

APPROPRIATION BUDGET BILLS

A. 550/S. 550	Public Protection and General Government
A. 551/S. 551	Legislature and Judiciary
A. 552/S. 552	Debt Service
A. 553/S. 553	Education, Labor and Family Assistance
A. 554/S. 554	Health and Mental Hygiene
A. 555/S. 555	Transportation, Economic Development and Environmental Conservation
Budget Bill #1	Deficiency Appropriations for State Fiscal Year 2004-05
Budget Bill #2	Deficiency Language for State Fiscal Year 2004-05

NON-APPROPRIATION BUDGET BILLS

A. 1925/S. 995 - Strategic Partnership for Upstate Resurgence (Operation SPUR)

- Establish Operation SPUR and authorize the issuance of bonds for purposes of the program.
- Create a SPUR initiative that permits a wage tax credit for employers that create at least fifty new jobs in areas participating in SPUR.
- Create a SPUR tax incentive to provide a new business allocation percentage and eliminate the alternative minimum tax rate for manufacturers making investments or creating jobs in areas participating in SPUR.
- Create a SPUR tax incentive that permits the conversion of tax losses into a refundable tax credit for employers making investments or creating jobs in areas participating in SPUR.
- Extend and reform the Empire Zones program.
- Extend the Power for Jobs program until December 31, 2006.

A. 1920/S. 990 - Public Protection and General Government

- Clarify the authority of the Department of Civil Service regarding the administration of the Employee Health Insurance Fund.
- Authorize deposits, temporary loans for various funds, cash transfers between funds and bonding authorizations; propose provisions relating to general fiscal and debt management issues.
- Permit a new standard using "aggregate weight" for lab analysis of illegal drug evidence.
- Provide for independent review and public comment on pension funding changes, and reconsideration of the 2005-06 contribution rates.
- Extend for five years authorization to deposit all rental receipts from State armories into the Armory Rental Account.
- Extend the Tuition Recruitment and Incentive program for members of the State's organized militia.
- Authorize comprehensive mandate relief initiatives for localities.

- Increase the maximum civil penalty for unfair and deceptive business practices and false advertising.
- Merge the Public Employment Relations Board and the State Employment Relations Board to create the State Labor Relations Board.
- Establish annual information submission and filing fees for the State Labor Relations Board.
- Extend the Temporary State Commission of Investigation for an additional six years.
- Make permanent the authorization for awarding emergency construction contracts of up to \$200,000 without competitive bidding.
- Make permanent the authorization for up to 15-year real estate leases for State agencies.
- Authorize the use of owner-controlled insurance by State agencies, public authorities, and municipalities.
- Permit quarterly reimbursement to the Office of Court Administration from the Indigent Legal Services Fund.
- Make permanent the authorization for centralized purchasing of commodities and services.
- Facilitate the merger and consolidation of local governments.
- Extend the period in which the Division of Parole can process a parole violation warrant for certain out-of-State parole violators.
- Extend for one year the authorization to fund part of the State's public safety efforts with motor vehicle law enforcement fees.
- Add electricity, insurance and risk management to the list of OGS services available to State agencies, public authorities and municipalities.
- Extend for five years various criminal justice programs and fees.
- Create a new Aid and Incentives for Municipalities (AIM) Program.
- Clarify the administration of the State and local wireless communications service surcharges and dedicate all State surcharge revenues to public safety and security activities.
- Provide compensation for the State employee-victims who were killed or injured during the 1971 inmate uprising at the Attica Correctional Facility, or their survivors.

- Create a new Co-STAR tax rebate for eligible STAR recipients throughout New York State.
- Authorize the use of traffic law enforcement cameras at work zones, dangerous stretches of highway and traffic-light intersections.
- Merge the Division of Probation and Correctional Alternatives into the Division of Criminal Justice Services.
- Raise the compensation for the position of Superintendent of State Police, to be commensurate with the current duties and responsibilities of this position.

A. 1921/S. 991 - Education, Labor and Family Assistance

- Conform the asbestos handling license renewal fee with the initial application fees that were increased in 2004-05.
- Protect taxpayers from escalating school taxes and maintain the value of their STAR savings by placing limits on school budget increases.
- Align fiscal responsibility for tenured teachers' disciplinary hearings with the local school districts initiating such hearings.
- Establish a tuition policy at SUNY and CUNY that authorizes the Trustees to charge differential tuition based on the costs of educating students at various campuses and to set tuition rates prior to enactment of the State Budget.
- Authorize the SUNY Trustees to index tuition increases to an inflator for entering students; freeze tuition for four years for incoming students; and authorize differential tuition rates for medical students agreeing to serve in a public capacity.
- Establish a new scholarship program for families of victims of the American Airlines Flight 587 crash.
- Amend language establishing a Higher Education Capital Matching Grant Board to authorize the Board to establish a formula to award capital grants to private colleges, and to award competitive grants to public and private colleges and universities.
- Establish a new Partnership to Accelerate Completion Time (PACT) program and direct the SUNY/CUNY Trustees to modify the campus allocation process to reward campuses for timely and successful graduations.
- Modify the Tuition Assistance Program (TAP) to provide incentives for timely graduation for first-time recipients in 2005-06, create a Tuition Assistance Loan program and reform certain TAP eligibility criteria.

- Authorize the SUNY Board of Trustees to transfer the operations of the SUNY hospitals to one or more private not-for-profit corporations, and direct the Board to develop a plan for such transfer.
- Transfer the State Education Department's Vocational Rehabilitation portion of the VESID program to the Labor Department; transfer the administration of the Workers' Compensation Board to the Labor Department; eliminate antiquated boards and councils, including the Hazard Abatement Board and the Capital Abatement Program; and add a Compliance Assistance component to the existing Office of Safety and Health Training and Education Program.
- Provide for the support of the Summer School of the Arts, NYS Theatre Institute and the Performing Arts Center Corporation from funds of the Cultural Education revenue account.
- Streamline the Library Aid program and make technical amendments.
- Reduce placements of Persons-In-Need-of-Supervision (PINS) in detention facilities and make services available to PINS in their communities.
- Establish a New York Institute for Cultural Education (NYICE) that would be responsible for the administration of the State Museum, the State Library, the State Archives and other cultural education programs that are currently administered by the State Education Department.
- Establish the Public Broadcasting Facilities Assistance Program, authorizing issuance of authority bonds to provide matching grants for capital improvement projects of public television and radio stations.
- Realign the amount of earnings an individual may retain while receiving public assistance based upon the length of time an individual has been on welfare.
- Reduce the Safety Net work participation rate for singles from 90% to 50% and enforce penalties.
- Authorize withholding of the entire welfare grant if the head of the household does not fulfill his or her employment obligation.
- Transfer Department of Labor welfare employment programs to the Office of Temporary and Disability Assistance to provide comprehensive services to harder-to-serve public assistance recipients.
- Initiate accountability and efficiency reforms for school districts and BOCES, including the creation of a new Office of Educational Accountability and Efficiency to ensure the opportunity for a sound basic education for all children.

- Provide reforms to the State's education finance system through the establishment of Flex Aid and Sound Basic Education Aid, modifications to Building Aid and other changes.
- Establish fiscal penalties for social service districts that do not engage a minimum number of their Family Assistance population in work-related activities.
- Create a "Strengthening Families through Stronger Fathers" initiative for younger, non-custodial parents to supplement their income through an enriched Earned Income Tax Credit.

A. 1922/S. 992 - Health and Mental Hygiene

- Improve public health services by eliminating low-priority programs, implementing cost saving measures and facilitating access to the Medicare prescription drug benefit for low-income EPIC enrollees.
- Reauthorize the Health Care Reform Act (HCRA) and enact proposals to preserve its fiscal stability, advance health care reform initiatives and authorize additional non-profit insurance company conversions.
- Restructure the State's Medicaid Program through measures that reduce costs, enhance revenues and maintain access to health care services and advance an initiative to limit local Medicaid costs, leading to a full State takeover in 2008.
- Close the Middletown Psychiatric Center on April 1, 2006 and require that all savings from the facility closure be reinvested to expand State-operated community services.
- Reauthorize the Naturally Occurring Retirement Community (NORC) Program for two years.
- Merge the Office of Advocate for Persons with Disabilities and the Commission on Quality of Care for the Mentally Disabled.

A. 1923/S. 993 - Economic Development and Environmental Conservation

- Authorize funding for the Cornell Supercomputer.
- Authorize the New York State Energy Research and Development Authority to make payments to the General Fund and the Environmental Conservation Special Revenue Fund.
- Authorize certain State agencies to finance their activities with revenues from assessments on public utilities and cable companies.

- Authorize assessments on utilities to be used for New York State Energy Research and Development Authority research and development costs.
- Make permanent the general loan powers of the New York State Urban Development Corporation.
- Increase penalties for food and other health violations.
- Eliminate the annual inspection requirement for pet dealers' facilities and authorize the Department of Agriculture and Markets to conduct inspections on a risk-based frequency.
- Increase license fees for insurance agents and brokers.
- Increase Title V operating permit program emission fees on stationary sources of air pollution.
- Repeal the requirement for mandatory annual food safety inspections and authorize the Department of Agriculture and Markets to conduct inspections on a risk-based frequency.
- Extend pesticide registration fees.
- Create the New York State Gaming Commission to oversee video lottery gaming, horse racing and tribal State compacts, and increase the regulatory fee on horse racing.
- Increase the video lottery payments to education from 61 percent to 90 percent of net machine income and permit eight new facilities to be licensed.
- Extend the Department of State's authorization to administer the Federal Community Services Block Grant program.
- Increase Insurance Department service of process fees.
- Increase all-terrain vehicle (ATV) registration fees and establish an ATV program.
- Extend the Department of State fees for special handling of information and licensing requests.
- Authorize Urban Development Corporation bonding for the Technology and Development program.
- Authorize additional purposes for the Environmental Protection Fund.
- Establish a new Wetlands program and permit fees.
- Provide authorization for \$300 million in support of the New York Sports and Convention Center.

A. 1926/S. 996 - Transportation

- Extend the State vehicular drug penalty standards and conform the standards to Federal requirements.
- Conform the State commercial driver's license law to Federal requirements.
- Increase various Department of Motor Vehicle fees to help fund the new five-year transportation capital plan.
- Create a criminal penalty for aggravated loitering in a transportation facility to deter the unauthorized sale of MetroCard swipes in Metropolitan Transportation Authority facilities.
- Add Seneca and Orleans counties to the Rochester Genesee Regional Transportation Authority (RGRTA) service district.
- Reorganize the Metropolitan Transportation Authority to establish new subsidiary companies that combine like functions, to promote operational and administrative efficiencies.
- Increase the Dedicated Highway and Bridge Trust Fund bond cap to support the new five-year transportation capital plan.
- Provide the annual and five-year authorizations for CHIPS and Marchiselli programs for the new five-year transportation capital plan.
- Conform the State vehicular alcohol penalty standards for open container offenses to Federal requirements.
- Conform the State manual on traffic control devices to Federal standards.
- Close a loophole that allows improper double recovery for employees injured in certain Metropolitan Transportation Authority facilities.
- Authorize the Department of Transportation, the Thruway Authority and the Metropolitan Transportation Authority to enter into partnership agreements with public and private entities and to utilize innovative financing techniques to fund transportation facilities in the new five-year transportation capital plan.
- Authorize the Department of Transportation and the Thruway Authority to utilize a design-build project delivery process for a limited number of capital projects.

A. 1924/S. 994 - Revenue

- Allow the direct shipment of wine to individuals in New York State from out-of-State wineries.
- Change how non-residents compute the credit for long-term care insurance.
- Authorize the Tax Department to arrange reciprocal offset tax agreements with New York City and other states.
- Increase the income level at which the filing of personal income tax returns is required.
- Make permanent the sales tax reporting requirements for Manhattan parking vendors.
- Increase the excise tax on wine from 5 cents to 28 cents per liter and use the portion of the increase paid by New York wineries to promote New York wine.
- Make permanent the temporary increase in limited liability company fees enacted in 2003.
- Ease restrictions on Quick Draw and make the game permanent.
- Allow for an additional \$2 million in tax credits annually, or \$20 million over the ten-year life of the program, for the Low-Income Housing Tax Credit program.
- Replace the permanent clothing and footwear sales tax exemption with two \$250 exemption weeks.
- Accelerate the phase-out of the temporary personal income tax surcharge enacted in 2003.
- Provide two sales tax exemption weeks for certain "Energy Star" items.
- Require electronic filing of personal income tax returns by large tax preparer firms.
- Require tax clearance to obtain certain State licenses and contracts.
- Restructure and expand the alternative fuel vehicles program.
- Close the loophole regarding tax treatment of real estate investment trusts (REITS) and regulated investment companies (RICS) to conform to Federal and New York City tax treatment.
- Increase the capital base cap under the Article 9-A Corporate Franchise Tax from \$350,000 to \$1,000,000.
- Enhance the Green Buildings Program to allow for an additional \$25 million in tax credits.

- Remove the premiums tax exclusion for certain insurance companies that are currently exempt as county cooperative insurance corporations.
- Adopt tax shelter provisions based on Federal provisions.
- Create a new State STAR credit under the personal income tax to protect the STAR benefit from the effects of inflation.
- Safeguard the flow of funds to the State under the tobacco master settlement agreement ("MSA").
- Compensate the State for any reimbursements, refunds, overpayments, adjustments, or other modifications to local revenues or payments.

Source: 2005-06 New York State Executive Budget

**JOINT FISCAL COMMITTEE HEARINGS ON THE EXECUTIVE BUDGET
FOR STATE FISCAL YEAR 2005-06**

<u>DATE</u>	<u>LOCATION</u>	<u>TIME</u>	<u>TOPIC</u>
January 24	Hamilton Room	10:00 a.m.	Local Government Officials and General Government
January 25	Hamilton Room	9:30 a.m.	Transportation
January 26	Hamilton Room	9:30 a.m.	Mental Hygiene
January 31	Hamilton Room	10:00 a.m.	Health, Medicaid & Aging
February 1	Hamilton Room	9:30 a.m.	Housing
February 2	Hamilton Room	9:30 a.m.	Public Protection
February 7	Hamilton Room	10:00 a.m.	Human Services
February 8	Hamilton Room	9:30 a.m.	Higher Education/ Academic Research
February 9	Hamilton Room	9:30 a.m.	Environmental Conservation
February 14	Hamilton Room	10:00 a.m.	Elementary & Secondary Education
February 15	Hamilton Room	9:30 a.m.	Workforce Issues
February 16	Hamilton Room	9:30 a.m.	Economic Development/Taxes

FORECAST OF RECEIPTS

On or before March 1

Release of revenue receipts
by the Fiscal Committees of the
Legislature

All Hearings will be held in the Hamilton Room -- Hearing Room B in the Legislative Office Building, Albany.