's part of it, but -- yeah, but we are certainly privileged to be able to serve the people of New York.

And again, to that end, I want to thank staff again, you know, both sides of the aisle. You work hard and relentlessly.

And certainly I want to thank, you know, my senior staff: Jonathan Lang, who's the secretary of the Majority Counsel Program; Dorothy Powell, counsel; Chris Friend, our finance secretary; Mr. Mike Murphy, my communications director; Leah Goldman, director of intergovernmental and external affairs.

I want to thank the Secretary of the Senate, Alejandra Paulino, and her team.

And of course, from my own staff, led by Jonathan Alvarenga, to keep us going.

I want to thank my partners in government, Governor Hochul, Speaker Heastie. We've spent a lot of time together over these past weeks and months, all because we wanted to make progress in the mission of working for the people of New York -- and, yes, affordability.

I also again want to thank everyone

in the chamber, certainly, for the decorum and the debate. But I especially want to thank my conference, the Majority Conference, for your incredible and relentless work, day in and day out. No matter what time, no matter what was needed, you stepped up, as you always do. So I really, really thank every single one of you.

Every budget has unique challenges. And when those challenges involve major policy decisions, it's our responsibility to be both thorough and thoughtful. Throughout the budget process, I returned again and again to the data and to ensuring that the policy in this budget truly addresses, yes, the affordability crisis and eases burdens for New Yorkers.

The budget process has unfolded against a backdrop of national economic uncertainty, the far-reaching consequences of a reckless war. Families are feeling it at the gas pump and the grocery store, and we know our gas prices are exceeding $4 a gallon, no end in sight. And people are feeling it in their daily lives as many of the federal actions threaten essential services. That's the backdrop.

In the face of these challenges, the

budget builds on our legislative work to lower costs for New Yorkers, strengthen programs that families rely on, invest in the long-term future of our state. We're expanding childcare, supporting our healthcare systems, safety net hospitals. We're delivering direct utility relief to working families. We're fully funding the thing that you voted for, every level of public education. We're advancing clean energy initiatives, creating more affordable housing opportunities and, yes, jobs across New York.

With several years of the Democratic conference fighting for progressive taxation and asking the wealthiest individuals to pay their fair share, we secured a budget that delivers on the promise, offers critical support, yes, to New York City, the economic engine of our state, while at the same time making historic investments in local governments, infrastructure, public safety, all while continuing to support our veterans, first responders, public-sector unions, New York's agriculture industry.

And yes, when I stood in the chamber at the beginning of the year I made it clear that we would stand up at this moment on immigration.

And this is what we did in this budget. We are standing up to ICE and acknowledging the harm and the fear that has been sown in our communities.

This budget continues to meet the challenges facing our state head-on. We believe that the government should make life more affordable, not harder, for working families. We believe in protecting essential services, investing in our community and its people, and ensuring that everyone in the state has the opportunity to succeed.

New York is standing firm in our values. We are lowering costs. We are investing in people. We are continuing to move our state forward. It is midnight. Do enjoy the rest of the evening.

(Laughter.)

SENATOR STEWART-COUSINS: And again, this will be continued. We do have a hard, long week ahead of great bills, Senator Ortt, that you will have --

(Laughter; applause.)

SENATOR STEWART-COUSINS: -- an opportunity to opine on.

Thank you very much.

(Standing ovation.)

ACTING PRESIDENT BAILEY: Senator Gianaris.

SENATOR GIANARIS: Mr. President, let me just remind my colleagues, we're going to be getting early starts for the remaining session days, to get through all our work. You don't want to miss tomorrow; one of the great bills is of course Senator Walczyk increasing taxes on his residents in Herkimer County.

(Laughter.)

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 tomorrow, Thursday, May 28th, at 11:30 a.m.

ACTING PRESIDENT BAILEY: On motion, the Senate stands adjourned until Thursday, May 28th, at 11:30 a.m.

(Whereupon, at 12:00 a.m., the Senate adjourned.)