

**TRANSPORTATION,  
ECONOMIC DEVELOPMENT  
& ENVIRONMENTAL  
CONSERVATION**

**Summary of Recommended Appropriations  
By Agency**

# ADIRONDACK PARK AGENCY

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
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<b>STATE OPERATIONS</b>				
General Fund	4,318,000	4,318,000	4,318,000	0
Special Revenue-Federal	0	200,000	200,000	0
<b>Total for STATE OPERATIONS</b>	<b>4,318,000</b>	<b>4,518,000</b>	<b>4,518,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	50,000	50,000	50,000	0
<b>Total for AID TO LOCALITIES</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>

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## Executive Year-to-Year Change

The Executive proposes All Funds appropriations of \$4,568,000 for State Fiscal Year (SFY) 2005-06, representing a \$200,000 or 4.6 percent increase from SFY 2004-05.

## Legislative Changes

The Assembly makes no changes to the Executive's budget.

# DEPARTMENT OF AGRICULTURE AND MARKETS

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	27,608,000	26,394,000	27,794,000	1,400,000
Special Revenue-Other	37,383,000	38,429,000	38,429,000	0
Special Revenue-Federal	24,994,000	27,194,000	27,194,000	0
Fiduciary	1,714,600	1,693,000	1,693,000	0
Enterprise	20,137,100	20,343,000	20,343,000	0
<b>Total for STATE OPERATIONS</b>	<b>111,836,700</b>	<b>114,053,000</b>	<b>115,453,000</b>	<b>1,400,000</b>
<b>AID TO LOCALITIES</b>				
General Fund	12,162,000	9,809,000	12,331,000	2,522,000
Special Revenue-Other	0	3,500,000	3,500,000	0
Special Revenue-Federal	20,000,000	20,000,000	20,000,000	0
<b>Total for AID TO LOCALITIES</b>	<b>32,162,000</b>	<b>33,309,000</b>	<b>35,831,000</b>	<b>2,522,000</b>
<b>CAPITAL PROJECTS</b>				
Misc. Capital Projects	2,000,000	2,000,000	2,000,000	0
Capital Projects Fund	1,000,000	1,000,000	1,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06 the Executive proposes All Funds appropriations totaling \$150,362,000. This represents an increase of \$3,363,300 or 2.3 percent from SFY 2004-05 levels.

## Legislative Proposals

The Assembly rejects the Executive's proposal to provide funding for the Geneva Experiment Station and the Cornell Integrated Pest Management Program through the Environmental Protection Fund (EPF) within the Department of Environmental Conservation's budget and restores funding for these programs within the Department of Agriculture and Markets budget.

The Assembly provides additional funding for the Migrant Child Care program, the Cattle Health Assurance Program, the Cornell Quality Milk Promotion program and funding for the Association of Agricultural Teachers.

ADDITIONAL SERVICES AND EXPENSES RELATED TO FOOD INSPECTORS	\$1,100,000	ST/GEN
CORNELL UNIVERSITY INTEGRATED PEST MANAGEMENT	\$748,000	ATL/GEN
MIGRANT CHILD CARE	\$606,000	ATL/GEN
NEW YORK STATE APPLE GROWERS ASSOCIATION	\$500,000	ATL/GEN
CORNELL GENEVA EXPERIMENT STATION	\$333,000	ATL/GEN
ADDITIONAL FUNDS RELATED TO THE PET DEALER INSPECTION PROGRAM	\$300,000	ST/GEN
CORNELL QUALITY MILK PROMOTION	\$148,000	ATL/GEN
CORNELL- CATTLE HEALTH ASSURANCE PROGRAM	\$147,000	ATL/GEN
AGRICULTURAL TEACHERS EDUCATION PROGRAM	\$40,000	ATL/GEN

## **Article VII**

The Assembly rejects the Executive's proposal to eliminate the annual inspection requirement for pet dealers, and restores funding for the six positions eliminated by this proposal.

The Assembly rejects the Executive's proposal to replace the annual food inspection requirement for certain food establishments with a "risk-based" approach at a frequency determined by the Department and to add a new Article 20-B to the Agriculture and Markets Law. The Assembly also restores funding for the 21 positions eliminated by this proposal.

The Assembly accepts the Executive's proposal to increase penalties for certain violations of the Agriculture and Markets Law and failure to comply with Department orders.

# BANKING DEPARTMENT

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	81,940,000	83,452,000	83,452,000	0
Total for Agency	81,940,000	83,452,000	83,452,000	0
Total Contingency	2,700,000	14,000,000	14,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>84,640,000</b>	<b>97,452,000</b>	<b>97,452,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	0	0	250,000	250,000
<b>Total for AID TO LOCALITIES</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>250,000</b>

## Executive Year-to-Year Change

The Executive proposes All Funds appropriations totaling \$97,452,000, an increase of \$12,812,000 or 15.1 percent over State Fiscal Year (SFY) 2004-05.

## Legislative Proposals

The Assembly plan would supply \$250,000 for banking initiatives that would provide grants to entities for the delivery of financial literacy programs and/or promote the increased participation of under represented groups in careers in the financial services industries.

BANKING INITIATIVES FINANCIAL LITERACY & EQUAL ACCESS

\$250,000

ATL/GEN

# DEPARTMENT OF ECONOMIC DEVELOPMENT

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	29,416,000	29,487,000	29,487,000	0
Special Revenue-Other	5,438,900	5,414,900	5,414,900	0
Special Revenue-Federal	1,000,000	1,000,000	1,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>35,854,900</b>	<b>35,901,900</b>	<b>35,901,900</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	8,077,000	5,777,000	5,777,000	0
<b>Total for AID TO LOCALITIES</b>	<b>8,077,000</b>	<b>5,777,000</b>	<b>5,777,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive proposes an All Funds appropriation of \$41,678,000; this reflects a decrease of \$2,253,000 or -5.1 percent from SFY 2004-05 levels. This results in General Fund appropriations totaling \$35,264,000, a decrease of \$2,229,000 or -5.9 percent from SFY 2004-05 levels. The Executive also recommends Special Revenue-Other totaling \$5,414,900, a decrease of \$24,000 or -0.4 percent from SFY 2004-05 levels.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# NYS ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	14,656,000	14,656,000	14,656,000	0
<b>Total for STATE OPERATIONS</b>	<b>14,656,000</b>	<b>14,656,000</b>	<b>14,656,000</b>	<b>0</b>
<b>CAPITAL PROJECTS</b>				
Clean Water-Clean Air Implementation Fund	117,000	0	0	0
Capital Projects Fund - Authority Bonds	11,350,000	11,350,000	11,350,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>11,467,000</b>	<b>11,350,000</b>	<b>11,350,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive recommends an All Funds appropriation of \$26,006,000 for State Fiscal Year (SFY) 2005-06, which is a \$117,000 reduction from SFY 2004-05 levels.

## Legislative Proposals

The Assembly proposal requires that monies received through the Systems Benefits Charge (SBC) be subject to annual appropriation in the State budget. This would allow for greater public scrutiny and increased accountability over the use of these funds.

## Article VII

The Assembly accepts the Executive's proposal to provide continued authorization for NYSERDA to finance certain activities through assessments on utilities.

The Assembly accepts the Executive's proposal to authorize NYSERDA to make payments to the General Fund and the Environmental Conservation Special Revenue Fund.

# DEPARTMENT OF ENVIRONMENTAL CONSERVATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	108,589,900	97,567,000	98,067,000	500,000
Special Revenue-Other	241,205,100	242,488,000	242,488,000	0
Special Revenue-Federal	84,692,000	85,211,000	85,211,000	0
Internal Service Fund	45,000	45,000	45,000	0
<b>Total for STATE OPERATIONS</b>	<b>434,532,000</b>	<b>425,311,000</b>	<b>425,811,000</b>	<b>500,000</b>
<b>AID TO LOCALITIES</b>				
General Fund	1,620,800	2,499,300	2,499,300	0
<b>Total for AID TO LOCALITIES</b>	<b>1,620,800</b>	<b>2,499,300</b>	<b>2,499,300</b>	<b>0</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	34,485,000	30,569,000	32,169,000	1,600,000
Capital Projects Fund - Advances	30,000,000	150,000	150,000	0
Federal Capital Projects Fund	156,364,000	148,880,000	148,880,000	0
Clean Water-Clean Air Implementation Fund	2,527,000	1,050,000	1,050,000	0
Environmental Protection Fund	125,000,000	150,000,000	150,000,000	0
Hazardous Waste Remedial Fund	136,233,000	135,000,000	135,000,000	0
Capital Projects Fund - EQBA (Bondable)	0	327,000	0	(327,000)
Capital Projects Fund - PWBA (Bondable)	0	14,467,000	0	(14,467,000)
Capital Projects Fund - Authority Bonds	49,622,000	50,602,000	50,602,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>534,231,000</b>	<b>531,045,000</b>	<b>517,851,000</b>	<b>(13,194,000)</b>

## Executive Year-to-Year Change

The Executive proposes an All Funds appropriation of \$958,855,300, a decrease of \$11,528,500, or 1.2 percent from State Fiscal Year 2004-05.

## Legislative Changes

The Assembly denies the Executive proposal to repeal reappropriations for waste-water treatment projects in New York City and redirect the funds for certain water quality projects throughout the State.

WATER QUALITY IMPROVEMENTS - PWBA  
WATER RESOURCES PURPOSE - EQBA

-\$14,467,000      CAPITAL  
-\$327,000      CAPITAL



## Legislative Proposals

### Environmental Protection Fund (EPF)

The Assembly amends the Executive's appropriation of \$150,000,000 for the EPF, which is \$25,000,000 higher than the State Fiscal Year (SFY) 2004-05 level of \$125,000,000.

The Assembly accepts the Executive's proposal to fund Zoos, Botanical Gardens and Aquaria (ZBGA) within the EPF, but removes the remaining General Fund offloads. Funding for ZBGA within the EPF is contingent upon making the \$25,000,000 increase in the EPF funded through a permanent additional dedication of Real Estate Transfer Tax (RETT) revenues to the EPF beginning in SFY 2006-07.

The Assembly proposal requires a detailed EPF allocation schedule in the appropriation bill, as has been the practice in every enacted budget. The Assembly allocates the \$150,000,000 for the EPF as follows:

#### Solid Waste Account

- \$7,800,000 for municipal recycling projects;
- \$8,000,000 for secondary markets projects;
- \$1,300,000 for natural resource damages associated with the Hudson River;
- \$2,375,000 for the pesticides program; and
- \$3,000,000 for landfill closures.

#### Parks, Recreation and Historic Preservation Account

- \$17,500,000 for local waterfront revitalization projects;
- \$17,500,000 for municipal parks, recreation and historic preservation projects;
- \$ 5,000,000 for the Hudson River Park Trust; and
- \$ 4,952,000 for Zoos, Botanical Gardens and Aquaria.

#### Open Space Account

- \$42,000,000 for land acquisition;
- \$17,500,000 for agricultural and farmland protection;
- \$ 5,000,000 for management of the Hudson River estuary;
- \$ 1,000,000 for biodiversity stewardship and research;
- \$10,850,000 for non-point source pollution abatement and control projects;
- \$ 1,860,000 for Soil and Water Conservation Districts;
- \$ 1,500,000 for Finger Lakes – Lake Ontario Watershed Protection Alliance;
- \$ 900,000 for the Albany Pine Bush Preserve Commission;
- \$ 1,363,000 for the Long Island Pine Barrens Planning Commission; and
- \$ 600,000 for the Long Island South Shore Estuary Reserve.

Within the Parks, Recreation and Historic Preservation Account, the Assembly requires that 25 percent of the funds for municipal parks and local waterfront revitalization projects be dedicated for projects located in urban underserved communities.

**Other Environmental Initiatives**

The Assembly provides \$500,000 in the General Fund for an Environmental Justice program to be funded within the Department’s budget.

The Assembly also provides \$1,600,000 in the General Fund for a waterfront access improvement project at Jamaica Bay.

JAMAICA BAY - WATERFRONT PROJECT	\$1,600,000	CAPITAL
ENVIRONMENTAL JUSTICE PROGRAM	\$500,000	ST/GEN

**Article VII**

The Assembly amends the Executive’s proposal to increase the transfer of \$25,000,000 in additional Real Estate Transfer Tax (RETT) funds to the EPF by removing the discretion given to the Director of the Budget beginning in SFY 2006-07.

The Assembly rejects the Governor’s proposal to add new permanent categories and new purposes to the Environmental Protection Fund (EPF) statute.

The Assembly amends the Governor’s proposal to expand the Department of Environmental Conservation’s regulatory authority over freshwater wetlands that are less than 12.4 acres and related provisions, in order to strengthen and enhance the program.

The Assembly accepts the Executive’s proposed All-Terrain Vehicle (ATV) registration fee increase, but amends the Executive’s proposal relating to the creation of an ATV trail development and maintenance program to include additional protections for Forest Preserve lands and other environmentally sensitive areas.

The Assembly amends the Governor’s proposal to increase the Title V operating permit fees to eliminate additional burdens on small businesses.

The Assembly accepts the Governor’s proposal to extend pesticide product registration fees.

# ENVIRONMENTAL FACILITIES CORPORATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	10,279,500	11,570,500	11,570,500	0
<b>Total for STATE OPERATIONS</b>	<b>10,279,500</b>	<b>11,570,500</b>	<b>11,570,500</b>	<b>0</b>
<b>CAPITAL PROJECTS</b>				
Capital	0	6,250,000	0	(6,250,000)
Clean Water-Clean Air Implementation Fund	292,000	292,000	292,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>292,000</b>	<b>6,542,000</b>	<b>292,000</b>	<b>(6,250,000)</b>

## Executive Year-to-Year Change

In State Fiscal Year 2005-06, the Executive recommends All Funds appropriations of \$18,112,500 reflecting a net increase of \$ 7,541,000 from SFY 2004-05.

## Legislative Changes

The Assembly rejects the Executive's proposed funding for the Pipeline for Jobs program.

PIPELINE FOR JOBS (CCP)

-\$6,250,000

CAPITAL

# DIVISION OF HOUSING AND COMMUNITY RENEWAL

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	28,801,000	29,671,000	29,671,000	0
Special Revenue-Other	51,640,000	54,914,000	54,914,000	0
Special Revenue-Federal	8,912,000	8,995,000	8,995,000	0
<b>Total for STATE OPERATIONS</b>	<b>89,353,000</b>	<b>93,580,000</b>	<b>93,580,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	45,204,000	43,644,000	48,610,500	4,966,500
Special Revenue-Other	10,000,000	10,000,000	10,000,000	0
Special Revenue-Federal	92,450,000	92,450,000	92,450,000	0
<b>Total for AID TO LOCALITIES</b>	<b>147,654,000</b>	<b>146,094,000</b>	<b>151,060,500</b>	<b>4,966,500</b>
<b>CAPITAL PROJECTS</b>				
Capital	0	0	25,000,000	25,000,000
Housing Program Fund	74,200,000	74,200,000	74,200,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>74,200,000</b>	<b>74,200,000</b>	<b>99,200,000</b>	<b>25,000,000</b>

## Executive Year-to-Year Change

The Executive recommends a State Fiscal Year (SFY) 2005-06 All Funds appropriation of \$313,874,000, an increase of \$2,667,000 or 0.9 percent over SFY 2004-05.

## Legislative Proposals

The Assembly proposes increasing operating aid for the Neighborhood Preservation Program to support Neighborhood Preservation Corporations (NPCs) by \$4,966,500. The additional operating assistance would be provided to all eligible NPCs in a single appropriation also including their base contract amount. Each NPC would have flexibility in determining best use of the funds.

The Assembly plan provides \$25,000,000 for Housing Capital Projects.

The Assembly plan extends Article 7-C of the Multiple Dwelling Law, relating to the legalization of interim multiple dwellings, until May 31, 2010, and amends that article to provide that landlords may not, on the grounds of owner use and occupancy, evict tenants of interim multiple dwellings that have become rent-stabilized who have resided in their units for twenty or more years. The Assembly plan further expands the coverage of this article to include loft units not currently covered that were occupied for residential purposes for a period of twelve consecutive months during the period from January 1, 2000, to December 31, 2004.

CAPITAL PROJECTS  
NEIGHBORHOOD PRESERVATION PROGRAM

\$25,000,000      CAPITAL  
\$4,966,500        ATU/GEN

# HUDSON RIVER PARK TRUST

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	0	5,000,000	5,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>0</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>0</b>

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## Executive Year-to-Year Change

In State Fiscal Year 2005-06, the Executive recommends continued, overall funding for the Hudson River Park Trust at \$10,000,000. Under the Executive's proposal, the Department of Environmental Conservation would provide \$5,000,000 through the Environmental Protection Fund for capital projects undertaken by the Trust. Under a separate Capital Advance appropriation, the State would provide the Trust with \$5,000,000 to be repaid to the State by New York City.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# INSURANCE DEPARTMENT

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	165,266,500	179,819,000	200,219,000	20,400,000
<b>Total for STATE OPERATIONS</b>	<b>165,266,500</b>	<b>179,819,000</b>	<b>200,219,000</b>	<b>20,400,000</b>

## Executive Year-to-Year Change

The Executive proposes All Funds appropriations totaling \$179,819,000 for State Fiscal Year (SFY) 2005-06, an increase of \$14,552,500 or 8.8 percent from SFY 2004-05.

## Legislative Changes

The Assembly supports a suballocation of \$500,000 to the Managed Care Consumer Assistance Program (MCCAP). The MCCAP provides grants to community based organizations to assist and counsel managed care consumers.

The Assembly plan rejects the Executive's proposal of a \$16,900,000 suballocation to the Department of Health for the implementation of a forge-proof pharmaceutical prescription program. The Assembly plan also rejects the Executive's proposal of a \$4,000,000 suballocation to the Division of Criminal Justice for services and expenses associated with the Traffic and Criminal Software Program (TRACS).

SUB ALLOCATION TO DOH FOR MCCAP	-\$500,000	ST/SRO
REJECT SUBALLOCATION TO THE DCJS.	\$4,000,000	ST/SRO
REJECT SUBALLOCATION TO THE DEPARTMENT OF HEALTH	\$16,900,000	ST/SRO

## Article VII

The Assembly accepts the Executive's proposal to increase the current "Service of Process" fee from \$20 to \$40. The fee is paid by regulated insurance companies.

The Assembly accepts the Executive's proposal to increase the late filing fees from \$5 to \$10, agents and brokers license fees from \$20 to \$40 and the non-resident reinsurance intermediary licenses fee from \$100 to \$500 annually.

# DIVISION OF THE LOTTERY

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	124,400,800	124,235,000	121,700,000	(2,535,000)
<b>Total for STATE OPERATIONS</b>	<b>124,400,800</b>	<b>124,235,000</b>	<b>121,700,000</b>	<b>(2,535,000)</b>

## Executive Year-to-Year Change

The Executive recommends an All Funds appropriation of \$124,235,000, a decrease of \$165,800 or 0.13 percent for SFY 2005-06.

## Legislative Changes

The Division of the Lottery requested overall funding of \$121,700,000 in their SFY 2005-06 Budget Request, but the Executive chose to appropriate \$124,235,000. The Assembly plan adjusts the appropriation to the level that was originally requested by the Agency.

ADJUST APPROPRIATION TO MATCH AGENCY REQUEST

-\$2,535,000      ST/SRO

# STATE OF NEW YORK MORTGAGE AGENCY

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	76,800,000	76,800,000	76,800,000	0
<b>Total for STATE OPERATIONS</b>	<b>76,800,000</b>	<b>76,800,000</b>	<b>76,800,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	212,694,000	289,229,000	289,229,000	0
<b>Total for AID TO LOCALITIES</b>	<b>212,694,000</b>	<b>289,229,000</b>	<b>289,229,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive proposes All Funds appropriations totaling \$366,029,000 for State Fiscal Year (SFY) 2005-06, an increase of \$76,535,000.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.



# DEPARTMENT OF MOTOR VEHICLES

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	4,712,300	0	0	0
Special Revenue-Other	72,180,500	78,025,000	78,025,000	0
Special Revenue-Federal	13,038,000	14,000,000	14,000,000	0
Internal Service Fund	5,000,000	8,500,000	8,500,000	0
<b>Total for STATE OPERATIONS</b>	<b>94,930,800</b>	<b>100,525,000</b>	<b>100,525,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
Special Revenue-Federal	13,400,000	14,000,000	14,000,000	0
<b>Total for AID TO LOCALITIES</b>	<b>13,400,000</b>	<b>14,000,000</b>	<b>14,000,000</b>	<b>0</b>
<b>CAPITAL PROJECTS</b>				
Dedicated Highway and Bridge Trust Fund	143,429,000	189,451,000	183,776,000	(5,675,000)
<b>Total for CAPITAL PROJECTS</b>	<b>143,429,000</b>	<b>189,451,000</b>	<b>183,776,000</b>	<b>(5,675,000)</b>

## Executive Year-to-Year Change

The Executive proposes All Funds appropriations totaling \$303,976,000, an increase of \$52,216,200, or 20.7 percent, over the State Fiscal Year (SFY) 2004-05 funding level.

## Legislative Changes

The Assembly reduces the Capital Projects Transportation Support appropriation to \$183,776,000, a reduction of \$5,675,000, or 3 percent over the SFY 2004-05 funding level. The decrease represents a 10 percent reduction for non-personal service funding for the Department of Motor Vehicles.

The Assembly rejects the Executive's proposal to waive registration fees for alternative-fuel, hybrid and electric vehicles.

The Assembly also rejects the Executive's proposal to expand the Insurance Civil Penalty program from 90 to 180 days and assess a \$12 per day penalty.

NON-PERSONAL SERVICE REDUCTION	-\$5,675,000	CAPITAL
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## Legislative Proposals

The Executive's proposal would expand the Insurance Civil Penalty program, under which owners of registered but uninsured vehicles can pay a penalty to avoid suspension of their registration, from 90 to 180 days and impose a \$12 per day penalty for the extended period. Rather than allow drivers to operate uninsured vehicles for a period of up to six months, the Assembly proposes to maintain the current 90 day limit and modify the current penalty structure for insurance lapses from 31 to 90 days. The Assembly proposes to increase the civil penalty from \$8 per day to

\$10 per day for lapses from 31 to 60 days. For lapses from 61 to 90 days, the fee would increase from \$8 per day to \$12 per day.

## **Article VII**

The Assembly modifies the Executive's proposal to make permanent the mandatory driver's license suspension for certain drug related offenses and the law requiring the suspension of drivers' licenses at arraignment for certain driving while intoxicated (DWI) offenses.

The Assembly modifies the Executive's proposal to make various changes to the Vehicle and Traffic Law in relation to commercial drivers' licenses (CDLs) to conform to the federal requirements of the Motor Carrier Safety Improvement Act of 1999 (MCSIA) and the Commercial Motor Vehicle Safety Act of 1986, to avoid the loss of \$17.5 million in federal highway aid in SFY 2005-06 and the potential loss of the State's certification to issue CDLs.

The Assembly accepts the Executive's proposal to conform New York's current open container laws to federal requirements to include penalties for resealed bottles of wine, to avoid the loss of \$21 million per year in federal highway aid.

The Assembly modifies the Executive's proposal relating to various motor vehicle fees, surcharges and related programmatic proposals, in a manner which does not negatively impact on the Executive's estimated revenue.

# OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	7,350,000	7,350,000	7,100,000	(250,000)
Special Revenue-Other	400,000	400,000	400,000	0
<b>Total for STATE OPERATIONS</b>	<b>7,750,000</b>	<b>7,750,000</b>	<b>7,500,000</b>	<b>(250,000)</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005–06, the Executive recommends an All Funds appropriation of \$7,750,000, reflecting no change from SFY 2004-05. The Executive recommends a General Fund appropriation of \$7,350,000, and Special Revenue-Other fund appropriations of \$200,000 each from the Lake Placid Training Center Account and Winter Sports Education Trust Fund, reflecting no changes from SFY 2004-05.

## Legislative Changes

The Assembly provides a General Fund State Operations appropriation of \$7,100,000 for the Authority, reflecting a \$250,000 decrease from last year's levels.

ORDA MAINTENANCE UNDISTRIBUTED

-\$250,000

ST/GEN

# OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	97,391,100	103,870,100	103,870,100	0
Special Revenue-Other	65,745,900	67,228,900	67,228,900	0
Special Revenue-Federal	3,778,000	4,700,900	4,700,900	0
Enterprise	2,500,000	2,500,000	2,500,000	0
<b>Total for STATE OPERATIONS</b>	<b>169,415,000</b>	<b>178,299,900</b>	<b>178,299,900</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	7,752,000	3,500,000	3,500,000	0
Special Revenue-Other	5,750,000	5,750,000	5,750,000	0
Special Revenue-Federal	6,640,000	6,620,000	6,620,000	0
<b>Total for AID TO LOCALITIES</b>	<b>20,142,000</b>	<b>15,870,000</b>	<b>15,870,000</b>	<b>0</b>
<b>CAPITAL PROJECTS</b>				
Misc. Capital Projects	1,250,000	1,750,000	1,750,000	0
Fiduciary	5,000,000	25,000,000	25,000,000	0
State Parks Infrastructure Fund	29,394,000	38,700,000	38,700,000	0
Federal Capital Projects Fund	4,000,000	4,000,000	4,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>39,644,000</b>	<b>69,450,000</b>	<b>69,450,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive proposes All Funds appropriations of \$263,619,900, reflecting an increase of \$34,418,900, or 15 percent above State Fiscal Year (SFY) 2004-05.

## Legislative Proposals

The Assembly accepts the Executive's proposal to provide funding for Zoos, Botanical Gardens and Aquaria (ZBGA) within the Environmental Protection Fund (EPF), located in the Department of Environmental Conservation's budget. However, this is contingent upon a required transfer of an additional \$25 million annually in Real Estate Transfer Tax revenue to the EPF beginning in SFY 2006-07.

The Assembly rejects the Executive's proposal to provide \$10,000,000 in State Parks Infrastructure projects through the EPF. Instead, the Assembly restores this funding to the Office of Parks, Recreation and Historic Preservation budget and funds these projects through the issuance of new bonds.

The Assembly rejects the Executive's proposed reappropriation for the Heritage Trail. The Assembly makes \$250,000 available for the Independence Trail from this reappropriation.

# DEPARTMENT OF PUBLIC SERVICE

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	69,822,000	71,082,000	71,082,000	0
Special Revenue-Federal	1,646,000	1,691,000	1,691,000	0
<b>Total for STATE OPERATIONS</b>	<b>71,468,000</b>	<b>72,773,000</b>	<b>72,773,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
Special Revenue-Other	400,000	400,000	400,000	0
<b>Total for AID TO LOCALITIES</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive proposes an All Funds appropriation of \$73,173,000, reflecting a \$1,305,000 or 1.8 percent increase from SFY 2004-05.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

## Article VII

The Assembly accepts the continued authorization for the Department of Public Service and other State agencies to finance certain activities through assessments on public utilities and cable companies.

# STATE RACING AND WAGERING BOARD

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	22,109,000	24,135,000	24,135,000	0
<b>Total for STATE OPERATIONS</b>	<b>22,109,000</b>	<b>24,135,000</b>	<b>24,135,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive recommends an All Funds appropriation of \$24,135,000 in State Fiscal Year (SFY) 2005-06, reflecting an increase of \$2,026,000 or 9.16 percent over the SFY 2004-05 funding level.

The \$24,135,000 agency appropriation includes a \$13,598,000 Special Revenue-Other Fund appropriation to support staff and costs associated with the regulation of racing including processing of racing licenses; the review of financial statements submitted by regional Off Track Betting (OTB) parlors; legal hearings to suspend or fine violators of racing regulations; seasonal employees at the thoroughbred and harness tracks; and the testing of race horses for prohibited drugs.

A \$2,408,000 Special Revenue-Other Fund appropriation is also recommended for support of the regulation of wagering activities of charitable gaming such as bell jar games. In addition, a \$8,129,000 Special Revenue-Other Fund appropriation is recommended to support the regulation, monitoring and investigation of Indian casinos.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

## Article VII

The Assembly accepts the Executive's proposal to increase the regulatory fee imposed on all pari-mutuel wagers from .39 percent to .50 percent for the support of the Racing and Wagering Board. This will generate an additional \$2.8 million that will sufficiently defray all administrative costs of the Board as proposed by the Executive. In order to partially offset this increase, there will be a slight increase in the take-out on NYRA regular and multiple bets through increasing the take-out from 14 percent to 15.5 percent on regular pool bets and from 17.5 percent to 19 percent on multiple pool bets on races at NYRA tracks.

The Assembly rejects the Executive's proposal to establish a new New York State Gaming Commission to take over the current function of the State Racing and Wagering Board and the Capital Investment Fund.

The Assembly rejects the Executive's proposal to create a non profit oversight board which would be charged with the authority to continue regulation of racing and Video Lottery Terminal (VLT) operations;

The Assembly rejects the Executive's proposal to revise the distribution formula of revenues from video lottery terminals (VLTs) at racetracks;

The Assembly rejects the Executive's proposal to create eight new non-racetrack franchises to operate VLTs; and

The Assembly rejects the Executive's proposal to incorporate the thoroughbred and harness breeding funds into the Department of Agriculture and Markets.

# GOVERNOR'S OFFICE OF REGULATORY REFORM

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	3,462,000	3,554,000	3,329,000	(225,000)
<b>Total for STATE OPERATIONS</b>	<b>3,462,000</b>	<b>3,554,000</b>	<b>3,329,000</b>	<b>(225,000)</b>

## Executive Year-to-Year Change

The Executive recommends an All Funds appropriation of \$3,554,000 for State Fiscal Year (SFY) 2005-06, reflecting a net increase of \$92,000 or 2.66 percent from SFY 2004-05 funding level.

## Legislative Changes

The Assembly denies \$225,000 in estimated expansion in costs associated with OPAL (Online Permit Assistance and Licensing system). The reduction reflects a reestimate of the annualized cost of OPAL enhancement.

DENY OPAL EXPANSION COSTS	-\$225,000	ST/GEN
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# OFFICE OF SCIENCE, TECHNOLOGY AND ACADEMIC RESEARCH

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	2,900,000	2,825,000	2,825,000	0
Special Revenue-Other	500,000	500,000	500,000	0
<b>Total for STATE OPERATIONS</b>	<b>3,400,000</b>	<b>3,325,000</b>	<b>3,325,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	59,265,000	43,815,000	43,815,000	0
Special Revenue-Federal	6,500,000	6,500,000	6,500,000	0
<b>Total for AID TO LOCALITIES</b>	<b>65,765,000</b>	<b>50,315,000</b>	<b>50,315,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive proposes an All Funds appropriation of \$53,640,000. This represents a decrease of \$15,825,000 or -22.9 percent from SFY 2004-05 levels. The Executive proposal includes a General Fund appropriation of \$46,340,000, a \$15,825,000 or -25.5 percent decrease from SFY 2004-05 levels. The Executive also proposes a Special Revenue-Other appropriation of \$500,000 reflecting no change from previous year funding.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.



# DEPARTMENT OF STATE

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	14,413,000	14,078,000	14,078,000	0
Special Revenue-Other	35,221,100	38,554,000	38,554,000	0
Special Revenue-Federal	11,163,000	11,436,000	11,436,000	0
<b>Total for STATE OPERATIONS</b>	<b>60,797,100</b>	<b>64,068,000</b>	<b>64,068,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	1,000,000	0	4,600,911	4,600,911
Special Revenue-Other	14,575,000	14,650,000	14,650,000	0
Special Revenue-Federal	63,700,000	63,700,000	63,700,000	0
Community Projects Fund	0	0	1,000,000	1,000,000
<b>Total for AID TO LOCALITIES</b>	<b>79,275,000</b>	<b>78,350,000</b>	<b>83,950,911</b>	<b>5,600,911</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	0	1,600,000	1,600,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>0</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive requests appropriations totaling \$144,018,000 for State Fiscal Year (SFY) 2005-06, an increase of \$3,945,900 or 2.8 percent from the SFY 2004-05 levels.

## Legislative Changes

In SFY 2005-06, the Executive proposes to fund the Quality Communities Program through the Environmental Protection Fund (EPF) located within the Department of Environmental Conservation's budget. The Assembly removes the Governor's offload from the EPF and provides \$1 million for the Quality Communities Program within the Department of State.

## Legislative Proposals

The Assembly plan provides additional funding for legal services programs administered in the Department of State. This funding will provide support to legal service organizations which serve the indigent, the elderly, women and children, victims of domestic violence and individuals who are unable to access an attorney to defend their rights.

The Assembly amends the Governor's proposal relating to State and local wireless communication surcharges, specifically related to: revising definitions governing the collection of the Statewide wireless surcharge; wireless service providers' remitting local surcharge revenue to counties; and, expanding the authorized uses of local surcharges for certain counties. The Assembly rejects the Governor's proposal to eliminate funding to localities for local enhanced wireless 911 purposes.

CIVIL LEGAL SERVICES	\$4,600,911	ATL/GEN
QUALITY COMMUNITIES PROGRAM	\$1,000,000	ATL/COM

## Article VII

The Assembly amends the Executive's proposed Article VII language authorizing the Department of State to continue to offer expedited service for another eighteen months. The Assembly extends these provisions for one year.

The Assembly amends the Governor's proposal to permanently extend the laws enacting the Federal Community Services Block Grant Program administered by the Department of State. The Assembly extends these provisions for five years.

The Assembly amends the Executive's proposed Article VII provision which seeks to clarify the administration of State and local wireless communication surcharges and modify the allocation of fund revenue.

# DEPARTMENT OF TAXATION AND FINANCE

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	311,799,000	312,584,000	312,584,000	0
Special Revenue-Other	43,176,000	44,591,000	44,591,000	0
Special Revenue-Federal	582,000	500,000	500,000	0
Internal Service Fund	62,143,000	60,527,000	60,527,000	0
<b>Total for STATE OPERATIONS</b>	<b>417,700,000</b>	<b>418,202,000</b>	<b>418,202,000</b>	<b>0</b>

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## Executive Year-to-Year Change

The Executive recommends funding of \$418,202,000 for State Fiscal Year (SFY) 2005-06, an increase of \$502,000 or 0.1 percent over SFY 2004-05 adjusted appropriations. This amount includes \$312,584,000 in General Fund support, and will be supplemented by fee income of \$44,591,000 and Federal funding of \$500,000. The Executive further recommends \$60,527,000 million for the Banking Services Fund.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

## DIVISION OF TAX APPEALS

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<hr/>				
<b>STATE OPERATIONS</b>				
General Fund	3,179,000	3,330,000	3,330,000	0
<b>Total for STATE OPERATIONS</b>	<b>3,179,000</b>	<b>3,330,000</b>	<b>3,330,000</b>	<b>0</b>

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### Executive Year-to-Year Change

The Executive proposed a State Fiscal Year (SFY) 2005-06 All Funds appropriation of \$3,330,000 reflecting an increase of \$151,000 relative to the funding level from SFY 2004-05.

### Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# NEW YORK STATE THRUWAY AUTHORITY

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
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<b>CAPITAL PROJECTS</b>				
NYS Canal System Development Fund	4,000,000	4,000,000	4,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>0</b>

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## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# DEPARTMENT OF TRANSPORTATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	26,455,500	28,334,000	28,389,000	55,000
Special Revenue-Federal	10,032,000	10,167,000	10,167,000	0
Internal Service Fund	4,114,000	0	0	0
<b>Total for STATE OPERATIONS</b>	<b>40,601,500</b>	<b>38,501,000</b>	<b>38,556,000</b>	<b>55,000</b>
<b>AID TO LOCALITIES</b>				
General Fund	111,616,000	103,016,000	103,016,000	0
Special Revenue-Other	1,648,641,000	1,846,389,000	1,846,389,000	0
Special Revenue-Federal	35,414,000	35,414,000	35,414,000	0
<b>Total for AID TO LOCALITIES</b>	<b>1,795,671,000</b>	<b>1,984,819,000</b>	<b>1,984,819,000</b>	<b>0</b>
<b>CAPITAL PROJECTS</b>				
Fiduciary	50,000,000	50,000,000	50,000,000	0
Federal Capital Projects Fund	1,706,000,000	1,706,000,000	1,706,000,000	0
Dedicated Mass Transportation Trust Fund	51,115,000	82,500,000	82,500,000	0
Dedicated Highway and Bridge Trust Fund	1,592,372,000	1,773,763,000	1,773,763,000	0
NY Metro Transportation Account	10,180,000	10,202,000	10,202,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>3,409,667,000</b>	<b>3,622,465,000</b>	<b>3,622,465,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive recommends All Funds appropriations totaling \$5,645,785,000. This amount represents an increase of \$399,845,500, or 7.6 percent from SFY 2004-05.

## Legislative Proposals

The Assembly proposes a \$2.9 billion bond act to provide funding for transportation capital projects be presented to the voters for approval in November 2005. These monies will be appropriated in the 2006-07 State Fiscal Year (SFY) Budget to allocate \$1.3 billion to the Department of Transportation (DOT) and \$1.6 billion to the Metropolitan Transportation Authority (MTA) for the respective capital plans.

The Assembly rejects the Executive's proposal to adopt the National Manual on Uniform Traffic Control Devices (MUTCD) in lieu of the State MUTCD.

STATE MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES (MUTCD)

\$55,000

ST/SRO

## Article VII

The Assembly rejects the Executive's proposal to adopt the federal manual on traffic control devices as the State manual.

The Assembly accepts the Executive's proposal to reauthorize the CHIPs and Marchiselli programs.

The Assembly rejects the Executive's proposal to increase the Thruway Authority bond cap for Dedicated Highway and Bridge Trust Fund (DHBTF) debt from \$10.25 billion to \$16 billion.

The Assembly accepts the Executive's proposal to include Seneca and Orleans Counties in the Rochester Genesee Regional Transportation Authority matching funds schedule for certain transit aid.

The Assembly rejects the Executive's proposal to create a five-year pilot program that would authorize DOT and the Thruway Authority to implement a design-build project delivery process for up to 12 DOT projects and five Thruway Authority projects.

The Assembly rejects the Executive's proposal to permit DOT, the Thruway Authority and the MTA to enter into partnership agreements with private and public entities under a proposed Transportation Facility Development Partnership Program.

The Assembly rejects the Executive's proposal to reorganize the Metropolitan Transportation Authority (MTA) into five agencies, establish and codify budgetary processes and make other changes related to the consolidation of agencies and functions.

The Assembly accepts the Executive's proposal to increase the mortgage recording tax imposed on borrowers with a property located within the Metropolitan Transportation Commuter District by 40 percent, from \$.25 per \$100 to \$.35 per \$100.

The Assembly rejects the Executive's proposal to prohibit injured MTA workers from seeking compensation by means of tort claims in cases of workplace related accidents.

The Assembly rejects the Executive's proposal to establish a criminal penalty for aggravated loitering in a transportation facility.

# URBAN DEVELOPMENT CORPORATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>AID TO LOCALITIES</b>				
General Fund	78,362,100	89,362,100	77,750,100	(11,612,000)
<b>Total for AID TO LOCALITIES</b>	<b>78,362,100</b>	<b>89,362,100</b>	<b>77,750,100</b>	<b>(11,612,000)</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund - Authority Bonds	0	340,000,000	340,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>0</b>	<b>340,000,000</b>	<b>340,000,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive proposes an Aid to Localities appropriation increase of \$11,000,000 or 14 percent from SFY 2004-05 levels. This results in a General Fund Agency appropriation totaling \$89,362,100. The Executive also proposes a Capital Projects appropriation totaling \$340,000,000. This results in an All Funds appropriation of \$429,362,100, an increase of \$351,000,000 or 447.9 percent from SFY 2004-05 levels.

## Legislative Changes

The Executive proposal for the Urban Development Corporation includes a number of appropriations which rely upon broad discretionary powers that have been granted to the Commissioner of Economic Development. Within this framework, the State's economic development policy has evolved into a series of project announcements without a cohesive vision holding it together. The Executive proposal perpetuates a one size fits all approach that has failed to build a local economic strength to serve the State well.

The Assembly recommends eliminating funding for \$340,000,000 in Capital Projects appropriations supporting newly created Strategic Partnerships for Upstate Resurgence (SPUR) Program and a New York State Technology and Development Program. In addition, the Assembly recommends \$75,412,000 in savings by eliminating General Fund support for the Jobs Now Program, the Empire State Economic Development Fund (EDF), the SPUR Program, and military base retention efforts. Specifically, the Assembly recommends the following reductions be made to the Executive Budget Proposal for the Urban Development Corporation:

DENY NYS TECHNOLOGY & DEVELOPMENT PROG	-\$250,000,000	CAPITAL
DENY SPUR PROGRAM	-\$90,000,000	CAPITAL
DENY EMPIRE STATE ECONOMIC DEVELOP. FUND	-\$32,278,000	ATL/GEN
DENY FUNDING FOR THE JOBS NOW PROGRAM	-\$32,134,000	ATL/GEN
DENY SPUR PROGRAM	-\$10,000,000	ATL/GEN
DENY MILITARY BASE RETENTION EFFORTS FUNDING	-\$1,000,000	ATL/GEN



## **Legislative Proposals**

In light of the failure of the Governor's policies to address the economic difficulties confronting the people of New York, the time has come for a comprehensive approach to re-establishing an environment of opportunity in the Empire State. For this reason, the Assembly provides the NY@Work Economic Growth Agenda

### **Assembly New York @ Work Economic Growth Agenda**

To meet the considerable challenges of a global, 21st Century economy, New York must adopt a strategic, market-driven, and accountable approach to economic development — one that recognizes both the unique resources of each region of the State and the key industries within the regions. To accomplish this, the Assembly proposes NY@Work, an agenda for economic growth that will create tens of thousands of jobs and spur entrepreneurship and business expansion throughout the State.

#### **I. Regional Innovation through Scientific Entrepreneurship (RISE) Program**

New York's future economic competitiveness, nationally and internationally, will be dependent upon the collective vision of our academic, economic and political institutions to position the State to take advantage of constant technological change. The Assembly provides \$118.25 million in State capital and operating support for the creation of a Regional Innovation through Scientific Entrepreneurship (RISE) Program. The RISE program will build upon our considerable capital investments in university-based research and other investments in programs that bring innovation to the marketplace. It will create a broad-based consensus among research institutions, the business community and local and regional economic development professionals that will foster the growth and development of cutting-edge technology-based businesses and lead to the creation of high-paying, highly skilled jobs in every region of the State. Local and regional economic development organizations (including the Centers of Excellence and other academic research institutions where applicable) will be eligible to participate in the program pursuant to a competitive selection process. Organizations selected for participation in the program shall have the ability to utilize State support for the following:

##### **A. Metropolitan Medical Matrix Program (M<sup>3</sup>)**

This program will create a capital fund in the New York City region to support the development and commercialization of new technologies emanating from the region's preeminent academic biomedical research institutions.

##### **B. Biofacilities Development Program**

This program will support the capital needs of the biomedical and biotechnology industry clusters as well as those of the academic research institutions that support and foster their development.

##### **C. Broadband Assistance**

This program will provide for telecommunications assessments conducted by local economic development organizations to create an inventory of existing advanced telecommunications infrastructure and determine the need for additional broadband deployment. It will also provide financial assistance to small businesses for costs associated with accessing broadband networks and to broadband developers or operators to acquire, construct, develop, and maintain their broadband infrastructure.

#### D. Technology Commercialization Fund

This fund will provide support for lab-based commercialization enhancement and pre-venture product and business development at facilities that will be equipped with high-tech resources appropriate to different technology sectors, including biotechnology, nanotechnology, bioinformatics, software design, and other advanced technologies.

#### E. Innovative Energy and Environmental Technologies Fund

This fund will provide grants to small businesses to support the commercialization of innovative energy and environmental technologies. It will also establish an energy loan fund to provide low interest financing to small businesses for energy efficiency projects and advanced energy technologies.

#### F. Capital Access Program

This important small business program will provide a loan loss reserve fund to help businesses expand, upgrade their technologies or meet other start-up or working capital needs through traditional debt financing. It will target the needs of newer businesses with less equity that are considered debtors of greater risk.

#### G. Community Colleges

The Assembly will provide for the alignment of SUNY and CUNY community colleges with high-tech industry clusters and academic research institutions. It will develop specialized curricula in order to meet the needs of emerging businesses for technicians and other skilled workers.

#### H. Regional Technology Commercialization Fund

This fund will provide working capital support, such as lab-based commercialization enhancement and pre-venture product and business development, to various technology sectors, particularly those that partner with university-based research institutions.

#### I. Incubator Assistance

The Assembly will provide State support to promote networking among incubator/research park facilities and provide technical assistance in planning, financing and resource sharing.

#### J. NYSEEDS

In order to fill the gaps in university and industrial alliances, the Assembly recommends the creation of a NYSEEDS Venture Capital Program. This initiative may seed regional funds which will provide essential capital at the earliest and most critical stages of business formation.

### **II. Community Investment Program (CIP)**

The Assembly provides \$107,050,000 in State capital and operating support for the creation of a Community Investment Program that will provide valuable State support to economic development activities designed to strengthen and maintain New York's aging workforce development facilities, manufacturing facilities, particularly those in mature sectors such as the automotive industry, and tourism destination facilities, as well as in our aging transportation network and former military installations. It makes investments in the physical infrastructure necessary to leverage support renewed economic activity across the State.

#### A. The Community Investment Program Capital Fund

The Assembly proposes creating a Community Investment Program Capital Fund for capital projects related to economic development initiatives including workforce development, manufacturing, agricultural, including greenhouses, tourism destination facilities industrial facilities, business parks, former military installations, incubators, downtown and rural commercial center projects.

#### B. The Small Manufacturer and Niche Markets Program

The Assembly creates a Small Manufacturer and Niche Markets Program to support outreach to the small business sector, building upon such successful programs as those run by the New York Industrial Retention Network.

#### C. Flexible Manufacturing and Networking

The Assembly provides support for flexible manufacturing and small business networking initiatives including economic development programs focusing on the development of strategic industry clusters and the creation of industry associations within these clusters to facilitate cooperation and shared problem solving.

#### D. Manufacturing Research and Development

The Assembly proposes to build upon existing State university-industry research alliances and initiate R&D programs that enable small manufacturing firms, lacking an extensive R&D capability, to become partners of universities in the existing, large, State-sponsored applied R&D programs.

#### E. Export Assistance

The Assembly provides State assistance directed toward stimulating small firms to take advantage of the export market, distinguishing between export promotion and the direct export assistance small firms may need.

#### F. Historical and Cultural Marketing Initiative

The Assembly provides support for the marketing efforts of institutions of historical and cultural significance. Support is focused on marketing as tourist attractions those institutions linked by historical events that can operate synergistically, and promote themselves collectively, as thematic destinations for special interest out-of-State travelers.

#### G. The "Locally Grown, Locally Known" Program

The Assembly provides State support to promote and market the State's bounty of "locally grown, locally known" agriculture products and assists in the development of new markets domestically and internationally.

#### H. Getting to Market Program

The Assembly proposes to establish a kitchen incubator/shared-use facility program to develop or expand food production. It also authorizes grants to local development corporations, municipalities, educational facilities, and not-for-profit organizations for technical assistance, business management, marketing, distribution, storage and retailing assistance.

#### I. Local Empire Zone Administration

The Assembly NY@Work Program provides support to fully restore State funding for local Empire Zone Administration.

### **III. Expand Local Economies through Vocational and Technical Education (ELEVATE NEW YORK)**

The Assembly provides \$28,500,000 for the creation of the Expand Local Economies through Vocational and Technical Education (ELEVATE NEW YORK) Program. This will support investments in New York's best resource, its workforce. The Assembly recognizes that one of the best economic development investments the State can make is to build the skills of its workers, and that such investment must start in the schools. The Assembly plan includes:

#### **A. School to Work**

ELEVATE NEW YORK provides support for School to Work programs that encourage schools to develop structured programs opening opportunities for youth in various fields including science, technology, and community service.

#### **B. Vocational Education and Apprenticeships**

The Assembly plan also invests in vocational education, apprenticeship and support programs that train individuals for occupations that do not require a post-secondary education experience.

#### **C. Internship Programs**

The Assembly provides funding to support the use of internships and work study programs at the post-graduate level that will enable students to leave with a degree and some "hands-on" experience that gives them an advantage entering the workplace and gives employers a more productive entry-level employee.

#### **D. Educational Opportunity Centers (EOCs)**

Educational Opportunity Centers (EOCs) are a successful Assembly initiative providing job training and educational services to roughly 20,000 low-income New Yorkers at 11 sites across the State. The services provided not only prepare individuals for jobs but also enable them to gain academic skills to pursue educational options. The Assembly provides supplemental funds to allow the program to develop classroom sites at community centers and in public housing developments.

#### **E. ManuTech 2005**

A skilled and educated workforce forms the foundation on which a manufacturing economy is built. The Assembly creates ManuTech 2005, a new program that will be administered through a partnership of labor, community colleges, and employers and will meet the demand for training at the workplace for employers adjusting to the requirements of new technologies. Traditional manufacturing, such as the automotive industry, as well as new and emerging industries, such as the semiconductor industry, will benefit from the program.

### **IV. Continued Capital Support for Technology Research at Academic Institutions**

New York possesses a strong network of public and private institutions of higher learning. The promotion of increased industry-university partnerships should serve as a mechanism to allow the State to tap into one of its greatest assets, its highly skilled workforce.

It is imperative that the unsurpassed research and development efforts of the many universities of the Empire State are supported and encouraged to prosper. New York maintains a tremendous system of public and private institutions of higher education that provide a unique and comprehensive knowledge base that will continue to serve as an engine of future economic growth. Therefore, the Assembly recommends the creation of a \$150,000,000 Academic Research and Development Fund designed to ensure that academic research and development continues to be a critical engine for economic growth in New York State.

## V. Reform the Empire Zones Program

The Empire Zones Program, an Assembly Majority initiative first advanced in 1999, is the single most important economic development program in the State. It has been cited by local governments and the business community alike as indispensable to the State's efforts to create jobs and grow regional economies. Unfortunately, the program for these virtually tax free zones, has been mismanaged, has suffered numerous abuses, and, thus, has failed to live up to its considerable potential. The Assembly proposes to thoroughly reform the program in several important ways. First and foremost, it will greatly mitigate the likelihood of future abuses by requiring zones to be reconfigured into contiguous areas. Second, it will create a two-track program that encourages investment in distressed communities. Third, it will encourage the creation of good-paying jobs by predicating businesses' tax credits on the total amount of wages and benefits paid to employees. Finally, it will create economic opportunities in areas of the State that have been left behind by authorizing the creation of six new zones.

NY@WORK -CAPITAL PROJECTS  
NY@WORK - OPERATING SUPPORT

\$340,000,000	CAPITAL
\$63,800,000	ATL/GEN

## Article VII

The Assembly rejects the Executive Article VII proposal for \$300,000,000 in bonding authorization for the construction of the New York Sports and Convention Center.

The Assembly recommends Article VII language that authorizes the suballocation of Minority and Woman Owned Business Development Loan Program (MWBDLP) funding for the following: (i) \$1,000,000 for community development financial institutions (CDFIs); (ii) \$1,300,000 for the entrepreneurial assistance program (EAPs); and (iii) up to \$525,000 shall be used to make linked deposits of funds into federal and state-chartered credit unions in New York State.

The Assembly recommends Article VII language to authorize Military base reuse and redevelopment initiative funding to be suballocated for the following: (i) \$1,400,000 for Griffiss air force base; (ii) \$100,000 for Niagara Falls air force base; (iii) \$1,400,000 for Plattsburgh air force base; and (iv) \$100,000 for Seneca army depot.

The Assembly accepts the Executive's proposed Article VII language that would authorize the New York State Dormitory Authority to provide \$1,200,000 in support of the operations of the Cornell Theory Center supercomputer.

The Assembly rejects the Executive's proposed Article VII language that would make the Urban Development Corporation's loan powers permanent and provides for an extension of these powers for one year until July 1, 2006.

The Assembly continues the statutory authorization for the Administration of the EDF for one-year such authorization shall expire upon the enactment of the 2006-07 State Budget.

The Assembly rejects Article VII language providing statutory authorization creating the Strategic Partnerships for Upstate Resurgence (SPUR) Program.

The Assembly provides Article VII language governing the interchange of corporate funds of the Urban Development Corporation.

## MISCELLANEOUS: TRANSPORTATION, ECONOMIC DEVELOPMENT & ENVIRONMENTAL CONSERVATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	2,967,000	111,041,000	3,041,000	(108,000,000)
Special Revenue-Other	0	1,000,000	1,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>2,967,000</b>	<b>112,041,000</b>	<b>4,041,000</b>	<b>(108,000,000)</b>
Greenway Heritage Conservancy for the Hudson River Valley				
General Fund	190,000	256,000	256,000	0
Total for Program	190,000	256,000	256,000	0
Hudson River Valley Greenway Communities Council				
General Fund	383,000	391,000	391,000	0
Total for Program	383,000	391,000	391,000	0
Public Authority Reform, Commission on				
Special Revenue-Other	0	1,000,000	1,000,000	0
Total for Program	0	1,000,000	1,000,000	0
Racing and Gaming Contract				
General Fund	0	108,000,000	0	(108,000,000)
Total for Program	0	108,000,000	0	(108,000,000)
Green Thumb				
General Fund	2,394,000	2,394,000	2,394,000	0
Total for Program	2,394,000	2,394,000	2,394,000	0
<b>AID TO LOCALITIES</b>				
General Fund	204,000	204,000	204,000	0
Special Revenue-Other	553,606,000	688,162,000	688,162,000	0
<b>Total for AID TO LOCALITIES</b>	<b>553,810,000</b>	<b>688,366,000</b>	<b>688,366,000</b>	<b>0</b>
Hudson River Valley Greenway Communities Council				
General Fund	204,000	204,000	204,000	0
Total for Program	204,000	204,000	204,000	0
Metropolitan Transportation Authority				
Special Revenue-Other	540,100,000	672,300,000	672,300,000	0
Total for Program	540,100,000	672,300,000	672,300,000	0
Tribal State Compact Revenue Program				
Special Revenue-Other	13,506,000	15,862,000	15,862,000	0
Total for Program	13,506,000	15,862,000	15,862,000	0
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund - Authority Bonds	600,000,000	350,000,000	350,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>600,000,000</b>	<b>350,000,000</b>	<b>350,000,000</b>	<b>0</b>

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
Regional Development				
Capital Projects Fund - Authority Bonds	250,000,000	0	0	0
Total for Program	250,000,000	0	0	0
Jacob Javits Convention Center				
Capital Projects Fund - Authority Bonds	0	350,000,000	350,000,000	0
Total for Program	0	350,000,000	350,000,000	0
New York State Economic Development Program				
Capital Projects Fund - Authority Bonds	350,000,000	0	0	0
Total for Program	350,000,000	0	0	0

## Executive Legislative Changes

### Racing and Gaming Contract

The Assembly denies \$108 million in Miscellaneous All State Agencies funding for payment of vendor contracts due to the Assembly's rejection of the Executive's proposal to revise the distribution formula of revenues from Video Lottery Terminals (VLTs) at racetracks.

DENIAL OF FUNDING FOR PAYMENT OF VENDOR CONTRACTS	-\$108,000,000	ST/GEN
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## Legislative Proposal

### Tribal State Compact

The Assembly amends the appropriation language to remove the reference to USA Niagara Development Corporation, to ensure that local share of state revenues from the Niagara Falls Gaming Facility goes directly to the host municipality, the City of Niagara Falls.